Urban Share of Total Population in 2011
India and Some Selected Countries

<table>
<thead>
<tr>
<th>Country</th>
<th>Urban Share (per cent)</th>
</tr>
</thead>
<tbody>
<tr>
<td>India</td>
<td>31</td>
</tr>
<tr>
<td>Indonesia</td>
<td>45</td>
</tr>
<tr>
<td>China</td>
<td>48</td>
</tr>
<tr>
<td>Mexico</td>
<td>78</td>
</tr>
<tr>
<td>Korea</td>
<td>83</td>
</tr>
<tr>
<td>Brazil</td>
<td>87</td>
</tr>
</tbody>
</table>

(per cent)
Urban Share of Total Population in 2011
India and Some Selected States

<table>
<thead>
<tr>
<th>State</th>
<th>Urban Share (per cent)</th>
</tr>
</thead>
<tbody>
<tr>
<td>India</td>
<td>31.1</td>
</tr>
<tr>
<td>Uttar Pradesh</td>
<td>22.3</td>
</tr>
<tr>
<td>Haryana</td>
<td>34.8</td>
</tr>
<tr>
<td>Punjab</td>
<td>37.5</td>
</tr>
<tr>
<td>Chandigarh</td>
<td>97.2</td>
</tr>
<tr>
<td>Delhi</td>
<td>97.5</td>
</tr>
</tbody>
</table>
India is urbanising...

• India’s urban population to increase
  ➢ From 377 million today to 600 million by 2031
  ➢ From 53 metropolitan cities in 2011 to 87 by 2031

• There are 7935 cities and towns in 2011, up from 5161 in 2001

• There are 6166 Urban Agglomerations in 2011, up from 4378 in 2001

*Urban planning, urban infrastructure development, and public service delivery of universal standards must address this challenge*
Need to Recognise Urbanisation

Haryana

• Census towns increased in number from 18 in 2001 to 74 in 2011
• Statutory towns decreased from 84 in 2001 to 80 in 2011

Punjab

• Census towns increased in number from 18 in 2001 to 74 in 2011
• Statutory towns increased from 139 in 2001 to 143 in 2011

Definitions:

Census towns have at least 75% of the male working population engaged in non-agricultural activities

Statutory towns have a population of at least 5,000 and have local bodies like municipal corporations, municipal committees, etc. irrespective of their demographic characteristics.
# Urban Population in Slums and Poverty

## Population in Slums (per cent)

<table>
<thead>
<tr>
<th></th>
<th>2001</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>India</td>
<td>26.3</td>
<td>25.0</td>
</tr>
<tr>
<td>Haryana</td>
<td>38.4</td>
<td>37.3</td>
</tr>
<tr>
<td>Punjab</td>
<td>26.2</td>
<td>26.9</td>
</tr>
</tbody>
</table>

## Population in Poverty (per cent)

<table>
<thead>
<tr>
<th></th>
<th>2004-05</th>
<th>2009-10</th>
</tr>
</thead>
<tbody>
<tr>
<td>India</td>
<td>25.7</td>
<td>20.9</td>
</tr>
<tr>
<td>Haryana</td>
<td>22.4</td>
<td>23.0</td>
</tr>
<tr>
<td>Punjab</td>
<td>18.7</td>
<td>18.1</td>
</tr>
</tbody>
</table>

*Note: Estimates of poverty based on Tendulkar Methodology (Planning Commission, Government of India)*
Comparing growth of GSDP: Haryana and Punjab
Comparing growth of GSDP: Uttar Pradesh, Delhi and Chandigarh

<table>
<thead>
<tr>
<th>Year</th>
<th>3-year moving average growth rates</th>
</tr>
</thead>
<tbody>
<tr>
<td>2004-05</td>
<td>4.8</td>
</tr>
<tr>
<td>2005-06</td>
<td>5.7</td>
</tr>
<tr>
<td>2006-07</td>
<td>6.7</td>
</tr>
<tr>
<td>2007-08</td>
<td>7.3</td>
</tr>
<tr>
<td>2008-09</td>
<td>7.5</td>
</tr>
<tr>
<td>2009-10</td>
<td>7.0</td>
</tr>
<tr>
<td>2010-11</td>
<td>7.1</td>
</tr>
<tr>
<td>2011-12</td>
<td>6.8</td>
</tr>
</tbody>
</table>

- **India**
- **Uttar Pradesh**
- **Delhi**
- **Chandigarh**
Per capita income and urbanisation levels: States 2011

Note: Per capita Income at 2004-05 constant prices

Source: Estimates based on Census of India data and CSO
Rapid Growth has meant that as Indian economy goes through a major structural transformation, urban share of GDP is rising rapidly.

Source: CSO, Eleventh Five Year Plan and the Mid-Term Appraisal Document of the Eleventh Five Year Plan
Role of rural-urban migration

- Pressure of rural-urban migration will increase with
  - increasing role of industry and services sector in growth
  - with more labour absorbing growth resulting from increasing integration with the world economy
- Many cities will experience peripheral expansion, with smaller municipalities and large villages surrounding the core city becoming part of the metropolitan area.

Alert: Census 2011 figures??

Migration has played a minor role in urbanisation
Important Messages from HPEC (Ahluwalia) Report 2011:

The challenge of faster and more inclusive growth

• To sustain growth rates of GDP of 8 to 9 per cent per annum or per capita income increases of about 6.5 to 7.5 per cent per annum

• Faster GDP growth has to come from industry and services, since agriculture at best can grow at 4 to 4.5 per cent per annum

• To make growth of industry and services more labour intensive
  - modernise labour laws (to provide greater flexibility in hiring and firing labour)
  - provide social protection to those who do not find productive employment in the organised sector.

• Fortunes of the rural sector are crucially linked to the manner in which growth in the industrial and services sector unfolds
• Decline in China’s working age population from 2010 onwards
• Decline in Brazil’s working age population from 2020 onwards
• Increase in India’s working age population will continue till 2040 and begin to decline mildly after that

But Demographic Dividend can be reaped only if
  ➢ Youth is empowered with skills and higher education for innovation, and
  ➢ Employment opportunities expand
Implications for urban development

• Need **more cities** as engines of growth for providing agglomeration economies
• Investment climate is about **ease of living** as much as about ease of doing business

The ground reality

• Cities and towns of India are visibly deficient in the quality of services they provide
• Current state of service delivery is far short of what is needed to realise the economic potential of urban areas

The way forward

• Creating urban infrastructure
• Reforming governance for service delivery
• Providing access to universal service standards for all including the poor
• Consciously building rural-urban synergy
• Recognising importance of urban transport
• Integrating transport and land use planning
• Focussing on metropolitan planning
## Service Standards

<table>
<thead>
<tr>
<th>Service Standards</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Water Supply</strong></td>
<td>100 per cent piped water, 24x7 flow, and 135 lpcd consumption per capita</td>
</tr>
<tr>
<td><strong>Sewerage</strong></td>
<td>Underground sewerage with 100 per cent collection and treatment of waste water</td>
</tr>
<tr>
<td><strong>Solid Waste</strong></td>
<td>100 per cent collection, transportation and treatment</td>
</tr>
</tbody>
</table>
| **Urban Roads**   | 11 per cent area for cities  
|                   | 7 per cent for towns  
|                   | 12.25 km per sq. km. for cities  
|                   | 7 km per sq. km. for towns |
| **Storm Water Drains** | Network covering 100 per cent road length on both sides of the road |
| **Urban Transport** | Rail-based and road-based Mass Rapid Transit System for cities with population1 mn and above, city bus service for smaller cities and towns |
| **Street Lighting** | Illuminance: 35 Lux for all cities and towns; 40 m spacing for major roads, 45 m for collector roads, and 50 m for access road spaces |
| **Traffic Support Infrastructure** | Details by city size in the Committee's Report |
Urban Infrastructure Investment requirement of Rs 39 lakh crore (including for slum redevelopment and capacity building): 2012-2031

- This estimate does not allow for inflation after 2009-10, and does not include primary education, primary health, electricity distribution and land cost.
- GDP is assumed to increase at 8 per cent per annum for the 20-year period.
- O&M is estimated at additional Rs 20 lakh crore for old and new assets together.
### Share of Major Sectors in Total Investment Requirement of Urban Infrastructure

<table>
<thead>
<tr>
<th>Sectors</th>
<th>Rs lakh crore</th>
</tr>
</thead>
<tbody>
<tr>
<td>Urban roads (backlog very large)</td>
<td>17.3</td>
</tr>
<tr>
<td>Urban transport</td>
<td>4.5</td>
</tr>
<tr>
<td>Water supply</td>
<td>3.2</td>
</tr>
<tr>
<td>Sewerage</td>
<td>2.4</td>
</tr>
<tr>
<td>Storm water drains</td>
<td>2.0</td>
</tr>
<tr>
<td>Traffic infrastructure</td>
<td>1.0</td>
</tr>
<tr>
<td>Solid waste management</td>
<td>0.5</td>
</tr>
<tr>
<td>Street lighting</td>
<td>0.2</td>
</tr>
</tbody>
</table>

**Note:** The total estimate (Rs 34 lakh crore) here includes the 8 major sectors for which detailed estimates were prepared, i.e.,
Projections for Financing (per cent of GDP)

Large sums, but financeable if

- Government of India scales up urban development funding to 0.25 per cent of GDP per year for 20 years
- State governments enter into Constitutionally mandated revenue-sharing arrangement with ULBs
- State governments provide enabling environment for ULBs to reform
- ULBs aggressively push reforms to increase own revenues, i.e.,
  Access to borrowing and PPP is made possible by working on a Revenue Model which makes ULBs credit-worthy and market-worthy
Governance is Crucial

- Financing is crucially dependent on the reform of institutions and the capacity of those who run the institutions for service delivery and revenue generation.

- Municipal entities need to be empowered to raise ‘own’ sources of revenue, predictable transfers from state governments, and other transfers from the GoI and state governments, to help them discharge the larger responsibilities assigned to them by the 74th Constitutional Amendment.

- The ULBs themselves need to carry out reforms to strengthen their finances, and improve service delivery.

- Building and developing a Municipal cadre is very important.

And so is Capacity

- The JNNURM has created dynamism in the Indian urban sector which has long suffered neglect. But progress in implementing reforms under the JNNURM has been slow. The Mission has generally exposed the lack of capacity to prepare and implement projects in urban infrastructure within an integrated framework of a City Development Plan.
Thank You