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Corpn. pins hope on JNNURM Phase II

Karthik Madhavan

Minister has suggested a new mechanism, 'loan to grant'

There is something new to look forward to for the Coimbatore Corporation, after having drawn flak for the way it went about implementing projects under the Jawaharlal Nehru National Urban Renewal Mission.

The new leaf of hope comes from the Central Government, which is planning to bring in Phase II of JNNURM.

Discussions

According to sources in the Coimbatore Corporation, the Government had discussions with representatives of urban local bodies (ULBs) that implemented projects under the Phase I. The aim was to receive feedbacks that would go as inputs in devising the Phase II scheme.

The Government also appointed a High Powered Expert Committee to study the issues in the implementation of the projects under Phase I. After many deliberations, the Government “generally agreed” that the Phase II of JNNURM should address the following:

The need to move away from a project-based approach towards a programme-based approach; consideration of 15 – 20-year programme duration; separate window for weaker ULBs and PPP window for medium to strong ULBs and incentivisation for PPP projects; a one-time incentive of Rs. 2 crore for each area that is urbanised; greater stress on small and medium towns with different reform conditionalities for them; the possibility of making the programme design on the lines of National Agriculture Development Programme and also to explore the possibilities making it more flexible; JNNURM could be a long to grant scheme for which further examination as per the finance regulation ‘Fiscal Regulation and Budget Management’ could be examined; and, there should be greater stress on increase of revenues of the local bodies and on capacity building.

Further, a campaign on civic sense could be undertaken with JNNURM funds.

During the deliberations with the High Powered Expert Committee, Kamal Nath, Minister for Urban Development, suggested that a new mechanism, 'loan to grant', be devised wherein loans would be provided to States/Cities and then converted into grants on achievement of certain targeted reforms by states/cities.

Bankability

He also stressed on the need to focus on small and medium towns as well as increase bankability of local bodies.

As for Coimbatore, the new scheme is a golden opportunity. "The Corporation has yet another chance to improve the city. This time, it must move from implementing profitable projects to viable projects. It must also ensure transparency, which was lacking during the last five years," says P. Rajkumar, Chairman, North Zone.

The Corporation must involve stakeholders, insists S. Baskar, Co-ordinator, Citizens Technical Advisory Committee, JNNURM. The projects implemented under Phase I did not

meet the requirements and confirm to stated specifications because they were done without people's participation.