

#### Cities, WASH and Urban Planning: From challenges to emerging opportunities

International Assembly on Water Sensitive Planning for Cities in the Cities in the Global South SPA Delhi

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With support from Team at the Center for Water and Sanitation, CRDF, CEPT University

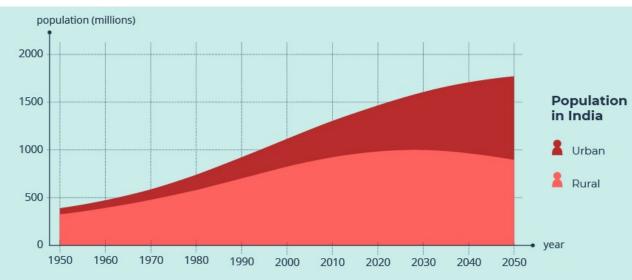






# India is becoming more and more urban

# Around 2030, the rural population will decline while the urban population will rise rapidly



Source: UN DESA, Urban and Rural Population India (2018)
World Urbanization Prospects: The 2018 Revision, custom data acquired via website





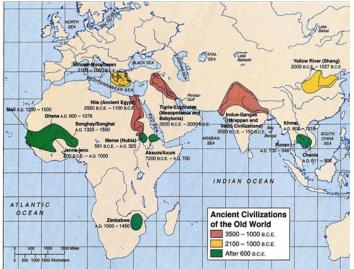


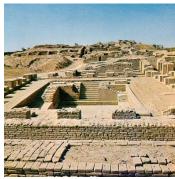




#### WASH – an essential concept in urban planning for ages

Major civilizations and cities developing around rivers





The Great Bath in Harappa and Roman Aqueducts



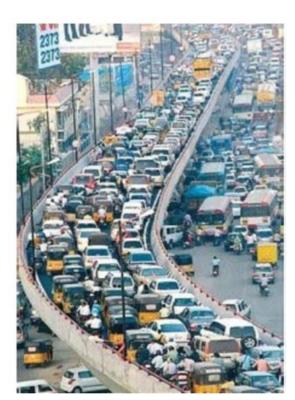
Physician John Snow links spread of cholera to a polluted water pump during the 1854 Broad Street cholera outbreak in the United Kingdom.

Excellent aqueducts, a symbol of stupidity?



# However, more recently - Conventional Urban Planning has focused more on land use management and road networks

- Land use and transportation planning (roads and parking) is the key core focus of city planning
- Key assumption that all infrastructure will follow the road network
- Not always the best suited for water, storm water and sanitation system, often lead to
  - Water demand to be met from distant sources
  - Keep on building more and more water infrastructure regional imbalance
  - Ignoring hydrogeology and groundwater in mainstream planning
  - Lakes dry up then are taken over for development





#### Water Sensitive planning is being discussed at this conference

Drawing on our work, we focus on three areas:



Climate resilience



Inclusion and Gender





New forms of financing and monitoring



1

#### **Climate Resilient WASH**

Drought and stress on water supply

Floods and threat to life, infrastructure and economy

Sea level rise and threat to coastal cities

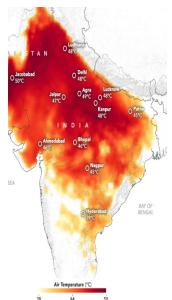
Heatwaves and carbon emissions

Inequality and resultant vulnerability























#### Safe Water Supply and Sanitation - Need of the hour ...

**12%** of India's population already living the

#### **DAY ZERO**

scenario with respect to water. "21 major cities are racing to reach zero groundwater levels, affecting access for 100 million people" --- NITI Aayog The **AVERAGE** citizen receives **114 LPCD** 

but

more than **40% CITIES** supply less than **70 LPCD** 

## **POOR** SANITATION

in India is estimated to cause
6.5% GDP
LOSS
according to a World Bank study.

98% CITIES ODF but by some estimates upto 81% OF WASTEWATER

... especially in context of climate vulnerability and resilience

India is 7th most climate vulnerable

country in the world due to its diverse ecology!

CWAS FOR WATER AND SANITATION

CRDF AND DEVELOPMENT



Υ

#### **New role for urban planners?**

Move from ...









Infrastructure provision



Ensuring Services



Climate response



Climate resilience





#### Need to move away from conventional approach

#### CONVENTIONAL APPROACH

Supply side management

Planning at city scale

Transportation of water from distant sources of water

**Building New infrastructure** 

Different sectors of water cycle managed separately

Lack of participatory approach



Both supply side and demand side management

Planning at watershed scale

Augmentation of local sources, Exploring alternate sources

Increasing efficiency of existing systems

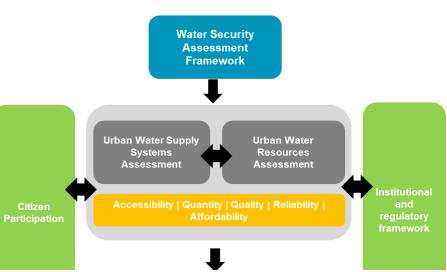
Entire water cycle is treated as one unit

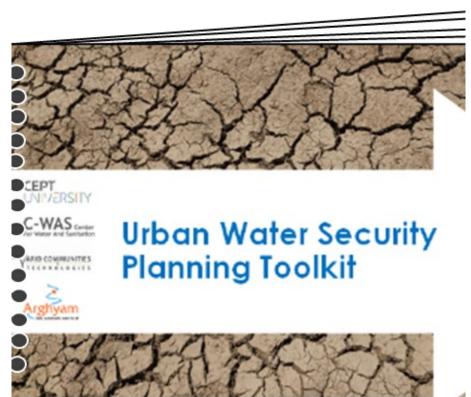
Integrated and participatory approach



#### **Experiences of Urban Water Security Planning in Gujarat**

"Water Security is access to water for all basic human needs in adequate quantity and quality, which is reliable and affordable."





Urban water security management framework and toolkit





#### Water security is ....

Reliable and Affordable Access

of adequate

Quantity

Quality

of water for

Basic Human Needs

Livelihoods

Local Ecosystem Services

with a

Well managed risk of water-related disasters

#### **Need to focus on ....**



# Municipal service efficiency

- Access to all
- Non-revenue water
- Equity in services



# Source sustainability

- Groundwater management
- Rainwater harvesting
- Reducing distant source dependence



# Climate resilience

Avoid "Day Zero" Erratic rainfall

- Urban flooding
- Coastal and mountain risks



Circularity and re-use





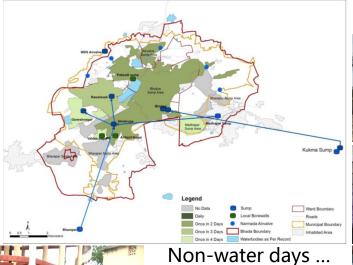


#### Source sustainability and municipal service efficiency?

Water from distant sources ...



And yet, Kutchh cities not able to supply water daily ...



Private water markets...







Need to strengthen own water sources!

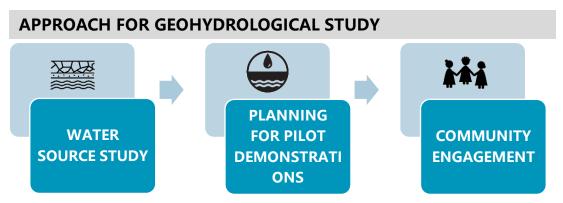
CWAS FOR WATER AND SANITATION



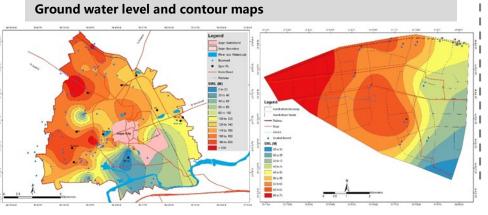


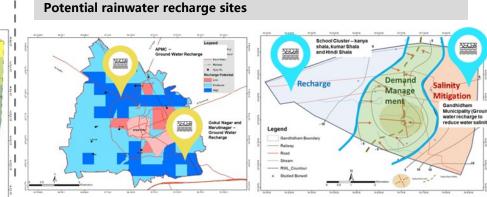


#### Geohydrological study for understanding aquifer and watershed of cities





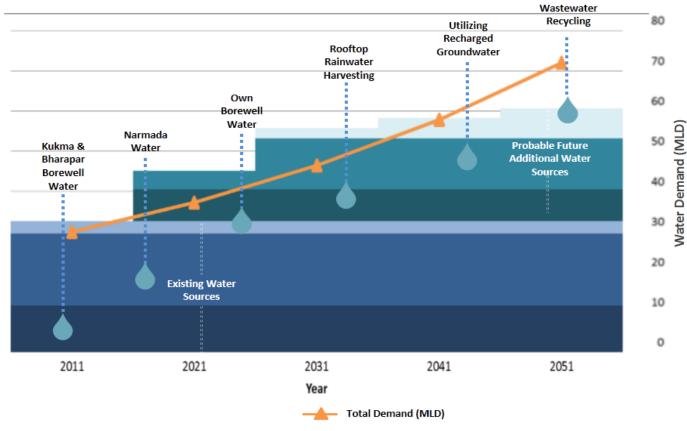








#### **Envisioning a water secure city**









# Measures to move towards water security and reducing urban flooding through water recharge / water harvesting projects

Ironical situationfloods vs. water scarcity

On the one hand there is acute water scarcity and on the other, the streets are often flooded during the monsoons



Frequent **Urban flooding** scenario in arid regions

## Pilot Demonstrations Adaptive measures for: Water security and Mitigating urban floods

#### **Rainwater Harvesting**



Rainwater harvesting in schools for drinking water supply

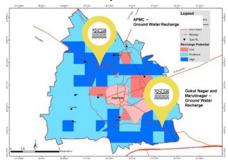
#### **Groundwater recharge**



Flood control through GW recharge for housing colonies

#### Scaling up plan

Urban Watershed Delineation Groundwater Recharge Potential Map at city level



Revival of traditional lake catchment system; Well rejuvenation

35 Million liters of ground water recharged during monsoon







#### **Circularity - Why "Waste Water"?**

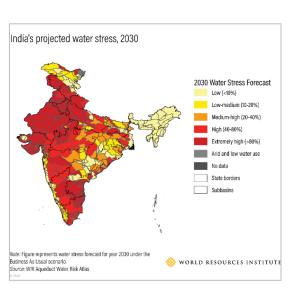
Until very recently....
~80% of wastewater in
India was untreated

Treated or untreated ...
This water is let out in our rivers and water bodies

Meanwhile 54% of India faces high water stress



...but without treatment, there is little scope for reuse!



Now, Govt. programs focusing on 100% treatment in all cities with financial outlay – an opportunity with enabling environment ....





More treatment plants

AMRUT 2.0 and 15th FC indicate 20% reuse More generation of treated water

Challenge fund for Million+ cities to achieve

Huge potential to tap!

Reuse conditions to achieve WATER+ status





# Sinnar: reuse of water for development of garden and urban forest

- 8000 square meters of urban forest and landscaped area in midst of barren land
- 1400 trees of 16+ species planted
- Treated water is used for watering the plants through a drip irrigation system
- Sludge used as fertilizers at the urban forest or taken away by farmers.
- The quality of the treated products are regularly monitored through testing the samples.
- The landscaped area was designed by professional landscaping consultants.







Before













# Maximizing reuse with upcoming STPs and used water management – great potential for Maharashtra...

#### **Industrial** use



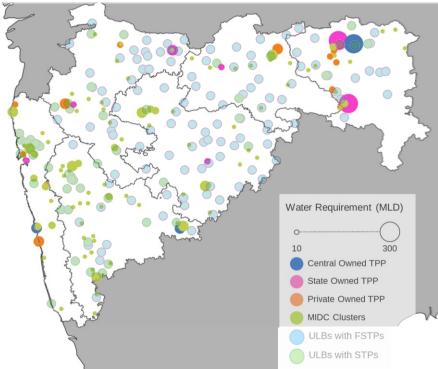
Example of Nagpur – 90% treated water reused. Tie ups with NTPC and Mahagenco

**Maharashtra reuse policy** - municipalities responsible for recycling wastewater and reusing treated wastewater in thermal power plants, industrial estates, and for other non-potable purposes

Example from Gujarat – Welspun set up STP to treat water from Anjar and Gandhidham for own industrial reuse. Cities generating revenue from selling sewage.



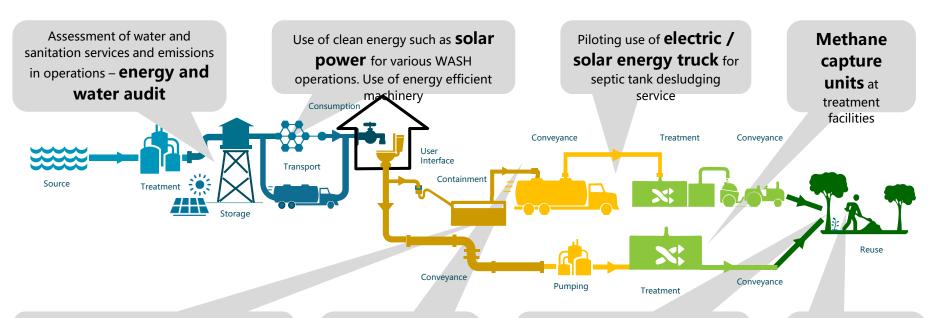
#### Maharashtra STPs and industries





#### **Making WASH services Carbon Neutral - across the service chain**

Supporting Cities in Maharashtra: Karad, Vita, Ichalkaranji, Wai, Sinnar, Satara



Equitable and citywide inclusive services Plan for **citywide scheduled desludging service** in consultation
with city governments

Safaimitr suraksha Sanitation
worker safety
training and
sensitization

**Gender Empowerment** - Plan for involving SHGs in consultation with city governments –

**NULM** convergence

Urban forests as carbon sink units at treatment facilities





#### Demonstration of renewable energy at Infrastructure level

Installations at Water Treatment Plant

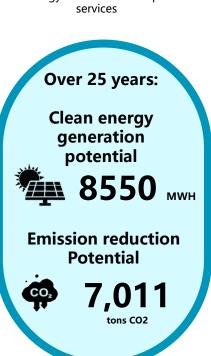
Installation at Faecal Sludge treatment plant

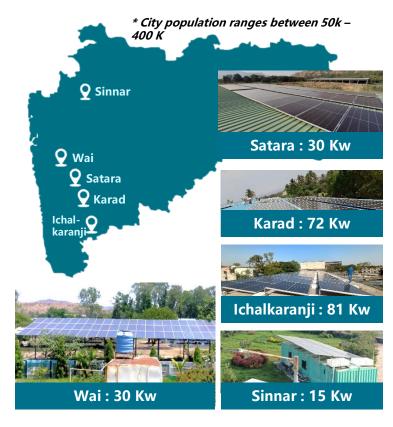
Installations at Centralized and Decentralized Wastewater Treatment plants





Scaling this to the State through Majhi Vasundhara and SBM Reducing by 16 % dependency on conventional energy source of municipal services





Projected Overall cost saving in 25 years: INR 60 million







2

#### **Inclusion and Gender**

**Ensuring 'Last Mile Connectivity'** 



Ensuring and enhancing role of women SHGs and councillors



Supporting upliftment and safety of marginalized groups such as sanitation workers



# AMRUT 2.0 reform in India focuses on "Har Ghar Nal" and "Har Nal me Jal"

- AMRUT 1.0 focused on 500 cities for providing services of water supply, sewerage infrastructure, storm water drainage, urban transport and development of green spaces and parks.
- 112 lakh HH water tap connections were provided under AMRUT 1.0 in 500 cities
- A major objective of AMRUT 2.0 is to move towards universal access to household level water tap in all 4700 statutory towns of India









**Guidelines of AMRUT 2.0** 



To provide 2.68 crore new tap water connections to all in all 4,700 statutory towns of India



Universal HH coverage of sewerage/ septage services



Rejuvenation of water bodies & urban aquifer management



Recycle and reuse of treated wastewater



Major reforms in water supply sector such as **reducing NRW** to below 20%; **24x7 water supply** 







#### **Need to assess dimensions of water** vulnerability especially in slums













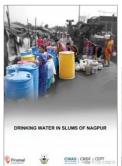
**Availability** 

Reliability

Accessibility

Quality

Affordability Community



Water vulnerability in slums of Nagpur



Water stress in slums of **Anjar and Gandhidham** 



#### **Example of Inclusive Ahmedabad - provision of** basic infrastructure to slums

- "inadequate sanitary and drinking water facilities" part of Ahmedabad's definition of slum in Slum Free City Action Plan under the Rajiv Awas Yojana
- Bringing existing slums within the formal system and enabling them to avail of similar level of basic amenities as the rest of the town/ city
- Mapping of slums for integration of spatial, socio-economic and biometric Information for creating a GIS enabled slum MIS



Lessons from slums in Mumbai









#### Last Mile Connectivity: universal access to household water connections

Three key challenges: Review of city experiences under the AMRUT Program

#### **Administrative and Legal Barriers**



Multiple departments involved



**Too many** documents required



**No Application** Tracking System



**Tenure** requirements for basic services



Lack of citizen awareness



Complex, lengthy approval procedures

#### **Cost Barriers**



**High connection** costs for new connections



**High water tariffs** 

#### **Infrastructure Barriers**



Lack of internal distribution networks







#### Measures to improve coverage of household water connections

### Improving spatial coverage and providing access to all



Extending network coverage and providing household water connections



Include water supply network in slums and lowincome areas in Detailed Project Report (DPR)



Identify and regularize unauthorized connections

# Alleviating legal and administrative barriers



Reducing required documents and easing the application process



Delinking provision of water connection from land tenure



Introduce centralized database systems

#### Affordable connection charges and water tariffs



Include connection charges in instalment in the water tax or bills over time



Exclude additional costs of road cutting and plumbing charges



Reduce charges for slum households and urban poor



**Explore credit for water connections** 



Generate awareness and adopt participatory process/outreach to the poor







#### Scheduled Desludging service – Inclusive and equitable service

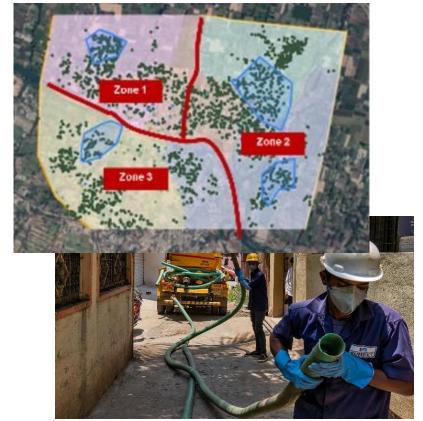
to sewer networks – both slum and non-slum properties Mandatory desludging service but not linked to "user charges" – service to ALL

Special care to service vulnerable areas – long pipes for narrow lanes

Equitable - no charges at time of desludging benefiting low income areas - sustainably financed through equitable "sanitation tax"



Mechanized safe desludging – Safety of sanitation workers





#### Strengthening the role of women councillors and presidents

#### Webinar for Women Elected Representatives (Presidents) for ULBs





#### Division level orientation workshop for newly elected women representatives in Nagpur



#### City level orientation workshop for elected women representatives in Wai









#### SBM-NULM convergence in Maharashtra: City led approach facilitated by the State Government

Sanitation-basedlivelihoods for SHGs



- 270+ ODF++ cities
- 220 operational FSTPs
- 500+ MRF and waste compost facilities etc.
- ~1 lakh SHGs in the state of which 90% are active

Capacity support for by SHGs



- SHGs willing to participate in sanitation related activities
- Need support tendering process, financing etc.

State policy and guidelines formulated





- State level working group formed by the DMA, GoM.
- State level strategy and business model developed

**City led approach facilitated by State** 



- Proactive cities engaged SHGs in SWM and FSSM related activities.
- "SHG only tenders, support and trust from ULB needed to sustain engagement





#### Inclusion – Sanitation Workers' Rights: Dignity and Safety at workplace

**Focus on Safai Mitra Surakshit Shahar Under SBM 2.0** 

Access to Infrastructure. **PPEs and regular health** camps

Skill building and training of San-Workers

**IEC** campaigns













नये भारत का नया ऐलान मशीन से सफाई, सुरक्षा व सम्मान

#### SafaiMitra Suraksha: Zero fatality in sanitation work

- SOP for cleaning septic tanks and sewers
- Technology challenge
- Norms and protocols for equipment and workforce





















#### New forms of financing and ensuring sustainability

## Urban infrastructure has been generally financed through public funds but innovative options are emerging

#### Own sources, Transfers and programs

Taxes, fees, user charges

State and Central
Transfers

Public sector programs

Grants from Finance Commissions and SFCs



Philanthropic Funding, CSR

Private sector investment

Social Impact Investors

Market Borrowing Output Based Aid

**Blended Finance** 

**Impact Bonds** 

**Municipal Bonds** 

Repayable Finance

Crowdfunding

- √ Additional funding
- ✓ Efficiency of private sector
- ✓ Performance linked approaches
- ✓ Social & environmental impacts with emerging global interest in impact investing







#### **Need to tap impact investment for WASH and Urban Planning**

Figure 2: Source of Funds for Impact Investment Fund Managers, 2012

Source: GIIN, J.P. Morgan

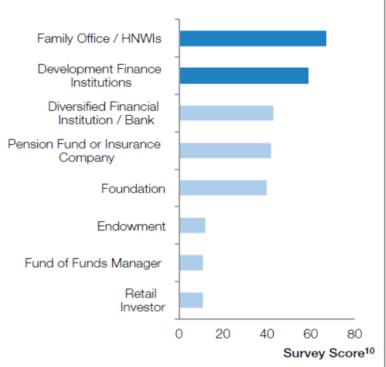
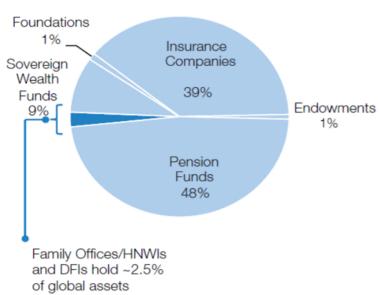


Figure 3: Distribution of Global Asset Ownership, by Investor Type, 2011

Note: Omitted from the analysis include Mutual Funds, Asset Management Divisions of Bank and Fund Management Private Equity, Hedge Funds, etc.)

Source: OECD, Foundation Center, NACUBO, Overseas Development Institute, Deloitte Analysis







#### What is needed to get impact investors to cities and to WASH?

#### **Advocacy and research** around impacts of investing in WASH

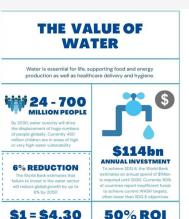


The public health consequences of untreated sewage are immense: for example, diarrheal diseases contribute to 20% of deaths in children under the age of 5.2



The health and environmental impacts of inadequate sanitation in India add up to Rs. 2.44 trillion (US\$53.8 billion) a year -this was the equivalent of 6.4 percent of India's GDP in 2006.1

CWAS FOR WATER



#### Relevant instruments for promoting impact investments









Investing in WASH in healthcare is an immediate impact item.

generating a 50% return on

WATER IS A

**HIGH VALUE** 

COMMODITY

vesting in water and sanitation is

agriculture.

not only 'doing good', it is a sound MUNICIPAL investment to create sustainable global growth across industry and BONDS



Creditworthiness Assessment





Increasing access to non-sewered sanitation services



and sanitation is more than \$4 for

every \$1 investe

#### **Exploring ESG ratings for Indian Cities - For accessing impact finance**



#### **ESG Assessments, disclosures and investing**

- Measuring sustainability and societal impact to better determine future performance
- Popular in corporate but city governments are also adopting
- Access new markets for development funds
- Build credibility for investors

# City of Toronto Environmental, Social & Governance Performance Report City of Toronto Performance Report

#### Toronto's Debt Issuance Program linked to strategic ESG outcomes and reporting





US Municipal Bond marketplace - ratings and data for all cities by ISS ESG Muni QualityScore (formely ACRe Data)

#### ESG for Indian cities - Framework by CWAS and PwC India

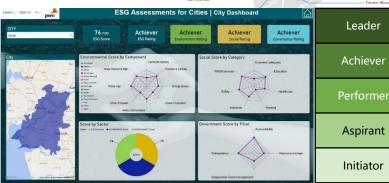
Indian cities already reporting on multiple ESG relevant topics as part of govt. initiatives – publicly available data

Framework with 19 themes, 62 indicators - City mandates, service performance, Laws, policy, programs, national commitments

Tested on 20 cities

- ESG ratings, profiles











#### Options to leverage private resources and impact investments

#### **Outcome based funding**



Funders make payments only if / when pre-agreed outcomes are achieved

#### **Blended finance**



Leveraging private capial (with returns) by using public funds to achieve development outcomes

#### **Municipal / Green Bonds**



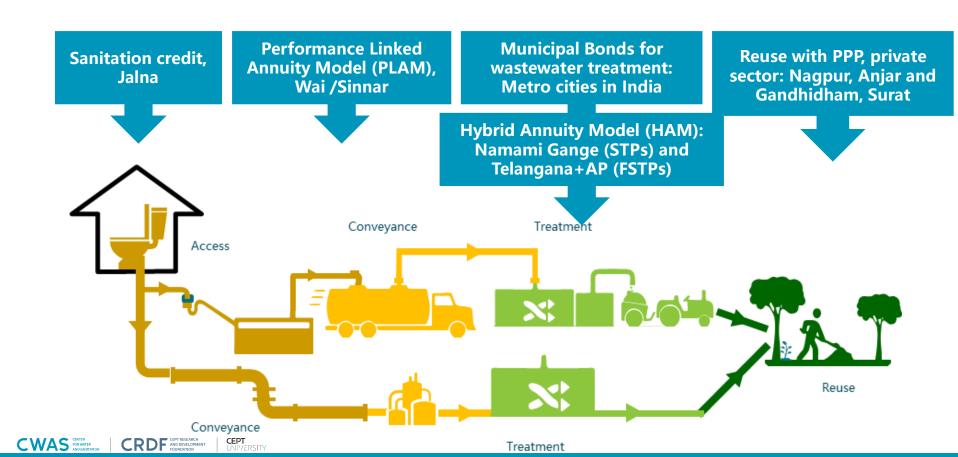
Accessing debt market resources and other private investments for 'green investments' in cities







# Blended Finance: examples of commercial finance mobilized across the sanitation service chain in India



#### **Greening of public infrastructure investments**

#### **SBM 2.0**





More emphasis on **reuse** 



Ensure universal coverage of toilets

#### **AMRUT 2.0**





Should have more focus on water security

- Rain-water harvesting structures
- Aquifer management
- Flood control and management



Development of **green** spaces

#### **Green Initiatives by Gol**



**Green Credit Scheme** is environmental and climate friendly but needs **strong regulations** to work to avoid greenwashing.

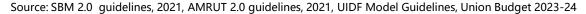
**Carbon Credit Trading Scheme** to reduce GHG emissions with strong regulatory market to buy and sell carbon credits.

**Urban** Infrastructure Development Fund: Under the UIDF, climate adaptive plans and projects should be prioritized under this fund for Tier 2& 3 cities (NABARD has a dedicated National Adaptation Fund for rural projects)









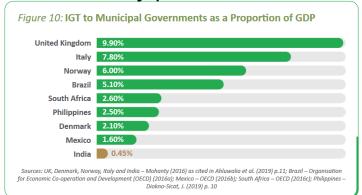
### Improving municipal finance for urban local bodies...(1/2)

"Indian cities will require an investment of \$840 billion in the areas of infrastructure and municipal services till 2036 to meet the needs of its fast-growing urban population"

-Recent estimates by World Bank in the report Financing India's Infrastructure Needs: Constraints to Commercial Financing and Prospects for Policy Action

# Need to focus on greater transfers (through Inter governmental grants) to ULBs...

 Indian cities contribute 2/3<sup>rd</sup> of GDP but are fiscally poor



Making IGTs predictable and untied.

#### **Share of ULBs in GST?**

- Cities do not get any benefit from their economic vibrancy as all the buoyant local taxes – such as the octroi, entry tax and local body tax – have been abolished.
- "...sharing of the revenues from GST among all three levels of government."
- Need for a Separate list of revenue sources for local governments in the Constitution?



## Improving municipal finance for urban local bodies...(2/2)



Municipal strengthening for improved property tax collections...



Incentivising local governments to improve own revenues



- Linking Property Tax Base to Market Prices
- Continued Focus on Reforms to Increase Coverage and Collection Efficiency of Property Tax



### **Performance grants to ULBs**

- Improved data collection through audited accounts
- Improvement in own revenues
  - >90% property tax and water tax collections
- State level incentives as by Government of Maharashtra



Exploring the Potential of other Non-Tax Sources and Land Value Capture to Enhance Local Resources

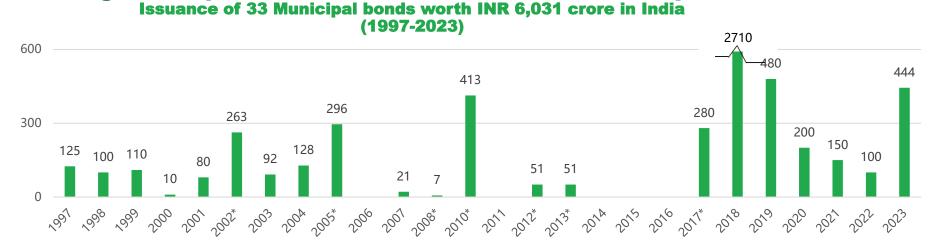
- Rental income, parking fees
  - Land value capture tools- impact fees, Tradeable Development Rights







## Raising the importance of municipal bonds in wider public finance



Note: \*Pooled bonds issues years marked

Most Municipal Bonds in India have been raised to finance water supply and sewerage projects. Gol can offer additional incentives to promote green projects. The new UIDF window at NHB can focus on Green Bonds

Incentives by Gol on raising municipal bonds

13% of bond amount

Bond amount	Incentive
100 cr	13 cr
200 cr	26 cr
	(Max)



# Innovative approach of raising finance through green bonds and carbon credits - Case of Indore

#### **Green Bonds**



Green bonds over municipal bonds as it was easier to obtain carbon credits for a "green" project



Prerequisite checklist helped with ready made data availability

### **Carbon Credit Mechanism**



**Bundling** of solar projects to obtain carbon credits



**Verification and authorization** through EKI



Selling of carbon credits worth INR 52 lakhs which is encashed for O&M of WASH solar project



- Currently, there is a **voluntary carbon credit market in India**..GoI plans to develop the Indian Carbon Market (ICM) where a national framework will be established to decarbonize Indian economy by pricing GHG.
- Bureau of Energy Efficiency, Ministry of Power, along with Ministry of Environment, Forest & Climate Change are developing the **Carbon Credit Trading Scheme** for this purpose.





### Creditworthiness assessment of urban local bodies in India

### Benefits of Creditworthiness Assessment



Assess areas of improvement needed



Lower costs compared to rating by CRA



Build investor confidence

# Parameters of Creditworthiness Assessment



**Quality of financial** management



Level of service delivery (water, SWM, sanitation)



Assessing debt servicing capacity



# A creditworthiness assessment framework for Indian cities which captures both financial and WASH service assessments



Using creditworthiness self-assessment tool before approaching a Rating Agency for a formal credit rating

Relies on financial performance indicators as well as the WASH operational performance indicators

Use of publicly available datasets makes it almost cost-free and can be done rapidly







# Regular and effective digital monitoring is critical for attracting impact investment – as it provides otcome information



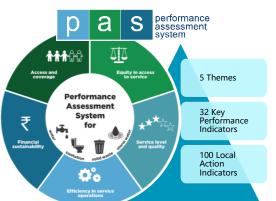


Sustained monitoring of universal access to safe water and sanitation in essential through country owned systems at city, state and national levels

Strong and regular monitoring systems are needed to ensure that any issues related to sustainability are identified early and addressed.



# Monitoring city level water, sanitation and SWM services at scale Performance Assessment System (PAS) in India



 ✓ Nationally owned digital platform for self reporting by ULBs

✓ Sustained implementation since2009 - at scale being used in

2009 - at scale being used in

1000+ cities across India

Plans to add Climate resilience

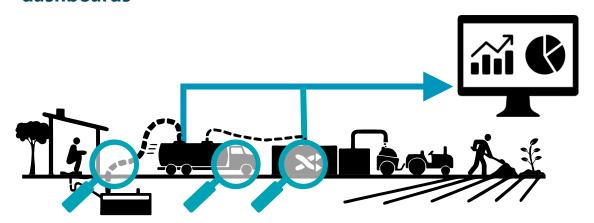






### Digital monitoring for effective service delivery

Use of monitoring systems across sanitation service chain – digital systems with dashboards



#### Possible uses of Al and ML

- Network and time efficiency Optimise energy/water use
- Wide applications for image, video and voice processing - complaint redressal and breakdown assessment, monitoring use of PPE
- Large data processing detecting accounting issues





SaniTrack



SanQ

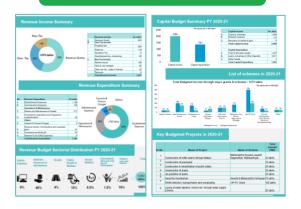


### Strengthening municipal systems for procurement and budgeting

### **Budget Software**



### **Budget Brief**



### **Payment Dashboard**





Enabling uniformity and digitization of municipal **budgeting** in Maharashtra



**Easier to understand** complex budget documents



Tracking and monitoring billing and payment of private contractors through single window entry system







Easily scalable across \_\_\_\_\_ other cities

Source:







# Capturing community feedback using digital tools

Civil society

Bring in citizen voices especially for the vulnerable population in slums.

Youth Groups



Platform to enable citizen reporting on service indicators like coverage and quality – a *feedback platform*?

Women Self Help Groups



Feedback mechanism for local government: Performance improvement plan at local level to reduce disparities in service levels

MoHUA's Swachhata app for streamlining complaint redressal system



What improvements are needed to achieve universal coverage of water and sanitation?



WhatsApp Chatbot

What focus areas are needed under current

programs?

What type of financial

resources /

inputs are

required?

System [IVR]

Interactive Voice Response (IVR) Spotlight improvement measures for the highest impacts



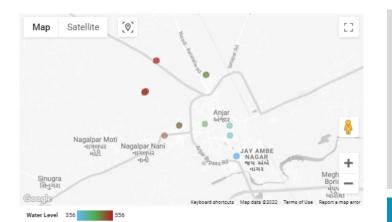
Crowdsourcing information on citizen perspective on service levels

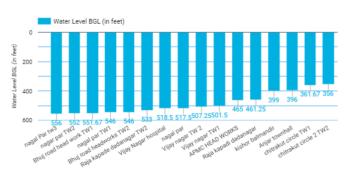




## **Use of Mobile App to monitor ground water levels**







- Use of **Bhujal App** for Ground Water Monitoring
- The app is **empaneled** under **AMRUT 2.0** by MoHUA **as** a **Technology and Implementation partner**
- 22 locations Pilot testing -16 borewells @ Anjar and 6 borewells @ Gandhidham
- The test results were similar to the data provided by the utility

### Benefits of such tools/applications

- ✓ Assess the water demand
- ✓ Measurements are available in minutes
- ✓ Ease less testing process
- ✓ Community participation in GW management
- ✓ Early identification of drying borewells







# In summary:

# To tap the emerging opportunities and challenges

Assess /address WASH linked climate resilience – for both mitigation/adaptation



Ensure Inclusion and gender transformation – Last mile connectivity and leveraging women SHGs



Adapt new and innovative forms of financing and monitoring







### Resources



**Urban Water Security** Management Toolkit



Last mile connectivity for urban water supply services



ESG assessments for cities in India



Moving Bhuj Towards Water Security

Rethinking Urban Water Management - Lessons from Bhui



Slum Free Ahmedabad



PAS - Public data systems for measuring WASH service levels in cities in India



Water secure and climate resilient cities Anjar and Gandhidham: Citywide Assessment



Climate responsive WASH initiatives in small and medium towns in India



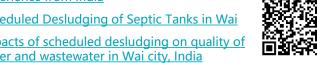
Strengthening Finances of **Municipal Governments** 



Experience from India Scheduled Desludging of Septic Tanks in Wai

Citywide Inclusive Sanitation through Scheduled Desludging Services: Emerging

Impacts of scheduled desludging on quality of water and wastewater in Wai city, India









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