Development Progress

TOWARDS A BETTER LIFE?
A cautionary tale of progress in Ahmedabad

Tanvi Bhatkal, William Avis and Susan Nicolai

Skies filled with kites above Ahmedabad. Photo: © Sandeep Achetan.

- Urban poverty has declined significantly in Gujarat, the state where Ahmedabad is located, from 28% in 1993–94 to 10% in 2011–12.

- Since 1995, the Ahmedabad Municipal Corporation has provided over 13,000 slum households access to public utilities and a non-eviction guarantee for ten years, allowing them to invest in improving their homes. About 200,000 families have been connected to electricity, and 10,500 have secured access to water and sanitation.

- Trade unions such as the Self Employed Women's Association, founded in Ahmedabad in 1972 and with over a million members across India, have played a key role in organising informal workers.

- Civil society organisations have been critical in mobilising poor communities, and the government initially welcomed collaboration. Relations have become strained in recent years, with a breakdown of trust and a greater focus on top-down rather than local solutions.

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Why explore progress in Ahmedabad?

Over half of the global population resides in urban areas, a proportion projected to reach 66% by 2050 (UN DESA, 2014). Cities offer a host of opportunities, including more diverse job openings, better access to services, and more efficient resource use (Henderson, 2002). Unplanned urban growth can, however, have a negative effect on wellbeing, both increasing congestion and putting pressure on existing public services. Further, the benefits of agglomeration are not experienced equally since people living in poverty are exposed to greater risks (Hildebrand et al., 2013; Mathur, 2013).

India has undergone significant growth in its urban population in recent decades, and the current Prime Minister, Narendra Modi, views urbanisation as key to the country's future. A central platform of his election campaign was the pledge to build 100 new 'Smart Cities'. Modi's vision of urbanisation is one of high-tech development 'comparable with any developed European City' (Ministry of Urban Development, 2014). Many have questioned whom the Smart Cities aim to serve and whether they will be inclusive.

This study focuses on the experience of Ahmedabad – the largest city of the western Indian state of Gujarat, with a population of 6.3 million in 2011 (Registrar General of India, 2011). The city provides a useful lens through which to explore how to address the rural–urban transition and the challenges it poses, while at the same time involving citizens, mitigating urban sprawl, and strengthening access to public utilities by poor communities. The case study offers lessons that are relevant both nationally and internationally in terms of how urbanisation can realise aspects of the proposed Sustainable Development Goal of making cities and human settlements inclusive, resilient, and sustainable.

Specifically, the case study explores how progress occurred simultaneously across three dimensions: material wellbeing, including income, access to finance, and housing; environment, with a focus on basic environmental services and managed urban expansion; and political voice, through increasing collective action as well as strengthened and responsive local governance.

What progress has been achieved?

1. Ahmedabad's historical development

Founded in 1411, Ahmedabad became an important trade centre, characterised by the rapid growth of the textile industry. Ahmedabad has also been at the forefront of many of India's social and political developments. Mahatma Gandhi established his Sabarmati Ashram in Ahmedabad (serving as one of the main centres of the Indian freedom struggle), and his presence influenced local industrial relations, encouraging dialogue between mill owners and workers.

By the 1980s, however, Ahmedabad's textile mills began to decline, leading to an estimated drop in employment from almost 160,000 in 1976 to 25,000 in 1996 (Breman, 2004) and giving way to informal employment. Concomitantly, the municipal government faced significant deficits and its administration was inefficient. In response, it sought to implement a series of far-reaching reforms that strengthened its financial position and established relations with other development partners in order to become more responsive to the needs of the urban poor.

2. Two decades of progress in material wellbeing

Economic growth, livelihoods, and higher incomes

The state of Gujarat has been one of India's fastest growing economies over the past few decades. Between 2000 and 2010, Gujarat's GDP grew at an annual average rate of 10%. The state also achieved a significant decline in urban poverty, from 28% in 1993–94 to 10% in 2011–12, similar to the national urban average which declined from 32% to 14% over the same period. Despite high levels of informality and self-employment, driven by home-based manufacturing and informal retail, considerable progress has been made in alleviating the constraints experienced by people living in poverty.
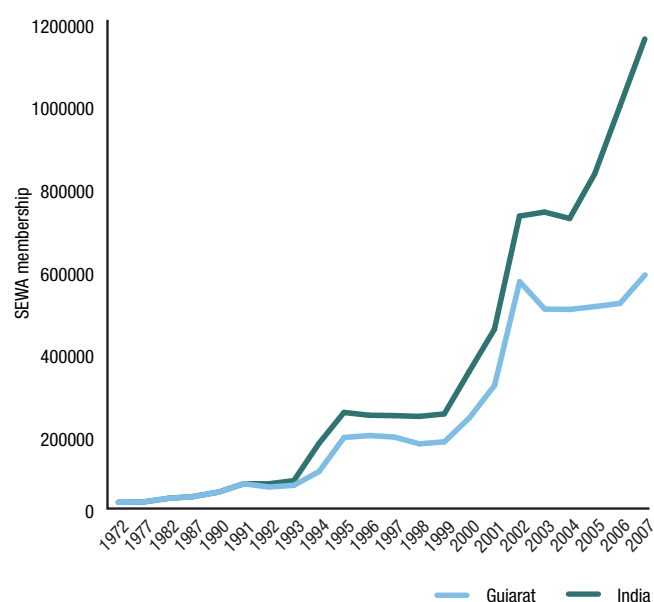
Access to finance

Ahmedabad's civil society organisations (CSOs) provide considerable assistance to informal workers and slum dwellers. The Self Employed Women's Association (SEWA), founded in 1972 in Ahmedabad, was the world's first trade union for informal workers and brought together poor self-employed women vulnerable to exploitation. Since its inception its membership has grown from 1,100 women in Ahmedabad to over a million women nationally (see Figure 1). SEWA Bank, owned by self-employed women, was established in 1974 with 4,000 depositors. By 2012 it had nearly 450,000 members and a working capital of rupees 940 million ($17.6 million). The bank has emphasised savings to build the asset base of poor families and reduce their vulnerability to economic shocks. Many other organisations have also extended financial services, allowing poor families to invest in their livelihoods and houses.

Slum upgrading

India appears to have made fast progress in reducing the proportion of its urban population living in slums and Ahmedabad is no exception, with the officially recorded share declining from 12.5% in 2001 to 4.5% in 2011 (Registrar General of India, 2001; 2011), although these numbers have been contested. Yet, Ahmedabad has had progressive policies that have benefitted slum dwellers.

'Ahmedabad has been a pro-poor city in terms of provision of basic services' – Urban expert

Figure 1: Growth of SEWA membership (1972-2008)

Source: SEWA website (accessed 2nd June 2015).

Figure 2: Access to wastewater disposal through closed drainage

Source: Registrar General of India (2001; 2011).
Note: Closed drainage refers to the type of wastewater outlet to which households are connected.

Between 1995 and 2009, 60 slums in Ahmedabad were upgraded under the Slum Networking Project (SNP), benefiting 13,000 households (Mahadevia et al., 2014). The community-led project gave households a guarantee of non-eviction for ten years and provided them with access to public utilities. Since 2001, 200,000 slum households have also been provided with access to electricity, and about 10,500 have secured access to water and sanitation, leading to increased incomes for the self-employed and improved health and school attendance.
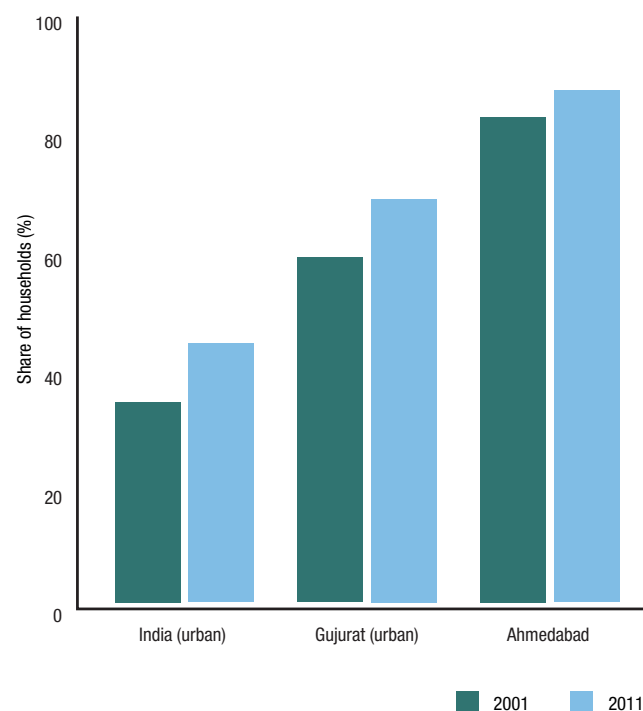
3. Environmental improvements

City boundaries and transport

Ahmedabad stands out as a city that demonstrates 'smart growth'. Proactive planning for urban expansion has enabled a more compact urban area with much less sprawl than other cities with similar populations. The Ahmedabad Municipal Corporation (AMC), which governs the city, and the Ahmedabad Urban Development Authority (AUDA), work together to extend the coverage of basic services to newly incorporated areas on the city outskirts.

Progress in water supply

By the late 1980s, ground water constituted 87% of Ahmedabad's water consumption, resulting in rapid depletion of the water table (Urban Management Centre, 2013). There have since been various attempts to augment the water supply and 90% now comes from surface sources (Central Ground Water Board, 2011). By 2001, Ahmedabad was already above both state and national urban averages in the coverage of drinking water, and progress has continued. The AMC has introduced programmes to improve slum dwellers' access to water

and sanitation services, irrespective of tenure status, and an assessment of the SNP reported that access to domestic piped water increased from 1% to 89% among participating households (Mehta and Mehta, 2011).

City-wide sanitation

In 1997 the AMC commissioned the construction of sewage treatment plants at Vasna and Pirana to treat wastewater and also implemented an integrated storm water and sewage system. Wastewater collection has continued to improve in recent years, with 96% coverage and 96% efficiency, far surpassing comparable cities such as Bangalore and Hyderabad (Ministry of Urban Development, 2012). Ahmedabad also outperforms others in terms of coverage at the household level, with 88% of households having access to wastewater disposal through underground closed drains – almost double the national urban average (see Figure 2) (Registrar General of India, 2011). In communities participating in the SNP, the coverage of underground drains increased from 21% to 87% (Mehta and Mehta, 2011).

4. Gains in political voice

Collective action

Ahmedabad has a long established and prominent civil society that enjoys a high degree of public trust and has played a critical role in the mobilisation and empowerment

Table 1: Programmes that provide basic infrastructure in Ahmedabad

Policy	Reach
80: 20 Individual Toilet Scheme (introduced 1980–81)	3,000 households
Individual toilets scheme full subsidy (introduced 1990)	14,000 households
Slum Networking Project (SNP) (1996–2009)	60 slums upgraded, 13,000 households
Slum Electrification Scheme (introduced 2001)	200,000 households in 710 slums (by 2007)
NOC-500 Scheme (introduced 2002)	10,500 households
Nirmal Gujarat Sanitation Programme (introduced 2006)	18,223 toilets constructed (2009–10)

Sources: Mehta and Mehta (2011); Mahadevia et al. (2014).

of Ahmedabad's poor communities. Women have assumed a degree of prominence with women-led organisations such as SEWA playing an active role in mediating the relationship between the municipal authorities and the urban poor. Civil society organisations have used both protest and public interest litigations to seek redress for inadequate implementation of pro-poor policies.

Strengthening responsive local governance

At the local level, the AMC has encouraged citizen engagement through dialogue and collaboration, placing public participation at the centre of its policies and urban planning process. In the preparation of town planning schemes, public meetings and individual hearings are called to consult landowners (Ballaney and Patel, 2009). Ahmedabad, and the state of Gujarat, have adopted e-governance, encouraging the development of more transparent and accountable municipal authorities and allowing citizens to obtain information and make complaints more efficiently.

What are the factors driving change?

1. Strengthening municipal governance and finances

Ahmedabad is one of the few cities in India where one authority, the AMC, undertakes all 18 responsibilities outlined for local urban bodies, which has led to coherence in municipal policy and decision-making. The AMC has undertaken a series of financial reforms enabling it to wipe out cash losses, address inefficiencies in the property taxation system and make property taxation more transparent and accountable. In 1998, the AMC was the first municipal body in Asia to enter the financial markets and issue municipal bonds, worth rupees 1 billion ($26 million). This success has been emphasised by a strong credit rating. Financial reform has been at the heart of Ahmedabad's revitalisation.

2. Investing in infrastructure development

Over the years, the AMC has invested significant resources to improve slum dwellers' access to public utilities as well as to manage large infrastructure projects. It has used innovative mechanisms to leverage finance for these projects and has often used creative collaborative arrangements to implement them. In particular, various policies have aimed to provide public utilities to slum settlements, improving environmental and health conditions (see Table 1).

The most notable was the Slum Networking Project (SNP), under which the AMC provided seven basic services[1] to slums settlements, while non-government organisations (NGOs) mobilised slum communities, encouraged them to save (to invest in improving their housing) and trained them to supervise the upgrading process. The SNP found that many households were able and willing to pay for access to water, sanitation and electricity, and indeed often paid even more to obtain access to similar services informally.

Building on the lessons of the SNP, the Slum Electrification Programme was introduced in 2001, followed by the 500-NOC scheme, which overcame issues of land tenure by providing slum households access to legal connections to water and sanitation irrespective of tenure.

Since the mid-2000s, the government has attempted to meet the housing needs of poor families by using funds from Jawaharlal Nehru National Urban Renewal Mission (JnNURM), an investment fund of over $20 billion (about 75% of which was for 65 major cities). Housing had been constructed for over 30,000 families by 2013 (AMC, 2013). However, whereas previous programmes allowed for on-site improvements in physical conditions, the JnNURM has often relocated households towards the periphery of the city, leading to higher transport cost and social dislocation.

Ahmedabad's strong local government and prioritisation of urban development has also enabled investment in large infrastructure projects. For instance, Ahmedabad's

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1   The AMC provided slum settlements with individual water connections, individual toilets and sewerage connections, paved roads, storm water drainage, street lighting, and community development and social infrastructure.

'The historically vibrant civil society movement has played a key role, maintaining balance and enabling dialogue between the government and communities' – Urban expert

concentric road network – with clear rings and radials – has facilitated peripheral expansion while the bus rapid transport system supports quick transit across the city. A further example is the controversial Sabarmati Riverfront Development, initiated in 1995 to improve the Sabarmati River and reclaim land for parks, promenades and other recreational uses. Facing considerable financial challenges to invest in the project (Clarke Annez et al., 2012), the AMC devised creative ways to generate additional revenues to construct and maintain the riverfront.

3. Pragmatic planning for and management of urban expansion

Ahmedabad has outperformed most other Indian cities in its integrated approach to urban planning. While the AMC is responsible for providing basic services within city limits, AUDA was established in 1978 for planning and development of the wider Ahmedabad Urban Region. Ahmedabad's urban planning process is undertaken in two stages. A Development Plan, prepared every 20 years, outlines the direction of growth and identifies city-wide infrastructure. It is strongly enforced (89% of Ahmedabad's 2002 Development Plan has been implemented). Town Planning Schemes (TPSs) implement changes in land use and plan for local amenities on small portions of land. Under a TPS, landowners contribute a portion of their land for public infrastructure in return for plots with access to public utilities. It is relatively inclusive and participatory compared to traditional land-acquisition methods (Ballaney and Patel, 2009).

Over the past decade, about 153 km^2 has been taken up for TPS. About 8% of the land is retained by the authority for sale to finance infrastructure, another 3% has been allocated for housing economically weaker sections, and about 21% for roads, public utilities, open spaces and public purposes, such as education and health centres (Ballaney, 2013). The stipulation for allocating land for affordable housing explicitly recognises the need for inclusive urbanisation. Between 2004 and 2009 the AUDA built more than 11,000 houses for poor people on land obtained through the TPS.

4. Community mobilisation and joint partnerships for action

The AMC's slum-improvement policies and programmes have recognised the needs of people living in informal settlements and acknowledged communities' ability to organise, build consensus, and demand legal services. A defining aspect of the SNP was its participatory approach and the impetus it gave to the mobilisation of slum-dwelling communities to contribute actively to improving their neighbourhoods' physical, environmental and social conditions.

Such initiatives illustrate a tacit understanding that slum residents are willing and able to pay for services if these are provided legally. The SNP awarded de facto tenure rights to slum residents, giving them the confidence to invest in housing, while the provision of public utilities has had social, environmental and cultural impacts, such as improving their living conditions, health, education and self-esteem.

The Gandhian tradition of resolving disputes through dialogue rather than conflict forms the basis of negotiation among different actors in the city. A number of civil society and community-based organisations (CBOs) have become increasingly prominent in mediating the relationship between the municipal government and poor communities. Such organisations have played a crucial role in facilitating improvements in living conditions and have evolved to address emerging concerns.

Over time, their role has expanded from mobilising local communities to influencing local urban development and housing policies and programmes to benefit slum communities. For instance, the Mahila Housing Trust – SEWA's sister organisation, which played a key role in the SNP – later became part of the State Government Advisory Committee that guides matters related to land use, master planning, affordable housing and slum redevelopment. In addition, the Vikasini Federation, a self-regulated peer-to-peer network of CBOs, helps members to gain access to government training schemes, is involved in peer learning and conducts surveys in slum settlements.

What are the challenges?

1. Inequity in access to services and opportunities

The formal recognition of slum settlements and the rights of inhabitants remains an issue in India, and Ahmedabad is no exception in this regard. Significant sections of the population continue to lack access to good quality services and Ahmedabad has become a city segmented by class, caste, and religion. The sites selected to rehabilitate displaced slum residents tend to be far from the city centre often in poorly developed or industrial areas with poor access to transport links (Mahadevia et al., 2014). As a result, many people are unable to continue with their earlier occupations, while others need to spend more travel time and money to reach their place of work.

2. Centralised approaches to urban policy

Across much of urban India, there has been a shift in the concept of development from inclusive growth to the creation of 'global cities' marked by capital-intensive projects. Dialogue at the city level has declined, becoming strained and increasingly confrontational, and

'The voices challenging the new conception of "development" proposed by the government can't be heard, and the breakdown of trust will overshadow future collaboration' – Sociologist

availability of public funds has diverted the focus away from local, cost-effective programmes that were built on a collaborative model of development. The increasing adoption of centralised approaches to development and of a top-down, project-driven way of working has led to a breakdown of trust. As one civil society representative argued, 'there needs to be a debate on what we mean by urban modernity and, importantly, it needs to include the poor and their needs'.

3. Increasing social tension

Ahmedabad has a long history of socio-religious violence and has been one of India's most riot-prone cities. Violence escalated in 2002, with mobs administering a 'near pogrom of the Muslim inhabitants' (Chandhoke, 2009), reportedly leaving 1,000 people dead (Concerned Citizens Tribunal–Gujarat, 2002). Since then the city has become increasingly divided along religious lines with a 'ghettoisation' of Muslim communities. Many of those who fled the centre of the city in fear are now living in areas of the city that have poor access to basic services.

4. Environmental impact, particularly in terms of water

As Ahmedabad continues to expand, there is increasing pressure on infrastructure. The groundwater table continues to be depleted, with supplies insufficient to match residents' expanding demands. Ahmedabad had sophisticated traditional water-management structures for rainwater harvesting, but these are now neglected and lie derelict. Although the Development Control Regulations stipulate that all new developments of a certain size should capture rainwater, these are rarely observed in the absence of effective monitoring and enforcement.

Pedestrians in Ahmedabad. Photo: © Emmanuel Dyan.

'A "smart city" needs to first and foremost take care of all its people' – Civil society representative

A number of lessons can be learned from Ahmedabad's experience, both for other cities in India and for other countries undergoing urbanisation:

• **Extending public utilities to slum communities, irrespective of tenure, is an important step in integrating residents into the wider urban community.** Most local authorities in India are unwilling to extend water and sanitation services to slum settlements, since doing so is often viewed as the first step towards legalising the slum. The AMC has overcome this paralysis by delinking tenure from provision of services, based on the premise that the local authority is mandated to provide water and sanitation services to 'all' citizens in order to safeguard the health and safety of the wider population. The AMC provides slum households with a 'no objection certificate' that authorises them to provide basic services, even if the authority cannot guarantee tenure security. Extending such services is an important step towards improving living conditions and integrating communities into the wider fabric of the city.

• **Civil society, working alongside government in policy and planning, can contribute to improving access to services and better housing for poor urban people.** India is witnessing a rise in citizen-led organisations, which are playing an important role in ensuring accountable and transparent governance. The AMC actively engaged with CBOs and NGOs to implement slum improvement, livelihood and health programmes. The NGOs, in turn, work closely with communities to mobilise, organise, and build support for various government initiatives. These NGOs mediate between poor communities and local authorities, advocating policy change and thereby contributing to improved living conditions of the urban poor.

• **Creating incentives for partnerships involving government, the private sector, and civil society to plan together is a key part of effective town planning.** Ahmedabad is one of the few cities in India that has been able to implement its Development Plan and achieved some success in managing urban expansion. It is common practice in India to appropriate private land for public use. The AMC and AUDA have been successful in opening up serviced land for development using the TPS for micro-level planning. It adopts a more equitable approach by appropriating a percentage of private land for public services (and to raise funds for developing infrastructure) and offers an alternative way to develop urban areas.

• **Leveraging limited public funds to acquire alternative financing for urban infrastructure can play an important role in urban development.** Many city governments lack adequate funds and capacity to invest in water and sanitation services at the pace required. Recent urban infrastructure programmes have relied heavily on subsidies from state and national government. In 1998, the AMC successfully financed a large part of a major water supply and sewerage project by issuing municipal bonds, demonstrating that market-based financing is a viable option for funding urban infrastructure projects. The AMC also funded the SNP by sharing the cost of infrastructure development with implementing NGOs and participating communities. The city offers important lessons in some of the options for innovative financing of urban infrastructure.

• **Although well intended, top-down urban development policies can exclude poor people and damage relations between the government and civil society.** Ahmedabad has employed many mechanisms that make it a 'smart' city. While the AMC has traditionally taken an inclusive and consultative process compared to other Indian cities, recent changes represent a challenge to this legacy and raise big questions about the direction of urbanisation in India, the world's fastest urbanising country. The concept of development has increasingly shifted towards the creation of 'global cities' marked by capital-intensive projects. In turn, poor and marginalised social groups are being pushed out of the core city.

This summary is an abridged version of a research report and one of a series of Development Progress case studies being released at **developmentprogress.org**

Development Progress is a four-year research project which aims to better understand, measure and communicate progress in development. Building on an initial phase of research across 24 case studies, this second phase continues to examine progress across countries and within sectors, to provide evidence for what's worked and why over the past two decades.

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