

## **PART A: News pertaining to Planning Commission**



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**(महान लोगों के विचार)**

(No great man ever complains of want of opportunities. कोई भी महान व्यक्ति अवसरों की कमी के बारे में शिकायत नहीं करता.)

**Ralph Waldo Emerson राल्फ वाल्डो एमर्सन**

## **1. Smart cities and the challenge of urbanization**

**Accelerate India | Nov 20, 2014, 06:31 PM IST**

India's rapid population growth and the economic boom over the past two decades have propelled the phenomenon of urbanization, hitherto a rather slow process in India, into one of the foremost concerns of policymakers, economists, activists, and ordinary citizens. The government of India estimates that within 20 to 25 years, an additional 300 million Indians will be added to the nation's urban population, and the total population is expected to reach 1.5 billion in that period. This population explosion is unprecedented in our nation's history – these new urban citizens will have to be accommodated in cities that even today fail to provide basic infrastructure and services to their residents, with spiraling real estate costs and unplanned, rampant construction of housing and commercial projects.

### **Coping with urbanization**

Policymakers have sought to address and manage the problems of urbanization through investment in urban infrastructure and civic services. However, before we undertake these grand initiatives, we must seek to deconstruct and understand the specific challenges that urbanization presents, and solutions that have been proposed or implemented.



### **Urban infrastructure and investment**

One of the foremost problems of urbanization is building sustainable urban infrastructure, which includes urban streets, water supply infrastructure, sewerage and drainage systems, waste

management systems, and urban lighting systems, among many others. The **Planning Commission** states that India spends only \$17 per capita on urban infrastructure, whereas we should be spending \$100 per capita. The Commission also estimated that the total investment required over 20 years to build urban infrastructure would be \$1 trillion, a truly staggering sum!

### **Transportation and connectivity**

Ensuring efficient transportation and connectivity is vital for modern urban life. Transportation infrastructure needs to keep up not only with the growth of new cities, but also existing regions that currently suffer from poor connectivity. India's railway network, though one of the largest in the world has grown by only 19% since the British departed for their rain-soaked land. Many cities in the northeast do not have railheads and must instead depend on a road network that is susceptible to frequent closures due to landslides and inclement weather. With respect to air traffic, new airports are necessary to facilitate the free movement of people, goods, and commerce.

New cities being developed must ensure that they provide excellent connectivity to other parts of the country and indeed to the rest of the world. For example, the upcoming Gujarat International Financial Tec (GIFT) City is located only 18 km from Ahmedabad airport and is well-connected by road to other cities in Gujarat and Maharashtra.

### **Power and water supply**

Power generation is yet another challenge that must be met head-on – India had a peak power deficit of 15% in 2008, which is estimated to worsen to over 20% in 2017. Given the extent of load-shedding, new satellite towns and cities must not rely entirely on the electricity grid, but instead supplement this with electricity from renewable sources like windmills, solar panels, hydroelectric dams, and others. For instance, the Ministry of New and Renewable Energy has identified 48 cities to be developed as “Solar Cities”. Tamil Nadu has made great strides in bringing clean energy to its cities, while Lavasa is trying to generate 10–15% of its energy needs through renewable means. These are admirable initiatives, but a lot more needs to be done.

The problem of water supply is similarly staggering in scale. The World Bank predicts that India will face severe water crisis by 2050, while the government's figures show that even today, 22 out of India's 32 largest cities face near-daily water cuts caused by burgeoning demand. In Mumbai and Delhi, the gap between demand and supply of municipal water can be as much as 25%. How could this problem be resolved? “Smart” technology can play a role in reducing wastage and streamlining water usage – “smart” water meters are now being installed in cities like Mumbai,

Navi, Mumbai, Delhi and Bangalore. Similarly, some cities are mandating that new construction projects install innovative technologies like low-flow plumbing and wastewater reuse, and also require them to augment municipal water supply with alternative sources like rainwater harvesting.

### **Environment and sustainability**

Energy and environment are going to be one of the most critical factors which citizens will weigh the livability factor of a city. A healthy environment that is good and congenial for the life and work, is one of the prime necessities of any individual. Any discrepancy on that front can be detrimental not only for the people living in it, but also to the city as a whole. Take the case of Beijing, the capital of China. It is one of the most modern of cities with sky-touching towers, and expressways. Yet, the smog that envelopes the city spoils the image of the city as a whole. In fact, during the Beijing Olympics in 2008, one of the prime concerns for all the athletes and attendees was the environment of the city. A city that is smart is also a city that is environmentally sustainable.

Meanwhile, keeping in mind the rises prices of electricity, energy efficiency is no more a fancy term but a necessity. With the use of automated metering, households can schedule their workload based on the time when the electricity usage is minimum. Meanwhile, with energy-efficient housing, that makes use of renewable energy like solar, and so on, the energy bills can be drastically cut. Modern smart cities are the ones that are not only energy-efficient but also to a great meet their own power requirements.

In the end, there are up teem challenges that lie on the path to smart city. For instance, one of the biggest questions is whether smart cities should be built ground up or existing cities should be systematically converted in a well-thought out manner. Considering the huge costs involved required in land acquisition, displacement of existing population, and a new build-up, reworking an existing city and fine-tuning it makes a much greater sense.

In the end, becoming a smart city improves efficiency, creates a positive environmental impact, enhances security, improves health, and simplifies construction permitting. These results lead to a more livable, appealing, and economically viable city that is attractive to new citizens and businesses.

## **2. Subramanian panel suggests overhaul of green laws**

**Nitin Sethi, Business Standard: 21.11.2014**

The committee has suggested an umbrella law to help set up new national and state-level regulators that would also take the powers of the existing pollution control boards

The T S R Subramanian committee, constituted about three months ago to review laws related to environment and forest protection, has recommended some big-ticket changes to the rules and legislation. These include a complete overhaul of certain laws, special fast-track dispensation for power, mining and linear projects, self-certification of compliance by industry and diluting the powers of the National Green Tribunal (NGT).

The committee's recommendations, made in a report given to Environment & Forests Minister Prakash Javadekar recently and reviewed by Business Standard, are for a revamp of regulations and laws concerning environment, both pollution and forest-related. Several of these changes have either already been in the pipeline or previously discussed within the ministry. Some of these were suggested (or partly processed) during the previous government's term.

The committee has suggested an umbrella law to help set up new national and state-level regulators that would also take the powers of the existing pollution control boards. The law - Environmental Management Act - would do away with the need for separate Acts to regulate air and water pollution that empower states to give the consent to operate and establish industrial units.

The national and state-level regulators should be able to use the know-how of existing technical institutions and universities, while they appraise projects, as well as monitor their operations.

The law, as recommended by the Subramanian committee, reduces the powers of the National Green Tribunal by setting up special district-level courts to deal with infringement of environmental laws and an administrative tribunal (not a judicial one) to review clearances. A judicial review of project clearances should be the final step, and not the first stage of appeal, the committee has suggested. It has also advised infringement of laws be distinguished and categorised and prosecution and arrest be permitted only in the case of serious offences.

The committee has backed industry's long-standing demand that a self-certification system for compliance with environmental laws be introduced. This system, to be built on 'utmost good faith', would depend largely on project developers disclosing information and being held accountable in post facto review of project operations in areas chosen on random sampling.

A shrunk no-go area for miners - limited to the existing protected wildlife areas and forest patches with more than 70 per cent cover - has also been recommended. The original no-go area plan included wildlife corridors, lands with high biodiversity value (regardless of forest cover) and lands that acted as catchment of rivers.

The high-level panel has also suggested an amendment to the Forest Rights Act to provide a clear exception for all linear projects - roads, pipelines and power lines, etc. The high-level panel had not been tasked to review either the Forest Rights Act or the National Green Tribunal Act.

It has also recommended that the powers of the National Board for Wildlife (which has outside experts on board) in reviewing any changes to national parks and sanctuaries be handed over to the ministry.

A special 'fast-track' overall dispensation for linear, mining and power projects has also been recommended, besides an overhaul of the forest clearance process to further reduce the time taken.

The panel has advised that more kinds of projects and those larger in size than the ones permitted today be appraised at the state level, and not reviewed at the Centre, for environmental integrity.

The panel has also advised the government to firm up a legal definition of what constitutes 'forests'. The present laws do not define the areas where forest laws should apply. The definition was derived by a Supreme Court order that had extended the application of forest laws to lands that might not be classified as forest land on government records.

The court order included lands where trees of more than a certain density grew, regardless of the type or ownership of lands.

The five-member group said, while the compensatory afforestation asked of project proponents should be increased, their role should be limited to providing finances to state forest departments, and not beyond that. It also suggested a five-fold revision of rates of 'net present value' (NPV) that companies are required to pay for use of forestlands.

The panel suggested that a specialised and separate environment service be created as another All-India Service cadre.

Among the ideas and changes in the report that the environment ministry has already begun to process or is discussing are dilution of NGT's role, dilution of the power of tribals to give consent to projects, the legal redefinition of forests, shrinking of the no-go areas and easing of the appraisal regime for power and other projects. The process for upward revision of the NPV rates had begun during the previous government's term, and a committee was constituted to suggest new rates.

The creation of a new national and state-level authority was pushed by former environment minister, Jairam Ramesh, as well. But it faced opposition from many quarters for a variety of reasons. The present government has already made several amendments to the existing regulations; and other critical changes the high-level panel has recommended are already in the pipeline. These include a single-window clearance system, instead of multiple channels, for projects.

## WHAT THE PANEL RECOMMENDS

New umbrella law to subsume existing environment laws, the powers of pollution control boards

National and state-level authority to appraise and monitor projects

Fast-track clearance for power, mining and linear projects

Self-certification of compliance by projects and random review

Larger and more projects to be appraised at the state level

Amendment to Forest Rights Act to dilute consent powers

Administrative tribunal instead of judicial National Green Tribunal to review clearances on appeal

District-level courts to decide on infringement of green laws

Limited no-go forest areas where mining is banned

Definition of 'forests' to be formulated to reduce litigation

New environment service as part of All India Services cadre

Companies to pay more for compensatory afforestation but not be involved beyond financing

### **3. Saarc without a backbone**

**Pratap Bhanu Mehta, Indian Express: November 21, 2014 12:05 am**

Saarc was always hostage to the India-Pakistan relationship: India always feared it being used as a forum for bilateral one-upmanship by our neighbours. Saarc was always hostage to the India-Pakistan relationship: India always feared it being used as a forum for bilateral one-upmanship by our neighbours.

Despite his commitment to greater regional cooperation, Prime Minister Narendra Modi will have his work cut out for him at the Saarc summit in Kathmandu. Saarc declarations have made considerable progress on a range of issues, from trade and connectivity to ecology. But these declarations only serve to highlight that Saarc has near zero credibility. Can Modi convert a traditionally bureaucratic exercise, at the margins of our political imagination, into an ambitious political gambit with more meaningful outcomes?

There is some hope. The normative discourse on greater connectivity in the region has shifted. There are many projects already on the ground, ranging from grid connectivity with Bangladesh to power agreements with Nepal. These are very modest beginnings. Only in a culture that sets the bar as low as South Asia can these be regarded as progress. They are a far cry from the need to think of South Asia as shared ecological space, a connected energy market, a free-trade area, a zone of freer movement of people, a unified transport area, and more ambitiously, a zone of free, self-confident democracies. Contrary to our traditional fears, greater regional cooperation strengthens individual nations in Saarc rather than weakening them.

Saarc was always hostage to the India-Pakistan relationship: India always feared it being used as a forum for bilateral one-upmanship by our neighbours. This fear has diminished considerably. That is because some of India's bilaterals have improved, making it harder for all countries to gang up, as it were. There is also the view that regional cooperation can proceed at a different pace with different countries. And finally, at this point, the momentum of India-Pakistan relations has very little to do with India's actions. Pakistan needs to sort out what kind of national and regional player it wants to become: Indian conduct is, both for the Pakistani military and its Western supporters, largely an alibi for not facing up to its internal problems. Its human costs are high. But the only thing India can do is signal powerfully that there is a new regional imagination taking shape. This imagination has a lot of potential, and Pakistan can join the party if it wants to. The Pakistan factor is more reason to strengthen Saarc, not weaken it.

But there are serious obstacles. Regional institutions seldom overcome the pathologies of the bureaucracies of individual states. The importance of the credibility gap cannot be overestimated. Saarc would initiate a healthy precedent if, instead of making a lot of new pronouncements for the future, it began with an honest report card on how much delivery has fallen short of declarations. You can judge how serious an organisation is not by the scale of its promises, but whether it has an effective monitoring mechanism for implementation. The already agreed to Saarc roadmap for a transition from the Safta to a customs union would warm anyone's heart; the pace of implementation would drive anyone to despair. Even projects that have got off the ground, like the Saarc University, invite more scepticism than admiration. And Saarc institutions are pathetic both in capacity and in prestige.

India has to shoulder some of the blame. It is a tall order to expect India to do well in the region what it does only in fits and starts at home: build top-class infrastructure. But whether we like it



or not, infrastructure is the most potent tool of security, connectivity and diplomacy. India is not even off the starting block on this. We have rejected many infrastructure projects offered to us. Our execution does not command respect. It is also an open question whether the scale of financially viable projects is enough to add up to an infrastructure revolution in the region that has real political bite. But infrastructure is the backbone of regional cooperation. Right now, Saarc is a project without a backbone. The truth is that unless India shows exemplary execution capabilities in this area, the esteem it commands will be limited. And much of our neighbours' interest in us will depend on how well our economy does in the next decade.

Politicians in the region tend to be risk averse. In private, their normative and intellectual commitments are all for greater cooperation. In public, they face three obstacles. In some of the smaller countries, they fear being outflanked by their rivals, who are all too ready to use an anti-India card. Our neighbours are not alarmed by trade deficits with China, but the slightest spectre of a trade deficit with India is a political issue. These fears are exaggerated. But they have palpable effects.

Much of the discourse of regional cooperation is couched in very abstract terms and speaks of aggregate benefits to the countries involved. But aggregate benefits are seldom strong enough to override the opposition of entrenched interest groups which fear immediate distributive consequences. Moreover, the local communities where projects are going to be sited are often given little stake in them. Quite the contrary: they often fear that they will be used merely as way stations to seemingly lofty goals, without benefits flowing to them. None of these are insurmountable obstacles. But the form of local political advocacy needed to get projects off the ground still does not exist to a sufficient degree.

Finally, the domestic political cycles for many of our neighbours have to be taken into account. Nepal still has a political stalemate of sorts. Bangladesh is doing well, but the window of opportunity before the legitimacy crisis for the current government enlarges is small. Sri Lanka now has a cussedness about regional cooperation, largely buttressed by the view that China can sustain it. And it is unclear what compromises the new government in Afghanistan will make and what this entails for India. But the lesson is this: whenever there is a small window of opportunity, it is important to make maximum use of it, to deliver and execute projects that can endure the surface movements of politics. For example, coming good on all our commitments to Bangladesh is of such vital importance because if this moment is not used, the consequences will be serious.

Modi has a political opportunity. He can put an unprecedented political imprimatur on a usually moribund summit. It is a chance to boldly sketch what a new regional imagination, one that is vibrant and meaningful yet reassuring to all our neighbours, would look like. In many ways, this project is far more consequential, even for the future of secularism in the region, than we usually recognise. But he will also have to work hard to overcome the scepticism that big dreams usually incite in South Asia.

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#### **4. Chinese Takeaway: Modi's Indo-Pacific**

**C Raja Mohan, Indian Express: November 21, 2014 12:10 am**



The last time an Indian prime minister traveled to Fiji was in 1981, when Indira Gandhi arrived there.

#### **Modi's Indo-Pacific**

Prime Minister Narendra Modi's decision to visit Fiji after his pre-scheduled trips to Myanmar and Australia was indeed a surprise. This underlines the new commitment in New Delhi to bridging the gap between the potential and reality of Delhi's reach in the Indo-Pacific. The last time an Indian prime minister traveled to Fiji was in 1981, when Indira Gandhi arrived there. Since then, much has happened in Fiji and around it. The intensification of ethnic conflict in Fiji between Indian immigrants and the native populations saw Delhi focus exclusively on securing the interests of the Indian diaspora. The many coups in Fiji and the discrimination against the Indian community there led to Delhi's efforts to isolate the government and lose its broader influence in the island. Modi's visit comes in the wake of the UPA government's decision to begin constructive engagement of Fiji a few years ago.

In the island itself, the elections earlier this year saw the strongman Frank Bainimarama shed his military uniform and win a democratic election with the support of ethnic minorities, including

sections of the Indian community. If the restoration of democracy in Fiji set a positive context for Modi's visit, the PM announced a number of steps to boost India's relationship with Suva. This included the expansion of India's development partnership with Fiji, improving air links and announcing visa on arrival for the citizens of Fiji.

### **Fiji Looks North**

The diaspora is not the only reason that has taken Modi to Fiji. Long seen as the backwaters of global politics, the region has increasingly become an important theatre in the emerging great power contestation in the Indo-Pacific. As elsewhere, the rapid rise of China and its intensive outreach to the islands in the last few years has stirred other major powers into action. What began initially as a competition with Taiwan for diplomatic recognition among the island states has now acquired an intensive strategic dimension.

With their vast exclusive economic zones, the Pacific Islands occupy millions of square kilometres of ocean space and straddle vital sea lines of communication. Some provide ideal vantage points for military power projection. They are also important locations for gathering signal intelligence and monitoring outer space activity. Guam, for example, is now critical for the maintenance of American forward military presence in the Pacific. The US also tests many of its "star wars" systems in the littoral.

For China, which seeks to expand its own strategic influence in the Pacific, limit American military primacy in the region and gain access to the rich natural resources of the littoral, the Pacific Islands have become an important priority. The last few years have seen China step up its presence through massive aid programmes, civilian as well as military, and frequent deployment of its naval units and the development of maritime infrastructure in the region. China also built a satellite-tracking station in Kiribati which, of course, was dismantled when the island switched its allegiance to Taiwan.

China's interest has given the islands more strategic options in their international relations and the means to resist political pressures from Australia and New Zealand. Fiji has consciously articulated a "look north" policy and played the China card with considerable deftness. With China raising its profile in the south Pacific, the US has ended its post-Cold War neglect of the islands and is back in play. Japan, too, is now committed to doing more for the islands. Australia and New Zealand, which had a free hand in the region after the Cold War, are now recalibrating their policies.

## **India Card**

Hours after Modi left Fiji, Bainimarama was hosting Chinese President Xi Jinping. Xi is no stranger to the region, having visited the littoral as vice president a few years ago. Fiji and the other islands are eager for a strong Indian presence in the littoral. They know that India can't match the Chinese, dollar to dollar, in providing economic assistance. The islanders have no desire to switch from a dependence on the West to a total reliance on China. India's presence offers the prospect of greater regional balance in the south Pacific and offers more economic and political choices to the island states.

In meeting all the leaders of the Pacific Islands, promising to make the joint forum a regular affair, enhancing India's economic assistance programmes and unveiling defence cooperation with Fiji, Modi has demonstrated that India is ready to turn its historic links with the south Pacific into a strategic partnership.

The writer is a distinguished fellow at the Observer Research Foundation and a contributing editor for 'The Indian Express'

PART B

## NEWS AND VIEWS

Friday 21<sup>st</sup> November 2014

**Polity**

: In J&K, BJP to focus on local issues

**Economy**

: Jaitley nudges banks to boost credit  
offtake

**Planning**

: Govt plans subsidised train tours to  
popularise Northeast

**Editorial**

: Of secret hoards in tax havens

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