INDIAN INSTITUTE FOR HUMAN SETTLEMENTS

Urban Policy Dialogues

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SUMMARY OF DISCUSSIONS 2024

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About Urban Policy Dialogues (UPD)

The UPD is a flagship IIHS event hosted by the IIHS Practice Programme. Held every year in the last week of November since 2014, it has brought together India's leading urban thinkers and practitioners under one roof to reflect on the state of the urban and the policy agenda needed to realise the rich development possibilities the country's urbanisation presents. Past editions of the event have informed several national and state level policy stances. These, in turn, have gone on to shape the country's urbanisation.

UPD 2024

The tenth edition of the UPD was held at IIHS' Bengaluru City Campus over 27–28 November 2024. The event engaged about 60 invitees from diverse spheres of action – policy, regulation, business, finance, research and academia – in discussions on urban transformation strategies; governance reform; financing of growth-oriented, resilient infrastructure; land information systems; high performance buildings; social protection; and leveraging sustainability reporting frameworks.

DAY 1

Welcome Note

Prathijna Poonacha, Lead – IIHS Practice, welcomed participants and facilitated an introduction of all invitees.

Keynote Address

Aromar Revi, Director of IIHS, opened the keynote address by introducing the recent IIHS publication, "Accelerating India's Climate Transition: Pathways to the 1.5°C Goal." The report highlights adaptation and mitigation options in India, focusing on synergies and trade-offs with the SDGs. Aromar emphasised the urgency of deep decarbonisation – 50 per cent CO_2 reduction by 2030 and net-zero by 2050 – as global temperatures are projected to rise by 2°C within 6 years. Addressing India's triple development challenge, he stressed the importance of aligning economic aspirations with low emissions and resilience through systemic, cross-sectoral approaches tailored to local contexts. Examples from Tamil Nadu and Bangalore, such as solar PV plants, high-performance buildings, the Tamil Nadu Urban Sanitation Support Programme (TNUSSP) by IIHS, were showcased as successful localised strategies. He highlighted the need for integrated development plans across energy, infrastructure, ecosystems, industry, and societal transitions. Key enablers include multi-level governance, institutional capacity, and technological innovation. Overcoming siloed approaches and fostering inclusive, context-specific solutions are essential for advancing India's climate goals.

An edited recording of the keynote address can be found here.

DAY 1

Unveiling of Knowledge Products

UPD 2024 continued the tradition of releasing key IIHS reports, policy briefs and publications that contribute to the policy and development discourse in India. Five knowledge products were released and are available for download at these links:

- **Accelerating India's Climate Transition: Pathways to the 1.5°C Goal.** This report adapts the IPCC's Climate Resilient Development (CRD) framework to the Indian context, offering evidence-based insights to achieve 1.5°C-compatible development that aligns with the country's sustainable development goals and its economic aspirations.
- **Business Responsibility and Sustainability Reporting in India. An Analysis of Disclosures from 150 Companies.** This report analyses India's Business Responsibility and Sustainability Report (BRSR) framework, identifies emerging trends, gaps, and insights, and evaluates sustainability disclosures from the top 150 companies listed on the Bombay Stock Exchange (BSE).
- **High Performance Buildings: A Primer.** This report explores the principles, technologies, and benefits of High-Performance Buildings (HPBs) and addresses the business, regulatory, and policy implications for developers, investors, and policymakers, showcasing HPBs as a solution to India's growing urban challenges and climate objectives.

DAY 1

- Transitioning Urban Water and Sanitation Systems. Key Elements for Sustainable Change (IIHS Working Paper). This paper examines the challenges in water and sanitation services, the risks posed by climate change, and imbalances in the global water cycle that threaten urban Water, Sanitation and Hygiene (WASH) systems, identifying key concerns in institutional arrangements, technology, infrastructure, and financing as well as necessary elements for successful system transitions.
- Centering Trust in Product Design. Pathways to Involve Community Mediators to Gain and Keep Trust of Low-resource Women Users on Digital Public Infrastructure. This brief explores design pathways for creating digital public infrastructure that addresses the needs of low-resource women users, focusing on improving their livelihoods and earnings, and examines the role of women's associations and worker collectives in shaping ecosystems for livelihoods and skilling within such infrastructure.

DAY 1

Session # 1: Climate Law & Governance: Overarching Law or Incremental Approach?

Moderator: Amlanjyoti Goswami, Chief – Legal and Regulation, IIHS
Panellists: Chandra Bhushan, Chief Executive Officer, iFOREST | N. Amaranath, Chairman, Karnataka Solar Power Development Corporation Limited | Nidhi Srivastava, Law and Policy Specialist

Key Takeaways

- Innovative land-use strategies, advanced technologies, and decentralised implementation approaches have been critical to the significant progress made with respect to solar initiatives in states such as Karnataka. This mix of measures – reflecting the larger case for innovative policy instruments, coordinated multi-level governance, embrace of improved technologies, and prioritising inclusion – remains critical to India's climate resilient development.
- Incremental approaches will continue to be beneficial as long as centre–state coordination is smooth, improved technologies are adopted, and there is meaningful engagement with communities. However, the experience with renewable energy projects suggests that interplays of factors such as governance, sustainable development, land-use, biodiversity preservation, and, importantly, local impacts (including on livelihoods) need more systematic recognition and may require comprehensive domestic legislation building on existing laws.
- The Supreme Court of India's judgement in Ranjitsinh v Union of India pits climate change against biodiversity and sets a problematic precedent of requiring trade-offs between different environmental imperatives. India's international climate commitments require comprehensive domestic legislation incorporating multiple facets and equitable international climate collaboration.

DAY 1

Session # 2: Financing Growth-Oriented Resilient Infrastructure

Moderator: Amir Bazaz, Head – Infrastructure and Climate, IIHS
Panellists: Debashis Bandyopadhyay, Chief General Manager, Securities and Exchange Board of India (SEBI) | Harsh Singhal, Partner, ProsperETE | Rajashree Murkute, Senior Director – Large Corporate & Infrastructure Rating, CareEdge | Umamaheshwaran Rajasekar, Coalition for Disaster Resilient Infrastructure (CDRI)

Key Takeaways

- India's infrastructure investment requirements are at least double of current flows. To meet these requirements and sustain the development momentum, underfunded regions and sectors must be prioritised through targeted resource allocation, innovative financing mechanisms/ instruments, and robust governance and institutional systems.
- Collaborative financial models such as blended financing, impact investments, and partnerships are emerging as viable solutions to addressing gaps in infrastructure funding. Leveraging credit ratings and risk-sharing mechanisms can further strengthen the financial ecosystem for infrastructure projects.
- Cultivating trust among investors requires a comprehensive approach that includes strengthening governance and accountability protocols, establishing transparent regulatory frameworks, and showcasing the prospects of scalability, particularly in emerging sectors. These would be necessary ingredients to ensure seamless and enhanced infrastructure-focused capital flows. Mechanisms like Infrastructure Investment Trusts (InvITs) and vibrant and robust secondary markets provide the necessary liquidity and security necessary to attract and retain global capital.
- Strengthening municipal revenue streams, such as land monetisation and enhanced property taxes, is essential to ensure capital flows into urban infrastructure development. These would be particularly necessary to ensure viable investment profiles for small and medium sized cities.

DAY 1

- Robust fiscal discipline of ULBs will be the key to ensuring effective and widespread infrastructure deployment, upgradation, and development, an essential ingredient for sustaining current levels of economic growth and accelerating momentum around positive development outcomes.
- Resilience planning, if planned and executed well, offers significant financial and ecological advantages by minimising adverse impacts of climate and disaster induced shocks and stresses, reducing the costs of disaster recovery, and ensuring long-term pathways of sustainability. By embedding resilience early in the project life cycle, infrastructure developers can create value-driven investment opportunities and create dividends for all stakeholders: government, society, investors, and developers.

DAY 1

Session # 3: Realising High Performance Buildings at Scale

Discussants: Prasad Vaidya, Senior Advisor, IIHS

Panellists: Niladri Prasad Mishra, Senior Vice President, Head – Global Infrastructure & Climate Action, Infosys | Sameer Sinha, Founder and CEO, Savvy Infrastructure Pvt. Ltd | Smita Chandiwala, Founding Principal, Energe-se

Key Takeaways

- The shift toward HPBs represents a significant opportunity for job creation and economic growth. This transition must be supported by a comprehensive capacity development framework that empowers consumers, builders, service providers, and other stakeholders, ensuring that they are equipped to thrive in a sustainable built environment.

- There is a critical need for enhancing consumer awareness about the total cost of ownership so that there is a recognition of the life-cycle benefits of HPBs. This can create a demand for HPBs that will spur real estate developers to deliver HPBs. Such informed demand already exists in large corporations, which seek real estate that meets their ESG goals. There is also a need to overhaul the imagery of HPBs to move away from an all-glass international aesthetic associated with many green buildings.

- While HPBs may not necessarily incur higher upfront design and construction costs, they often involve hidden costs in terms of time, effort, and expertise. Larger real estate development and construction companies are better positioned to absorb these costs, posing a challenge for smaller entities. This needs sufficient capacity development across the supply chain.

- The adoption of mandatory energy conservation building codes needs to be complemented by a data-driven approach to performance evaluation with simple metrics on an open platform.

- Government intervention in building performance data disclosure will be pivotal in bringing transparency and facilitating large-scale adoption of HPBs. This is essential to ensure the widespread construction and operation of HPBs and will eliminate inefficiencies in energy and water consumption across the built environment and set clear standards for sustainability.

DAY 1

Fireside Chat: India's Urban Governance – Past and Future

Discussants: Aromar Revi, Director, IIHS | Vijay Kelkar, Padma Vibhushan; former Chairman, National Institute of Public Finance and Policy (NIPFP); former Chairman, 13th Finance Commission; Executive Director for India, Sri Lanka, Bangladesh and Bhutan, International Monetary Fund (1999-2002); former Finance Secretary, Government of India (1998-1999); former Secretary, Ministry of Petroleum & Natural Gas, Government of India (1994-1997); former Secretary, Economic Advisory Council to the Prime Minister (1985–1988).

Key Takeaways

- Urban governance and the delivery of public goods and services can be enhanced by increasing the financial autonomy of, and directing more resources to, the third tier of governance in both urban and rural areas. It can be achieved by increasing their share of GST and offering more budgetary support. This will enable municipal bodies to access capital markets and address liquidity issues.

- Strengthening the 74th Constitutional Amendment is the key to empowering urban local bodies and improving service delivery. This will help cities manage their resources better, tackle prevailing and emergent challenges effectively, and ensure that they have the required leadership for professional and accountable governance.

- Better political representation and empowerment of urban managers are required for efficient governance. Creating formal representation for mayors and local leaders in state-level bodies and training a cadre of skilled professionals and political leaders at the local level could strengthen urban governance. These efforts coupled with strong citizen engagement and bureaucratic accountability will ensure effective and transparent governance.

- Achieving a 'meta balance' between states and regions is crucial for encouraging political inclusion and ensuring fair representation in urban governance. Cross-sectoral integration and cooperative federalism will ensure coordination across sectors and promote holistic, effective and long-term urban development policies. Sustained efforts to incentivise investment in underperforming regions and improved collaboration will reduce regional disparities and foster equitable urban development.

An edited recording of the fireside chat can be found here.

DAY 2

Session # 4: Enhancing Urban Land and Property Records

Moderator: Deepika Jha, Senior Consultant, IIHS

Panellists: J. Manjunath, Commissioner, Survey Settlement and Land Records, Government of Karnataka | Kshitij Batra, Co-Founder and CEO, Terra Economics and Analytics Lab | Kunal Satyarthi, Joint Secretary, Department of Land Resources, Government of India

Key Takeaways

- A dedicated resource pool for improving urban land and property records is available for the first time at the national scale. Geospatial tools like drones, LIDAR, and orthorectified imagery are being used to improve land record accuracy in ongoing pilot projects in 150 towns and cities across the country.
- In modernising urban land and property records, ground truthing is a significant difficulty, because of outdated records, the fast pace of urbanisation, and high land prices. When combined with the complex processes around urban land development and fragmented institutional governance, they lead to inefficiencies in urban and peri-urban areas.
- There has been significant progress in land record management in rural areas. However, a 30–40-year backlog of cadastral map updates remains. Ensuring digital access to records, incentivising modernisation and resolving legal disputes are vital to unlocking the potential of India's land assets.
- The private sector can leverage technology to create additional value from the digital land and property information portals made available by the governments, including processing of legacy records and identification of specific properties across multiple databases. However, bringing in such efficiency would require the online information to be accurate and reliable.

DAY 2

Session # 5: Leveraging Sustainability Reporting for Businesses

Moderator: Amir Bazaz, Head – Infrastructure and Climate, IIHS
Panellists: Paneesh Rao, Chief Sustainability Officer, LTIMindtree | Kanishk Negi, Director, Schneider Electric

Key Takeaways

- A universally accepted definition of 'sustainability' is needed within reporting frameworks, and standards should be comparable across different regions/sectors. Reporting frameworks must adequately address the significant impact of value/ supply chains, which often account for 60–70 per cent of the total impact, as recognised by the EU's Corporate Sustainability Reporting Directive (CSRD). In addition, third-party auditing needs improvement for better monitoring and accountability.

- A balanced approach towards enhancing sustainability outcomes would need leveraging of both technological advancements and human oversight. This combination will be more desirable in complex, cross-sectoral sustainability-linked challenges.

- Businesses should acknowledge the broader impact of their operations and focus on both leadership and essential dimensions as recognised by the indicator framework like the Business Responsibility and Sustainability Reporting (BRSR). Emphasis should be on objective reporting, transparency, and openness in the context of business operations and its impact in addition to responsible business strategies. Companies should consistently address sustainability disclosure gaps to ensure quality and completeness and ensure that essential sustainability indicators are reported and acted on.

- The talent gap in sustainability can be addressed by training core professionals to understand sustainability challenges in relation to business continuity. A healthy interface and mix of young professionals and sector-specific expertise can organically embed sustainability as a value-added function within industries.

DAY 2

- Demonstrated progress on sustainability can attract new partnerships, such as with financial institutions, and sustainability linked key performance indicators could be leveraged to trigger sustainable business practices. For example, part compensation can be linked to ESG performance or capital can be made available at concessional rates for enhanced sustainability linked outcomes. Such innovative partnership or incentive models offer enhanced value to all stakeholders and trigger ecosystem wide better sustainability alignments.

DAY 2

Session # 6: Crafting Urban Social Protection

Moderator: Gautam Bhan, Head – Human Development, IIHS
Panellists: G. Mathi Vathanan, Director General, State Administrative Institute, Government of Odisha | Shrayana Bhattacharya, Economist, World Bank | Tarun Cherukuri, Co-Founder and CEO, Indus Action

Key Takeaways

- India's existing social protection framework is primarily designed for rural areas. However, the current pace of urbanisation presents a unique set of challenges that needs rethinking of SP systems for urban settings. 'Right to City' as a framework for urban SP can be introduced to address the integrated and critical needs of urban population, including land rights, housing, infrastructure, food, health, and education.

- Social protection systems need to move towards universal delivery of benefits, with a balance between direct provisioning and social insurance schemes. Steady investment in social insurance programmes, similar to levels seen in Brazil and China, is needed. The design of this financing could also look at more untied and discretionary pooled financial setups where state governments or urban local bodies can customise social protection priorities and adapt spending accordingly.

- Governance of social protection in India requires careful consideration. Decentralisation and a greater involvement of urban local bodies is essential, including expanding state capacity at local level to deliver social protection without further burdening existing frontline workers. Such municipal or social work cadres are well modelled globally. State governments can take more of the burden to identify citizens with simplified proxies of vulnerability, and let urban local bodies lead on delivery.

- A larger political imagination needs to be built on the centrality of integrated and urban-specific safety nets rather than the current approach of single issue schemes. A singular focus on technology to aid delivery systems is insufficient unless a broader rights-based entitlement framework is established.

DAY 2

Special Session: Realising Urban Transformation at Scale – Story of Tamil Nadu's Sanitation

Moderator: Aromar Revi, Director, IIHS

Panellists: Kavita Wankhade, Head – Governance and Services, IIHS | K. Phanindra Reddy, Additional Chief Secretary, Government of Tamil Nadu | Sakshi Gudwani, Lead – WASH, Bill & Melinda Gates Foundation

Key Takeaways

- TNUSSP focused on a seamless transition from external funding to state-led operations. Alignment of institutional and social objectives with public good ensured long-term viability. Institutional structural reforms, decentralisation of the implementation process, and a strong focus on government ownership are essential for the successful implementation of such large-scale programmes.

- Consistent leadership and enabling partners would be a way to ensure sustenance of such large-scale programmes. In addition, consistent objectivity and integrating scale up as a part of the initial plan was helpful in sustaining the programme in the longer run.

- Infrastructure creation for sanitation struggles to keep pace with urbanisation due to capacity limitations in administration and contracting. Frequent changes in administration and overburdened officers required strong institutional support and external facilitation. A robust Technical Support Unit (TSU) was critical to coordinate across municipal corporations, municipalities, and town panchayats. The continuity within the TSU and the project partners, right from conception to implementation to handover, was critical.

DAY 2

- Co-creation of solutions with the state ensured ownership and sustainability. Regulations have played a key role in institutionalisation of such processes.
- Development of septage guidelines addressed technical gaps and facilitated co-treatment initiatives. Long-term partnerships with credible domestic institutions ensured stability and technical expertise. Exposure visits and demonstrations showcased feasibility and scalability, building confidence in Faecal Sludge Management (FSM).

Closing Remarks

In her closing remarks, Kavita Wankhade, Head – Governance and Services, IIHS thanked the participants for their insightful contributions and extended an invitation to next year's convening to continue the conversations.

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