



Ministry of Housing & Urban Poverty Alleviation
Government of India

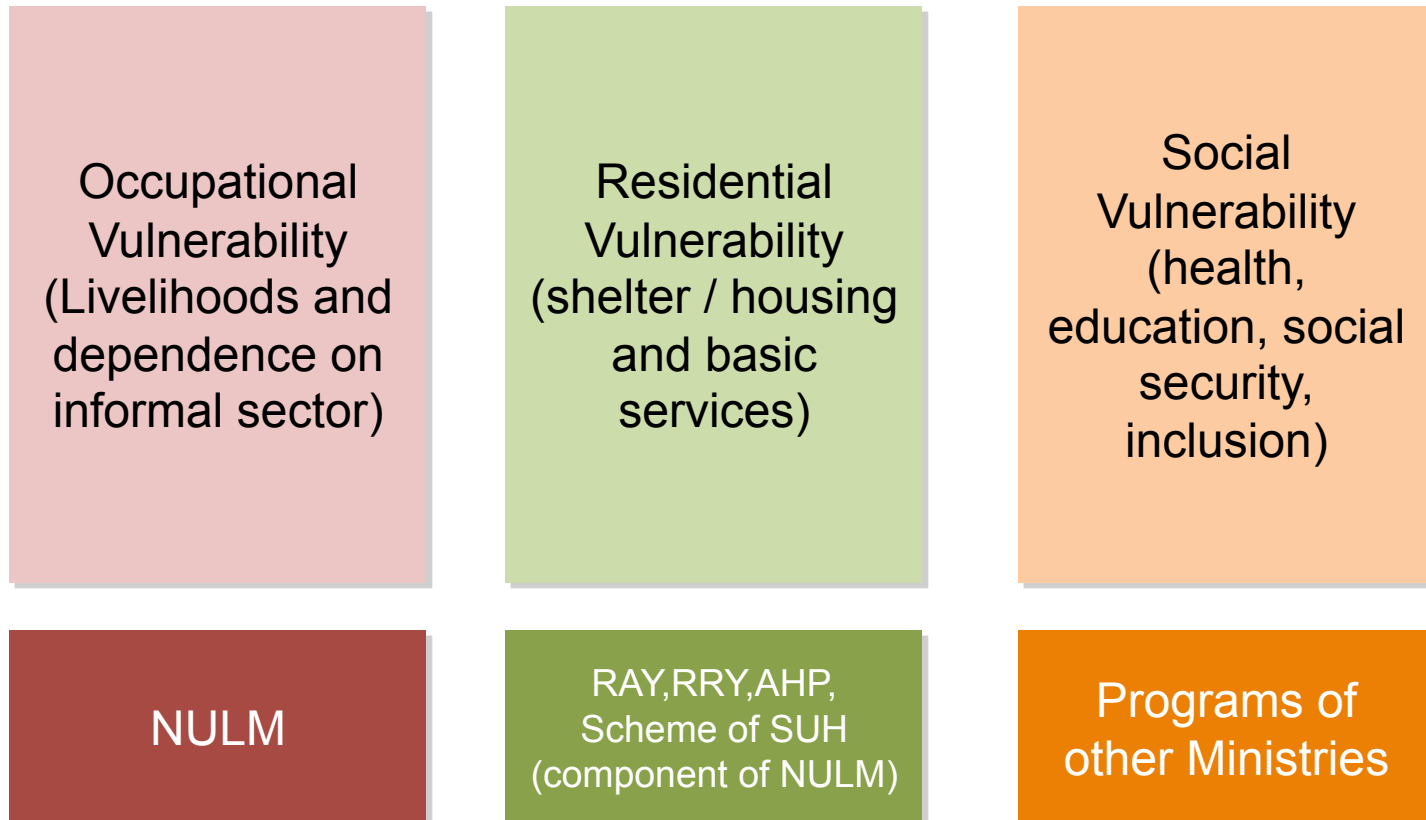
NATIONAL URBAN LIVELIHOODS MISSION (NULM)

23RD SEPTEMBER, 2013

Context

- **Pace of urbanization in India is set to accelerate** – Census of India data shows that share of urban population to total population has increased from 17.3% in 1951 to 31.2% in 2011
- Sharp growth and opportunities in cities poses a strong magnet
- 250 million people could be added to cities within the next 20 years. **The number of urban poor will accordingly rise sharply**
- As per 2011 census data, about **50% of rural male migrants come to cities seeking employment** - mostly in the informal sector
- This could place an **enormous strain on the system** if not planned for and managed well
- **Building inclusive cities with equal opportunity** for all is a key focus of the 12th FYP as a step to manage this pace of urbanization

Vulnerability Based Targeting of The Urban Poor



What we have learnt from SJSRY

- Problems faced in **identification and targeting** of beneficiaries
- **Limited focus on mobilizing urban poor into groups** for poverty alleviation and empowerment. SHG movement limited to primarily South India
- **Lack of human resources for effective implementation** of the scheme at the Central, State, District, City and Community level
- **Lack of strong capacity building across all levels** – limited capacity of existing training institutions, lack of trainers, need for alternative training methodologies and resources
- **Lack of an integrated approach to skill development** – need for counselling beneficiaries, synchronization with job opportunities and linkages with industry, need for independent certification recognized by industry
- **Lack of flow of credit to the urban poor for self-employment** – hesitation by banks to sanction loans to the urban poor in view of informal nature of ventures and absence of collateral
- **Limited financial allocation** for this scheme

NULM Mission

*To reduce poverty and vulnerability of the urban poor households by enabling them to access gainful **self employment** and **skilled wage employment** opportunities, resulting in an appreciable improvement in their livelihoods on a sustainable basis, through building strong **grassroots level institutions** of the poor. The mission would aim at providing **shelters** equipped with essential services to the urban homeless in a phased manner. In addition, the Mission would also address livelihood concerns of the **urban street vendors** by facilitating access to suitable spaces, institutional credit, social security and skills to the urban street vendors for accessing emerging market opportunities.*

Cities selected under NULM for 12th FYP (Phase 1)

- All cities with a **population of 100,000 or more** as per Census of India 2011
- **All District Headquarter Towns** with a population of less than 100,000 as per Census of India 2011
- For Hill, North-Eastern and very small States may propose cities with a population of less than 100,000 to be covered under NULM with suitable justification
- The coverage will be expanded subsequently in Phase 2

No. of cities per state (based on data received from 20 states)

No	State	Total no. of Cities	Cities with population of 1 lakh or more	DHQ Cities Less than 1 lakh population
1	Andhra Pradesh	46	45	1
2	Arunachal Pradesh	16	0	16
3	Assam	24	4	20
4	Bihar	42	38	4
5	Chandigarh	1	1	0
6	Chhattisgarh	28	10	18
7	Himachal Pradesh	10	1	9
8	Jharkhand	28	13	15
9	Karnataka	33	29	4
10	Manipur	3	1	2
11	Meghalaya	8	1	7
12	Nagaland	11	1	10
13	Odisha	33	9	24
14	Puducherry	5	2	3
15	Punjab	25	16	9
16	Rajasthan	40	30	10
17	Tamil Nadu	40	28	12
18	Tripura	7	1	6
19	Uttar Pradesh	82	60	22
20	West Bengal	62	59	3

No. of cities per state (based on 2011 Census data)

No	State	Total no. of Cities	Cities with population of 1 lakh or more	DHQ Cities Less than 1 lakh population
1	Andaman & Nicobar Islands	3	1	2
2	Dadra & Nagar Haveli	1	0	1
3	Daman & Diu	2	0	2
4	Goa	2	0	2
5	Gujarat	35	29	6
6	Haryana	25	20	5
7	Jammu & Kashmir	22	3	19
8	Kerala	15	7	8
9	Madhya Pradesh	53	32	21
10	Maharashtra	53	44	9
11	Mizoram	8	1	7
12	NCT of Delhi	3	3	0
13	Sikkim	4	0	4
14	Uttarakhand	16	6	10
	TOTAL ALL INDIA	786	495	291



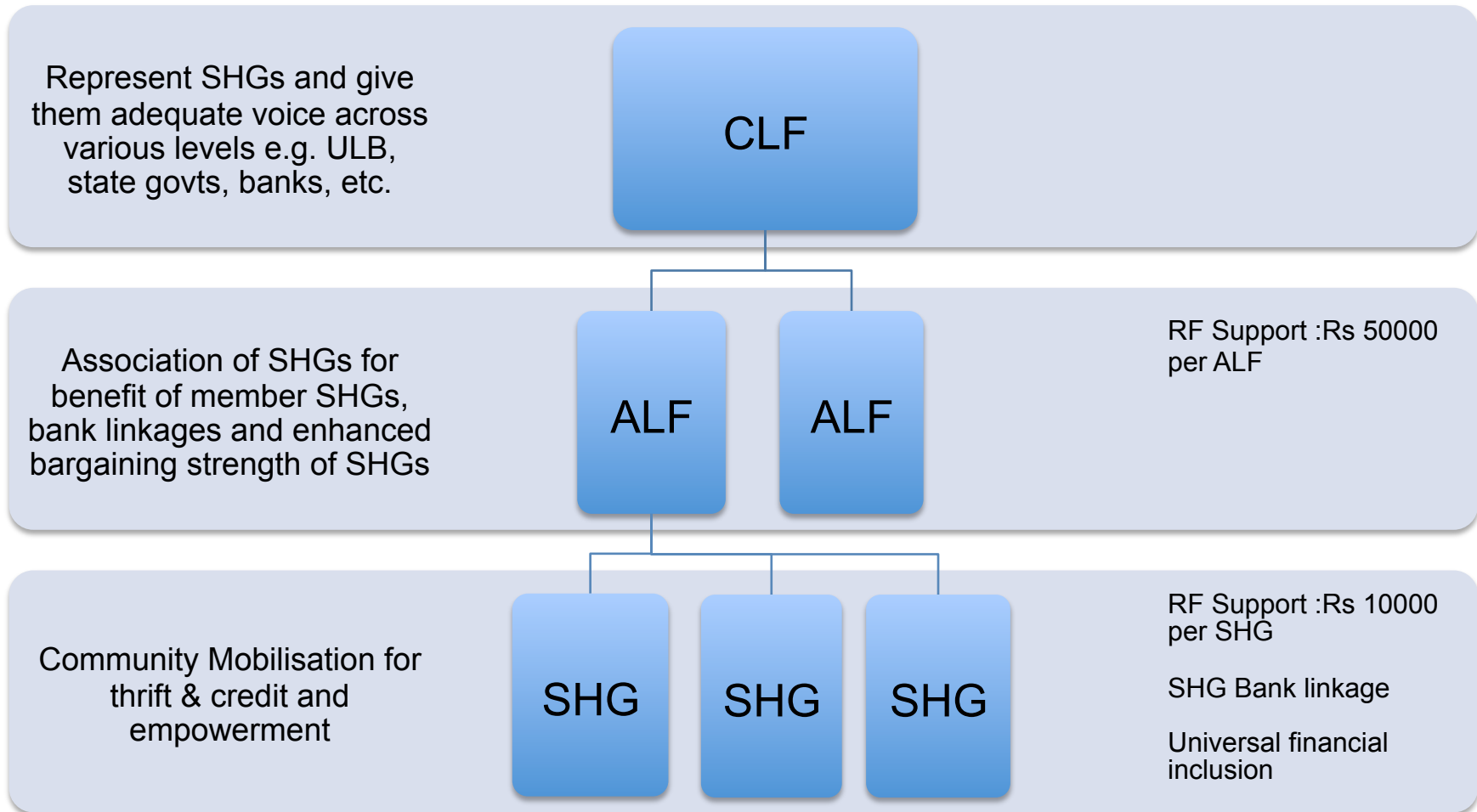


Social Mobilization & Institution Development

- In **1992 NABARD experiment** started with 500 SHGs. By 2010, NABARD was servicing 6.95 million SHGS, with a total savings of Rs. 6,198.71 crore and loans disbursed worth Rs. 12,429.37 crore
- Social Mobilisation is **stronger in rural India and in the 4 states of South India**. The challenge of SHG mobilization remains in urban India
- Social Mobilisation is not just the 'formation' of groups, but **empowerment**, financial **self-reliance**, and participation and **access** to government, its schemes and programmes for the urban poor
- NULM will focus on these elements with special attention to bank linkages for **purpose neutral loans to meet the credit needs of the urban poor**
- **Resource Organisations** (ROs) will be engaged by SULM to facilitate the formation of SHGs and their development. ROs will handhold SHGs for **2 years**
- SULM will be responsible for **selection of ROs** in a transparent manner at the state level or allow ULBs to empanel ROs on strict technical parameters so that quality of services is not compromised
- A maximum of **Rs. 10,000 can be spent per SHG** for this purpose



Social Mobilization & Institution Development





Social Mobilization & Institution Development

Additional features

- **Universal Financial Inclusion**
 - Financial literacy
 - Opening of Basic Savings Bank Deposit Account (No-frills a/c)
 - Affordable insurance – (life, health, pension)
- **City Livelihoods Centres** to be established (1CLC per 1-3 lakh population, 2 CLCs for 3-5 lakh population, 3 CLCs for 5-10 lakh population and 8 CLCs for more than 10 lakh population)
 - CLC would bridge the gap between demand and supply of the goods and services produced by the urban poor
 - The urban poor can access information and business support services which would otherwise not be affordable or accessible by them
- **Training & other Capacity Building** Support for SHGs and their Federations



Employment through Skills Training & Placement

- **Training to be provided as per market need** – training needs assessment by skill gap analysis at state/city level
- Training **course curriculum and modules to be designed as per market requirement** (& in accordance with National Occupational Standards)
- **Cost and duration** of each training to be finalized
- **Empanelment of Skill Training Providers** (STPs) – reputed govt. or private institutes may be empanelled by a transparent selection process
- Empanelment of independent **Certification Agencies** (CAs)
- **Placement (minimum 50%** candidates) and/or linkages for self employment ventures
- **Tracking** of successful candidates for minimum **12 months period**
- Cost per trainee is Rs. 15,000 (Rs 18,000 for NE States and SCS)



Self Employment Programme

- **Individual and Group** Enterprises to be promoted and linked with banks for financial support
- Provision of **Interest subsidy** on loans for individual enterprises (Rs 2 lacs max) and group enterprises(Rs10 lacs max).
- The individual and group enterprises will get **subsidized loans @ 7% subject to timely repayment.** Subsidy to be reimbursed to the banks.
- Facilitating **Linkage with Credit Guarantee Fund Scheme** of CGTMSE, M/o MSME.
- **Facilitation of Credit cards** for individual entrepreneurs for working capital requirement.
- **SHGs will be linked with banks** for loans (subsidized loans @ 7% subject to timely repayment with provision of additional 3% interest subvention for Women SHGs)



Capacity Building & Training

- Technical support at National, State and City level - setting up implementation structures at National, State and City level in Phase I (1 **NMMU** at National level, 1 **SMMU** at State level, and 1 **CMMU** at City/DHQ level)
- **Technical support team** to be positioned: National level (NMMU) – 10, State level (SMMU) – 6 for big & 4 for small states and City level (CMMU) – 4 for towns > 5 lakh population, 3 for 3-5 lakh population towns or 2 for towns < 3 lakh population
- NULM to support the cost of NMMU/SMMU/CMMU for **5 years**
- States to create/ designate a dedicated agency as **SULM which will be the nodal agency** for implementation of NULM at state level
- **Training & other Capacity Building support** for Mission Management Units at the National, State and City levels. Provision of Rs. 7,500 per member for training & capacity building



Support to Urban Street Vendors

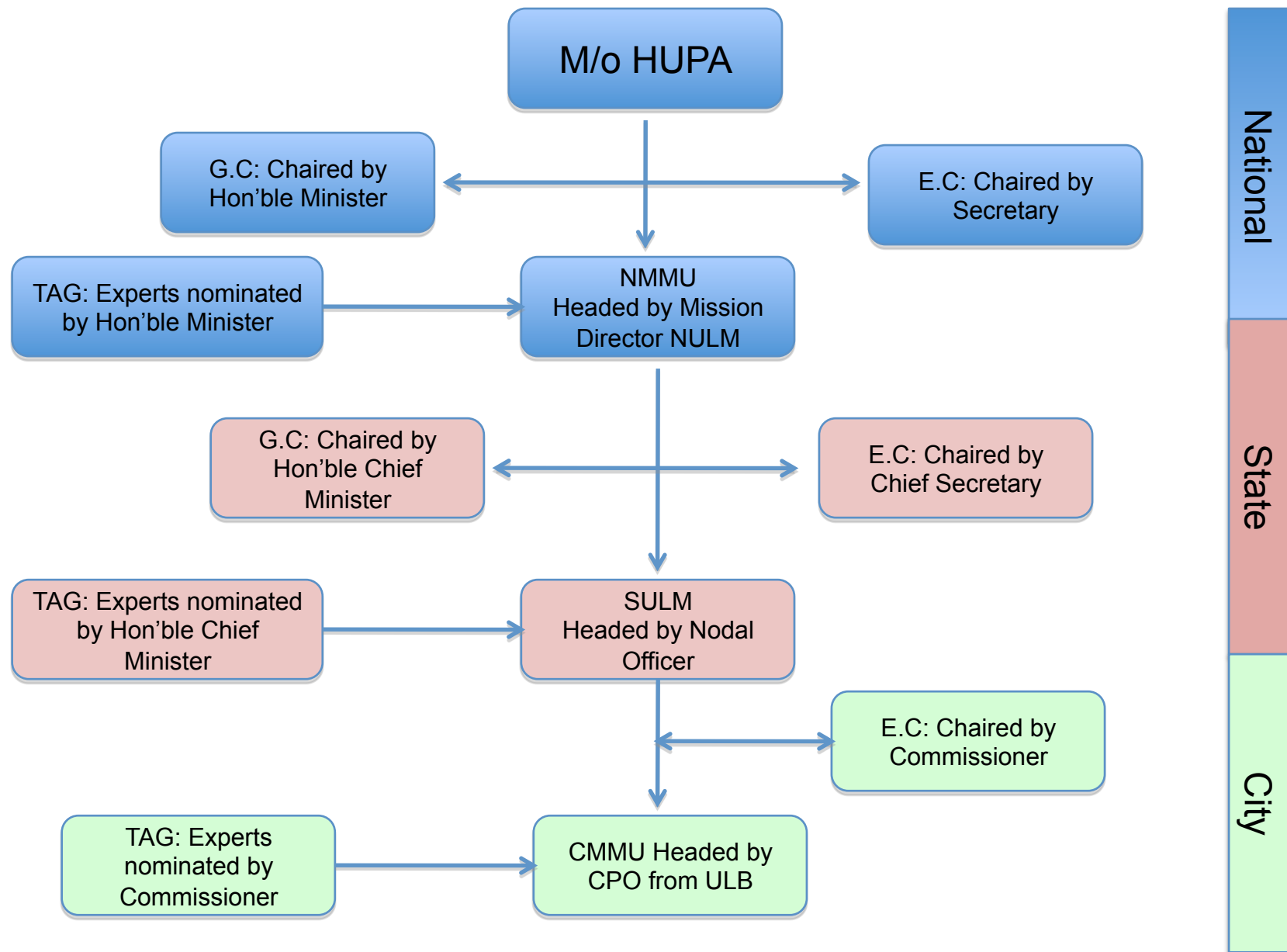
- A city wide **street vendor survey** with a view to identify vendors, vendor zones and existing practices
- **Issue of ID cards** to the vendors by the ULB
- Development of a **City Street Vending Plan**
- **Vendor Market Development**
- Provide **bank linkages** by way of opening Basic Savings Bank Deposit Account (no-frills) of the vendors
- Facilitate bank linkages for **working capital requirements**
- **Skill development**
- **Social security convergence**



Scheme of Shelters for Urban Homeless

- For every 1 lakh urban population permanent – **24x7 - all weather community shelters**. Each shelter to cater to 50 - 100 persons
- All necessary **infrastructural facilities** to be put in place – kitchen, water, sanitation, electricity, recreation, etc.
- A minimum space of 5 square meters or **50 sq. feet per person** to be provided
- **Location of shelters** to be close to the places of concentration of homeless persons and their work places
- Linkages with social security and other entitlements to be ensured
- Shelter Management Committee's to be set up to run and manage the shelters
- Shelters to be run on a **PPCP mode** - associating with agencies identified by the State including Building Centres, PSUs, NGOs, CBOs, Pvt. Sector Enterprises etc., for construction and management
- Construction cost to be shared in 75:25 ration (or 90:10). State to bring in land as their contribution
- O&M cost to be shared in 75:25 or 90:10 **for 5 years**

Institutional Arrangements for NULM



Composition of Governing Council at State

<u>No.</u>	<u>Designation</u>	<u>Membership</u>
1.	Chief Minister	Chair
2.	Finance Minister	Vice-Chair
3	Minister, Urban Development / LSG / Municipal Affairs/ Administration – in charge of Urban Local Bodies	Member
4.	Minister, Rural Development	Member
5.	Minister, Labour & Employment	Member
6.	Minister, Industry	Member
7.	Minister, Health	Member
8.	Minister, Technical Education	Member
9.	Chief Secretary	Member
10.	State Lead Bank Officer	Member
11.	Representative of M/o HUPA, GoI	Member
12-13	Representatives of ULBs – Mayors/Chairpersons (2)	Members
14-16	Livelihood Experts/Civil Society/Industry Representatives (3)	Members
17	Secretary/Principal Secretary in charge of NULM	Member-Convenor
18	Any other member(s) co-opted by the Chair	Member

Composition of Executive Committee at State

No.	Designation	Membership
1.	Chief Secretary	Chairman
2.	Secretary/Principal Secretary i/c of Urban Local Bodies	Member
3.	Secretary/Principal Secretary i/c of Urban Development/Housing	Member
4.	Secretary, Finance	Member
5.	Secretary, Rural Development	Member
6.	Secretary, Labour & Employment	Member
7.	Secretary, Social Welfare	Member
8.	Secretary, Health & Family Welfare	Member
9.	Secretary, Public Works Department	Member
10.	Secretary, Food & Civil Supplies	Member
11.	Secretary Social Justice & Empowerment	Member
12.	Secretary in charge of Primary Education	Member
13.	State Lead Bank Officer and Head of another Nationalised Bank	Members
14.	State Representative of RBI	Member
15.	Industry Representative	Member
16.	Representatives of SHGs/Federations (3)	Members
17.	State Mission Director, NRLM	Member
18.	State Officer in charge of Technical Education / Labour/Industry	Member
19.	Representative of M/o HUPA	Member
20.	State Mission Director, NULM	Member-Convenor
21.	Any other member(s) co-opted by the Chair	Member

Way forward

No.	Aspect	SJSRY Achievement	NULM Expectation
1.	SHG formation	66 lakh members in 15 years	20 lakh members in 3.5 years
2.	Resource Organisations	-	Between 1,000 – 2,000 ROs needed to mobilise 20 lakh members into 2 lakh SHGs
3.	Bank Linkage	-	<ul style="list-style-type: none"> • Basic Savings Bank Deposit Accounts for urban poor • 2 lakh SHGs to be linked to banks for credit access
4.	Revolving Fund	70,000 SHGs linked to RF in 4.5 years	2 lakh SHGs to be linked to RFs in 3.5 years
5.	Community Organisers	Several posts vacant	Need 4,000+ COs across the country (1 CO per 3,000 urban poor households)
6.	Skill Training	31.5 lakh trained in 15 years (avg. 2.1 lakh/yr)	40 lakh to be trained in 3.5 years (avg. 11.43 lakh/yr)
7.	Placement	1.56 lakh in the last two years	Atleast 20 lakh in 3.5 years
8.	Self-Employment Programme	6.6 lakh beneficiaries in 15 years	4 lakh beneficiaries in 3.5 years

Next Steps: Oct 13 - Mar 14

PLANNING

- Set up societies at state level where they do not exist
- Assign a nodal officer for SULM and ULBs
- Prepare & Submit an annual action plan for 2013-14 by October 15, 2013. AAP for 2014-15 to be completed by January 2014

CBT

- Prepare list of existing staff to be sent for exposure visits and training
- Issue advertisement for hiring staff
- Have SMMU and CMMU in place by March 31st, 2014

SMID

- Issue advertisement for identifying and empanelling ROs
- Develop plan for graduating from UCDN to SMID

ESTP

- Hold meeting with industry associations, sector skill councils and STPs
- Ensure empanelment of STPs is complete
- Ensure state skill gap analysis report is available
- Plan for orienting stakeholders on new guidelines under NULM

SEP

- Hold meetings with bankers to orient them on new details under SEP and SHG bank linkages at State Level

MIS

- 2 states will pilot test the new MIS



“A small body of determined spirits fired by an unquenchable faith in their mission can alter the course of history”

Mahatma Gandhi