

PURA: RURAL URBAN LINKAGE IN INDIA

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Lack of livelihood opportunities, modern amenities and services, necessary for decent living in rural areas result in a sense of deprivation and dissatisfaction amongst a large percentage of population and lead to migration of people to urban areas. This is primarily due to the big differences in the availability of physical and social infrastructure in rural and urban areas. In order to address these issues, the government has, in the past, launched various schemes at different points of time. However, due to several reasons, the impact has not been very visible. The deliveries of these schemes were not simultaneous and although huge sums were earmarked for capital expenditure, very little resources were spent on the operation and maintenance of the assets. Also, each of these schemes operated autonomously and the standards set for infrastructure services delivery in the rural areas were far below those set for the urban population. Hence, in spite of several schemes, there continued to be a substantial flow of migration from the rural to urban areas. In order to catalyze the convergence between

different infrastructure schemes and create a new model for management of urban services in the rural areas, the Provision for Urban Amenities in Rural Areas (PURA) Scheme has been developed.

About PURA: To make the basic amenities like good roads, drinking water etc. accessible to people even in remote villages, The Ministry of Rural Development (MoRD), Government of India has re-launched the scheme Provision of Urban Amenities in Rural Areas (PURA) as a Central Sector scheme during the remaining period of the eleventh five year Plan. PURA aims to achieve "holistic and accelerated development of compact areas around a potential growth centre in a Panchayat (or group of Panchayats) through PPP by providing livelihood opportunities and urban amenities to improve the quality of life in rural areas." The PURA Scheme envisages rapid growth of rural India given enhanced connectivity and infrastructure, the rural population would be empowered and enabled to create opportunities and livelihoods for themselves on a sustainable and growing basis. The key characteristics of the



scheme are: [1] Simultaneous delivery of key infrastructure in villages leading to optimal use of resources.

[2] Provision of funds for O&M of assets for 10 years post-construction, along with capital investment for creation of assets.

[3] Transformation of several schemes into a single project, to be implemented as per set standards in a defined timeframe, with the requirements of each scheme being kept intact.

[4] Combining livelihoods creation with infrastructure development.

[5] Enforcement of standards of service delivery in rural areas almost at par with those obtaining in urban areas.

[6] Enforcement of service standards through a legally binding arrangement. The speed of urbanisation poses an unprecedented policy change yet India has barely engaged in a national discussion about how to handle this seismic shift in the make-up of the nation. The population of India residing in urban areas will increase from 340 million to 590 million by 2030. Urbanisation is expected to speed up across India, impacting almost every state. As India expands, India's economic make-up will also change. In 1995, India's GDP split almost evenly between its rural and urban economies. In 2008, its urban GDP was accounting for 58 per cent of its overall GDP and if the current trend continues it is expected that urban India will generate 70 per cent of India's GDP by 2030. The challenge for India will be to ramp up investment in line with economic growth. The objectives of PURA are proposed to be achieved under the framework of Public Private Partnership between Gram Panchayats and private sector partner with active State Government support.

Commitments by PURA: Indian cities are failing to provide a basic standard of living to their urban residents and life could become tougher as cities expand. As the urban population and its incomes increase, demand for every key service will increase five to sevenfold in cities of

every size and type. If India continues to invest in urban infrastructure at its current rate (very low by international comparison) gridlock and urban decay will result. India urgently needs to adopt a new approach to manage urbanization. Urban India today is distributed in shape with a diverse range of large and small cities, spread widely around the nation. To address the issue of urbanisation, India should continue to aim at a distributed model of urbanisation because this suits its federal structure and also helps to ensure that migration flows are not balanced towards any particular city or cities. To control the migration from rural to urban areas, it is necessary to provide basic amenities and facilities in rural areas which are similar to those in urban areas. Schemes like

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PURA attempt to bridge these gaps in order to ensure that the rural areas have amenities which are at par with those in urban India. This would help in whittling down the migration from rural to urban areas. The objective of the scheme is to provide urban amenities and livelihood opportunities in rural areas to bridge the rural-urban divide, thereby reducing

migration from rural to urban areas. The mission of the restructured PURA scheme is holistic and accelerated development of compact areas around a potential growth centre in a Gram Panchayat (or cluster of contiguous Gram Panchayats) through the Public-Private Partnership (PPP) framework, to provide urban amenities and livelihood opportunities and improve the quality of life in rural areas.

PURA Concept: The development model that India adopted since independence has led to vast regional disparities. Urban areas are highly developed and have all the modern amenities, whereas, rural areas are grossly underdeveloped, dependent mainly on agriculture and lacking in even basic necessities such as pure drinking water, electricity and good all weather roads. Seventy per cent of our population resides in rural areas and agriculture being subjected to vary of nature cannot sustain such high levels of population. As a consequence large numbers of people are migrating

from rural to urban areas in search of employment. This has put great strain on the civic infrastructure of the cities leading to problems like congestion, unauthorized construction, slums, waste disposal and the like and this has also adversely affected the law and order situation. Cities have now reached their saturation limit and are unable to absorb further migration. Quality of urban life has been degenerated and the entire urban system is on the verge of collapse. To tackle this problem Former Indian President Dr. A.P.J. Kalam had proposed the concept of PURA (Providing Urban Amenities in Rural Areas) in the vision – 2020 project initiated by him. Its objective is to make rural areas as attractive to investors as cities are. Then, rural areas too will generate urban-style employment to halt (if not reverse) rural - urban migration. Our country is poised towards execution of PURA for bridging the rural - urban divide and achieving balanced social-economic development in the 4,130 rural clusters across the country in the next five years. The north-eastern states, other special category states and backward areas, identified by the Planning Commission would get priority under the scheme.

Scheme Envisages:

- [1] Linking a loop of villages by a ring road about 30 kilometres in circumference with frequent bus services. That will integrate the population of all connected villages into one market. Then, those villages become a virtual city with a potential to expand and accommodate 3-5 lakh people.
- [2] Compensation to farmers for the land acquired from them not by a lump sum but by an annual fee equal to twice the price of the produce they grow. That gives farmers perpetual inflation protected income.
- [3] Sub-leasing the land to employers both for business and for employee residences within walking distance of each other. That will virtually eliminate daily commuting to work, an unavoidable evil in city living.

Business Plan for PURA: After initial short term employment during construction and the like, we may have to plan for initiating actions for providing regular employment opportunities for 3000 employees. If the industrial parts are marketed well, they can generate employment opportunities in services and support sector for about 1000 people. This is one way of reducing the employment gap leading to upliftment of the 260 million people living below the poverty line and also to provide better jobs for many millions who are technically above poverty line, but poor by many other standards. In brief, we should generate the business plan for providing urban facilities in rural areas and evolve methodologies for creating a model that would:

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- [1] Create a database of core competencies and comparative advantages in the chosen region
- [2] Estimate the cost of implementing the provision of urban facilities to rural areas.
- [3] Measures of quantitatively establishing the economic prosperity of people before and after providing urban facilities in rural areas are implemented.

Current Status of PURA:

- [1] Restructured PURA Scheme was launched on February 24, 2012 that combines rural infrastructure development with economic regeneration in Private Public Partnership (PPP) mode and seeks to harness the efficiencies of the private sector. The focus of the new PURA was on water supply, sanitation, physical infrastructure.
- [2] The Rural ministry plans to reform one of its ambitious yet not so successful programmes - Provision of Urban amenities in Rural Areas (PURA) - to facilitate creation of urban infrastructure in around 2,000 new towns that have been identified by the 2011 decadal Census. It is also trying to restructure the old PURA objectives laid down by the then President.

- [3] The Prestigious scheme proposed providing livelihood and urban amenities in compact areas around a potential growth centre in Gram Panchayats through Public Private Partnership (PPP) framework to provide guarantee employment to rural areas so that they could have an assured income for at least 100 days of a year. The scheme is now facing rampant corruption, cases of underpayment of wages have been received by the government from all over the country.
- [4] With a view to sensitize stakeholders for future pilot projects, MoRD and ADB hosted a 2- day workshop at Trivandrum, Kerala from 22-24 March 2012. This revisited the PURA vision, *PURA 2.0* features, pilot project structures and process as well as invited detailed presentations from PPP players on their pilot project clusters with a focus on key issues faced and future road maps. PPP partners especially noted the need for *PURA 2.0* projects to be categorized as 'infrastructure' projects to qualify for tax breaks and access to funds such as RIDF (Rural Infrastructure Development Fund) of NABARD.

Conclusion: The basic objective for the 12th Plan is aimed at faster, more inclusive and sustainable growth. The infrastructure investments have seen significant improvement during the 11th Plan, but the pace of infrastructure development needs further acceleration if the infrastructure gaps are to be bridged within a reasonable time frame. The approach paper on twelfth five year plan depicts that "Although PPPs have been successful in a number of infrastructure sectors and efforts need to be continued in further encouraging private sector involvement, it is felt that public investment in infrastructure, particularly irrigation, watershed development and urban infrastructure, will need an additional 0.7 percentage points of GDP increase over the next five years. As per the approach paper, skill development needs a major focus at all levels. We must involve PPP to ensure that the skills developed also lead to employability." Underlying this reason it shall be imperative for the government to upscale the PURA Scheme to cover several new towns and villages.

- [1] Economic returns and self-sustainability.

- [2] Marketing methods for providing urban facilities in rural areas, self-sustaining and to attract investments.
- [3] Identifying key business persons, public persons and others who can manage providing urban facilities in rural areas successfully and also bring in investments. PURA can succeed only with the help of all sections of society, that is, Government, NGOs and private sector. The essence of PURA is change, a change from the prevailing cynicism that rural development can be sustained only by charity. In parallel, urban attitudes too, that urban slums are inevitable, rural-urban migration is unstoppable, should also be given up. PURA needs a vision to realize that urban amenities do not need congested dirty cities.

PURA was envisaged by former President of India Dr. A.P.J. Kalam as a self-sustainable and viable model of service delivery in rural areas to be managed through an implementation framework between local people, public authorities and the private sector. The scheme was re-configured after extensive consultation and research process with State Governments, private sector and multi-lateral development organisations like ADB. It was initiated as a pilot in Public Private Partnership (PPP) mode early this year when the Expression of Interest (EoI) evoked unprecedented response from the private sector for this untested and complex scheme, perhaps the first of its kind in the world. Ministry of Rural Development intended to launch about 8-10 pilots across the country. PURA represents twinning of rural infrastructure development with economic re-generation activities. This is the first ever attempt at delivering infrastructure and amenities through Private Public Partnership in the rural areas. Involvement of the private sector, for the first time, in creation and management of amenities through a partnership with Gram Panchayats is an effort to provide a completely different framework for the implementation of rural infrastructure development schemes and harness private sector efficiencies in the management of assets and delivery of services.

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