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| City: | Kolkata |
| Country: | India |
| Population size: | 14.402.000 (metropolitan area 2011) |
| Project/policy name: | Capacity Building Programme |
| Area of project/policy  (whole city; inner city, outskirts, neighbourhood/quarter/district; region (city and hinterland): | Whole city |
| Main actors (local government, regional government, national government, NGO, community group, economic sector entity, others ?): | metropolitan government, private sector, international institution (Bank of Asia) and other country (United Kingdom) |
| Year of project/policy start: | 2003 |
| Year of project/policy end (possibly: on-going): | 2009 |
| Date of case study compilation: | August 2014 |
| Author of the case study: | Camille Toggenburger |

**teaser:** Describe the case study in one or two sentences (*max. 140 characters*). The teaser will appear on the results pages and at the top of the case study.

The programme intended to transform the Kolkata Municipal Corporation into a more effective organisation in order to improve municipal service delivery.

**abstract:** Summarize the case study in 2-3 paragraphs (*max. 200 words*). Briefly describe the project, its main objective(s), challenge(s), approach and results including reasons for why it can serve as a good practice example.

The Capacity Building Program (CBP) was launched in 2003 as a supportive measure to the Environmental Improvement Project in Kolkata. It aimed at improving the delivery of urban services by the Kolkata Municipal Corporation (KMC) and transforming the institution into an “efficient, effective, equitable, citizen responsive, financially sustainable and transparent organisation”. The administration’s capacity to deliver urban services along those principles had long been challenged by the city’s rapidly growing population, constrained financial capacities and an under-effective administrative organisation. In 2001, around one third of the city population lived in slums, partly as a result of KMC’s incapacity to deliver urban services in a sustainable and equitable manner on its territory.

Consultant firms helped the KMC to identify the Programme’s priorities and to reach an agreement with its partners. A Capacity Building Cell was formed inside of the KMC to implement the Programme.

Thus the Programme recognized capacity building as a key factor for qualitative urban service delivery in the city. The approach combined an institutional reform with a human-resources development strategy. Decentralization or delegation of competences to the lowest administrative level has been implemented when possible. Citizen surveys have been conducted throughout the process to identify priorities and evaluate progress made.

**background\_and\_objectives**: Explain the local context, initial needs/problems, overall and specific objectives of the project/policy (*max. 350 words*).

The **Kolkata Environmental Improvement Project (KEIP)** was launched as a multi-agency initiative targeting environmental efficiency improvement in the city by providing better access to urban services in underserved areas. A feasibility study first revealed that capacity building was necessary to improve the quality of municipal service delivery by the Kolkata Municipal Corporation (KMC). Consequently, the **Capacity Building Programme (CBP)** has been launched as one of the five constitutive aspects of the KEIP. The CBP was thus seen as a supportive measure to major infrastructure investments done in roads, sewerage and drainage, water supply and solid waste management in the frame of the KEIP.

Service delivery and environmental protection in Kolkata has been challenged since India's independence by a rapidly increasing population and the massive arrival of Bangladeshi refugees. The public administration was characterized by overlapping responsibilites between departments and a lack of clear ownership for activities. In spite of the high number of officials, resources were not adequately distributed between the departments, leading to a lack of coordination and effectiveness in service delivery. Moreover, low financial capacities of the KMC reduced its capacity to conduct a pro-poor urban strategy and to allocate enough resources for the development of urban services in the most deprived areas of its territory. The incapacity of the municipality to respond to the basic needs of its population resulted in a high proportion of residents living in urban slums; an estimated 33% of KMC's total population according to the 2001 Census of India.

The goal of the CBP was to increase efficiency in city administration and governance. It further aimed at "enhancing the ability to manage the delivery of urban services to the citizens of Kolkata in a sustainable and equitable manner". The capacity building strategy conducted by the Kolkata Municipality to formulate a vision for itself as "an efficient, effective, equitable, citizen responsive, financially sustainable and transparent organisation, delivering quality service to its citizens".

**implementation:** Describe the main steps (including time frame), instruments used, and stakeholders involved (*max. 700 words*).

In November 2002, on the initiative of the UK Government’s Department for International Development, the Infrastructure Professionals Enterprise (IPE), a consulting firm specialized in sustainable development strategies, was tasked with the development of the programme's initial phase. The IPE professionals became Inception Phase Consultants for the programme; their mission consisted of two main tasks:

1. The need for a Capacity Building Program for the Kolkata Municipal Government had already been identified by the Asian Development Bank in its feasibility study. The IEP was now in charge of giving it strategic direction by identifying which departments of the local government should be part of the Program.

2. The consulting firm was also commissioned to mediate and reach an agreement between the KMC and all relevant partners to design the CBP.

IPE defined the scope of the Programme by dividing it into "modules", which contribute to capacity building for the Municipality of Kolkata. The development of each module has been handed to other consulting firms after a competitive bidding process.

The modules are:

1. Organisational development

2. Computerisation

3. Public relations and communication

4. Geographic Information Systems: revenue mapping, municipal infrastructure mapping, resource/assets mapping, poverty mapping

5. Program management

- implementation

- change management and governance

- social inclusion

- urban planning

6. Resource mobilisation and improved financial management

The Capacity Building Cell has been formed within the KMC. It is the central implementation's entity and is headed by the Capacity Building Programme (CBP) Manager. Nodal officers have been designated to take responsibility for the modules. They are responsible for coordinating the work between the consultants and the KMC, adjusting consultants' propositions with KMC priorities and implementing the module.

The following chronology shows the strategy's development:

*(source: https://www.kmcgov.in/KMCPortal/jsp/CBPHome.jsp):*

October 2002: Inception phase launched

March 2003: Detailed action plan developed

June 2003: Capacity Building Cell set up at KMC

January-July 2004: Consultants selected for technical and implementation advisory

April 2005: Annual review of progress by the Department for International Development (United Kingdom)

July 2005: Review of progress by KMC-MIC

March 2006: Publication “Capacity Building Programme Volume I”

The Kolkata Municipal Corporation Act from 1980 foresees a three tier organisational structure for the Municipality. The Municipal Corporation is at the top of the organisational hierarchy, the borough committees correspond to an intermediate level and the Ward Committees are at the lowest level. The vision formulated by the Municipality for the new capacity building strategy intends to keep this organisational order: it allows to keep system stability and correspond to the 74th Amendment of the Constitution. At the municipal corporation level, responsibilities are shared between the corporation, the Mayor-in-Council and the Mayor.

Organizational development strategies are implemented within this structure. The strategies refer to two main aspects which are:

- Institutional/organizational reform

- Human resource development strategy

One of those strategies is to **combine delegation with decentralization**. For central functions (such as tax collection), delegation will still be preferred over decentralization. Development and welfare functions (such as the delivery of birth certificates) are suitable for decentralization. One other strategy concerns the **evolution of the control system**. To that end, the Internal Audit system, as well as the Municipal Vigilance authority had to be reorganized. This mainly happened through the hiring of specialized firms on contractual basis. **Mind building** has been also identified as a key aspect of the strategy. For that the internal training organ of KMC, namely the **Institute of Urban Management** was upgraded to achieve the objective through trainings, visits and reorientation exercises. Organizational development strategies also included the strengthening of **pro-poor initiatives**. Officiers had to be better trained and consultants should be hired to support them in the fields of **urban planning, public-private partnerships exercises and land management**. It was also recommended to put an **Information, Education and Communication** (IEC) strategy in place to reach out to larger parts of the population and achieve participatory forms of governance.

**financing\_and\_resources**: Indicate financial and personnel resources, e.g. training, capacity building activities, or other resources used, such as support from other institutions, private sector (*max. 200 words*).

As part of the Kolkata Environmental Improvement Project, the Capacity Building Programme for the Kolkata Municipal Corporation was funded by the Asian Development Bank. The regional development Bank provided a loan of US$220m for the whole KEI Project.

The UK Government’s Department for International Development (DFID) provided a total funding of £28.3m (US$43.7m) over the six-year implementation period.

**results\_and\_impacts**: Indicate if a project evaluation has taken place or is foreseen. Explain existing results and impacts on other policy fields and the project area (*max. 250 words*).

Citizens’ satisfaction has been recorded as increasing in surveys as a result of improved service delivery. In 2009 following key results had been achieved:

***1. Organizational Development***

- Delegation of powers accelerated service delivery

- Transfer of responsibilities to the KMC improved clarity of responsibilities and transparency

- Creation of new departments focused on pro-poor planning aspects

- Provision of trainings and workshops for KMC staff

- Development of a citizen charter for eight departments, informing citizens of the list of KMC services and also fixing accountability for each service

- Surveying citizens to understand their perception of KMC services

***2. Social Development***

- Identification of populations living below the poverty line through surveys

- Activities for community empowerment

- Introduction of primary schools for poor children and mid-day-meal scheme

- Introduction of School Development Committees for improved participation of parents

***3. Resource mobilization and financial management***

- Transparent and systematic maintenance of accounts

- Restrictions on non-essential expenditure

- Online capturing and recording of financial and accounting transactions

- Financial process reengineering (FPR)

- Strengthening of internal audits

***4. E-Governance und IT***

- Computerization of 25 departments

- Technical training for users

- Implementation of Geographic Information Systems

***5. Urban Planning & Environmental Management***

- Development of plans

- Construction of dwelling units

- Formation of a PPP cell and completion of PPP projects

- Land monetisation projects

**barriers\_and\_conflicts:** Explain any barriers experienced or opponents of the project, how they were handled, and give potential future barriers (*max. 300 words*).

The innovative input of the strategy is to consider that **structural and organisational changes might not be sufficient if they are not coupled with staff training strategies**. Trainings are aimed at facilitating the appropriation of the programme’s priorities by staff as well as IT and allied topics. Second, it also permitted to train staff on management issues and Enterprise Resource Planning.

**lessons\_learned\_and\_transferability:** Identify main success factors, further development in the

course of the project/policy, hints on transferability, and if the project itself is the result of transfer or has already been implemented by other cities (*max. 300 words*).

Many factors allowed the KMC to achieve improvements in service delivery. First the programme’s preparatory period (including the inception phase) has been organized with external support and achieved on a long-term, multi-year period. It allowed gaining external expertise insofar as each module within the program was developed by the most competent firm identified in the course of a competitive bidding process. This professional expertise was supported by citizen surveys which helped to identify the most accurate needs in terms of public service delivery and later tracking progress in its implementation. A new organisational unit / cell was created inside of the KMC dedicated to the implementation of the program and nodal officers helped coordinating the process. The strategy combined structural stability by maintaining the three-tier organisation of local government, while enabling organisational changes based on the decentralization of functions to the lowest administrative to increase effectiveness.

The **KMC itself recommends** cities who may not be in a position to mobilise external funds to finance a comprehensive program **to at least** **implement a capacity building strategy** which yields substantial short-term as well as long-term benefits for a city.

**references:**

* <https://www.kmcgov.in/KMCPortal/jsp/CBPFaqs.jsp>
* http://www.indiaurbanportal.in/pdf/KMC\_CBP\_July\_2009\_v3.pdf