

## **Kottayam-Kumarakom Ecocity Project**

### **Innovation Report**

#### **I. The Context**

- (1) The KKEP is based on the Ecocity concept, which integrates the principles of environmental conservation, social accountability and governance within an urban context. The term *Eco* corresponds to ecological thinking while seeking economic prosperity for the region. The Ecocity approach is thus a way to achieve sustainable development in a socially accountable and transparent manner
- (2) The genesis of the Ecocity Programme in India may be traced to the Zoning Atlas initiative launched by the Central Pollution Control Board/Ministry of Environment & Forests (MoEF), Government of India (GoI). This concept was further discussed at the Conference of Ministers of Environment, held in May 2000, by the MoEF for the heads of the Departments of Environment of all various States
- (3) Whilst the perspective of these discussions was to address the urgent need for planning based on environmental preservation, this process lacked the perspective of evolving options for development that could be implemented on a structured basis. The need of the hour was to go beyond the process of addressing the planning needs for a concept and to take the process to its logical conclusion through an integrated approach that dovetailed requirements for implementation
- (4) IL&FS conceived the first pilot Ecocity programme which dovetailed environmental planning aspects to evolving and implementing solutions on a regional basis. First such a programme was undertaken by IL&FS in Kottayam-Kumarakom in partnership with Government of Kerala in 2002
- (5) Subsequently, pilot projects have been undertaken on a similar approach at strategic urban regions in the country to demonstrate the concept
- (6) Needs and Objectives of the Innovation

The Kottayam-Kumarakom Ecocity Project (KKEP) was the result of a unique collaboration between the Government of India (Ministry of Environment and Forests-MoEF), Government of Kerala (GoK), Kottayam Municipality (KM) and IL&FS through its subsidiary Ecosmart India Limited (Ecosmart), formed for facilitating environmental infrastructure sector development

The Project addresses the development needs of the Kottayam-Kumarakom Ecocity Region (KKER), comprising Kottayam Municipality, and eight neighbouring rural panchayats. The region lies on the eastern bank of the Vembanad Lake, the largest backwater lake in Kerala State, in South India. It is an environmentally sensitive area, characterized by large tracts of marsh lands, and an extensive network of waterways. The region has been experiencing development pressures, as a result of the increase in tourism activities centered on the lake and the waterways. The needs and impacts of this development had not been addressed prior to the project's initiation

Phase I of the Project aimed at preparing a Comprehensive Environmental Management Plan (CEMP) for the region. The Plan identifies interventions necessary to promote sustainable socio-economic development in the region, with particular emphasis on the environmental consequences of such interventions, in view of the unique environmental context of the area. Phase II focuses on the implementation of the projects identified in the CEMP

## **II. Implementation of Innovation**

- (1) The primary stakeholders in the KKEP were the Government of India (Ministry of Environment and Forests–MoEF); Government of Kerala (GoK); Kottayam Municipality (KM) and Ecosmart India Limited (Ecosmart)
- (2) Phase I of the project was overseen by a Steering Committee consisting of representatives of the main stakeholders, and chaired by the Chief Secretary, Kerala. All stakeholders have been actively involved in reviewing and approving the CEMP, which constituted Phase I
- (3) In order to facilitate implementation of various projects, under Phase II, in the PPP format, the following arrangements were put in place:
  - (a) For each project identified for implementation sub-committees with representatives of the District Administration, Kottayam Municipality, and Ecosmart are being formed. Chaired by the District Collector, the sub-committee acts as a platform for information exchange, resolution of conflicts and facilitating decision-making through a transparent process. All major decisions of the sub-committee are further referred back to the Steering Committee.

- (b) In order to ensure commercial viability, as well as enable clarity and understanding of risks and means to mitigate them, a detailed project development cycle is being followed to the extent required by various projects. This has resulted in:
  - (i) the preparation of Detailed Feasibility Studies & Reports (DFR's);
  - (ii) preparation of a detailed work plan, or a project implementation cycle, identifying and assigning tasks & responsibilities;
  - (iii) preparation of Requests for Proposals (RfP) from potential private sector parties; and
  - (iv) a transparent and technically sound bidding and selection process.
- (c) This rigor has resulted in the development of projects that can be implemented in a PPP format, such as the integrated solid waste management project, which is the first of its kind to be implemented in this manner. This is a significant departure from the established process of project implementation at the municipal level, which is poorly developed, and hence unsustainable
- (d) Innovative sourcing of project finance was proposed, in order to ensure that projects that are not commercially viable, but necessary, are also implemented; as well as to render projects attractive to the private sector
- (e) Various projects are proposed to be financed through a combination of funds tapping commercial sources, equity funds, multi-lateral and bilateral agencies, funds available with various public programmes, NGO's as well as the beneficiary community e.g. the project on Solid Waste Management, currently being implemented is being funded equally (one third contribution) by IL&FS, the Private Operator, and Public Funds
- (f) Openness to community involvement and participation. Kerala has an established structure of neighbourhood level, and community based organizations. Implicit in the implementation process is the involvement of these organizations, as entrepreneurs, or monitoring bodies, as appropriate

### **III. Impact Assessment**

(1) Achievements within the Organisation

- (a) The development of communication skills in order to convey issues and techniques in planning in a simple manner to a diverse audience of stakeholders at the local level
- (b) Conflict resolution skills in managing and resolving diverging stakeholder views; and in overcoming resistance to established practices in implementation of projects
- (c) Managerial and coordination skills in interacting with all primary stakeholders
- (d) Enhanced creativity in networking with various project financing agencies, in order to source monies for project implementation

(2) Achievements Outside the Organisation

- (a) Democratization of planning and decision-making processes in the project area. The wide spectrum of stakeholders involved in the area has ensured that the public at large is aware of, have contributed to, and are supportive of the project
- (b) Increased access to funds, from various sources, to the Project Region, for implementation of identified projects

(3) Specific Socio-Economic Impacts

- (a) Implementation of the projects identified will have specific beneficial social, economic, and environmental impacts in the Project Region. However, project implementation is on-going, and it is currently too early to quantify the benefits