Odisha Urban Wage Employment Initiative – creating sustainable livelihood opportunities

Region: Asia and the Pacific
Award Scheme: Shanghai Manual
Themes: Legislation, Planning & Design, Youth & Livelihoods
Sustainable Development Goals:
- Goal 1 - End poverty in all its forms everywhere
- Goal 8 - Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all
- Goal 9 - Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation
- Goal 11 - Make cities and human settlements inclusive, safe, resilient and sustainable
New Urban Agenda Commitments:
- Sustainable Urban Development for Social Inclusion and Ending Poverty
- Sustainable and Inclusive Urban Prosperity and Opportunities for All

Summary

The Odisha Urban Wage Employment Initiative supported marginalised informal workers across the state of Odisha during the COVID-19 pandemic in 2020, providing them with labour-based employment in the form of public works activities to enhance the quality and resilience of local communities.

Background and Objective

Poverty has caused prevailing long-term challenges across India where sustained urbanization has widened the gap between rich and poor and aggravated socio-spatial inequalities. Combined with rapid population growth, this has led to a growing unemployment crisis in which the national urban unemployment rate reached 6.1 per cent between 2017–2018 marking its highest level in the last 45 years. Compounding this, with a large influx of rural migrants in search of better livelihood opportunities, 83 per cent of the urban workforce operated in the informal sector, inflating issues of poverty and socio-economic vulnerability. With the onset of the COVID-19 pandemic in 2020, the health crisis soon spiraled out of control sinking India’s urban economies downwards, exacerbating spatial inequalities and leading to socio-economic crisis. Through nationwide lockdowns, economic turmoil ensued rendering hundreds of thousands of people jobless with many urban unemployed workers returning to their rural hometowns through distress migration. According to the World Bank, an estimated 40 million internal migrants were impacted. With no social safety nets, India`s most vulnerable were pushed further into poverty, bringing the vision of creating an employment and social protection initiative to the forefront of the national government. Where national flagship programmes have traditionally focused on large cities, this approach has led to the neglect of many smaller municipalities. The 2011 Census identified over 7,500 small and medium sized towns with many falling outside the scope of national urban programmes such as the Smart Cities Mission, and the Atal Mission for Rejuvenation and Urban Transformation. Exacerbated by the increasingly urban-centric COVID-19 pandemic, many of the nation’s urban local bodies (ULBs) became overburdened due to high infrastructure and service delivery demands brought about by urbanization, and as such were not afforded the sufficient financial and human resources to carry out basic urban functions.

Actions and Implementation

In line with national ambitions, the Government of Odisha (GoO) marked itself as one of the nations’ early adopters of a comprehensive urban wage protection scheme in response to the COVID-19 pandemic, announcing the Odisha Urban Wage Employment Initiative (OUWEI) with immediate effect on 18 April 2020. Initially rolled-out as a six-month project to September 2020 by Odisha’s Housing and Urban Development Department (H&UDD), GoO later scaled-up the scheme as a long-term, state-wide initiative called the Mukhyamantri Karma Tatapara Abhiyan (MUKTA) from 1 February 2021 following mid-term evaluations. After widening the scope of the OUWEI programme, focus was broadened to not only ensure poverty alleviation and
citizens, municipalities and the state where citizens were equally implementing partners and custodians of project development. Where community federalism was built-in, was integral to all programmes and schemes. This model highlighted the transformative potential of collaboration between cementing partnerships (including 5,368 women’s groups and 438 SDAs) for human-centric, community-led development. The creation of partnerships focus on female equality, integrating invaluable climate-resilient community assets and infrastructure (22,500 projects worth USD 26 million), and employment creation, urban upgrading and spatially equitable development. OUWEI has driven social sustainability within local municipalities providing informal sector workers, enhancing socio-economic resilience and prosperity. Local communities have become empowered through formalized income neighbourhoods, livelihood opportunities have been presented to the poorest urban dwellers including the unemployed, migrant labourers and the environment for the most vulnerable and under-served members of the population. Through the creation of more resilient community assets in low-engaged and healthy communities. The upgrading of Odisha’s municipal infrastructure has improved access to urban services and increased the quality of local communities not only increased the quality of the living environment for local people, but were also instrumental in generating more inclusive, within months,47 each of which ensured the use of local materials, easy-to-build designs and the inclusion of local community members in the quality of life for local residents. Built by local masons, these centres were set up in every informal settlement; a total of 761 parichayas across 114 ULBs spaces, local community centres (parichayas) were developed to help revitalize neighbourhoods and stimulate more cohesive communities, increasing the runoff creating a safer and more resilient community. Where the majority of community life in Odisha’s informal settlements takes place in community communications activities; however, as a monsoon-prone state, the integration of sustainable drainage systems were also added as a priority. Street grid filters were added to drainage outfall points, drains were de-silted pre-monsoon, and percolation tanks and other water storage units were deployed across vacant government land to bolster flood resilience. Water bodies, open green spaces, public parks and playgrounds were also established to increase the permeability of urban spaces. This combined infrastructure helped to increase green coverage, conserve and harvest rainwater, and minimize stormwater runoff creating a safer and more resilient community. Where the majority of community life in Odisha’s informal settlements takes place in community low-income neighbourhoods, livelihood opportunities have been presented to the poorest urban dwellers including the unemployed, migrant labourers and informal sector workers, enhancing socio-economic resilience and prosperity. Local communities have become empowered through formalized employment creation, urban upgrading and spatially equitable development. OUWEI has driven social sustainability within local municipalities providing wage employment with over 700,000 urban poor and migrant workers directly benefitting from USD 12 million in paid wages. MSGs have been able to focus on female equality, integrating invaluable climate-resilient community assets and infrastructure (22,500 projects worth USD 26 million), and cementing partnerships (including 5,368 women’s groups and 438 SDAs) for human-centric, community-led development. The creation of partnerships with local communities was essential in rolling-out development at large scales at speed in Odisha. Odisha’s decentralized model of cooperation in which federalism was built-in, was integral to all programmes and schemes. This model highlighted the transformative potential of collaboration between citizens, municipalities and the state where citizens were equally implementing partners and custodians of project development. Where community
participation is mandatory in Odisha, SDAs, MSGs and Jala Sathi, among other groups, are now active partners with ULBs – acting as a fourth tier of governance (local leadership was built with over 5,700 women SHGs and 600 SDAs), see table 5. With direct involvement in solid waste management, 11,660 SHGs are now involved in managing micro-composting centres and material recovery facilities creating employment (especially for women) and generating total annual wages of approximately GBP 14 million. The close involvement of such groups has built capacity and instilled a greater sense of community ownership, strengthened institutions and increased economic empowerment.

Conclusion

Placing the development emphasis on the most disadvantaged urban dwellers and understanding their challenges is key to fostering more inclusive, equitable and sustainable urbanization. To advance the 2030 Agenda, cities and local governments must focus on eliminating systemic socio-economic inequalities and exclusion, ensuring equal access to services and livelihood opportunities for all citizens, leaving no one behind. Where Odisha has successfully established a fourth tier of governance, OUWEI has highlighted the value of building integrated community partnerships, incentivizing the participation of local people and eliminating external contractors throughout the entire project lifecycle of planning, implementation and monitoring. Such a grass-roots level approach builds the capacities of those involved, empowering local people and creating more meaningful change on the ground. Building upon the foundations of pre-existing welfare schemes, OUWEI has symbolized a revolutionary model of social development, scaled-up with budgetary allocations as a state-wide scheme and now being replicated by other states and at the national level. OUWEI has also attempted to increase gender parity by placing women’s self-help groups at the centre of the initiative and in decision-making and implementation roles, incorporating a gender perspective into all data and coordination mechanisms, and providing a safe and secure work environment for female workers. Through OUWEI, the knowledge transfer process from skilled to unskilled workers plays a pivotal role in enhancing employment potential and therefore livelihood opportunities, and in ensuring the high-quality execution of projects. Assembling a core team of experts who have the ability to train and upskill non-experts should be understood as a vital component in the capacity building process to boost the adaptive capacity and resilience of both local communities in their entirety and for individuals. This process has strengthened Odisha’s ULBs offering organized, formal wage employment to informal workers. However, it should be noted that the success of upskilling and knowledge dissemination relied heavily on the technical capacity of implementing partners whereby weak support limited the ability of this process. Where OUWEI focused on the enhancement and expansion of urban infrastructure and services across different ULBs, innovative funding mechanisms and solid investments were required to ensure such projects were delivered affordably and inclusively. Spatially contextual urban analysis and the assurance of wider financial planning was key to prevent certain communities from being left behind, taking into consideration the wider social costs and benefits and gap analysis. As a highly replicable initiative, local governments should understand the value in specifying the outcomes of projects to the context of the local community, promoting multi-level coordination and innovative financing mechanisms to maximize value and impact.