



## Urban Agenda Platform

The global platform for sharing progress, action and knowledge on the implementation of the New Urban Agenda to achieve sustainable urban development.

# 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.<sup>42</sup> 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,<sup>43</sup> 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<sup>44</sup> 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.<sup>45</sup> The vision of an urban programme to counteract these issues was long-debated, leveraging the skills of urban dwellers, in particular the urban informal workforce, in return for employment to mutually benefit citizens and municipalities. Most importantly, such a programme would help to reduce unemployment, unblock public investments, boost local economies, enhance the quality of urban infrastructure and services, restore the urban commons, and build the capacity of unskilled and semi-skilled workers therefore lifting many out of extreme poverty.

## 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



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livelihood security for informal workers, women, people with disabilities, and other vulnerable groups through the provision of labour-based employment, but to also strengthen and build partnerships with community institutions, develop community assets, increase environmental quality and local ecological resilience where Odisha is a monsoon-prone state, and strengthen the sustainability of public welfare schemes. With a myriad of objectives, the ambitions to tackle converging areas of urban development has made the initiative truly unique. A strong political will and agile policy-making was crucial in maintaining the focus of OUWEI on the urban poor, where a clear vision to transform the lives of the most vulnerable was key in helping them implement the scheme at pace. The ambitions of OUWEI were aligned to the vision and mandate of the Odisha state in promoting a human-centred development agenda – Vision 5T, complementing and building synergies with existing programmes including the JAGA Mission – a slum upgrading initiative across Odisha; the Drink from Tap Mission – a sustainable urban water supply initiative; the Urban Infrastructure Development Scheme for Small and Medium Sized Towns; the Atal Mission for Rejuvenation and Urban Transformation; as well as the Development Management Fund, amongst others. The complementarity between programmes enabled Odisha to strengthen national schemes through the delivery of parallel state projects, promoting sustainable urbanization at both national and local levels. OUWEI leveraged hi-tech resources available from pre-existing H&UDD schemes such as high-resolution spatial databases and drone imagery from private entities, combining them for use with community organizations. The implementation and oversight of activities was supported by Mission Shakti Groups (MSGs) – self-help groups dedicated to empowering marginalized women – and the Slum Dwellers Associations (SDAs). Workers were selected based on their skills and geographical location (preferably to be employed in their own communities) and were required to contact the relevant MSGs from which supervisory partners would then disseminate lists of job seekers to government representatives within individual ULBs. ULBs would then prepare muster rolls to help community-based organizations including self-help groups (SHGs) execute projects. Where labour-based projects were imperative, 20 per cent of work was carried out by local skilled workers, and 80 per cent by the remainder of the workforce, see figure 19. By integrating a small proportion of skilled workers, this enabled unskilled workers to up-skill, acquiring The implementation and oversight of activities was supported by Mission Shakti Groups (MSGs) – self-help groups dedicated to empowering marginalized women – and the Slum Dwellers Associations (SDAs). Workers were selected based on their skills and geographical location (preferably to be employed in their own communities) and were required to contact the relevant MSGs from which supervisory partners would then disseminate lists of job seekers to government representatives within individual ULBs. ULBs would then prepare muster rolls to help community-based organizations including self-help groups (SHGs) execute projects. Where labour-based projects were imperative, 20 per cent of work was carried out by local skilled workers, and 80 per cent by the remainder of the workforce. By integrating a small proportion of skilled workers, this enabled unskilled workers to up-skill, acquiring knowledge and building their capacity. To ensure security for workers, the scheme set up a registration adding a workers database, with each worker and wage seeker provided a unique identification number saved in the system (MUKTA-Soft). Accordingly, all personal details were added for beneficiaries including banking details, verified and validated by functionaries in ULBs. Through initiating labour-intensive urban infrastructure projects and building upon the H&UDD's JAGA Mission (the largest global slum upgrading programme), OUWEI worked to increase the resilience and sustainability of urban communities, and progress the movement of 'slum free cities' through improved infrastructure design and delivery. Development elements were identified across different ULB neighbourhoods where poorer urban workers were offered employment to support the development of public assets and maintenance of local communities. To ensure developments were socially equitable, activities were prioritized in line with community needs through a contextually sensitive design approach. Initially, focus was placed on beautification, sanitation, solid waste management and health-related information, education and 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 spaces, local community centres (parichayas) were developed to help revitalize neighbourhoods and stimulate more cohesive communities, increasing 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 within months,<sup>47</sup> each of which ensured the use of local materials, easy-to-build designs and the inclusion of local community members in the development process. Following their successful installation, similar centres – Mission Shakti Gruhas – were developed in formal areas for MSGs, building 1 per 10,000 people. These centres offered valuable space for both working and micro-activities such as meetings, congregations and economic activities. Local artists and SHGs were also called upon to produce wall paintings and murals, beautifying urban landscapes. The enhancements made to local communities not only increased the quality of the living environment for local people, but were also instrumental in generating more inclusive, engaged and healthy communities. The upgrading of Odisha's municipal infrastructure has improved access to urban services and increased the quality of the environment for the most vulnerable and under-served members of the population. Through the creation of more resilient community assets in 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



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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.