

Other settlements have been more fortunate. This Ahmedabad community benefits from a slum networking project that has brought together 4 municipal agencies, international donors, and non-governmental organizations. Working with resident groups, the project has paved the streets, piped in treated water to each house, built wastewater drains, and financed residents' new latrines. Here, residents enjoy their new street.



**The FIRE Project Office**  
 E-3/4 Vasant Vihar  
 New Delhi 110 054, India  
 Tel: (91-11) 614-3551 or 614-9836  
 Fax: (91-11) 614-1420  
 Email: savita@indo-usfired.com

**USAID Regional Urban Development Office**  
 New Delhi, India

**FIRE Partners**

**Ministry of Urban Development**  
 New Delhi, India

**National Institute of Urban Affairs**  
 New Delhi, India

**Housing and Urban Development Corporation**  
 New Delhi, India

**Infrastructure Leasing and Financial Services Ltd.**  
 Mumbai, India

**TCG International, LLC**  
 Washington, DC

**PADCO, Inc.**  
 Washington, DC



Photo credits: USAID FIRE Project

# The Indo-USAID FIRE Project

## A STORY OF INDIA'S CITIES IN PHOTOGRAPHS



India's cities have a long, rich history. In her lifetime, this woman in Ahmedabad's historic walled city has witnessed long-standing traditions confronted with dramatically changing technologies and ancient buildings threatened by recurrent natural disasters. These photographs tell the story of some of the changes occurring in Indian cities from the perspective of the **Financial Institutions Reform and Expansion (FIRE)** project.



Rapid urbanization and modernization have brought visible benefits to millions of India's urban residents. Skyscrapers

with modern telecommunications, corporate headquarters, and world-class hotels proclaim the growing affluence of many Indian cities. Yet more than a third of India's urban population lives in crushing poverty in slums like these on the banks of the Sabarmati River in Ahmedabad.



Some of these informal settlements lack the most basic urban services—potable water, sanitation, and garbage collection. Residents do not have title to the land on which they built their houses, limiting both their motivation and their ability to borrow money to improve their living conditions.



Municipal officials learn to improve urban services by sharing information about what works with their peers. The USAID-funded FIRE project meets with staff members of the City Managers Association of Gujarat (CMAG). They are discussing plans to provide training and technical assistance to city officials throughout the state and to finish their new website ([www.cmag-india.org](http://www.cmag-india.org)). CMAG is a member of the Urban Management Training Network that is coordinated by the National Institute of Urban Affairs under the FIRE project.





Residents of a poor community in Kolhapur wait in line to fill their water pots at this community tap. They do not pay for this service, nor is the water metered. The water runs freely, when it runs. Municipalities throughout India

are struggling to provide treated water to residents.



The city water treatment plant shown here uses the same technologies as those in more developed nations with the same result—safe water. While water coverage and service quality are improving in many places in India, municipal utilities are overwhelmed by the growing urban population and lack of resources.

Indian officials are studying ways of financing capital expenses for water infrastructure projects through municipal bonds and covering operation and maintenance expenses through increased revenue from water tariffs paid by the users. Recently, the Government of India issued guidelines for tax-free municipal bonds to help this process.



This woman washing dishes in water piped directly to her home is a beneficiary of improved water service delivery. Studies have shown that customers are willing to pay fair fees for municipal water if they see improvements in service. The FIRE project advocates that

cities adopt a more commercial approach — as a means for the utilities to obtain the resources to provide better service to all.



Composting plants are being built and managed by private firms under contractual agreements with municipalities in many cities in India. The company raises the required funding, builds the plant, and retains income from compost sales. The city delivers its solid waste to the plant and provides the land. Here, the city's waste is placed in windrows for biodegrading at the Celrich recycling plant near Ahmedabad.

Waiting for water. No one knows for sure when the water will flow. Water service is intermittent, an hour or two in the morning and another half-hour in the afternoon, on good days. The frequent loss of pressure, together with leaks in the poorly maintained transmission pipes, contributes to the contamination of water on its way to this standpost.



Ahmedabad was the first city in India to issue a municipal bond without a state guarantee, with assistance from USAID's FIRE project. With the proceeds, the city built the Raska water project that supplies water to 60 percent of the city's population.



Open dumping alongside commercial establishments and animals eating uncollected garbage are common sights in India's cities.



Solid waste management (SWM) is a key urban environmental service. Here, the director of SWM for the Ahmedabad Municipal Corporation watches a municipal dump truck unloading waste into dumpsters at a central collection center. The trash is taken to the city's recycling plant.



A FIRE staff member, a state water official on loan to the Kolhapur Municipal Corporation, and a representative of a private operator review plans for an expanded sewage plant. The FIRE project also helped Kolhapur officials prepare and review bids for a composting plant that would improve the disposal of the city's solid waste.

Rivers are the main source of Kolhapur's water supply. They suffer pollution from factories' and upriver communities' untreated sewage to everyday activities such as this woman washing her buffalo on the banks of the Pachganga River. The Kolhapur Municipal Corporation water department's main intake point is behind the shrine.



Increasing equity and efficiency of water billing is key to enabling local officials to improve service delivery. The Kolhapur Municipal Corporation is testing software, developed by a local company, to improve water billing. Handwritten water bill receipts, like the stack on this table, are being replaced by computerized record keeping.



These street sweepers are Ahmedabad municipal employees responsible for collecting trash and bringing it in carts to dump trucks at mobile collection centers. SWM staff comprise 30 to 50 percent of all municipal employees in India. Some cities are contracting with community-based organizations to provide this service to poor areas and to create jobs for their residents.

Many cities are beginning to address the serious problems of rapid urbanization, especially as they affect the poor. Over the past seven years, the FIRE project has supported Indian cities with project development and financing, resource mobilization, decentralization, capacity building, and training.