Executive Summary:

City Livelihood Action Plan (C-LAP)

Prepared for the Ministry of Housing and Urban Affairs (MoHUA), Government of India

Prepared by

Urban Management Centre

Making cities work for everyone

1. Evolution of the Mission and the Need for C-LAP

India's urban poverty alleviation journey has been shaped by successive national programmes, from the Swarna Jayanti Shahari Rozgar Yojana (SJSRY) in the 1990s to the Deendayal Antyodaya Yojana – National Urban Livelihoods Mission (DAY-NULM) launched in 2013. Over the years, DAY-NULM expanded its scope, focusing on skill development, financial inclusion, and strengthening community-led institutions of the urban poor.

In 2024, the mission underwent a significant evolution and now, a new mission is being piloted as the Deendayal Jan Aajeevika Yojana – Shehri (D-JAY-S). For the first time, the Ministry of Housing and Urban Affairs (MoHUA) mandated the preparation of City Livelihood Action Plans (C-LAPs) as a *pilot mission* for 25 selected cities across India. These are five-year vision plans that enable cities to:

1. Assess their existing livelihood landscape and vulnerabilities.
2. Estimate demographic trends, workforce participation rates, sectoral growths, and the overall livelihood landscape of the city.
3. Understand the demand–supply gaps between the aspirations and needs of the urban poor and Vulnerable Occupational Groups (VoGs), particularly regarding convergence with livelihood opportunities, credit requirements, entitlement access, and schemes such as PM SVANidhi, PM Vishwakarma, etc.
4. Prioritise social infrastructure investments such as Labour Chowks, multi-generational care centres, and City Livelihood Centres, to enable VoGs to access care, shelter, and livelihood support.

As the Technical Support Unit (TSU), MoHUA entrusted the Urban Management Centre (UMC) with preparing CLAPs for six pilot cities — Ahmedabad, Surat, and Dahod in Gujarat; Bhubaneswar, Rourkela, and Puri in Odisha. This marks the first exercise of its kind in India, embedding livelihoods and poverty alleviation strategies at the city level.

A distinctive feature of CLAP is its focus on the collectivisation of urban poor households through Self-Help Groups (SHGs) and Common Interest Groups (CIGs), and the integration of VoGs such as domestic workers, care workers, transport workers, construction workers, waste workers, and platform-based gig workers

2. Methodology and Scope

The CLAP preparation adopted a **three-stage approach**:

1. **As-Is Analysis**
   - City profiling: demographic projections, workforce participation, sectoral composition.
   - Vulnerability assessment: socio-economic, occupational, and residential.
   - Review of DAY-NULM activities and SHG performance.

2. **To-Be Analysis**
   - Projection of incremental labour force requirements to 2030.
   - Mapping emerging economic sectors, including the care economy and green economy.
   - Assessing aspirations of the urban poor through Focused Group Discussions (FGDs) and surveys.

3. **Implementation Planning**
   - Setting city-specific targets across five components: Community-Led Institution Development (CLID), Financial Inclusion & Enterprise Development (FI&ED), Social Infrastructure, Social Entitlements, and Human Resources.
   - Budget planning, phasing, and resource mobilisation (government, CSR, private sector).

Consultations:

UMC conducted extensive consultations with two distinct groups to ensure that CLAPs were grounded in both community realities and institutional perspectives.

- **Group 1 – Workers' Voices:** FGDs were held with over 300 workers across the six cities, representing each VoG. These discussions explored occupational challenges, income–expense patterns, credit behaviour, collectivisation preferences, and livelihood aspirations. The FGDs were complemented by social profiling surveys and analysis of national datasets (NFSA, SECC, PLFS, Census, ASUSE, e-Shram).

- **Group 2 – Institutional Stakeholders:** Parallel consultations were organised with city-level officials, mission managers, NULM ground staff, banking representatives, and sectoral experts. These were conducted through structured meetings and workshops to gather insights on systemic gaps, financial access, and inter-departmental convergence.

This combination ensured that CLAPs are grounded in lived realities and statistically robust, offering a reliable roadmap for ULBs.

Consultative workshops conducted by UMC

Round Table on Visibilising and Linking Vulnerable Occupation Groups in Cities with Social & Financial Entitlements

Panelists representing various stakeholders participating in the round table discussion.

City Level Task Force meeting in Dahod

Orientation meeting with NULM team in Rourkela

Orientation meeting with CO in Bhubaneswar

3. Comparative Insights from Six Pilot Cities

The six pilot cities reveal shared challenges and unique trajectories, offering critical insights for scaling CLAP across the remaining 19 cities.

Demographic Trends

- All six cities are experiencing a sharp rise in the working-age population (15-59 years), a potential demographic dividend.
- Ahmedabad will add nearly 6 lakh workers by 2030, raising its workforce participation rate (WPR) from 67% to 78%
- Surat, shaped by migration, remains one of India's fastest-growing urban centres, fueled by its economic activities.
- Bhubaneswar and Puri will see significant increases in their elderly population, signalling the growth of a care economy.

Economic Patterns

- Service-led economies: Ahmedabad, Bhubaneswar, Puri, and Rourkela are increasingly dominated by the tertiary sector. Puri is overwhelmingly reliant on tourism services.
- Industry-anchored economies: Surat retains its global dominance in textiles and diamonds, while Rourkela continues to expand its steel sector.
- Sectoral Transitions: Dahod is transforming from an agrarian town into a locomotive manufacturing hub, spurred by a Rs.24,000 crore investment.

Workforce Participation

- Universal upward trends: WPR is projected to increase in all six cities.
- Ahmedabad leads with the steepest rise (11%), while Bhubaneswar (8%) and Dahod (7%) also anticipate strong gains.
- Puri (2%) and Rourkela (4%) show modest but steady rise.

VoG Concentrations

- Construction workers dominate in Bhubaneswar (52%), Puri (42%), and Rourkela (46%)
- Domestic workers form the largest VoG in Surat (54%) and Dahod (70%)
- Waste workers are significant in Ahmedabad (32%)
- Gig workers remain marginal across all six cities (0-4%)

4. Insights from Consultations with VoGs

FGDs revealed clear occupational patterns:

- **Domestic & Care Workers:** High discipline, strong potential for SHG/CIG formation, but need care-based skilling and enterprise support.
- **Transport Workers:** Prefer associations or ALF-linked CIGs; require first-aid training and protection against penalties.
- **Gig Workers:** Highly individualised; demand entitlements, rest areas, capped working hours, and weekly offs.
- **Construction Workers:** Unlikely to collectivise; emphasise occupational safety, dignity, and convergence with BoCW and ULBs.
- **Waste Workers:** Can sustain CIGs with strong ULB handholding and SBM convergence.
- **Women's Participation:** Female workers show higher willingness to collectivise but face capacity gaps in bookkeeping, Panchsutra adherence, and market linkage.

Community-Led Institution Development (CLID)

CLID is the backbone of CLAP, focusing on collectivising the urban poor through Self-Help Groups (SHGs) and Common Interest Groups (CIGs). These institutions provide the foundation for financial inclusion, peer support, and access to entitlements. Strengthening SHGs, federations, and CIGs is therefore critical for ensuring that the mission is community-driven and sustainable.

- Highlight SHG sustainability issues (most become inactive within 2–3 years).
- Emphasise strategies: revitalisation of inactive SHGs, institutionalising ALFs and CLFs as lenders/incubators, peer learning (Kudumbashree reference).
- Note gendered differences in collectivisation: female VoGs (domestic, care, waste workers) more willing vs. construction/transport/gig workers reluctant.
- Prioritisation of SHGs over CIGs in most cities, except Surat (which budgets more for CIGs).

Financial Inclusion & Enterprise Development (FI&ED)

FI&ED is a cornerstone of CLAP, designed to ensure that the urban poor are not only mobilised into groups but also have access to finance, credit, and enterprise development opportunities**.** This component aims to shift households from subsistence-based livelihoods to sustainable income generation by linking them to formal financial systems, entrepreneurship training, and market opportunities.

- Individual loans (SEP-I) dominate; group loans (SEP-G) largely failed.
- Budgets skew towards Entrepreneurship Development Programmes (EDPs), often exceeding interest subsidy costs.
- Bhubaneswar has the most ambitious plan: ₹13.79 crore budget, 14,700 loans + EDP trainings.
- Discrepancies: Puri has high loan targets but fewer EDP trainings than required.
- Dahod demonstrates cost efficiency with a small-scale but focused plan.

Human Resources (HR) Roles in CLAP

- **Team Leader (TL):** Provides overall leadership and ensures CLAP implementation aligns with city targets and budgets. Requirements: 1 in each city, with standard remuneration scaling from ~₹9.8 lakh to ₹14.4 lakh over 5 years.
- **City Mission Manager (CMM):** Coordinates key components of CLAP, bridging between ULBs and community institutions. Requirements: Ahmedabad (5), Surat & Bhubaneswar (4 each), Dahod/Puri/Rourkela (2 each).
- **Community Supervisors (CS):** Oversee SHGs/CIGs, provide handholding, and ensure access to credit, training, and entitlements. Requirements: Wide variation — Ahmedabad (100), Surat (90), Bhubaneswar (35), Rourkela (10), Dahod (4), Puri (2).
- **Community Resource Persons (CRPs):** Grassroots facilitators from the community who mobilise households, form groups, and support daily needs. Requirements: Surat (180), Rourkela (40), Puri (18), Dahod (10), none in Ahmedabad or Bhubaneswar.
- **Bank Mitra:** Acts as a financial link, helping SHGs and households open accounts, access loans, and interact with banks. Role varies; integrated with CS in Bhubaneswar, with CRPs in Rourkela, undefined in Puri.

Social Infrastructure:

Social infrastructure under CLAP is critical to supporting the urban poor with safe spaces, facilities, and services that enable livelihoods. The six pilot city plans reveal mixed progress:

- **Shelters for Urban Homeless (SUH):** None of the cities, except Dahod, have proposed the establishment of SUHs in their CLAPs.
- **Labour Chowks:** Bhubaneswar and Ahmedabad have already implemented Labour Chowks through inter-departmental convergence, demonstrating replicable models for other ULBs.
- **Care Facilities:** Childcare and multi-generational care centres appear largely unfeasible across cities, with the exception of Rourkela**,** which has developed such facilities under CSR partnerships and a UNDP-supported programme**.**
- **City Livelihood Centres:** All six cities plan to establish City Livelihood Centres (CLCs), guided by recommendations from their respective ULBs, to serve as hubs for skilling, market linkage, and enterprise support.

Convergence: A central principle of CLAP is convergence ensuring that urban poor households and Vulnerable Occupational Groups (VoGs) can access the full range of social entitlements and benefits available through existing government schemes and programmes. Rather than operating in silos, CLAP promotes integration across missions, departments, and local institutions.

- **SUYOG Centres & Community-led Delivery:** SUYOG centres are envisioned as one-stop platforms where communities can directly access information and enrolment support for social protection schemes. In addition, CLAP emphasises community-led entitlement camps to ensure last-mile delivery for the poorest households.

- **Inter-departmental Convergence:** Effective CLAPs align with multiple state and national departments. For instance, construction workers require registration and benefits through the Building and Other Construction Workers (BoCW) Board; waste and sanitation workers must converge with Sanitation and Solid Waste Management Departments; and health-linked entitlements (insurance, emergency services) require coordination with the Health Department.
- **District-level Linkages:** District-level agencies play a critical role in extending entitlements under schemes such as pensions, food security, scholarships, and skill development. CLAP ensures that ULBs map these linkages and proactively facilitate beneficiary access.

By embedding convergence into planning, CLAP transforms entitlement delivery from a fragmented approach into a coordinated system, maximising resources, reducing duplication, and ensuring that urban poor households benefit from the full ecosystem of welfare measures.

Challenges and Areas of Concern:
Through multilevel consultations with NULM officials, Focused Group Discussions (FGDs) with VoGs, and learnings from the implementation of DAY-NULM, the following areas of concern have been identified across all six cities:

- **Institutional Development:** Many SHGs become inactive within 2–3 years due to insufficient handholding, weak financial literacy, and poor market linkages. Without stronger capacity-building and sustained support, federations risk becoming non-functional.
- **Financial Inclusion:** Individual loans (SEP-I) dominate, while group loans (SEP-G) have almost no uptake. Loan disbursement rates remain particularly low in Odisha (3–7%) compared to Gujarat (23–38%), reflecting systemic bottlenecks in access to credit.
- **Gendered Patterns in Enterprise:** Women continue to cluster in tailoring, beauty, wellness, and handicrafts, while men dominate transport, garages, and hardware-related enterprises. This reinforces occupational segregation and limits diversification.
- **Social Infrastructure Gaps:** Most cities face barriers in providing land and O&M support for Labour Chowks, shelters for the homeless, and care facilities. Only Ahmedabad, Bhubaneswar, and Rourkela have initiated such investments through convergence or CSR support.

5. Way Forward for ULBs and MoHUA

The CLAP framework provides a replicable model for ULBs nationwide:

1. **Data-Driven Planning:** Base CLAPs on demand–supply assessments, demographic projections, and FGDs.
2. **Targeted Collectivisation:** Prioritise SHGs for women and care/domestic workers; adopt alternative models for transient groups (construction, gig).
3. **Strengthen ALFs/CLFs:** Position federations as credit intermediaries, enterprise incubators, and entitlement facilitators.
4. **Design Tailored Financial Products:** Align loans with occupational realities, moving beyond one-size-fits-all credit.
5. **Invest in Social Infrastructure:** Ensure Labour Chowks, care centres, and SUYOG centres are functional and adequately funded.
6. **Mainstream Gender and Inclusion:** Embed women's leadership, care economy, and climate resilience into every CLAP

Conclusion

The preparation of CLAPs in six diverse pilot cities demonstrates that city-specific livelihood planning is both feasible and transformative. By aligning demographic opportunities, sectoral growth, and workers' aspirations, CLAP offers a practical roadmap for inclusive, resilient, and demand-driven urban economies.

The insights from Ahmedabad, Surat, Dahod, Bhubaneswar, Puri, and Rourkela provide a blueprint for the remaining 19 cities and a foundation for MoHUA's vision under D-JAY-S: to make India's cities not only engines of growth but also equitable spaces where the urban poor can participate with dignity, security, and opportunity.

Any cities that wish to implement or prepare their own CLAP shall refer to the CLAP Framework published by the Mission, and may also draw on the CLAP documents prepared by UMC as guidance to shape their respective plans.