CareEdge-ESG's Insights

BMC's Sustainable Development Budget

February 17, 2025



Sustainable Development Plan for India's Financial Capital: An Assessment of Brihanmumbai Municipal Corporation (BMC) Budget Estimates 2025-26

Environment-centric urban planning plays a crucial role in achieving long-term environmental sustainability. By focusing on sustainable practices within urban settings, cities can reduce pollution, conserve resources, and improve their residents' overall quality of life.

CareEdge-ESG analyses the 2025-26 budget announced by BMC, India's richest municipal corporation. Against the backdrop of deteriorating air quality, rising health concerns for vulnerable populations and increased vehicular traffic, the call for action has never been so warranted. This highlights the urgent need for decisive actions to tackle critical environmental challenges and promote the city's long-term sustainable development in Mumbai.

- Climate Resilience: As a coastal city, Mumbai faces the imminent threat of rising sea levels due to climate change and witnessing a steady increase in extreme rainfall events. Proactive measures to bolster climate resilience, such as flood mitigation and coastal protection, are crucial to safeguarding the city's infrastructure, economy, and citizens from catastrophic environmental impacts. In response, the BMC has allocated Rs 309 crore in the Budget Estimates 2025-26 for the Disaster Management Department, alongside significant provisions for stormwater management, with Rs 839 crore under the Revenue Budget and Rs 2,200 crore under the Capital Budget for the Storm Water Drain Department.
- **Ongoing Construction**: Continuous urban development in Mumbai requires meticulous planning to ensure sustainable growth. Implementing eco-friendly building practices and infrastructure will reduce the environmental footprint and prevent resource depletion. To mitigate the environmental impact of this expansion, the BMC has implemented air pollution mitigation measures, such as:
 - Monitoring 28 key guidelines at construction sites and enforcing an Environment Management Plan (EMP) for all BMC contractual projects.
 - The BMC will conduct a comprehensive emissions inventory to identify and assess air pollution sources across the Mumbai Metropolitan Region, aiming to reduce pollution, conserve resources, and foster a healthier urban ecosystem.
 - o In collaboration with the Indian Institute of Tropical Meteorology, Pune, the BMC proposes developing an advanced air quality forecasting system to predict and address air pollution levels more efficiently.
 - To ensure continuous air quality monitoring, the BMC plans to establish five new Continuous Ambient Air Quality Monitoring Stations (CAAQMS) and acquire four mobile monitoring vans for enhanced coverage.
 - o To prevent the re-suspension of dust particles in the air, the BMC intends to procure 100 batteryoperated suction machines, with four machines allocated per ward for more effective dust control.



 A fleet of 67 tankers, each with a 5,000-litre capacity and 39 tankers with a 9,000-litre capacity, are deployed daily across 24 wards for road washing. Additionally, misting machines are operated in two shifts daily in each ward to help reduce air pollution.

In line with these efforts, the BMC has proposed a total budget provision of Rs 113 crore for the Environment Department, an increase from the Rs 31 crore allocated in the 2024-25 budget. This enhanced funding underscores the BMC's commitment to environmental sustainability and its proactive approach to managing Mumbai's urban ecological growth.

- Infrastructure Development: Mumbai's high population density places immense pressure on infrastructure, resources, and the environment. Strategic urban management initiatives are essential to mitigate overcrowding, reduce strain on public services, and enhance living conditions for its residents, ensuring long-term urban resilience. Recognising the importance of upgrading and expanding infrastructure to accommodate this growth, the BMC has allocated substantial resources to enhance mobility and connectivity. For the Roads and Traffic Department, an increased provision of Rs 5,100 crore (Rs 4,111 crore in the 2024-25 budget) has been made in the 2025-26 Budget Estimates. Additionally, for the Bridge Department, a provision of Rs 8,238 crore (compared to Rs 5,555 crore in the 2024-25 budget) has been allocated in the 2025-26 budget. These budget provisions emphasise the BMC's strategic focus on constructing robust infrastructure to support sustainable urban growth, alleviate congestion, and enhance Mumbai's residents' overall quality of life.
- **Slum Areas**: Mumbai's extensive slum settlements suffer from inadequate access to basic amenities and serious environmental challenges. Initiating targeted urban regeneration and sustainable housing projects will enhance living standards and contribute to environmental sustainability, reducing the city's overall ecological footprint. In line with this, the BMC has allocated a Capital Expenditure of Rs 234 crore for the slum improvement, alongside implementing various measures aimed at improving conditions and quality of life in slum areas:
 - Evaluation of Commercial Establishments in Slum Areas: Mumbai is home to around 2.5 lakh slums, a significant portion of which, at least 20% (about 50,000 slums), are used for commercial purposes, including small industries, shops, godowns, and hotels. To ensure that these commercial establishments contribute to the city's development, the BMC is assessing these properties for property tax recovery. This initiative is expected to generate approximately Rs 350 crore in revenue, which will be reinvested to improve services and infrastructure for slum dwellers.
 - Adolescent Centres in Health Clinics: To address the mental, reproductive, and general health challenges adolescents face in slum areas, the BMC will establish teenage health centres in 33 health clinics nationwide. These centres will focus on providing specialised care to young individuals, enhancing their well-being and empowering them with the support needed for healthier futures.
 - Mini Water Tenders for Fire Safety: To tackle fire emergencies in densely populated slum areas with narrow roads and limited accessibility, the BMC has introduced 5 Mini Water Tenders equipped with water mist technology. These advanced units will improve firefighting capabilities in areas where conventional fire trucks may struggle to reach, enhancing overall safety.



• Water for All Policy: In June 2022, the BMC launched its comprehensive 'Water for All' policy, providing water connections to all residents of slums, unauthorised non-slum areas, Gaothans, and Koliwadas. Since the policy's implementation, 15,375 water connection permissions have been issued, and as of December 2024, 7,868 water connections have been successfully granted. This policy ensures equitable access to water for marginalised communities, promoting better public health and living standards.

CareEdge-ESG acknowledges that BMC's Budget Estimates for 2025-26 demonstrate a strong commitment to sustainable urban development, featuring significant financial provisions to address Mumbai's environmental challenges. The emphasis on climate resilience, disaster management, and stormwater infrastructure is vital for adapting to climate change. Simultaneously, investments in eco-friendly construction practices and improved air pollution control measures are essential for a densely populated, rapidly urbanising city like Mumbai. However, although these provisions are favourable, executing such ambitious initiatives will necessitate robust monitoring and accountability mechanisms. Strengthening frameworks for real-time tracking of air quality improvement and stormwater infrastructure could enhance the effectiveness of these initiatives.

Furthermore, while slum redevelopment and infrastructure enhancements are crucial, a more comprehensive plan detailing specific timelines and outcomes would help ensure that these initiatives are not delayed or diluted, ensuring long-term benefits for both the environment and marginalised communities. Increased funding for the Environment Department is promising, but clear metrics for resource allocation and impact measurement would better demonstrate BMC's ability to deliver on its sustainability goals. These additions could strengthen the overall strategy, ensuring the budget translates into meaningful, tangible outcomes.

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