

**DIRECTORATE OF URBAN LAND TRANSPORT**  
**URBAN DEVELOPMENT DEPARTMENT**

**TITLE: SCHEME FOR UTILIZATION OF URBAN TRANSPORT FUND**

**REF: Government Order No. UDD 196 CSS 2010, Bangalore dated 26/11/2010.**

**Date: 13/09/2010**

**1. BACKGROUND:**

The Ministry of Urban Department, Government of India recommended the creation of a dedicated transport fund both at the state and the city level for utilizing the same for funding urban transport initiatives. Creation of Urban Transport Fund is a mandatory reform under JnNURM guidelines. Government of Karnataka has approved the creation of such fund for the cities of Bangalore and Mysore vide the Government Order UDD 196 CSS 2010. A state level transport fund is expected to be created shortly.

**2. PURPOSE:**

The intent of this scheme is to lay down guidelines for utilization of Urban Transport Fund, both at the State level and the city level.

**3. OBJECTIVES:**

The Urban transport fund would be used to fund:

- 1) Traffic and transportation studies in the city/local planning area: Preparation of detailed project reports for introduction of Bus rapid transit (BRT) system within the city; Route rationalization studies that lead to effective deployment of public transport; Junction improvement studies; Feasibility studies for pedestrianization of specific areas in the city, freight management studies, preparation of Transit oriented development plans etc.
- 2) Capacity building: Workshops, seminars, training programmes that enhance the knowledge and skills of Transport Planners, Engineers and other personnel working in the urban transport sector; Setting up of traffic engineering cells in the city so that the necessary expertise is available within the city (One project manager, Urban transport/ One or two transport planners/traffic engineers as the case may be/ One expert in human resource development to plan capacity building programs.)

- 3) Projects aiming to popularize and propagate Non-motorized transport: Development of cycle tracks along the city roads to promote cycle as a viable means of transport; Re-engineering of foot paths to make them accessible to all sections of the society etc.
- 4) Projects that result in improvement in accessibility and efficiency of public transport: Development of BRT corridors along with necessary infrastructure. (Except the rolling stock); Introduction of ITS; Inter-modal transit centers etc.
- 5) Creation of awareness among the general public on traffic related issues.
- 6) Any other project, which is considered by the UMTA as a viable solution for improving the Public transport and non-motorized transport infrastructure in a city/LPA.

#### **4. FINANCING GUIDELINES**

- 1) 100% of the cost incurred for traffic and transportation studies, creation of awareness, capacity building (except traffic engineering cell) will be funded out of UTF.
- 2) In case of other projects, 50% will be borne out of UTF and 50% has to be contributed by the stakeholders.
- 3) Traffic engineering cell: 50% of the cost will be borne out of UTF. The stakeholders (ULBs, UDFS, Public transport undertakings etc) shall together contribute the remaining 50%.

#### **5. RELEASE OF FUNDS:**

The funds will be released in three installments; the stakeholders will be required to submit utilization certificate and progress reports in the prescribed format to Directorate of Urban Land Transport.