



Government of
Maharashtra



NITI Aayog



Developing Mumbai Metropolitan Region (MMR) as a Global Economic Hub

September 2024

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Government of Maharashtra

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Eknath Sambhaji Shinde

**Chief Minister
Maharashtra**

Message

It gives me immense pleasure to present the people of Maharashtra with this Economic Master Plan that lays out the vision to make Mumbai Metropolitan Region (MMR) one of the world's premier city-regions by 2030, with a GDP of INR 25 lakh crore and with 30 lakh more jobs, of which 10 lakh will be for women. I am proud to say that MMR is the first city-region to publish this Economic Master Plan under Bharat's G-Hub Programme.

MMR is India's largest economic city-region and one of the world's largest urban agglomerations. It is home to 20% of Maharashtra's population, and contributes to over 30% of Maharashtra's GSDP. The per-capita income in the region is \$5,248, almost double the national average. MMR's continued development is central to the Honorable Prime Minister Shri Narendra Modi's vision of a Viksit Bharat by 2047.

MMR stands out as an international financial centre, India's largest port with multimodal connectivity, a thriving manufacturing hub, a premier centre of education, India's art and entertainment capital, rich natural resources including a 300 Km long coastline, and it has a centuries-old history and rich culture. With such endowments, MMR has the potential to achieve great economic heights with inclusive growth across sectors and social groups.

This Economic Master Plan defines 7 Growth Drivers that will power the sustainable and inclusive development of MMR. It envisions a very large role for the private sector, which will be enabled by the Central and State Government through better infrastructure, seed investments, favorable policies, and institutes that facilitate the role of the private sector. I am happy to say that projects with over INR 4 lakh crore rupees of investment are already underway. My Government is committed to create enabling ecosystem and critical policy framework essential to work in close collaboration with the private sector to achieve MMR's economic goals.

I am especially happy that this Economic Master Plan lays out plans to build over 3 million affordable houses so that no one will have to live in slums. It also envisages 30 lakh jobs across sectors from construction to high-end AI and technology, including 10 lakh jobs just for women.

The report is another step towards achieving the goal of a \$ 1 trillion economy of Maharashtra. I would like to thank all the people associated with the report, especially the NITI Aayog for working in the spirit of the cooperative federalism on the 'Growth-hub' program. This Economic Master Plan lays out not only the road map for inclusive development of the MMR but overall development of Maharashtra as "Viksit Maharashtra" by 2047. I would like to congratulate the NITI Aayog, ISEG Foundation and World Resources Institute on the release of MMR Economic Master Plan.


(Eknath Sambhaji Shinde)





DEPUTY CHIEF MINISTER MAHARASHTRA STATE

Devendra Fadnavis

MESSAGE

I am pleased to see the release of this Economic Master Plan for the Mumbai Metropolitan Region (MMR), and I thank the leadership of our Honorable Chief Minister Shri Eknath Shindeji, and the initiative of the NITI Aayog in presenting this report to the people of MMR. It is a great honor that MMR is the first city-region in the country to release its Master Plan under NITI Aayog's 'Growth Hub' program.

According to the World Bank, 40 percent of India's population will be in urban areas by 2036, that will contribute almost 70 percent to GDP. This growth of city-regions needs careful planning, and close partnerships between the private sector and various government bodies.

This Economic Master Plan goes beyond a Mumbai-centric view, and lays out a comprehensive plan for the development of the entire MMR, including employment for 10 lakh women, 30 lakh affordable homes, specific measures to improve material circularity in MMR and to accelerate its net-zero transition, and amenities to attract and retain talent in MMR.

This report closely dovetails with our Economic Advisory Council Report which we had commissioned under the Chairmanship of Tata Son's N Chandrasekaran to lay out Maharashtra's 1 Trillion dollar roadmap. Both reports hint at developing regions around Mumbai to further bolster the growth momentum. Our Government plans to have the 3rd Mumbai at the Mumbai Trans Harbour Link influence zone and 4th Mumbai near the Wadhavan Port including 3rd Airport for Mumbai.

An incremental GVA contribution of almost \$150 Bn is planned for the next 6 years while generating almost 30 lakh jobs, through 7 identified growth drivers for the region.

This Economic Master Plan lays out the vision for MMR to achieve a GDP of INR 25 lakh crores by 2030, and upto INR 80 lakh crores by 2047. This will make a vital contribution to our Hon. Prime Minister Shri Narendra Modiji's vision of Viksit Bharat by 2047.


(Devendra Fadnavis)



DEPUTY CHIEF MINISTER MAHARASHTRA STATE

Message

Maharashtra is the largest state economy in Bharat, and we have set a goal to become an INR 80 lakh crore (\$1 trillion) economy by 2030. The Mumbai Metropolitan Region (MMR) is a crucial part of this ambition, contributing 31% of the state's GDP. Its continued economic growth, extending beyond Brihan Mumbai, is essential for both Maharashtra and Bharat's aspiration of becoming a Viksit Bharat by 2047.

The MMR is experiencing significant growth, supported by over \$50 billion in ongoing infrastructure investments. To further develop MMR into a Global Economic Hub, we plan to initiate a seed investment of \$6 billion (INR 50,000 crore). The government is fully committed to providing the necessary finances to meet our development goals for the region.

We are dedicated to making MMR nearly slum-free by 2030. However, this effort requires support from the Central Government due to the presence of nearly two lakh slum households (ten lakh people) on Central Government land within MMR, managed by agencies such as the railways, AAI, Mumbai Port, and defence.

The report also proposes utilizing 253 hectares of land under the Mumbai Port Trust to revitalize Mumbai's core city, creating green spaces, enhancing services, and promoting housing, tourism, and recreation. The Maharashtra Government will provide all necessary financial and infrastructure support to ensure the success of this project.

As MMR leads the 'Growth Hub' programme, other city-regions like Pune, Nashik, and Nagpur will also be included to harness their strengths effectively.

Sincere gratitude to NITI Aayog, the ISEG Foundation, and WRI for your collaboration in preparing this report. Your support is invaluable as we work towards these ambitious goals.

(Ajit Pawar)





Sujata Saunik
Chief Secretary



Maharashtra aims to become a US\$1 trillion economy soon, with the Mumbai Metropolitan Region playing a crucial role in this ambition. Spanning over 6,300 sq km, the MMR region currently has a GDP of US\$140 billion and is targeting an increase to US\$300 billion, significantly contributing to Maharashtra's overarching economic goals. Cities are central to economic growth and innovation. The concept of economic master planning, which positions cities as growth hubs, is essential. This approach not only emphasizes economic advancement but also prioritizes job creation, sustainability and inclusivity.

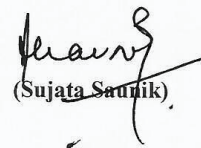
To support this growth, numerous large-scale connectivity projects are being developed across the MMR. This Economic Master Plan serves as a strategic framework to establish the MMR as a global center for commerce, innovation, and culture. It outlines key growth drivers and provides a roadmap to achieve the vision of transforming the region into a \$300 billion economy by 2030. While the region is well-regarded as India's finance and entertainment capital, its two airports and three major ports position the MMR to emerge as a logistics powerhouse for the Western Coast of India. Additionally, it holds significant untapped potential in tourism that could be leveraged for further growth.

As India strives to become a knowledge economy, the newly developed areas of Mumbai, particularly in the Navi Mumbai-Panvel region and Palghar-Vadhvan region, offer a remarkable opportunity for the MMR to emerge as a leader in higher education, innovation, and R&D. This plan represents a shift towards a more sustainable and diverse economy, with opportunities for growth and innovation in a range of sectors along with a women inclusivity blueprint to enable and scale up women participation in workforce.

Central to this plan is our commitment to fostering a favourable business environment conducive to attracting investment, fostering entrepreneurship, and driving economic growth. Targeted interventions across tourism, aviation, healthcare, education and untapped sectors such as new age services and start-ups will aim to generate new opportunities for businesses and create high-quality employment for our citizens. Moreover, the Economic Master Plan underscores a commitment to elevating the quality of life for residents. Through investments and policy reforms into critical areas such as green infrastructure, public transportation, affordable housing, our aim is to cultivate a more sustainable city and improve liveability that meets the needs and aspirations of all its inhabitants and establish MMR as the sustainability & inclusivity leader in the country with its target of near net zero by 2047.

While many projects will require further detailing, this report represents a strong starting point. It emphasizes projectization, necessary policies investments equivalent for laying the groundwork for future plans. This report is a culmination of extensive collaboration, and strategic planning among the Government of Maharashtra, various state implementation agencies and industry stakeholders.

I would like to thank NITI Aayog for recommending the methodology used in its development. I would also like to extend my thanks to the ISEG Foundation and WRI for their invaluable contribution to the creation of this master plan for the Mumbai Metropolitan Region.


(Sujata Saunik)

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FOREWORD

Nearly 35% of India's population is urban today, contributing more than 55% of India's GDP. As India progresses on its growth path, nearly 40% of India's population could be urbanized by 2030, generating nearly 70% of its GDP. Cities, therefore, will play a major role in India's economic growth story, a role that is only going to get bigger. It is time that they were not only recognized as the country's economic engines but also planned and governed effectively to fulfil this role.

In 2023, NITI Aayog created a Growth Hub initiative under the Viksit Bharat vision. This initiative aims to strategically develop city regions for economic advancement, leveraging an economic master planning framework developed in collaboration with the ISEG Foundation. Four city-regions, viz Mumbai Metropolitan Region (MMR), Surat, Visakhapatnam and Varanasi, were taken up as pilot areas for finalizing economic visions at the request of the states. I am pleased that the MMR Economic Master Plan is now complete. This plan is designed to transform the region into a vibrant hub to attract talent, featuring a livable, inclusive, and sustainable urban ecosystem.

With a population exceeding 25.8 million and a GDP of \$140 billion, the Mumbai Metropolitan Region (MMR) is already India's most important economic powerhouse. However, its untapped potential remains substantial. The Economic Plan is a crucial initiative to unlock this potential, leveraging the region's strengths, including its status as a thriving financial services and entertainment hub, with three major ports, two airports and Maharashtra's ongoing energy transition initiatives, among others.

Moreover, the plan recognizes the importance of sustainability and inclusivity in ensuring long-term prosperity and outlines a holistic approach to urban planning to create livable, inclusive, and sustainable urban ecosystems that attract high-quality talent, focus on scaling up women participation and drive economic growth.


This plan involved a detailed evaluation of the region's economic landscape, conducted through over 75 meetings with central and state agencies as well as industry stakeholders. This comprehensive analysis identified both strengths and challenges, enabling the identification of key growth drivers and the formulation of policy frameworks to facilitate growth.

While the projects and policies outlined in this report will require further refinement to establish a precise implementation pathway, this serves as an excellent starting point. It sets the foundation for transforming MMR into a US\$1.5 trillion economy by 2047 and provides a clear roadmap with growth drivers to achieve a US\$300 billion GDP by 2030.

I would like to extend my gratitude to the Government of Maharashtra for taking the lead in enabling the preparation of the MMR Economic Plan and to the ISEG Foundation and WRI for their invaluable knowledge partnership and expertise in preparing this report.

I hope this economic plan transitions into actionable projects, policies, and funding strategies, leading to a successful implementation. I extend my best wishes to the Government of Maharashtra and MMR officials as they work on detailing and executing this economic master plan.

Dated: 8th August, 2024


[B.V.R. Subrahmanyam]



Executive Summary

Economic Master Plan for the Mumbai Metropolitan Region (MMR)

- The Mumbai Metropolitan Region (MMR) is a \$140 billion economy (INR 12,00,000 crore). Spread over five districts, with an estimated 25.8 million population, it employs 10 million people. Its per capita income of \$5,248 (INR 4,36,000) is higher than the national average. However, real economic growth over the FY12 - 20 period has been sluggish at 6.1% CAGR, lower than the national average.
- By 2047, MMR can grow into one of the world's foremost economies with a GDP of close to \$1.5 trillion (almost matching the Tokyo Metropolis Region's GDP of \$2 trillion in 2023) and GDP/capita of \$38,000 (equivalent to present day Italy)
- Over the next seven years (by FY30), MMR can achieve a GDP of \$300 billion (INR 25,00,000 crore), grow at 9 - 10% real CAGR, and provide employment to an additional 2.8 - 3 million people, of which one million could be women. To achieve this, the region will need to attract private sector investments in the range of \$125 - 135 billion (INR 11,00,000 crore) over this period. Additionally, it will need to grow its urban areas such that they systematically open up new opportunities for providing highly productive jobs and affordable housing.
- The good news is that MMR is already on this positive growth trajectory. Investments of almost \$50+ billion (INR 4,15,000 crore) have been made in nearly 20 important ongoing / planned infrastructure projects. Many of these projects are already complete and several more are expected to be completed over the next 5 - 7 years.
- The Economic Master Plan has identified seven economic Growth Drivers that can drive \$130 - 150 billion (INR 11 - 12,50,000 crore) in incremental GDP for MMR by FY30, while creating around 2.8 - 3 million non-farm jobs. They are:
 1. **Global Services**
Transform MMR into a global services hub by growing seven champion services: 1) Financial services and fintech, 2) New-age services like AI, 3) Healthcare and education, 4) Aviation, 5) Media and entertainment, 6) Global capability centres, 7) Data Centers. (Estimated Impact: GVA increase of \$40 - 45 billion or around INR 3,50,000 crore and 0.9 - 1 million more jobs.)
 2. **Affordable Housing**
Create three million affordable homes by FY30, including 2.2 million slum rehabilitations and 0.8 - 1 million affordable homes. (Estimated Impact: GVA increase of \$18 - 20 billion or around INR 1,60,000 crore and 0.3 million more jobs.)
 3. **Tourism**
Repurpose Mumbai for its residents as a vibrant urban recreation hub and a tourism hub, by promoting themes like coastal, beach and cruise tourism, MICE tourism, nature tourism, culture, heritage and fort tourism, entertainment tourism, and wellness and medical tourism. (Estimated Impact: GVA increase of \$15 - 20 billion or INR 1,60,000 crore and 0.7 million more jobs.)
 4. **Manufacturing and Logistics**
Position and develop MMR as a port-proximate, integrated manufacturing and logistics hub. Rejuvenate MMR's manufacturing base by focusing on seven value-chains in discrete and assembly-line manufacturing, green hydrogen, circular economy, electronics, bulk industries, and integrated textiles & apparels. (Estimated Impact: GVA increase of \$20 - 25 billion or INR 2,00,000 crore, and 0.6 million more jobs.)

5. Planned Cities and Transit-oriented Development

Plan brownfield urbanisation (a total of 19 business districts, tourism hubs, new cities) in emerging areas and intensive transit-oriented urban renewal of the existing city. (Estimated Impact: GVA increase of \$25 - 35 billion or INR 2,50,000 crore and 50,000 more jobs.)

6. Sustainability and Inclusivity

Transform MMR into the sustainability and inclusivity leader in India with the aim of achieving net zero by 2047, and increase women's participation in the workforce to 38 - 40% by 2030. (Estimated Impact: GVA increase of \$2 - 3 billion or INR 20,000 crore and 50,000 more jobs.)

7. Urban Infrastructure

Ensure world-class core and last-mile urban infrastructure. This includes essentials like metro rail and other transport, roads, sewage and water, and less polluting alternatives. It also includes nine vital Amenities for Liveability and Talent Attractions (ALTAs). (Estimated Impact: GVA increase of \$4 - 5 billion or INR 37,000 crore and 0.3 million more jobs.)

- To convert these growth drivers into actionable plans, 30 projects, eight sectoral policies and nine institutional shifts have been identified.
 - These 30 projects cover the seven growth drivers and include the creation of two world-class financial services districts at BKC and Wadala, rapid development of an Aerocity near the Navi Mumbai airport, introduction of services/culture/tourism hubs on the Mumbai Port Trust land, creation of a Film City in Mumbai, redevelopment of slums and affordable housing, introduction of tourism hubs and precincts, five industrial cities, world-class connectivity infrastructure and world-class citizen amenities.
 - The eight policies cover services, tourism, affordable housing, TOD policy, investment attraction and land allotment, urban planning, green MMR and women inclusivity.
 - The institutional shifts include: i) increasing the mandate for economic masterplanning, investment/talent attraction for MMRDA, ii) creating a ministry/department of services at the state government level to develop policy and attract investments, iii) creating an MMR Tourism Board and iv) including economic master-planning as one of the mandates for the three large Municipal Corporations in the MMR.
- The support of the Central Government of India for MMR's transformation will be critical. Required actions could include: i) expediting the implementation of the recently announced deep-draft Vadhavan Port, ii) facilitating the development of MMR as a global aviation hub, iii) developing part of the Mumbai Port Trust land for job creation through services, housing and tourism, iv) facilitating the redevelopment of 2.2 lakh slum households on Central Government owned lands in line with the "Housing for All" vision and v) increasing the "ease of doing business" through simplifying MoEF (Ministry of Environment and Forests), Defence and AAI (Airports Authority of India) approvals.
- Catalysing and attracting private investments is a main pillar of this master-plan. A total of \$125 - 135 billion or INR 11,00,000 crore will be required in private investments which is around 70 per cent of the total investments required. The Centre and the State will need to complete all ongoing and announced projects of \$65 billion (INR 5,00,000 crore). The Government of Maharashtra agencies such as MMRDA, CIDCO, SRA, MHADA and MIDC will need to scale up their investments at least 2x (which will be self-funded through monetisation of the developed lands) and the Government of Maharashtra will need to make investments of \$6 billion or INR 50,000 crores in addition to the already committed government spending to kick-start the virtuous cycle of public and private investment.
- The implementation of the plan can be expedited by the creation of an integrated MMR-level War Room with designated representatives from relevant state departments. The implementation can be reviewed on a quarterly basis by a governing body led by the Honorable Chief Minister and Deputy Chief Ministers. A Growth Hub Steering Committee chaired by the Chief Secretary can review progress on a monthly basis for effective coordination and alignment of efforts towards achieving the developmental goals of MMR.



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Maharashtra**



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