

**UNITED NATIONS DEVELOPMENT PROGRAMME
PROJECT OF THE GOVERNMENT OF INDIA**

Project Document

**Document for information
ONLY**

Project Number: **IND/03/022**

Project Title: **ICT for Development**
Project Short Title: **ICT**

Estimated start date: **October 1, 2003**

Estimated End Date: **December 31, 2007**

Executing Agents: **Ministry of
Communication &
Information Technology**

Implementing Agent(s): **Government Agencies
and Civil Society**

Approval Date:

Summary of UNDP and Cost Sharing: (as per attached budgets)

	Approved Budget	Indicative Budget	(pls see footnote ¹)
TRAC (1 & 2)	\$ 3,500,000	5,000,000	
TRAC (3)	\$ -	-	
Other	\$ -	-	
Cost Sharing:	\$ -	-	
Government:	\$ -	-	
Financial Institution	\$ -	-	
Third Party	\$ -	25,000,000	
Administrative and Operational Services:			
SOF 03	\$ -	-	
SOF 07	\$ -	-	
Other	\$ -	-	
Total	\$ 3,500,000	30,000,000	

Project Description :

The brief description of the project is provided in the executive summary on the next page.

On behalf of:

Signature & Date

Name/Title

Government

Smil

*P. K. Deb, Joint Secretary
DEA*

Executing Agency

[Signature]

*R. Chandrashekar
Joint Secretary, MOCIT*

UNDP

Maxine Olson
23/10/03

*Maxine Olson,
Resident Representative
UNDP*

1. UNDP's Core Resources are allocated on the basis of three-year roll-forward frameworks, covering the current year plus the next two years. Project budgets covering a longer time frame are thus indicative only, and subject to confirmation. The same would apply to Cost-Sharing Contributions, which are indicative until confirmed by respective donors.

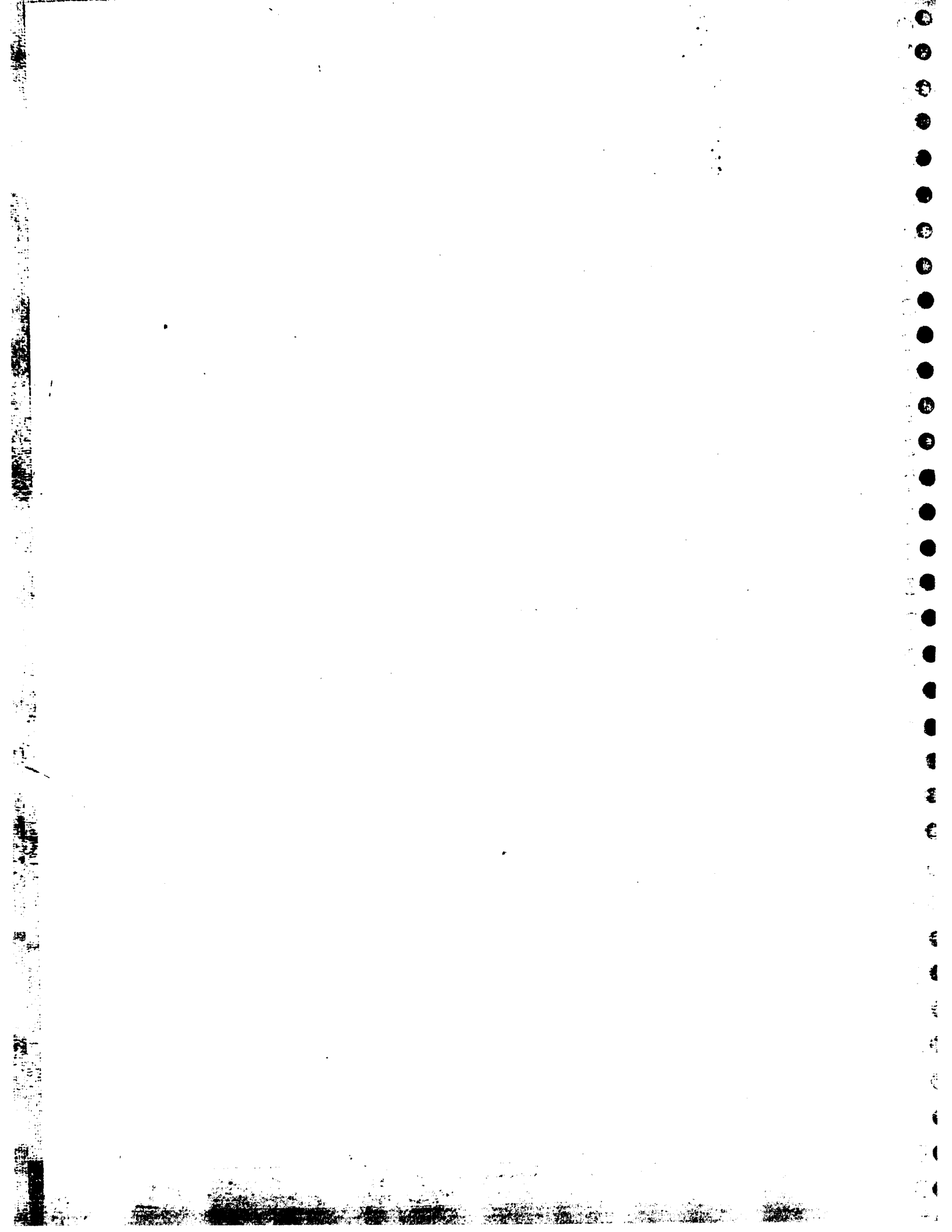


Table of Contents

Executive Summary

A: UNDP's COUNTRY PROGRAMME CONTEXT

- I Background
- II The Country Programme (2003-2007) and its Thematic Focus

B: PROJECT BACKGROUND

- I The Development Context
- II Issues to be addressed
- III Indicators of National priority, government strategy and programmes
- IV Assessment of Previous Programmes - Main Lessons Learnt
- V Reasons for UNDP Development Cooperation

C: THE PROJECT

- I Background
- II The Project Strategy
- III Mainstreaming UNDAF Focus Areas
- IV Project outputs and Activities

D: IMPLEMENTATION ARRANGEMENTS AND ROLES & RESPONSIBILITIES OF PROJECT PARTIES

- I Prior Obligations and Pre-requisites
- II Implementation Arrangements-Role of Partners
- III Funds flow and Financial Management
- IV Audit

E: MONITORING, EVALUATION, RESEARCH, AND COMMUNICATIONS AND ADVOCACY

- I Monitoring and Evaluation

F: PROJECT BUDGET

- I UNDP Contributions
- II Government Contributions

G: LEGAL CONTEXT

H: BUDGET

ANNEXES

- 1 Origin, Vision and Structure of National Institute of SMART Governance (NISG) with an illustrative list of projects
- 2 Previous and Ongoing ICT Projects supported by UNDP
3. A list of some ongoing ICT and e-governance Projects in different parts of the country

Executive Summary

Information and communication technologies hold great promise, not only in terms of the way they generate new jobs and income opportunities, but also in terms of the potential they have as enabler for improved public service delivery and improved governance.

India has pioneered an amazing range of ICT applications for improving the lives of the common citizens. ICT for development efforts by a host of government and non-government agencies have shown the role that ICT can play in enhancing development outcomes through greater transparency, greater convenience, people's participation, revenue growth and cost reduction. Past efforts at improving service delivery, including transparency and accountability of public institutions (such as through citizens' charters and facilitation counters) have however not met with success throughout. Hence, e-government and e-governance are seen as key priority areas to bring about fundamental improvements in governance driven by the objective of making government more effective, transparent and participatory.

While *e-government* is about how government, using information technology, provides services to people (e.g. land records, farm prices, government schemes, tele-medicine, education, payment of utility bills, birth certificates, ration cards etc), *e-governance* is a wider term reflective of a two-way process and encompassing people's participation in public affairs. It includes access to information (e.g., the publication of budgets and audit reports); access to decision-making (e.g., citizen consultation or e-dialogues); and access to justice (e.g., legal data bases and legal help desks). It is a more inclusive concept and goes beyond 'efficiency' in government offices. It includes 'equity' considerations so that marginalized people are not excluded.

The initiatives within the e-government domain provide several models such as community networks (Gyandoot), one-stop service centres (e-SEWA), subject-specific networks (Bhoomi) or the initiatives based on indigenous technologies (Simputer, WLL). These initiatives also differ in terms of whether they focused only on front-end computerization or also undertook business process re-engineering (complete or partial). While much of the information on the impact of these initiatives is anecdotal, there are strong indications of the positive impact these initiatives have had. Yet many of them have not been upscaled. In the absence of concomitant changes in the business procedures some of the initiatives may not sustain. It will be an additional component of this project to define the success criteria for e-government and e-governance initiatives and look at the successful projects to take them forward.

This project will be a long-term, multi-phased programme of support to the national initiatives on e-government and e-governance led by the Ministry of CIT, in collaboration with UNDP and with additional contributions from bilateral donors in this area encouraged to pool under this initiative.

The project's key objectives are:

1. To demonstrate – also building further on existing successful initiatives - the use of ICT for improved governance through sustainable pilot initiatives in delivery of key public services in selected States, in areas such as e-procurement, public distribution system, old age pension, urban municipal and rural panchayat services, rural development, legal information and so on. The service delivery areas will be identified in consultation with the States concerned and, in due course upon successful completion of the pilot, the project will assist in the upscaling of successful pilots.

2. To encourage active **Business Process Re-engineering** efforts to make governance procedures simpler, rule based, non-discretionary and transparent, thereby facilitating use of ICT on a sustainable basis and outsourcing of functions.
3. To build **public-private partnerships** in ICT applications for governance.
4. To **develop solutions and applications** based on open source and other electronic communication technologies that would improve access to and reduce costs of ICT applications with a view to cover even those areas that now suffer from high access costs, inadequate communications infrastructure and insufficient localized content and media development.
5. To support the process of formulating **master plans and roadmaps** for e-governance.
6. To **document** lessons learnt for horizontal transfer of success stories.

Funding will be provided to serve as an incentive for innovative applications of ICT for governance, and based on a principle of competition for quality in the funds allocation. It is expected to take up around 10-15 pilots in the range of US\$ 250,000-500,000 each, during the first phase of the project, and with further expansion and upscaling as and when additional donor resources make this possible.

The project will be housed in the National Institute of **SMART Governance** (NISG) at Hyderabad, and NISG will be the main project implementing partner. The Institute is a prime example of public-private partnership with 51 percent share coming from major ICT associations, industries confederations and investment companies. Housing the project at NISG would thus set the tone for future partnership with private sector. For the smooth functioning of the project, a small project directorate within NISG with full ownership of and guidance from the Ministry of CIT as the Executing Ministry will be established.

The project is a key MOCIT programme, mobilizing donor support through UNDP and also expected to provide support to the NDC Committee on e-governance. As the project evolves, it is expected to move gradually into a larger second phase to the tune of US\$ 20-30 million. A third phase starting around 2006 will move into more aggressive upscaling and replication of successful pilots and with much more substantial resource inputs subject to the participation of a large number of interested donor partners.

The project will also work towards achieving objectives under the UN Development Assistance Framework (UNDAF) that are strengthening decentralization and promoting gender equality. This will facilitate equal access of ICT by the marginalized and women.

A. UNDP's COUNTRY PROGRAMME CONTEXT

I. Background

The Approach Paper to the Tenth Five-year Plan proposes "a shift in the focus of planning from merely resources to the policy, procedural and institutional changes which are essential for every Indian to realise his or her potential." This resonates with the overarching goals of the work of the United Nations system in India – *to work towards the promotion of sustainable human development and the elimination of human poverty and inequalities* – as well as the UNDP global mandate to establish 'partnerships to fight poverty'. The Government of India (GoI)-UNDP Country Programme for the period 2003 to 2007 is aligned with these priorities, and is a reflection of the recognition that international co-operation can play a significant role in supporting the GoI in addressing these issues.

With an average growth rate in the gross domestic product of 5.8 per cent during the first decade of reforms (1992-2001), India is among the ten fastest growing economies in the world. India's steady progress over the last decade towards meeting the goals of human development is reflected in the improvement of the country's human development index (HDI) from 0.406 in 1975 to 0.571 in 1999. Yet the challenges for human development remain formidable.² Statistics on critical development indicators such as female literacy, life expectancy at birth, child mortality and incomes show that regional and interstate disparities are increasing³. There is growing public consensus on the need for proactive measures to tackle the situation of disadvantaged and vulnerable groups. The pressures on environmental and natural resources and the repercussions of their degradation on low-income livelihoods have become a source of increasing concern. In the context of rapid strides in decentralisation, there is an urgent need to strengthen the capacity of organs of local governance-rural and urban, as also to make public administration more efficient, open and accountable to the public.

The development co-operation of UNDP is ultimately premised on achievement of the Millennium Development Goals and targets.

II. The Country Programme (2003-07) and its Thematic Focus

The United Nations Development Assistance Framework (UNDAF), which is the document expressing the agreement on programme priorities between the United Nations system in India and the Government of India, has as its main focus the *promotion of gender equality and the strengthening of decentralisation*.⁴ These two themes form the underlying thrust of the new Country Programme (2003-2007) and interventions as reflected in the following four inter-linked thematic areas:

Table 1: Four main themes for the Country Programme (2003- 2007)

Promotion of human development and gender equality	In India, the state human development reports (SHDRs) have been a successful vehicle for promoting the concept of human development as a valid basis for development planning. It is now proposed to build on the credibility and experience-base established through the first CCF to create an interface at the state level between economic policy and social concerns such as gender equality, poverty eradication and people's participation. Strategies proposed
--	--

² <http://planningcommission.nic.in/appdraft.pdf>

³ [http://www.un.org.in/CCA2.htm#The state of human development](http://www.un.org.in/CCA2.htm#The%20state%20of%20human%20development)

⁴ <http://www.un.org.in/UNDAF/undafstatement.pdf>

	<p>Include : partnerships with research institutions, civil society organisations and individual experts to support state governments in facilitating integration of social concerns; providing conceptual and methodological support to the process of engendering development; strengthening the state HDR process to make it more consultative and broad-based; and strengthening the involvement in the HDR process of various tiers of the Government and diverse stakeholders, including other members of the United Nations system and bilateral donors</p>
Capacity-building for decentralisation	<p>Given the crosscutting focus on decentralisation, strategies proposed include capacity building of panchayati raj institutions (PRIs) and other local institutions. Issues in empowerment of tribal communities through the Panchayat Extension to Tribal Areas Act (PESA) will be explored. Urban governance will be addressed through building of capacity of urban local bodies and partnership with communities and parastatals. Capacity-building for district and village-level planning will be supported. Support to civil service reform at various levels, with a focus on gender sensitivity, responsiveness, transparency and efficiency of administration, including initiatives on access to information, will be provided. A grassroots perspective of ICT for development will be explored to support the above initiatives. Given the crosscutting focus on decentralisation, partnerships with local institutions initiated under this programme will also provide a basis for convergent programming in other thematic areas.</p>
Poverty eradication and sustainable livelihoods	<p>This programme will intensify efforts piloted during the first CCF to facilitate action on human poverty and ensure their sustainability by rooting them within local institutions and mainstream government programmes. Strategies proposed include: strengthening partnerships between PRIs, women's groups, civil society organisations and government agencies to develop, test and disseminate innovative, gender-equitable and community-managed approaches to sustainable livelihoods and environmentally sustainable natural resource management; piloting and testing gender-responsive models of support for traditional artisan communities; supporting production of status reports on poverty in India; and evolving a coordinated strategy to share Indian best practices with other developing countries and accessing lessons from international experience.</p>
Vulnerability reduction and environmental sustainability	<p>This programme will comprise activities designed to reduce the vulnerability of communities to natural disasters and environmental degradation. Proposed strategies include: strengthening state-and regional-level systems for establishment of disaster-preparedness plans and systems for early warning and recovery; developing community capacities to plan and implement gender-equitable disaster-mitigation strategies and post-disaster reconstruction/sustainable recovery; strengthening national capacities for influencing global debates on environment and mainstreaming global environmental concerns (e.g., biodiversity areas, renewable energy, land degradation, desertification, climate change) into national projects, programmes and policies; and demonstrating technologies and approaches to address linkages between global environment issues and national developmental challenges.</p>

Based on specific roles for UNDP development co-operation identified through a comprehensive review and stakeholder consultation process, all projects build on the following qualities:

- A perspective 'from below', of low-income households and marginalised communities - rural or urban - in order to strengthen their self-help and self-reliance capacities through innovative and catalytic, 'action-research' types of interventions.
- A common platform to bring a diverse set of development partners (Government agencies at the Central, State and district levels; PRIs, NGOs and CBOs; and other UN system and bilateral donor partners) together to devise innovative solutions to development challenges.
- Emphasis on addressing the multi-sectoral dimensions of development programming and when possible, integrating programming at selected geographical locations/districts.
- Comprehensive monitoring and documentation of development innovations from proven success stories and effective pilot initiatives and dissemination of lessons of value for policy-makers with regard to the design and implementation of much larger public sector schemes.

The new Country Programme reflects a continued commitment to national direction and ownership. Partnerships with government agencies and civil society partners initiated under the first Country Cooperation Framework (CCF- I, 1997-2002) will be vigorously pursued and alliances with the Indian corporate sector and the voluntary sector built to draw on their experience and expertise.

Information and communication technologies have the potential to enhance the achievement of the above mentioned objectives as well as to facilitate and catalyze the development of solutions and approaches with a pro-poor focus. To harness this potential it is necessary to both mainstream ICT but also to facilitate the development of cost-effective and locally relevant ICT solutions through policy and programme interventions.

B. PROJECT BACKGROUND

I. The Development Context

India's Information and Communication Technology (ICT)³ sector is seen as epitomising the opportunity that globalisation offers a developing country. The success of Indian technology entrepreneurs outside the country and the rapid growth of the Indian software and IT-enabled service industries, especially its export segment, have buoyed expectations of the potential for growth and human development that ICT holds. However, analysis of the practical experiences of developing countries points to the larger development gains to be harnessed when the potential of ICT to act as an enabler of development is exploited.

With the arrival of IT in a significant way in India, the manner in which products and services are now being delivered is undergoing a change. As with all the other institutions in the country, the processes in the Government too have to realign themselves in accordance with this shifting pattern where ICT is becoming the enabling tool for reaching out to citizens of the country with speed and economy. The approach to public governance has been witnessing a fundamental shift in the concept, manner and method by which the State delivers its services.

India has seen a burgeoning set of initiatives in the "ICT-for-Development" domain. Some of these have been destined to reach the countryside, primarily as part of e-government initiatives for which the State Governments have taken the lead. The intention has been to facilitate access to public services (e.g. land records, government schemes, tele-medicine, education, payment of utility bills, birth certificates, ration cards, policy documents); to monitor the work of departments in the districts

³ ICTs (information and communication technologies) can be interpreted broadly as technologies that facilitate communication and process and transmit information by electronic means. This definition encompasses the full range of ICTs, from radio and television to telephones, computers and the Internet.

and obtain timely information from them, addressing public grievances; and to provide early warning information on disasters and mitigation measures. Sometimes, efforts have been made to provide relevant information to villagers on, for example, farm produce prices in different markets, although NGOs have been more active in this latter area. Many such NGO initiatives are listed in Annex 3. These examples have begun to show the role that ICT can play in enhancing development outcomes. In many of the e-government initiatives, services and information are delivered to the citizens through electronic medium making them more accessible, more transparent and reducing delays.

E-governance however, is a wider term reflective of a two-way process and encompassing people's participation in public affairs through active interaction between citizens and the government and goes beyond e-government. According to GOI⁴, e-governance should focus on equality and ease of access to information, public networks, stimulating debates, exchanging views and information, increasing participation by citizens in decision making and public information feedback.

II. Issues to be Addressed

Public sector accountability, transparency, responsiveness have become key to effective governance. It has received a major boost in India with the endorsement and enactment of the right to information legislation. E-governance and e-government can advance the agenda on governance and fiscal reform, transparency, empowerment, and poverty reduction.

The potential is recognized but benefits of e-government and e-governance have been largely anecdotal. However, there are strong expectations of the positive impact these e-governance initiatives can have. Pioneers in several countries have also shown that gains can be real and projects can be implemented successfully. The challenge therefore is to promote widespread use. Systematic evaluations need to be conducted to determine the success factors and measure benefits during and after implementation.

In addition, there are specific issues that need to be addressed:

Information and services

E-government is part of the Government's strategy to use Information Technology to help enhance people's lives through improved delivery of services. Introduction of e-governance makes ICT more relevant to ordinary citizens in India where large numbers of the population are poor and a digital divide is a significant problem. E-governance will allow ordinary people to constantly interface with the government at both local and central level on various matters and engage in virtual local governance.

There is a need for relevant services such as people's access to information about entitlements, public services, payments, issues of licenses, certificates, etc. Provision of online services of this nature can improve citizens' interactions with departmental service providers.

Infrastructure

The potential of ICT as an enabler of development, in particular for poverty alleviation and good governance, remains limited because most areas, especially, poor and rural areas suffer from high access costs, unstable power supplies, poor connectivity, inappropriate hardware, lack of localised language software and inadequate communications infrastructure.

⁴ Report of the working group on Convergence and E-governance for the Tenth Five Year Plan (2002-2007)

Also, the most common perception of ICTs being computers, the more common technologies of radio and television often get overlooked.

Business Process Reengineering

Evolution of e-government is a highly complex process requiring provision of hardware, networking, software and re-engineering of the procedures for examination of cases and decision-making. A serious look is now necessary at the 're-engineering of procedures and processes'. Very little has been done on this front, which is the crux of e-government and its benefits to the common people in a sustained manner. Admittedly, this is the most difficult part of the exercise and would involve comprehension and examination of various internal and external procedural requirements in the government functioning.

Perhaps the most important aspect of BPR, is the bringing of a change in the mindset of the government functionaries who have been accustomed to work only in the 'manual mode'. This requires regulating the workflow, capacity building and environment building.

Localisation

The information would have to be made available in the local languages. Illiteracy and knowledge only of local languages/dialects are obstacles to people's use of information and communications technology. To be relevant for marginalized people, applications must be available in local languages and, to the extent possible, be visually oriented and use voice interfaces. One of the greatest impediments to the growth of the Indian domestic market has been the lack of regional language, "localized" software. Government initiatives that exist need to further draw upon the resources from the open source technologies and talent from the relevant networks.

Public-Private Sector Partnerships

Strategic alliances and partnerships in ICT applications for governance will be promoted by forging multi-stakeholder partnerships; reviewing and reassessing policies that impede public-private partnerships; and ensuring that agreements with partners are equitable and can be reviewed over time.

Strategic Vision Development

The Government of India has outlined a vision statement and strategic imperatives of e-governance. However it needs to be further detailed in a clear roadmap. A comprehensive ICT roadmap is still under formulation by the Ministry and the recently established NDC Committee on e-governance, for which the Ministry assumes the secretariat function, also would be working to develop the long-term strategy and plans as well as the operational programmes. The National Institute of SMART Governance (NISG) has recently been established to support GOI in e-governance activities (Refer Annex 1).

Equal Access

ICT initiatives should be designed as an instrument of equity. E- solutions cannot be effective in isolation from other social, economic and political solutions. Concerns have been expressed that IT is reinforcing more than attacking inequality. The challenge is to create conditions for 'reversing the polarities'.

For service delivery to citizens in remote areas, the logistics and infrastructural difficulties in the way of use of ICTs, e.g., non-availability of trained manpower for maintenance, need for involvement of NGOs etc., needs attention. Limited capacity and training of local people for

effectively operating and managing information kiosks or developing technology is an issue that needs to be addressed for bridging the digital divide.

III. Indicators of national priority, government strategy and programmes

The Government of India has developed a number of strategic and policy initiatives (such as IT for Masses, Tenth plan) in order to put IT at centre stage and to support the development process. The Tenth Five Year plan (2002-07)⁵ laid out the objectives for affordable and effective communication facilities to all citizens especially in rural and tribal areas, development of telecom in rural areas and R&D, etc. The National Task Force on IT and Software Development, constituted by the Prime Minister's office, has envisioned India emerging as an IT Superpower in the world by 2008. The Task Force has also identified Citizen-IT Interface as one of the key areas to service the information requirements of citizens through deeper penetration of ICT in society and through the extensive use of latest tools in the networked society.

The major initiatives in the Tenth Plan include the setting up of community information centres; the creation of suitable software and technologies for the use of computers in local languages and e-government.

As a major step in bringing in e-government, National Informatics Centre (NIC) has been implementing "a minimum agenda" of e-government, as announced by the Central Government. They have initiated development of an "Informatics Model" based "business process re-engineering methodology". Starting as a small programme (under UNDP project) in 1975, NIC has grown incrementally and later exponentially as one of India's major programmes. The GOI has outlined a conceptual strategy for encouraging e-government in a major way by the central and the state governments and public utility service organizations for improving efficiency and transparency. They have defined e-government as the application of IT to government processes in order to bring about Simple, Moral, Accountable, Responsive and Transparent (SMART) governance.

The recommendation of the National Task Force on Information Technology and Software Development led to the setting up of the National Institute of Smart Government (NISG). The project will be housed in NISG at Hyderabad. The Institute is a major example of one of the stated aims of this project - public-private partnership between the government, ICT associations, industry confederations and investment companies.

IV. Assessment of Previous Programmes - Main Lessons Learnt

- The Mid-term appraisal of the Ninth Plan and the Tenth Plan has identified Good Governance as a major challenge. It has pointed out the extensive discretion at every level, lack of transparency and cumbersome record management, which has often made the public services user-unfriendly. As a result of this assessment, use of ICT is being considered as a major tool to have immense impact on the quality of services that the government delivers to its citizens and demystify the government procedures making them citizen friendly, facilitate information sharing and knowledge creation. The resulting benefits that emerge would be increased transparency, greater accountability, impact on corruption, greater convenience for workers as well as citizens, enhanced public participation in decision-making, revenue growth and cost reduction.

⁵ The Tenth Five Year plan (2002-2007) can be accessed from the homepage of the Planning Commission at <http://www.planningcommission.nic.in> and the complete report of the Working Group on IT for Masses set up by the GOI is available at <http://intra.undp.org.in/nw312/prmu/itfordev>

- At the national level, the picture of e-government presents a wide variation for delivery of services and information. Some of the State Governments have pioneered the move to digitise the vast complex working of government whereas others have lagged behind for various reasons. There is a need to put these e-government initiatives in perspective and develop a framework for their consolidation and dissemination. The task is mammoth and the results of e-government are mixed. A NASSCOM study shows that despite e-government being the fastest growing segment, the states are allocating insufficient resources for business process re-engineering and software services. ICT examples in Brazil, Chile, Jordan, Argentina, Turkey have shown substantial benefits in the areas of transparency and accountability.
- While multi-media community centres/telecentres, have served as hubs for applications, such as access to basic services, telemedicine, support to micro-credit enterprises, promotion of electronic commerce, environmental management, sustainability of these models needs to be determined. Rigorous monitoring and assessments are needed to determine if the benefits of ICT projects are cost effective, especially for many pilot projects now under way.
- Evaluations of telecentre initiatives indicate that there is an almost complete absence of data on use of telecentres by marginalised groups especially women. Appropriate models for marginalized communities to articulate needs and assess implementation need to be put into place.
- Strong political and executive support is essential for upscaling small-scale initiatives.

V. Reasons for UNDP Development Cooperation

UNDP has designated ICT-for-Development as one of its six global priority practice areas and supports the mainstreaming of ICTs to achieve national development goals because of their role as catalysts, enablers, engines for socio-economic development and pro-poor growth. UNDP's approach is multi-stakeholder, aiming at innovative, result-oriented policy guidance in the support of holistic, cross-sectoral e-development strategies and programmes.⁵

UNDP India, since the mid 1980s, has supported the deployment of ICTs in capacity building and in other development projects and initiatives, including decentralised planning, access to information and disaster management (see Annex 2 for details of ongoing programmes). In the context of its Country Programme (2003-2007), UNDP India's focus is on human development, decentralisation, sustainable development and vulnerability reduction and environment sustainability.

UNDP India organised stakeholder consultations (August 2002, March 2003, May 2003) with participants from Government and NGOs, social activists and journalists, along with members of the ICT community. It was felt that new networks of institutions stretching across the public, private, academic, NGO sectors and government should be supported. It was emphasised that local communities should be active producers and not just consumers of knowledge. One of the outcomes of these consultations was the recommendation to support a mix of strategic pilots and technologies, where the Government of India, together with UNDP, could promote new work in addressing key urgent concerns regarding the digital divide. In this context, the programme of ICT-for-Development will develop a more strategic focus to support GOI's efforts on e-governance.

⁵ UNDP's ICT-for-Development Corporate strategy for the focus areas can be seen at: <http://sdnhq.undp.org/it4dev/trustfund.html>. Its programming approach is articulated in the report of the Digital Opportunity Initiative (DOI), Creating a Development Dynamic (July 2001). The DOI report identifies ICT as a powerful catalyst for development and also shows how ICT can be mainstreamed to enhance development interventions in poverty reduction, economic development, energy and environment, healthcare and social equity.

The significant opportunities for sharing India's rich experience in the use of ICT-for-Development will be fully harnessed through knowledge networking with other countries *inter alia* under the framework of South-South cooperation. Through its internal and external knowledge networks, global ICT-for-Development programme and support from the regional Asia Pacific Development Information Programme, UNDP India will be able to contribute to the body of international experiences. UNDP will also help mobilise resources for the outlined initiatives in order to generate sufficient momentum towards these activities among various development stakeholders.

C. THE PROJECT

I. Background

The Government of India is conceptualising an information age paradigm driven by the objective of 'making ICT work for people'. Their vision statement intends to translate this into definitive reality by harnessing advances in ICT and the opportunities to restructure government, citizen and business interfaces with the objective of better governance and by establishing institutional mechanisms to facilitate initiatives towards synergistic utilisation of ICT as an enabling tool for efficiency and effectiveness by Central Government, State Government, Constitutional bodies and other agencies.

II. The Project Strategy

This project will be a long-term, multi-phased programme of support to the national initiatives on e-government and e-governance led by MOCIT and National Institute of SMART Governance on improving efficiency in government through use of ICT.

The project will include the following components:

- Demonstration of sustainable **pilot initiatives** in the use of ICT for improved governance and upscaling of successful pilots
- **Business Process Re-engineering** for better service delivery
- **Public-private partnerships** in ICT applications for governance
- **Development of solutions and applications** for bridging the digital divide
- Facilitating **master plans and roadmaps** for e-governance.
- **Documentation** of lessons learnt and networking for partnerships

A. Pilot Initiatives

The pilot initiatives will build on existing successful initiatives or create a new generation of pilots based on a systematic stock-taking.

E-government projects in selected States will focus on delivery of key public services, in areas such as e-procurement, public distribution system, old age pension, urban municipal and rural panchayat services, rural development, and so on. Access of Government services through multi-channel and multi-lingual delivery options will be looked at. Pilots will facilitate access to information on government programmes and procedures, application for certificates, land records, renewal of licenses and billing and payment of utility charges, taxes and so on. Support to electronic Government Tendering/Procurement will also help to eliminate the need for duplicate departmental systems. Citizens Charter of government departments could be made available to citizens over the Net. The pilots could also facilitate public grievances registration and tracking in written form through emails. Such pilots will help to create a bridge between the government and

the public for basic information access and interchange and improve the efficiency and effectiveness of government's service delivery systems. The States concerned will further define the service delivery areas, in consultation with NISG.

E-governance initiatives in selected States will be supported. It will include access to information (e.g., the publication of budgets and audit reports); access to decision-making (e.g., citizen consultation or e-dialogues); and access to justice (e.g., legal data bases and legal help desks). It is a more inclusive concept and goes beyond 'efficiency' in government offices. It includes 'equity' considerations so that marginalized people are not excluded. E-governance initiatives will ensure citizen inputs and effective participation throughout the process.

The Freedom of Information Act has ensured right of citizen to have access to information. The provisions of the Act can be implemented through electronic and paper audits (budget estimates for different works and utilisation of funds or posting muster rolls).

ICT can help **panchayat** bodies share information on city council/panchayat agendas, deliberations and decisions; electronic referenda on panchayat decisions or government programmes; get feedback from citizens to elected authorities on service providers; campaigning and election information; linking beyond the community to other similar municipalities/panchayats (such as sister-cities/block or district PRIs); and organizing campaigns and citizen initiatives.

Support access to **legal information**, which enables people to access their rights, such as labour laws, personal laws on marriage, divorce, maintenance, property rights, dowry, citizen rights and which can be made simple, digitised and made easily available to citizens. Telecentres could provide people access to databases of case laws to facilitate access to justice. Websites such as "Be your own lawyer" can be created with judgements on different issues in order to strengthen legal literacy and Alternative Dispute Resolution mechanisms. In a few areas, access to legal assistance can be enhanced through email and video-conferencing between District courts.

Selection of Pilots could be based on certain criteria, such as benefit to a large population, or population below poverty line or people in underdeveloped areas. As the project evolves, it is expected to move gradually into upscaling of successful pilots.

Funding will be provided to serve as an incentive for innovative applications of e-governance, and based on a principle of competition for quality in the funds allocation. It is expected to take up around 10-15 pilots in the range of US\$ 250,000-500,000 each, during the first phase of the project, and with further expansion and upscaling as and when additional donor resources make this possible.

A stakeholder consultation will be organized in NISG, soon after the signature of the project, to identify high impact potential pilots.

3. Business Process Reengineering (BPR)

Any back-end or front-end automation in the e-government and e-governance initiatives will have to be preceded by re-engineering of the existing government processes and the procedures to bring about transparency in working, reduction in bureaucratic controls, increased efficiency and productivity, reduction in cost of service delivery etc.

The project will work towards encouraging active Business Process Re-engineering (BPR) efforts to make governance procedures simpler, rule based, non-discretionary and transparent, thereby facilitating use of ICT on a sustainable basis and outsourcing of functions. Integration of projects

across various departments to provide a single point of contact for citizens for delivery of services electronically will also be attempted.

BPR can be defined as the critical analysis and radical redesign of existing business processes to achieve breakthrough improvements in performance measures. Reengineering, also known as business process redesign or process innovation, refers to discrete initiatives that are intended to achieve redesigned and improved work processes in a bounded time frame.

The project will try and overcome the biggest obstacles that BPR faces which include lack of sustained management commitment and leadership; unrealistic scope and expectations; and resistance to change. BPR and IT have recursive relationship. In the pilot projects therefore, IT capabilities will support business processes, and business processes will be in terms of the capabilities IT can provide.

C. Public-private partnerships

Equitable access to infrastructure and content is most likely to be achieved through partnerships between regional, national and local government departments, public sector organisations, NGOs, the communications industry and other private sector actors with an interest in developing widespread ICT networks accessible to poor people. Partnerships will pool together technological, management and administrative skills, share risks and costs, redirect new investment into areas, and build social capital for the poor and disenfranchised.

In the e-government initiatives, government-wide electronic information infrastructure need support to simplify service delivery, reduce duplication, and improve the level and speed of service to the public. This would provide the public with the opportunity to send and receive over electronic terminals, the information that currently passes between them and the government on paper. Efforts to evolve effective partnership between the private sector, government and other stakeholders in electronic delivery of services and the development of the required information infrastructure will be made.

Partnerships act as useful foundations from which new priorities and policy formulations occur; in this respect they deserve close attention, which this project will provide.

D. Developing solutions and applications

The objective under this would be to work towards improving access and reducing cost of access so that even those areas that now suffer from high access costs, inadequate communication infrastructure and insufficient localised content and media also benefit from ICTs. Some of the likely initiatives include:

Open Source Software development

The open source software development model provides significant opportunities to leverage IT investments and increase organisational effectiveness and efficiency by using and continually improving high quality open source software. The Open Source provides important software, services and support components that span virtually all commercial markets as well as governmental and educational domains. It is an upcoming trend in the industry and has been found to be economically inexpensive and technologically competitive. In the area of localization, where software markets are too small for major software venues to justify investment in fonts, open source software is the best avenue for the creation of local and relevant content. With the development model of open source, communities can have access to networked technologies in

their own languages drawing on the creative support of the open source proponents that includes volunteers as well as enterprises. There are financial, operational and value incentives for the adoption of open source software. It is therefore an area that should receive urgent attention, funding and support because it represents an avenue for governments and civil society to adapt affordable and appropriate solutions within the realm of ICT-for-Development.

The Government of India is currently in the process of formulating a framework for open source. The government wants to support State Governments in identification and implementation of suitable hardware and software packages for e-government. UNDP assistance in the area will focus on identifying potential partners to develop open source solutions and facilitate collaboration with other institutions, strengthening technical expertise and support. They will also support formulation of a policy framework and roadmap for effective use of open source e-governance.

Use of different ICT technologies

A combination of new ICTs and traditional electronic media can provide the broadest coverage and ensure that those constrained by virtue of poverty, illiteracy, gender, geographical remoteness or conflicts are not excluded. Television, Community Radio, Satellite Communication, Video Conferencing will be constructively used to infuse a new dimension to effective communication. The power of some of these traditional e-technologies lies in its participatory nature, as its content, language and technology are people-oriented.

E. Master plans and Roadmaps for e-governance

The project will provide resources to assist in determining a comprehensive roadmap for use of ICT for development and especially in the area of e-governance. The project will support coordination of activities of Information Communication Technology-Citizen Interface set up by the National Task Force on Information Technology and Software Development, as also the High Powered Committee on Improving Efficiency in Government through use of ICT under the Chairmanship of Cabinet Secretary.

As a result, it is hoped that the project will be catalytic in mobilising resources for replication and supporting many of the outlined initiatives and processes.

F. Documentation and Networking

An assessment of all e-government initiatives in different states could be carried out to take stock of what exists and derive lessons before designing replication strategies. This will need to include study of systems already implemented by the Central Government and State Governments where impact on citizen services has been felt. Print, video and web-based documentation of demonstrable ICT initiatives, research papers on Open Source will be supported, collected and disseminated to the State Governments, civil society and GOI, thus creating an information hub for ICT practices in the area of e-governance. In this process, the repository of best practices should be enriched through continuous interaction with subject experts from India and abroad. An effort in this direction has been initiated by documentation of 20 ICT and e-governance practices jointly by DOPT (Ministry of Personnel, Public Grievances & Pensions) and UNDP. This will also include dissemination of these best practices of implementation systems to all governments for replication. Links will be established with international institutions engaged in similar activities so as to optimize and synergise benefits, by building sustained platform for interchange of ideas and experiences.

As mentioned above, NISG will bring stakeholders together to further define priorities and identify concrete pilots based on a systematic stock-taking effort of what already exists. In the attempt to identify successful e-government and e-governance initiatives, NISG can provide the necessary

guidance in the use of the correct methodology. It can also build and maintain common services that are required to be used by different departments.

Networking will be carried out through interfaces with state governments, NGOs and private companies to discuss the e-governance approach and create a forum for experience-sharing on use of ICTs for good governance solutions. Partnerships with the media, especially the regional language media in India, will be built to successfully pursue ICT-for-Development. International networking will be assured through technical cooperation among developing countries, thereby strengthening the South-South Cooperation. India's rich experience in the area of ICT-for-Development needs to be shared with other developing countries, which this project will help bring about. Synergy between national and regional programmes will be used as another element of networking (see box for details).

Synergy between national and regional programmes

- The initiative on Open Source (OS) will link up with the UNDP Regional Programme 'Asia Pacific Development Information Programme' (APDIP) which launched the **International Open Source Network (IOSN)** to serve as a Centre of Excellence on Open Source technologies and applications. It aims to provide support in terms of sharing information on OS, assisting with the development of toolkits and resource materials, supporting "localization" efforts and, generally, helping facilitate and co-ordinate OS programmes and initiatives through networking.
- To ensure development of a socio-economic and pro-poor focus in ICT strategies, informed decision making by **parliamentarians and policy makers in ICT-for-Development issues for e-awareness** is extremely important. This will go a long way in harnessing the development potential of ICTs and the formulation of ICT-for-Development strategic frameworks and action plans in their constituencies. It is also important for them to mobilize stakeholders to support the implementation of such ICT-for-Development initiatives.
- A number of perspective building workshops and exchange of experiences will be organised for parliamentarians in collaboration with the regional programme. The workshops will discuss community-driven ICT-for-Development programmes, the value addition of multi-stakeholder consultations and the outcomes that can be anticipated through a development-focused deployment of ICTs. The workshops will also act as a platform for parliamentarians to discuss and share their knowledge and experience of the various ICT-for-Development initiatives taking place in their areas. Attempts to strengthen the initiative will be made in collaboration with the existing Parliamentarian's Forum for Human Development (PFHD). At the State level, the Legislators' Forum for Human Development (LFHD) will be the platform. It has been recently established in the State of Orissa and other States have expressed interest in setting up such a forum.
- The **World Summit on the Information Society (WSIS)** in December 2003 provides an important opportunity to raise awareness about the role of ICTs in the achievement of the Millennium Development Goals. As a contribution to the Summit, a process has been initiated in developing a **Regional Human Development Report**, which envisages undertaking nine country studies. The research will look at the National ICT Policy, Strategy, and Action Plans and their governance mechanisms and also National ICT infrastructure and services deployment. The key objective of the study will be to examine to what extent national ICT policies and deployment have succeeded in furthering human development in the eight key areas identified by the MDGs. The study will serve as a guide to other regions of the world interested in conducting similar research to assess the potential of ICTs for reducing poverty and enhancing human development within their respective regions.

A national study focussing on India is part of this initiative, the results of which will be shared at workshops at different levels, including the national level. Further consultations and workshops will be organised to build the national debate on ICT-for-Development to support national submission at the WSIS. A number of assessments and civil society workshops will be conducted. Representations will be supported to ensure wide representation of voices from developing countries to create a pro-poor agenda and also for greater mobilisation of resources to bridge the digital divide.

III. Mainstreaming UN Development Assistance Framework (UNDAF) Focus Areas

The Government of India has identified *promotion of gender equality and strengthening decentralization* as the two priority goals for coordinated action by the UN System in India under the UNDAF. The project will also work towards achieving objectives under the UNDAF that are strengthening decentralization and promoting gender equality. This will facilitate equal access of ICT by the marginalized and women.

The projects/pilots will look into the number of factors such as literacy and education, language, time, cost, geographical location of facilities, social and cultural norms, and women's comparatively lower levels of computer and information skills which marginalises community's access to information technology and their services.

The role and work of women's NGOs and the academic circles have shown that ICTs can positively contribute and facilitate women's economic, social and political participation. Women can use ICTs to work together, gain peer support, campaign effectively, and share, control, and use information to further their interests. They will be able to learn about local officials, their roles and responsibilities, and the working hours of government offices. ICTs can also strengthen women's as well as the participation of other marginalised groups in the electoral process. It can help particularly in getting information to women and other voters in rural area by creating online sites to get the information they need as voters. Such information will clearly improve women's awareness of, and interest in, governance issues.⁷

Recent studies in 2001 and 2002 in Asian countries have found that existing national ICT policy frameworks and strategic plans are generally silent on the concerns of the marginalised people especially women-focussed concerns. In reviewing and developing policies and corresponding strategies and programmes, it will be crucial to ensure that concerns of marginalised people are equally addressed. Equal access concerns will be analysed in State and National ICT policies. UNDP with MOCIT, will support consultations for discussing these concerns in ICT policies and plans of the government along with civil society and State governments and also through documentation of experiences in this area.

As the UNDAF is a central pillar of the GOI/UNDP Country Programme (2003-2007), all UNDP-supported projects are required to mainstream strategies towards achieving these goals. The table below presents an overview of the underlying principles, policy framework and project cycle management strategies that must guide all stakeholders:

Project Cycle Management Strategies	UNDAF Goal: Promoting Gender Equality	UNDAF Goal: Strengthening Decentralization
Principles	<ul style="list-style-type: none"> • Equal gender relations. • Equity in participation and benefit sharing. 	<ul style="list-style-type: none"> • People's participation, their influence and control on matters important to their lives; equal access and fair representation for all social groups. • Responsive, open, transparent and accountable public mechanisms.

⁷ For instance, the Self-Employed Women Association (SEWA) organizes electronic discussions through Panchayat Raj (village governance institutions). In these discussions, village women often pose questions that are answered promptly by a panel of experts. Through translation modules, responses go to the women in their vernacular language.

Project Cycle Management Strategies	UNDAF Goal: Promoting Gender Equality	UNDAF Goal: Strengthening Decentralization
Policy Framework	<ul style="list-style-type: none"> National goal of promoting gender equality and women's empowerment and improvement in conditions of women through removal of barriers to their development. 	<ul style="list-style-type: none"> The 73rd and 74th Constitutional Amendments on democratic decentralization. Panchayats (Extension to Scheduled Areas) Act for self-governance by tribal communities.
Results Framework	<ul style="list-style-type: none"> Transform unequal gender relations. Strengthen equity in participation and benefit sharing (at least 50% share to women under employment opportunities created through the project). 	<ul style="list-style-type: none"> Strengthen decentralization as an essential pre-requisite to people's-centred development. Support <i>panchayati raj</i> institutions – both rural and urban – directly (building their capacity or working with them on specific issues such as natural resource management, sustainable livelihoods or disaster management) or indirectly strengthen the decentralization process by supporting social mobilization and preparing communities or other civil society actors to actively participate in <i>panchayati raj</i> institutions.
Project Management	<ul style="list-style-type: none"> Involve women stakeholders and gender resource persons with sector-specific competence in project development, work planning and monitoring. Provide at least 30% membership of women in all community organisations and local level management/implementing committees, and chairing of such committees. Minutes of community meetings to separately record attendance of women members. Include at least one woman member (a representative of a local women's group, a woman academic or civil servant, or a woman community leader) in Project Advisory Committees at the local level. Ensure strict application of the principle of 'equal wages for equal work'. 	<ul style="list-style-type: none"> Create multi-stakeholder groups at appropriate levels to promote community management of services and resources. Support effective social mobilisation, improved access to information and greater sensitivity among development administrators. Support flexible and locally appropriate institutions and systems to address development concerns at different levels – within the community, at the district level and at the State level. Evolve a structured mechanism that will allow community groups, Gram Sabha and the Panchayati Raj Institutions to complement the work of Government Departments at suitable levels. Establish suitable mechanisms to facilitate participation of representatives from local government structures in project management. Similarly, facilitate solicitation of views from NGOs.

	<ul style="list-style-type: none"> • Maintain separate muster rolls and payment records for women beneficiaries. • Ensure at least 50% participation of women in training/learning opportunities (skill training at grassroots level, study tours, exposure visits, issue-based workshops and specialized professional courses). Provide appropriate support towards this (training programmes for community representatives organized at local level, Crèche/childcare and health). • Ensure that at least 30% of project staff are women by instituting non-discriminatory recruitment procedures. 	<ul style="list-style-type: none"> • Ensure incorporation of decentralized assessment indicators in work planning processes. • Ensure that capacity building activities (structured training, exposure visits, etc.) include representatives of PRIs/CBOs/NGOs to strengthen their decision-making skills. • Implement measures for perspective building of Implementing Agencies and other project stakeholders in the philosophy of decentralization and implications of various decentralization amendments. • Ensure a democratic and decentralized decision-making process within the implementing organizations.
Project Monitoring and Evaluation	<ul style="list-style-type: none"> • Carry out a gendered baseline survey to benchmark basic indicators of women's development, including population, education, health status, work participation and issues/problems specific to the area. Use data from secondary sources such as the Census 2001, National Sample Surveys and previous research studies. • Collect data through interviews, focus group discussions, and surveys from local women's groups/NGOs. 	<ul style="list-style-type: none"> • Ensure benchmarking of the identified districts/specific regions with regard to the status of PRIs/CBOs/NGOs as part of the baseline survey. • Mid-term/final evaluation/any other final assessment should also assess the contribution of the project to the decentralization objective.

IV. Project Outputs and Activities

The attached matrix outlines the key Project outputs and indicative activities:

Project Outcome 1 Demonstration of sustainable pilot initiatives in the use of ICT for improved governance and upscaling of successful pilots

Baseline	Target	Intended Outputs	Some Indicative Activities
Mixed results and very few examples of successful, replicable existing e-government and e-governance initiatives.	Improved governance and delivery of services to citizens. Better monitoring and e-delivery of basic services.	<ul style="list-style-type: none"> ▪ Stimulating multi-stakeholder participation in choice of innovative pilots. ▪ Demonstration of pilots in key areas of e-government and e-governance. ▪ Strategic parameters of upscaling developed. ▪ Successful pilots upscaled. 	<ul style="list-style-type: none"> ▪ Setting up multi-stakeholder committees by NISG for identification and finalisation of pilots and inviting proposals. ▪ Identifying and finalising pilots in e-government and e-governance areas. ▪ Providing capacity support to the government departments and other groups in the process of developing content, accessing and disseminating information. ▪ Developing sustainability mechanisms for these pilots. ▪ Assessment of pilots for their success and strategising for upscaling.

Project Outcome 2 Business Process Re-engineering for better service delivery

Baseline	Target	Intended Outputs	Some Indicative Activities
Lack of Business Process Reengineering in e-government programmes	Receptive Government departments willing to change, share information, use ICT and provide better and citizen-friendly services.	<ul style="list-style-type: none"> ▪ Processes in selected government service departments reengineered. 	<ul style="list-style-type: none"> ▪ Identifying services and information most needed by the citizens, which will be delivered electronically and made citizen-friendly. ▪ Selecting the departments for conducting BPR. ▪ Initiating the process of BPR in the selected departments. ▪ Conducting training for the people affected by BPR. ▪ Undertaking assessment of the impact of BPR and the service delivery as perceived by the citizens. ▪ Design upscaling plans, and start implementation.

Public-private partnerships in ICT applications for governance

<p>Project Outcome 3</p>	<p>Public-private partnerships in ICT applications for governance</p>		
<p>Baseline</p> <p>Limited participation of private sector in development of e-government and e-governance solutions.</p>	<p>Target</p> <p>Strengthened alliances between private and public sector in implementing ICT applications</p>	<p>Intended Outputs</p> <ul style="list-style-type: none"> Demonstrations in public-private partnerships in sustainable ICT initiatives. 	<p>Some Indicative Activities</p> <ul style="list-style-type: none"> Identifying the role of the private sector within the different pilots in terms of providing financial, technical or other resources. Assist the States or the institutions undertaking the pilots network with private sector Ensuring that equity considerations are in place. Developing the required contracts between the private sector and the institutions undertaking the pilots
<p>Project Outcome 4</p>	<p>Development of solutions and applications for bridging the digital divide</p>		
<p>Baseline</p> <p>High-cost software and hardware, and lack of local language software hampering penetration of ICT and increasing inequity in ICT access.</p>	<p>Target</p> <p>Better integration of open-source and other e-communication media technologies for improving equitable access</p>	<p>Intended Outputs</p> <ul style="list-style-type: none"> Improved capacity of open-source communities in providing solutions to a large number of stakeholders (Government/civil society). Expansion of discussion on OS and its implications. Local and community driven content developed for e-governance. 	<p>Some Indicative Activities</p> <ul style="list-style-type: none"> Support Open Source community in development of their expertise through training programmes in OS, R&D in OS applications and network / share with state governments, NGOs and GOI. Support development of local language fonts based on open source technologies by open source communities conforming to standards Content development based on community needs through requisite software or scripts for community radio/Television Make available innovations (national and international) in open source to GOI and State Governments and support use of OS in the pilots. Support networking of open source communities. Support consultations on open source technologies at the State level and national level. Support working group meetings to assist MOCIT and selected State Government in development of open source policy framework. Assist in the drafting of an "IT for All" agenda and strategy.

Master plans and road maps for e-governance			
Project Outcome 5	Baseline Detailing of road map for e-governance is yet to be developed	Target Comprehensive roadmap for use of ICT for development especially in e-governance	<p>Intended Outputs</p> <ul style="list-style-type: none"> Multi-stakeholders consultations supported. Policy or a plan document prepared. <p>Some Indicative Activities</p> <ul style="list-style-type: none"> Holding a number of consultations to discuss the contours of a comprehensive roadmap. Preparing relevant documentation to feed into the work of National Task Force on IT and software development and the High Powered Committee on Improving Efficiency in Government through use of ICT. Preparing plan or policy documents through the network of institutions and experts.
Project Outcome 6	Documentation of lessons learnt and strengthening of networks and partnerships		
Baseline Inadequate exchange of experiences in ICT-for-development initiatives and limited upscaling of successful pilots	Target Lessons learned incorporated in large-scale e-government and e-governance initiatives. Facilitate informed decision making by providing a information hub and knowledge network.	Intended Outputs <ul style="list-style-type: none"> Policy position prepared for discussion at different forums. Consultations and workshops organised for sharing of lessons and experiences. Partnership representing different voices and interest developed for promoting ICTs for Development. Website established. 	<p>Some Indicative Activities</p> <ul style="list-style-type: none"> Undertaking assessment of various e-government and e-governance initiatives in the country and those supported under the project Creating an information hub of national and international best practices in e-government and e-governance in print, websites, video and sharing of lessons with State Governments, MOCIT, NDC committee on e-governance. Organising workshops and assist in the preparation of position papers by the government and civil society. Supporting participation of all stakeholders at international fora to ensure representation of the voice of developing countries for bridging the digital divide. Organising e-awareness workshops for Parliamentarians at the national and state level on the potential and use of ICT-for-Development. Identify national and vernacular media to document ICT-for-Development initiatives.

D. IMPLEMENTATION ARRANGEMENTS AND ROLES & RESPONSIBILITIES OF PROJECT PARTIES

I. Prior Obligations and Pre-requisites:

The Ministry of Communication and Information Technology (MOCIT), Department of Information Technology will provide the necessary support in terms of ensuring State Government's collaboration, in setting up an implementation team at the National Institute of SMART Government (NISG), and in establishing linkages between the project and the broader ICT-for-development policy formulation processes and fora.

The selected State Governments and other implementing partners will ensure the effective implementation of the project and provide necessary support at the district level, wherever required. The respective State Governments will also ensure provision of basic infrastructure for the successful implementation of the initiatives.

UNDP assistance will be provided subject to the satisfactory fulfilment of the above pre-requisites. If anticipated fulfilment of one or more pre-requisites fails to materialise, UNDP may, at its discretion, either suspend or terminate its assistance.

II. Implementation Arrangements – Role of Partners

Government Coordinating Agency: The Department of Economic Affairs (DEA) in the Ministry of Finance, the Government aid coordinating agency, will be responsible for the overall coordination of the Country Programme activities. In order to guide and support the Executing Agency towards meeting the Country Programme goals, DEA will participate in the Project Management Board. DEA will also catalyse consultations on broader development cooperation issues emerging out of different programmes supported by UNDP as well as programmes assisted by other agencies. As a part of its overall mandate of resource mobilisation, DEA in collaboration with the concerned government departments and UNDP will also assist in raising additional resources to support Project objectives.

National Executing Agency: In line with the National Execution Guidelines (July 1998) issued by the Department of Economic Affairs, Ministry of Finance and the UNDP corporate procedures as outlined in its Programming Manual (May 2000), the project will be executed nationally. The MOCIT will be the Executing Agency for the project, and will be responsible for its overall management including achievement of planned results and for the use of UNDP funds. The Department will designate a senior level official of the rank of Joint Secretary as the National Project Director (NPD) to coordinate project execution.

Implementing Agency (ies):

NISG will be the main implementing agency for this project. Multi-stakeholder participation is necessary especially for making these initiatives successful. NISG has been set up in collaboration with Central and State Governments, NASSCOM, academic institutes like IIT, IIM etc. The objectives of the Institute *inter alia* comprise documentation and dissemination of best practices; standardization; provision of consultancy; training, education and capacity building; awareness generation; and think tank functions. NISG will ensure effective work as partner with Government, private sector, advocacy groups, training institutions, NGOs, PRIs and other civil society groups. This will ensure that ICTs function in ways that are empowering and socially equitable.

NISG will support MOCIT in the selection of the pilots, assessment, management, documentation and dissemination of lessons learnt to different groups, agencies and State Governments, and will further contract other institutions/agencies to undertake the specific pilots. The MOCIT will sign a comprehensive Memorandum of Understanding (Subcontract-MOU) with NISG who will assist MOCIT in the implementation process.

Programme Management Board (PMB): The PMB will be chaired by the Secretary of the Department, and with representation from stakeholders. It will provide oversight and guidance to the project, and ensure that the project's outputs contribute to the achievement of the objectives. The functions of the PMB will be in line with NEX Guidelines.

Standing Committee (SC): The SC will be headed by the NPD and will have as members project representatives and representatives from DEA, UNDP and NISG. The functions of the SC will be in accordance with NEX Guidelines.

State-level Implementation Arrangements:

The State-level Committee will be chaired by the Secretary, IT, NISG. The members of the Committee will include officers (at least of the rank of Joint Secretary) from the relevant departments. The State Level Information Technology Department, Planning Departments, Sectoral Departments, NGOs, PRIs will also be members, as well as Government of India representative and a UNDP representative. This Committee will oversee coordination of the Project, and will facilitate the formation of partnerships for convergence of support to the project.

III. Funds flow arrangements and financial management

The funds flow arrangements under the project will be guided by the GOI NEX Guidelines and UNDP procedures for national execution. Funds shall be advanced to projects/agencies/institutions based on the contractual agreements.

The Implementing Agency(ies) shall maintain separate bank accounts in order to receive and disburse UNDP funds. Separate books of accounts on cash basis of accounting shall also be maintained in order to ensure accurate reporting of expenditures and providing a clear audit trail. Suitable guidelines on financial management will be issued by UNDP separately.

IV. Audit

As per the GOI NEX Guidelines, the project shall be subject to audit in accordance with UNDP procedures. In order to meet the UNDP requirement of covering 90% of the annual NEX expenditure under audit, an annual audit plan will be drawn up in consultation with DEA. The project shall be informed of the audit requirements by January of the following year. The audit covering annual calendar-year expenditure will focus on the following parameters: (a) financial accounting, documenting and reporting; (b) monitoring, evaluation and reporting; (c) use and control of non-expendable reporting; and (d) UNDP Country Office support.

The auditor shall be appointed in consultation with DEA. In line with the UN Audit Board requirements for submitting the final audit reports by 30th April, the field visits will be carried out by the auditors in February/March. Detailed instructions on audit will be circulated by UNDP separately.

E. MONITORING, EVALUATION & RESEARCH AND COMMUNICATIONS & ADVOCACY

I. Monitoring and Evaluation

A multi-pronged monitoring, evaluation and action-research (MER) strategy will be implemented in order to ensure effective and results-oriented project implementation and for drawing out relevant lessons for various stakeholders including development workers and policy makers at the Central and State levels.

G. LEGAL CONTEXT

86. This project shall be the instrument envisaged in the supplemental provisions. The following types of revisions may be made to this document with the signature of the UNDP Resident Representative only, provided he or she is assured that the other signatories of the Project document have no objection to the proposed changes.

- Revisions in, or addition of, any of the Annexes of the project document (with the exception of a Standard Legal Text for non-SBAA countries which may not be altered and agreement to which is a pre-condition for UNDP assistance.
- Revisions which do not involve significant changes in the immediate objectives, outputs of activities of the Project but are caused by the re-arrangements of inputs already agreed to or by cost increases due to inflation; and
- Mandatory annual revisions, which rephrase the delivery of, agreed project inputs or increased experts or other costs due to inflation.

Origin, Vision and Structure of National Institute of SMART Government (NISG)

In order to develop a broad vision of e-governance, the Working group on Convergence and E-Governance constituted by the Planning Commission recommended the setting up of a "National Institute for SMART Government (NISG)", (SMART= Simple, Moral, Accountable, Responsive and Transparent).

With this vision, the NISG was established in May 2002. NISG has been set up in collaboration with Central and State Governments, NASSCOM, other industry associations, academic institutes like IIT, IIM etc. The NISG structure includes a high quality management team led by a CEO, a high stature Board of Directors and specific purpose task force. A flat team of experts representing core areas for smart governance would assist the CEO.

NISG will help the process of reinvention of governance and provide leadership on Smart Governance. NISG is committed to generating new and innovative solutions for government to be focused on the needs of its citizens. To that effect, NISG will act as a 'force multiplier' to design IT leveraged policies and programmes that efficiently and effectively:

- Respond directly to citizen's most pressing needs-including education, health and employment on a continuing basis
- Tackle the needs of the country as a whole-building the soft-infrastructure for smart governance, promoting competitiveness of the Indian economy and maintaining the country's capacity to deal with the unforeseen future;
- Give the citizens and businesses the choice about how and when to access government services;
- Design services to meet the convenience of the citizens and not the convenience of service providers;
- Ensure that the citizen services are the best in kind-sharing good ideas, driving down costs and above all delivering what they are supposed to.

NISG believes that re-engineering of governance must be for a purpose: to create 'smart government' that ensures simple procedures to make things happen, accessibility to and accountability of its services, responsiveness to what people want, and transparency in the offer of its public services.

It also considers that e-government services should be seen essentially as having a potential role in improving four key areas: speed of carrying out transactions; convenience and access; flexibility in options and hours of service; empowerment by bringing services closer to the public and letting them choose how/when to carry out transactions

The services offered by NISG includes:

Improved Access to Services

To improve access to services, NISG will provide inter-disciplinary solutions for one-stop access of government services through multi-channel, multi-lingual delivery options.

Higher Quality Services

The initial applications of NISG for smart government will ensure less "rework" for individuals, fewer forms and more reliable services.

Broader Scope of Services

The smart Government initiative applies to all the services government provides to citizens and businesses. Accordingly, NISG will involve itself in suggesting mechanisms to improve the access to and quality of all services. These will include transaction-based services with or without payments, and information based services. Another important area for NISG is to assist the government to create opportunities for new services.

A Change in the Culture of Government

Underpinning smart governance will be a change in the culture of government. Government will move toward a "citizen-centred" approach and a service based culture where the civil servants share a value system that places less importance on formality of procedure and greater importance on assisting citizens. It will be these shared values that will ensure the benefits of smart government. The most fundamental change will occur when civil servants define themselves not by their common rules and processes, but by their common objective and approach to better serving the people of India. The fundamental mind shifts described above will need to be catalyzed and nurtured within government and NISG has an important role in this process.

With NISG providing thought leadership, there will be a significant change in strategy formulation of government. NISG will "show case" best solutions, so that government avoids 'reinventing the wheel'. Underpinning this whole effort will be the strategic architecture suggested by NISG for the soft infrastructure aspects of information infrastructure such as appropriate laws, regulations and incentives.

An illustrative list of projects that NISG can undertake in the first three years is given below.

Defining Smart Governance

- A concept paper
- Metrics of success & evaluation

Awareness and Advocacy

- For executive, legislative and judicial bar of Government
- For media
- For citizens and firms

Architecture for Smart Governance

Environment

- Legal changes
- Regulatory frame work
- Incentive scheme

Interoperable standards for

- Directory services
- Databases
- Network services
- Security services
- Payment services

Language standardization on Unicode

- Swabhashi online

Rural

- Study agricultural marketing initiatives
- Plan network of such initiatives
- Upgrade for total value-Chain solutions

Education & Health Service

- Study IT enabled opportunities for self-help groups

Empowerment

- Self Help groups to be positioned as community service centers

"Justice for all Services"

- Information services
- Free legal aid
- Cause list from Courts
- Filing of FIRs

Virtual NISG

- Intelligent directory of government policy, programs and services
- Forum and meeting ground for those involved in e-government initiatives
- Referral site for information on solutions, benchmarks, best practices
- Incubation of ideas
- Venue for a wish-list
- Online learning for civil servants
- Online testing for departmental tests
- Newsletter on smart governance

SME applications

- 25% initiative for government procurement online
- SME on-line

Portal-" My Government"/"Meri Sarkar"

- Strategy-feasibility for anytime, anywhere access through the net, of citizens, services
- Commissioning of the portal in English and Indian languages
 - Incubation of Online SMEs
 - Information services
 - Transaction services including filing, payment etc
 - Intelligent director services
 - 25% initiative procurement services
 - Value-chain services & demand – supply match for rural produce, handicrafts etc
 - "Justice for all" service including filing of FIRs, cause list from courts.

Showcasing Solutions & Best Practices

- Identify Successful applications SME applications
- Road Shows & other modes

E-Daftar

- Concept Paper
- Working Model

Replicate Services

- Inputs for upgrading successful applications and pilots
- Assisting in finding markets for successfully deployed implications

Databases

- Pilot of citizen database integrating electoral rolls and state specific initiatives

Global offer of man-hours through IT

- Enhance employability through sharpening of capability
- Man-hour global match services
- Distributed fulfillment of IT service demand

Payments systems

- Smart Card initiative-a pilot for integrated delivery of various citizen services, including low-value payments

Quick hit Citizen application

- Analysis of one-stop initiative
- Stabilizing one-stop initiative
- Going on to non-stop anytime anywhere uniform services

Previous and Ongoing ICT Projects supported by UNDP

Since mid-1980s, to add value to its development interventions, UNDP India has supported the deployment of ICT in a few development initiatives, such as in the areas of Decentralised planning, access to information, Disaster Management and use of community radio for empowerment of panchayats and women. Some are outlined below.

- The project **ERNET** (Education and Research in Computer Networking) formally commenced in November 1986 with UNDP and Government of India support. Department of Electronics, Government of India has implemented this project along with seven other participating agencies, namely IITs, IISc, Bangalore and National Centre for Software Technology. The overall objective of the project was to enhance India's National capabilities in the field of computer networking and emerging telematics services by suitable training of manpower and establishment of computer networks. In terms of development objective, the goal was to demonstrate the relevance of computer networking as a tool for socio-economic development, competitiveness and everyday utility to various sections of society.
- As part of the UNDP's support to Dept. of Personnel and Training on "**Improving Citizen's Access to Information**", five pilot districts in five States have been identified, whereby the district and taluka offices are being computerised and delivery of key services of the department are being streamlined. The objective is to improve citizen-government interface through creating awareness among people about their right to information and ensure speedy processing of their applications.
- In order to ensure co-ordinated planning, an initiative "**Convergence of Services: A systematic approach to Planning for District Development**" is being undertaken in Madhya Pradesh and Chattisgarh. The initiative focuses on the development of a software for convergence of services. The software allows hands-on planning at the district level and below to develop a comprehensive programme for district development. The software developed for selected districts under the project could serve as a model for other districts of the country. The project is likely to have far reaching impacts in terms of increased transparency and accountability of planners and managers, need-based implementation of poverty alleviation programmes. However, the involvement of local communities in setting priorities, planning and implementing development interventions need to be further analysed.
- UNDP is increasingly recognising the role of information technology in **disaster situations**. After the devastating earthquake in January 2001, people's access to information for reconstruction gained importance in Gujarat. Local NGO network, government and UNDP have together set up an information network for a two-way information flow between the district administration and the community to enhance the efficiency, transparency and responsiveness of the reconstruction process by improving access to information. Similarly, **UNITeS** is an attempt to bring the digital divide through rural Learning Centres, playing enabling role in helping the community to access the information they need with the use of ICT tools. This has made a tremendous impact on the community in Orissa. Rural community is now aware of the services available from Government and NGOs by accessing information from the UNITeS IT kiosks. Participation of community in development programmes and monitoring the same has increased and an effective electronic communication channel between rural communities block and state administration is established. UNDP with the partnership of the Government / Non-Government Organizations / Community Based Organizations / Youth Clubs around 80 IT kiosks have been established in 11 districts of Orissa. IT Kiosks located in different districts of the state are used as advance systems of

forecasting, monitoring and issuing early warnings messages through email and internet access which plays the most significant role in determining whether a natural hazard will assume disastrous proportions or not. UNV IT Facilitators posted in the cyclone, flood and drought affected districts are the facilitating link between the government and the community at large. They are providing necessary technical support at both the end to provided better services. **ICT in Disaster Management through Gram Panchayat Resource Centres** have been developed as learning cum resource centres. In ten-selected cyclone - flood prone blocks of Orissa GP level disaster information centres have been set-up with computers and Internet facility for weather tracking. These centres during normal period are used for computer training to PRI members, students, and Self Help Groups etc. Various information on community based disaster preparedness like the Block and GP Disaster Management plans along with maps and other important information useful for disaster management are kept in the centre. Similarly in drought prone districts like Kendrapada and Bolangir information on drought mitigation with other developmental programmes.

- **Creation of Community Information Centres (CICs) with the State Government of Uttaranchal:** Pilot CICs are being supported to serve as a single point interface for the citizens through which they can access any part of the governmental functioning from any location. This includes the creation of a portal, which will create the interface for the citizens; content creation with a focus on citizen-centric information needs; supporting the development of a cadre of computer literates who will be responsible for operating the information centres. The pilot CICs will be replicated by the State Government based on the lessons learned as part of their larger IT vision for the State.
- **Chhattisgarh Online information for citizen empowerment (CHOICE) with Government of Chattisgarh:** Kiosks are being supported at the Gram Panchayat level to access information on Government programmes (PDS, old age pension) and monitor them; monitor pending application status; logging application under Right to Information, providing agriculture services, health services, e-payments in cooperative banks.
- Under the **Gulf of Mannar Project** in Tamil Nadu (in collaboration with MORD), efforts are being made to create a user-controlled **Information Technology (IT)** system at the grassroots level through building capacity of grassroots women's groups, panchayats and CBOs in areas such as marketing, use of production technologies, and early warning systems for plant/animal health or natural events. These Village Knowledge Centres will also provide the local community, information regarding their entitlements as well as ongoing government programmes. The sustainability of such an initiative needs to be worked out.
- **Natural Resources Data Management System (NRDMS)**, an initiative of the Government and UNDP, launched by Department of Science & Technology has a focus on development of spatial data management tools for local level planning. The objectives of the project are to: develop spatial data management tools for district level planning; demonstrate the applicability of the tools in two districts of Bankura in West Bengal and Kolar in Karnataka for water resource management, land use planning, energy management and infrastructure development; strengthen institutional back-up through training programmes and technology transfer. The major stakeholders of the project include District and State government officials, Planning Commission and NGOs. A major outcome of the project is a comprehensive understanding of the requirement of data and data processing tools for local level planning through a systematic needs assessment study. The indigenously developed GRAM++ GIS software package has been upgraded with additional features for databases on natural resources, demography, agro-economy, socio-economy and infrastructure facilities. This needs to be disseminated and used for planning purposes by different stakeholders. The linkage with local development institutions needs to be strengthened.
- **Community Radio initiative:** 'Kunjai Panje Kutchji' is a pioneering experiment in social change communication that is interactive and participative. It is also the first time that a voluntary

organisation, the Bhuj-based Kutch Mahila Vikas Sangathan (KMVS), has bought airtime on the radio as part of its communication strategy. The serial is broadcast on commercial time with the United Nations Development Programme and the MORD providing support for the first 104 episodes. In this digital age, the initiative is constructively exploiting existing spaces in mass media to infuse a new dimension to community broadcasting. It will provide a critical bridge to close the digital divide that characterises the Indian landscape.

The programme is designed as a participatory and interactive dialogue between the community and the radio characters. Various means are used to deliver this dialogue – narratives, drama, songs, news from the field and interviews with invited experts and government officials. A feedback exercise ensures that the listeners not only decide what issues are taken up but also shape the script of the dramatized serial. Young village girls, and some boys, armed with tape-recorders replay the recorded serials in women's groups and record responses. Stories are based on real-life experiences, words of traditional songs are changed to depict modern times and interviews with village women bring to the listeners a sense of the harsh reality that the episodes are trying to soften. The programme is creating a new cadre of professionals. Village women are now radio artists.

The fundamental guiding concepts were to generate a debate in Kutchi society on gender and swaraj. Kunjal, a feminine image, has entered into the world of women characters in the episodes taking up varied social issues of gender discrimination. This experiment has also focused on capacity building for elected women in *panchayats* on development issues. In the wake of quake, it is now also being used for ensuring transparency, information sharing and feedback on all aspects of the rehabilitation process. The programmes are teaching on how to move from being a dependant governance to being a self-governed society.

- The sub-programme **Information Technology for Sustainable Agricultural Practices in Punjab** aims at utilising the modern tools of information technology and spatial data management for studying issues related to sustainable agriculture in Punjab. It is envisaged to develop a multi-tier integrated information system at State (1:250,000), District (1:50,000) and Panchayat (a cluster of villages on cadastral scale) levels, following the three tiers of local area Planning. The sub-programme aims to a) develop an Information System for Water & Agricultural Resource Management in Punjab, and b) develop a Decision Support System for Sustainable Agriculture. The development and demonstration of decision support tools and training of local officials will help embed the use of these modern tools in the operational decision-making and management of natural resources.
- **ICT in Agriculture Marketing:** To facilitate market prices of agricultural produces and information on best farming practices to farmers, Orissa State Agriculture Marketing Board in partnership with UNDP and NYKS (Nehru Yuva Kendra Sanghathan, a volunteer promoting agency of Ministry of Youth Affairs, Govt. of India) started an initiative. The initiative is currently focusing on 27 RMCs (Regulated Market Committees). The entire hardware infrastructure is provided by the Marketing Board. UNDP has provided a full time IT specialist to the Marketing board. The ICT team in UNDP is supporting the Board in developing the market intelligence network, technology feasibility study and WAN deployment plan for the RMCs intra network, process development at all the kiosk for sustainability and entrepreneurship development for management of the kiosks. UNDP is also mobilizing volunteers from NYKS to work as facilitators in the kiosks.

A list of some Ongoing ICT Projects³ in different parts of the country

- Simputer, Computer Science & Automation Management Studies
- Sustainable Access in Rural India (SARI, IIT-Chennai)
- Jal-Chitra, The Ajit Foundation, Jaipur
- Bhoomi, Government of Karnataka
- Wireless-in-Local-Loop Technology (WLL), IIT- Chennai
- Gyahdoot, Collectorate Campus, Dhar
- Tarahaat, Development Alternatives
- IT Jobs for Deprived Women, Datamation India
- National Institute of Information Technology (NIIT) Hole in the Wall
- Voice Telegram (VoGram), Indian Institute of Science (IISc), Bangalore
- Information Village Research Project, M S SWAMINATHAN RESEARCH FOUNDATION
- Media Lab Asia, Government of India and Massachusetts Institute of Technology
- Warna Wired Villages, National Informatics Centre, Pune
- Telemedicine in Pune Primary Health Centres
- Voices, Bangalore
- Kunjal Panje Kutchj, Kutch Mahila Vikas Sanghathan, Gujarat
- Telemedicine from Apollo
- Soya Chaupal website
- Saukaryam – Vishakhapatnam Municipal Services
- Hewlett-Packard Labs India, Andhra Pradesh
- E-Commerce & E-Marketing to Sell Rural Artisans' Products, Foundation of Occupational Development (FOOD) India
- Mobile Phones and Pagers to help Leprosy patients in Mumbai Slums
- Internet Kiosks for Slum Children by Delhi Govt
- Using net to help HIV Positive Kids, Freedom Foundation
- Using Computers for Adult Literacy Programs, Tata Consultancy Services
- Smart Cards, Swayam Krishi Sangam
- JAWS, *screen reading software* for the Visually Impaired, National Association for the Blind
- Telemedicine in Karnataka, an Indian Space Research Organisation collaboration
- Akasganga – IT to facilitate milk collection in dairy co-ops, Shree Kamdhenu Electronics Pvt Ltd, Gujarat
- Citizen Services Portal, Centre for Electronic Governance (CEG), Indian Institute of Management, Ahmedabad
- Baatchit and DakNet, Jiva Institute in partnership with Media Lab Asia
- Malayalam Software, Government of Kerala Industries Department
- Web Based Information for Farmers, Tata Consultancy Services
- Info-Theia, IIT Kanpur
- Agri-Info portal, National Informatics Centre
- Fully Computerised Panchayat in Karnataka
- Spreading Computer Literacy in Schools, Rural Relations
- E-network for Agri Information, Indian Society of Agricultural Professionals
- Kaun Banshe Aksharpati – Literacy program, Indian Institute of Management
- 'Krishi Marata Vahini: E-Marketing of Agri-Products in Karnataka
- GIS-Based Decision Support System, Gujarat Disaster Management Authority
- IT-based Networks for Citizens Groups for Access to Information, S&T Applied to Rural Transformation (START), Technical Development & Application Centre, Bhopal

³ Twenty such initiatives are being documented in detail by GOI-UNDP under Access to Information Project.

- S&T Entrepreneurship Parks (STEPS) and Technology Business Incubators (TBIS), Dept of Science & Technology
- Applying Thought in Schools': Re-Training Primary School Teachers, WIPRO