

Sanchar Shakti



Pilot Project Scheme for Mobile VAS & Livelihood related
ICT Skills for Rural Women's SHGs



***Sanchar Shakti* Scheme: A Unique PPP Case Study**

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Innovative use of Public Private Partnership to Fund Bottom Up Projects; The Case of *Sanchar Shakti*¹-Indian Universal Service Obligation Fund's² Scheme for Mobile Value Added Services for Rural Women

Archana.G.Gulati

Woman is the companion of man, gifted with equal mental capacities. She has the right to participate in very minutest detail in the activities of man and she has an equal right of freedom and liberty with him.

-Mahatma Gandhi

Part I: The importance of ICTs to bridge the Gender Divide

1. Introduction:

1.1 This paper presents the case of the *Sanchar Shakti* scheme of the Universal Service Obligation Fund (USOF) of India as an example of a flexible and highly innovative approach towards the use of public funds to finance need-based public service projects. This scheme of pilot projects is a bottom up (inverse) PPP scheme and it was initiated with a clear objective of empowering rural women through ICT enabled information and skills. Several stakeholders such as the women's Self Help Groups (SHGs) themselves, Non-Governmental Organisations (NGOs), mobile equipment manufacturers, mobile content providers, mobile service providers, government departments and the USOF were involved in its evolution and implementation. Scheme formulation and finalisation followed a patient and facilitative approach leading to highly customised delivery of useful mobile Value Added Services³ (mVAS) to rural women with very promising results in terms of women's empowerment through ICTs. At the same time this project satisfies all the essentials of a PPP namely:

- Risk allocated/shared appropriately
- Focus on deliverables; innovation, cost effective solutions encouraged

¹ Hindi term meaning power of communications combined with the mystical energy of women

² Administered by Department of Telecommunications, India

³ 'Value added services are enhanced services, in the nature of non-core services, which add value to the basic teleservices and bearer service..' Telecom Regulatory Authority of India at <http://www.trai.gov.in/WriteReadData/trai/upload/Recommendations/108/recom13feb09.pdf>

- Competition, performance (output) based payment in phased manner, inbuilt incentives for early/timely roll out and penalties for delay
- Performance monitored closely over agreement period
- Flexibility and tailoring in recovery of user charges subject to regulatory limits/ agreement conditions

1.2 Unlike the case of EU, the Universal Service Fund of India combines many objectives of structural funds for rural ICT development (state aided projects) rather than restricting itself to a minimalist safety net approach. This allows wider scope for funding of rural ICT projects of various types through Universal Service funds. *Sanchar Shakti* is a unique programme of women's empowerment where rural women's Self Help Groups across India are being provided useful information, knowledge and skills specially customised to their cultural context and vocations through mobile phones. This is a project where the needs of the women dictated the project's scope and contours, allowing sufficient flexibility in design, while adhering to the rigour and requirements of public private partnerships.

2. Self-Help Groups in India

SHGs are formed and supported by government agencies or NGOs and benefit their members economically and socially. The SHG movement is credit linked; it is primarily aimed at addressing the needs for capacity building of rural women by organizing them into homogenous support groups that pool their resources to engage in micro-entrepreneurship activities and share the income thus generated. SHGs enable women to grow their savings and to access the credit which banks are increasingly willing to lend. SHGs can also be community platforms through which women become active in village affairs, stand for local elections or take action to address social or community issues (the abuse of women, alcohol, the dowry system, schools, and water supply).⁴ Thus, SHGs help mobilize women to take social action. They tend to accumulate required social capital, display better economic viability and demonstrate a greater suitability and sustainability for women's empowerment initiatives compared to individual based models.

⁴ EDA Rural Systems Pvt Ltd and APMAS (Andhra Pradesh Mahila Abhivruddhi Society), 'Self-Help Groups in India: A Study of the Lights and Shades', <http://www.edarural.com/documents/SHG-Study/Executive-Summary.pdf>.

3. The Universal Service Obligation Fund of India

The Universal Service Obligation Fund (USOF) of India came into being with retrospective effect from April, 1 2002 with the passing of the Indian Telegraph (Amendment) Act 2003, in December 2003. The Fund is headed by the USOF Administrator, whose office operates as an attached office of the Department of Telecommunications, Ministry of Communications & IT, Government of India. It has a mandate of providing access to telecommunications services to people in rural and remote areas at reasonable and affordable prices. The Fund has already rolled out a large number of schemes aimed at promoting public and individual access to telephony and broadband services in rural India. In keeping with the Government of India's requirement of Gender Responsive Budgeting (GRB), USOF has also undertaken gender specific initiatives. For instance, preferential allocation of broadband connections to women's SHGs has been incorporated in the USOF's Broadband Scheme. Thus the Government of India (GoI) is committed to connecting all hitherto unserved or underserved strata of Indian society including rural women with ICTs and ICT enabled services.

4. Gender Budgeting

The Constitution of India guarantees equality for both men and women. However, the reality on the ground is different. A range of indicators confirm that in many developing countries women do not enjoy equality with men economically, socially or politically. This incapacitating gap is termed the gender equity gap. In a situation of gender equity, men and women would have 'fair share of the benefits, as well as the responsibilities of the society, equal treatment before the law, equal access to social positions; education; equal pay for work of the same value.'⁵ In a situation where gender equity is absent we have an ethically untenable and development impeding gender gap or divide. Even when corrective laws and policies are put in place to address it, the gender divide tends to persist, as it is a deep rooted complex socio-cultural cum economic phenomenon. Addressing this chasm requires supplementary ground level actions.⁶ In 2004, the Ministry of Women and Child Development (MWCD), GoI, recognized Gender Budgeting as an important tool for women's empowerment, and as a way of addressing the observed inequality. Gender

⁵ "Gender Glossary: Principal Elements of the Women's Equality & Empowerment Framework" <http://www.bigpond.com.kh/users/gad/glossary/gender.htm>

⁶ Archana Gulati, "ICT and Sustainable Development: Bridging the Gender Divide", sourced at http://papers.ssrn.com/sol3/papers.cfm?abstract_id=1715237. (Accessed: February 11, 2011). Archana Gulati, *ibid*

Budgeting is a methodology to assist governments to integrate a gender perspective into the budget as the key national plan for public expenditure. The MWCD adopted “Budgeting for Gender Equity” as a mission statement, and framed a Strategic Framework of Activities to implement this mission which it disseminated to all Ministries and Departments of Government of India.⁷

5. Why ICT is important for Rural Women

5.1 The importance of Information and Communication Technologies (ICTs) in stimulating socio-economic development is widely recognized. ICTs can create new types of economic activity and employment opportunities. They can also facilitate and improve the delivery of healthcare and other services. Universal access to ICTs can lead to a more capable work force and increase economic efficiency. It can also enhance networking, participation and advocacy within society, improve government-citizen interface and foster transparency and accountability in governance.⁸ Most important of all, ICTs can overcome many infrastructural constraints such as lack of local schools and hospitals, government services, employment opportunities etc. The gap in access to resources and capabilities to effectively use ICTs for development that exists between countries, regions, sectors and socio-economic groups is known as the digital divide. It is characterized by low levels of availability of ICT facilities and is exacerbated by poverty, illiteracy and language barriers⁹. The digital divide constitutes a major barrier to equitable and sustainable development and bridging it can promote a nation’s growth.

5.2 Another debilitating gap found especially in developing countries is the gender equity gap. Women represent 48% of India’s population and the sustainability of the nation’s developmental efforts hinges on their equal participation in social, political and economic fabric of the nation. However, in spite of various Government policies and programmes to this end, Indian women continue to lag behind men in education, employment, health and political empowerment. Statistics such as a sex ratio of 940,¹⁰ female literacy

⁷ Ministry of Women and Child Development, Government of India, *Gender Budgeting Handbook for Government of India Ministries and Departments*, New Delhi: MWCD, 2007.

⁸ Praveen Dalal, ‘Use of ICT for Women in India’,

<http://unpan1.un.org/intradoc/groups/public/documents/APCITY/UNPAN029838.pdf>

⁹ Ibid

¹⁰ Census 2011 at

levels of 65.46 %¹¹ maternal mortality of 200 deaths per 100,000 live births,¹² adolescent fertility rate of 74.2 births per 1000 women aged 15-19¹³ and low level of representation of women in legislature at below 11%, substantiate this assertion. Indian women suffer from life-long subjugation, discrimination and exploitation. In fact, as per UNDP's Human Development Report 2013, India ranked 132 out of 187 nations faring better than only Afghanistan amongst 40 South Asian nations covered.¹⁴ The plight of rural women is particularly dismal. Addressing this chasm of inequity requires supplementary ground level actions. It is well a recognized fact that ICT facilities can help to bridge the gender divide. In fact, women represent an important part of the 'have-nots' within the digital divide which bears a mutually reinforcing or chicken and egg relationship with the gender divide¹⁵.

5.3 The International Telecommunications Union (ITU) of which India is a member has taken cognizance of ICT's potential to bring about socio-economic parity between the genders, as may be seen from this self-explanatory extract from ITU's Development Sector-Gender Related Special Initiatives Section website:

*Equal right for women and men is a fundamental human right. Ending gender discrimination by 2015 is one of the Millennium Development Goals. There is still much work to be done to end discrimination against women and girls in education, at work and in promoting health and safety. Information and communication technologies (ICTs) can be used to close the gender gap by creating new jobs for impoverished women. Women, for example, have been at the forefront of the village phone movement, selling airtime to rural people too poor to own their own phones. ICTs can also be used to promote basic literacy and education for women and girls, provide job training and prepare women for careers in the ICT sector as well as to ensure health and safety.*¹⁶

http://censusindia.gov.in/2011-prov-results/data_files/india/Final_PPT_2011_chapter5.pdf

¹¹ As per Census 2011 at <http://www.mapsofindia.com/census2011/literacy-rate.html>

¹² Human Development Report 2013 at http://hdr.undp.org/en/media/HDR_2013_EN_complete.pdf

¹³ Human Development Report 2013 at http://hdr.undp.org/en/media/HDR_2013_EN_complete.pdf

¹⁴ <http://blogs.wsj.com/indiarealtime/2013/03/15/india-ranks-lower-than-pakistan-on-gender-equality/>

¹⁵ Archana.G.Gulati, ibid

¹⁶ International Telecommunications Union website, sourced at <http://www.itu.int/ITU-D/sis/Gender/index.html>. (Accessed: February 11, 2011).

Access to ICTs can empower rural women by promoting basic literacy and education, providing access to knowledge, employment opportunities, banking services, government services and markets and by facilitating their health and safety. ICTs are an especially powerful tool as they can achieve these desirable outcomes in a culturally acceptable manner, making pertinent information, services and assistance available to women within their homes or villages. ICTs can be used to impart distance education and create a variety of locally available jobs for rural women as is the case of all-women rural Business Process Outsourcing (BPOs) units which are flourishing even in conservative states of India like Rajasthan and Haryana. Enabling women to access ICTs entails a gender sensitive approach wherein apart from just ensuring women's access to ICTs in terms of availability, affordability, convenient location, language and timing etc., the tailoring of content to address their concerns, reflect their local knowledge and needs and to be of value in their daily lives, business enterprises and family responsibilities, is crucial. In the ultimate analysis, access to ICTs has the potential to enhance women's feelings of self-worth and self-respect and usher in gender balance.

5.4 Thus, ICTs can accelerate the process of women empowerment by providing them:

- education, information and knowledge
- training
- occupational opportunities
- markets
- financial services
- information about appropriate government programs
- information about health agencies and workers
- feedback mechanism
- support system and networking

5.5 Given the cultural context of rural India, ICTs by their very nature can address many challenges that rural women face. ICT has the potential to help women access information

- from the comfort and safety of their environment and addresses challenge of lack of women's mobility

- within the culturally accepted boundaries thus helping women to focus on access to knowledge without much opposition and constraints
- by transcending literacy and language barriers

Part II: *Sanchar Shakti*-A Unique PPP model

6. Concept & Methodology

6.1 In recognition of the special needs of rural women, it was decided to initiate a USOF pilot project scheme aimed at facilitating SHGs' access to ICTs and ICT enabled livelihood skills. It was decided at the outset that instead of following the more structured but rigid top down approach where project content is predefined, in the case of *Sanchar Shakti*, the needs and views of stakeholders would be allowed to shape the scheme design and project design. This turned out to be a wise decision even if it did lead to a long gestation period before the project could be implemented.

6.2 In June 2010, the USOF Administration held a stakeholders' conference to explain the broad contours of the scheme, seek feedback and to invite applications for pilot projects. The aim was to encourage mobile service providers (lead executing authority or LEA), mobile content or mVAS providers, and handset and modem manufacturers as well NGOs to collaborate with USOF to provide a subsidized bundle of services, training and related facilities to women's SHGs in rural India. Desired outcomes, challenges and risks were identified at the outset and shared with stakeholders so as to serve as an integral part of the project formulation and evaluation process.

6.3 A detailed framework was worked out for monitoring and evaluation of projects with the assistance of U.N Women, India who provided USOF with a gender expert for this purpose. U.N Women also assisted USOF in evaluating project applications from the gender sensitivity perspective and in evaluation the Proof of Concept (PoC) phase of project implementation. India's National Bank of Agriculture and Rural Development (NABARD) was also consulted on project design especially w.r.t loans for purchase of mobile phones by SHG members.



Figure 1: Project Description



Figure 2: Stakeholders

6.4 Salient Features of the mobile VAS Projects are:

- (i) **Focus on SHGs:** Projects to be implemented with selected SHGs in the specific rural areas. It has been stressed that preferably SHGs who have understood

importance of financial discipline and have established access to credit should be selected.

- (ii) **Focus on Livelihood:** For each project, SHGs have been selected such that the members are already engaged in income-generation activities. The projects *inter alia* focus on enhancing skills and provide market related information so that women can make better decisions and thereby enhance their incomes.
- (iii) **Focus on ICTs:** Mobile phone to be the platform for communication in the mobile VAS projects. Taking into consideration women's literacy level, text and voice based messages to be available to women. The combination of push based and pull based messages will increase women's access to ICT enabled information. This is expected to contribute to increase in women's awareness, confidence, wellbeing and improve their skills while also enabling them to negotiate better in the market.
- (iv) **Relevant VAS messages:** The assessed requirements of women are varied due to the multiple roles they play. They contribute to productive work and community management work along with management of home and child care. Through the mVAS the scheme aims to provide multiple inputs on themes such as women's health, well-being and education, banking and financial services, market information, skill and knowledge enhancement, information about various government schemes etc.
- (v) **Training of SHGs:** Service providers and NGOs will provide technical as well as subject focused training to the members involved. The training aims at skill enhancement and is an integral part of the projects.

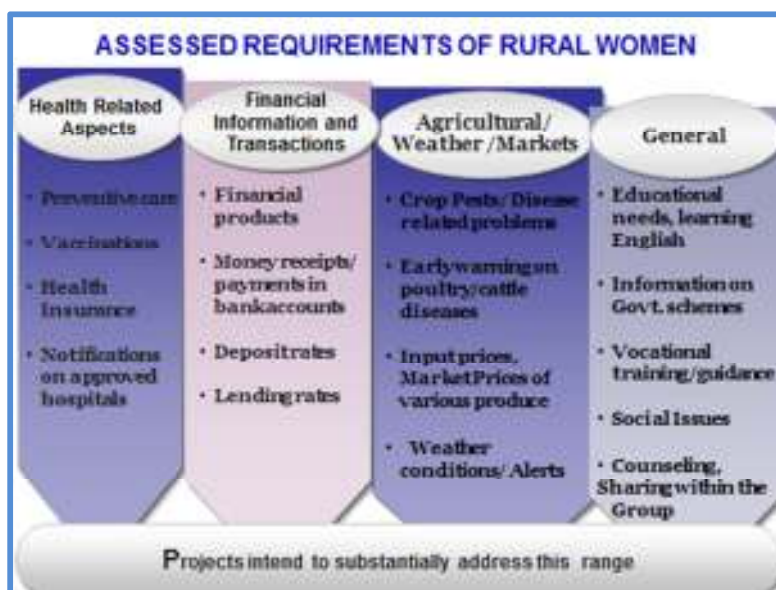


Figure 3: Assessed Requirements of Rural women

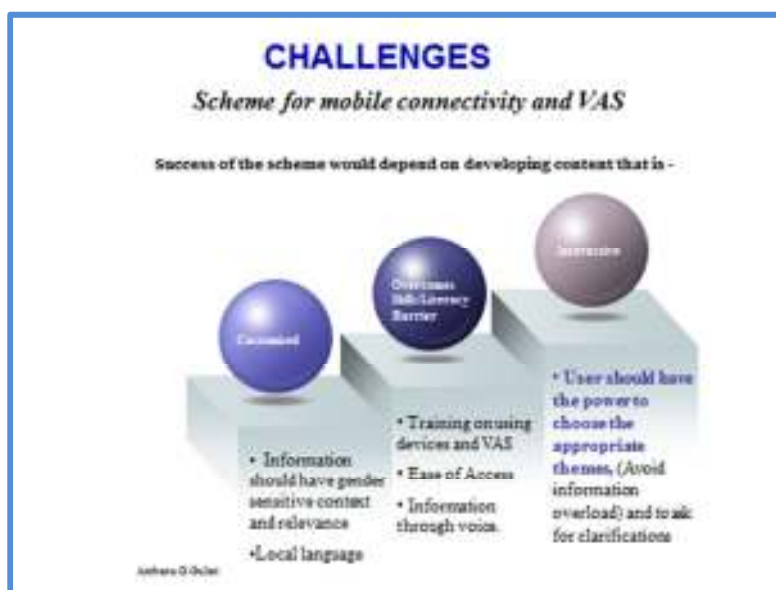


Figure 4: Challenges Anticipated at Outset

7. Objectives & Anticipated Outcomes

7.1 Through this initiative it is primarily hoped to enrich the lives of the women who have been provided with ICT connectivity, information, skills and livelihoods under the programme. It is envisaged that the mVAS services would provide rural SHGs with education, information & training, access to occupational opportunities, markets,

financial services, Government programmes, health agencies/workers, social agencies/workers, feedback mechanisms, support systems and networking etc. It is also expected that the success of these pilots will effectively demonstrate the viability of mVAS to both the rural populace (consumers) and to the various service providers involved (suppliers). Given the saturation in urban markets with urban teledensities crossing 100%, telecom operators are looking to rural markets for growth. According to a KGPM report, rural India contributes close to 45% of India's GDP and with increasing saturation of urban markets; the next round of growth will have to be generated from rural markets in the form of increased uptake of voice and database services. Most operators have already begun to cater to regional needs through vernacular content like weather forecasts and market prices for crops to improve the uptake of mobile phones in regional areas. Through the successful implementation of the mVAS projects; this programme is expected to give an impetus to the development and commercialization of meaningful mobile VAS applications for rural markets, especially those targeted at rural women.

7.2 Finally, it is anticipated that the success of these projects will lead to the scaling up of such initiatives to the national level under both commercial and CSR agendas of service providers/telecom manufacturers.



Figure 5: Anticipated Outcomes

8. Achievements

8.1 There has been an excellent response to this programme with proposals coming in from many major service providers who have tied up with VAS providers to provide the handset, connectivity and VAS bundles. Several rounds of meetings were held with project applicants and shortlisted proposals were honed to ensure that they would deliver the desired results. This included ensuring that the mVAS projects truly address needs of targeted SHGs and deliver relevant content in the local language. Care was also taken to ensure that the projects are designed in a gender sensitive and culturally appropriate manner keeping in mind the literacy levels of targeted women. Memorandums of Understanding (MoUs) were signed for seven projects in March 2011 and the scheme was formally launched by the Honourable Minister of Communication & IT in the august presence of Her Excellency the President of India on the eve of International Women's Day i.e. March 7th 2011. This was followed by service delivery to establish PoC which commenced in April 2011 and project evaluation was carried out thereafter. As of now based on successful evaluation after the PoC stage, four projects are under implementation in different states of the country covering ten districts.

8.2 The projects focus on breaking the dependence on intermediaries when it comes to access to input and final product markets for SHGs engaged in cottage industries. They all attempt to provide highly customized mVAS bundle ideally suited to the local conditions and the activities of the targeted SHGs. The SHGs themselves are engaged in multifarious activities ranging from textiles, handicrafts to agricultural/livestock rearing. Information on weather, crop and livestock diseases, markets and market prices, training courses, raw material and inputs etc. are covered in these mVAS bundles. Also covered are inputs on literacy, child and maternal health, government programmes, social issues such as domestic violence, child marriage, dowry etc. The projects cover about 10,000 SHG members in the states of Maharashtra (Pune district), Rajasthan (Ajmer district), Uttarakhand (Almora, Tehri Garhwal, Chamoli, Bageshwar, Uttarkashi districts) and Andhra Pradesh (Srikakulam, Vishakapatnam, East Godavari districts). Other projects may follow as the scheme is open ended.

8.3 What has been truly heartening is the tremendous increase in self-confidence of the beneficiaries as observed even during the short three to six month period that they were in touch with USOF during the PoC stage. There is no doubt that these women are truly hard

working and contribute greatly to family income and wellbeing through their dedicated hard work including entrepreneurial activities. The *Sanchar Shakti* project gave them a source of information, a voice with which to express their aspirations and a hope to enhance their knowledge, contribution and self-worth as earning members of society. They mastered the use of the mobile device promptly and interacted enthusiastically with USOF, NGOs and Service Providers to demand the particular information and services that they needed. They were quick to note down the messages received in handwritten notes and even shared the same with other women who were not beneficiaries of the projects. They demonstrated an amazing capacity to use data and knowledge to enhance their skills and incomes even in the short span of a month in which the projects were test run to prove concept.

9. Benefits identified at Proof of Concept Stage

At the initial stages of *Sanchar Shakti* programme it had been appreciated that the success of the mobile VAS projects will largely depend on developing content that is gender sensitive and relevant, keeps in mind regional differences including language, is easy to access, is effective and uncomplicated to use after a little training on the use of devices and VAS. It was understood that voice messages may be preferred; keeping in mind rural literacy levels and that users must be given the power to choose themes that are relevant to them and to ask for clarifications at every stage. The PoC phase proved that these parameters were critical to the success of the programme as was training to use mobiles, access information and retain the knowledge imparted. Some of the obvious benefits and learning that have accrued even as projects were rolled out as proof of concept are listed below.

(i) Empowerment of Beneficiaries

One of the main objectives of the project was to empower the women residing in the rural areas through ICT connectivity. Rural women are a much neglected segment of society and comprise a large chunk of rural poor. As a part of projects under *Sanchar Shakti* project, rural women Self Help Groups (SHGs) members are provided with mobile VAS messages on their livelihoods, social topics, health, education, government schemes, etc. They are taught how to use the mobile phone to access the messages and trained by the NGO to absorb information delivered. The information ranges from topics such as women's and family health, banking, educational, vocational training and employment opportunities, government schemes

to input-output prices in relation to their entrepreneurial activities. This has helped rural women SHGs in increasing their self-confidence and productivity and has made them aware about their own potential to earn and contribute as a knowledgeable family member. There has been an apparent and dramatic increase in confidence level of women beneficiaries as manifested in their ability and willingness to articulate their needs and aspirations. Many of the targeted women reported benefits from information received vis-à-vis government schemes for Below Poverty Line (BPL) and backward tribal families and about Mahatma Gandhi National Rural Employment Guarantee Scheme,¹⁷ widow pension schemes etc. Thus the *Sanchar Shakti* scheme is addressing the needs of poor rural women. This is an exceptionally vulnerable segment.

(ii) Promotion of increased productivity without displacing labour:

As observed during the field evaluations of projects, the content and services are widely appreciated by and beneficial to the targeted women. The projects have not caused any displacement of labour and have instead educated beneficiaries of the opportunities within their existing activities/businesses and helped educate them on means to enhance/generate income. The scheme has confirmed the active participation of rural women in the rural economy and their huge potential to improve productivity if given the required tools i.e. ICTs and the ICT enabled information they need. To give one example, the women of the hilly state of Uttarkhand were keen on breaking dependence on intermediaries and wanted information on how to obtain a license to market their forest related products themselves. Many women were able to apply meteorological, pesticide, market price etc. related information immediately and reported tangible economic benefits apart from satisfaction of positive acknowledgement from husbands.

Fuller employment:

By providing information to rural women on their livelihoods sources, the project has attempted to improve the participation level and benefit accruing to rural women

¹⁷ ‘*The Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) is an Indian job guarantee scheme, enacted by legislation on August, 25 2005. The scheme provides a legal guarantee for at least one hundred days of employment in every financial year to adult members of any rural household willing to do public work-related unskilled manual work at the statutory minimum wage of ₹120 (US\$2.20) per day in 2009 prices. If they fail to do so the govt. has to pay the salary at their homes’ at http://en.wikipedia.org/wiki/Mahatma_Gandhi_National_Rural_Employment_Guarantee_Act*

from their existing businesses by way of making them more aware of the supply-chains, alternative markets for their produce, ancillary products, training facilities etc. It has also created awareness of educational/employment opportunities in their locality and government schemes in this regard.

(iii) More Equitable Distribution and Social Equality:

A significant number of ills related to social inequality originate from gender inequality. The projects undertaken as a part of *Sanchar Shakti* project have generated awareness among rural women on a wide range of topics related to social equality which including dowry, domestic violence, women's health, education, financial independence and empowerment. By empowering women this project directly addresses gender issues.

(iv) Self-help and Self-reliance:

The information and services provided to rural women have served the twin purposes of making women realize more incomes within their existing businesses and making women aware of various opportunities that could be harnessed in future. The projects have attempted to instill a sense of confidence among the participants and motivated them to make the best use of available opportunities. Also, the training sessions organized as a part of the project have attempted to build capacity at the individual level to make the best of the information received by the women. The women covered in the PoC phase have responded very actively and demanded more information on banking, employment, government schemes etc and it is clear that they are on the path of enhanced self-reliance.

(v) Improvement of the quality of life:

Though, the scheme is still in progress and it would be too early to assess the long term impact on the quality of life of the beneficiaries. However, the feedback received during the field evaluation of projects points to the promising prospects. A general satisfaction and appreciation for the content and services could easily be observed. The beneficiaries appeared hopeful that the information delivered to them would help them in carving out a better future for themselves and their families. In almost all the cases, women came forward and requested information on a host of additional topics.

(vi) Participation/people/NGOs/other Government and Non-Government organizations:

In all the projects under Sanchar Shakti scheme, involvement of a NGO operating in the project implementation area was a mandatory condition. The LEA or service provider was requested to reach out to a wide range of stakeholders ranging from SHGs to NGOs, local administration to local markets and so on. The projects are firstly a result of the collaboration primarily between the LEA, NGO and the Content Developer. The second layer involves coordination with several other stakeholders such as local administration, local markets, mobile money application providers etc.

(vii) Sustainable and Replicable Model

The scheme has been envisaged to operate on a pilot project basis in which certain components of the cost incurred by the Lead Executing Agency would be subsidized by Universal Service Obligation Fund (USOF), DoT. It is hoped that, at the completion of these pilot projects, learning from the same would be used to develop a set of sustainable models for the implementation of such programmes in the rural and remote areas of India. Information on livelihood being one of the focus areas provides sufficient credibility to the claim the projects would be sustainable and replicable if the future events unfold as they are expected to.



Figure 6: Feedback Sessions with SHGs

10. Unique Challenges & Lessons for Bottom-up PPPs

10.1 The approach adopted for the *Sanchar Shakti* Scheme is very different from the usual competitive bidding model of PPPs. Government of India's draft PPP policy 2011 recognises the increasing utilisation of PPPs in the social sector. Further, this document also recognises that for multi-stakeholder PPPs based on community partnerships a different i.e. more flexible and collaborative approach may be needed. Thus it states that,

Government commits to the spirit of 'partnership' amongst all the stakeholders – public, private, end users and community. While the current initiatives on having a strong public community private partnerships would continue, with the growing capacity and maturity of the stakeholders concerned under a PPP arrangement, Government would in due course selectively consider newer models of 'partnerships' which would be simpler, flexible and engage increased participation amongst the contracting parties.

The legal framework of USOF allows pilot projects to be exempted from the mandatory bidding process for selection of service providers. This is to allow due weightage to qualitative aspects of such innovative projects. This proved to be important in the case of the *Sanchar Shakti* scheme. *Sanchar Shakti* followed a very flexible, consultative approach wherein USOF Administration played a huge facilitative role and diverse stakeholders were allowed much needed time to find each other, collaborate and conceptualise projects rather than responding to a rigidly structured RFP with specific deadlines. USOF Administration transparently placed all information about consultations, suggestions, feedback and details of interested parties on their website to allow VAS providers, Equipment Manufacturers, Service Providers and NGOs to approach each other and design proposals. NGOs dealing with rural SHGs are not natural partners of mobile equipment, services and content providers. Thus, without USOF intervention it is doubtful if they would have found each other.

10.2 As mentioned earlier, each project went through a lengthy design phase wherein USOF and U.N Women assisted the private partners in development of gender appropriate VAS packages to deliver content to satisfy SHG members' needs identified by NGO partners in consultation with SHG members. Given that *Sanchar Shakti*'s consultative and iterative

methodology was very different from traditional bidding, due care was taken to maintain complete transparency by placing details of all meetings and stages of project formulation on the USOF website. In the absence of the same it may have been difficult for the projects to pass muster as far as the government’s legal and financial vetting and approval processes are concerned.

10.3 A SWOT analysis is tabulated below to enable a comparison of bidding versus the Sanchar Shakti type of consultative PPP approach:

Table 1: SWOT Analysis-Bidding vis-à-vis Consultative Approach

SWOT ANALYSIS- BIDDING VIS-À-VIS CONSULTATIVE APPROACH		
	Bidding	Consultative Approach
Strength	<ul style="list-style-type: none"> • structured • clear • simple • time bound 	<ul style="list-style-type: none"> • flexible • bottom up • demand driven • need based • comprehensive
Weakness	<ul style="list-style-type: none"> • top down • rigid 	<ul style="list-style-type: none"> • demands active coordination effort by government (USOF) • unstructured • long gestation
Opportunity	<ul style="list-style-type: none"> • conventional • well understood by most stakeholders • completely transparent 	<ul style="list-style-type: none"> • allows small niche players to participate • allows active participation of NGOs in design • encourages innovation • serves as test bed for bid design
Threat	<ul style="list-style-type: none"> • difficulty in mutual identification of partners • lack of coordination amongst stakeholders • content and mode of delivery planned by government may fail to meet needs of SHGs 	<ul style="list-style-type: none"> • time involved • effort involved • lack of transparency can lead to legal issues

10.4 It is felt that for delivery of public services aimed at socially disadvantaged groups such as rural women, the multi-stakeholder, consultative, facilitative bottom-up PPP approach of *Sanchar Shakti* is very valuable. It is not possible to carry out such schemes in a rigid, structured top-down manner. For one thing the stakeholders involved are multiple in number and dissimilar in their areas of expertise and operations. Bringing them together is not easy. For another, such programmes demand intensive customisation and localisation

which cannot be easily reduced to standard RFP formats. In fact, a USOF attempt to follow bidding for schemes for the rural disabled did not meet with much success for exactly these reasons. Thus, *Sanchar Shakti*'s success as a unique PPP model can be emulated for similar efforts towards delivery of need-based socio-economic services especially to disadvantaged segments of society such as women, disabled or economically weaker sections etc.
