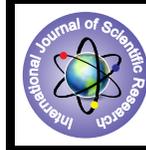


A Case Study on Public Private Partnership for an Effective Indian E-Governance



Management

KEYWORDS : Public Private Partnership, Information and Communication Technology, E-Governance, PPP models, Indian E-Government cases

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ABSTRACT

Information and Communication technology brings down the cost, improves the process quality and makes a speedy reach to all the objects targeted. It considers social, economic and environmental aspects in the decision making of Governance policies. Public-private partnership (PPP) describes a government service or private business venture which is funded and operated through a partnership of government and one or more private sector companies, in which the private party provides a public service or project and assumes substantial financial, technical and operational risk in the project. While independently every project offers wide scope for the development of society, these projects lack uniformity and national perspective. This paper stretches its objectives for the utilization of e-Governance as a tool to effectively establish Public Private Partnership with Information and Communication Technology in the development of quantity and quality of service for consumers. The main goal of this paper is to bring out the concerns related to PPP for effective E-Governance.

Technology has changed the business world many times over. In a knowledge economy, competitive advantage relies on the capability to adapt to the changing environment by the continuous generation and application of new knowledge (Kumar and Panchanatham 2014a). Many businesses cannot even function without the use of Information and Communication Technology (ICT) in their operations (Kumar and Panchanatham 2014b). E-Governance is the outgrowth of efforts made by the governments to improve relations with their citizens (Holmes 2003).

The concept of Public Private Partnership (PPP) is brought in relation to the construction primarily in construction and operation of public infrastructure projects as a reform that is 'generation next' to privatization. The PPP involves private sector partner inducted into the project right from the initiation stage to the completion and management. This helps the governments in many ways like combining accountability with efficiency, availability of resources and pace of implementation in project life cycle. This paper analyses some cases for a better implementation of the PPP in E-Governance with reference to some case studies in India. The data for the case studies are obtained from the respective public agencies through applicable laws in India. This paper mainly focuses on the effective implementation of PPP in Indian E-Governance and is limited to such relevancy.

Cases

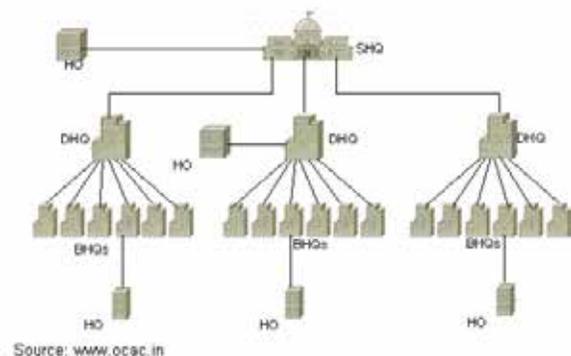
E-Government initiatives are common in most countries including industrialized economies, emerging economies as well as developing economies. World Market Research Centre's *Global E-Government Survey list*, suggests that 196 countries are having e-Government initiatives. United Nation's *Benchmarking E-Government Survey* (UNPAN, 2001) lists 133 countries (Saxena, 2004). The case studies below give the contribution of Public Private Partnership in Indian E-Governance.

Common Service Centres Scheme: Common Service Centre (CSC) is a P3 e-Governance programme for rural areas under the National E-Governance Plan (NeGP). This project approved by the Indian Government in September 2006 aimed to setup more than One Lakh or One Hundred Thousand Internet enabled CSCs as delivery points of the Government services to the rural citizens across India at their doorstep. This scheme was envisaged to be a bottom-up model for delivery of content, services, information and knowledge that allows like minded public and private enterprises through a collaborative framework, to integrate their goals of profit as well as social objectives, into a sustainable business model for achieving rapid social economic uplift in rural parts of India. The scheme is targeted towards the citizen and hence forms the Government to Citizen Approach.

The scheme was sponsored by the Department of Electronics and Information Technology under the Indian Government with the budget more than 1 Billion USD. The stakeholders of the project are the state agencies, service centre agencies, village level entrepreneurs, line ministries and Banks and Financial institutions. Although the project was planned initially to be implemented in four years, the Government has extended its implementation Period till 2017. As of 2013, the project has crossed its One Lakh count in setting up of the CSCs across India in various states or Union Territories (UTs) providing various services to the targeted people as per the project objectives. The CSCs are equipped with Computers, printer, scanner, UPS and High Speed Internet Connectivity to provide various services like certificate processing, utility payments like electricity, telephone and water bills, telemedicine and so on in the areas of education, health, entertainment and agriculture which can improve the life style of rural people. As on date, more than 10 million or One Crore transactions take place every month through the CSCs across 35 states/UTs in India. Under the CSC Scheme, a Special Purpose Vehicle (SPV) has been formed, so that the Government can progressively migrate to an e-Governance platform and enable services through the CSC network. The CSC SPV is named as 'CSC e-Governance Services India Ltd' and its primary role is to monitor the CSC Scheme and its outcomes on behalf of the Government at the National and State levels. It also ensures the system viability and sustainability, monitors the outcomes by CSCs and catalyses and maintains content aggregation on an on going basis in the project. The International Telecommunication Union (ITU) has conducted study on this project and the report is available at www.csc.gov.in. More details on this case can be obtained from the website, csc.gov.in.

State Wide Area Network Scheme: State Wide Area Network (SWAN) is a P3 e-Governance programme as one of the Mission Mode Projects (MMP) under the National E-Governance Plan (NeGP). This project approved by the Indian Government in March 2005 aimed to setup a dedicated Closed User Group (CUG) network and provide secured and high speed network connectivity providing data, voice and video connectivity for the functioning of Governmental agencies with a inter connection of State Head Quarter (SHQ), all District Head Quarters (DHQ) and all Block Head Quarters (BHQ). At a later stage it shall be extended to Gram Panchayat level. The distance connected is more than 1 million or 10 Lakh Kilometers of communication links. The scheme is targeted towards the Governmental department or public agencies and hence forms the Government to Government Approach. The scheme was sponsored by the Department of Electronics and Information Technology under the Indian Government with the budget more than 3 Billion USD.

The stakeholders of the project are the State Governments, State Consultants, Network Operators, Third party Auditors and the State Government Departments. The schematic representation of the network between the Head Offices (HO) as stated above is given below.



The private agencies as state above are involved as network operators and are being selected for the project through competitive bid process except for few States/UTs which opted for the National Informatics Centre (NIC) implementation. The CSCs in the CSC scheme case study stated above would serve as the end delivery points. As on date, the project is implemented and operational in 31 States / UTs. Procedural formalities for implementation are underway in remaining 4 States / UTs to cover the network across India. The project has brought a number of benefits like increasing the efficiency of the Government delivery mechanism and optimizing the performance. It also provides reliable, vertical and horizontal connectivity within the State/UT administration and facilitated electronic transaction between the public departments. As per the usage statistics available with the Government, 15 states have achieved more than 50% of Rack space utilization with Madhya Pradesh (90.7%) and Andhra Pradesh (86.5%) leading in forefront followed by Orissa, Kerala, Maharashtra, Gujarat & Tamil Nadu. Reputed agencies have audited on this project. The report and more details in this case can be obtained from website, mit.gov.in.

According to Farlam (2005), Public Private Partnership offer opportunities for the transfer of economic power to the local population through greater participation in and ownership of businesses. However, not all PPP models will become successful in achieving their desired objectives. According to Shekar (2005), the model chosen must favour effective short and long-term development, and at the same time be viable and cost-effective. The success of any project is gauged by the extent to which it

achieves its predefined goals. According to Sen (2000), the integration of Public Administration with that of the Private Enterprises may definitely enhance the levels of substantive freedom and reduce redundancy thereby supporting effectiveness. Further Partnership of Public Administration and the Private Enterprise and development of markets in the process, would allow the beneficiaries more freedom to achieve higher levels of substantive freedoms and simultaneously integration and interlinking of various agencies and implementation facilitators would converge to a situation where "Freedom of one kind would strengthen the other". The freedom could be a political, economic and social. Political freedoms help to promote economic security. Social opportunities facilitate economic participation. Economic facilities can help to generate personal abundance as well as public resources for social facilities. Freedoms of different kinds can strengthen one another. Similarly, Heywood et al. (2001) proposes that there are three potentially levels of benefit achievable viz. the *Transactions*, focusing on e-enabling the process, *strategic sourcing*, using the newly aggregated control information to enable better and cheaper sources of supply, and *market transparency*, facilitating innovation and collaboration across the supply chain. However, public sector institutions have different objectives towards the implementation and those cannot be seen simply as extensions of commercial applications because government institutions pursue a wide variety of goals due to their different nature. Within this context the political and the legislative environment that the public sector institutions operate requires conformity to a range of requirements that have little or nothing to do with economic output obtained (Maniopoulos 2004). The various findings on above cases show that PPP in E-Governance related research pursues a clear multi-disciplinary approach.

Conclusion

Good Governance and institutions are indispensable for sound development in developing countries. The success of e-governance lies in applying the principles in a coherent and holistic way by infinite people across agencies, states consistently over a period. E-Governance has already occupied a significant place in the global economy. Various agencies of UNO and World Bank provide huge support in this as it enhances the efficacy of citizen and Government interaction. PPP can be a powerful instrument if there is a clear policy laid down by the state with shared vision between government and its partners, the right functional areas are chosen at first to experiment PPP and appropriate models are selected for governing partnerships.

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