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#Graam Shakti

Virtual Roundtable Discussion 1: Accelerating Digital Inclusion for the Unconnected

Roundtable Discussion & Strategic Recommendations
27th October 2021

Speakers:

Mr Abhishek Singh,
CEO MyGov; President & CEO NeGD; MD & CEO Digital India Corporation (DIC) at Govt of India

Mr Amit Bhatia,
Founder & Managing Trustee - Aspire Circle

Session moderator:

Osama Manzar
(Founder Director, Digital Empowerment Foundation)

About Graam Shakti Series

Meta in partnership with Digital Empowerment Foundation (DEF) is hosting a series of brown bag sessions and round table discussions, through the formats of interactive conversations and dialogue with the thought leaders from business, government, civil society and academia. The aim is to dissect every link in the value chain, right from the policymakers to the empowered entrepreneurs to develop result-driven strategies focused on achieving desired sustainable outcomes. The discussions focus on topics of national and regional importance under four pillars:

- Agriculture

- Handicrafts

- Tourism

- Retail

The sessions are organized to mainstream the public-private dialogue and collaboration at the national and regional level through consortia and advisory councils that would deliberate on the following themes:

- Shaping the Future of Digital Economy and Rural Communities

- Shaping the Future of Economic Growth and Social-Technology inclusion

- Shaping the future of Rural Infrastructure and Development

- Shaping the future of Technology and Local Enterprises and Entrepreneurship

Accelerating digital inclusion for the unconnected

Context

Two major challenges stand in the way of achieving digital inclusion in India. The first challenge is securing connectivity to people who want to do business, access entitlement, health or education digitally. The state of being 'unconnected 'can occur due to lack of connectivity, lack of access to a device, lack of ability to operate a device and a combination of these factors. As per a study undertaken by the Internet and Mobile Association of India (IAMAI), with consulting company Kantar, 43 per cent of the total population across urban and rural India are active Internet users (spending an average of 1.8 hours daily) in 2020[1]. However, this leaves behind a substantial population. There is also a considerable rural and urban divide and gender divide in access as well. As per the report, 67% of the urban population has access to the internet while only 31% of the rural population have internet access. Similarly, the mobile Internet gender gap in India is 33% as per the Mobile Gender Gap report 2021[2].

The second challenge is ensuring meaningful connectivity to those who are already connected. For example, how many of the connected ones can generate value, or can start a business or can improve their access to health, education and entitlements?

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[1] https://www.business-standard.com/article/economy-policy/internet-users-up-nearly-4-to-over-825-million-in-q4-of-fy21-trai-data-121082701105_1.html

[2] https://www.gsma.com/r/wp-content/uploads/2021/07/The-Mobile-Gender-Gap-Report-2021.pdf

Osama Manzar opened the conversation by highlighting that it is critical to address these two challenges as there has been an increased reliance on digital technologies in the post covid era be it for healthcare, agriculture or education. For example, as per a study by Azim Premji Foundation, more than 60% of the children in public schools could not access online classes held in 2020 during the COVID-19 pandemic[3]. In the initial stages, the digital divide also hampered equitable access to vaccination[4].

Key challenges and opportunities

Achieving connectivity: Mr. Abhishek Singh began his response by stating that over the years, there have been many attempts by the central government to include the 'unconnected', the most prominent of them being the National E-Government plan. This initiative provides assisted access through 400,000 Common Resource Centers (CSCs) spread across various panchayats in India. He observed that if a CSC is nearby, people can go and access e-services in case they don't have connectivity or a device or the ability to navigate a device, thus enabling people to access e-services even in rural India. Bharat Net project is another project that connects panchayats with fiber-based connectivity. It strives to connect public institutions within the panchayats such as health center, panchayat center, common resource centers and schools to each other. It also has a provision to connect up to five homes in each village via *Ghar Tak* fiber. The thought process behind supplying home connectivity via Bharat Net is to encourage business models around connectivity.

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[3]http://publications.azimpremjifoundation.org/2429/1/Myths_of_online_education.pdf

[4]https://macmillan.yale.edu/news/indias-digital-centric-vaccination-strategy-excludes-most-vulnerable

PM Wani is another initiative that Mr. Abhishek Singh listed. PM Wani was envisaged to allow those having connectivity at a particular location to provide WIFI connectivity to others in their vicinity and charge for it. It is important to make people aware of these schemes to increase connectivity. Local civil society organizations can also play an important role in creating awareness, expediting the implementation of government programs like PM Wani.

Osama Manzar observed that PM Wani is the equivalent of an entrepreneurial mechanism to use, sell, buy, and leverage connectivity. He also appreciated that Bharat Net is now focusing on utilization going beyond mere connectivity.

Ensuring last mile access: Osama Manzar opined that last mile connectivity, which is essential for achieving growth in the MSME sector, is yet to be attained and he posed the question of how to attain that to Mr. Abhishek Singh.

Citing the example of how cable TV was rolled out, Mr. Abhishek Singh observed that last mile connectivity can only be achieved by leveraging the entrepreneurial spirit of the youth operating common resource centers, cyber cafes etc. He predicted that these village entrepreneurs will not only bring fiber internet to the village but also, connect to the television and other devices, set up a hotspot for others, and subscribe for services the user desires. He opined that no government department will be able to do it at the scale required. He acknowledged that there are two issues with the government approach. Firstly, the government cannot ensure proper connectivity. Secondly, even if the government can, the service charge is not set up appropriately. However, every utility faces this issue. To resolve this, the utility should be leveraged by mobilizing the entrepreneurial spirit of your youth and of the similar entrepreneurs who are existing in the hinterland.

Citing the example of the CSC entrepreneurs who work with DEF, Osama ar agreed with Mr. Abhishek Singh but raised the question of how to scale this up, how to service the vast number of 'unconnected' in a short time? He further raised the question of creating the technology and connectivity ecosystem required to support the numerous social entrepreneurs, many of whom work on health and education.

Digital value and digital depth: Mr. Amit Bhatia of Aspire Circle responded by stressing the importance of digital value and digital depth. He observed that unless we put the whole value system together, we may not get the synergies. He highlighted the importance of shifting focus to digital depth or digital value - tangible and significant improvements in education, health, finance or energy. He opined that to achieve these, enhanced digital education, investments in digital infrastructure in terms of data storage, data centers and continuous supply of electricity are required. According to Mr Bhatia, such an approach also necessitates increased investment in health-tech, agri-tech, fin-tech, clean-tech, ed-tech and fem-tech as these digital sectors create digital depth and digital value on top of the reach. Mr. Bhatia also appreciated the work done by the government in this regard such as the OCEN[5] and the ONDC[6] networks that will bring people into the trade. He opined that when we talk of digital inclusion, we should also discuss increasing investments in these tech-for-good sectors. These entrepreneurs can connect the last mile to gain business and value as well. Only when there is traffic on this connectivity, will the value be created, and lives will be improved as that creates a digital ecosystem. Mr. Bhatia summarized his perspectives by saying that we must be focusing on creating oceans of

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[5]Open Credit Enabled Network (OCEN) is a Government of India initiative to enable formal credit flow to the small businesses.

[6]Open Network for Digital Commerce (ONDC) is an initiative of Department for Promotion of Industry and Internal Trade aimed at democratizing digital commerce & moving it from platform-centric model to an open-network model

replicable and scalable impact rather than an oasis of welfare.

Osama Manzar mentioned DEF's GOAL (Going Online As Leaders) program that was adopted by the Ministry of Tribal Affairs (MoTA) as an example of providing meaningful connectivity that translates into impact. He wondered how MyGov, Bharat Net, or PM Wani could be integrated into the work of the ministry of health, education, and entertainment. Mr. Abhishek Singh pointed out that there are existing efforts towards such value generation. To illustrate this point, he gave the example of E-Sanjeevani, the telemedicine solution rolled out by the Ministry of Health and Family Welfare, supported by Digital India. Additionally, under digital health care, they are building multiple registries and the analytics will help estimate areas with higher disease spread. He also pointed out that UPI was a game changer for the financial sector. Similarly, the Digi Locker system benefits students and employers alike by enabling easy access and reducing the cost of KYC. The national academic depository also enables easy transfer of credits between universities for transferring students. Mr. Ozama Manzar agreed and opined that it appears that all will be converted to the last mile and the last person in the village. He also remarked that the real essence of success will be seen when the rural to urban migration becomes lesser.

Amit Bhatia at this point, observed that sectors such as ed tech, fin tech, clean tech and agri tech are gearing up for high growth. He posed the question of how private players, especially startups that bring significant investment are brought into the larger vision? Abhishek Singh responded that the approach the government has adopted is to reduce the compliance burden that is required to offer various services, for example, Digi Locker. Osama Manzar concurred and observed that conceptually, this will be the equivalent of the government acting as a giant API enabler.

Meaningful digitization: Osama Manzar then steered the conversation to the slow pace of digitization. He pointed out that not all of the schools / health centers are connected. Micro, Small and Medium Enterprises (MSMEs) are still struggling to use digital meaningfully while also struggling with Goods and Services Tax. Women are still prevented from entering into business by patriarchal structures.

Amit Bhatia remarked that while there has been tremendous progress on digitization in India, there are still two challenges. He raised the critique that the government still measures output (for example amount of fiber laid) rather than the impact/value generated (for example incidence of a certain disease going down). He opined that digital value and not digital access should be the finish line. There should be realistic tools in place to evaluate the impacts. Secondly, to ensure that digital pathways bring in value, the private sector should be roped in as a key player from the beginning. He also stressed that the importance of investing in the basic digital infrastructure to create value can't be understated.

Manzar ended the session by posing the question of how we can create an ecosystem of digital value, what would be its building blocks and what would it translate to, in terms of infrastructure, access, skills, and education and its conversion to create an efficient life.

Strategic recommendations to Meta

There are two main challenges that are arising in this context:

- How do we ensure connectivity, access to devices and digital capacities across genders and geographies?

- How do we ensure that those connected ones are able to generate value and can gain improvement in health, finance, education, governance and energy?

To address these challenges, the following strategies are recommended:

Adopting public institutions (schools, health centers) to ensure connectivity and to build the capacity of the staff and the users to integrate digital with their functioning. For example, teachers can be trained to use digital learning tools, staff at health centers can be trained to use digital solutions for better health outcomes for the local communities

Extend training and support to grassroots entrepreneurs who work with common resource centers and cyber cafes to provide connectivity to the rest of the locality. Local educated youth specially women can be identified and trained. The service provider enabling the service from the fiber should have a business model including the ability to set up internet connections at home for an affordable price and utilize it as a service.

Setting up grassroots centers in coordination with existing Common Resource Centers or public institutions so that women and youth are trained to use digital for improving their lives. In areas where common resource centers are not functional such as tribal and

fishing hamlets and remote areas, new centers can be set up as well. In these centers, women and youth can also be trained to use digital for livelihood purposes as well as participate in governance mechanisms.

Ensuring device access and digital capacities among women and girls from marginalized communities such as fishers and artisanal communities. In association with the centers, digital fellows can be selected and trained and equipped with individual devices and digital skills. For example, having access to smartphones will make marketing easier for fisher women.

Ensuring the digital safety of the newly connected: The newly digitally literate must be given training so that they can protect themselves from online fraud and cyber threats. The same precautions must be taken while introducing them to fin-tech and ed-tech as some of these entities can engage in predatory and fraudulent practices[7][8].

Collaborating with the government to create open digital infrastructure required to create value.
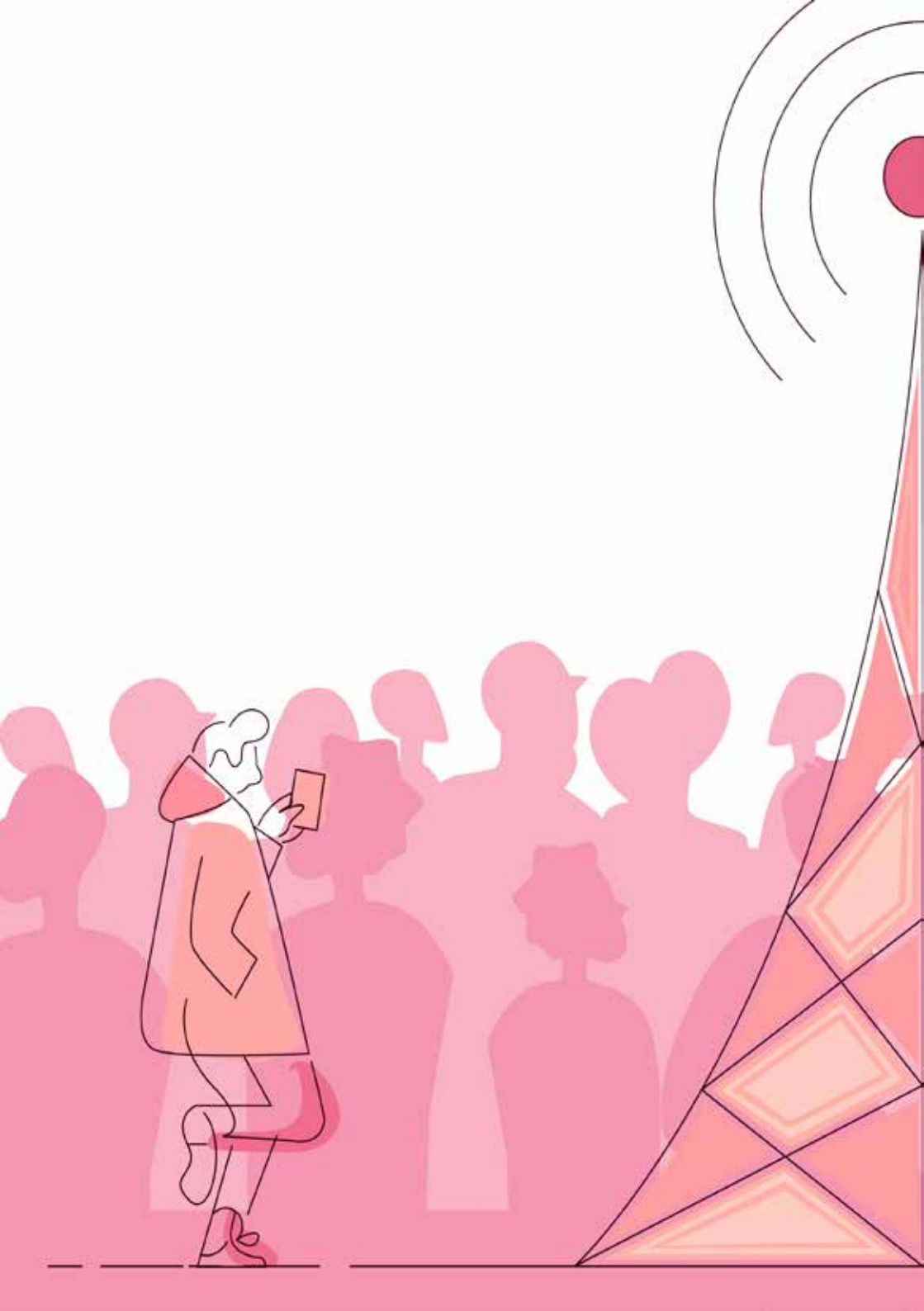
Supporting entrepreneurs who can create digital value and foster innovation via ed tech, agri tech, fin tech, clean tech and other emerging sectors.

Designing evaluation strategies that will measure impacts (value generated) as well as outputs. For example, measuring learning outcomes, increase in levels of farmer income, etc. in addition to the digital infrastructure and the access created.

[7] https://www.centerforfinancialinclusion.org/combating-the-rise-in-fraudulent-fin-tech-apps

[8] https://www.moneycontrol.com/news/business/companies/government-cautions-against-predatory-edtech-tricking-parents-into-paying-for-free-services-7860911.html

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