

**Mission Report**  
**SDNP Bangladesh**  
**22 – 27 February 2003**

## **1. Objective**

The purpose of the mission was to assist in the completion of mid-term technical evaluation of the Sustainable Development Networking Programme. A national consultant was recruited by the UNDP CO to assist in the process and provide continued support once the international mission left the country. The evaluation included a series of meetings and consultations with many of the SDNP BD stakeholders as well as one workshop with key partners. The final evaluation report will be finalised at the end of March.

## **2. Main Findings**

In contrast with other SDNPs, the project in Bangladesh is well endowed with financial resources that, for a variety of reasons, have been spent at a relatively slow pace. From one point of view, this can be seen an opportunity as it allows for allocating the balance of the funds towards activities that could better fit the new realities and demands of the country, operate more specifically within the ICT for Development (ICTD) field and in coherence with UNDP's own policies and programmes in this area. Indeed, the project has still great potential to accomplish many of its goals.

SDNP BD was the last project launched under the umbrella of the Global Programme supported by UNDP New York –although no core funding was provided by the latter. Like many of the early SDNP's started in the mid 90s, the project is closely operating within the context of Agenda 21 and thus is directly linked to the Ministry of Environment and its SEMP project. A perhaps unique institutional arrangement has permitted the project to function outside the ministry itself.

Both its financial size and location within national institutions give SDNP BD a unique character with a series of key challenges. These are described below.

### *Programme Objectives*

- The programme has already gone through various vision and mission redefinitions in the last three years that have done little to solve the apparent lack of strategic focus on development issues
- Most stakeholders see SDNP BD essentially as a non-profit ISP that provides limited services at costs below market rates and are demanding additional and better services

- SDNP BD has also undertaken in a successful fashion several development projects which although have had substantial impact are not apparently well known by the general public or even key SDNP stakeholders (including SEMP and UNDP in some cases)

### *Programme Operations*

- The programme is covering a wide variety of activities and initiatives that are undertaken in an “opportunistic” manner and are seemingly disconnected between them but have generated both good PR and revenues
- Many of the activities of the programme are indeed ICT/technology centred (not ICTD) focusing for example on application development and backbone deployment, reinforcing the view of stakeholders about the real character of SDNP BD
- SDNP BD has been weak in creating networks of stakeholders and networking them around specific thematic issues or goals. The notion of networking the programme uses is more related to the technology aspects
- The arrangement of providing technical support services to the 25 or so SIAs is not working properly partly because the approach taken by SDNP BD is supply driven, and partly because SIAs have no interest nor the will to integrate ICT into their own business processes
- Programme activities and implementation have faced serious delays due to the inordinate amount of time that equipment procurement requires .In some cases, equipment have been delayed for over a year. In others, obsolete equipment has been shipped replacing original equipment ordered.

### *Programme Management*

- The overall management structure of SDNP is fairly complex which de facto precludes good communications and networking with all the parties involved in the process –although most day-to-day operations and decisions are fully decentralized. This is in contrast with the management arrangements between BIDS and SDNP which have worked smoothly
- There is no apparent effort to systematically monitor the various activities of the project and develop for example case studies or good practices
- The programme has been very successful in developing partnerships with the private sector, NGOs, academic institutions and government organizations. MoUs are signed between BIDS (on behalf of SDNP) and the relevant party. However,

this has been accomplished also on an opportunistic manner and no clear partnership strategy

- The programme funding is expected to end in June 2004 but an exit strategy it is not yet in place

#### *Programme Staff*

- SDNP staff is mostly technical and highly skilled; it is probably one of the best qualified in the country to do this kind of work
- SDNP project coordinator is fully dedicated to the project and has exceptional management and technical skills but little time to concentrate on substantive matters as office management requires most of his time
- The operational costs of SDNP are relatively high as is the number of people under contract; as a result, personnel costs alone are relatively high but no staff is dedicated to work or policy issues or project development

### **3. Main Recommendations**

The main findings described above clearly suggest that SDNP BD faces many challenges across the board including vision and mission, programme activities, project management, staffing, etc. This initial set of recommendations will only address the more general level issues. Additional and more concrete recommendations associated with the ones included in this draft will be presented in the final report of the technical evaluation.

The main recommendations are:

#### 1. A Refined Vision and Mission

- 1.1 SDNP BD new vision should be centred on becoming one of the leading player in supporting the achievement of the MDGs by using ICT as an enabler for development and moving beyond basic connectivity issues.
- 1.2 SDNP BD's mission should be to deploy ICT solutions that address the basic development goals of the country and target the rural and urban poor facing pervasive market failures. This includes all those groups currently excluded from the benefits of the new technologies (women and youth, specially) that are not being targeted by any of the ongoing projects and initiatives.

#### 2. The Policy Perspective – Role of SDNP

- 2.1 SDNP core development activities should be aligned with the National ICT Policy that has been recently drafted by the national ICT Task Force. This will secure that SDNP interventions at the local level have the potential of being

scaled up and replicated at the national level by other development partners and actors.

- 2.2 This is an important policy element that could guarantee both the continuous refocusing and survival of SDNP in the medium and long term. The National ICT Strategy already includes some key elements of ICTD that can be led and implemented by SDNP in the short run given the availability of project resources.
3. Innovative ICTD Pilots and Support for Ongoing Activities
    - 3.1 The new vision and mission includes the previous emphasis on networking and information dissemination and sharing but under a larger conceptual framework with more focused and strategic interventions.
    - 3.2 The latter will take the form of innovative pilots addressing areas such as e-learning, capacity building, e-business and related. In fact, some of the current SDNP activities are already aligned in this fashion and could be easily implemented in the short run (telemedicine, disaster prevention, schoolnets, and e-learning).
    - 3.3 SDNP BD should launch at least three new pilot programmes within the next 6 months.
    - 3.4 Pilots will secure rapid allocation and disbursement of all existing programme funds and, if successful, could prepare the ground for additional allocations by SEMP beyond June 2004
    - 3.5 Support for ongoing activities should continue, specially for those more directly linked to the new approach and pilots. Other activities should be reevaluated and phased out (or furnished to its stakeholders) within the next 6 to 9 months.
    - 3.6 The SDNP database, one of its signature products, should be carefully assessed by an independent local expert to determine its current scope and usefulness as well as its potential for expansion and decentralisation.
  4. Improved Management Process:
    - 4.1 Within the current situation, it will certainly be difficult to change the existing management structure. However, it can be improved by introducing clear communication channels among the various levels of management, especially those that are external to BIDS and SDNP BD. This includes both MoEF/PMU and UNDP.
    - 4.2 SDNP BD should be more proactive on this and make sure that all relevant and pertinent information and strategic decisions go through the same channels on every occasion. Day to day operations should not be included here.
    - 4.3 SDNP BD should also visit on a regular basis UNDP and PMU management to enhance communications and strengthen networking among the various layers of management.

## 5. Re-profiling of SDNP

- 5.1 The new approach will require that SDNP BD management engage on re-profiling the staffing requirements of the project to be able to design, develop and deliver the various new activities that have been suggested.
- 5.2 SDNP BD should reduce its technical staff to a small core and, at the same time, bring in additional capacity to develop and manage new projects.
- 5.3 SDNP Co-ordinator should engage more directly on ICTD policy issues (specially those that involve and require a multi-stakeholder approach) and recruit an office manager to assist in office administration.
- 5.4 The re-profiling exercise should also reduce the core operational costs and prepare the ground for a less demanding sustainability plan.
- 5.5 This process should start within the next three months and be completed by the end of the year at the latest.
- 5.6 It is recommended that women are specially encouraged to apply for SDNP BD positions.

## 6. Re-branding of SDNP

- 6.1 It is essential that SDNP BD actively address the issue of being perceived a just another though sui generis ISP.
- 6.2 This should be done in a positive fashion by building on the existing image to secure that current stakeholders are not encouraged to desert the programme and packaging the new components around the former to attract new stakeholders thus giving SDNP a unique character in the field.
- 6.3 For this purpose, a PR and communications strategy should be developed and a PR/communications staff should be engaged.
- 6.4 The process should be complemented by building on the existing partnerships, gathering the lessons learned from them, and developing a partnerships strategy that focuses on the new activities and pilots.

## 7. Supporting Current Stakeholders I - SEMP Related Activities

- 7.1 Technical support activities for SEMP SIA's should continue but the focus should change. SDNP BD has to make sure that within a year SIAs have the capacity of mainstreaming SDNP ICT services into their core activities and be able to sustain them on their own.
- 7.2 A network of SIA focal points should be created to foster this process with focal points from all SIAs that have been empower by senior management to engage in this process.
- 7.3 Government based SIAs will also benefit from the current MOSICT e-government programme of providing government institutions with hardware, software, training and technical personnel.
- 7.4 It should be expected that a few SIAs will not be able to accomplish this due to internal reasons –and this should not be the responsibility of SDNP BD.

## 8. Supporting Current Stakeholders II – Non-SEMP Activities

- 8.1 SDNP BD is providing support to a wide variety of stakeholders. From one vantage point, a few of them are seemingly not related to existing core SDNP activities.
- 8.2 SDNP should give priority to those current users and stakeholders that can either be partners or help implement most of the new pilots and initiatives that will in turn engage new stakeholders.
- 8.3 Support to others should be decreased and ended in the medium term or changed into a more service driven approach where services are provided at cost. This can contribute to the long-term sustainability of the programme (see below for additional details).

## 9. Towards Sustainability I – Cost Recovery Strategy

- 9.1 A few of the stakeholder organizations that have benefited from SDNP BD support are not directly engaged in direct development activities yet they have received equal support as those who are.
- 9.2 The issue here is the lack of a cost recovery strategy to work with such organizations and for example charge for the services at 70-80% of existing market prices. This strategy should be designed and implemented in the short run.
- 9.3 Within the new and refined vision and mission, SDNP BD needs to be more selective on supporting organisations that can afford to pay for technical support. The focus should be on maximizing revenue while maintaining or reducing (in relative terms) operational costs, choosing those services that are more in line with SDNP BD core capacity and pilot programmes, and prioritising “quick wins” and high PR projects.
- 9.4 The revenue generated by these services should go back to the project and managed by UNDP, and be used for the transition that will occur once the current funding ends in mid 2004.
- 9.5 Special care should be taken to make sure that the cost recovery emphasis does not overtake the development objectives of SDNP BD.

## 10. Towards Sustainability II – Role of ODA

- 10.1 From the experience from over 40 SDNP national projects, it is possible to conclude that none of them, not even the most successful ones, have been able to fully sustain their operations on cost recovery. This does not necessarily mean that achieving this goal is not possible in Bangladesh (think Grameen or BRAC).
- 10.2 What is without doubt clear is that in the short and medium run, SDNP BD will still require to attract donor funding not only because it needs to be sustainable but perhaps more importantly because achieving the new targets set here fall out of any possible cost recovery scheme for initial success.

- 10.3 UNDP support will be still required here not so much in terms of financial resources but more in relation to policy and programme development support and links to the MDGs.
- 10.4 By tying some of pilots to the national ICT strategy, SDNP BD is also securing that its development work is set within a larger policy framework that will make its operations more relevant and sustainable at the macro level.

#### 11. Towards Sustainability III – Institutional Sustainability

- 11.1 The survival of SDNP BD beyond the existing project should not be taken as a goal in itself. All depends on the national context and the particular niche that SDNP can carve for itself during its project phase.
- 11.2 As a matter of fact, a few SDNPs have been successful by closing operations where other existing organizations have adopted its mandate and supported its development focus and goals. This however does not seem to be the case in Bangladesh and BIDS is supportive in seeing SDNP become an independent and legal entity.
- 11.3 SDNPs have secure independent institutional sustainability in over 15 countries. Most have adopted an NGO or foundation legal status and in at least one case have created both commercial and NGO entities to work together (with the former providing subsidies to the latter). In the context of Bangladesh, it is recommended that SDNP becomes a foundation. But before embarking on this process, an assessment of SDNP's status should be carried out in the first quarter of 2004.
- 11.4 A business plan should be design and developed within the next 9 months and include all the elements described in this section as well as in sections 9 and 10 above.

#### 4. Other ICTD Issues

Bangladesh is regarded in international circles as one of the pioneers on ICTD thanks to the various initiatives that Grameen, a private non-profit entity, has undertaken, in particular Grameen Phone. The relative success of Grameen was initially accomplished without any direct support from government in terms of both policy and resources. As a matter of fact, it could be said that its success was accomplish in spite of the restrictions in the telecom sector in the country. At any rate, the impact of the initiatives has however helped Grameen and other non-governmental actors to become active players in national ICTD policy.

The Government of Bangladesh finalized a draft national ICT policy in October. A task force was created for this purpose with representatives of all sectors. However, many actors and even some government officials perceived that the consultation process had not really reached all interested parties. The GoB has thus decided to get additional inputs before the strategy is formally endorsed and establish as national policy. It is not clear however how the enhanced consultations will be implemented.

The strategy document itself is very comprehensive and covers a lot of ground. According to one official at the Ministry of Science and ICT (MoSICT), UNDP's DOI policy framework was one of the key inputs into the final draft. However, the document itself gives priority to the development of an ICT sector in the country (here, India is the goal) while touching on more development oriented interventions such as health, poverty alleviation and capacity building. It also provides some room for implementation of some of these by non-governmental actors while giving the private sector a big role in both the ICT sector and ICT infrastructure.

During the interview with the mission, the Secretary of MoSICT acknowledged the sectoral emphasis of the current strategy and informally requested UNDP to assist in further developing the ICTD component and providing linkages to the MDGs.

Telecom competition is still in its infancy. Although there are a few players in the mobile arena and a telecom regulator has been created, liberalization of the sector is still in the wings. The national strategy itself does not address this directly. The national operator however is active in expanding national infrastructure to the point that, according to some, overcapacity does exist. Pricing is one factor here but for example, SDNP BD has been able to deploy dedicated 10 megabit microwave links to provide connectivity to a couple of the provinces in the country.

## **5. Conclusions and Recommendation for UNDP**

SDNP BD is well staff and positioned to make the project a complete success. However, the implementation of most of the recommendations of the technical evaluation mission are required to contribute further in accomplishing SDNP's goals. *As it stands today, the programme faces some critical issues that need to be rapidly addressed. UNDP support at the local level is essential to accomplish this.*

One of the critical issues on SDNP raised by many, including UNDP BD, was the lack of an clear exit strategy or, to put it in a positive fashion, the lack of a long term sustainability plan. The fact that SDNP BD has not been able to spend its resources at the expected pace is a reflection of the issues the programme has been facing, specially in the early years, and not a reflection of an apparent lack of competency. *UNDP should thus support effort not only to keep the existing level of resources but also increase them if the programme increases its delivery in the next 6 to 9 months.*

In fact, SDNP has so far been able to generate revenues – over ten thousand dollars in the last year or so without having a cost recovery strategy in place. These resources however are going to the SDNP host which has set up a separate bank account to deposit the funds. Although SDNP host is fully behind the programme, this could open the door for unnecessary headaches. *UNDP BD should request SDNP host to transfer the funds to UNDP accounts. UNDP in turn should place the funds within the existing project and entered them as cost-sharing.* All new revenues from SDNP should be treated in this

fashion. This has been already implemented in other COs where SDNP has been relatively successful in capturing cost-sharing resources.

The CO has recently created an inter-practice task force to deal with ICTD issues within the office. This is indeed a critical step to bring ICTD to the other programme areas and thus have a more integrated approach for any UNDP intervention in the country. A similar approach could be taken for more policy level interventions. *The existing national ICTD strategy document and upcoming consultation process could provide unique entry points for UNDP to become a key partner to the GoB and other stakeholders.*

Without doubt, this is also a question of human resources within the office. The CO has a new DRR who has many years of expertise on ICT as well as an ICT official who could support these efforts under the supervision of the former. In addition, both the Ministry of Environment and ERD are requesting technical support for launching e-government related processes and could benefit from UNDP's expertise. *All in all, UNDP could have the capacity to put all ICTD programmes under one single strategic umbrella that could involve all main practices in the CO and deliver at the same time on strategic issues and projects..*

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## **List of People Interviewed/Consulted**

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