



Project Information Document (PID)

Concept Stage | Date Prepared/Updated: 05-Aug-2020 | Report No: PIDC29524

**BASIC INFORMATION****A. Basic Project Data**

Country India	Project ID P174067	Parent Project ID (if any)	Project Name Public Service Capability Enhancement Project (P174067)
Region SOUTH ASIA	Estimated Appraisal Date Sep 10, 2020	Estimated Board Date Dec 18, 2020	Practice Area (Lead) Governance
Financing Instrument Investment Project Financing	Borrower(s) Government of India	Implementing Agency Department of Personnel and Training, Ministry of Personnel, Public Grievances and Pensions	

Proposed Development Objective(s)

To enhance technical and core competencies in select departments of Government of India

PROJECT FINANCING DATA (US\$, Millions)**SUMMARY**

Total Project Cost	100.00
Total Financing	100.00
of which IBRD/IDA	50.00
Financing Gap	0.00

DETAILS**World Bank Group Financing**

International Bank for Reconstruction and Development (IBRD)	50.00
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Non-World Bank Group Financing

Counterpart Funding	50.00
Borrower/Recipient	50.00



Environmental and Social Risk Classification

Low

Concept Review Decision

Track II-The review did authorize the preparation to continue

Other Decision (as needed)

B. Introduction and Context

Country Context

1. **India's Gross Domestic Product (GDP) growth has slowed in the past three years, and the COVID-19 outbreak is expected to have a significant impact.** Growth has moderated from an average of 7.4 percent during FY15/16-FY18/19 to an estimated 4.2 percent in FY19/20. The growth deceleration was due mostly to unresolved domestic issues (impaired balance sheets in the banking and corporate sectors), which were compounded by stress in the non-banking segment of the financial sector, and a marked decline in consumption on the back of weak rural income growth. Against this backdrop, the outbreak of COVID-19 and the public health responses adopted to counter it have significantly altered the growth trajectory of the economy, which is now expected to contract in FY20/21. On the fiscal side, the general government deficit is expected to widen significantly to over 10 percent of GDP in FY20/21, owing to weak activity and revenues as well as higher spending needs. However, the current account balance is expected to improve in FY20/21, reflecting mostly a sizeable contraction in imports and a large decline in oil prices. Given this, India's foreign exchange reserves are expected to remain comfortable (equivalent to over 10 months of imports).

2. **Since the 2000s, India has made remarkable progress in reducing absolute poverty.** Between FY11/12 and 2015, poverty declined from 21.6 percent to an estimated 13.4 percent at the international poverty line (US\$1.90 per person per day in 2011 Purchasing Power Parity (PPP), continuing the earlier trend of rapid poverty reduction. Owing to robust economic growth, more than 90 million people escaped extreme poverty and improved their living standards during this period. Despite this success, poverty remains widespread. In 2015, 176 million Indians were living in extreme poverty, while 659 million—half the population—were below the higher poverty line commonly used for lower middle-income countries (US\$3.20 per person per day in 2011 PPP). The COVID-19 outbreak is likely to further moderate the rate of poverty reduction and risks people falling back into poverty. The slowdown in domestic consumption due to the necessary public health measures will adversely impact labor-intensive sectors, such as construction, retail trade and transportation, which provide livelihood opportunities for people with lower daily earnings and fewer years of schooling. The lowered demand is likely to reduce farmgate prices of agricultural commodities, increasing vulnerability for small farmers in the rural sector. Poorest households are also more vulnerable to the threat of contagion, as they are more likely to live and work in conditions where social distancing is difficult and are likely to spend a greater share of their budget on out-of-pocket healthcare expenditures if they fall sick. Government schemes to increase food allocations under the public distribution system and income support through direct transfers, social pensions and rural workfare programs are likely to contain these impacts to an extent.



3. **Improving access to quality public services is crucial in current times.** Effective delivery of public services is integral to India achieving its growth and inclusion targets. Moreover, demand for better public services and public sector performance will only grow as the economy recovers from COVID-19 impacts and the middle class returns to its pre-COVID trajectory.

4. **A competent, motivated and modern civil service will be necessary to achieve the Government of India's priorities and aspirations.** There is a well-established connection between institutional quality and economic growth¹. Strong public institutions underpin successful economic growth and development, and recent research has shown the relationship between a merit-based civil service and growth². The “middle-income trap” describes a scenario where the bureaucracy could serve an economy well as it moves from low to (lower) middle income but is not yet adequate to support a transition to (upper) middle- or high-income economy. The Indian civil service has served the country well to this point, however, moving beyond this to transform the economy and society into an upper middle-income economy places new demands on the bureaucracy and calls for reforms to make it fit for purpose.

5. **Strengthening public sector capabilities requires a long-term strategy involving targeted, sequenced, and multiple reforms and interventions across policies, sectors, agencies, programs and projects.** GoI has in recent times shown commitment to improving the government's capabilities to deliver public services, and its strategy includes transforming the work culture in government and strengthening government institutions and processes. At the same time, it is committed to enabling the use of modern technology to promote transparency and build civil service capacity.

6. **The COVID-19 pandemic has created an unprecedented global crisis, one in which India, like many other countries, faces the significant challenge of strengthening health and public safety net systems as well as revitalizing growth and supporting businesses to deal with the unfolding economic crisis.** In response to the urgent health and social protection needs resulting from the COVID-19 pandemic, the Indian government has announced a three-pronged strategy including (i) an emergency health program which includes support to health systems strengthening, (ii) support to the Pradhan Mantri Garib Kalyan Yojana (Prime Minister's Welfare Scheme for the Poor) which provides a package of cash and in-kind social assistance to protect poor and vulnerable households, and (iii) the *Atmanirbahar Bharat Abhiyan* (Self-Reliant India Mission) economic reforms package to support businesses and economic reforms. National, state and local governments will have to take on significantly increased roles to manage the crisis and its aftermath. Strengthening public institutions, organizational systems and the competencies of government officials to build greater resilience and deal with these challenges is now even more urgently required.

Sectoral and Institutional Context

7. **The ability of the civil service (or the bureaucracy) to effectively perform its policy/program implementation and service delivery functions in a dynamic environment, such as that brought about by COVID-19, requires it to be agile.** Key challenges exist to building capabilities across the civil service. While the need for capacity development of officials in India is well acknowledged, the sheer size and complexity of the civil services of India lead to challenges which

¹ See North, Douglass C. 1990. *Institutions, Institutional Change and Economic Performance*.

Cambridge, UK: Cambridge University Press; Romer, David H and Jeffrey A. Frankel. 1999. *Does Trade Cause Growth?* American Economic Review, American Economic Association, vol. 89(3), pp.379-399; Acemoglu, D., Simon Johnson, and James Robinson. 2005. *Institutions as a Fundamental Cause of Long-Run Growth*. In Handbook of Economic Growth, Volume 1A. New York: Elsevier.; Acemoglu, D and James Robinson. 2012. *Why Nations Fail: The Origins of Power, Prosperity, and Poverty*. New York: Crown Business.

² See Evans and Rauch 1999 and Cornell, Knutsen and Teorell 2018.



are unique to India. There are nearly 18 million civil servants functioning across India.

8. **Key challenges include:**

- i. **Diverse governance landscape creating coordination and harmonization difficulties.** India has a complex governance structure where civil service officials are spread across the centre, states and local bodies, with further division across various cadre controlling authorities, ministries, departments and agencies. These officials are also organised into different cadres, with each cadre having different training, career progression and human resource management strategies leading to coordination and harmonization challenges. Further, the large volume and the expansive spread of civil service officials make it a logistical challenge to deliver capacity development activities using traditional means.
- ii. **Inadequate understanding of core functional, technical and behavioural competencies required.** Ministries and departments do not have a clear assessment based understanding of the gap between the functional and technical competencies needed at the organizational level to deliver on their core mission and their existing capacity across these areas.
- iii. **Diverse training landscape leading to an absence of a coherent approach to capacity building.** A distributed civil service also gives rise to a diverse training landscape whereby capacity development initiatives are dispersed across multiple Central Training Institutions (CTIs), State Training Institutions (STIs) and Other Training Institutions (OTIs) which operate on a stand-alone basis, with limited opportunities for sharing resources. This leads to redundancies, duplication of efforts, and wasteful expenditures. More importantly, it leads to inconsistencies in training policies, content, priorities, competencies, and pedagogy across different training institutes.
- iv. **Existence of silos that prevent civil servants from collaborating across cadres and specializations.** Ministries, departments, institutions, and organizations work in information silos where barriers to exchanges of knowledge and information beyond their boundaries is preventing collaborative working and learning from other civil servants. Now, with the new approach, breaking down silos will be critical to begin establishing new ways of working and developing creative synergies amongst civil servants. A structured forum where officials can interact and collaborate beyond organizational boundaries could support the cultural transformation that will be required.
- v. **Disconnection between a role and training need for that role.** Trainings often do not correspond with role requirements. There is limited scope for continuous learning and assessment, with assessments rarely serving as inputs to learning goals or training needs. This lack of continuity between the training that is needed to acquire the competencies (domain, functional, and behavioural) at each activity and role associated with each position makes it hard to ensure that the right inputs are available to the right officials, at the right time. This leads to a situation where it becomes difficult to ensure that officials with the right competencies are available to perform the right task, i.e. matching competencies to tasks and roles.
- vi. **Unequal access to training opportunities.** There is a need to democratize training so that it is not only restricted to senior civil servants (referred to as Group A officers) and is available to all officials. This, in turn, will create



competencies that will expand the pool of talent available. Currently, training of officials (especially Groups B and C)³ occurs sporadically and is not necessarily linked to career aspirations.

- vii. **Absence of learning data and competency information of employees.** Departments do not have a clear and holistic picture of either competencies or training records or training needs of officials. Due to these data and human resource management information inadequacies, human resource training strategies and programs cannot be calibrated.

9. **Due to the sporadic, siloed and primarily offline nature of training management and delivery, the government's ability to deliver sophisticated programs to support the delivery of quality public services has become limited.** This was highlighted by the National Training Policy of 2012 which continues to form the basis for current thinking about reforms. The policy identifies the need for new skills to deal with complex and challenging issues, such as economic growth, devolution of funds, functions and functionaries to the Panchayats and Municipalities, the need for enhanced transparency, globalization and climate change. The NTP recommends expansion of systematic training initiatives to Group B and C officials, along with Group A. It emphasizes competency driven training and human resource management of officials, marking a shift from 'rule-based' system to 'role-based' system.

10. **What the NTP moved towards, and what the present strategy of the GoI demands, is a more fundamental shift to the democratization of training.** An integrated, online platform with open source training modules will provide the necessary framework to allow civil servants to emerge out of narrow ministerial, departmental and cadre focused training and develop skills that could make them into more fungible and agile resources across government.

11. **Defining a new organizational culture and using skills more effectively across government ministries and departments requires a transformation in the way organizational and individual performance are measured.** Defining specific competencies - skills, knowledge, attributes, and behaviors - that enables an individual to perform a task or an activity successfully, either within a given job or to perform a different job, is critical to enable civil servants to have a clear understanding of the behaviors to be exhibited and the levels of performance expected. Accordingly, the GoI proposes to develop a robust competency framework that will provide individual civil servants with a framework of behaviors and actions that will be valued, recognized, and rewarded, as a basis for career management. Within this transformational process, it is essential to match individuals' competencies with the jobs they have and bridge competency gaps for current and future roles through training.

12. **Competencies may be broadly divided into those that are core skills which all civil servants would need to possess albeit with different levels of proficiency according to the level of their role.** Some of these competencies would relate to behavioral skills, such as leadership, management, and communication. A further set of competencies relate to professional or specialized skills, commonly referred to as "domain" and "functional" skills relevant to specific specializations.

13. **Training is currently the responsibility of each cadre or ministry.** The NTP of 2012 laid out an organizational structure to provide such training and suggested that 2.5 percent of every department's budget should be earmarked for

³ The civil service of the GoI is divided into four groups. This classification is directly related to the rank, status and the degree of responsibility attached to the posts. Group 'A' posts carry higher administrative responsibilities and are appointed at higher management positions in the ministries. Group 'B' constitute middle management while Group 'C' and group D have administrative, clerical and maintenance responsibilities



training. Each Ministry/Department was mandated to adopt a systematic approach to training including the appointment of a Training Manager as the nodal person for implementation of the training function in that Ministry /Department. Further a Training Cell with HR and Capacity Building Professionals was meant to be developed to assist the Training Manager and support classification of posts and competencies. The overall bureaucracy comprises of several cadres which broadly represent different specializations – e.g. general administration, accounts and audits, forestry etc. Cadre Training Plans were meant to be developed based on the competencies required and training needs, for ensuring that all cadres under the Ministry/Department or its attached/sub-ordinate offices had a clearly articulated scheme for the development of their competencies. Finally, clear links were meant to be developed between the training provided and the development of competencies of individuals and their career progression to be ensured by suitably amending service rules/issuing administrative instructions.

14. **Training institutions lie at the heart of this model.** There are several training institutions across the central and state governments. Critical CTIs include - Lal Bahadur Shastri National Academy of Administration (LBSNAA), Institute of Secretariat Training and Management (ISTM), Indira Gandhi National Forest Academy (IGFA), National Academy of Customs, Indirect Taxes and Narcotics (NACIN), National Academy of Direct Taxes (NADT), Sardar Vallabhbhai Patel National Police Academy (SVPNPA), Rafi Ahmed Kidwai National Postal Academy (RAKMPA). The NTP noted the need to strengthen these institutions with requisite staff, infrastructure and finances to perform their functions. These institutions would provide technical assistance and advice to Ministries/ Departments to prepare annual training plans, play in key role in supporting the move to competency-based training and assimilate technologies with a view to enabling learning “anywhere, anytime” for their clients.

15. **While both the training divisions and training institutions are functional, the quality and adequacy of training provided varies and are limited.** While training cells have been established in departments these are not staffed with HR and capacity building professionals. Competency frameworks do not exist in departments so training can neither be linked with competency development nor with career progression. Training has tended to be supply and procedure oriented and not linked to progressing individual and organizational competencies. Budgets of training divisions and training institutions remain limited.

16. **As a first step, DoPT, the nodal agency responsible for personnel management and training in GoI, through the proposed project, plans to embark on a learning transformation path to democratize learning for India’s civil services and shift to competency-driven capacity building.** The project design also gives due consideration to the changes imposed by COVID-19 on the operating environment for governments and government officials. It proposes to leverage technology to provide any-time any-place any-device access to appropriately designed online training courses to civil servants thereby enabling learning and capacity enhancement to continue unabated. This has already been successfully modelled during the COVID 19 epidemic and proved its usefulness.

Relationship to CPF

17. **The proposed project is aligned with the India Country Partnership Framework (CPF) 2018-2022 (Report No. 126667-IN, July 25, 2018) discussed at the Board on September 20, 2018.** One of the four catalytic ‘Hows’ of engagement laid down in the CPF include “strengthening public sector institutions” by increasing capability, better aligning incentives, and strengthening core government systems. The proposed project employs this ‘how’ in its entirety by focusing on first



identifying and then developing competencies in the civil service for improving its performance to provide advice to Governments, implement government policies and programs and deliver public services in a transparent, accountable and responsive manner.

18. **The proposed project will focus on upgrading core capabilities in the public sector through the introduction of a fundamental shift from a rules-based, supply driven training model to one which is role-based, and demand driven.** The proposed project is also well aligned with the CPF's approach to leverage technology in implementing reforms, through the design and roll-out of a contemporary digital training platform that can cater to the learning needs of almost 18 million civil service officials across the country.

C. Proposed Development Objective(s)

To enhance technical and core competencies in select departments of Government of India

Key Results (From PCN)

19. The following preliminary results indicators are proposed to measure progress towards the PDO:
- i) No. of departments implementing new competency framework
 - ii) Percentage of staff in target department who complete competency-based training on the iGOT 2.0 platform
 - iii) Percentage of staff in target departments who meet x grade as measured through proctored assessment
 - iv) Percentage of respondents in staff survey expressing satisfaction with trainings undertaken on improving competencies

D. Concept Description

20. **Component 1: Support for Development and Implementation of Competency Frameworks.** Recognizing the need to develop domain-specific knowledge, deep technical skills and behaviors, attitudes and attributes, countries across the globe are adopting a competency framework approach to skill development and workforce planning in the public sector. At a strategic level, the competency framework, referred to as the **Framework for Roles, Activities and Competencies (FRACs) to be developed** by DoPT, will enable the government to successfully align official's knowledge, skills and attitudes with the government's priorities, resulting in performance improvement and operational efficiencies. It will also provide civil servants with clarity on the competencies that are required to successfully perform relevant roles and activities and enable the identification of clear benchmarks against which an individual performs their duties. This will enable individuals to achieve twin benefits of: (a) identification of competency gaps at their existing role, and; (b) identification of competency gaps at the role they aspire to progress towards. Simultaneously, the definition of competencies will also signal the expertise and expected levels of performance that are valued and recognized, which will guide individuals to build and mold their careers.

21. Drawing on the recommendations of the NTP 2012, DoPT, in collaboration with UNDP, published a Competency Dictionary in 2014, focused primarily on behavioral competencies. This project component will build on that foundation and expand it to include domain and functional competencies, ensuring development of a comprehensive, shared and consolidated repository of competency information, accessible to all relevant stakeholders. The framework will define, in generic terms, the tasks that are performed for a role, the corresponding desired traits, behaviors, knowledge and skills, and the reference documents that detail how the activity should be performed. The competencies for each activity will be



logically grouped into behavioral, functional and domain competencies, with defined indicators for each proficiency level, enabling assessment and measurement of competency.

22. The proposed project will also support training divisions in select departments to undertake department specific competency assessments including the development of evaluation criteria for individual competencies. Departments which have attached CTI will be the initial focus, so that the expertise available within the CTIs can be leveraged for developing the competency frameworks. The project will also work with select CTIs to build their existing capacities through knowledge transfers and support to content creation to enable them to better support the training needs of departments and ministries.

23. **Component 2: Support for the Development of an Integrated Learning Platform and Content Creation.** At an operational level, a competency framework will underpin the design of courses and learning paths, however it is the learning platform that will be the backbone of the entire learning system. The Government of India has instituted the Integrated Government Online Training (iGOT) 2.0, a comprehensive learning platform that has resources for online, face-to-face and blended learning, within the wider framework of civil service reform. iGOT 2.0 will subsume the existing iGOT platform, building on its existing smart features to further the vision of a digital India. The platform will be a one stop shop for all capacity development needs of all of India's civil services. It will provide civil servants with a resource for continuous-anytime-anyplace learning, a guided path for continuous professional development and life-long learning with access to a vast repository of courses, modules and items with insights on individual learning outcomes and learning needs. The iGOT 2.0 platform will be a digital backbone which will allow many other layers and solutions to be built on top, as the platform evolves, paving the way for larger transformations to happen.

24. The proposed project envisages support for the technological rollout of iGOT 2.0. The platform will be developed based on specific architectural design principles that ensure openness, interoperability, and plug and play options to allow for flexibility and adaption depending on requirements. The platform will need to meet critical design considerations including scalability to cater to a significantly growing user base, and the ability to meet data processing requirements, heavy usage, and potential peaks. The roll-out will initially bring onboard a smaller subset of users and provide the scope for enhancing platform features incrementally. While the courses on iGOT 2.0 will be open to all civil servants, in the first pilot phase, content related to specific competency requirements of select central government departments will be uploaded, and protocols will be designed to allow for feedback for officials of these departments through proctored assessments done through the portal. This will require joint action not only by the Government of India, and different departments, but also by the private sector. A large learning platform can only flourish when the learning needs of government are fulfilled not only by the provision of learning services but also through the intelligence and data that it generates about competencies and the growth of officials and staff. This will create the basis for intelligent government, through intelligent learning.

25. **Component 3: Support for strengthening HR Policy Frameworks, Institutions, and Monitoring Systems.** The proposed project will support Gol's efforts to develop and strengthen appropriate policies regulations and institutional frameworks that may be needed to embed a new form of training governance. This will be a cross cutting theme and will be initiated in parallel with activities under Component 1 and Component 2. Exploring international practice as part of developing such policies would be a key task. Institutionalizing a framework for enhanced monitoring and evaluation of civil service capacity building efforts will also be critical. This will be addressed both through linking training to a revitalized human resource evaluation function as well as through the development of bespoke dashboards at different levels



including individual and agency levels and other mechanisms for tracking, monitoring, and reporting.

Legal Operational Policies	Triggered?
Projects on International Waterways OP 7.50	No
Projects in Disputed Areas OP 7.60	No

Summary of Screening of Environmental and Social Risks and Impacts

The environmental risk rating is “Low” as the emphasis of the project is to enhance training capabilities for civil servants, methods and processes, upgrading of human resource skills and institutional reviews

At this stage, while no acquisition of IT equipment is envisaged, these might be considered during project preparation. While environmental risks are not expected at the time of IT procurement and adoption, appropriate procedures will need to be in place for disposal of equipment as per best environmental practices. The quantity of such equipment and associated cycle of replacement or upgradation will be identified during project preparation. A priori, associated environmental risks appear to be low as India has guidelines for the disposal of electronic waste under E-Waste Management Rules, 2016 (amended in March 2018) and Solid Waste Management Rules, 2016 for solid waste management.

The Bank team will ensure Environmental assessment and due diligence as part of preparation to understand; (a) current rules and practices of handling electronic and solid waste management, (b) staff capacity to handle such issues, and accordingly (c) develop E-waste management guidelines in line with India’s electronic and solid waste management Rules for implementation and supervision within project.

Social Risk is rated as Low for the following reasons. As the PDO is to enhance technical and core competencies in select departments of the Government of India, the proposed interventions do not have any physical footprint and therefore, will not result in adverse impacts on land, community health and safety, Indigenous Peoples/tribals or cultural heritage. The main social risks of the proposed project are related to:

- i. Possible exclusion of vulnerable individuals such as physically challenged civil servants if the digital content and platforms are not created with all beneficiaries in mind, such as those with disabilities and speaking/reading different languages, etc.
- ii. Risks relating to labor too are minimal, as all likely types of workers (Direct, Contracted workers) are likely to have well defined employment terms and/or formal contracts in accordance with national labor laws. However, OHS provisions will apply to these workers in relation to the implementation of the project. Therefore, a Labor Management Procedure (LMP) will be prepared for the project that addresses these aspects e.g. includes a code of conduct for service contracts, setting up an Internal Complaint Committee; provisions to address COVID concerns and a GRM to redress grievances for this category of workers.
- iii. Stakeholders risks too are low, considering that DoPT has already prepared a preliminary Stakeholder Engagement Plan (SEP) that includes the list of all potential stakeholders as known at this stage besides detail on modes and frequency of engaging with them. Such risks associated with Stakeholder identification and engagement will be addressed through the development of a communication strategy and more detailing of the SEP.



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APPROVAL

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Public Service Capability Enhancement Project (P174067)
