Syllabus subtopic: Important aspects of governance, transparency and accountability, e-governance- applications, models, successes, limitations, and potential; citizens charters, transparency & accountability and institutional and other measures.

Prelims and Mains focus: about the failure in implementation of BharatNet project and the govt.'s move to address it; about BharatNet scheme

News: The central government’s flagship BharatNet scheme, which aims to provide last mile internet connectivity to all villages and gram panchayats (GP), has missed the targets set for phase one.

• With connectivity targets set for phase two of the project also likely to be missed owing to current delays, the government is now attempting to rope in the private sector to cover up for the failings of implementing agencies.

Targets missed

• As against the initial target for connecting all the 2.50 lakh GPs by end of March 2019, only 1.18 lakh had been connected till then. With an estimated Rs 19,516.37 crore having been invested in the scheme so far, the utilisation status of the infrastructure created under this so far is discouraging.
• Of the 1.26 lakh GPs that have been made service ready so far, WiFi hotspots are functional only in 15,000. The plan to provide fibre to the home (FTTH) connectivity is operational only at 27,856 GPs till end-December.

Reasons given by the DoT

In its defence, the Department of Telecommunications (DoT) — the nodal agency for implementation of the project — has blamed the network architecture, the connectivity to old BSNL fibre in part of the network operation and maintenance through BSNL as some of the reasons which had held back optimal utilisation of the network.

What govt. plans to do now?

• To overcome the failings of nodal agencies involved in the implementation of
the project, the **Centre now plans to rope in the private sector** and complete the phase one as well as phase two part of BharatNet under the public-private-partnership (PPP) model.

- A meeting in this regard was held involving officials from the Prime Minister’s Office (PMO), the Ministry of Electronics and Information Technology (MeitY) and **Niti Aayog**, where the government policy think tank suggested the PPP model.

**Details of the PPP model suggested by the Niti Aayog**

- Under the model, **private sector will be invited to bid** circle-wise for the BharatNet project and the maximum contract duration of the project is likely to be 25 years. The selection criteria for private service partner (PSP) will be their quote for viability gap funding, and the bidders will be expected to provide “on demand” internet connectivity with minimum speeds of 50 Mbps to at least five development institutions in the area.

- The private service partner (PSP) will have the flexibility to re-locate the equipment installed at the BSNL (Bharat Sanchar Nigam Limited) exchanges and gram panchayats. It would also have the flexibility to create/upgrade the network.

**Challenges in PPP model**

Though the Niti Aayog suggested the PPP model, it also flagged some likely challenges if the government opts to rope in private players.

- One such challenge, the agency has said, is to ensure “affordable and fair pricing” which is likely to change if the private players have their way.
- The financial reconciliation of work done so far under phase one of BharatNet, which is pending as final documents from central public sector units have not been received so far, is also likely to be a challenge.

- Apart from these, the government think tank is learnt to have warned about the change in the outlook towards BharatNet, which, when envisaged, was mooted as a “national asset with non-discriminatory access to all service
The handling of Right of Way (RoW) for enhanced architecture and newly created network, along with integration of phase one and two of BharatNet was also flagged as a challenge. DoT will have to find a solution to termination of ongoing work under the scheme and handing it over to the private sector.

Involving private players could affect pricing: The entry of private players for the completion of projects of BharatNet under the PPP model could mean an increase in prices of services being offered nearly free of cost by the government as of now. WiFi services under BharatNet are free till March 2020. If private players are allowed to complete projects, they are likely to look to recover their costs. It is yet to be seen if the upcoming projects will be completed on a sharing basis or the government would look to just facilitate the approvals while leaving infrastructure to the bidders.