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BANGLADESH

ICTS AND LOCAL SERVICE DELIVERY IN BANGLADESH
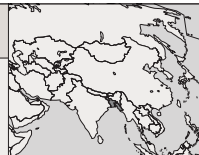
Bytes for All Bangladesh
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www.bytesforall.org

Introduction

Over the last 40 years, Bangladesh has become an interesting case study where its low per capita income (USD 700), low literacy rate (around 50%), insignificant computer literacy level and low grid-electricity penetration (less than 50%), coupled with its high population density (1,142.29 people per sq. km in 2010),[1] could not retard its success in human development indicators. Bangladesh has moved up 81% in the Human Development Index (HDI) over the last 30 years. With 99% primary school enrolment, a decreased infant mortality rate (from 145 deaths per 1,000 live births in 1970 to 46 in 2003)[2] and an increased food security level (near self-sufficiency), it has positioned itself as one of the countries that is geared towards achieving the Millennium Development Goals (MDGs). It also has 90 million mobile phone users, 2.7 million Facebook users, and 99% geographical coverage in voice and data connectivity (mostly through wireless networks)[3] – proving the country has attained initial readiness for service delivery using information and communications technologies (ICTs).

But all these gains have been achieved despite a widely acknowledged governance failure.[4] That governance failure is often demonstrated by the levels and perceptions of corruption within the country. For five years in a row (2000-2005), Bangladesh topped the global Corruption Perceptions Index prepared by Transparency International.[5]

Policy and political background

Corruption has multiple effects in a society. As Amartya Sen points out, "a high level of corruption can make public policies ineffective and can also draw

FIGURE 1

Corruption in education: Ratio of service recipients forced to pay a bribe
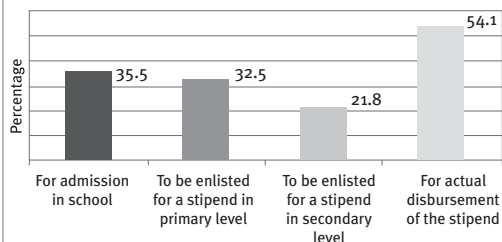
SOURCE: Calculated from TI Bangladesh (2005) *Corruption in Bangladesh: A Household Survey 2004*

investment and economic activities away from productive pursuits towards the towering rewards of underhanded activities."[6] The World Bank has identified corruption as the "single greatest obstacle to economic and social development." In 2004 it estimated that more than USD 1 trillion is paid in bribes globally each year.

In Bangladesh, like other countries, corruption has both direct and indirect effects on the poor. Indirect implications of corruption on the poor include diverting government resources away at the expense of social sector benefits. Direct implications include the fact that corruption increases the cost of key public services targeted to them, and results in restricted or limited access to essential services, as is shown in Figures 1 and 2.[7]

It is generally considered that Bangladesh loses 3% of its GDP due to corruption.[8] Transparency International Bangladesh (TIB) suggests that almost 75% of more than USD 35 billion in aid received since independence has been lost to corruption. Mauro says, "If Bangladesh were able to reduce corruption by one standard deviation to the level of Uruguay, its investment rate would increase by almost 5% and its annual rate of growth would rise by over one-half percent."[9]

1   World Bank data on Bangladesh: data.worldbank.org/country/bangladesh

2   UN Human Development Indicators on Bangladesh: hdrstats.undp.org/en/countries/profiles/bgd.html

3   Bangladesh Telecom Regulatory Commission: www.btrc.gov.bd

4   Zaman, I. (2006) *Measuring Corruption in Bangladesh: Can Communication Work?*, Transparency International Bangladesh. ti-bangladesh.org/index.php/research-a-knowledge

5   www.transparency.org

6   Sen, A. (1999) *Development as Freedom*, Oxford University Press, Oxford, p. 275.
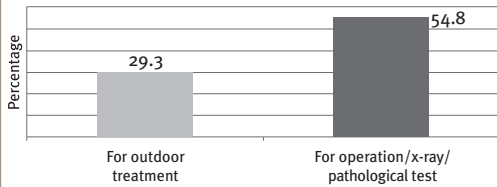
7   Zaman (2006) op. cit.

8   ti-bangladesh.org

9   Mauro, P. (1995) Corruption and Growth, *Quarterly Journal of Economics*, 110 (3), p. 681-712.

Corruption in health: Ratio of service recipients forced to pay a bribe

SOURCE: Calculated from TI Bangladesh (2005) *Corruption in Bangladesh: A Household Survey 2004*

There are several policies or legislations that address the issue of corruption in Bangladesh.[10] These include the Money Laundering Prevention Act (MLPA) that enabled the government to set up the Financial Intelligence Unit (FIU) with ICT facilities. The Anti-Corruption Act 2004 helped the Bangladeshi government set up the Anti-Corruption Commission (ACC) with financial independence. The Public Procurement Act 2006 is aimed at ensuring accountability and transparency in public procurement of goods, works or services, and free and fair competition among all the persons interested in taking part in such procurement.

One of the objectives of the National ICT Policy of Bangladesh[11] adopted in 2009 is to ensure "integrity". It has three strategic themes which have a number of action items directly aimed at the reduction of corruption in government. One specific item, namely action item no. 67, states: "[By allowing] citizens to report cases of corruption electronically this would empower citizens by giving them a voice in fighting corruption, thus helping the government fight corruption more effectively." It was a "short-term action" (to be implemented within 18 months) with the ACC identified as the principal implementing agency.

Local administration and public service delivery[12]

Over the past decades, a wide range of useful services to citizens have been provided by the Deputy Commissioner (DC) offices regarding control and supervision of revenue, maintenance of public order and security, licences and certificates, land acquisitions, census, relief and rehabilitation, social welfare, pension matters, education and public examinations, public complaints and enquiries. The conventional system of office management and service delivery at the DC offices is paper-based, which is time consuming and labour intensive for both the service provider and receiver. DC offices are also unable to meet the high demand for services from the growing population. Moreover, the inflexibility of this process coupled with the shortage of manpower and infrastructure make the services prone to abuse and corruption.

A national household survey[13] conducted by TIB in 2010 found that 88% of the respondents were victims of corruption in the judiciary, followed by corruption in law enforcement agencies (79.7%), land administration (71.2%), and taxation and customs (51.3%). In terms of bribery collection, law enforcement agencies were at the top (68.7%), followed by land administration (67%), the judiciary (59.9%), and taxation and customs (43.9%). The survey also revealed that 66% of respondents reported having to pay a bribe to access basic services in the previous 12 months, while 46% believed that corruption has increased.

In order to address this situation, District e-Service Centres (DESC) and Union (the lowest tier of local government institutions) Information and Services Centres (UISC) have been introduced to improve the accessibility and transparency of public service delivery at the local and remote level.

District e-Service Centres (DESC)[14]

A DESC centre is an ICT-facilitated one-stop service centre which provides an efficient electronic version of the century-old manual and heavily bureaucratic service delivery system at every DC office. DESC centres have the following objectives:

- To ensure service delivery at the doorstep of the people in the least possible time.
- To uphold citizens' rights to information through an extensive information flow.
- To reduce corruption and increase accountability by ensuring an enhanced flow of information and more transparent processes.

The services available at the DC office can be requested and received through the one-stop service counters, online, by phone, by post or by fax.

The first centre was piloted in the Jessore DC office in September 2010. Subsequently, more centres were brought online throughout 2011. Finally,

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10 Iqbal, M. (2008) *Tackling Corruption in South Asia: Are the Recent Initiatives Enough? An Appraisal of Bangladesh*, Korea University, Seoul.

11 bdictforum.wordpress.com/2012/03/14/national-ict-policy-2009-of-bangladesh

12 UNDP (2012) Project document of the "Access to Information (II): E-service delivery for transparency and responsiveness" project.

13 Transparency International Bangladesh (2010) *Corruption in the Service Sectors: National Household Survey 2010*. www.ti-bangladesh.org/research/Executive%20Summary_23122010%20FINAL.pdf

14 UNDP (2012) op. cit.

on 14 November 2011, Bangladeshi Prime Minister Shaikh Hasina and United Nations Secretary-General Ban Ki-moon jointly inaugurated DESCs in all 64 districts of the country. Citizens are now able to submit their applications online from service centres located at the DC office, Union Parishad or even from their own home without having to travel to the district headquarters.

Upon submitting their applications, citizens receive an SMS notification with a receipt number and date of service delivery. In addition, citizens will also be able to submit their applications through the District Portal from anywhere in the world, including all the Union Information and Service Centres. Citizens are notified through either SMS or email once the service is ready to be delivered. They can choose to receive the service in-person from the DC office concerned or by postal mail if the application is regarding requests for any documents. During the waiting period, citizens are able to check the status of their lodged applications though SMS or District Portals. This has allowed citizens to avoid in-person visits to DC offices, which previously gave birth to corrupt practices.

Union Information and Service Centres (UISC)[15]

UISCs are newly established one-stop service outlets operating at all 4,545 Union Parishads (lowest tier of local government) of the country. Through the use of ICTs, a UISC is able to bring various types of information related to government, livelihood and private services to the doorstep of citizens in rural areas. It ensures that service providers and users save time and cost, and has made operations hassle free. Operating under the Public-Private-People Partnership (PPPP) modality, these centres are run by local entrepreneurs, hosted by Union Parishads and supported by the central administration.

UISCs began operations in 2009 in 30 Union Parishads through partnership between the Local Government Division and Access to Information (A2I) programme. The Quick Win initiative expanded rapidly, culminating in a launch in all 4,545 Union Parishads on 11 November 2010 by the prime minister of Bangladesh and UNDP administrator.

Each UISC is operated by two young local entrepreneurs – a male and a female – under the supervision of a local advisory headed by the Union Parishad's chairman. The Union Parishad provides space and utilities for the centre. The Local Government Division coordinates with the Cabinet Division and Bangladesh Computer Council to establish the basic ICT setup, including computers, laptops, printers, multimedia projector, digital camera,

webcam and solar panel. The entrepreneurs are free to install additional facilities to support business growth, at the same time ensuring that the social sustainability of the centre is achieved by delivering government information and services.

Results achieved

Greater access and efficient processing have reduced barriers of culture, class, gender and distance in the delivery of public services. DESCs have made the service delivery process easy by minimising layers of red tape, time, hassle and cost for citizens. Travelling long distances and standing in long queues to receive services in district headquarters has been eliminated. Services have become truly decentralised with the access to DESC at union level through district portals. An enhanced tracking system ensures more accountability and transparency in public service delivery, leading to better governance.

The average official fee to get a copy of a simple land record is BDT 8 (USD 0.10). However, because of the corrupt practices of unscrupulous middlemen, the bribe paid to them is easily 20 to 100 times this amount. Now, with the introduction of e-services to access land records, the official fee is the only fee paid by the citizens, since the middlemen have no access to how the electronic transactions are done. The elimination of face-to-face interaction with the middlemen has brought about this result.

Also, citizens are saving a significant amount of time and money since they now do not have to travel to district headquarters. Previously, money would be spent on travel for the applicant, travel for an escort accompanying an applicant who is a woman, elderly, illiterate or has a disability, the opportunity cost in terms of daily wages for the applicant and the escort, and sometimes an overnight stay in district headquarters, all of which would create a significant financial burden for the applicant. DESCs accessible from UISCs have eliminated most of these costs.

The tracking number received over mobile phone is a remarkable addition for the elimination of corruption – it allows citizens to track the status of processing and brings a higher measure of predictability. Previously, the unpredictability and the long delays would open up opportunities for rent seeking by non-officer middlemen and sometimes even government officers.

In addition, the dashboards visible to the higher authorities displaying the status of application processing put the officers in the DC office on high alert, increasing efficiency and reducing the tendency to ask for bribes from citizen applicants.

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15 Ibid.

The electronic documents and land records are less prone to corrupt practices of tampering than their paper counterparts. And even if hackers emerge among the government officers, the introduction of digital signatures starting in 2013 will safeguard the electronic documents, adding another barrier to corrupt practices.

Since 14 November 2011,[16] all DC offices combined have finalised 809,219 applications, while 1,280,576 applications are in process; 389,423 land records have been delivered to citizens against 758,153 applications received. Four million citizens visit the UISCs per month to access various services.

Action steps

As indicated by the TIB survey, the majority of corruption occurs at the level of services that the government provides to the general public. Initially the Bangladeshi government pursued automation to improve internal processing and coordination. This resulted in an expensive procurement of state-of-the-art equipment, but did not bring any qualitative change at the service delivery end. Neither did it stop the corrupt practices. Therefore it is important that the government pursue innovative approaches, such as the DESCs and UISCs, and bring as much openness, automation and transparency as possible through decentralisation and e-services. The government should start to use its National e-GP Portal for e-procurement of goods and services. Currently, any local tender package up to BDT 500 million (USD 6 million) for goods or works and up to BDT 100 million (USD 1.2 million) for services can be processed through this portal.

In order to address corruption, the government needs to protect whistleblowers and encourage ICT-based communication allowing anonymity. The parliament enacted an act for protection of whistle-blowers in 2011. This needs to be promoted along with the Right to Information Act that may encourage others to seek or share information on corruption taking place even in remote areas.

It is generally believed that ICTs can eliminate the need or possibility of direct face-to-face interaction for people seeking information or services, thereby reducing the chances of abuse of decretory power by officials and opportunities for corruption. But this needs to be backed by enough political will and institutional strengthening efforts. The ACC can prepare a strategic plan for harnessing the full potential of ICTs in its activities, both in prevention and enforcement. Citizens need to be engaged and encouraged to be vigilant in an innovative way that brings forward an anti-corruption friendly environment. ▪

16 Chowdhury, A. (2012) *Service Delivery Transformation in Bangladesh: ICT as the Catalyst and Lessons from Korea.*