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Report No: PAD4124

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

PROJECT APPRAISAL DOCUMENT

ON A

PROPOSED LOAN

IN THE AMOUNT OF US\$47 MILLION

TO

INDIA

FOR A

PUBLIC SERVICE CAPABILITY ENHANCEMENT PROJECT

April 5, 2022

Governance Global Practice  
South Asia Region

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## CURRENCY EQUIVALENTS

(Exchange Rate Effective February 28, 2022)

Currency Unit = Indian Rupee (INR)

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INR 1 = US\$0.01

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US\$1 = INR 75.43

## FISCAL YEAR

April 1 – March 31

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## ABBREVIATIONS AND ACRONYMS

ADB	Asian Development Bank
BMGF	Bill and Melinda Gates Foundation
CBC	Capacity Building Commission
CBP	Competency Building Product
CBU	Capacity Building Unit
CEO	Chief Executive Officer
CoE	Center of Excellence
COVID-19	Novel Coronavirus Disease 2019
CPF	Country Partnership Framework
CTI	Central Training Institution
DoPT	Department of Personnel and Training
EAP	Externally Aided Project
E&S	Environmental and Social
EDGE	Economic Dividends for Gender Equality
ESCP	Environment and Social Commitment Plan
FM	Financial Management
FRACs	Framework for Roles, Activities, and Competencies
GBV	Gender-Based Violence
GDP	Gross Domestic Product
GeM	Government e-Marketplace
GoI	Government of India
GRS	Grievance Redress Service
GST	Goods and Services Tax
HR	Human Resource
iGOT	Integrated Government Online Training
ISTM	Institute of Secretariat Training and Management
IT	Information Technology
IUFR	Interim Unaudited Financial Report
LBSNAA	Lal Bahadur Shastri National Academy of Administration
M&E	Monitoring and Evaluation
MDB	Multilateral Development Bank
MoEFCC	Ministry of Environment, Forest, and Climate Change
NITI Aayog	National Institution for Transforming India
NPCSCB	National Program for Civil Services Capacity Building
NTP	National Training Policy
OLC	Open Learning Campus
PDO	Project Development Objective
PMU	Project Management Unit
POM	Project Operations Manual

PPSD	Project Procurement Strategy for Development
PMC	Project Management Consultant
PSCEP	Public Service Capacity Enhancement Project
RFQ	Request for Quotation
SEP	Stakeholder Engagement Plan
SPV	Special Purpose Vehicle
STEP	Systematic Tracking of Exchanges in Procurement
TA	Technical Assistance
WBG	World Bank Group

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## DATASHEET

### BASIC INFORMATION

Country(ies)	Project Name	
India	Public Service Capability Enhancement Project	
Project ID	Financing Instrument	Environmental and Social Risk Classification
P174067	Investment Project Financing	Low

### Financing & Implementation Modalities

<input type="checkbox"/> Multiphase Programmatic Approach (MPA)	<input type="checkbox"/> Contingent Emergency Response Component (CERC)
<input type="checkbox"/> Series of Projects (SOP)	<input type="checkbox"/> Fragile State(s)
<input type="checkbox"/> Performance-Based Conditions (PBCs)	<input type="checkbox"/> Small State(s)
<input type="checkbox"/> Financial Intermediaries (FI)	<input type="checkbox"/> Fragile within a non-fragile Country
<input type="checkbox"/> Project-Based Guarantee	<input type="checkbox"/> Conflict
<input type="checkbox"/> Deferred Drawdown	<input type="checkbox"/> Responding to Natural or Man-made Disaster
<input type="checkbox"/> Alternate Procurement Arrangements (APA)	<input type="checkbox"/> Hands-on Enhanced Implementation Support (HEIS)

Expected Approval Date	Expected Closing Date
27-Apr-2022	31-Mar-2027

Bank/IFC Collaboration

No

### Proposed Development Objective(s)

To enhance functional, domain and behavioral competencies of civil servants in select departments and agencies of the Borrower.

**Components**

Component Name	Cost (US\$, millions)
Development and Implementation of Competency Frameworks	25.00
Development of an Integrated Digital Learning Platform including Infrastructure and Content Creation	12.00
Program Monitoring, Evaluation and Management	10.00

**Organizations**

Borrower: India

Implementing Agency: Department of Personnel and Training, Ministry of Personnel, Public Grievances and Pensions

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

Total Project Cost	115.00
Total Financing	115.00
of which IBRD/IDA	47.00
Financing Gap	0.00

**DETAILS****World Bank Group Financing**

International Bank for Reconstruction and Development (IBRD)	47.00
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**Non-World Bank Group Financing**

Counterpart Funding	68.00
Borrower/Recipient	68.00

**Expected Disbursements (in US\$, Millions)**

WB Fiscal Year	2022	2023	2024	2025	2026	2027	2028
Annual	0.00	9.95	10.64	9.56	6.75	6.90	3.20



Cumulative	0.00	9.95	20.59	30.15	36.90	43.80	47.00
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## INSTITUTIONAL DATA

### Practice Area (Lead)

Governance

### Contributing Practice Areas

### Climate Change and Disaster Screening

This operation has been screened for short and long-term climate change and disaster risks

## SYSTEMATIC OPERATIONS RISK-RATING TOOL (SORT)

### Risk Category

### Rating

1. Political and Governance	● Moderate
2. Macroeconomic	● Moderate
3. Sector Strategies and Policies	● Moderate
4. Technical Design of Project or Program	● Moderate
5. Institutional Capacity for Implementation and Sustainability	● Substantial
6. Fiduciary	● Substantial
7. Environment and Social	● Low
8. Stakeholders	● Substantial
9. Other	
10. Overall	● Substantial

## COMPLIANCE

### Policy

Does the project depart from the CPF in content or in other significant respects?

[ ] Yes [✓] No





Does the project require any waivers of Bank policies?

[ ] Yes [✓] No

### Environmental and Social Standards Relevance Given its Context at the Time of Appraisal

E & S Standards	Relevance
Assessment and Management of Environmental and Social Risks and Impacts	Relevant
Stakeholder Engagement and Information Disclosure	Relevant
Labor and Working Conditions	Relevant
Resource Efficiency and Pollution Prevention and Management	Not Currently Relevant
Community Health and Safety	Not Currently Relevant
Land Acquisition, Restrictions on Land Use and Involuntary Resettlement	Not Currently Relevant
Biodiversity Conservation and Sustainable Management of Living Natural Resources	Not Currently Relevant
Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local Communities	Not Currently Relevant
Cultural Heritage	Not Currently Relevant
Financial Intermediaries	Not Currently Relevant

**NOTE:** For further information regarding the World Bank's due diligence assessment of the Project's potential environmental and social risks and impacts, please refer to the Project's Appraisal Environmental and Social Review Summary (ESRS).

### Legal Covenants

#### Sections and Description

Section I.A.2 of Schedule 2: The Borrower shall maintain throughout the implementation of the Project a high-level Steering Committee, with composition and terms of reference acceptable to the Bank.

#### Sections and Description

Section I.A.3 of Schedule 2: The Borrower shall maintain, throughout the period of implementation of the Project and under terms of reference acceptable to the Bank, a Project Management Unit ("PMU") within the DoPT, headed by a Project Director and assisted by competent staff, all with experience and qualifications, in numbers and under terms of reference acceptable to the Bank.



#### Sections and Description

Section I.A.4 of Schedule 2: The Borrower shall maintain throughout the period of implementation of the Project, the services of a project management consulting firm (the “Project Management Consultant” or “PMC”) with qualifications and experience and under terms of reference acceptable to the Bank.

#### Sections and Description

Section I.A.5 of Schedule 2: The Borrower shall establish, no later than six (6) months after the Effective Date, and thereafter maintain through the period of implementation of the Project, a complaint handling mechanism to address any complaints related to procurement under the Project, in accordance with the Procurement Regulations.

#### Sections and Description

Section I.A.6 of Schedule 2: The Borrower shall establish, and thereafter maintain throughout the period of implementation of the Project, the SPV in form and substance satisfactory to the Bank.

#### Sections and Description

Section I.B.1 of Schedule 2: The Borrower shall by no later than three (3) months after the Effective Date, prepare and adopt a Project Operations Manual (“POM”), in form and substance satisfactory to the Bank.

#### Conditions

Type	Financing source	Description
Disbursement	IBRD/IDA	Section III.B.1(b) of Schedule 2: No withdrawal shall be made under Category (1) or (2), for any activities implemented by SPV, unless and until the Bank is satisfied that the SPV has the capacity to implement its respective part of the Project, and DoPT and/or the SPV has implemented any risk mitigation measures recommended by the Bank.



## I. STRATEGIC CONTEXT

### A. Country Context

- 1. Growth rebound in FY21/22<sup>1</sup> has been quick, pulled up by investment, and recovering consumer demand.** Real Gross Domestic Product (GDP) growth moderated from an average of 7.4 percent during FY15/16-FY18/19 to an estimated 3.7 percent in FY19/20, mostly due to (i) shocks to the financial sector, and (ii) decline in private consumption growth. Against this backdrop, the outbreak of the Novel Coronavirus Disease 2019 (COVID-19) had a significant impact, with real GDP contracting by 6.6 percent in FY20/21. On the fiscal side, the general government deficit widened significantly in FY20/21, owing to higher spending and low revenues. However, with the easing of COVID-19 restrictions, Goods and Services Tax (GST) collections have crossed the INR 1.1 trillion mark every month since July 2021. The robust GST revenues are expected to continue as the economic recovery gathers momentum. The real GDP growth for FY21/22 is likely to be in the range of 7.5 to 12.5 percent, on the back of increased capital expenditure by the government and recovering consumer demand. Given the global concerns caused by the significant uncertainty around the pandemic, elevated inflation, geo-political tensions and extended supply disruptions, growth in FY22/23 is expected to be 8.7 percent. Nonetheless, the expected recovery will put India among the world's fastest-growing economies over the next two years.
- 2. Although India has made remarkable progress in reducing absolute poverty in recent years, the COVID-19 outbreak has delayed the course of poverty reduction.** Between 2012 and 2017, India's poverty rate is estimated to have declined from 22.5 percent to values ranging from 8.1 to 11.3 percent. However, recent projections of GDP per capita growth, considering the impact of the pandemic, suggest that poverty rates in 2020 have likely increased. Labor market indicators from high frequency surveys—including from the Centre for Monitoring Indian Economy (CMIE)—suggest that vulnerability has increased, particularly for urban households. Overall, the pandemic and its economic impacts are estimated to have raised urban poverty, creating a set of “new poor” that are relatively more likely to be engaged in the non-farm sector and to have received at least secondary education.
- 3. To deliver on its aspirations, India needs to address emerging challenges, overcome certain persistent constraints, and be ready to manage the uncertainties of the future.** First, India will need to adapt continuously to a rapidly evolving competitive global economy and accompanying technological shifts. Second, India is highly vulnerable to climate change which may likely push 45 million people into poverty. Building resilient and green growth through mitigation and adaptation measures is critical for India. Third, the country needs to spread both the gains of economic progress and access to economic opportunities more equitably to build a more stable, productive, inclusive, and resilient society. This challenge is not only about inclusive growth—ensuring that benefits of growth are distributed across the population in terms of, for example, access to services or social protection—but, importantly, also about inclusion for growth, ensuring that all citizens, particularly women and groups from disadvantaged social backgrounds, and all states have access to economic opportunities.
- 4. India's public sector performance is critical to building back better from the impacts of COVID-19 and to achieve its growth and inclusion targets.** Strengthening the capabilities of the national and

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<sup>1</sup> FY21/22 covers the period April 2021 to March 2022 which is the fiscal year followed by Government of India.



state governments is even more urgent today to ensure a coordinated and adequate response to address the adverse impacts of the COVID-19 pandemic and to put the economy back on to the path of recovery and stabilization. COVID-19 has heightened people's awareness of the role of public services. Moreover, demand for better public services and public sector performance will only grow as the economy recovers from the impacts of COVID-19 and the middle class returns to its pre-COVID trajectory. It will be critical to bridge the gap between the aspirations of citizens and the ability of governments and the public sector to meet these aspirations. While many bold and innovative solutions have been tried in different sectors and parts of the country, scalable and replicable solutions to address this issue remain elusive. Improving accountability, efficiency, and effectiveness of government personnel, activities, and public services, coupled with allocative efficiency is a significant challenge confronting the economy.

## B. Sectoral and Institutional Context

5. **A competent, motivated, and modern civil service will be essential to achieve India's priorities and aspirations while managing future uncertainties and disruptions.** There are nearly 18 million civil servants functioning across India with approximately two-thirds at the state government level and local body level. There is a well-established connection between institutional quality and economic growth.<sup>2</sup> Strong public institutions underpin successful economic growth and development, and recent research has shown the relationship between a merit-based civil service and growth.<sup>3</sup> 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.

6. **The Prime Minister has called for a 'future-ready' civil service which can meet an expanding economic and social mandate.** An important step in this direction was the organization of a common foundation course for about 430 new officers from more than 20 civil services in October 2019 at Kevadia in Gujarat. This inaugural, joint training course was facilitated by the Department of Personnel and Training (DoPT), the agency responsible for personnel management and training of civil servants, under the leadership of the Prime Minister. The World Bank partnered with DoPT to organize this three-day capacity development event, bringing global good practices and experts to engage with a new cohort of civil servants. An expansion of digital governance, a renewed focus on citizen-centered service delivery and India's diversity, calls on the government to be more agile and coordinated. A key goal of the Government of India (GoI) is to model new ways of working and delivering its mandate. To do this, new capacities need to be built among civil servants. Mission Karmayogi—a National Program for Civil Services Capacity Building (NPCSCB)—has been recently approved by the Cabinet and launched in September 2020 to support transformational change in civil service capacity. The program aims to build

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<sup>2</sup> 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* 89 (3): 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.

<sup>3</sup> See Evans and Rauch (1999). *Bureaucracy and Growth: A Cross-National Analysis of the Effects of "Weberian" State Structures on Economic Growth*. *American Sociological Review*; and Cornell, Knutsen, and Teorell (2018). *Bureaucracy and Growth*. *Comparative Political Studies*



human resource (HR) capabilities across all cadres of civil service to create a dynamic civil service, future ready and capable of meeting twenty-first century challenges.

7. **The capability of the civil service is fundamental to the success of public policy and the effectiveness of citizen service delivery.** While India has steadily improved its performance during the last decade, civil service skills need to be constantly upgraded to keep pace with an increasingly complex and uncertain world. An orientation toward problem solving, collaboration across boundaries, strong communication and networking skills, and innovation are key to effective functioning of civil servants in a global world. Civil servants need systems and design thinking skills to understand and influence the interactions among the various actors (private sector, nonstate organizations, and different levels of government) involved in service delivery. They need foresight and versatility to identify solutions that are resilient to future uncertainties and are sustainable over time. It is also critical that knowledge of global trends, technology, markets, competition, regulations, and contractual relationship management with the private sector be regularly upgraded to support quality policy making.

8. **There are clearly recognized needs for improving and expanding the range of gender-related competencies<sup>4</sup> available to civil servants across key departments.** More gender-related competencies are needed to help India's civil servants. Line ministries need to improve organizational culture and workplace diversity for women professionals. At present, women officials represent only about 12 percent of senior civil servants (decision-making government officials) working across ministries and departments at the federal and state level.<sup>5</sup> In such skewed workplaces, gender-related competencies must reflect the many areas where women and men may not enjoy the same opportunities (for example, equitable career flows and a safe workplace). The training ecosystem for civil servants in India still faces significant gaps in access and availability of gender-related competencies. Competencies and frameworks to ensure workplace diversities and equitable career flows for women are unavailable across the globally accepted parameters as defined by the Economic Dividends for Gender Equality (EDGE) certification,<sup>6</sup> launched at the annual meeting of the World Economic Forum in 2011.

9. **Climate change is another example where policy makers and implementers need to build skills and display foresight and versatility.** As key stakeholders in policy decision-making, civil service officials need to 'think globally and act locally,' by understanding and considering the implications of global challenges when designing reform interventions. India's vulnerability to climate risks<sup>7</sup> has made climate change an integral part of India's development narrative. India's efforts to reduce greenhouse gas emissions will have global implications—global damages from climate change will be much greater if India does not meet its greenhouse gas reduction targets. Climate projections by the International Panel on Climate Change indicate increases in annual mean surface temperature by 3–4°C toward the end of the century.<sup>8</sup> Rainfall is predicted to increase in some regions, while longer periods of drought are expected in others. India is severely affected by rising sea levels—more than 10 cm has been projected until mid-century. The major disaster risks are from flooding, drought, cyclones, and associated hazards, and climate change is expected to exacerbate these risks. In its Nationally Determined Contributions (NDC), India has committed to ambitious goals to reduce greenhouse gases and make its economy less vulnerable to climate impacts. India has plans to transform its economy and reduce emission intensity of

<sup>4</sup> Defined as competencies that promote workplace diversity, inclusion, and career advancement opportunities for women.

<sup>5</sup> Lok Sabha Discussions, July 10, 2019.

<sup>6</sup> The EDGE Certification is a globally accepted framework of effective gender equality policies and practices.

<sup>7</sup> India ranks 29 out of 191 countries in the 2019 Informed Risk Index 2019.

<sup>8</sup> Intergovernmental Panel on Climate Change (IPCC), 2007a.



its GDP by 33 percent from 2005 levels by 2030. In addition, India is committed to creating additional carbon sinks of 2.5–3 billion tons of CO<sub>2</sub> equivalent through additional forest and tree cover. To reduce vulnerability, India plans to enhance investments in development programs to reduce vulnerability in sectors, particularly agriculture, water resources, coastal economies, and health. This will require a deep understanding of the direct and indirect impact of climate change on sectors to be able to design appropriate climate change mitigation measures and adaptation strategies. The dynamic nature of climate change will require civil servants to build and constantly update knowledge and capabilities that will support building country-level resilience.

**10. Key challenges exist in building such capabilities across the large and diverse categories of civil servants.** While the need for continuous capacity development of officials in India is well acknowledged, and several training institutions at the national and state levels have been delivering training, these efforts have been limited and are not aligned. The sheer size and complexity of the civil services of India pose challenges which are unique to the country. These include the following:

- (a) **Diverse governance landscape which creates coordination and harmonization difficulties.** India has a complex governance structure where civil service officials are spread across the center, states, and local bodies and further divided across various cadres controlling authorities, ministries, departments, and agencies. The nearly 18 million civil servants are also organized into different cadres (for example, general administration, accounts and audits, and forestry), with each cadre having different training, career progression, and HR management strategies, leading to coordination and harmonization challenges. Further, the large volume and expansive spread of civil service officials create a logistical challenge to deliver capacity development activities using traditional means.
- (b) **Inadequate understanding of the core functional, technical, and behavioral competencies that are required.** Ministries and departments do not have a clear understanding of the gap between the functional and technical competencies needed at the organizational level to deliver on their core mission and the existing capacity across these areas.
- (c) **Absence of an integrated approach to capacity building.** A distributed civil service gives rise to a diverse training landscape whereby capacity development initiatives are dispersed across multiple central training institutions (CTI), state training institutions, and other training institutions, which operate on a stand-alone basis, with limited opportunities for sharing resources. This sometimes leads to omissions, redundancies, and duplications. Common courses that should be periodically available to all officers are sometimes not available and the current system limits the availability of anytime, anyplace learning.
- (d) **Existence of silos that prevent civil servants from collaborating across cadres and specializations** to address development challenges that increasingly require cross-department alignment.
- (e) **Disconnect between a role and training needed for that role.** Training often does 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 behavioral) associated with each position makes it hard to ensure that the right skills 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.

- (f) **Unequal access to training opportunities.** There is a need to democratize training so that it is not restricted to senior civil servants (referred to as Group A<sup>9</sup> officers) and is available to all officials. Further, even those offered training are often unable to take up these opportunities due to paucity of time and/or competing commitments. Currently, training (especially for those in Groups B and C) occurs sporadically and is not necessarily linked to career aspirations.
- (g) **Absence of learning data and competency information of employees.** Departments do not have a clear and holistic picture of competencies, training records, or training needs of officials. Due to these data and HR management information inadequacies, HR training strategies and programs cannot be focused on the areas of greatest need.
- (h) **Absence of a mechanism to constantly update training content.** Global policy debates around challenges such as climate change are resulting in a steady emergence of innovative policies to address these challenges. To keep with the times and remain relevant, training content on such issues requires constant updates. This remains a gap in the current civil service training setup.

11. **Due to the above challenges, the GoI's ability to deliver a comprehensive training solution program has been limited.** This was highlighted by the National Training Policy (NTP) 2012, which continues to form the basis for civil service capacity building. The NTP 2012 identified 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; and the need for enhanced transparency, globalization, and climate change. The NTP 2012 recommended expansion of systematic training initiatives to Group B and C officials, along with Group A. It emphasized competency driven training and HR management of officials, marking a shift from 'rule-based' system to 'role-based' system.

12. **Training is currently the responsibility of each cadre or ministry.** The NTP 2012 laid out an organizational structure to provide training, mandating each ministry/department to appoint a training manager and a training cell with HR and capacity-building professionals to enhance the focus on strengthening core competencies and technical knowledge of the officials. The overall bureaucracy comprises several cadres which broadly represent different specializations, for example, general administration, accounts and audits, and forestry. The NTP 2012 suggested that cadre training plans be developed based on the competencies required and training needs, to ensure that all cadres under the ministry/department or its attached/subordinate offices had a clearly articulated program for the development of their competencies.

13. **Training institutions lay at the heart of this model.** There are several training institutions across the central and state governments. The main CTIs include Lal Bahadur Shastri National Academy of Administration (LBSNAA), Institute of Secretariat Training and Management (ISTM), Indira Gandhi National Forest Academy, National Academy of Customs, Indirect Taxes and Narcotics, National Academy of Direct Taxes, Sardar Vallabhbhai Patel National Police Academy, and Rafi Ahmed Kidwai

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<sup>9</sup> 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' constitutes middle management, while Group 'C' and Group 'D' have administrative, clerical, and maintenance responsibilities.





National Postal Academy. The NTP noted the need to strengthen these institutions with requisite staff, infrastructure, and financing to perform their functions.

14. **While both the training divisions and training institutions are functional, the quality and adequacy of the training is varied and limited.** Though training cells have been established in departments, they are not always staffed with HR and capacity-building professionals. Competency frameworks do not exist in departments, so training cannot be linked with competency development or career progression. Training tends to be supply and procedure oriented rather than being linked to progressing individual and organizational competencies. Budgets of training divisions and training institutions remain limited further hampering their efficiency.

15. **The NTP 2012 lays out a clearly defined inclusionary objective to emphasize the development of proper ethics; commitment to work; and empathy for the vulnerable sections such as differently abled, senior citizens, scheduled castes, and scheduled tribes.** Further, the policy suggests key areas for capacity building such as rural development/welfare programs, rural planning, agricultural marketing and agricultural finance, rural industries, urban planning and infrastructure development, and urban poverty and social development that are directly aligned to the development needs of the vulnerable sections. The project plans to leverage this as an entry point to build competencies in key departments to reduce gender gaps.

16. **The GoI developed a wide HR Transformation Strategy in 2020, which draws on the recommendations of the NTP 2012.** Improving training and administrative capacity within the government is often difficult due to misaligned incentives including weak links with career progression and performance management. Bringing political and administrative leadership and coherence to this initiative is critical. Recognizing that civil servants should be competent and equipped with up-to-date skills, the government is committed to building capabilities for all officials across grades, cadres, and locations to deliver better policies and services. The HR Transformation Strategy includes improving the policy and regulatory framework, developing electronic HR management systems, expanding evaluation capabilities, and developing competency frameworks and capacity-building platforms. The new strategy aims to promote a learning culture in the public sector and embed it in the policy framework for HR management system linking processes of recruitment, training, performance, and promotions.

17. **As a first step in implementing this strategy, the GoI has recently established, through a Cabinet decision, 'Mission Karmayogi,' a new national architecture for civil service capacity building.** This innovative program envisages a comprehensive reform of the framework and incentives for capacity building both at the institutional and individual levels for efficient public service delivery. Under this program, a Capacity Building Commission (CBC) has been created and tasked with harmonizing training standards and creating shared faculty and resources and has a supervisory role over all CTIs. Other institutions to be created include a Prime Minister's National Strategic HR Council which will approve and monitor civil service capacity-building plans for all ministries and departments. A special purpose vehicle (SPV) has been established to own and operate an online learning platform and facilitate a world-class learning content marketplace.

18. **This new framework is a radical departure from the past.** It builds on the NTP's recommendations to introduce competency frameworks and establishes institutional mechanisms as well as an operating environment to implement a new HR learning framework. The new framework calls for the identification of competencies for every role and supports the development of online training





content based on the competencies identified. It moves training and capacity building from a traditional supply-driven approach to a demand-focused approach that is role based. The program proposes to develop robust competency frameworks for ministries, departments, and agencies that will provide individual civil servants with a framework of behaviors and skills 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. At the same time, the process democratizes training by developing a comprehensive online platform that can be accessed by all civil servants to support and widen the scope and content of training and capacity development. 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. Reinvesting in civil service learning will require not only the development of new training modules and infrastructure but also embedding of a learning culture as an organizational value and core responsibility of every civil servant.

19. **The DoPT, together with a CBC and a SPV, *Karmayogi Bharat*, will implement this learning transformation to democratize learning and shift to competency-driven capacity building.** Project design gives due consideration to the changes imposed by COVID-19 on the operating environment for government officials. The Project leverages technology to create an online platform that provides anytime, anyplace, any-device access to appropriately designed online training courses for civil servants that will enable learning and capacity enhancement to continue unabated during disruptions such as COVID-19.

20. **The World Bank proposes to leverage its experience in governance, public sector institutions, and civil service capacity enhancement to support the implementation of 'Mission Karmayogi.'** The proposed Project seeks to support the GoI in operationalizing new and innovative ways to build contemporary capabilities for civil servants. It will address the urgent need to operationalize an easy-to-access learning platform, utilizing digital technology to build new capabilities and competencies for government officials and supporting governance, business continuity, and resilience.

### **C. Relevance to Higher Level Objectives**

21. **The learning transformation reforms under the proposed Project are well aligned with the broader development strategy of the GoI.** In 2019, the Prime Minister laid out a vision of India becoming a US\$5 trillion economy by 2030. The National Institution for Transforming India (NITI Aayog), the government's premium policy think tank that provides both directional and policy inputs, in its report 'Strategy for New India@75,' highlighted the need for improving public institutions and administration and, particularly, the need for reforms in training as an integral part of the larger civil service reform agenda. The report makes several suggestions for accelerating economic growth including the reorientation of training to civil servants to meet job-outcome-related goals, leveraging online opportunities, and developing an e-learning platform and a competency matrix to monitor ongoing skill acquisition and help match requirements with resources in real time. In a sense, the civil service needs to be 'fit for purpose' to support the ambitions of the government.

22. **The Project is consistent with the India Country Partnership Framework (CPF) FY18–22 (Report No. 126667-IN), discussed by the World Bank Group Board of Executive Directors on September 20, 2018.** One of the four catalytic 'hows' of engagement under the CPF includes '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 the government's policies and programs and delivering public services in a transparent, accountable, and responsive manner. While most World Bank financed projects include capacity building as a key component, this is a unique opportunity for the World Bank to partner, for the first time, in a comprehensive manner, with the GoI to support an overarching national program of civil service capacity building that can be a catalyst for substantial change. Defining competencies, developing targeted training content, and building new capabilities will fundamentally strengthen India's public institutions.

23. **The proposed Project introduces 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 rollout of a contemporary digital training platform that can cater to the learning needs of almost 18 million civil service officials across the country.

## II. PROJECT DESCRIPTION

### A. Project Development Objective

#### PDO Statement

24. **The Project Development Objective (PDO)** is to enhance functional, domain and behavioral competencies of civil servants in select departments and agencies of the Borrower.<sup>10</sup>

#### PDO Level Indicators

25. The following results indicators are proposed to measure progress toward the PDO:
- (a) Civil servants in target departments and agencies who complete training on domain and functional competencies on the Integrated Government Online Training (iGOT) Karmayogi platform (percent)
  - (b) Civil servants in target departments and agencies who complete training on behavioral competencies on the iGOT Karmayogi platform (percent)
  - (c) Civil servants onboarded on to iGOT Karmayogi platform with Testing Competency Score<sup>11</sup> available (percent)
  - (d) Civil servants expressing satisfaction with training undertaken on the iGOT Karmayogi platform (percent)

<sup>10</sup> Refers to departments and agencies of the Union Government of India.

<sup>11</sup> The testing competency score is a composite score that captures the competency levels of a learner based on different competency-based tests s/he has undertaken on the platform.



## B. Project Components

26. **The Project will support the rollout of the GoI's HR Transformation Strategy as laid out in the recently announced 'Mission Karmayogi.'** It will focus on the implementation of a competency-based capability development program delivered through a digital platform known as iGOT Karmayogi. The Project will specifically support the development and operationalization of a comprehensive new approach to competency frameworks, to build a capable workforce, and the development of an integrated digital training platform including content creation and strengthening of the capacity of key institutions responsible for delivery and training. It is through this investment in defining and building relevant competencies that the civil servants are expected to improve their ability to effectively deliver public services. HR management for India's civil service will also be strengthened by improving policies, systems, and processes, for monitoring and evidence-based decision-making.

### **Component 1: Development and Implementation of Competency Frameworks (US\$33 million, of which US\$25 million IBRD)**

27. **At a strategic level, the competency framework, referred to as the Framework for Roles, Activities and Competencies (FRACs) by DoPT, will enable the government to align officials' knowledge, skills, and attitudes with the government's priorities, resulting in performance improvement and operational efficiencies.** This will enable the civil servants to identify competency gaps (a) in their existing roles, and (b) for the role they aspire to. 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. Further, the component will identify key departments in line ministries to pilot rollout of competencies that adopt the EDGE certification to create a framework that measures (a) creation and impact of policies to shift the organizational culture, (b) equitable career advancement road maps for women civil servants and women employees, and (c) safe workplaces and investments in establishing functional internal complaints committees<sup>12</sup> to prevent and redress any form of sexual/physical harassment at workplaces.

28. **Competencies may be broadly divided into those that are core skills which all civil servants would need to possess according to their role.** Competencies would relate to behavioral skills such as leadership, management, and communication as well as to professional or specialized skills, commonly referred to as 'domain' and 'functional' skills.

29. **At an operational level, the competency frameworks will drive the design of courses and learning paths.** Tailored content will be developed and curated through identification of competency gaps and of cross-cutting competencies that require high-impact courses. The learning path for an official will be an outcome of an algorithmically defined combination of the competencies necessary for their current role and their professional aspirations. Identification of competencies will be the basis for determining the job description for each role and activity, hence guiding mobility and career progression of civil services.

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<sup>12</sup> Internal Complaints Committees were to be established under the legal framework of the Prevention of Sexual Harassment at the Workplace (POSH) Act, 2013. Consultations with several departments indicate that these committees are not functional. The Project will strengthen department-level systems and technical capacities to establish the committees and establish minimum standards of functionality.



30. **Drawing on the recommendations of the NTP 2012, the DoPT in collaboration with the United National Development Programme (UNDP), published a Competency Dictionary in 2014, focused on behavioral competencies.** This 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.

31. **The Project will support the DoPT and select departments and agencies to undertake institution-specific competency assessments, including the development of evaluation criteria for individual competencies.** The selection will be made based on inter-ministerial consultations and will include both ministerial departments and agencies directly responsible for delivering services. Departments which have attached CTIs will be the initial focus, so that the expertise of CTIs can be leveraged for developing the competency frameworks. The government proposes to pilot FRACs in 95 departments and agencies over the next five years.

*Subcomponent 1.1: Establishment of a Center of Excellence to support the management, coordination and roll out of a competency framework*

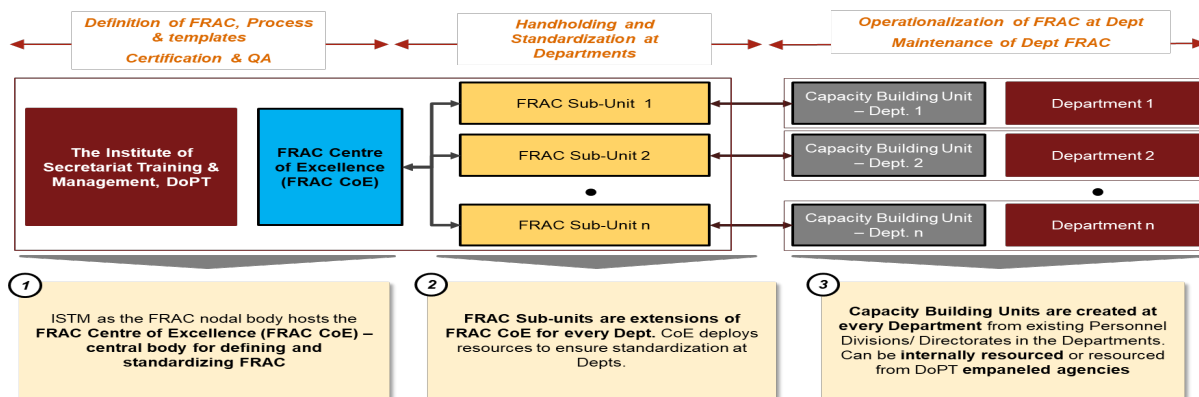
32. **The ISTM will be the nodal agency for developing and operationalizing the competency framework.** It will set up a specialized unit, the FRAC Center of Excellence (FRAC CoE), with responsibility to ensure standardization, scale-up, and the evolution of the competency framework approach. The CoE will develop the overall strategy and templates for rollout of FRAC so that standardization can be maintained across the departments and agencies during rollout. It will create the initial or base competencies for common positions and roles, based on the generic activities they perform across departments and agencies, which will be further refined in collaboration with relevant institutions. A FRACing toolkit will be created by the FRAC CoE. The toolkit will have detailed steps, templates, and workflows which will aid any organization to FRAC its own positions, roles, and activities. This common toolkit will also ensure consistency in the way each department/agency takes forward the FRACing process and the development of competency dictionaries. The FRAC CoE will play the dual role of a process owner where it defines, manages, and amends the process of FRACing and a process certifier where it certifies the FRACing operations at the departments and agencies.

*Subcomponent 1.2: Roll-out of Competency Frameworks in select government departments and agencies*

33. **To successfully reorient capacity building, an institutional arrangement needs to be established within the departments/agencies to build their own capacity to operationalize the competency frameworks.** Each organization will establish a Capacity Building Unit (CBU). This CBU will comprise internal staff drawn from the department who will work alongside HR specialists empaneled and certified by the FRAC CoE at the ISTM and the SPV, who will constitute a FRAC subunit for each department/agency. Figure 1 describes these institutional arrangements. The Project will support the establishment of these FRAC subunits in selected institutions. A key investment under this component will constitute the hiring of specialist HR agencies for development and operationalization of FRACs in the ministries, departments, and agencies.



**Figure 1. Relationship between the FRAC CoE and FRAC Subunits at the ISTM and CBUs at the Departments/Agencies**



34. **Working with the specialized FRAC subunits, the CBUs will develop and operationalize FRACs.** Three-year organizational goals will be developed which will enable the identification of roles, activities, and competency gaps for respective departments and agencies. Competency dictionaries will be developed for each department/agency. This will be done through an iterative process using specially developed questionnaires and consultative processes to understand cascading responsibilities and tasks. The toolkit developed by the CoE will be used to ensure standardization across roles and institutions. Competencies identified for each role will be validated by individuals performing these roles and their respective managers. The organizational competency framework will be approved by the head of the institutions. As part of developing competency frameworks, roles, and competency gaps will be identified that enable gender-intentional decision-making in key sectors and departments.

## **Component 2: Development of an Integrated Digital Learning Platform including Infrastructure and Content Creation (US\$47 million, of which US\$12 million IBRD)**

35. **While a competency framework will underpin the design of courses and learning paths, a technology platform, iGOT Karmayogi, will be the backbone of the entire learning management system.** A nascent platform exists which will be scaled up, both in terms of configurability and flexibility. The new advanced digital platform is envisaged to function as a comprehensive learning platform to meet the capacity development needs of India's civil servants. The iGOT Karmayogi platform will be the digital backbone which will allow many other layers and solutions to be built on top, including personnel management functions, paving the way for larger HR transformation. This component will support technological upgradation of iGOT Karmayogi, the development of appropriate infrastructure as needed, and the creation and curation of competency building products (CBPs) on the platform which include modules, courses, and programs for building targeted competencies. The component will also support targeted skill building in chosen functionalities/domains and promote sectoral expertise of civil servants in select areas such as gender budgeting and planning, gender-informed management and information systems, and sector-specific policies affecting female labor force participation.

### *Subcomponent 2.1: Development of platform infrastructure*

36. **The key technology design principles that will be adhered to for the development of the digital platform infrastructure are:** (a) use of a modular approach with clear separation of data storage, service, and application program interface (API) layers, with all components of digital infrastructure



independently replaceable and extensible; (b) use of micro-services and API-driven architecture to allow interoperability with other systems including India Stack components; (c) use of a shared infrastructure model, which will enable different institutions on iGOT Karmayogi to participate in the creation and consumption of content in a collaborative manner to avoid duplication of effort, bring down costs, and create a shared knowledge base; and (d) use of cloud services for hosting of the platform to ensure all-time availability, scalability, and flexibility. The Project will support hiring of necessary expertise and acquisition of infrastructure for the platform. However, no physical infrastructure procurement is envisaged.

*Subcomponent 2.2: Embedding of Competency Framework on iGOT Karmayogi*

**37. While the competency framework will be developed by the departments/agencies, the Project will support the digitization and encoding of these frameworks on to the iGOT Karmayogi platform.**

This will involve encoding each position, role, activity, and competency onto the platform. Initially, the mapping and grouping of roles, activities, and competencies will require detailed inputs from institutions.

*Subcomponent 2.3: Development of Applications and Analytical Engines on iGOT Karmayogi*

**38. The project will support development of applications and engines which will bring the embedded competency frameworks and onboarded content together.** Together, this will constitute the front-end delivery and the face of the platform. Learner management and assessment functionalities will maintain the learners' profile through aggregated and regularly updated telemetric data which will determine capacity-building needs and suggest learning pathways. The content management functionalities will support creation, curation, and use of content, making it available to all and accessible on multiple devices.

*Subcomponent 2.4: Content development for iGOT Karmayogi*

**39. The program envisages the development of curated content in the form of CBPs.** The Project will support the development of such CBPs as needed and support the digitizing and embedding of content onto the iGOT Karmayogi platform. While CBPs to match competency needs will be sourced from various internal and external markets, this content will require validation to ensure that the content onboarded on the platform is appropriate, of high quality, and drives learning. It will also need to be periodically updated to ensure currency, validity, and relevancy. For in-house content, institutions and their associated CTIs will need to be supported to digitize existing material and creation of content for newer pedagogies. The subcomponent will support development of competency-based products that are gender intentional and transformative. These CBPs will be linked to the parameters identified in the EDGE certification. A key investment under this component will constitute the hiring of technology providers/software development agencies for developing and enhancing the features and functionalities of the iGOT Karmayogi Platform.





**Box 1. iGOT Karmayogi and Climate Co-benefits**

The Project, by virtue of support for large-scale training and capacity building on a digital platform, is expected to have positive climate change co-benefits. Project design gives central cognizance to the criticality of climate change by focusing capacity-building efforts on the Ministry of Environment, Forest, and Climate Change (MoEFCC) and its affiliated training institutions. A CBU will be established within MoEFCC in Year 1 that will support the identification and mapping of core competencies that are recognized internationally as critical for managing and mitigating risks associated with climate change. In addition to the CBU, the pProject, in association with the Indira Gandhi National Forest Academy, will develop training courses on climate change mitigation and adaption for onboarding on to iGOT Karmayogi.

The shift to the digital training platform will result in reduced travel for face-to-face training and consumption of paper-based learning material. The iGOT technology platform will, among others, host courses on climate change, disaster management, and building resilience to Black Swan events. Effective large-scale training of civil servants on these issues will contribute to enhance their awareness, understanding, and knowledge, which in turn would result in better policy making and implementation of projects and programs that are climate sensitive. The iGOT platform will be extremely valuable to provide just-in-time training to civil servants, private sectors, non-governmental organizations, and so on in times of natural disasters to equip them with appropriate skills and capabilities to manage crisis. The Project will positively incentivize this learning and will track the percentage of civil servants trained on issues of climate change and environment management over the duration of the project.

**Component 3: Program Monitoring, Evaluation and Management (US\$35 million, of which US\$10 million IBRD)**

**40. Data are the glue that binds different components of the capacity-building program and links the three layers of the iGOT Karmayogi platform (FRAC, Digital Backbone, and Content Marketplace).**

The Project will support the program goals of development of assessment and monitoring mechanisms for performance of staff onboarded on to the iGOT Karmayogi Platform. It will also provide technical assistance (TA) as needed for strengthening HR transformation policies, developing HR databases, and conducting knowledge exchanges with other countries on civil service HR system transformation. The Capacity Building Commission will also have a role in implementing specific activities under this Component, in addition to the DoPT and the SPV.

*Subcomponent 3.1: Development of training assessment, monitoring and evaluation mechanisms, and knowledge sharing products and events*

**41. iGOT Karmayogi will develop inbuilt mechanisms to assess civil service officials on their levels of proficiency across different competencies as defined in the FRAC.** This will include self-rating, supervisor rating, and peer rating mechanisms. At the same time, every CBP available on the platform will have defined assessment modules designed to evaluate the learning acquired by civil servants against the stated competency outcomes.

**42. The component will provide consultancy support for design of the assessments to be onboarded on to the platform as well as for the broader Mission Karmayogi program, as needed.** Interventions will focus on tracking achievements towards organizational goals and improvements in organizational performance. The FRACing process has inbuilt mechanisms to develop and agree such



organizational goals. These assessments will include the identification of suitable performance indicators and the development of monitoring dashboards that provide real-time data, as well as organizational scorecards for participating institutions. The scorecards in turn, will provide data to assess organizational performance over time. The findings from these reviews will be periodically reported through the 'State of the Civil Services Reports' and presented in Global Annual Human Resource Summits.

#### *Subcomponent 3.2: Development of Capacity Building Products*

43. **This subcomponent will provide support to project implementing entities for developing relevant CBPs and incorporating climate change mitigation and adaptation aspects in relevant courses, as well as provide support to identified CTIs for developing suitable content for onboarding on to iGOT Karmayogi and for organizing and conducting capacity building events.**

44. **Specific focus will be paid to knowledge transfers between the World Bank's open learning campus (OLC) platform and the iGOT Karmayogi.** The Project will also engage with LBSNAA to institutionalize courses on climate change and sustainable development. The training will educate civil servants on climate and disaster risks, ways to improve resource efficiency including with energy and water consumption, planning for climate and disaster-resilient development, and ways to reduce greenhouse gas emissions.

#### *Subcomponent 3.3: Project Management Support Activities*

45. **This subcomponent will involve:** (a) supporting the Project Management Unit (PMU) for the day-to-day management of Project implementation, (b) supporting other institutions involved in the implementation of NPCSCB, including the CBC with specialist staff as needed, and (c) overseeing compliance with fiduciary obligations. Key activities that will be supported include:

- Creation of CBPs
- Key training events conducted by DoPT such as the common foundation course and the common mid-career training program
- Global HR summits
- Design and development of monitoring and evaluation (M&E) mechanisms for Mission Karmayogi including indicators and scorecards to track organizational performance
- Hiring of the project management consultants (PMCs)
- Engagement surveys on the civil service

### **C. Project Beneficiaries**

46. **An estimated four million civil servants of India will be direct beneficiaries and will be able to enhance their capabilities through new forms of training offered on the iGOT Karmayogi platform.** They will have better opportunities for growth and career enhancement. Government departments and agencies who will implement competency frameworks will also be major beneficiaries. They will benefit from role clarity and from the enhanced technical capability of their staff as well as the renewed focus on performance. Both individual civil servants and the ministries and agencies will have a better





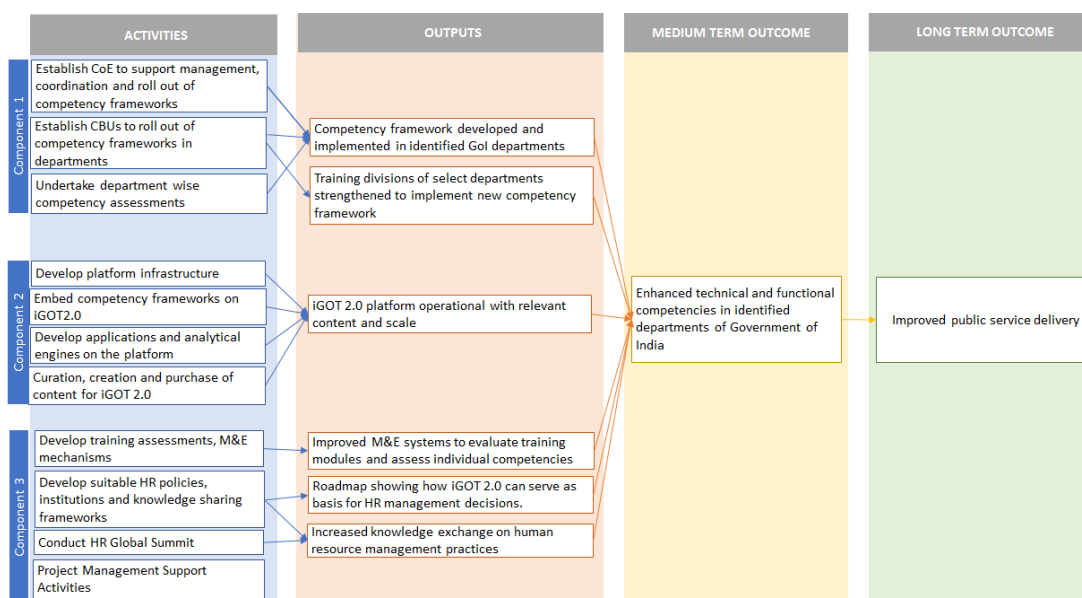
understanding of roles, skills, and expectations. Government agencies will be able to use the data and information emerging from the iGOT platform to make more informed decisions about recruitments and postings, matching skills to jobs more effectively.

47. **A third category of beneficiary would be DoPT, SPV, CBC, and the affiliated agencies who are part of the GoI's national program of capacity building.** The capacity of these agencies to manage and monitor human resources across the government will be enhanced through the implementation of the technology platform. Finally, although outside the scope of the Project, India's citizens will ultimately benefit in their interactions with the bureaucracy as the efficiency, responsiveness, and quality of service delivery will improve with the strengthening of the civil service. Further, the enhanced capacity of civil servants is indirectly expected to translate into better policy making and implementation of public programs and improved service delivery to citizens over the medium term.

#### D. Results Chain

48. **One of the underlying challenges affecting the Indian civil service is the lack of a strategic approach to building knowledge and capabilities that link to roles and functions.** Defining organizational goals, identifying the roles and functions needed to perform these, and defining and building human capabilities needed to advance them is a complex process. The Project sets out to address these challenges and is guided by the Results Chain (Figure 2). As the Results Chain illustrates, the activities to be supported by the Project will invest in creating a new training infrastructure which will support the development of enhanced technical and functional competencies in select departments and agencies of the GoI. This, in the long term, will support improved public service delivery.

Figure 2. Results Chain



#### E. Rationale for Bank Involvement and Role of Partners

49. **The World Bank has extensive international experience with civil service reform and training projects,** having supported numerous countries in the past 20 years. With this experience has come an



understanding of reform processes, the technical and institutional challenges likely to arise, and the factors that are critical for success.

50. **The establishment of the Bureaucracy Lab, a joint effort between the Government Global Practice and Development Prospects Group, brings additional knowledge and expertise that can be leveraged for the Project and the benefit of India.** The World Bank's extensive engagement in capacity and institutional building provides a deep understanding of key skills and competencies required for improving public service delivery. As a knowledge bank, the content available in the OLC can support content and course creation within the learning portals of the GoI. The World Bank is particularly recognized as playing the role of knowledge connector and will support the GoI in bringing curated experiences from countries such as the United Kingdom, Australia, and Canada.

51. **The World Bank can also play an important convening role.** Several donor agencies are committed to providing support to improve public sector capabilities. The World Bank is coordinating and collaborating with other international development agencies, namely the Asian Development Bank (ADB), the United Kingdom's Foreign, Commonwealth and Development Office (FCDO), and Bill and Melinda Gates Foundation (BMGF) that have been/are also supporting the GoI in the design and implementation of the broader NPCSCB. The World Bank is already partnering with the Lal Bahadur Shastri Academy of Administration, India's premier training agency on its training program for new recruits, providing global knowledge on civil service transformation and technical resources to support training.

#### **F. Lessons Learned and Reflected in the Project Design**

52. **The first and most important lesson is that implementing reforms of this kind is not a short-term process.** Developing an effective system for identifying the gaps in capacity and providing high-quality learning and development offerings, within a broader civil service reform agenda, brings a high level of complexity. It will take time to implement and even more time to begin having any visible impact. Project design is predicated on being able to start quickly and with a narrow focus. This will ensure that trust can be built through early positive results and then allow the incremental deepening of the support. The Project is sharply focused on developing this core, underpinning system which is the first step in a much longer journey to bring contemporary HR reforms to the Indian civil service.

53. **Second, cross-institutional collaboration and consensus building is critical for the successful implementation of governance reform projects.** Experience with similar projects has shown that successful implementation requires a significant coordination effort. The Project is part of a broader framework of institutional arrangements under the NPCSCB.

54. **Third, reform initiatives require up-front, accurate assessments of the government and institutional ownership and support for the reforms.** Experience suggests that high-level political will and reform champions are necessary ingredients for the success of projects. It is impossible to achieve results in the absence of sufficient ownership at the top. The Project has significant high-level political support and is a key component of the HR Transformation Strategy. Additionally, it is recognized as a priority objective of the NITI Aayog's report on 'Strategy for New India @ 75.'

55. **Fourth, monitoring and measurement of outcomes is critical to building trust, consensus, and momentum for reform.** The Project is focused on developing a comprehensive online training platform.



This training modality is relatively new to the Indian civil service, and it will be important to effectively monitor and rigorously measure and evaluate the impact of the training. The experience from countries such as the United Kingdom and the United States of America have shown that there is limited and mixed evidence on the effectiveness and impact of online training. An effective M&E framework will help identify the strengths and weaknesses of the existing online training platform and courses and provide a strong feedback loop to adapt and improve the design and delivery of future courses. It is critical to gather feedback from a variety of stakeholders including immediate feedback from individual learners, observations from supervisors on the impact of training over the medium term as well as examining of organizational data such as performance outcomes, training needs assessment, and areas of skill shortages. In addition, evidence and data from employee engagement or motivational surveys can also provide important inputs into the perception or views of the importance and value of online training from both staff and manager perspectives.

### III. IMPLEMENTATION ARRANGEMENTS

#### A. Institutional and Implementation Arrangements

56. **The Project will be implemented through the framework of institutional arrangements established under the Mission Karmayogi.** The Mission envisages the establishment of a Prime Minister's HR Council, a Coordination Unit in the Cabinet Secretariat, and an SPV to manage and operationalize iGOT platform and training. A CBC was already established in April 2021 to lead, support, and oversee various activities under Mission Karmayogi. The SPV was established in January 2022 and will gradually develop the requisite capacity to undertake project implementation.

57. **The DoPT will be the Project's main implementing agency through its training division.** A Project Management Unit (PMU) headed by a Project Director (Director of Training) will be responsible for the day-to-day implementation of the Project. The PMU will be maintained throughout the implementation period of the Project. A high-level Steering Committee will ensure coordination with the SPV, ISTM and other agencies involved in the Project. The PMU will be responsible for timely preparation and execution of annual work plans and budgets; preparation, execution, and updating of procurement and implementation plans; performance of fiduciary functions; and preparation of financial and performance reports, including M&E and semiannual progress reports. The PMU will be responsible for processing disbursements of project funds, reviewing fund utilization and accountability, conducting quality assurance of annual performance audits, overseeing review meetings, and supervising consultants. The PMU will be staffed with professionals hired from the market with required experience in HR policy, strategy, program management, fiduciary, and procurement management, and M&E.

58. **The SPV will operate and manage the digital platform and serve as an online learning provider organization supporting the management and onboarding of content, independent proctored assessments, the overall performance M&E of platform users, and the development of key performance indicators.** The SPV will be headed by a Chief Executive Officer (CEO), who will report to the Board of Directors. The SPV may also have its own PMU that will be responsible for procurement of goods and services, as applicable under the Project. Given that the SPV's governance structure has only recently been approved, the DoPT PMU will initially support all the functions that are envisaged as the



role of the SPV until the SPV can fully take over. An institutional assessment of the SPV will be undertaken by the World Bank during the Project which will include a procurement and financial management (FM) capacity assessment before these functions are transferred to the SPV.

59. **The CBC will be involved in the development of capacity-building products and strengthening of CTI's as well as design-suitable instruments to evaluate and monitor the progress of activities under Mission Karmayogi.** Necessary institutional, fiduciary and safeguard assessments of the CBC have been conducted by the World Bank, and mitigation measures have been identified.

60. **The DoPT will prepare and adopt a Project Operations Manual (POM) that will detail the activities for all project implementing entities within three months of project effectiveness.** The POM will contain detailed guidelines and procedures for the implementation of the Project with respect to administration and coordination, monitoring and evaluation, financial management, procurement and accounting procedures, environmental and social safeguards, corruption and fraud mitigation measures, a grievance redress mechanism, and roles and responsibilities for project implementation. The POM will be a "live" document and will be updated by DoPT as and when there are changes in project design. All amendments to the POM will be agreed with the World Bank.

## **B. Results Monitoring and Evaluation Arrangements**

61. **A Results Framework with project-specific indicators and actionable monitoring arrangements has been agreed with key counterparts.** This will support progress monitoring and result-oriented project implementation. The DoPT and the SPV, with support of the M&E expert who will be part of the PMU, will develop a system for M&E of the target outcomes and outputs. The M&E system will maintain records on implementation and generating the data and evidence necessary to document progress and results.

## **C. Sustainability**

62. **The sustainability of the project hinges on the government's continuing commitment to capacity enhancement.** Political support is extremely high for reforming the environment for bureaucratic functioning and for inculcating a culture of learning with competency-driven personal and professional development. The NPCSCB aims to drive whole-of-government transformation by creating a shared capacity-building resource architecture that eliminates silos and empowers the future of civil service. This is poised to address all layers of the civil service and, while beginning with selected departments/agencies of the Central Government, it will be rolled out across all agencies and states over time. With robust auditing and monitoring capabilities, the Mission Karmayogi Program will also institutionalize an architecture for developing scorecards for content and third-party providers, as well as for civil service officials, departments, training institutions, and states.

63. **The Project will support a technology platform for capacity building of civil servants at all grades.** The use of this platform and its sustainability will rely both on authority and the skills within the institutional arrangements that support it, the incentives provided to civil servants to use it, and the motivations of users to become 'future ready' as called for by the policy. Recognizing the need to build lasting institutional capabilities to manage both the technology platform and the overall civil service capability-building agenda, the SPV will provide flexible management and bring in technical and managerial support from the private sector. In addition, a CBC has already been established to oversee



the entire program. A Cabinet Secretariat Coordination Unit and a Prime Minister's National Strategic HR Council will further bring in strategic direction; ensure enforceability and consistency; and ensure essential coordination, oversight, and monitoring mechanisms to sustain program implementation. The Government has approved funding for these institutions as well as the larger program of capacity building thus ensuring financial sustainability. While at the initial stage, NPCSCB will focus on capacity building of civil servants, it is envisaged that the information that the technology platform will provide to the government on skills and capabilities over time will provide the basis for a more transparent and efficient system of postings and promotions. In turn, this will allow for better skill mapping and greater effectiveness of the civil service.

#### IV. PROJECT APPRAISAL SUMMARY

##### A. Technical and Economic Analysis

64. **Economic analysis.** Embedding online learning and development is part of a global trend in contemporary HR management which has grown substantially over the past decade but is still at an early stage in India, even in the private sector.

65. **The importance of investing in online training has been highlighted by the impacts of COVID-19** where it has not been possible to undertake in-person training despite a continuing need for learning and development. The GoI has already seen the benefits that can flow from using online training with the use of the iGOT platform to provide essential training to 1.2 million frontline staff. The iGOT platform allowed an immediate scaling-up of training, regardless of the location of staff.

66. **Quantifying the economic benefits to project interventions is difficult. Notwithstanding, there are three areas where the Project is expected to bring benefits to the GoI:**

- (a) **Increased efficiency of existing training expenditures.** Online training will reduce travel, accommodation, and meal costs as well as reduce the amount of time that staff are away from their workplace. Online delivery of training programs will also reduce the costs for instructor delivery of individual programs as well as venue costs and printed learning materials. The flexibility of being able to complete training online will also mean that staff can undertake training at a time that is convenient to them and their organization considering service delivery demands.
- (b) **Capitalizing on economies of scale.** Online training can reach an unlimited number of staff with the same investment in content development. Once a course is developed, it can continue to be delivered with small ongoing costs. Online training ensures consistency of delivery, with each learner receiving the same content, eliminating differences because of instructor competency. The training marketplace that will be developed under the Project will take advantage of a competitive training provider environment with departments able to access external providers to develop tailored courses designed to meet established training needs.
- (c) **Improving staff performance and productivity.** The online training courses will be linked to competency frameworks and skills that civil servants require for their current and future roles. Linking training to both individual and organizational needs will ensure that skills and capacity are built in areas of need. There is strong evidence to show that training is a motivator for staff



and improves retention. Evidence also exists to show that motivated staff are more productive and have higher performance. The online training platform will also provide access to significant data on staff learning including the impact of the training and will track training effort, reducing the administrative burden for data collection/analysis.

## B. Fiduciary

67. **Financial Management (FM).** The FM arrangements of the Project rely on the use of 'country systems.' These systems are assessed as 'Satisfactory' for DoPT and CBC. An assessment of the SPV's FM and corporate governance systems shall be undertaken once it is appropriately capacitated. FM responsibilities are vested in the PMU housed in DoPT. Reasonable assurance on the intended use of project funds is subject to the actions detailed in Annex I and the POM.

68. **The FM and accountability arrangements of the Project are summarized below:**

- a) **Planning and budgeting.** DoPT and CBC have drawn up a five-year financial plan and three-year financial plan, respectively, for carrying out the various mandates under Mission Karmayogi. DoPT and CBC will follow the guidelines on accounting and budgeting for externally aided projects prescribed in the General Financial Rules, 2017 and the Budget Manual of GoI. The DoPT has opened a dedicated budget head for the Project in the Ministry's annual demand for grant (DDG 73). A separate externally aided project (EAP) budget head is not envisaged to be opened for CBC. The DoPT has drawn a ten-year cost and revenue forecast for the SPV. The SPV will design and implement corporate planning systems and practices, which together with the ten-year forecast, will be leveraged for financial planning and forecasting for the Project. A separate EAP budget head is not envisaged to be opened for the SPV as well.
- b) **Funds flow.** The DoPT will receive funds from Ministry of Finance based on expected reimbursements from the World Bank. CBC and the SPV will receive funds from the DoPT for the project in the form of grant-in-aid. All project related payments made by the DoPT, and CBC will be routed and recorded through the EAT Module of the Public Financial Management System (PFMS) of the GoI. The Project shall rely on the SPV's corporate treasury arrangements for transmission of funds/payments. A separate bank account shall be opened by the SPV for receiving and expending funds under PSCEP. All transactions shall be executed online.
- c) **Accounting and financial reporting.** The DoPT and CBC will prepare and generate project accounts from PFMS using the GoI's standardized chart of accounts. The SPV will leverage its internal corporate accounting system for bookkeeping and financial reporting under the Project. Project accounting shall be done on cash basis by all implementing agencies. Expenditure reporting to the Bank shall be done via consolidated interim unaudited financial reports (IUFRs), which will be compiled manually by the PMU based on data furnished by all three implementing agencies. The PMU will also be responsible for compiling annual project financial statements and other financial reports for submission to the World Bank and auditors.
- d) **Internal controls and internal audit.** The Project will rely on the internal controls, policies & processes and internal audit mechanisms adopted/instituted by each of the implementing agencies. The effectiveness of internal controls of the accounting, funds flow and reporting systems adopted by DoPT is confirmed in its latest internal audit report (for FY18/19). The department fares well on overall compliance with GoI policies and rules. It has adequate experienced staff to execute and oversee its FM processes. Since CBC is leveraging the same





systems as DoPT, and the performance of those systems is satisfactory, the project proposes to rely on the said internal systems and internal audit mechanism in case of CBC as well. The management of the SPV shall ensure that (i) internal controls commensurate with the size and nature of its and the Project's operations and (ii) an internal audit system which is compliant with the Companies Act, 2013, is put in place to safeguard all finances from the risk of fraud and error.

- e) **Disbursement.** Disbursement of loan funds will be made against actual expenditures reported in consolidated IUFs prepared by the PMU (in DoPT) and submitted to the World Bank and the Controller of Aid, Accounts and Audit (CAAA) Division of the Ministry of Finance, GoI, within 45 days from close of each calendar quarter.
- f) **External audit.** The Comptroller and Auditor General (C&AG) will audit the annual expenditures incurred by DoPT and CBC under the project. A Chartered Accountant will audit the annual project financial statements of the SPV. Audit reports will become due for submission from the FY in which the first withdrawal is made against the loan. The PMU shall submit all audit reports to the World Bank within nine months from close of the financial year.
- g) **Staffing.** Three persons, two from DoPT and one from CBC, have been designated to implement the FM arrangements of PSCEP at the respective agencies. The SPV shall designate one person for the said purpose within three months of project effectiveness.

69. **Procurement.** All World Bank-financed procurements will be carried out in accordance with the World Bank's 'Procurement Regulations for IPF Borrowers for Procurement in Investment Project Financing - Goods, Works, Non-Consulting Services and Consulting Services', dated November 2020 (Procurement Regulations). The project would be subject to the World Bank's Anticorruption Guidelines, dated October 15, 2006, and revised in January 2011 and July 2016.

70. **The SPV, which is responsible for digital asset-related procurements under the Project, will have its own dedicated unit set up for vendor management and for procurement and contract management.** Till such time that this capacity is developed, the PMU based in DoPT will support the SPV. The expenditure profile for 2016–2019 indicates that no capital expenditure was incurred by the DoPT during this period whereas annual revenue expenditure incurred was less than US\$13.44 million. The relatively small procurements undertaken by DoPT indicates that it has not developed dedicated procurement capacity. The DoPT has no experience working on projects financed by the World Bank and therefore no experience of or exposure to the World Bank's applicable Procurement Regulations and their requirements. Similarly, as a new institution, the SPV does not understand these processes.

71. **Project Procurement Strategy for Development (PPSD) and readiness for implementation.** India is a market leader for information systems and technologies. An adequate market exists for the type of contracts proposed. The DoPT has prepared an initial version of the PSD. The PSD would be further strengthened once more information is available about high-value packages. Upon the World Bank's concurrence, the recommended procurement approaches would be reflected in the Procurement Plan.

## C. Legal Operational Policies

Triggered?



Projects on International Waterways OP 7.50	No
Projects in Disputed Areas OP 7.60	No

#### **D. Environmental and Social (E&S)**

72. **The environmental risk rating is assessed as low.** The emphasis of the Project is to enhance training capabilities for civil servants, using departmental reviews to develop a competency-based approach for upgrading of HR skills. No procurement of civil works construction or IT equipment is envisaged.

73. **Social risk is also assessed as low** as 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 and mitigation measures/plans are as follows:

- (a) *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. The digital platform iGOT Karmayogi will ensure that the content complies with AA levels of Web Content Accessibility Guidelines (WCAG) 2.1 that will make content more accessible to a wider range of people with disabilities, including accommodations for blindness and low vision, deafness and hearing loss, limited movement, speech disabilities, and some accommodation for learning disabilities and cognitive limitations. The DoPT will also include relevant clauses in the bid documents to ensure accessibility and that content to be created needs to follow diversity and inclusion principles.
- (b) *Occupational health and safety and COVID-19 concerns.* This would be mitigated through insertion of requisite clauses within bid documents for those agencies that shall provide services toward content creation, delivery, and impact evaluation. Also, in respect of contractors/consultants providing goods and services to the project, the Project would have formal contractual agreements in accordance with World Bank's Procurement Guidelines. Considering the above, only sexual exploitation and abuse/sexual harassment at workplace and COVID-19-related risks will be the main labor risks relevant to the project. While the former would be addressed according to the relevant clauses of the national legislation, the latter would be addressed through insertion of relevant clauses (in accordance with the Ministry of Home Affairs, GoI guidelines) in the bid and contract documents and will also be stated as an action in the ESCP. Hence, no separate Labor Management Plan is prepared.

74. **Stakeholders' risks have been mitigated through the development of a comprehensive Stakeholder Engagement Plan (SEP)**<sup>13</sup> that identifies all relevant stakeholders and modes of engagement and presents a grievance redressal mechanism (GRM) to redress any grievances from the

<sup>13</sup> The SEP was published in November 2020 and can be accessed on the DoPT website via the following link [https://dopt.gov.in/sites/default/files/SEP\\_DoPT\\_V0.5%20clean%20changes\\_5Nov20.pdf](https://dopt.gov.in/sites/default/files/SEP_DoPT_V0.5%20clean%20changes_5Nov20.pdf) and the Bank website via the following link <http://documents1.worldbank.org/curated/en/766151606313909447/pdf/Stakeholder-Engagement-Plan-SEP-Public-Service-Capability-Enhancement-Project-P174067.pdf>





various stakeholders. The ESCP lays down the implementation of the abovementioned actions along with responsibilities, reporting requirements, and timelines.

75. **Additionally, the Project's training content shall include a Module on Management of E&S issues to be integrated into the overall training curriculum of civil servants.** This capacity-building activity shall serve as a long-term measure to help the DoPT not just to address minor E&S risks arising from this Project but also to build capacity of all civil servants to better manage such risks. This module encompassing various E&S aspects—inclusion, non-discrimination, pollution, biodiversity, involuntary resettlement, tribals, stakeholder engagement, cultural heritage, gender-based violence (GBV), and so on—shall enable civil servants to understand and appreciate the various E&S considerations associated with overall project cycle of any infrastructure development and requisite measures to manage them effectively. A suitable indicator to monitor the same has been presented in the Results Framework.

76. **Considering the low E&S risks and impacts, DoPT shall designate one individual within its organization (or within PMCs) to coordinate these activities and carry out other actions as listed in the ESCP.**

77. **Citizen engagement.** The Project is unlikely to have any direct interface with the citizens. However, the key stakeholders and beneficiaries would include civil servants, managers, departments and their training institutions, government agencies, and content providers. During the preparation stage, consultation meetings were held by the DoPT with stakeholders such as civil servants and agencies such as Indira Gandhi National Open University, BMGF, Infosys, and LBSNAA to discuss various aspects of the proposed Project including (a) reviewing the capacity-building models of other countries across the globe and their outcomes, and (b) discussing the approach and implementation of iGOT Karmayogi, specifically for the pre-foundation and common foundation courses/content. Hence, to engage with all relevant stakeholders, in accordance with ESS10 requirements, the Project has prepared a SEP. The indicator 'percentage of respondents in staff survey expressing satisfaction with competency-based training undertaken' will be measured through user satisfaction surveys.

## **V. GRIEVANCE REDRESS SERVICES**

78. **Communities and individuals who believe that they are adversely affected by a World Bank (WB) supported project may submit complaints to existing project-level grievance redress mechanisms or the WB's Grievance Redress Service (GRS).** The GRS ensures that complaints received are promptly reviewed in order to address project-related concerns. Project affected communities and individuals may submit their complaint to the WB's independent Inspection Panel which determines whether harm occurred, or could occur, as a result of WB non-compliance with its policies and procedures. Complaints may be submitted at any time after concerns have been brought directly to the World Bank's attention, and Bank Management has been given an opportunity to respond. For information on how to submit complaints to the World Bank's corporate GRS, please visit <http://www.worldbank.org/en/projects-operations/products-and-services/grievance-redress-service>. For information on how to submit complaints to the World Bank Inspection Panel, please visit [www.inspectionpanel.org](http://www.inspectionpanel.org).

## **VI. KEY RISKS**



79. **The overall risk rating for this project is assessed as substantial driven by the following key risks:**

80. **The Institutional Capacity for Implementation and Sustainability risk is assessed as substantial.**

The Mission Karmayogi envisages the creation of several new institutions, including an SPV. Staffing these institutions could lead to delays in project implementation. Given that the DoPT and the SPV are not familiar with World Bank financed operations, technical assistance will be provided through the Project to these institutions to support project implementation. An appropriately staffed PMU will be set up in DoPT, which will be further supported through hiring of PMCs. World Bank support to DoPT through the PMU (including the PMC) will be extended to the SPV especially in the early years.

81. **The fiduciary risk is assessed as substantial.** The risks emanate from limited experience of the implementing agencies in executing World Bank-supported projects, particularly as the SPV is a newly created agency without tested FM and governance arrangements. Mitigation measures for FM include preparation of a detailed POM to document relevant processes and guidelines for incurring expenditure, hiring of FM-related experts in the PMU at the DoPT and the SPV, and providing support on the World Bank's reporting requirements such as the IUFRs and audit reports. Key procurement risks emanate from the type, size, and complexity of the procurement packages involved. The World Bank experience suggests that managing the procurement of IT packages can be challenging. Mitigation measures include (a) hiring of at least one procurement specialist, and one senior technology market expert in the PMU, (b) delegation of powers to SPV for procurement and contract management and hiring of procurement specialists in SPV, and (c) provision of extensive training on the World Bank Procurement Regulations and closer hand-holding support by the World Bank procurement team.

82. **The stakeholder risks are assessed as substantial** because of the complexity of coordinating across many actors, and the need to influence stakeholders to work differently and be evaluated using new parameters. A high-level Steering Committee was established to ensure adequate coordination and communication across different agencies involved. Stakeholder outreach activities and other adaptation measures will be designed as part of the Project, as needed. Most importantly, the guidance and oversight provided through the Prime Minister's HR Council, the Cabinet Secretariat Coordination Committee, and the CBC are expected to provide an enabling environment and incentives for successful implementation of the Mission Karmayogi.



## VII. RESULTS FRAMEWORK AND MONITORING

### Results Framework

COUNTRY: India

Public Service Capability Enhancement Project

#### Project Development Objectives(s)

To enhance functional, domain and behavioral competencies of civil servants in select departments and agencies of the Borrower.

#### Project Development Objective Indicators

Indicator Name	PBC	Baseline	End Target
<b>To enhance functional, domain and behavioral competencies of civil servants in select institutions</b>			
Civil servants in target departments and agencies who complete training on domain and functional competencies on the Integrated Government Online Training (iGOT) Karmayogi platform (Percentage)		0.00	30.00
Civil servants in target departments and agencies who complete training on behavioral competencies on the iGOT Karmayogi platform (Percentage)		0.00	30.00
Civil servants onboarded on to iGOT Karmayogi platform with Testing Competency Score available (Percentage)		0.00	50.00
Civil servants expressing satisfaction with training undertaken on the iGOT Karmayogi platform (Percentage)		0.00	80.00



### Intermediate Results Indicators by Components

Indicator Name	PBC	Baseline	End Target
<b>Development and Implementation of Competency Frameworks</b>			
Departments and agencies with CBUs established (Number)		0.00	40.00
Departments and agencies with approved organizational goals (Number)		0.00	40.00
Departments and agencies with approved competency frameworks (Number)		0.00	40.00
<b>Development of an Integrated Digital Learning Platform including Infrastructure and Content Creation</b>			
Organizational FRACs encoded in iGOT Karmayogi (Number)		0.00	40.00
FRACs for departments encoded in iGOT Karmayogi (Number)		0.00	35.00
FRACs for agencies encoded in iGOT Karmayogi (Number)		0.00	5.00
Civil servants in targeted departments and agencies registered on to iGOT Karmayogi (by gender) (Percentage)		0.00	50.00
Civil servants in targeted department and agencies with competency passbooks available on the iGOT Karmayogi (Percentage)		0.00	30.00
Competencies onboarded that have associated content available on the platform (Percentage)		0.00	60.00
Civil servants registered GOT Karmayogi who have completed courses on E&S risk management and climate change (Percentage)		0.00	10.00
Gender related competencies onboarded onto iGOT (Number)		0.00	4.00
Civil servants who were able to close competency gaps related to gender on iGOT Karmayogi (Percentage)		0.00	15.00
Of which are women civil servants who were able to close competency gaps related to gender on iGOT Karmayogi (Percentage)		0.00	5.00
<b>Program Monitoring, Evaluation and Management</b>			



Indicator Name	PBC	Baseline	End Target
Civil servants registered on to the platform who participate in iGOT generated surveys on content impact (Percentage)		0.00	80.00
Publication of State of Civil Service Report (Number)		0.00	2.00
Global HR Summits conducted (Number)		0.00	3.00

#### Monitoring & Evaluation Plan: PDO Indicators

Indicator Name	Definition/Description	Frequency	Datasource	Methodology for Data Collection	Responsibility for Data Collection
Civil servants in target departments and agencies who complete training on domain and functional competencies on the Integrated Government Online Training (iGOT) Karmayogi platform	This indicator measures uptake by civil servants of online training on domain and functional competencies provided by the platform	Semi-annual	iGOT Karmayogi platform	System generated report	DoPT/ SPV
Civil servants in target departments and agencies who complete training on behavioral competencies on the iGOT Karmayogi platform	This indicator measures uptake by civil servants of online training on behavioral competencies provided by the platform	Semi-annual	iGOT Karmayogi platform	System generated report	DoPT/ SPV
Civil servants onboarded on to iGOT Karmayogi platform with Testing Competency Score available	This indicator measures the competencies acquired through CBPs by civil servants onboarded on to the platform. The Testing Competency Score captures	Semi-annual	iGOT Karmayogi platform	System generated report	DoPT/ SPV



	the competency levels of a learner based on different competency based tests undertaken on the platform, including the PIAAs and the CBP based assessments.				
Civil servants expressing satisfaction with training undertaken on the iGOT Karmayogi platform	This indicator will measure civil servants' satisfaction with training provided through the iGOT Karmayogi platform. The methodology for assessing the satisfaction will be agreed between the DoPT and World Bank within the first 6 months of project effectiveness.	Semi-annual	iGOT Karmayogi platform	System generated report	DoPT/ SPV

#### Monitoring & Evaluation Plan: Intermediate Results Indicators

Indicator Name	Definition/Description	Frequency	Datasource	Methodology for Data Collection	Responsibility for Data Collection
Departments and agencies with CBUs established	This indicator tracks the number of organizations that have established capacity building units (CBUs), through departmental orders, that work with FRAC sub-units to develop department specific competency frameworks.	Semi-annual	DoPT	Information provided by DoPT during implementation supervision missions.	DoPT



Departments and agencies with approved organizational goals	The indicator tracks the number of institutions who have identified and developed institution specific three-year goals which are approved by the concerned Minister.	Semi-annual	DoPT	Information provided by DoPT during implementation supervision missions.	DoPT
Departments and agencies with approved competency frameworks	This indicator refers to the number of government institutions who have developed competency frameworks which have approved by the head of department	Semi-annual	DoPT	Information provided by DoPT during implementation supervision missions.	DoPT
Organizational FRACs encoded in iGOT Karmayogi	The indicator measures the number of organizational competency frameworks that have been digitized and encoded on to the iGOT Karmayogi platform	Semi-annual	DoPT/ SPV	System generated	DoPT/ SPV
FRACs for departments encoded in iGOT Karmayogi					
FRACs for agencies encoded in iGOT Karmayogi					
Civil servants in targeted departments and agencies registered on to iGOT Karmayogi (by gender)	This indicator measures the percentage of civil servants in targeted departments and agencies who have registered on to iGOT Karmayogi.	Semi-annual	DoPT/ SPV	System generated and information collated by DoPT	DoPT/ SPV
Civil servants in targeted department and agencies with competency passbooks available on the iGOT Karmayogi	This indicator measures the percentage of civil servants in targeted departments	Semi-annual	DoPT/ SPV	System generated and information collated by DoPT	DoPT/ SPV

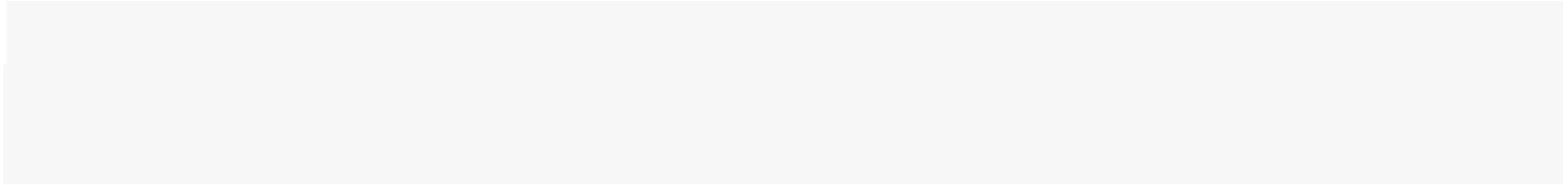


	and agencies who have competency passbooks reflecting domain, functional and behavioural competencies.				
Competencies onboarded that have associated content available on the platform	This indicator measures the proportion of competencies that have associated content onboarded that allows for capacity building on that competency.	Semi-annual	DoPT/ SPV	System generated	DoPT/ SPV
Civil servants registered GOT Karmayogi who have completed courses on E&S risk management and climate change	The indicator measures the proportion of civil servants onboarded on to the platform who have completed trainings on any of areas related to E&S risk management and climate change.	Annual	DoPT/ SPV	System generated	DoPT/ SPV
Gender related competencies onboarded onto iGOT	The indicator will measure no. of competencies related to safe workplaces for women professionals, gender smart planning/budgeting processes and women's presence in leadership/decision-making roles. The design of these competencies will draw from the EDGE Framework.	Annual	DoPT/ SPV	System generated	DoPT/ SPV





Civil servants who were able to close competency gaps related to gender on iGOT Karmayogi	This indicator will measure the percentage of civil servants who have successfully achieved competencies on gender, informed by the EDGE framework.	Annual	DoPT/ SPV	System generated	DoPT/ SPV
Of which are women civil servants who were able to close competency gaps related to gender on iGOT Karmayogi					
Civil servants registered on to the platform who participate in iGOT generated surveys on content impact	This indicator measures proportion of civil servants registered on to the platform who participate in iGOT generated surveys which are measuring the impact of the training courses on the achievement of competencies The methodology to be mutually agreed by DoPT and the World Bank within 6 months of project effectiveness.	Annual	DoPT/ SPV	System generated	DoPT/ SPV
Publication of State of Civil Service Report		Annual	DoPT/ SPV	System generated	DoPT/ SPV
Global HR Summits conducted	This indicator tracks the number of the Global HR Summit convened	Annual	DoPT	Implementation progress reports	DoPT





## **ANNEX 1: Implementation Arrangements and Support Plan**

1. **Institutional framework proposed for Mission Karmayogi.** An overarching institutional framework that brings all the stakeholders together is critical for long-term sustainability. This Project is nested within this overall government program which brings together multiple stakeholders across a complex bureaucratic landscape.
2. **National Strategic HR Council for Civil Services.** The Prime Minister's National Strategic HR Council will be the apex body providing strategic direction to the overall government reform program. Chaired by the Prime Minister, the Council will govern the capacity-building program, signal timely policy interventions, approve the national capacity-building plan, and review and provide guidance on reports submitted by other tiers of the governance structure.
3. **Cabinet secretariat coordination function.** To manage implementation of the program across government, monitor its progress, and promote cross-functional collaboration, a program coordination function is envisaged. Hosted within the Cabinet Secretariat, a Coordination Unit will work to unify the program, align stakeholders, and provide issue resolution, thus ensuring enforceability and consistency at an early stage. The Coordination Unit will be chaired by the Cabinet Secretary.
4. **Capacity Building Commission (CBC).** A CBC was established with the following key responsibilities: (a) facilitating preparation of the annual capacity-building plans of departments, ministries, and agencies; (b) preparing and presenting the Annual State of Civil Service Report to the Prime Minister's HR Council; (c) conducting functional supervision of all CTIs; (d) organizing the Global HR Summit; (e) conducting audit of HR in the government and outcomes of the capacity-building efforts; (f) creating shared learning resources, including internal and external faculty and resource centers; and (g) driving standardization, harmonization, and shared understanding of capacity-building activities.
5. **Special Purpose Vehicle (SPV).** A fully government owned SPV was established to support the roll-out of Mission Karmayogi. The responsibilities of the SPV include the following:
  - Own, manage, maintain, and improve the digital assets, that is, iGOT Karmayogi and its underlying infrastructure on behalf of the government. It will digitize FRAC and maintain it for departments and create and operationalize the CBP (content) marketplace.
  - Management of governance of telemetry data. This will involve creation and management of dashboards for viewing at all levels, including the Prime Minister's Dashboard.
  - Ownership of intellectual property of all knowledge and processes relating to iGOT Karmayogi.
  - Management of procurement fin compliance with relevant government norms and guidelines.
6. **Framework of Roles, Activities and Competencies Center of Excellence (FRAC CoE).** The FRAC CoE, hosted in the ISTM, will comprise leading experts from internal and external entities. Its key activities will include the following:
  - (a) Developing the FRAC strategy and implementing standard operating procedures;



- (b) Harmonizing the competencies across departments and playing the role of an arbitrator in the event of disagreement between departments on who is the notified owner of a competency;
- (c) Deploying small FRAC subunits, with suitable manpower, at each department, which will work with the departmental internal FRACing units to drive the capacity-building program;
- (d) Overseeing all activities related to operationalization of FRAC directly through the subunits deployed in the departments; and
- (e) Standardizing, replicating, and evolving FRAC. It will also set standards and certify the FRACing inputs of other central and state departments.

7. **Financial Management.** There are three Project implementing agencies, namely DoPT, CBC and the SPV. The DoPT is a department of the Ministry of Personnel, Public Grievances & Pensions, GoI and has well established FM systems. CBC is an attached office of DoPT and relies on the same FM systems as DoPT.

8. **The FM arrangements of the Project will rely on the use of ‘country systems.’** These systems are assessed as ‘Satisfactory’ for DoPT and CBC. An assessment of the SPV’s financial management and corporate governance systems shall be undertaken during the project and before any reimbursement of expenditure incurred by the SPV. FM responsibilities of the project are vested in the PMU housed in DoPT. Reasonable assurance on the intended use of project funds is subject to the actions detailed in this Annex and the POM.

9. **Accounting and financial reporting:** Relevant accounting heads have been identified by DoPT under the EAP scheme head. Relevant accounting heads of CBC which shall fall within the scope of the Project are yet to be finalized. Additionally, the PMU shall prepare and track component wise, activity wise and contract wise expenditure details outside the PFMS. The SPV shall institute systems, processes, and protocols for corporate accounting, which will be leveraged by the project. Should the need arise, interim book-keeping arrangements shall be made by the SPV for project accounting, contract management and expenditure tracking.

**Table 1: Accounting**

Implementing Agency	Identification of activities and expenditures to be incurred under Mission Karmayogi	Identification of expenditures to be included under PSCEP	Identification of accounting heads in the budget (DDG) for recording of expenditures to be included under PSCEP
DoPT	Complete	Complete	Complete
CBC	Complete	Under process	Under process
SPV	Complete	Complete	Will be taken up later

10. **Internal controls and internal audit:** The Project will rely on the internal controls, policies and processes and internal audit mechanisms adopted/instituted by each of the implementing agencies. The SPV is envisaged to have an ‘Internal Audit Department’ staffed with two persons, who shall evaluate



the adequacy and effectiveness of the SPV's systems, procedures and protocols, and report on the same directly to the CEO.

11. **Staffing:** Three persons, two from the DoPT and one from CBC, have been designated to implement the FM arrangements of PSCEP at the respective agencies. The DoPT has designated an Under-Secretary and appointed an FM Specialist (Consultant) to the PMU. CBC has designated the Deputy Secretary, Finance to support the project's financial management. The SPV shall designate one person for the said purpose, in addition to staffing its Finance, Internal Audit and Risk and Compliance Divisions with adequate and qualified staff for executing the project's FM arrangements.

12. **Project Operations Manual** The planning and budgeting, funds flow, accounting and reporting, internal controls and audit, and disbursement arrangement for each of the implementing agencies, project components and the project will be detailed in this document.

13. **Procurement: The inherent procurement risk for the proposed project is 'High' while the residual risk is 'Substantial'.** The key drivers of risk are the following: (a) institutional arrangements are still under design, (b) DoPT does not have experience in large-value procurement under the government or Multilateral Development Bank (MDB) Guidelines, and (c) the Project involves large-value IT software systems. Global knowledge and experience will be introduced to address challenges in large-value and complex IT procurement and contract management. A set of actions recommended to mitigate the potential risks are listed below.

**Table 2. Procurement Risk and Mitigation Measures**

<b>Risk</b>	<b>Mitigation Measure</b>	<b>Timeline</b>	<b>Responsibility</b>
Potential delay as the new organization sets up its internal management systems including management of procurement activities	The PMU, already established under DoPT, will be strengthened through additional staffing. This PMU will manage all procurement activities and support the SPV until the PMC in the SPV is hired and capacitated.	Before launch of the first tender	DoPT
New untested organization to implement the project including procurement	The procurement consultant will be hired, preferably with experience of managing MDB-financed projects, at the DoPT PMU.	Before launch of the first tender	DoPT
Potential delay in technology procurement packages	The SPV will be staffed with adequate procurement capacity for managing project activities.	Before launch of the first tender	SPV
Inadequate expertise to procure and manage technology packages	A senior technology expert to be included as part of the PMC	Before launch of the first technology related tender	DoPT
No experience of World Bank-financed project	Get the SPV procurement specialists trained on World Bank Procurement Regulations.	Within three months of project effectiveness	SPV
Absence of a procurement-related complaint handling mechanism	Establishment of a project-level procurement-related complaint handling mechanism which is compliant	Within six months of	DoPT / SPV



Risk	Mitigation Measure	Timeline	Responsibility
	with World Bank Procurement Regulations (especially Annex-III)	project effectiveness	
Non-disclosure of procurement information	Timely disclosure of procurement-related information in the public domain as per requirements of World Bank Procurement Regulations	Continuous	SPV

14. **E-procurement system.** The e-procurement system (<https://eprocure.gov.in/eprocure/app>) of the GoI which is designed, developed, and hosted by the National Informatic Center shall be used. Requirements for e-procurement will be as indicated in the Procurement Plan. This system has been assessed and found acceptable by the World Bank.

15. **Provisions specified in the textual part of the procurement plan shall be additionally applicable.** These cover amongst others, aspects such as prior review thresholds, thresholds related to market approach, national procurement procedures, and conditions related to use of Government e-Marketplace (GeM).