

2nd March, 2009

Dear Mr. Prime Minister,

The National Knowledge Commission considers it imperative to ensure that the applications of knowledge are used for the well-being of common people, especially in rural areas. Our consultations with a working group of experts involved with grassroots organizations helped identify some workable ideas and existing projects that have potential for scaling up. One of the projects identified for implementation after discussions focused on the need to set up Panchayat Gyan Kendras (PGKs) throughout the country. The findings from this project form the basis for our policy suggestions in this letter.

We believe that it is essential to build capacity in Panchayats to ensure participatory decision making and a healthier democracy. Building a system that can tap and develop locally available knowledge resources through Panchayats is crucial for the efficient implementation of initiatives such as NREGA. Such a system also provides creative outlets for harnessing local knowledge to meet a variety of needs in diverse areas such as health, education, agriculture, forestry, water etc. On a short term basis, NKC, along with the Mazdoor Kisan Shakti Sangathan (MKSS) and the School for Democracy, Rajasthan, helped set up a PGK in Rajsamand district in Rajasthan to efficiently implement the NREGA and use the systems developed to create a more participatory, transparent and accountable Gram Panchayat. We believe that eventually, if a network of such PGKs is set up across the country, it will help identify, harness and replicate the tremendous human resource and knowledge pool that exists, to improve the quality of life of India's people.

Panchayat Gyan Kendra in every Block

We recommend that every block in the country should have at least one PGK. The PGK can become a resource centre to demonstrate best practices, evolve local solutions and serve as a training institution. It can also offer an opportunity to bring together elected representatives (including Panchayat representatives) policy makers and civil society in a creative endeavour of local self government for efficient delivery of basic services. This system of PGKs can be initiated through the broader platform of a Panchayat Knowledge Mission, for maximum scale, commitment and effect. While it is envisaged that the PGK will eventually develop into a comprehensive resource, it could initially concentrate on areas related to the NREGA. As such, the PGK can immediately address the following issues in the NREGA by building demonstrable systems of people-based implementation:

- 1. Peoples Planning:** Institutionalization of proper planning mechanisms requires area-specific processes, evolved after concentrated effort at the local level. The PGK could be required to carry out:

- An initial review of existing plans and initiation of the peoples planning process
 - A tentative revised plan for the first year of NREGA works to be prepared in 3 months
 - Institutionalizing a long term planning process in a year's time
- 2. Worksite Management:** The NREGA can work well if there is decentralized accountability at every one of the hundreds of work sites in each district. An efficient worksite management system will change the work culture, involve a new set of educated unemployed youth and bring about skill upgradation in an organized manner. The PGK can serve as the platform for implementation of the following:
- Initial training of NREGA worksite managers ('upgraded mates') in 3 months
 - Facilitating adequate training and competencies of all worksite managers in the block in one year
 - Institutionalising worksite management systems including systems for training women masons, appropriate worksite facilities, improved tools and certified worksite managers. This would require a period of two years
- 3. Computerization of the Panchayat Office:** To address efficiency and accountability issues, the PGK can assist in computerizing the Panchayat office. This would involve:
- Computerization of NREGA documents in 6 months
 - A fully computerized and organized Panchayat office in 12 months
 - Institutionalizing this process with innovations such as information kiosks at the Panchayat level, over a period of two years
- 4. Use of ICT:** Use of ICT innovations for better governance would involve proper record maintenance, enhanced transparency and proactive disclosure, efficient and timely wage payments and facilities for financial inclusion at the Gram Panchayat level. This could also include innovations to reduce the digital gap, by making the PGK a public internet point of the Panchayat. To ensure transparency, ICT should also be employed in bank transactions for wages as well as to create bank accounts for NREGA workers. This would provide an important system of checks and balances.
- One such initiative is a live pilot jointly launched by NIC and India Post in the state of Orissa in December 2008. In this pilot, postal agents in villages have been equipped with mobile phones enhanced with unique secure transaction technology, and supported by smart card readers and finger-print sensors, to interact with NREGA workers and securely deliver payments. Near real-time data entry from these terminals to the block level system using mobile data connection ensures minimal latency and enhanced transparency in servicing worker requests. While the first phase of the live pilot is focused on secure delivery of payments to

the workers, the larger goal of this exercise is to create “pseudo-bank accounts” for all the participants, which will be hosted by India Post (and any other treasury authorized by the Government of India). A similar pilot project for enabling wage payments through ICT is also under consideration in Rajsamand district in Rajasthan.

5. **Disclosure Processes:** To ensure transparency in Panchayats, due mechanisms need to be incorporated including an open office, open inspection and an institutionalized system of proactive disclosure for NREGA, as well as other Panchayat programmes and functions. For all Panchayat offices, this would require a year.
6. **Social Audit:** To further ensure a system of accountability and monitoring, a full social audit of all NREGA works in the Panchayat needs to be conducted twice a year. This would aim to cover neighbouring Panchayats and eventually the block within one year.
7. **Programmes for Skill Upgradation:** Such programmes for NREGA workers in the Gram Panchayat could be evolved based on local skills and local employment opportunities. These could then be institutionalized in a phased manner in the block and district. Locally appropriate and useful labour intensive works could be proposed and tried out, so that they can be included in the list of permissible works under NREGA.
8. **Effective Local Designs for Labour Intensive Works to Build Rural Infrastructure:** The NREGA is an employment generation programme which requires the use of labour resources on a priority basis. NREGA allows various types of labour intensive works to be carried out – such as water harvesting structures, forestry, roads etc. To increase efficiency and reduce drudgery, relevant designs have to take into account locally available material, geo-climatic conditions and social factors, including the need to optimally use human resources of the area. This task requires a local centre for innovation and design, which could be facilitated by the PGK. Further, the productive value of these works could be enhanced with appropriate scientific and technical inputs. In a related letter, we have discussed the need for ergonomic tools, especially among workers involved in manual labour tasks.
9. **Design of Appropriate Worksite Facilities:** The NREGA mandates that all workers be provided with clean drinking water, shade, crèche facilities for small children, and first aid facilities at the work site. This is crucial to ensure dignity of labour and to make the worksite a safe working environment. This task also requires an appropriate set of local designs for management as well as the means of delivering these facilities.
10. **Convergence of different social sector programmes:** Finally, the NREGA offers huge potential for facilitating convergence of different social sector

programmes as it brings together rural labour at one place. This can enable a number of empowerment and awareness generating efforts in health, education, workers rights and understanding of democratic processes. The PGK could function as a platform for organizing melas, workshops and training, which not only deal with the NREGA, but also enhance participatory processes in all social sector programmes in the Panchayat. The PGK could thus play a critical role in creating a well-informed citizenry.

11. Establishing a Panchayat Knowledge Mission: The knowledge gathered and generated, and the lessons learnt in different parts of the country in the PGKs need to be brought together on one platform so that a cross fertilisation of ideas can take place. Also, there is a need for national resource centres, to provide technical and appropriate support to help PGKs carry out their objectives and overcome challenges through creativity and innovation. Such an effort would require flexibility and support best provided through a mission approach. The Panchayat Knowledge Mission and its special resource units can enlist technical help and expertise to meet demands for such support from any part of the country.

We believe that building a network of PGKs, backed by ICT and transparency mechanisms will create a wealth of innovative, scalable best practices and qualitatively improve democratic governance in the country.

With warm personal regards,

Sam Pitroda
Chairman
National Knowledge Commission

Copy to:

1. Sh. Montek Singh Ahluwalia, Deputy Chairman, Planning Commission
2. Sh. Mani Shankar Aiyar, Minister for Panchayati Raj
3. Dr. Raghuvansh P. Singh, Minister for Rural Development
4. Sh. Oscar Fernandes, Minister for Labour and Employment