

# Digital India facing hurdles on multiple fronts

FC BUREAU

New Delhi

LACK of clarity in policies and infrastructural bottlenecks may hamper the Centre's ambitious Digital India programme, which is facing multiple challenges in its successful implementation, said a report.

According to the joint report by Assocham-Deloitte, the issues pertaining to taxation and other regulatory guidelines have proved to be roadblocks in advancing with the programme, while contracting challenges also played a spoilsport.

The report said: "some of the common policy hurdles include

lack of clarity in FDI policies, which have impacted the growth of e-commerce. Transport services like Uber have had frequent run-ins with local governments due to legacy policy frameworks which have not become attuned to the changing business landscape."

"The biggest challenge faced by Digital India programme is the slow/delayed infrastructure development. Spectrum availability in Indian metros is about a tenth of the same in cities in developed countries. This has put a major roadblock in providing high speed data services," it said.

The joint study observed that

for the Digital India to have a large-scale impact on citizens across the nation, the digital divide needs to be addressed through last mile connectivity in remote rural areas, as currently, over 55,000 villages remain deprived of mobile connectivity. "This is largely due to the fact that providing mobile connectivity in such locations is not commercially viable for service providers," it added.

The report estimated that India needs over 80 lakh hotspots as against the availability of about 31,000 hotspots at present to reach the global level of one Wi-Fi hotspot penetration for every 150

people. "For digital technology to be accessible to every citizen, significant efforts are needed to customise apps and services to cater to local needs. Finding vendors who can provide such applications has become a challenge," the report said, adding that with proliferation of cloud-based services like DigLocker, data security has emerged as a major challenge.

To enable development of digital infrastructure, it further said that a uniform (Right of Way) RoW policy across all states with a reasonable cost structure is required along with a single window mechanism for granting RoW permissions.

BIGGEST CHALLENGE IS SLOW OR DELAYED INFRA DEVELOPMENT: REPORT

# Digital India facing challenges

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New Delhi, 12 January

Infrastructure bottlenecks and lack of clarity are among the various challenges faced by the government in implementing its much touted Digital India programme which was launched with much fanfare by Prime Minister Narendra Modi, according to a report.

The issues pertaining to taxation and other regulatory guidelines have proved to be roadblocks in advancing with the programme, while contracting challenges also played a spoilsport, the joint report by Assocham-Deloitte said. "Some of the common policy hurdles include lack of clarity in FDI policies, which have impacted the growth of e-commerce. Transport

services like Uber have had frequent run-ins with local governments due to legacy policy frameworks which have not become attuned to the changing business landscape," it said.

Besides, the government's many requests for proposals (RFPs) are not getting the response from private sector organisations since they are not commercially viable, the report said.

"The biggest challenge faced by Digital India programme is the slow or delayed infrastructure development. Spectrum availability in Indian metros is about a tenth of the same in cities in developed countries. This has put a major roadblock in providing high speed data services," it said. The joint study



observed that for Digital India to have a large-scale impact on citizens across the nation, the digital divide needs to be addressed through last mile connectivity in remote rural areas, as currently, over 55,000 villages remain deprived of mobile connectivity.

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The report estimated that India needs over 80 lakh hotspots as against the availability of about 31,000 hotspots at present

to reach the global level of one Wi-Fi hotspot penetration for every 150 people.

According to the report, "for digital technology to be accessible to every citizen, significant efforts are needed to customise apps and services to cater to local needs. Finding vendors who can provide such applications has become a challenge."

With proliferation of cloud-based services like DigLocker, data security has emerged as a major challenge, according to the report.

To enable development of digital infrastructure, it said that a uniform (Right of Way) RoW policy across all states with a reasonable cost structure is required along with a single window mechanism for granting RoW permissions. PPP models must be

explored for sustainable development of digital infrastructure, as has been the case for civic infrastructure projects like roads and metro. The government should try to make additional spectrum available to telecom service providers for deployment of high speed data networks.

Moreover, startups need to be incentivised for the development of the last mile infrastructure and localised services and applications, it suggested.

The report said the existing government infrastructure assets like post offices and other buildings should be further leveraged for provision of digital services. In rural and remote areas, private players should be incentivised to provide last mile connectivity.

## Digital India facing challenges on multiple fronts: Report

**NEW DELHI:** The Centre's ambitious Digital India programme is facing multiple challenges in successful implementation due to lack of clarity in policies and infrastructural bottlenecks, according to a report.

The issues pertaining to taxation and other regulatory guidelines have proved to be roadblocks in advancing with the programme, while contracting challenges also played a spoilsport, the joint report by Assocham-Deloitte said.

Some of the common policy hurdles include lack of clarity in FDI policies, which have impacted the growth of e-commerce. Transport services like Uber have had frequent run-ins with local governments due to legacy policy frameworks which have not become attuned to the changing business landscape," it said.

Moreover, many request for proposals (RFPs) issued by the government are not being picked up by competent private sector organisations since they are not commercially viable, the report added.

"The biggest challenge faced by Digital India programme is the slow/delayed infrastructure development. Spectrum availability in Indian metros is about a tenth of the same in cities in developed countries. This has put a major roadblock in providing high speed data services,"



it said.

The joint study observed that for the Digital India to have a large scale impact on citizens across the nation, the digital divide needs to be addressed through last mile connectivity in remote rural areas, as currently, over 55,000 villages remain deprived of mobile connectivity.

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"For digital technology to be accessible to every citizen, significant efforts are needed to customise apps and services

to cater to local needs. Finding vendors who can provide such applications has become a challenge," the report pointed out.

With proliferation of cloud-based services like DigiLocker, data security has emerged as a major challenge, revealed the report.

To enable development of digital infrastructure, it said that a uniform (Right of Way) RoW policy across all states with a reasonable cost structure is required along with a single window mechanism for granting RoW permissions.

PPP models must be explored for sustainable development of digital infrastructure, as has been the case for civic infrastructure projects like roads and metro. The government should try to make additional spectrum available to telecom service providers for deployment of high speed data networks.

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