



Network India

## **BUSINESS ROUND-TABLE TOWARDS COLLECTIVE ACTION FOR SMART CITIES**

### **Introduction:**

Centre of Excellence for Governance, Ethics and Transparency (CEGET) organized its 1st Business Roundtable for Smart Cities in New Delhi on 19th September with Phillips Lighting Pvt. Ltd. as a Corporate Partner.

The purpose of the Business Roundtable was to explore the opportunities and create a platform that can develop a strong network between cities challenges and business solutions and through the deliberations done at the round-table, the team initiated its first step to establish this network.

### **Background:**

Three years since the launch of the Smart City Mission in India, the mission has grabbed more headlines than any of its predecessors. According to a government statement in May, 2018 - 1,333 projects under the smart cities program worth a total 506.26 billion rupees had either been completed or were in the implementation/tendering stage. These projects include the development of roads, water, solar networks and public spaces. For critics of the program, this is not enough. They demand more rapid progress and better utilisation of funds.

The three major issues that have emerged in multiple stakeholder deliberations is the financing of cities, technical capacity of implementors, and the sustainability of the mission beyond the envisaged timelines. These challenges point to a need for pilot projects and model solutions to explore viability and adoption challenges.

As more cities move into implementation, it is important to look at sustainability of the solutions which are getting implemented, multiplicity of financial models and execution strategies, and a solid monitoring mechanism to enhance transparency and ensure accountability.

CEGET realises that building of Sustainable Cities and Communities (SDG 11) requires partners who are committed to a long haul.

Thus, at the Business roundtable participant to not only share the challenges they have faced being a part of the smart city projects, but also share the short and long-term solutions that can guide future policy for Smart Cities.

### **CEGET's Framework for Governance of Smart Cities (Proof of Concept):**

#### **Background and Genesis**

- CEGET has been committed to establishing a robust framework of governance and transparency in the Smart City Mission of GoI. PoC is the outcome of an exhaustive consultative process in 5 Smart Cities and a National Conclave held in New Delhi.
- Aligning its work with the mandate of 'New Urban Agenda' of UN Habitat, which is the monitoring body and a custodian agency for SDG 11, CEGET has conceived the framework in a way which will be analogous with the 'Monitoring Framework' of UN Habitat.
- CEGET is piloting this framework in Pune city through a five-year Memorandum of Understanding with Pune Smart City Development Corporation Limited (PSCDCL).

#### **The 10 pillars of Framework for Governance of Smart Cities**

- Establish definition of Smart City with all Services, Solutions and Products
- Develop Smart City Components, Master Plan and Roll out plan
- Align with Existing Guidelines and Best Practices
- Define and develop sustainable Business/Financial Models/Clarity on funding options and plans
- Define and Establish Decision making structures, Responsibility matrix and Accountability with SPV framework
- Establish Procurement policies and guidelines, Define Procurement Process and Effective compliance models
- Establish clear monitoring and evaluation system - Framework and parameters against timelines and deliverables
- Build Capacity of the SPV Officials and Use Project Management Consultant for support
- Enable and Ensure extensive industry participation in smart cities with clear deliverables and milestones
- Encourage participation and innovation by local industry/Encourage entrepreneurship

#### **Three Phases of CEGET's Smart City Initiatives**

##### **1ST PHASE (2015-16)**

- Conducted Stakeholder Consultations in Ranchi, Lucknow, Bhubaneshwar, Pune and Vishakhapatnam cities.

- Developed White Paper on Business Recommendations for Public Procurement Policy in India.
- Organized National Conclave on Smart Cities.

#### 2ND PHASE (2016-17)

- Developed 5 years MoU with Pune Smart City (PSCDCL).
- Developed Framework for Governance of Smart Cities.
- Developed Knowledge Partnerships with the World Bank and UN-Global Compact Cities Programme (UN-GCCP).

#### 3RD PHASE (2017-18)

- Developed PPP Handbook.
- Conducted Risk assessment study & developed Risk Mitigation Toolkits for Govt and Business with a focus on Infrastructure Sector.
- Organized Business Roundtables towards collective action for smart cities

#### **Publications on Smart Cities by CEGET:**

- Governance for Smart Cities.  
(<http://ceget.in/governance-of-smart-city-new-new/>)
- Business Recommendations for Public Procurement Policy in India.  
(<http://ceget.in/white-paper-business-recommendations-for-public-procurement-policy-in-india/>)
- GCNI – CEGET Framework for Governance of Smart Cities.  
(<http://ceget.in/gcni-ceget-smart-city-framework/>)

#### **The 1<sup>st</sup> Business Round-Table:**

The Roundtable enabled a structured dialogue between Niti Aayog and the businesses to identify the key challenges/limitations in the smart city implementation, from a business point of view.

The three major issues that have emerged in deliberations was the financing of cities, technical capacity of implementers and the sustainability of the mission beyond the envisaged timelines. The issues of structural limitations, along with the need for a stronger monitoring and impact assessment, were highlighted. Success stories from the cities participating in the mission and the future plans of the government were shared.

Expounding on the achievements of the Smart Cities Mission to date, Mr. S. K. Singh, Director (Urban), Niti Aayog in his keynote address said - “We aim to be the facilitator for the smart cities mission for all business solutions. Our approach is to be available and open to all ideas which businesses are working on, including their challenges and constantly be the enabler for integrating these solutions into our existing models and

provide better mechanisms in navigating the outcomes for this mission. We want to demonstrate how smart cities frameworks can be efficient to address citizen issues.”

Relaying the quintessential idea behind Collective Action for Smart Cities, Ms. Shabnam Siddiqui, Director CEGET said – “Even if the overall impact of the mission cannot be determined at this juncture, there is an imminent need to gauge the impact and conduct evaluation of completed projects under the Mission. Businesses need to develop cross-sectoral integrated solutions to address the challenges faced by the cities.”

Mr. Rishi Chawla, Director (Government, Public Affairs, Sustainability & CSR) Phillips Lighting India Ltd. noted that – “In the current scenario along with the existing structures of procurement, there is a need to come up with more evolved changes to the procurement model. The solutions which businesses are providing require open end solutions and need to have structured key performance indicators.”

### **Summing Up/ Learning and Expectations:**

The culmination from the round-table’s learnings reflected on the challenges of execution for smart cities. The businesses also presented the need for a more dynamic and robust model for governance of the smart cities plans. The ideas included exploring integrated approach, developing analytical problem solving and open data accessibility for better policy making incorporating inclusivity. The approach of government being the key facilitator and enabler for smart solutions was reinstated, creating the right balance between stakeholders, with a panoramic vision, leading the way ahead for future collaborations.

- Government can act only as a pro-active facilitator, whereas businesses will have to come up with smart solutions.
- Technology management and populating of solutions can be done by the government.
- When the private sector enters into a PPP, it takes a risk on behalf of the Government which must be rewarded. PPP mode has to evolve organically.
- State governments are enthusiastic but failed to empower ULBs because there is insecurity about decentralization of powers.
- SWM (Solid Waste Management) is one of the most profitable/ economically viable priority sector in the cities.
- Policy changes in procurement and tendering processes (outcome-based) are required.
- M & E and mid-term assessment of individual projects should be done.
- An integration of solutions (platforms like SCADA and open data accessibility) helps to improve efficiency and resilience.

### **About UN-Global Compact Network India (GCNI)**

The Global Compact Network (GCN) India was formed in 2000 and registered as non-profit society in November 2003 to function as the Indian Local Network of the UN Global Compact (UNGC), New York. The Global Compact Network India works towards mainstreaming the ten universally acceptable principles in business activities around the world, catalyzing action in support of broader UN goals. At present, the India

network ranks among the top 3, out of the 102 local networks in the world, and has emerged as the largest corporate citizenship and social responsibility organization in the country with a pan Indian membership. With 400 renowned organizations as GCNI pivotal members / signatories, the local India network in the last 14 years of its functioning has created a strong niche for itself.

### **About Centre of Excellence for Governance, Ethics and Transparency (CEGET)**

GCNI established the Centre of Excellence for Governance, Ethics and Transparency (CEGET) in 2015, with the overall objective of developing a premier knowledge repository that conducts innovative action research and training, provides a platform for dialogue and communication and facilitates systematic policy initiatives for strengthening transparency and ethics in business. The goal of CEGET is to bring in diverse stakeholders on a common platform to exchange best practices, deliberate upon challenges and make policy recommendations to promote responsible business standards and transparency and ethics in general.

### **About Philips Lighting India Limited**

For over 120 years, Philips Lighting has been at the forefront of innovation. We use the transformative power of light to make people more comfortable and productive—providing high-quality light in public places, professional spaces, and at home. We use light to make people feel happier and safer – light that entertains, inspires, and informs, makes cities more livable, and satisfies people’s daily needs.

Philips is taking lighting beyond illumination with connected lighting innovations for the home, retail environments, offices, cities, and more. Philips pioneered the development of high-quality, energy-efficient LED lighting. We are now taking lighting into a fully digital world that connects people, places, and devices. We foresee a day, in the near future, when all our lamps, luminaires, and system devices will be digital and network-ready. Using a combination of patented technologies and open standards, our lighting innovations will connect seamlessly to benefit our customers and the environment.