

AID-FOR-TRADE CASE STORY:

MALDIVES

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Executive Summary

The case story covers the support extended by the Integrated Framework programme to develop a web based trade information system in the Maldives. The trade information system is designed to assist the government in streamlining the delivery of business support services delivered to the public, particularly to the business community. The web based online system will enable the government to replace the existing manual system of service delivery with a fully automated system there by making service delivery more efficient.

The trade information system at its current stage of development has enabled the ministry to commence registration of business entities through an automated system, archive information more efficiently and undertake services relating to due diligence requests from clients, related regulatory and law enforcement agencies faster.

Once the system is made available through a web based platform, business community and the public shall be able to access the ministry services on a 24/7 basis. The online system is expected to be available to the public in 2nd quarter of 2011.

1. Issues Addressed

The Ministry of Economic Development is the nodal ministry responsible for implementing trade policy issues and for regulating business and trading activities in the Maldives. In this regard, the ministry registers most of the business entities and issue various trading license and permits. These services to a large extent till to date are being provided on a manual basis resulting in in-efficient service delivery, improper management of information and frequent visits from the public and business community. Undue delays in service delivery and frequent visits increase the transaction cost of doing business for the business community while the manual based system and lack of proper information management system makes business regulatory activities more difficult and cumbersome for the government. In addition, the manual based system requires the ministry to employ relatively more staff in its front office operation to deliver day to day administrative services thereby leaving limited human resources to focus on programmatic, regulatory and policy development work.

2. Objectives Pursued

The specific objectives pursued from the trade information system development project are as follows:

- Streamline services and convert a manual based service system to a more efficient automated service
- Improve access to services through an online based system to overcome the geographical dispersion of population bases
- Reduce business transaction costs for the business community and reduce the cost of administering front office operations.
- Improve and strengthen information management and dissemination system
- Support monitoring and enforcement of business regulatory activities
- Enable and lay the foundation for building an ICT based infrastructure to support provision of 24 hour business support services to the business community by 2012.

3. (For projects and programmes: Design and Implementation)

The IF funded project on building a trade information system was implemented by the International Trade Centre (ITC) with close collaboration with the Ministry of Economic Development. The project component on building a trade information system requires close consultation with the developers of the system and the Ministry and hence, with technical staff based in Geneva, ITC handed the implementation of the system design work to the Ministry with close supervision of the Country Office of the United Nations Development Programme. The flexibility in the design of the project which allowed the ministry to take responsibility for the implementation of the system design enabled the Ministry to take strong leadership and ownership of the project. This allowed the Ministry officials to design and develop a system that will address immediate issues and long term objectives of making public service delivery more efficient.

4. Problems Encountered

The system design and development work took more time than originally planned. A lot of the delay was encountered as many of the procedures relating to the service delivery were not properly documented making it difficult for the developers to define the system requirements. However, the internal consultative process that was launched within the ministry enabled engagement of all level of stakeholders, including regular users, decision makers and system administrators in the development of the system requirements. From the consultative process, standard operating procedures were developed and documented which contributed positively in strengthening the institutional information system.

Additional challenges were faced in migrating data from existing data bases and in updating the historical records of all registered business entities in to the new system. Without the system fully populated with relevant and reliable information, it remains as a challenge to fully operationalize the system. Limited availability of personal and computer terminals further augmented the problems. To overcome the challenges the Ministry embarked on a work programme with the engagement of all ministry officials and contracted staff to update and enter data into the new system. Additional computer terminals were procured and borrowed from other line ministries. Based on the current progress, the data entry and updating work is due to be completed by first quarter of 2011.

Changing the mindset of officials to move away from a manual system was experienced to be equally challenging. Frequent training of staff on the new system, continuous consultation and feedback mechanisms and early adoption of the new system enabled addressing such organizational change management issues.

5. Factors for Success/Failure

The key success factors which have enabled implementation and progress of related work relating to the design and development of trade information system include strong ownership from the country and strong political drive to move into a web based online system. Engagement of qualified local technical IT experts enabled to overcome any language/communication barrier making information exchange more easier a between the system developer and the ministry.

Continuous monitoring of the project progress by the Minister of Economic Development and senior officials enabled high level commitment and dedication to have the system fully designed and implemented. Stakeholder engagement has also been a driving factor that has immensely contributed to smoothly transit from a manual to an automated system. Adopting a user friendly system design equally contributed to adopt the system quicker than expected.

6. Results Achieved

The trade information system has completely automated the internal work flow of all the services rendered by the ministry. Currently all the new business registrations are done through the automated system. Bulk of the data and information relating to the 7000 odd companies registered in the ministry have been updated into the system. As of end of January 90% of the data entry work relating to all registered companies have been completed. This process has enabled automatic archiving of information there by making the ministry to respond to due diligence requests more timely.

Work is currently underway to make existing internally automated services available to the public through a web based system. The design of the online service is expected to be completed in the first quarter of 2011. This will enable the business community to access ministry delivered services through a web based system on a 24 hour, 7 day basis.

7. Lessons Learned

Key lessons learned from the project activity included importance of ownership and political commitment to implement projects that have a potential impact in bringing organization change. In addition, engagement of appropriate and locally available expertise is a key driver of success that enables realization of both social and professional commitment to achieve project success. Regular consultation with stakeholders, training of users and efforts to bring mind-set change is important to get buy-in of users from day one.

8. Conclusion (applicability to other programs)

The success factors and lessons learned from this project can be easily applicable to any other similar projects.

The full impact and benefits of rolling such a system to the business community, the public and the government can be assessed towards the end of 2011.

More work needs to be done to enhance the system to cater for additional information needs of the government and to establish proper linkages with other databases established by other public sector institutions. The government's broad vision is to have Ministry's systems fully automated and linked with other government institutions by end of 2012 for which additional resources is required. r