



SARDI India MSME Tech Policy Fellowship Program

Call for Application (CFA) for Research Fellowship

Background

USAID through its South Asia Regional Digital Initiative (SARDI) is launching a fellowship program to conduct policy research at the interface of digitalization and MSMEs in India. The fellowship program seeks to ensure the MSME perspectives and challenges are incorporated in policy development. The focus is on finding ways in which the overall digital adoption and digital transformation can thus be achieved for the MSMEs in India. The fellowship will provide policy recommendations that can be readily taken up for action through coordinated efforts of various government agencies.

Overall, SARDI is managed by [DAI](#). The fellowship program is anchored by [LEAD](#) at Krea University — it will provide key technical and operational support to DAI in ensuring that the objective of the fellowship is attained and also establishing synergy with other initiatives under SARDI in India. The fellowship program shall be for a period of 9-12 months. The fellows will be hosted at reputed organizations who can provide outstanding mentorship on the chosen topic. Up to three organizations and three fellows shall be selected for the fellowship.

LEAD herewith invites applications from the fellows. If a topic of public interest affecting the livelihoods of the large majority of Indians motivates you to provide evidence-based digital policy advice, then this fellowship is for you!

Terms of reference

As per the last official estimates, there are over 63 million MSMEs, ([PIB, 2017](#)) 99% of which are 'micro' enterprises. As per the latest GoI definition, the annual turnover limit for considering an enterprise as 'micro' is INR 50 million. But over 9% of them have a turnover less than INR 10 million ([BCG, 2019](#)). Over 80% of the microenterprises do not employ any workers ([PIB, 2017](#)) and are thus essentially self-employed livelihood ventures with monthly income of INR 5,000-18,000 ([PLFS 2019-20](#)). And, around 70% are not registered with any statutory office, thus being invisible in the eyes of the government ([Mehrotra and Giri, 2019](#)). The scenario of MSMEs needs to be juxtaposed with the tremendous spate of digitalization over the last decade and more in India. India has over 1 billion wireless telecom subscribers ([TRAI, 2022](#)), more than 750 million smartphone users ([Deloitte, 2022](#)) and shows among the highest data usage per user in the world ([GSMA, 2021](#)). India's fast payments system, Unified Payments Interface (UPI), is a marvel in public innovation clocking a volume of almost 6 billion monthly transactions ([NPCI, 2022](#)). This is complemented by the burgeoning e-commerce sector in India with over 140 million online shoppers and a GMV of USD 40 billion growing at a CAGR of 25% ([Bain and Co., 2021](#)).

Government of India (GoI) has launched a plethora of initiatives over the last few years to push the lever on MSME digitalization. This includes initiatives like the Udyam registration portal to digitize the registration of MSMEs in India. It has provided for a procurement portal, Government e-marketplace (GeM), and enabled the TReDS platform and GemSAHAY app to enable invoice discounting and factoring payments. With an aim to bring synergies between the portals, the government is also ensuring the integration of Udyam, GeM, GSTN and TReDS portals ([PIB, 2020](#)). Udyam portal is also being interlinked with job portals like e-Shram, ASEEM and NCS ([GoI, 2022](#)). Government has also created CHAMPIONS as a unified single window portal listing all the schemes relevant for MSMEs in India and providing a space for guidance, grievance redressal, suggestions and sharing ideas ([GoI, 2020](#)). Recently, the government came out with the draft national MSME policy with a strong thrust on digitalization ([M/o MSME, 2022](#)). Further, GoI also initiated the ONDC platform to provide better terms of engagement to small businesses for e-commerce ([PIB, 2022](#)). Regulatory, RBI has taken an important step of allowing for a new category of NBFCs, Account aggregators, aimed at ensuring cash flow based digital lending for small businesses leveraging their own data footprints in a consent-driven manner ([RBI, 2021](#)).

On the consent front, the government is soon also going to come up with the data protection legislation for privacy and empowerment ([GoI, 2021](#)). The adoption, however, can only be characterized as sub-optimum. Udyam registration shows low numbers at less than 10 million two years after its launch, especially given the fact that it is costless and in fact fundamental to the classification as an MSME ([M/o MSME, 2022](#)). Similarly, GeM has only around 5 million sellers and service providers on its platform close to six years after its launch ([GoI, 2022](#)). Only around 0.1 million applications have been filed at MSME Samadhan portal ([M/o MSME, 2022](#)) when the delayed payments stand at a whopping INR 10.7 trillion ([GAME, 2022](#)). The Global Findex 2021 reports that 670 million Indians with bank accounts still made merchant payments only in cash ([World Bank, 2022](#)). Challenges range from lack of awareness and lack of understanding of benefits to tedious and cumbersome processes.

Call for applications

The further fillip to digitalization in India can come from the massive full-stack digital adoption by MSMEs in India, particularly the tens of millions of microenterprises operating in the unorganized sector. There remains an uneven digital spread — even where digital solutions have become accessible, the usage remains sub-optimal among many segments. Digitalization is expected to help microenterprises increase revenues and become productive in use of capital. This shall allow them to grow over a period of time, leading to job creation and formalization.

Considering the above, LEAD invites CFA from researchers interested in a one-year fellowship located at the intersection of MSMEs, digitalization and public policy. Research fellows shall explore the barriers and enablers for certain digital policies that work for MSMEs, and those that do not. The fellowship can thus focus on the existing set of challenges faced by MSMEs in adopting digital means as well as new digital public innovations that are desired/preferable to them. Researchers are encouraged to think of the frontier digital topics or under-studied marginalized segments to come out as a thought leader from the fellowship, helping policymakers and business leaders achieve maximum social impact.

Possible focus MSME focus areas for the fellows can be one or more of the following:

- Manufacturing clusters
- Kirana and other hyperlocal small businesses
- Services
- Covid-19 impact sectors like tourism, hospitality, restaurants, outdoor entertainment, salons, etc.
- Street vendors
- Platform gig workers
- B2B suppliers
- Women-led enterprises and SHGs
- Rural industries (coir, handicraft, handloom, other village industries)
- Others

Possible digital focus areas can be one or more of the following:

- Digital financial services
- Privacy, data protection, cyber fraud, misinformation and disinformation
- Digital literacy
- Digitalization of supply chains (inventory management, ERP, book-keeping, accounting)
- E-commerce and government procurement
- Government registration and taxation
- New technologies: 3D printing, smart contracts, AR/VR, 5G
- Others

Possible nodal ministry and other government bodies for engagement can be one or more of the following:

- Ministry of MSME
- Ministry of Electronics and Information Technology (MeitY)
- Ministry of Corporate Affairs
- Ministry of Rural Development
- Ministry of Commerce and Industry
- Ministry of Skill Development and Entrepreneurship
- Ministry of Textiles
- Ministry of Labor and Employment
- Ministry of Development of Northeastern Region
- Ministry of Environment, Forest, and Climate Change
- Ministry of Statistics and Program Implementation
- Ministry of Finance
- Ministry of Communications
- Reserve Bank of India
- Small Industries Development Bank of India
- National Bank for Agriculture and Rural Development
- NITI Aayog

The fellowship program is keen to conduct the research on the less developed regions of India (e.g. states with GDP much below the national average, aspirational districts, etc.) and put the findings from there at the center of the policy discussions on MSME digitalization. It thus encourages people hailing from these regions or doing research on these regions or interested in doing so to consider applying. The applicants for this fellowship can look at the [RFP](#) that was released for selecting the think tanks, which had the similar ethos.

Highlights of the fellowship

- Publish research in various formats and present it at different foras to key government officials and industry veterans, leading to creation of impact at scale. Editorial and communications support to be provided by USAID, DAI and LEAD in this endeavor.
- Be mentored at a reputed sector-leading organization for 9-12 months, with additional regular inputs from experts at USAID, DAI and LEAD.
- Interact and network for building enduring relationships with the ecosystem actors including government, corporates, startups, social enterprises, NGOs, etc. for future career and collaboration opportunities.
- Attractive compensation up to INR 1.5 lakh per month (gross), based on experience and qualification. Reimbursables support (up to a generous defined cap) for fieldwork and other travel-related costs, internet and mobile costs, database and journal access, softwares and statistical packages, etc.

Competencies

1. Post-graduate from an accredited university from India or abroad
2. 5+ years of experience, preferably in domain of MSMEs, digital transformation or public policy
3. Track record of publishing in various formats — research papers, working papers, briefs, op-eds, articles, blogs, etc.
4. Ethos and passion to work for the unserved and underserved communities with demonstrated experience.
5. An orientation towards engaging policymakers to help influence policy on behalf of the communities in which they work.
6. Alignment with the project objectives, willingness to be associated with a particular organization dedicatedly for the period of the fellowship and open to course correction in approach based on advice from USAID, DAI and LEAD.
7. Impeccable communication skills
8. Ability to work in a dynamic and challenging environment
9. Willingness to travel as required

Selection process

Up to three fellows shall be selected. The selection process consists of two steps: application and interview.

Application

1. Technical proposal (80% weightage)
 - a. Statement of purpose (40% weightage)
 - i. Commentary on the Terms of Reference (10%)
 - ii. Few proposed topics for fellowship with rationale, approach and key government & industry stakeholders [30%]
 - b. Curriculum Vitae with three references [40%]
2. Financial proposal (20% weightage)
 - a. Current and expected remuneration

The last date of submission of application is **5th September, 2022**. The applications can be submitted to collaborations-lead@ifmr.ac.in.

Please name the file 'SARDI Fellowship | Name'. Use Times New Roman font, 11 pt., 1.15 line spacing and justified text. See annexure for the template.

Interview

Shortlisted candidates will be interviewed on a rolling basis in two rounds with participation from DAI, LEAD and the hosting organization.

Fellowship timelines (tentative)

- Commencement of the fellowship with an in-person meeting with the think tanks and fellows: September '22
- Finalization of the research topic between the fellow and the think tank (with inputs from USAID, DAI and LEAD): October '22
- Submission of inception report: November '22
- First learning event (in-person conference) with participation from government, academia and industry: November '22
- Research execution by the fellow with constant mentoring from the think tank (and inputs and support from USAID, DAI and LEAD): December '22 – April '23
- Submission of the interim report: February '23
- Second learning event (webinar) with participation from government, academia and industry: March '23
- Synthesis of the research work, preparing for publication: April '23 – May '23
- Submission of the final report (after incorporating suggestions from USAID, DAI and LEAD): June '23
- Third learning event (in-person seminar and conference) with participation from government, academia and industry: July '23

Intellectual property

The final document would be a collaborative publication in public domain with co-ownership residing with all the parties involved: USAID, DAI, LEAD, think tank and the fellow. The intellectual authorship of the research fellows shall be principally asserted.

Most important terms and conditions

1. The research fellow will be mapped to a think tank for one year duration of the fellowship. During this time, the fellow is to solely work with the organization and cannot take up short-term/long-term consulting assignments or a full-time or part-time job with other organizations.
2. The fellow cannot change the host organization during the course of the fellowship or request for the same.
3. The research fellow shall sign the bond to continue for the entire duration of the fellowship, which is redeemable by LEAD if the fellow leaves due to any reason, career or personal. Force majeure condition however shall apply, if mutually established.

Annexure: CFA template

a. Statement of purpose

i. Commentary on the Terms of Reference (max 400 words):

ii. Elaboration on proposed few fellowship topics — rationale, approach and key government & industry stakeholders (max 1000 words overall):

b. Curriculum vitae

(Use below template, max 4 pages and three references)

Name	
Education	
Membership of professional associations (if any)	
Employment record	
Organization 1 Duration (mm/yy): Positions held: Job summary:	
Organization 2 Duration: Positions held: Job summary:	
...	
Work undertaken that best illustrates related work (clearly showing role played, duration of input, complexity of work undertaken, and core competencies)	
Assignment 1 Duration (mm/yy): Location (state, country): Client/donor: Assignment description: Positions held: Activities performed:	

Assignment 2 Duration: Location: Client/donor: Assignment description: Positions held: Activities performed:
...
List of key publications
...
References
Reference 1 Name: Organization: Designation: Type of association: Phone: Email:
...

c. Compensation

i. Current gross compensation (monthly average based on last one year in case of multiple/ overlapping short-term consulting assignments): INR ____/month

ii. Desired gross compensation from the fellowship: INR ____/month