Final Draft Report

ICTA Nenasala Project: Situation Analysis, 2015

ICTA M&E Unit,

2015

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EXECUTIVE SUMMARY

Introduction

Since the establishment of the first Nenasala in January 2005, so far ICTA has established 1005 Nenasala centers throughout the country by end of 2014. The Nenasala centers are functioning as knowledge centres in the villages disseminating knowledge and providing affordable access to multiple information and communication technology based services to the citizens

In early 2014, the scope of the Nenasala project was expanded in order to achieve the target of establishing 13000 Nenasala canter in all Grama Niladhari Divisions (GND) across the country. However it was able to set up 1005 centers covering all the districts including North and east by end of 2014.

To ensure effective project implementation as well as for ensuring achieving expected development results, adapting a comprehensive M&E system has become a fundamental requirement. With the expansion of the Nenasala activities to all districts, a separate M&E team was recruited specially for Nenasala project and the team engaged in regular monitoring activities as well as conducting this survey. During the implementation period the M&E team randomly visited to the newly set upo centers to carryout necessary observations and inspection on equipment, appropriateness of the location etc. Based on the data provided by the Nenasala M&E team the Nenasala project manager was able to successfully implement the project.

Nenasala M&E field based team was able to use their field visits to carry this survey by using structured questionnaires, discussion guidelines and observation schedules to assess the present situation of Nenasala centes across the country. The consultant who was specially hired for the Nenasala project guided the entire assignment and compiled this analytical report based on the survey conducted throughout the period of 10 months. The entire process was guided by the Nenasala project team and central M&E unit of ICTA

This report contains the findings of the M&E survey, including sampling approach and data collection methods with the recommended corrective actions for further improvements.

Approach Methodology and the Criteria

The survey adopted a mixed methods of data collection incorporating both qualitative and quantitative evaluation techniques. The main instrument used in the survey was the implementation of structured questionnaires in 884 Nenasala centers to conduct interviews with owners as well as operators. In addition, Focus Group Discussions (FGDs), SWOT analysis, participatory workshops and field observation were also used as qualitative data collection methods.

The FGDs, and participatory workshop were conducted by the M&E consultant while the structured questionnaires were administered by the field coordinators.

Further it was realized that the appropriate categorization is required for the proper and unbiased analysis of the present situation of the project and therefore a set of agreed criteria for categorization of centers were adapted.

Main Study Findings

1. Operational status of the Nenasala centres is the major concern which indicates the overall performance of the Nenasala project. **As per the finding of the survey, out of the total number of 1005 centers so far established,** 55% (548) canters Nenasala canters were reported to be operational while 45% (457) centres found to be non-operational.

2. The analysis was carried out based on the district wise data and eight (8) districts namely Kilinochchi, Vavuniya, Polonnaruwa, Baticaloa, Kandy, Badulla, Nuwara Eliya and Hambanthota were identified as low performance below 50%. Performance rate of another nine (9) districts including Anuradhapura. Kurunegala, Kegalle, Kalutara, Ratnapura, Galle, Matale, Ampara, Matara were reported as 51% to 60%, better than the previous category. The higher operational rate which is above 61% have been reported for 8 districts including Jaffna, Mannar, Puttalam, Gampaha, Colombo, Mullativu, Trincomalee, Moneragala.

3. An in-depth analysis has also been done based on the ownership model and it was found that the

    ~   The Nenasala centres owned by hospitals and Army Rehabilitation Centers has been reported 100% operational
    ~   The operational rate of Nenasala at Public Libraries and security forces reported as 92% and 94% respectively
    ~   Operational rate of Nenasala owned by religious centres also have been reported as 54% while CBO owned Nenasala shows the operational rate as 59%
    ~   The lowest operational rate has been reported with regard to the Nenasala centers offered for Universities

4. Out of the category of 'Operational' centers, sixty nine percent (69%) were operating at minimum level while 17% was reported to be fairly successful.

5. Out of the balance 14%, 12% of the centres are reported to be **well operational** and the performance of 2% has been reported as **excellent** centre which has shown extra ordinary performance beyond the expectation and the project objectives

6   The 12% of Nenasala centres which are operating well are providing many services to their target community. They also maintain the centres and the equipment well. Normally the average numbers of customers per month remain higher which indicate a high demand. This category of Nenasala centers are very important for the other centers to learn best practices and share lessons learned.

7. In the **study sample of 884 centers**, There were **336 centres reported to be non-operational and 40% out of these operational centres have been reported as possible centres for restarting** if the necessary support and guidance provided by ICTA

8. Availability of the internet connectivity is the other major concern that affects the services and the demand of the Nenasala Canters. It is great to know that the **76% of the Nenasala centres have the connectivit**y and only 24% of the centres have problems in terms of having the internet connectivity.   The major internet provider is reported as Sri Lanka Telecom (SLT) which is about 73% of centres

7. Insufficiency of revenue generated services has been identified as key issue faced by Nenasala centres in terms of sustainability. nly the 8% of the Nenasala owners/operators have mention that the revenue is satisfactory sufficient to maintain and further developing the centres.

Constraints and Challenges

1. Unavailability of trained telecenter operators (92%)
2. **Low revenue – high maintain cost (84%)**
3. **Overdue Machines, Technical issue, N- Computing (1 hard diskfor 3 CPUs) (78%)**
4. **Issues related to the training and certificate (63%)**
5. Connectivity issue (23%)
6. Issues Related to the building/space or rent (28%)
7. Lack of market orientations and dependent attitude of the Nenasala owners and operators
8. Absent of coordination among Nenasala and the other stakeholders
9. Lack of entrepreneurship and business development skill

Suggestions and recommendation

~ draw in well performing Nenasala center to deliver the All Island Coding Programme reaching out to young children.
~ Align Nenasala centers with ongoing initiatives such as the – device strategy, free WiFi Programme
~ Introducing new services and marketing linkages
~ Training on marketing, business promotion and entrepreneurship
~ Promoting recognition of the certificates
~ Link Nenasala with Government organizations in the same geographical area
~ Strong community awareness raising programs
~ Promoting district Nenasala coordination mechanism
~ Linking with financial institution

CHAPTER 1

1 Introduction

1.1 The Assignment

The Information and Communication Technology Agency of Sri Lanka (ICTA) has identified Monitoring and Evaluation (M&E) as critical function which strongly supporting to enable measurements of the development effectiveness and impact of its projects and programmes. While the ICTA project management units were engaged with project management tasks including monitoring of implementation of progress, output and targets, the central M&E unit provides the required M&E support to demonstrate progress and measure the progress of achieving intended results. Required improvements for project approaches are recommended based on the findings of M&E activities.

In early 2014, according to the 2014 National budget, the scope of the Nenasala project was expanded to establish 13,000 Nenasala centers across the country at the Grama Niladhari level (GND). As part of that long term target, the 2014 annual target was setting up of 1000 centers by end of year 2014. However by end of 2014, it was able to set up, up to 1005 centes.

Due to the rapid implementation approach it was identified the requirement of setting up of that a separate M&E system, particularly for Nenasala project. Therefore a dedicated M&E team for Nenasala project was recruited in early 2014 and the team was responsible for both Nenasala Project Manager and the M&E Head of ICTA. The team was administratively guided by the Nenasala team and the required M&E guidance were provided by the head of M&E of ICTA.

The survey was carried out within a the period of one year by visiting the Nenasala canters located in 25 districts. The Nenasala M&E team consist of   three field coordinators and M&E consultant.

1.2 Objectives of the M&E System were;
~ Generate evidence based knowledge on the existing situation of the Nenasala project in terms of operational status, human and physical resources, services and socio-economic benefit deliver to the society
~ Identify the performance and the implementation gaps in achieving the objectives
~ Provide suggestions, recommendations and developing a corrective action   .
~ Provide additional M&E support and guidance

This report presents the findings of the M&E survey, including the methodology used for sample selection, data collection and analysis and also the corrective actions for further improvements of the project. The findings of the survey were presented to project management team and their comments were incorporated in the report.

1.3 The Nenasala Project

The Telecenter Program" in Sri Lanka popularly known   as s Nenasala, Arivagam or 'Wisdom outlets is perhaps the most visible part of e-Sri Lanka initiative and also the main interface between the project and ordinary citizens, particularly in rural areas. These telecasters in Sri Lanka, further act as IT knowledge and resource centres in villages to disseminate knowledge, access and share information through internet and other ICT tools.

The Nenasala project was reported to be one of the largest and most sophisticated projects for supporting public to access ICTs in the world (Jensen 2007) and also as one of the few in the world that has addressed the key barriers to promote access in low income areas. In this context, the e-Library Nenasala project (eLNP) was awarded by the Bill & Melinda Gates Foundation with the Access to Learning Award of $1 million in 2014 in recognition of the contribution done by the Nenasala project to provide free access to computers and the internet for the Sri Lankans living in remote and rural areas.

Since the establishment of the first Nenasala in January 2005, the ICTA has established 1005 Nenasala canters throughout the country by end of 2014. Majority of the Nensala centres are functioning as knowledge centres in the villages to disseminate knowledge and provide affordable access to multiple information and communication technology based services to the community in the country, including, women youth rural poor, disabled and the other disadvantaged group in the society.

1.4 Implementation Process of Nenasala Project

The implementation processes of the Nenasala project comprise of many and varied activities to reach the key milestones in establishing 1005 Nenasala centres. As per the data given in table 1 there were   741 Nenasala centres established within a period of 8 years (from 2005 to 2013) and 264 centres established in f one year 2014.   There were significant number of tasks and responsibilities carried out by the project implementation team while coppering with many social and political challenges.

The overall implementation process consisted of following activities.
1. Appraisal of RFPs (Request For Proposals) and proposals
2. Field observation ,Site inspection and interview
3. Procumment of necessary hardware
4. Delivery of equipments and installation
5. Providing broadband internet connectivity
6. Organizing Island wide launching ceremony and inaugurations of Nenasala operation.
7. Conducting capacity building program for operators and owners
8. Conducting monitoring and evaluation activities

The suitable locations were selected based on well-defined criteria developed by ICTA to ensure the appropriate selection process. ICTA has been providing computers, software, other ICT equipment and internet connectivity to these canters .Therefore the related services could be offered at affordable rates to the serving community. Further effective awareness raising programmes were conducted to raise the awareness of the community about the Nenasala, its concept, objectives, responsibilities and benefits of ICT and services provided by the centers

To further enhance the physical resources of Nenasala canters ,the ICTA has refurbished selected potential Nenasala canters in a few districts with   new equipments such as

computers, laptops , photocopy machines, projectors etc. The refurbishment process was limited number in a few districts due to the funding issues faced by the project.

A vouchers scheme for telecaster services was provided to selected poorest beneficiary groups to encourage the use of services offered by the Nenasala. Around Rs. 53 million had been used for providing these vouchers to 170 Nenasala canters at the initial stages. This highly innovative voucher scheme focused on supporting needy groups with free access to Nenaslala and stimulating them to use ICT based services by the resident communities while generating an additional source of revenue for the centre. The ICTA also carried out skill development training programs and workshops   The ICTA also carried out skill development training programs and workshops for Nenasala operators and staff to ensure high quality service is provided to the citizens. The initiatives funded under e-Society program that generated local content and services were to be delivered through these centers.

Table -1 Detail of the district distribution of the total numbers of Nenasala centers established during the period from 2005 to 2014

District	Numbers of Centers established from 2005 to 2013	Numbers of Centers established in 2014	Total Numbers of Centers established from 2013 to 2014
Ampara	40	14	54
Anuradhapura	59	2	61
Badulla	45	10	55
Batticaloa	24	4	28
Colombo	15	18	32
Galle	34	13	47
Gampaha	20	9	29
Hambabtota	31	7	38
Jaffna	29	1	30
Kalutara	22	16	38
Kandy	53	17	70
Kegalle	56	31	87
Kilinochchi	6	-	6
Kurunegala	49	26	75
Matale	20	8	28
Mannar	6	3	9
Matara	33	15	48
Monaragala	37	22	59
Mullativu	7	2	9
Nuwara-Eliya	26	4	30
Polonnaruwa	28	4	32
Puttalam	20	19	39
Ratnapura	44	8	52
Trincimalee	28	8	36
Vauvniya	10	3	13
Total	**741**	**264**	**1005**

CHAPTER 2

2. Scope of the Assignment and the Methodology

2.1 M&E Approach and Methodology

The purpose of this assignment was to develop a comprehensive monitoring and evaluation system for the Nenasala project and generate evidence based knowledge on the existing situation of the project in terms of project performance implementation gaps, underlying causes of success , failure ,document lessons learned also to provide suggestions and recommendations   for corrective actions .

In island wide survey s conducted as the key method of the data collection different techniques were used to identify necessary variables, gather relevant and appropriate data and information. , methods and techniques of data collection and data collection tools were developed in order to gather relevant data, background information and the observation records.

The overall survey framework and detailed methodology adopted for the whole assignment is given in the following (Table. 2)

Table 2, Methodology Adopted for the Survey

Activity	Methodology
Sample **884 = 1005 - 121**	Total number of the existing Nenasala Centers located in each 25 districts.
Data Collection Methods	- Face to Face discussion with Nenasala Operator/Owner and users - Observation - Focus group discussions - Participatory workshop and group exercise - Secondary data and information
Data Collection Tools	- 2 Separate Questionnaires for Owner /Operator and Users - Guideline for FGD
Data Analysis and Reporting	- Comprehensive Database - Qualitative and Quantitative Analysis - Summary Reports - Districts/Provinces /performance level ownership model and other reporting

2.2 Method of Sample Selection

Initially the plan was to visit and collect the data and information from the total number of 1005 Nenasala centres located in 25 districts .However as it was officially reported that 121 Nenasala centres were non operational by the time of the commencing the survey and therefore survey sample   was limited to 884 according to the list given by the project team .

2.3 Data Collection Methods and Tools

The survey adopted a mixed approach of data collection with qualitative and quantitative techniques. The key tool in this approach was the questionnaire survey administered to cover 884 Nenasala owners and operators.

Focus Group Discussions (FGDs), SWOT analysis and participatory workshops were also used as qualitative data collection methods. The FGDs, and participatory workshop were conducted by the M&E consultants while the structured questionnaires were administered by the field coordinators. Detailed survey questionnaires and guidelines on FGDs were discussed and agreed upon with the Nenasala project management team before implementing the survey. Appropriate set of variables and outcome indicators were also identified and agreed with ICTA before commencing data collection.

1. *Questionnaire Survey (QS)* - The questionnaire survey was administered to collect data from the Nenasala owners ,operators and users

2. *Focus Group Discussions* - Focus Group discussions (FGDs) were also held with groups of Nenasala owners and operators

3. *Participatory Workshops* - 9 participatory workshops were conducted in 9 districts including Northern province. SWOT analysis on the Nenasala was also done with the participants to develop the action plan for the Nenasala in their own districts.

4. *Observation* - Field Observation was one of the key methods of collecting qualitative data and cross checking the given information by the respondents. The observation reports provided by the M&E field coordinators were highly useful to ensure the accuracy of the quantitative data

5. *Literature survey* - The monitoring and outcome evaluation reports done by the M&E unit and the project literature provided by the ICTA Nenasala program team were referred

 In addition to the key objectives that discussed above, the survey also focused on the   areas of challenges, obstacles and new approaches and activities to be recommended for
Improved   results in the future interventions.

The special areas of focus:
➢ Issues and problems faced by the Nenasala owners, operators and users which need to be addressed for effective achievement of results;
➢ Existing interventions in partnership with stakeholders;
➢ Additional resources that are required and new or other interventions needed in the future;
➢ New strategies in achieving the desired results

2.4 Scope of the assignment

The survey attempted to cover the following project scope in accordance with the M&E approach and the methodology as explained above.
1. Socio, economic and geographical background of Nenasala centers
2. Detail assets
3. Detail of connectivity
4. Services demand and supply
5. Detail of usage and user patterns
6. Socio- economic benefits of Nenasala
7. Overall assessment of achieving the objective of Nenasala
8. Challenges and difficulties faced by Nenasala
9. Suggestions and recommendations

2.5 Survey plan and the implementation progress

As initially explained in the section of the introduction of the report, the survey was completed in a period of twelve months by undertaking many activities in relation to the preparation, managing the field implementation, data analysis and reporting. Accordingly, the survey plan and the time schedule followed for the survey is given in the Table 3

Table 3- Survey plan and the time Schedule

Activity	Period of time
1. **Preparation** - Study the task & concept development - Developing tools and the field coordination - Developing database	2 weeks
2. **Field Implementation** - Questionnaire Survey in 24 districts - Focus Group Discussions in 9 districts - District workshops - SWOT Analysis - Data entering	9 Months
3. **Presentation and Reporting** - Data entering - Quality assurance - Data Analysis & Reporting	2 month & 2weeks
4. **Total period of time for this exercise**	12 Month

2.6 Development of Criteria

Operational status of the Nenasala centre was identified as the key indicator of the overall performance level of the Nenasala project. Even in the operational canters, it was observed that there were variations in the   performance in terms of operational status,   human and physical resources, and demand for services provided by the Nenasala centre. It was realized that the appropriate categorization is required for the proper analysis of situation of the Nenasala Centers and therefore set of criteria were developed for the analysis as shown in the following Table 4 and 5

Table 4 , Criteria for level of operational performance

No	Criteria
1.	Numbers of days opened for the services
2.	Number of fulltime operator/owner
3.	Diversified services and number of services
4.	Monthly average customers for each services
5.	Value added service started such as BPO, e-channelling or any online service
6.	Existing Assets Own assets / Assets given by the ICTA
7.	Socio-economic development work undertaken

7	Socio-economic development work	Very high	High	Limited	No

Based on the criteria given in the Table 4, there have been 4 categories identified in the group of operational canters while 2 categories identified in the group of Non operational Nenasala canter.

Level of Operation in the Centres
   1. Excellent
   2. Well operating
   3. Fair
   4. Minimum level
Level of Non-Operational Centres
   1. Permanently non operational
   2. Possible for re-starting

Table 5 Categories of Operational Centres

Permanently non Operational	- Not providing any services for more than one year - No machines /equipments - lack any interest/readiness or plan for re-opening
Possible for re-starting	- Not open for any target groups - Not providing any services - Have functional machines /equipments - Office place available - Have an interest/plan for re-opening - problem and solution identified

Table 6 Categories of Non Operational Centres

No	Criteria	Excellent	Well operating	Fairly operating	Operating at minimum level
1	**Numbers of day open**	7	6-5	4-3	2-1
2	**Numbers of fulltime operators/owner**	Above 4	3 -2	1	1/ No fulltime Operator
3	**Diversified services**	Many	One	No/ but planning	No
4	**Monthly average customer for services**	Above 1000	999 -500	499- 200	Below 200
5	**Value added services**	Above 1	1	No	No
6	**Assets belongs to the Nenasala**	Above 15 including Own assets	10 including their assets	less 10	No

2.7. Survey experience and limitation

Overall the M&E assignment progressed well at each step of the planning, implementation and reporting phases. There was good cooperation from the field coordinators appointed for this survey and the ICTA Nenasala Project team which contributed to accomplishing   the task of conducting a comprehensive sample survey. However the lack of capacity   of   the field coordinators in terms of sufficient M&E knowledge, skill and experience was noted as one of the constraints that had to be faced . Therefore additional time and effort had to be taken to ensure the quality and   accuracy of data and information.
 There were some cases where it was quite difficult to get e appointments for interviews from Nenasala canters, especially from the non operational and centres which had dropped out

from the ICTA communication loop. Absence of updated data base with the project team was another constraint in this exercise.

CHAPTER 3.

3. Findings

This chapter presents the findings of the M&E system implemented for the Nenasala and outlines the potential and essential strategic intervention to Nenasala project. It provides a brief analysis of the key issues identified through the M&E survey and also highlights the number of potential areas that need to be addressed in enhancing the performance of existing Nenasala centres such as strengthening, coordination and promoting entrepreneurship and business skill of Nenasala owners.

3.1 Types of Nenasala Ownership

From the initial step of the project planning, the Nenasala project has adopted different types of ownership models which have been designated based on the nature of the ownership. The composition of the different models in 884 canters visited in this study has been depicted in the Figure number 1

Religious centres is the most prominent model which has been reported as 411 centres while 285 centres owned by Community Based Organization (CBO) .The religious centres were not limited to the Buddhist temple but also cover the Churches, Hindu Kovil and mosques. 83 public libraries and 19 hospitals have been given Nenasala centres. 46 individuals are managing Nenasala as entrepreneurs and 10 government offices have been facilitated by providing Nenasala centres. The Army rehabilitation canters next to the Universities and other category fall into the minimum representative model.
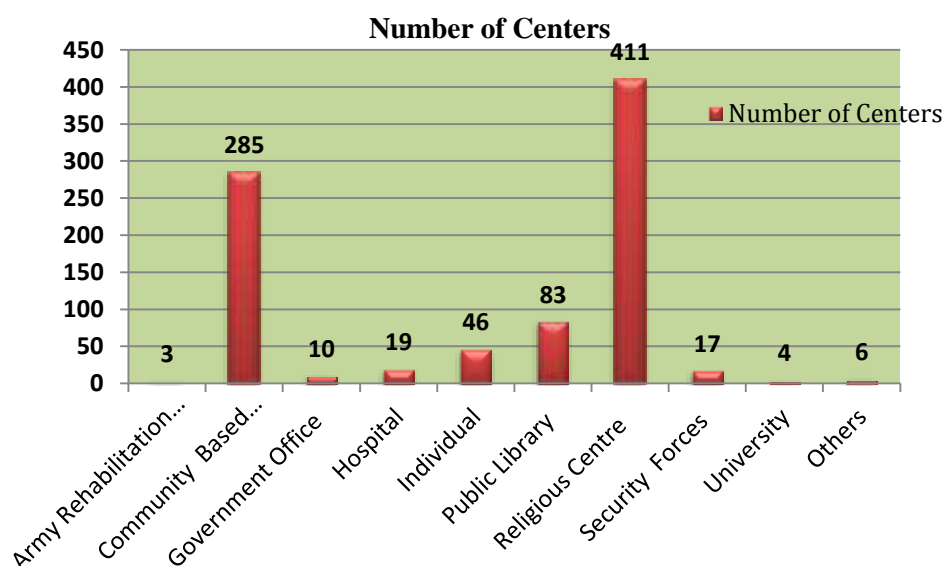
Figure 1. Type of Ownership Model

3.2 Overall Operational Status of Nenasala Project

Operational status of the Nenasala centres is the major concern which indicates the overall performance of the Nenasala project. As per the finding of the survey only 55% (548) canters Nenasala canters were reported to be operational while 45% (457) centres found to be non-operational. Although the overall operating rate shows the moderate level of performance, there is an identified trend of increasing the number of non operational canters due to the core issues faced by the Nenasala owners and operators as explained in the following section of the report
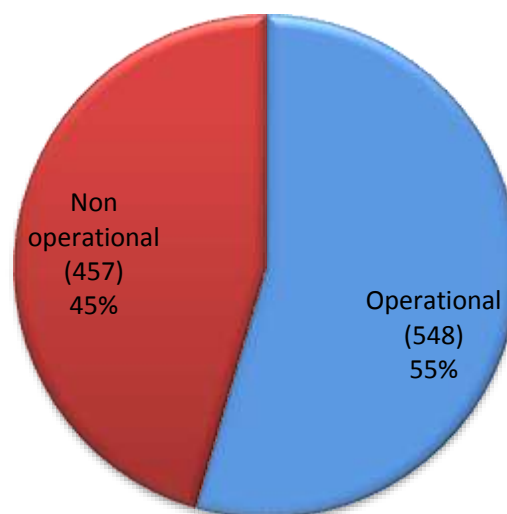
Figure 2. Overall Operational Status

3.3 Operational Status District Wise

In addition to the analysis done on the overall sample, the survey also attempted to do various analysis based on the, ownership model and the district wise locations. The analysis done on the district wise operational status has been illustrated in the following Figure 3.and Table 7
Accordingly the low operational rate which is below 50% has been reported for 8 districts including Kilinochchi, Vavuniya ,Polonnaruwa ,Baticaloa,Kandy,Badulla,Nuwara Eliya and Hambanthota while 9 districts including Anuradhapura. Kurunegala, Kegalle, Kalutara, Ratnapura, Galle, Matale, Ampara, Matara are reported better operational rate between 51% to 60% .The higher operational rate which is above 61% have been reported for 8 districts including Jaffna, Mannar, Puttalam, Gampaha, Colombo, Mullativu, Trincomalee, Moneragala.
However, there were no any significant reasons identified for such variations among the districts but the understanding of this situation is very important for the project management team for the future planning.

District Wise Operational Status of Nenasala
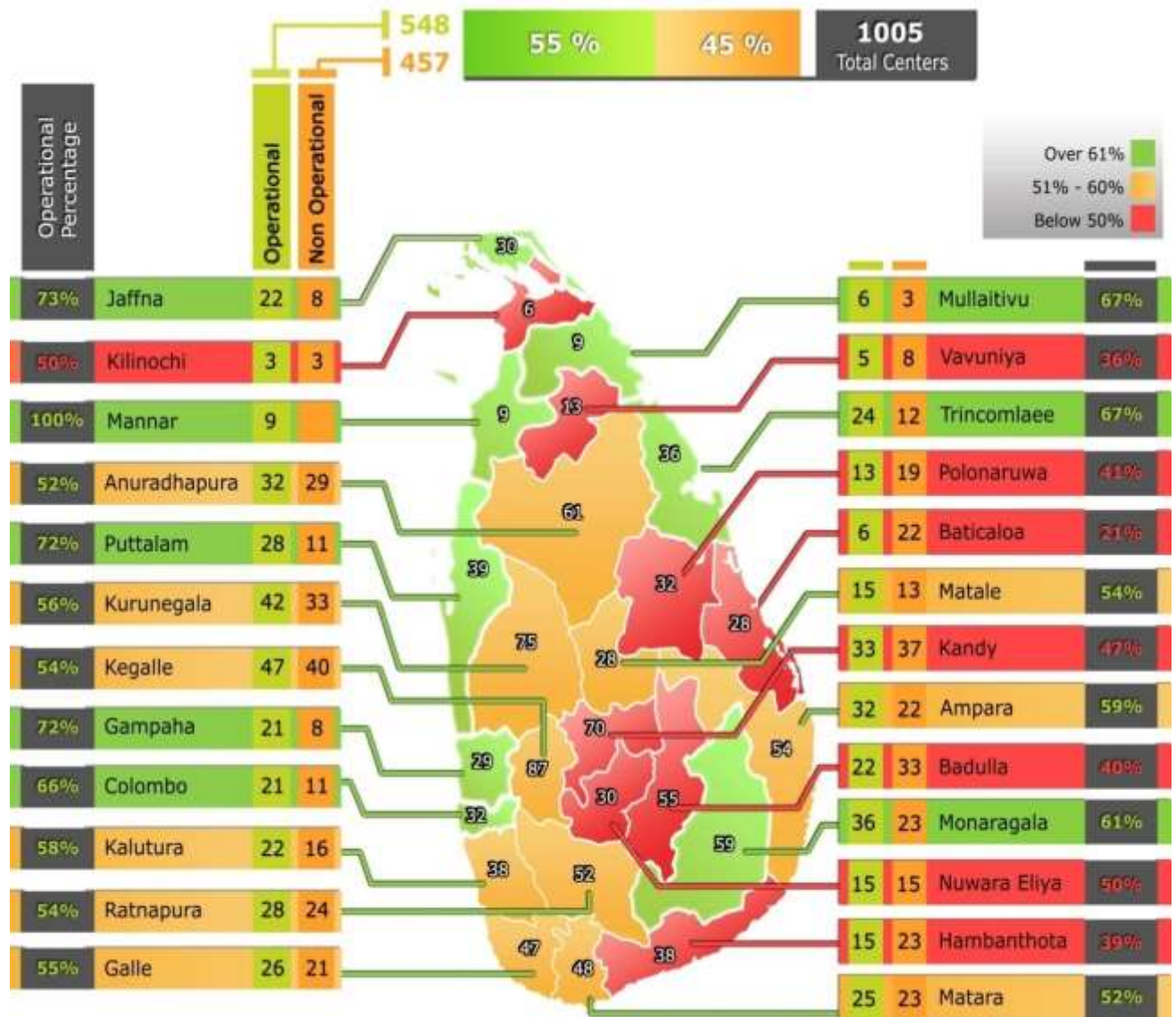
Figure 3,   District Wise Operational Status of Nenasala

Table 7 Operation Status -District wise

Name of the District	Total Centers Implemented	No of Operational Centers	%	Numbers of Non-Operational Centers	%
Jaffna	30	22	73	8	27
Kilinochchi	6	3	50	3	50
Mannar	9	9	100	0	0
Anuradhapura	61	32	52	29	48
Puttalam	39	28	72	11	28
Kurunegala	75	42	56	33	44
Kegalle	87	47	54	40	46
Gampaha	29	21	72	8	28
Colombo	32	21	66	11	34
Kalutara	38	22	58	16	42
Ratnapura	52	28	54	24	46
Galle	47	26	55	21	45
Mullativu	9	6	67	3	33
Vauvniya	13	5	38	8	62
Trincimalee	36	24	67	12	33
Polonnaruwa	32	13	41	19	59
Batticaloa	28	6	21	22	79
Matale	28	15	54	13	46
Kandy	70	33	47	37	53
Ampara	54	32	59	22	41
Badulla	55	22	40	33	60
Monaragala	59	36	61	23	39
Nuwara-Eliya	30	15	50	15	50
Hambabtota	38	15	39	23	61
Matara	48	25	52	23	48
Total	1005	548		457	

3.4 Operational Status –Based on ownership Model

This analysis have been done based on the owner ship model that was elaborated in the report under the section 3.1. As shown by the Figure 4 below,

- The Nenasala centres owned by Army Rehabilitation Centers and Hospital has been reported 100% operational
- The operational rate of Nenasala at Public Libraries and security forces reported as 92% and 94% respectively
- The lowest operational rate has been reported with regard to the Nenasala centers offered for Universities
- Operational rate of Nenasala owned by religious centres also have been reported as 54% while CBO owned Nenasala shows the operational rate as 59%
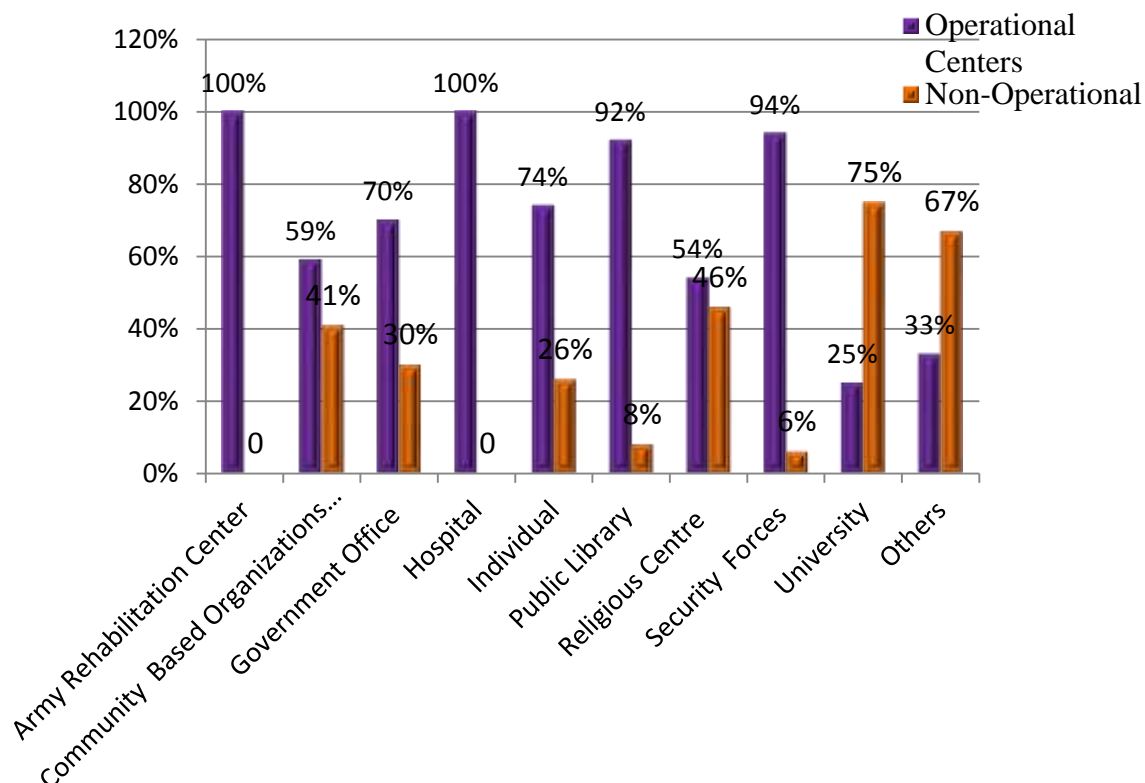
Figure 4 – Operational Status based on ownership model

3.5 Level of the Operational Performance (548)

As elaborated in the section of the methodology, the study has identified four levels of operational performance for the operational centres based on the criteria developed for the analysis.
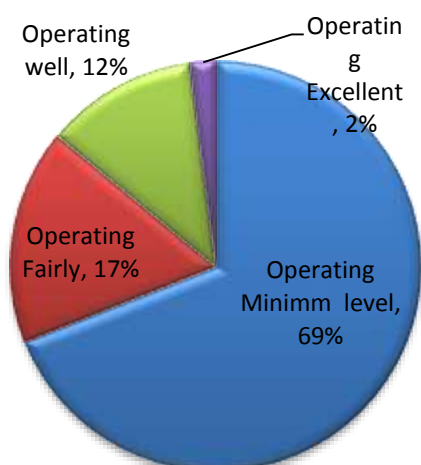
Figure 5 – Operational status based on performance

Accordingly, 69% of the operational centers is reported to be minimum level operational while 17% is reported to be fairly operational. 12% of the centers are reported to be well operating and the performance of 2% out of the total sample has been reported as excellent centre which has shown extra ordinary performance beyond the expectation and the project objectives

The 12% of Nenasala centres which are operating well are providing many services to their target community. They also maintain the centres and the equipments well. Normally the average numbers of customers per month remain higher which indicate a high demand. This category of Nenasala is very important for the other Nenasala to learn best practices and share lessons learned.

The canters which are operating at minimum level are the most critical group that need to get immediate attention from the project management team. There was rapid trend of closing down rate identified within this category. All these centers are operating with very limited number of machines, equipments and minimum involvement of IT staff. They also serve a small number of customers with minimum services and remain open only for two three days of the week.

3.6 Status of Non Operational Centres (336)
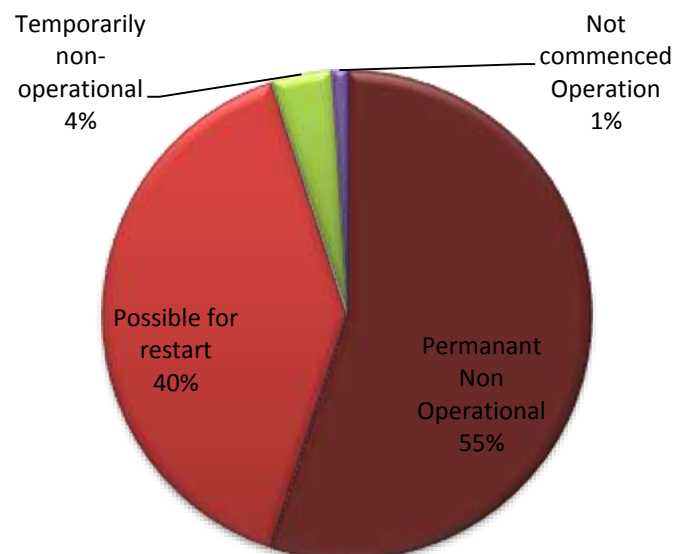
Figure 6

As per the finding of the survey there were 336 centres reported to be non operational. The survey attempted to identify the underline courses and the issues faced by the Nenasala and also potentiality of reopening the closed centres. An in-depth   analysis was done to study the situation of the non operational centres. Therefore different categories were identified based on the criteria given in the section of the methodology in the report.   Accordingly, 55% of the non operational centres are in position of became permanently non operational. These centers have been non functional more than one year and no any possibility or interest to restart the Nenasala operation.

However, 40% out of the non operational centres have been reported as possible centres for restarting if the necessary support and guidance provided by ICTA. Mainly the necessary equipment following up and guidance are supports that need to be provided by the ICTA for reopening the non operational centres.

4% out of the non operational centres are reported as temporally non operational due to building renovation while 1% are reported to be not commenced centres which is new centers have not started the Nenasala operation.

3.7 Services provided by Nenasala

Most of the operational Nenasala centres are providing many services to the target community in the service area. It is revealed that training is the most prominent services provided by 76%.of operational Nenasala centres (Figure 6). Further the e -mail and internet facilitates, printing, and typesetting are also the prominent services provided by Nenasala centres. The other services such as telephone calls, Skype, fax, photocopy, scanning and stationery selling remain between 7%- 33%.
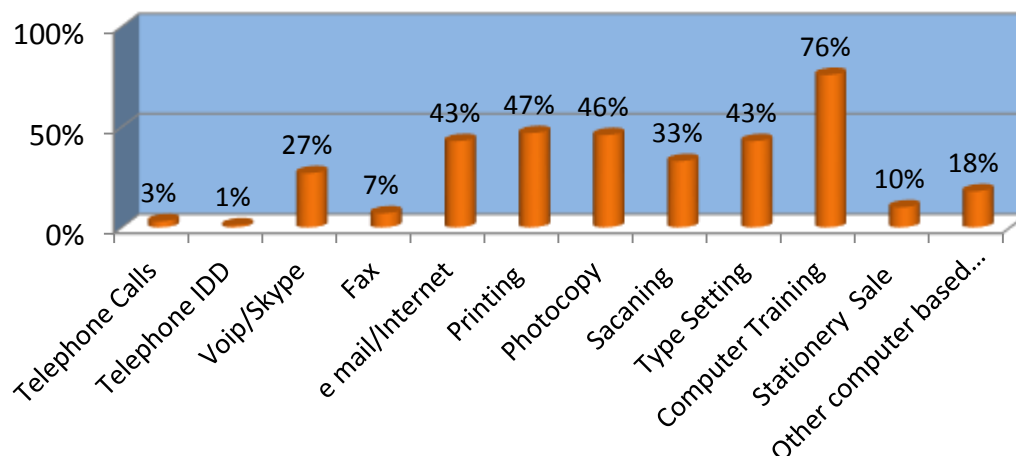
Figure 7 – Services provided by Nenasala

3.8 Demand for the services provided by Nenasala

The trend of the customer demand for the services provided by Nenasala based on the operational level have been illustrated in the below Figure,8,9,10. .It was reported the higher demand for the photocopy services and minimum demand for IDD calls. However the understanding on the trend of the supply and the demand for the Nenasala services is very important for the project management team to developed new marketing strategies and input business plan for the Nenasala centres.

Demand for the services provided by the Minimum Operational centres
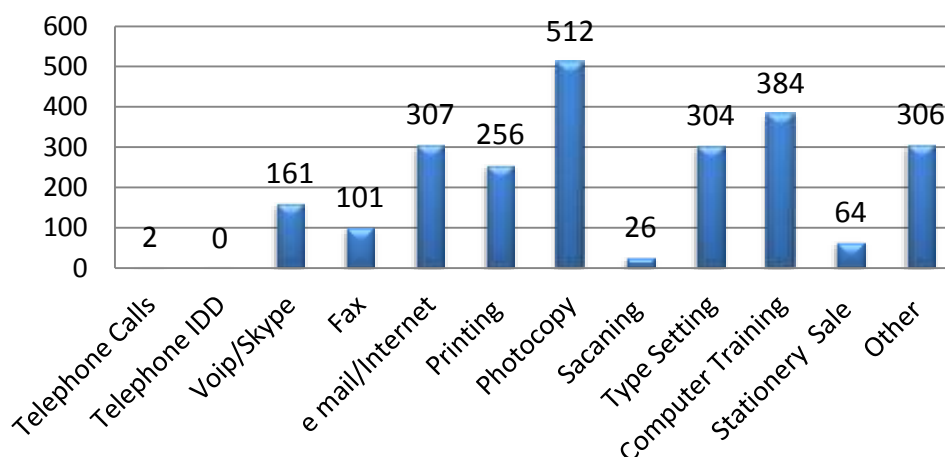
Figure 8: Demand for the services provided by fairly operational centers
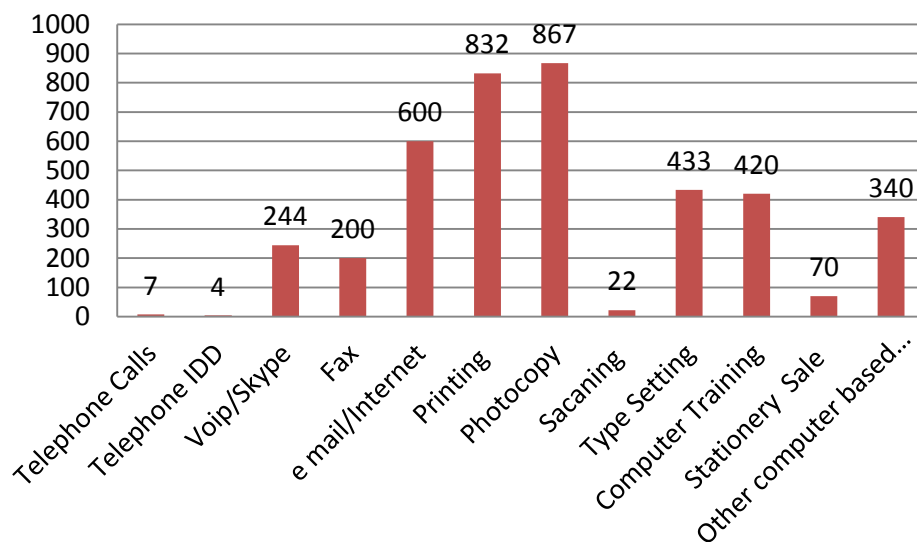
Figure 9: Demand for the services provided by fairly operating centres
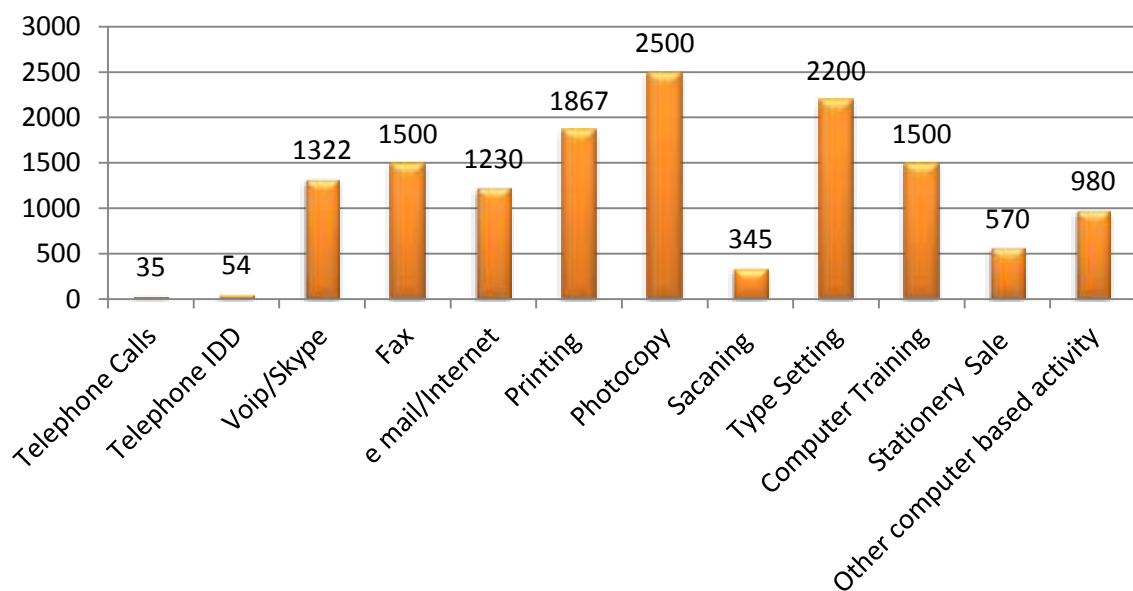
Figure 10: Demand for the services provided by well operating centres

3.9 Availability of Connectivity

Availability of the internet connectivity is the other major concern that affects the services and the demand of the Nenasala Canters. It is great to know that the 76% of the Nenasala centres have the connectivity and only 24% of the centres have issues related to the connectivity.   The major internet provider is reported as SLT which is about 73% of centres
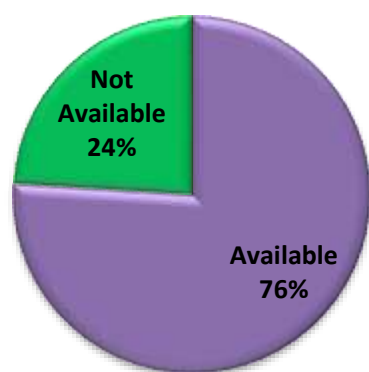
Figure ,11 Availability of connectivity   **Figure,12 Connectivity Providers**
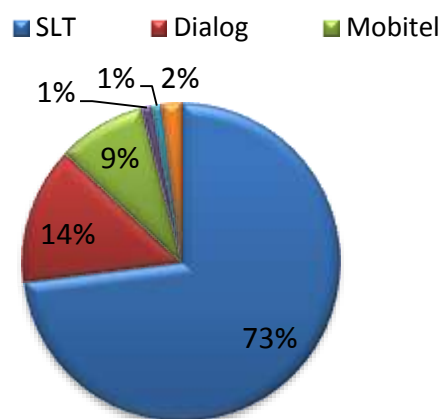
3.10 User Categories and patterns

Understanding the type of users/customers of the Nenasala centers is also important in planning the future activities in relation to the business plan and entrepreneurship development. As given in the table 7, majority of the Nenasala users are reported to be school children 5%-100% and the other larger group of users reported are unemployed youth and University students. Business community constitute as 0% - 50% of the users. Farmers who visit the Nenasala in the area is comparatively low as 1% - 40%

Table 8 –Category and the user patterns

	User Category	Range of user category reported
1	School Children	5% - 100%
2	University Students	0% - 100%
3	Unemployed Youth	0% - 100%
4	Business /self employee	0% - 50%
5	Farmers	0% - 40%
6	Other Employee	2% - 80%

3.11 Level of Sufficiency of Revenue

Insufficiency of revenue earned by the Nenasala has been identified as core issue faced by Nenasala centres which lead to substantial level non operational rate. Therefore the level of the sufficiency of revenue receive for Nenasala was assessed based on the response given by the operators and owners.

Only the 8% of the Nenasala owners/operators have mention that the revenue is satisfactory sufficient to maintain and develop the centres. This team perhaps would represent the category of well operational centres and key reason for the low revenue have been identifies as follows,

.1. Services are provided at low price or free of charge
2. Nature of the operation
3. Providing limited services
4. Insufficient computers and IT equipments

5. Overdue Conditions of machines
6. Space and building issues
7. Limited number of clients
8. Providing training only for periven   students or priests
9.No qualified and trained operators
10. Lack of supporting services
11. Lack of marketing strategies and business skills
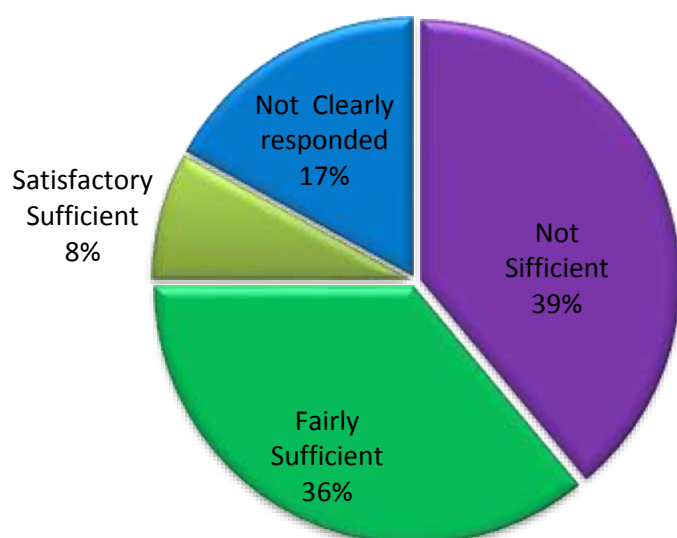
Figure 13: Level Sufficiency of Revenue

3.12 Detail of asset Available at operating centres (548)

Details of the availability of functional and non functional machines at the operating centres are given in the following Table 8, under the categories of ICTA investment and their own investment. It seems that the own investment of the Nenasala centres is higher than the investment by ICTA which highlight the community contribution for the success of the Nenasala project. However the project management team needs to take appropriate action regarding the non functional machines.

Table : Detail of asset Available at operating centres

Item	ICTA Investment		Own Investment	
	Functional	Non-Functional	Functional	Non-Functional
Computer	1800	455	1420	226
UPS	1497	453	476	88
Monitor	2018	350	1394	127
Laser Printer	332	115	105	14
Scanner	362	65	47	08
Color Printer	16	15	64	05
Photocopier	312	34	109	13
Multi-Media	21	2	51	05
Connectivity Facilities Dongle/Router	284	11	90	03
Other-Laptop/web camera etc	390	32	154	04
Total	**7032**	**1532**	**3910**	**493**

3.13 Detail of Assets Available at Non-Operational Canters (336)

It is found that there are number of functional and non functional machines which are provided by ICTA at closed centres. As given in the following table 9, a total of 1486 functional and 1363 non-functional machines have been reported at 336 centres. Appropriate action need to be taken regarding these assets.

Table 10, Detail of Assets Available at Non-Operational Centres

Item	Functional Machines	Non Functional
Computer	366	420
UPS	243	399
Monitors	518	326
Laser Printers	100	104
Color printer	8	5
Photocopiers	28	15
Multi-media Projector	3	0
Connectivity facility Dongle/router	38	2
Scanner	107	74
Other- Laptop/Web cam etc	75	18
Total	**1486**	**1363**

3.14 Overall Assessment of the Nenasala Objectives

Opinion of the Nenasala owner/operator on the level of achieving the objective of Nenasala project was also assessed as given below (Table 11). Based on their response, it seems that the project has been able to achieve objectives partially at different level. Many people agreed that the project has contributed in providing affordable ICT services o the community, increased computer literacy among children, youth and adults and provide information on employment opportunities. But the agreed level on the objectives of (d,) enabled community to access the government information and services online (e) increased economic activities and (f) provide access to private sector and banking online are reported as minimum level.

Table 11-Overall Assessment of the project objectives

Objectives	Fully	Partially	Little	Very Little	Not at all
a)Affordable ICT services are provided to the community	40%	39%	17%	3%	1%
b)Computer literacy among children, youth and adults increased	36%	37%	20%	5%	2%
c)Provide information on employment opportunity	11%	18%	20%	12%	39%
d)Rural communities enabled to access the government information and services online	5%	11%	22%	16%	46%

| e)Increased economic activities | 2% | 7% | 18% | 11% | 62% |
| f)Provide access to private sector and banking online | 3% | 1% | 2% | 7% | 87% |

3.15 Constraints and Challenges

Issues Related to the Operator

The survey has proven that the issues related to the "Nenasala Operator "has become the key reason for closing down many centres. As per the existing data, 92% of non operational centres were closed due to the difficulties of maintaining a qualified and permanent operator. Although the ICTA has provided the initial training for operators of each and every Nenasala , there is no long term strategy for Nenasala centres to ensure a reasonable degree of job satisfaction among the operational staff through good remuneration , recognition and opportunities for further training and career development as highlighted in the group discussion and SWOT analysis and interviews. Therefore the outcome is a high turn over resulting in lack of operational staff and in many cases closure of the centre

It is revealed that the financial inability due to the low revenue of the centres has contributed to reduce the capability of maintaining the position of operator with better salary, remittance and the other job satisfactory facts expected by employee, such as recognition, more training and exposure opportunities etc. However, the 12% of well operating centres and 2% of excellent centres prove that they have no issues in relation to appointing or maintaining operator for their centres as they have sufficient revenue to maintain the centres. Therefore it is clear that the "operator issue" is not due to a scarcity of IT qualified people in the area but due to financial inability caused by low revenue of the Nenasala centre.

Overdue Conditions of machines

The overdue condition of the equipments (78%) of the existing centres has also been identified as one of the other key reason for declining the performance of the Nenasala centres. Further this situation contributes to reduce the volume and quality of the services which cause many effects on the overall revenue and the performance of the centres. Although the ICTA has refurbished some centres in selected districts, it would not be a long term solution which addresses the underline factors of the core issue.

Recognition of the training certificate

Trainings provided by the Nenasala centres are a major social services granted to the low income community in the rural areas. Most of the centres are providing training at very low charges with purpose of encouraging the poor and disadvantaged group to attend for ICT based knowledge and skill.

The standard of the certificate and recognition in the ICT job market for issued by Nenasala for the training program is one of the other main concerns that affect the demand for the training provided by Nenasala centres. Though the ICTA has done initial agreement with (VTA) Vocational Training Authority to find some solution for this issue, the implementations of the agreed activities are yet to be started.

Some of the well operating centres have already made their agreement with Vocational Training Authority (VTA) by themselves and providing good services. But the Intervention of ICTA is required for the rest of the Nenasala centres who found difficult to arrange by them self.

Dependent attitudes of the Nenasala owners
There is also a concern about the dependent attitude of the Nenasala owners to expect all the assistance from ICTA in terms of providing operators and machines, supporting, for maintenance and repairing etc…

Lack of interest and dependent attitudes of the Nenasala owners/operator
There is also a major concern about the dependent attitude of the Nenasala owners and operators to expect all the assistance from ICTA in terms of providing operators and machines, supporting, for maintenance and repairing etc… This dependent attitude has severely contributed to challenge the sustainability of the project and also to create some negative attitudes about ICTA. The Nenasala centres that has been identified as "well Operational Centers" have been able to overcome that attitudinal barriers and maximizing performance by increasing variety of services,
`

Absent of coordination among Nenasala and the other stakeholders
Throughout the whole M&E exercise, the facts proven that, there has not been formation of strong network among the Nenasala members as well as with the other stakeholders. It is really a lacking part of the project that need to pay immediate attention to mitigate most of the ground level issues arisen in relation to the clarity and the accountability of the work done by the project stakeholders.

Lack of entrepreneurship and business development skill
As per the finding, most of the Nenasala are functioning as "charity service provider" rather moving towards "revenue oriented" operation which supports them to enhance their services, assets, and other infrastructures. Although the religious centers have obligation of providing charity service, the CBOs and the other model of the Nenasala centers should be encouraged to move toward business oriented pattern while ensuring other social obligation and the social ethics that need to be delivered to the society.

Inadequate interaction of ICTA with Nenasala owners/operator and beneficiaries
It has been strongly commented by the beneficiaries and Nenasala owners/operators that there has been maintained very limited interaction with the ICTA due to unavailability of ICTA representatives at the village level. The M&E field coordinators that have already been recruited for the can be assigned with these responsibility

3.16 Suggestions and Recommendations
It is clear that the core reason for most of these key issues face is the" low revenue "condition that faced by most of the Nenasala centres. Though there are many obstacles in terms of time availability, budget allocation and the other resources, the priority issues need to be addressed adequately and timely. If the long term issues that related to the operator, recognition of the certificate and the overdue conditions of the machines and etc.. will not be addressed as an immediate effect the following intervention can be recommended as a short term strategy

Table 12 – Suggestion and Recommendation

No	Key Issues	Propose strategies	Proposed Activities
1	Lack of interest & dependent attitudes of Nenasala owners/operator	Strengthening existing Nenasala centres with awareness and necessary attitudinal changes	- Conducting ground level awareness raising program - Community level workshops & seminars - Strengthening linkages with government organizations in the area - Continues M&E support
2	Absent of coordination among Nenasala and other stakeholders.	Promoting district coordination	- Formation of district coordination body in each districts - Facilitating of district coordination process - Developing district action plan with district coordination body - Follow up
3	Lack of entrepreneurship and business development skill	Promoting entrepreneur and business development skill	- Conducting field level training on entrepreneurship and business plan development - Developing linkages with financial institutions and facilitate credit facilities - Facilitating and follow up
4	Inadequate interaction of ICTA with Nenasala owners/operator and beneficiary	Continue with the ongoing M&E mechanism	- The ongoing M&E process will cover by completing second round of the visit - M&E Follow up - Reporting on progress and implementation gaps
5			-

In addition it is recommended that the functioning Nenasala centers are connected with the following citizen empowerment programmes that are to be implemented by ICTA.

~ draw in well performing Nenasala center to deliver the All Island Coding Programme reaching out to young children.

~

~ Align Nenasala centers with ongoing initiatives such as the – device strategy, free WiFi Programme

ANNEX 1

ICTA *ideas actioned*	Questionnaire for Nenasala operators /owners	Nenasala

Data to be obtained by conducting face to face interviews and observation done by M&E coordinator

1. Basic Information of Nenasala							
1.1 Name of Nenasala							
1.2 Location	(a)Province:				(b) District:		
	(c) DS Division:				(d) GN division		
1.3 Launched date							
1.4 Number of staff	(a) IT Staff				(b) Non-IT Staff		
1.5 Type of Nenasala (Please(√) appropriate box)	(a) Religious Center	(b) Security Camp	© Government Officer	(d) CBO	(e) Public library	(e) Individual	(f) Other
1.6 Telephone no							
2. Background of the Respondent (owner/operator)							
2.1 Name of the respondent							
2.2 Age							
2.3 Gender	(a) Male			(b) Female			
2.4 Telephone							
2.5 e-mail							
2.6 Web							
2.7 Level of IT Knowledge (Please (√) appropriate box)	(a) High	(b) Average	©Poor	(d)Not IT Knowledge			
2.8 Has the operator been trained by ICTA	(a) Yes			(b) No			
2.9 Period of service							

* Note -**High** - Higher knowledge in managing all the office applications and packages and have knowledge in providing any services requested by the customer, **Average** – Generally can manage the office applications and providing limited services **Poor –**Inadequate knowledge in handling IT related matter, **Not IT Knowledge –** Not at all

3. Socio –Economic Background of the area					
3.1 Type of area (Please (√) appropriate box	(a)Urban	(b) Semi-urban	(b)Rural	© Remote	(d)other

3.2 Prominent Livelihood in the area (Please (√) appropriate box)	(a)Agriculture	
	(b)Fishing	
	©Business	
	(d)Industrial	
	(e)Other	

3.3 Prominent Ethnic Group in the area (Please (√) appropriate box)	(a)Sinhala	(b)Tamil	©Muslim	(d)Other

3.4 Prominent Language used by the community in the area	(a) Sinhala	(b) Tamil	© Mix

4.Detail of assets belong to Nenasala – (Please mention the exact number)

4.1

No	Equipment	ICTA investment		Own investment		Total Number	
		Functional	Non Functional	Functional	Non functional	Functional	Non functional
(a)	No. of Computers						
(b)	No of UPS s						
©	No .of Monitors						
(d)	No of laser Printers						
(e)	No. of color printers						
(f)	No. of photocopiers						
(g)	No. of multimedia projector						
(h)	Connectivity facilities						
(i)	Scanner						
(k)	Other						

4.2 Are the equipments appropriately maintained and in good condition?	Yes	
	No	

4.2.1.If No, please explain the issues briefly

5. Details of Internet connectivity								
5.1　　Availability of internet Connection (Please (√) appropriate box)	Available				Not Available			
				Demand for the services				
No.	Services available please mention the provider	SLT	Mobitel	Yes	No	If Yes, Average no. customer (monthly)	Other	Income (monthly)
(a)	Telephone calls (Local)							m
(b)	Telephone calls (Overseas)							
©	VoIP/ "Skype" calls							
(d)	Fax							
(e)	e-mail							
(f)	Internet Browsing							
(g)	Printing							
(h)	Photocopying							
(i)	Scanning							
(j)	Typesetting							
(k)	Computer training							
(l)	Other Computer based activities							
(m)	Stationery sales							
(n)	Others ……							
(o)	…….							

5.2　Issues related to the connectivity (Please note)

6.2 Is the revenue generated from Nenasala activities sufficient to maintain services and operation?	Satisfactory sufficient	Fairly Sufficient	Not Sufficient

If No ,Please explain

7.2　Type of users	% of users monthly
(a)	School Children	
(b)	University/other Students	
©	Youth-Unemployed	
(d)	Business and self-employed entrepreneurs	
(f)	Farmers	
(g)	Other employers	
(h)	Others	
7.3 Detail of usage　- Average number of users visit Nenasala in last three month	
Month	Average Number
(a)　Month 1	
(b)　Month 2	

©	Month 3	

*Note (If they don't have records please take the approximately estimated number)

8.Socio and Economic Benefits of the Nenasala				
8.1. How Many training /IT course have been provided by your Nenasala?				
8.2. Number of people trained by your Nenasala?				
8.3. How many have been benefited in finding employment From services offered by your Nenasala?				
8.4. Please mention any other socio –economic development activities conducted by your Nenasala?				
8.5 Have you received CD/DVD (offline Conent) which provided by ICTA	Yes		No	
8 .5.1. if yes, please mentioned				
8.6. How often do you use the above "content"	Very Frequently	Frequently	Occasionally	Rarely
8.7 . What are the CD/DVD content would you like to have in Nenasala for your community? Please mention.				
8.8 What are the online content or web sites use for education, e learning ,agriculture and livelihood ?				

9. Overall assessment in achieving the objective of the Nenasala					
9.1 In your opinion to what extent your Nenasala center has achieved the following?					
Objective	**Fully**	**Partially**	**Little**	**Very Little**	**Not at all**
(a)Provision of affordable ICT services to the community					
(b)Increased Computer literacy among children, youth and adults					
(c)Enabled rural communities to access government information and services online					
(d) Increased economic activities					
(e)Provide access to private sector and banking online					
(f)Provide information on employment opportunity					

10. Challenges and Difficulties

What are the challenges, difficulties and problem faced by Nenasala?	I. .... II. .... III. .... IV. .... V. ....

11.Sugession for further improvement	
What are your suggestions to overcome the above and improve performance	I. .... II. .... III. .... IV. .... V. ....

12. Overall Observation of M& E Coordinator					
12.1 Overall Rating on the operational status of the Nenasala					
Operating			Closed		
Operating well	Operating Fairly	Operating at Minimum Level	Closed	Permanently closed	

Name of the M&E Coordinator ……………………………………
Date :………………………………………………………………………
Signature ………………………………………………………………………

ANNEX 2
Guideline for Focus Group Discussion with Nenasala owners/operators

1. What is your perception about the current status of the Nenasala project? (Overall view and the understanding of the Nenasala Owners and operators about the success , failures and other issues of Nenasala project as a whole)

2. What are the success and achievement you have gained as a Nenasala owners /operators?

3. What are the key issues faced by Nenasala and main reason for failures?

4. What kind of solution will you suggest for the following issues?

    *   Issues related to the operators (Difficult to pay salary, frequent transitions, no interest etc..)
    *   Overdue conditions of Machines /equipment
    *   Low revenue of the Nenasala

5. What you can suggest ICTA to as appropriate solution to ensure the sustainability of Nenasala centers