



**ETHOS**

**PATHOS**

**LOGOS**

**2016 – 2017**



**LIRNEasia**

*Pro-poor. Pro-market.*



**CATALYZING POLICY CHANGE  
THROUGH RESEARCH TO IMPROVE  
PEOPLE'S LIVES IN THE EMERGING  
ASIA PACIFIC BY FACILITATING  
THEIR USE OF HARD AND SOFT  
INFRASTRUCTURES THROUGH THE  
USE OF KNOWLEDGE, INFORMATION  
AND TECHNOLOGY**



# CONTENTS

<b>MESSAGE FROM THE CHAIR</b>	<b>4</b>
<b>MESSAGE FROM THE CEO</b>	<b>6</b>
<b>ABOUT LIRNEASIA</b>	<b>8</b>
<b>BUILDING TOMORROW'S LEADERS</b>	<b>24</b>
<b>2016-2017: THE YEAR IN REVIEW</b>	<b>48</b>
<b>FINANCIAL STATEMENTS</b>	<b>68</b>



# MESSAGE FROM THE CHAIR

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Rohan Samarajiva

**Two major events** took place in 2016/2017 that realign the trajectory of LIRNEasia with our original aspirations for the organization.

First was the award of a major grant to conduct comparative research on teleuse along with our sister research organizations RIA (Research ICT Africa) in Africa

and DIRSI (Dialogo Regional sobre Sociedad de la Informacion) in Latin America. The Asian component, funded from multiple sources, will cover the entire populations of India, Indonesia, Pakistan, Bangladesh, Nepal and Cambodia.

LIRNEasia has been conducting large-scale teleuse surveys representative of the bottom-of-the-pyramid in Asia, since 2005. These teleuse studies had significant impact on policy and regulation. In Sri Lanka, for example, we convinced those in the upper echelons of power to strip out the regressive element of a mobile-only tax. The comprehensive data to back our arguments came from a representative-sample survey. This and other such studies also received major media coverage and yielded many research publications.

The new grant negotiated by our CEO Helani Galpaya changes LIRNEasia's trajectory. After several years of pulling back geographically, this grant expands the scope of LIRNEasia's presence. For the first time, we will be active in the Greater Mekong Region. This work will refresh our understanding of what people do with ICTs (Information Communication Technologies) and thereby strengthen all the research we do. In extension, it will improve the quality of the policy recommendations we make. The funding allows us to consolidate our position as an organization capable of working with multiple research methods and exploiting synergies between quantitative and qualitative research. We are confident

that these surveys will also enrich the findings from our data analytics work.

This is also the year we got back the crown jewel of our people-building initiatives. Based on research and a clear understanding of what we did not want to do in terms of forming policy intellectuals, we started CPRsouth in 2006. The idea was to identify those who were inclined to engage in the taking of research to policy, to improve their skills and to provide them with the ability to draw on networks of like-minded peers.

Grace Mirandilla Santos participated as a Young Scholar at the inaugural sessions in January 2007 and then as a paper presenter at three subsequent sessions. She is now a consultant on ICTs, e-government and telecommunications reform for the Asian Development Bank and The Asia Foundation. In 2009, Ibrahim Kholilul Rohman went through the Young Scholar tutorial program. He also presented papers at three subsequent sessions. Ibrahim currently serves as a Research Fellow at the United Nations University Operating Unit on Policy-Driven Electronic Governance. These are only two among many successes. Our model worked.

Our CPRsouth model was replicated in Africa by our sister organization, RIA. After two sets of conferences organized separately, we decided to try joint programs. That led, in 2014, to a decision to formally merge the two programs and hand over administrative responsibilities to RIA. And then this year, we resumed responsibility

as administrative partner. An exhaustive tracer study conducted in December 2016 enabled us to redesign the program. CPRsouth 2017 will foreground the tutorial component and give even more weight to building young leaders. So CPRsouth is back with us, where it started.

We also received our third grant from the Ford Foundation this year. This will facilitate intensive capacity-building work, similar to the work done in India, Indonesia, Nepal and Sri Lanka since 2012. In 2017, we will return to Nepal, a country where we worked when we started back in 2004, but could not continue in. The entire body of work in Myanmar is also about people. Our aim is to build the capacity of MIDO (Myanmar ICT for Development Organization) so that they can stand on their feet alone, as a responsible, evidence-based organization that enriches the way this young democracy functions.

In the end, it's all about people. Our striving is to build people: those who work within LIRNEasia, those who work with us on projects, those who participate in our courses and those who move on to other things. There are the quick wins of rolling back of ill-considered policies, but we take joy in the achievements of our people: the gift that keeps giving.



# MESSAGE FROM THE CEO

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Helani Galpaya

**LIRNEasia has engaged** in many research projects. The nationally representative surveys of ICT access and use by households and individuals remain some of the most difficult to fund and most painful to implement. Yet these are the most impactful in helping change policies. The surveys are expensive and implementation is complicated, requiring long lead times. But in environments where precious little is known about how, what and why people use (or don't use) ICTs, our surveys (together with those of RIA and DIRSI, our sister research organi-

zations in Africa and Latin America) shed light on the ground situation. They help us identify emerging inequalities, and enable us to quantify existing ones.

So, we were thrilled that we managed to obtain funding for national surveys of ICT use in six South and South East Asian countries. There is also a promise of getting funding for a further five countries in the region. This would mean that, together with our African and Latin American research partners, we will produce (by next year) the most comprehensive dataset of ICT, Internet and Social Media access and use in the Global South. As one funding organization said at a meeting, “This is really unsexy research. But it must be funded because it is important”.

This was also the year we moved into Internet Governance and Digital Rights related work in a significant way. The Internet Governance Academy was set up with LIRNEasia, iRights and the Association for Progressive Communication, and we are focusing on freedom of expression online in the selected countries. We had our usual significant presence at the UN Internet Governance Forum (held in Guadalajara, Mexico), but engaged in digital rights issues in other places too – for example the Digital Citizen summit in Bangalore, India.

Many of our researchers love field work and we had plenty this year – we studied online freelancers and micro workers in Sri Lanka and did focus groups in Myanmar and India to understand how zero-

rating and equal rating work in real life. Many of us travelled to Zanzibar, Tanzania to present our research at the CPRSouth conference. Our work in Myanmar continued, with significant publicity being garnered by our research that looked at the barriers to Internet access by women in Myanmar. We had repeated engagement with the government and citizens of Canada who have so generously funded us over the years – first at the Conference of the Americas in Montreal and then an event to mark International Women’s Day in Ottawa, both of which saw our research presented.

Writing this message is always a time to reflect on our core asset – our researchers. One of our success stories was Nilusha Kapugama, who joined us eight years ago and ended up being the intellectual lead to many research projects and also de facto mentor to all junior researchers. She wanted to experience work in the private sector, and we missed her when she left to join a consulting firm. Luckily, she’s a frequent visitor in office. Danaja Maldeniya’s departure was expected – he joined us because he wanted to get his hands dirty with a specific type of research so he could enter a good PhD program. Yet his departure also left a significant intellectual vacuum in the Big Data team and in our lunch table conversations. We are proud that he is now pursuing his PhD at the University of Michigan in an area directly related to his work in our Big Data team. Keshan Desilva and Isuru Jayasooriya of the big

data team also left to pursue other opportunities. Keshan migrated while Isuru joined an education startup in Sri Lanka and continues to engage with LIRNEasia research.

We joke internally that no one ever leaves LIRNEasia – they just change how they work with us. When Piyumi Gamage’s husband was offered employment in Bangladesh, instead of resigning, Piyumi transitioned to part-time contractual employment and continued working from Chittagong. Tahani Iqbal, a researcher, left us many years ago to pursue graduate studies and then worked in South East Asia. When she moved back to Sri Lanka through her current employer we recruited her husband, Azamat Ababakirov, to our research team.

Others joined us this year – among them were Thavisha Gomez and Chathurike “CD” Athuraliya who joined the Big Data team. We also finally hired a fulltime communications coordinator in the form of Namali Premawardhana. Chatura Rodrigo joined our research team too, and very soon the LIRNEasia family grew to include his new born daughter Onara.

On a personal note, it felt like my overseas work-related travel engagements increased significantly this year. But new researchers were interviewed and hired, new research projects were started, field work was completed, reports were written and dissemination was done effectively. I couldn’t be prouder of my team.

# ABOUT LIRNEASIA





**WE WANT TO  
SEE LIFE IMPROVE  
FOR PEOPLE IN THE  
EMERGING  
ASIA PACIFIC.**

Enormous amounts of money are invested annually in ICTs. The potential of ICTs for economic and social progress is substantial though they aren't, in themselves, necessarily the answer to higher incomes and a better life. Combined with other factors, ICTs provide means to improve people's capabilities and knowledge so that they may better their lives.

The Asia Pacific is seen as driving the global economy, yet within it lies South Asia, home to the world's largest concentration of poor people. Some of the world's highest ICT industry performers belong to the Asia Pacific region, as well as some of the lowest.

ICT use in many developing countries is held back by laws and regulations. Existing policy and regulatory arrangements actively hinder people from using ICTs to live their lives. New, low-cost technologies are very often restricted or exploited through these laws and regulations.

LIRNEasia is a pro-poor, pro-market think-tank working across the Asia-Pacific to change this situation. We conduct in-depth, policy-relevant research on the ICT sector as well as other sectors (such as agriculture and health) which

**WE BELIEVE THAT  
THE PATHWAY  
IS THROUGH  
BETTER ACCESS  
TO AND USE OF  
KNOWLEDGE,  
INFORMATION AND  
TECHNOLOGY.**

can benefit the poorest citizens of the Asia Pacific. We document regional good practices. We then disseminate independent, actionable knowledge, to policy makers, regulators, service providers and the media. We help form policy intellectuals and, on request, provide short-term advisory assistance.

We emphasize Asia Pacific expertise, but are not exclusive about it. We have, on many occasions, contributed towards the removal of barriers in access to ICTs for the people of Asia.

**OUR MANDATE  
IS TO HELP  
FACILITATE  
THE USE OF  
HARD AND SOFT  
INFRASTRUCTURES  
IN THE REGION  
THROUGH  
RESEARCH THAT  
CATALYZES  
POLICY CHANGE.**



# PEOPLE AND CULTURE

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LIRNEasia's principal strength is its people. A bunch of curious folk who function best in non-hierarchical environments.



**WE ARE EXCITED BY IDEAS.  
BY THE POSSIBILITY OF FINDING PRACTICAL  
SOLUTIONS TO REAL-LIFE PROBLEMS.**

**WE VALUE CREATIVITY.  
WE ENCOURAGE DEBATE.  
WE WILL NEVER STOP LEARNING.**

**WE WORK IN TEAMS: FLEXIBLY,  
EFFECTIVELY, HELPING EACH PERSON  
REACH THEIR FULL CAPACITY.**



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## LIRNEasia STAFF

Helani Galpaya | **Chief Executive Officer**

Ayesha Zainudeen | **Senior Research Manager**

Azamat Abibakirov | **Research Manager**

Chathura Rodrigo | **Research Manager**

Chathurike “CD” Athuraliya | **Researcher**

Gayani Hurulle | **Research Manager**

Jagath Perera | **Office Assistant**

Laleema Senanayaka | **Researcher**

Namali Premawardhana | **Communications Specialist**

Nipuni Udunuwarage | **HR and Operations Associate**

Piyumi Gamage | **Junior Researcher**

Prashanthi Weragoda | **Senior Finance Manager**

Priyadharshani Liyanage | **Accountant**

Shazna Zuhyle | **Research Manager**

Srimantha Katukurunda | **Operations Coordinator**

Suthaharan Perampalam | **Senior Researcher**

Tharaka Amarasinghe | **Project Manager - Statistician**

Yudhanjaya Wijeratne | **Junior Researcher**

Amila Chanaka | **Junior Researcher**

Chiranthi Rajapakse | **Senior Researcher**

Danaja Maldeniya | **Senior Researcher**

Isuru Jayasooriya | **Researcher**

Keshan Desilva | **Researcher**

Nilusha Kapugama | **Senior Research Manager**

Sandun Siriwardhana | **Junior Researcher**

Suthaharan Perampalam | **Senior Researcher**

Thavisha Gomez | **Research Manager**

Aparna Surendra | **Graduate Research Assistant**

## RESEARCH AND POLICY FELLOWS

LIRNEasia's dynamic group of research and policy fellows are located all over Asia and even in the United States. They are team members in the fullest sense.

From the beginning, we have aimed to build a virtual organization. Our physical presence is concentrated in Colombo, as is our administrative core, but much of our work is facilitated through extended networks across the Asia Pacific.

Abu Saeed Khan | **Senior Policy Fellow (Bangladesh)**

Ayumi Arai | **Research Fellow (Japan)**

Christoph Stork, PhD | **Senior Research Fellow (South Africa)**

Danaja Maldeniya | **Research Fellow (United States)**

Dharshana Kasthurirathna, PhD | **Research Fellow (Sri Lanka)**

Erwin Alampay, PhD | **Senior Research Fellow (Philippines)**

Faheem Hussain, PhD | **Research Fellow (Bangladesh)**

Gabriel Kreindler | **Research Fellow (United States)**

Grace Mirandilla-Santos | **Research Fellow (Philippines)**

Juni Soehardjo | **Research Fellow (Indonesia)**

Moinul Zaber | **Research Associate (Bangladesh)**

Nuwan Waidyanatha | **Senior Research Fellow (China)**

Payal Malik | **Senior Research Fellow (India)**

Vigneswara Ilavarasan | **Research Fellow (India)**

Yuhei Miyauchi | **Research Fellow (United States)**

## CONSULTANTS

Sriganesh Lokanathan | **Big Data**

Sujata Gamage, PhD | **Human Capital, Waste Management, Electoral Reforms**

Rohan Samarajiva | **Big Data**

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## BOARD OF DIRECTORS

LIRNEasia was incorporated under the Sri Lankan Companies Act as a non-profit organization in September 2004. The company is governed by a Board of Directors that represents both the private and non-profit sectors.

Rohan Samarajiva, PhD | **Chair, LIRNEasia**

Anoja Obeyesekere | **Executive Vice President, Multinet Pakistan (Pvt) Ltd**

Lakshaman Bandaranayake | **Chairman, Sarvodaya SEEDS**

Luxman Siriwardena, MA | **Executive Director, The Pathfinder Foundation, Sri Lanka**

Mervyn de Silva | **Chief Financial Officer, Sierra Cables PLC**

Zinda Shaheen Cader | **Former CEO The Nielsen Company (Sri Lanka)**

Vinya Ariyaratne, MD, MPH, MSc | **General Secretary,**

**Lanka Jatika Sarvodaya Shramadana Movement, Sri Lanka**

Vishaka Nanayakkara, Tech Licentiate | **Senior Lecturer,**

**University of Moratuwa**

**Our Advisory Councils consist of international experts from a variety of domains. They help hone our research agenda and bring in new ideas. They provide important perspective to our ongoing work, strengthen our networks and facilitate collaborations.**

## SCIENTIFIC ADVISORY COUNCIL

William H. Melody, PhD (Chair) | **Managing Director, LIRNE.NET (Denmark)**

Alison Gillwald, PhD | **Executive Director, Research ICT Africa**

Ashok Jhunjunwala, PhD | **Professor, Department of Electrical Engineering, Indian Institute of Technology (IIT)**

Hernan Galperin, PhD | **Member, Steering Committee, DIRSI**

Johannes M. Bauer, PhD | **Professor,**  
**Department of Media and Information, Michigan State University**

KF Lai, PhD | **Co-founder & Chief Executive Officer, BuzzCity**

Partha Mukhopadhyay, PhD | **Senior Research Fellow,**  
**Centre for Policy Research**

Randy Spence, PhD | **Director, Economic and Social Development Affiliates (ESDA)**

Robin Mansell, PhD | **Professor, Department of Media and**  
**Communications, London School of Economics and Political Science**

Sam Paltridge, PhD | **Directorate, Science Technology and Industry,**  
**Organization for Economic Co-operation and Development (OECD)**

Shalini Kala | **Independent consultant**

Sherille Ismail, JD | **Senior Counsel, Federal Communications**

**Commission (FCC)** (Sherille serves in his personal capacity and not as a  
representative of the FCC)

Tim Kelly, PhD | **Lead ICT Policy Specialist (Transport and ICT), World Bank Group**

Visoot Phongsathorn | **Independent regulatory expert**

Linus Bengtsson, PhD (Chair) | **Co-Founder and Executive Director, The Flow-**  
**minder Foundation**

Joshua Blumenstock, PhD | **Assistant Professor, School of Information**  
**Director, Data Science and Analytics Laboratory University of Washington**

Nitesh Chawla, PhD | **Professor of Computer Science and Engineering**  
**Director of The Interdisciplinary Center for Network Science & Applications**  
**(iCeNSA) University of Notre Dame**

## **DATA ANALYTICS ADVISORY COUNCIL (LADAAC)**

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Vanessa Frias-Martinez, PhD | **Assistant Professor School of Information Studies, University of Maryland**

Amal Kumarage, PhD | **Senior Professor at Department of Transport & Logistics Management University of Moratuwa**

Ashwin Mahesh, PhD | **Founder & CEO Mapunity**

P.K.S. Mahanama, PhD | **Professor and Former Dean of Department of Town and Country Planning University of Moratuwa**

Wasan Pattara-atikom, PhD | **Principal Researcher & Head of Intelligent Transportation System Laboratory NECTEC**

Amal Shehan Perera, PhD | **Senior Lecturer, Department of Computer Science and Engineering University of Moratuwa**

Louiqa Raschid, PhD | **Professor, Smith School of Business, Center for Bioinformatics and Computational Biology, UMIACS and the Department of Computer Science, Robert H. Smith School of Business, University of Maryland**

Srinath Perera, PhD | **Vice President, Research WSO2 Inc.**

Prabir Sen, PhD | **Former Chief Data Scientist Infocomm Development Authority of Singapore**

Hetan Shah | **Executive Director, Royal Statistical Society United Kingdom**

Ryosuke Shibasaki, PhD | **Professor, Dr.Eng. Center for Spatial Information Science, University of Tokyo**

Linnet Taylor, PhD | **Assistant Professor in Data Ethics, Law and Policy, Tilburg University**

**SCIENTIFIC  
ADVISORY COUNCIL  
FOR MYANMAR**

Ruvan Weerasinghe, PhD | **Senior Lecturer  
University of Colombo - School of Computing**

Arj Wignaraja | **Vice President of Operations  
Remote Sensing Metrics, LLC**

Robert Anderson, PhD (Chair) | **Professor, Simon Fraser University**

Thant Thaw Kaung, PhD | **Founder and CEO, Myanmar Book Aid and  
Preservation Foundation**

Vicky Bowman | **Director, Myanmar Centre for Responsible Business**

Nay Lin Soe | **CEO, Myanmar Independent Living Initiative**

Wai Phio Myint | **Regional Outreach Manager,  
Myanmar Centre for Responsible Business**

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## **PARTNERS**

Over the years, we have built a network for ourselves, of organizations that support us in our work. These include project partners, collaborators, consultants and subcontractors. Some of these function in varied capacities across multiple projects over an extended period of time. Others play a single role on a single project over a matter of months.

The following is a list of organizations who supported us during the reporting period:

**Center for Internet and Society, India**

**Center for Knowledge Studies, India**

**Center for Law and Technology, Nepal**

**CPR*south***

**Department of Agriculture, Sri Lanka**

**Department for International Development (DFID)**

**Dialog Axiata, Sri Lanka**

**Economic Policy Institute, United States**

**Fields of View, India**

**Ford Foundation**

**GSMA**

**International Development Research Center (IDRC)**

**Indian Council for Research on International Economic Relations (ICRIER)**

**Indian Institute of Technology (IIT), Delhi**

**Institute for Economic and Social Research (LPEM), Indonesia**

**Internet Society (ISOC), Nepal**

**iRights**

**London school of Economics**

**mLab**

**Mozilla Corporation**

**Myanmar ICT for Development Organization (MIDO)**

**Myanmar Survey Research**

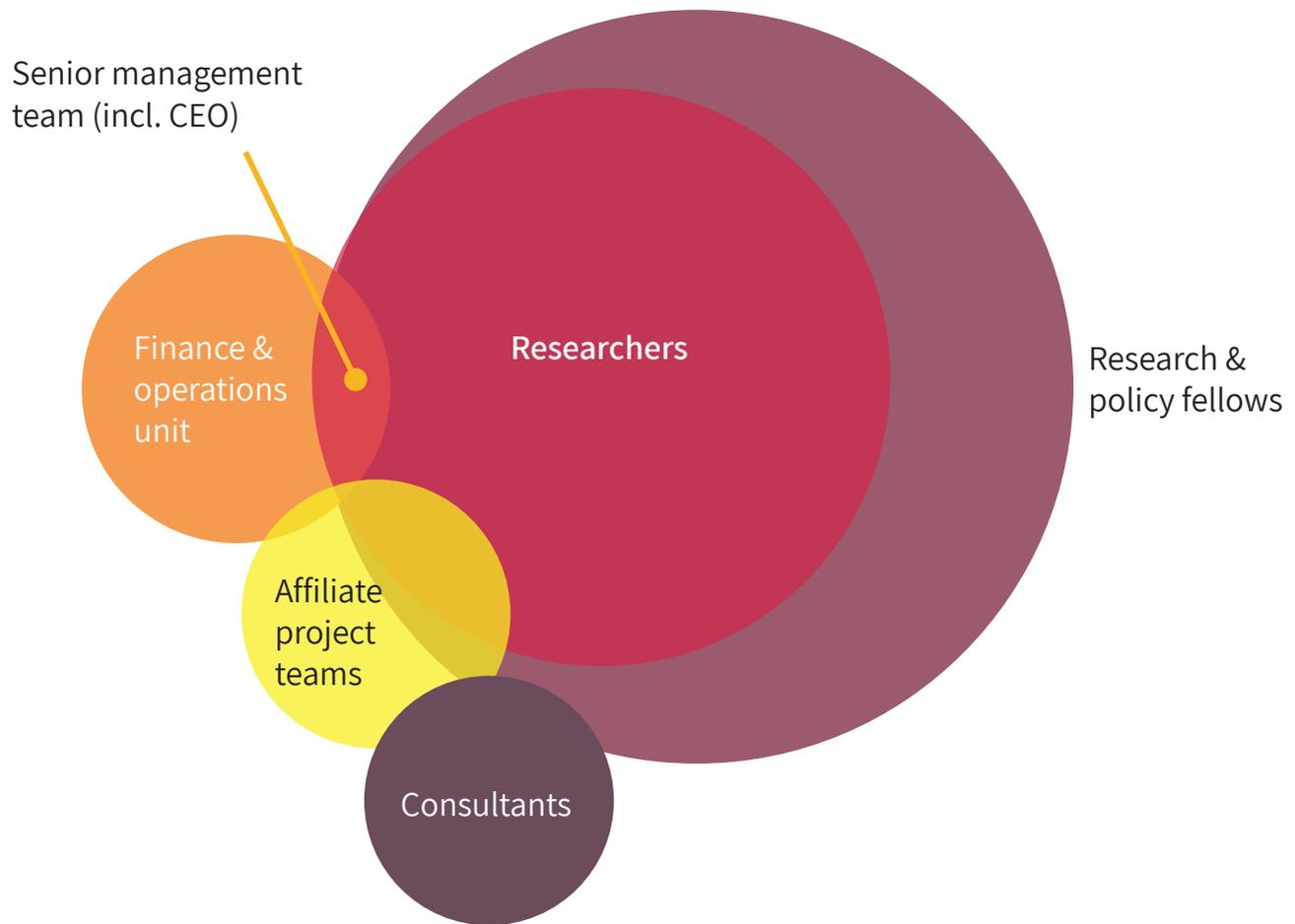
**Nanyang Technology**  
**Nielsen Holdings, Sri Lanka**  
**PepperCube Consultants, Sri Lanka**  
**Price Waterhouse Coopers (PWC)**  
**Regional Dialogue on the Information Society (DIRSI)**  
**Research ICT Africa (RIA)**  
**Third Eye Co, Myanmar**  
**UNESCAP**  
**University of California, Berkeley School of Information**  
**University of Dhaka**  
**University of Moratuwa**  
**University of Sri Jayewardenepura**  
**University of Tokyo**  
**Urban Development Authority (UDA), Sri Lanka**  
**Vriens & Partners**

Research ICT Africa (also known as RIA), and DIRSI are our sister organizations. They engage in work that is very similar to ours, RIA in the African continent, and DIRSI in South America. These are strategic long-term partnerships built on a common vision for the development of the global south.

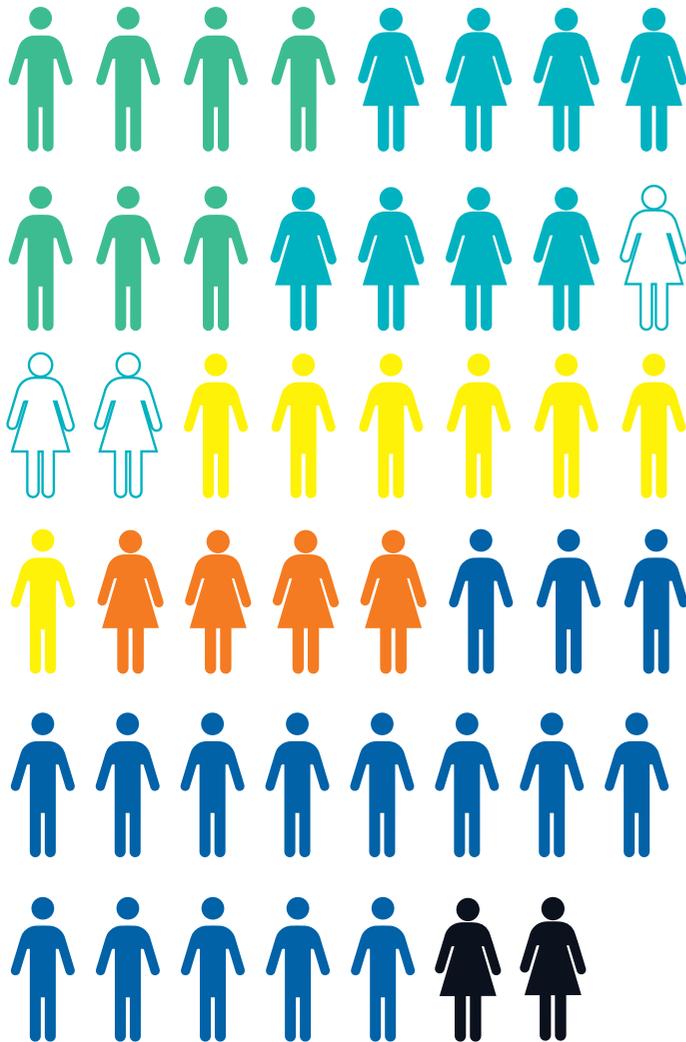


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## ORGANIZATION CHART



2016/2017



FULL TIME EMPLOYEES



PART TIME EMPLOYEES



EXTERNAL CONSULTANT/RE-SEARCHERS WORKING WITH LA (RESIDING IN SL)



EXTERNAL CONSULTANT/RE-SEARCHERS WORKING WITH LA (RESIDING OUTSIDE SL)



We conducted a course on ICTs and social media for e-gov with 20 members of Myanmar Union Parliament. We were then invited by Yangon regional parliament to conduct similar training for over 80 members over two days

# BUILDING TOMORROW'S LEADERS



## AT LIRNEASIA, WE HAVE BEEN GUIDED BY LINDQUIST'S SCHEMA ON POLICY IMPACT.

**FIRST**, there are direct impacts from specific evidence-based interventions – the kind of results that can be shown within the short cycles of funded projects. For example, government proposes a tax; we demonstrate its regressive effects on the poor; government modifies the tax. Big win.

**SECOND**, there is the impact that comes from persuading policymakers to look at problems differently and ask different questions. This is much harder to achieve within short project cycles, but much more effective in the long term. Our impact is stronger and better sustained if (to take the same example), instead of just beating back harmful tax proposals, we can ensure that the underlying logic of the taxes, the behavioral impacts and the long-term effects on

revenue collection are understood by policymakers. LIRNEasia has succeeded in preventing regressive taxes being imposed on mobile users, but, over time we have seen the general tax burden increasing. We want to do better than this.

**THE THIRD** form of impact is the Holy Grail. Our work can reshape the discourse on policy-making, by building a well-informed and responsible generation of policy intellectuals. This is a long-term commitment, and a difficult one to achieve for an organization that has limited access to policymakers. We are not a university that gets three to four years of a young person's life at an impressionable age. We don't have that kind of long-lasting influence.

But just because something is difficult does not mean we do not try.

**WE TRY. AND WE WIN SOMETIMES.**

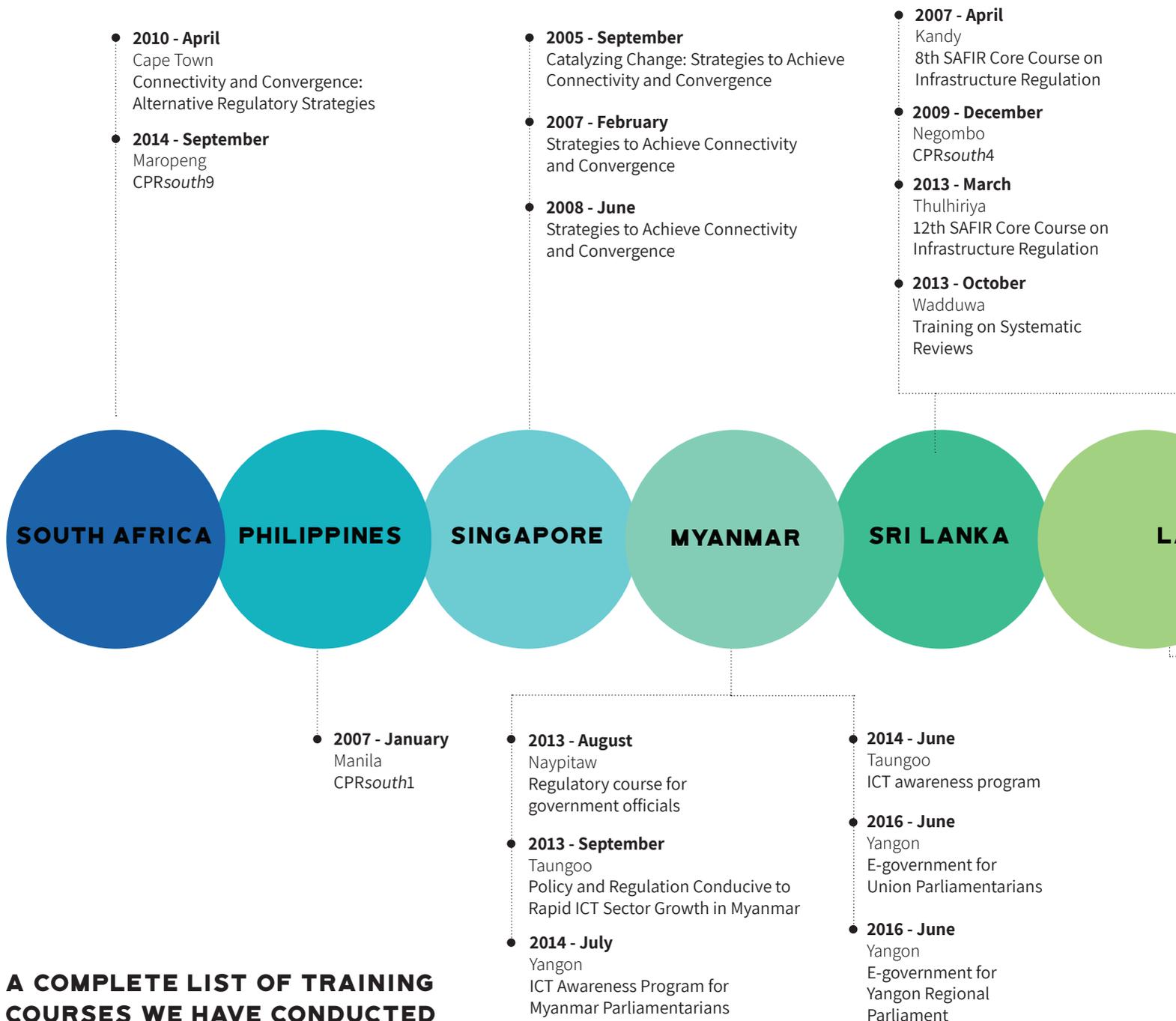
# TRAINING COURSES

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The building happens, ideally, not through formal, standalone training courses. But we do train formally through courses when opportunities arise. We think of these as elements in a larger engagement, as building blocks for enduring networks.

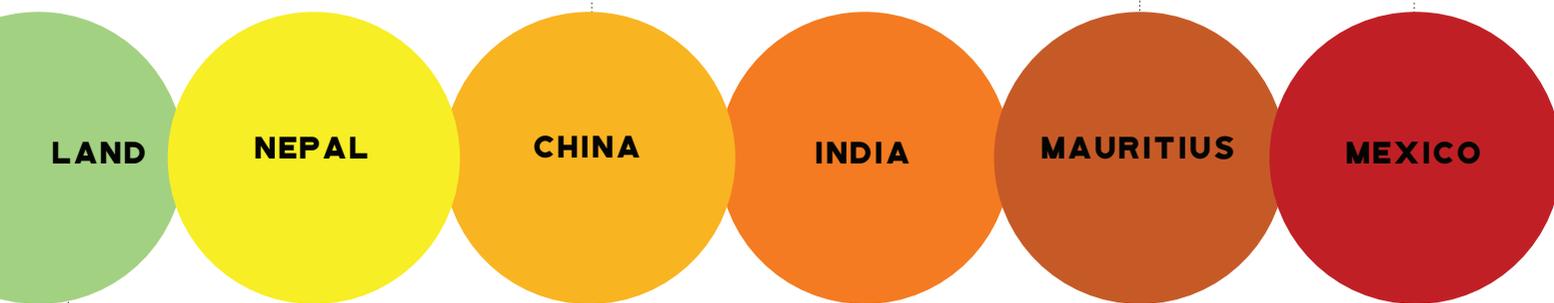
At the start, we thought of training courses as a key element of LIRNEasia work. We offered several LIRNEasia and SAFIR (South Asian Forum in Infrastructure Regulation) courses for regulatory officials and those participating in policy and regulatory processes. But demand, in the form of paying customers, was lacking.

Given the plethora of travel opportunities available to regulatory staff in developing countries (subsidized in many cases) it was difficult for self-supporting courses to attract participants. Regulatory agencies had money which they were not willing to spend on our training, and individuals who wanted to attend could not bear the travel costs and fees. So, the courses we now offer are based on scholarships, with at most marginal cost sharing by the participants.



**A COMPLETE LIST OF TRAINING COURSES WE HAVE CONDUCTED OVER THE YEARS.**

- **2014 - March**  
Colombo  
Customer Relationship Management (CRM) in the Electricity Sector
- **2014 - May**  
Colombo  
Introductory Energy Regulatory Training Course for Public Utilities Council of Sri Lanka
- **2015 - September**  
Marawila  
How to Engage in Broadband Policy and Regulatory Processes
- **2016 - August**  
IGF academy regional workshop: Internet Governance Processes
- **2008 - December**  
Beijing  
CPRsouth3
- **2010 - December**  
Xi'an  
CPRsouth5
- **2012 - September**  
Port Louis  
CPRsouth7
- **2015 - December**  
Guadalajara  
IGF Academy preparatory workshop



**LAND**

**NEPAL**

**CHINA**

**INDIA**

**MAURITIUS**

**MEXICO**

- **2011 - December**  
Bangkok  
CPRsouth6
- **2015 - March**  
Nagarkot  
How to Engage in Broadband Policy and Regulatory Processes
- **2007 - December**  
Chennai  
CPRsouth2
- **2013 - April**  
Bangalore  
How to engage in broadband policy and regulatory processes
- **2013 - September**  
Mysore  
CPRsouth8
- **2014 - March**  
Gurgaon  
How to Engage in Broadband Policy and Regulatory Processes
- **2014 - August**  
New Delhi  
Research Relevant to Broadband Policy and Regulatory Processes
- **2016 - August**  
New Delhi  
How to Engage in Broadband and Regulatory Processes
- **2016 - December**  
New Delhi  
How to Engage in Broadband and Regulatory Processes

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## CPR*south* AND YOUNG SCHOLARS PROGRAM

The Young Scholars Program conducted alongside the annual CPR*south* conference has been offered eleven times since January 2007, with the support of IDRC. The purpose of both events is to develop policy intellectuals in the global south. A tracer study conducted in 2016 found that those who had participated in the Young Scholars Program before presenting papers at the conference were the most policy engaged. The program has been re-conceptualized accordingly, and the Young Scholars Program will be placed firmly in the foreground starting in August 2017.

A genuine community of scholars has emerged based on Facebook and email communication, and efforts will be made to strengthen the community.

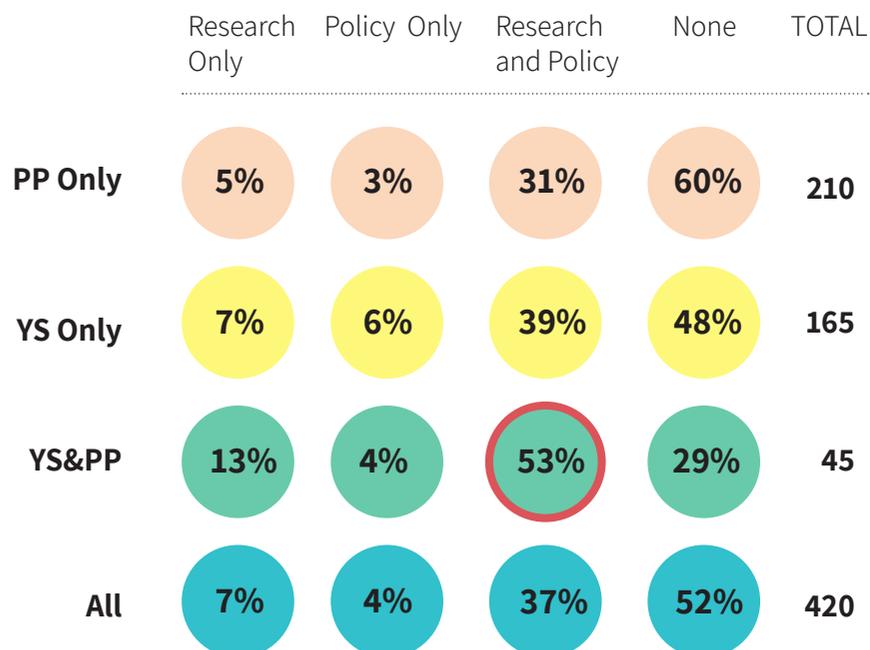
When asked to compare with other conferences they have attended, CPR*south* participants find CPR*south* to be superior in its effectiveness in mentoring young

researchers. The young scholar tutorial program is the foundation of the mentoring process. The paper review process for the conference is also a mentoring of those young scholar who may return as paper presenters or other mid-career researchers.

Paper selection for CPR*south* conference is a double-blind process. The shortlisted applicants get the opportunity to interact with their paper reviewers who are also board members of CPR*south*. Once selected, their papers are to be summarized as policy briefs for which the papers presenters get one-on-one guidance from an experienced policy intellectual. Depending on the availability of funds, paper presenters are given also the opportunity to receive feedback from a communication expert on videos of their mock presentations.

## TYPE OF ACTIVITY BY TYPE OF CPRSOUTH PARTICIPANT

“Those who had participated in the Young Scholars Program before presenting papers at the conference were the most policy engaged”





Young Scholars at the 2016 CPRsouth held in Zanzibar, Tanzania



## FORD FOUNDATION COURSES

Since 2013, we have offered seven courses on how to effectively participate in broadband policy and regulatory processes. These were conducted in India, Nepal and Sri Lanka with the support of the Ford Foundation. Two more courses are scheduled to be taught in Nepal in 2017-18 under a third Ford Foundation grant. The communities emerging from these courses are being integrated into the CPR*south* community.

## OTHER COURSES

Our work in Myanmar also involves courses. We have had Parliamentarians from the central government as well as the Yangon regional legislature attend our sessions on ICTs, social media and e-governance.

We have also offered courses in collaboration with the ITU for those at national statistical agencies working on ICT indicators.

LIRNEasia and iRights team  
with IGF Academy Fellows in Sri  
Lanka. August, 2016





## LEARNING ORGANIZATION

Much learning occurs outside the classroom.

We think of ourselves as a learning organization, and believe we do our best teaching in the context of work. The many people who have worked within the organization and as partners are likely to have picked up some learnings along the way. Within the organization, we engage in some activities explicitly intended to increase knowledge and skills. For example, our colloquia and journal clubs.

We encourage our staff to take online courses. We also offer periodic instruction on specific topics as required.

In all cases, to the extent possible, we try to nurture those who are inclined to learn and to engage with the policy process, rather than convert or transform those whose interests and inclinations are fundamentally different. This is operationalized via our interview and selection processes. The continued commitment to capacity development within the organization is

exemplified by the annual review procedure.

Staff evaluations take place in July and December each year. Each employee conducts a rigorous self-evaluation and is then assigned a peer evaluator. The evaluator engages in in-depth discussion with other relevant colleagues as well as external stakeholders nominated by the staff member. The objective of the review process is the development of the staff member, and as such, the resulting evaluation document highlights potential for improvement. These evaluations provide staff members with clear career development pathways and allow management to understand the capabilities of each employee better. Annual salary increments are also tied to the annual review.





IN THE END, WHAT MATTERS ARE RESULTS. OUTCOMES OF CAPACITY BUILDING ARE DIFFICULT TO DOCUMENT. THE RESULTS BECOME EVIDENT ONLY YEARS AFTER THE INTERVENTION. MULTIPLE FACTORS ARE AT WORK. IT IS NOT EASY TO TEASE OUT THE CAUSAL EFFECTS OF TRAINING AND RELATED CAPACITY-BUILDING ACTIONS.

ANECDOTES ABOUND, AND THOSE OF PHYU PHYU THI, VIGNESWARA ILAVARASAN AND HARSHA DE SILVA ARE DRAWN OUT IN THE PAGES THAT FOLLOW.



# FROM DREAMING OF MOTORBIKES TO TRANSFORMING INDIA'S INTERNET

Vigneswara Ilavasaran | Research Fellow, LIRNEasia

**Vignes grew up** in Tamil Nadu with not much to look forward to. Where he is from, the dream at the time was to ride around in a TVS motorbike with a wife and kid in tow, maybe run a small business. Today, he is an Associate Professor at one of India's most prestigious universities, the Indian Institute of Technology (IIT), Delhi, with a considerable portfolio of academic publications, books, book-chapters, academic grant awards and newspaper bylines under his belt. But most significantly, Vignesh is also a leading voice in India's tech revolution.

He was 18-years-old when he chose to get out of the downward spiral of Allampatti, the village he

grew up in, and moved to Chennai for his undergraduate education. He found himself enrolled in a PhD program, studying the work culture of small IT firms in India, at the Institute of Information Technology (IIT), Kanpur.

"I just wanted to do my PhD and get a good job," he confesses. He had already achieved much more than was ever expected of him. Impacting national policy and helping change people's lives wasn't on his agenda. "Academia works independently to policy," he explains, "research often results only in a useless academic paper." He was prepared to be satisfied with it.

Vignesh first heard of LIRNEasia

while reading for his PhD. He felt that the work was of "good quality" so he followed what we were doing. December 2007, Vignesh heard Helani speak at the International Conference on Theory and Practice of Electronic Governance in Macau. "She backed up what she said with data," he remembers. "She was talking about a large-scale survey [TeleUse@BOP2], but the audience understood what she was saying, because she backed it up." June 2009, at the 3rd IDRC PAN All Partners Conference in Penang, Malaysia, Rohan debated Canadian information security expert Rafal Rohozinski on the proposition that mobiles have the potential to be the most transformative ICT in develop-

ing countries. Amid the stomping and the cheering for Rohan's proposition, Vignesh decided he wanted to work with LIRNEasia. He invited Rohan to the workshop at IIT.

"He was a man on a certain trajectory," Rohan recalls. "He had just been doggedly doing MSME (micro, small and medium enterprises) research and built a whole program around MSMEs and electricity, MSMEs and technology, MSMEs and ICTs."

"After the IIT meeting, we paid attention to what he was doing," Rohan recalls. "He had been working on microenterprises and ICTs for a long time, and done unusual things, like mapping little corners of Mumbai."

In 2013, we invited Vignesh as a reviewer on our systematic reviews presentation. What he remembers is that the presenter "was getting grilled". This is something he likes about LIRNEasia. "In research, everyone is equal," he explains. "If I give in bad work, [Rohan and Helani] will say this work is bull\*\*\*\* and give it to you straight. At the end of the day, work is work and it is very professional." He tries to do the same with his students at IIT, Delhi

– he grills them and gives them a hard time if their work is not up to mark. "And then when I do presentations for LIRNEasia, I bring my students along with me. I tell them to listen and learn. I want them to understand that what they do in the department, I do outside."

Soon after the first presentation, Vignesh also joined our Ford Foundation funded capacity building projects. He taught on some of the courses and was appointed co-Director of both courses held in India in 2016. His view on his research, and his role as an academic and researcher, changed completely.

"I used to think of surveys as only being done by academics and newspapers. I never thought of using empirical studies for policy impact. After working with LIRNEasia I was able to present recommendations from my research to policy makers – people who could change things."

Vignesh's first presentation to policymakers was the findings and recommendations from the work on the national optical fibre network (now known as BharatNet), in 2016. The response was overwhelming. The Indian media pounced on the story of how 70-percent of Bharat-

Net's potential users had no intention of doing so. Vignesh began prioritizing communicating to policymakers.

"Earlier, if you had asked me if my research was relevant to policy, I would have said no. But now, even when I design research, I am first thinking of how it can be relevant to policymakers. As a researcher, I've changed a lot."

Vignesh has so far either directly or indirectly impacted policy on BharatNet, the national optical fiber network, on digital literacy policy and on use of Facebook for voter encouragement.

"Academia [traditionally] works independently to policy," Vignesh reiterates, "the linkage came from LIRNEasia. They made me feel like it's worthwhile doing research that brings about change."

Vignesh's aspirations have transformed from simply getting a good job, to grander schemes for enabling broadband access to each member of India's one-billion-plus population.





# CHANGING HOW A NATION SPEAKS: ICTs FOR FREEDOM OF EXPRESSION IN MYANMAR

Phyu Phyu Thi | LIRNEasia alumnus

**August 2013.** Every organization in Myanmar is being besieged by foreigners wanting to work with them, and LIRNEasia is one of them. Rohan and Helani were in Yangon, officially meeting with people from the Myanmar ICT for Development Organization (MIDO) for the first time. Two months later, LIRNEasia offered a training course for civil society groups (including academics and the media) in Myanmar. Somewhere in between the tutorials and the karaoke and the dancing, Rohan had a long chat with Phyu Phyu Thi, one of MIDO's three founders.

Phyu Phyu had a focused interest in research, and struck Rohan as someone who gets things done.

“She was like a sponge, willing to learn,” he recalls.

June 2014, the Head of Research at MIDO was in Sri Lanka, on a four-month internship at LIRNEasia. Phyu Phyu had already studied some research methodology for her Masters at Chiang Mai University. But at the training program, she recognized not only the gaps in her personal learning, but also the urgent need for policy intervention

in her country.

“I realized I need a lot more learning to improve my research, and my ability to input to government policy issues,” she explains. “I thought, ‘LIRNEasia can give me that.’”

Phyu Phyu met Htai Htai Aung and Nay Phone Latt through their common love of blogging. They formalized something of a national Myanmar blogger society, and out of that formalized body came the understanding that “something needed to be done” about ICT policy issues in Myanmar. Nay Phone had

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been arrested in January 2008 under the Electronic Act in Myanmar. He was released in January 2012, and the three set up MIDO (Myanmar ICT for Development Organization).

“We felt like we needed to do something for our country and its citizens,” Phyu Phyu says. “We wanted to start this as a tool for the freedom of expression.”

They started off with training programmes on ICTs and awareness campaigns across the country, helping people understand how to use social media effectively. They organized Internet freedom forums and conducted small-scale research projects into social media use in Myanmar. When anti-Muslim riots broke out in 2013 and proponents started using Facebook for organized infliction of hate speech, MIDO jumped in to counter with their own campaigns. It was at this time that LIRNEasia reached out to MIDO.

Soon after her time at LIRNEasia, Phyu Phyu won a grant from the National Endowment for Democracy for the Myanmar Media and Society Project. The ongoing work aims to understand the ways in which a developing media sector

in the country and a growing online community influence people’s perceptions and priorities during Myanmar’s political transition. The methodology Phyu Phyu learnt during her masters hadn’t prepared her well enough for what she would encounter on the field. The internship at LIRNEasia did.

“Theory and practice is different,” Phyu Phyu points out. “At LIRNEasia, it was a lot of experience on the field, engaging with different actors. It taught me the full process from brainstorming to developing research questions, to finding the right partners to work with, step-by-step, from beginning to end. It was learning in real-life situations!”

During her internship, Phyu Phyu attended CPRsouth in South Africa and a number of other research meetings. She also gained field experience and training in Myanmar and India. She honed her interviewing skills, learned the ups and downs of being on field with a team, and then learned how to cater the presentation of her findings to different actors.

Phyu Phyu has since presented her hate speech work at many forums including UNESCO and the

Yangon parliament, engaged in meetings with Google and participated in debates on national TV. At the 2016 Internet Governance Forum (IGF) in Brazil, Phyu Phyu spoke on a panel on hate speech. She was the first Myanmar researcher to speak on an IGF panel.

“[Hate speech] is now a known issue among international organizations,” Phyu Phyu says. “And whenever the issue comes up, people reach out to us.”

In September 2014, at the end of her four months with LIRNEasia, Phyu Phyu had a one-on-one reflection meeting with Rohan, who was her mentor.

“He told me to always read and learn,” she recalls, “and to keep writing, not just do research.”

In the two years since, Phyu Phyu has produced multiple academic papers, blog posts, and newspaper articles. In July 2015 LIRNEasia and MIDO presented findings from our 2015 baseline survey on ICT use and information needs in Myanmar to members of parliament and media in Yangon. They talked about costs associated with mobile phone use, and the impact at the bottom of the

pyramid. They got people thinking and talking. Phyu Phyu started building networks.

“Because of LIRNEasia I have more strength in the government sector and with parliament,” she says.

Phyu Phyu continues to work with LIRNEasia, providing much needed input and quality assurances in our Myanmar work. Her team has grown since we first met her in 2013, and she herself trains local researchers from different parts of the country. MIDO now has its own interns working with Phyu Phyu, joining the cycle of learning and disseminating for positive change that LIRNEasia introduced her to.

“My vision for life has changed,” she says. “Now I believe that research can impact policy changes in our country. And this is our need, in this transition period.”





## CHANGING POLICY, LITERALLY: USING RESEARCH EVIDENCE FOR DIRECT IMPACT

Harsha de Silva | former Consultant Lead  
Economist at LIRNEasia

“We never quite thought that the means [of bringing evidence to the policy process and thereby improving it] would extend to placing researchers within the supreme legislative body of a country, but... this too has happened,” Rohan blogged on 21 April 2010 from Cape Town. LIRNEasia’s Lead Economist Harsha de Silva had just been appointed on the National List of the main opposition party to the Parliament of Sri Lanka.

In 1998, Rohan, as the Director General of the Telecom Regulatory Commission of Sri Lanka was looking for a market survey company to conduct some cutting-edge research. He wanted to find out what people thought of the quality of service and what they wanted from the Internet. He found the Survey and Market Research Team (SMART), run by Harsha, and worked with them to get the research done. That was how it all started.

Harsha is an Eisenhower Fellow, with a PhD in Economics from the University of Missouri. He also founded ‘Govi Gnana Seva’ as a

labor of love, funding it with his own money at the outset. It is to date, the main source of wholesale agricultural market prices in Sri Lanka and has now been folded into the commercially successful ‘Govi Mithuru’ application, used by thousands of farmers.

When we set off on our journey in a single-room office back in 2004, Harsha joined our team as Consultant Lead Economist. His was one of the five ‘hot desks’ in the room. He led the initial study of universal service funds, commencing with a case study in Nepal. He authored two chapters in LIRNEasia’s first book. In May 2005, he was sent to the first ever executive course offered by the Poverty Action Lab at the Massachusetts Institute of Technology. He provided intellectual and methodological leadership for the T@BOP 2, 3 and 4 research, which ran until 2011. He spoke on the findings in multiple countries and settings. People read his work online, and started citing Harsha in papers and proposals. He was appointed to international research advisory

boards. He consulted for multiple organizations, but recalls his part-time work with LIRNEasia as being among the most enjoyable.

Harsha’s entry to Parliament in 2010 took place after years of being a public commentator on economic topics in the media. He had his own economics program on TV. In 2009, when the Board of Governors of the International Development Research Centre visited Sri Lanka, his visage was on street hoardings.

Harsha kept his engagement with LIRNEasia, presenting the findings of some of his research on agriculture at dissemination events in 2011, and serving as peer reviewer on some research products. But his engagement tapered off as constituency responsibilities increased.

Our former Consultant Lead Economist has since moved on, to creating direct policy impact as Deputy Minister of National Policies and Economic Affairs, with a stint as Deputy Minister of Foreign Affairs in between.

# REVIEW OF ACTIVITIES





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# AGRICULTURE AND OPEN DATA

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We have now been in the ICT and agriculture arena for a decade - conducting surveys, applying interventions and impacting policy decisions.

Small-holder farmers who are integrated into global value chains have higher earning potential than those that are not. The ability to reach global markets depends partly on awareness and ability to discover such markets and partly on the ability to meet quality and certification requirements imposed by international buyers. Sri Lankan farmers lack information on the required quality standards, and struggle to achieve certification. Conversely, quality issues with one farmer's output could mean that all farmers' crops are banned from being sold overseas.

LIRNEasia set out to give farmers access to research-based knowl-

edge on better farming practices for high-value crops, through ICTs, and to assess impact. We have identified the types of agricultural data that are available in the public sector, and are making data on selected crops accessible to farmers through a mobile app.

The public sector agricultural information obtained from the Department of Agriculture (DOA) was edited to fit a mobile phone format. After consultation with the DOA it was decided to assess the impact of this intervention on farmers growing cucurbits for export. Content relating to the GAP (Good Agricultural Practices) standards for cucurbits was incorporated into the mobile app, and amended and finalized in consultation with the DOA. The mobile app, which was initially developed through the Code for Good hackathon, was further developed. It now enables farmers not only to

find GAP information related to the crop, but also to communicate with the DOA via photographs and voice messages. Pilot testing of the app is now completed.

The process of assessing the impact of making GAP information (essential criteria to be followed before farmers can export to the European Union) available to farmers through a mobile app is now underway. As a first step, farmers growing cucurbits for export were identified, and a baseline survey conducted. In the coming period, mobile phones preloaded with the app will be given to a test group and subsequently an end-line survey done, of the control and treatment groups to assess impact.

Information on gap standards published by the DOA is meant to be open and accessible to all. Yet the challenges faced in obtaining

this information made this research an interesting case study in open government data. The amount of time and interactions required at each step is being documented by our researchers.

Our Senior Research Manager, Chatura Rodrigo, delivered the guest lecture at a seminar organized by the National Chamber of Exporters and Ministry of Primary Industries of Sri Lanka in July 2016. He highlighted the different modalities of engaging smallholders in modern export value-chains, and described the drawbacks of the traditional subsidy-based export value chains and proposed innovative solutions including through use of ICTs.

The following month, August 2016, Rohan Samarajiva was invited to moderate a panel on 'E-agriculture challenges, opportunities and solutions – Global experiences' at the FAO- (Food and Agriculture Organization of the United Nations) ITU (International Telecommunications Union) E-agriculture Solutions forum in Thailand. Among the panelists was also the Secretary to the Ministry of Primary Industries of Sri Lanka.

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The CropAdvisor app made it to the final round of the mBillionth Awards South Asia competition in July 2016. The competition is organized by the Digital Empowerment Foundation (DEF), a not-for-profit working for digital inclusion in India, South Asia and the Asia Pacific since 2002. The award recognizes ICT and digital tools that bridge the digital divide and empower underserved and information-dark communities.

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# BIG DATA FOR DEVELOPMENT

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The Big Data for Development (BD4D) work in Sri Lanka began in 2012 as exploratory work to understand the potential of big data to inform public policy. There was little to no demand for the insights we were then producing. In five years, LIRNEasia has developed significant engagement with policy makers, fielding requests from major development initiatives, government departments, and international and private organizations for insights.

This year, we started exploring development application from sources of big data other than

the mobile network big data (MNBD) we were first working with. Exploratory work was begun on understanding traffic congestion through Close Circuit TV (CCTV) footage, land use through satellite imagery, and household electricity consumption.

We began work on developing proxies for socio-economic features usually captured via the census and also conducted a scoping study on identifying the specific uses of big data in the Sustainable Development Goals (SDGs). We started with reviewing the work that has already been done, in order to understand the spectrum of available data resources. This review includes not only academic literature but also grey literature. The work, which began in June 2016 was completed by March 2017. In the light of our review findings, we also conducted case studies to understand how well governments utilize non-traditional sources of data. One of these was conducted in Sri Lanka and another in India.

The Government of Sri Lanka continues to leverage our existing lines of work on transportation and urban insights, and we have

had multiple engagements with Sri Lanka's Department of Census and Statistics this year. Our previous exploratory analyses of the use of big data to model the spread of infectious diseases was expanded in partnership with the Department of Epidemiology of Sri Lanka's Ministry of Health and the University of Moratuwa.

We've also entered into a research collaboration with the University of Tokyo to develop data on human dynamics. We will use MNDB as well as targeted surveys and mobile apps for this work. We engaged in capacity building and training of lab staff at the Data Analytics Lab in Dhaka, Bangladesh. The lab, which is a collaboration between the University of Dhaka and LIRNEasia, is now engaging in analyses of electricity supply and consumption in the greater Dhaka region.

We have continued to engage extensively with the global discourse on data for development. In August 2016, Research Manager Thavisha Gomez made interventions based on our research at the International Conference on Big Data for Official Statistics in Dublin, Ireland. In October 2016, Team Leader Sriganesh Lokanathan was part of a panel discussion on data for social good and the opportunities for joint action at the International Open Data Conference held in Madrid, Spain. He emphasized the need for a perspective shift – from a focus on the types of data used to the problems that need to be solved. Sriganesh also made multiple presentations at the UN World Data Forum held in Cape Town, South Africa in January 2017. On the sidelines of this event, Thavisha shared LIRNEasia's experience in forging data partnerships at the UN Data Innovation Lab. Sriganesh also addressed global conventions in Jakarta, Indonesia and Bonn, Germany, where he expounded the importance of strategic partnerships in utilizing big data for public purposes. He also continued to provide input on a data mining framework for the European Commission's Directorate-General for Research and Innovation.



Sriganesh Lokanathan and Shazna Zuhulye engaged in training of lab staff at the Data Analytics Lab in Dhaka, Bangladesh. The lab was set up in collaboration with the University of Dhaka.

Founding Chair Rohan Samarajiva was invited to share our work on delineating administrative boundaries using MNDB at a panel during the 21st Biennial Conference of the ITS (International Telecommunications Society) held in Taipei in June 2016. He was also invited to share insights from the dengue work at the Com-

monwealth Medical Conference held in Colombo in October 2016. Over the same period, Rohan was also appointed by the President of Sri Lanka to an experts' committee to formulate the National Sustainable Development Vision for the country leading up to 2030.



Sriganesh Lokanathan at the opening of the UNDP and GoSL Summit on Foresight and Innovation



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# DIGITAL ACCESS, USE AND RIGHTS

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Five years ago, our goal was to simply get people online. Now that a significantly larger population in the region is connected, we are looking beyond access. We are now concerned with connecting those who are excluded, and using ICTs to improve livelihoods and political participation.

The findings from our nationally representative surveys on ICT use and information needs in Myanmar were disseminated this year. The work received much global attention from popular media as well as academic and policy forums. One of the findings showed that women in Myanmar were 29% less likely to own a mobile phone than men. Together with the GSMA Connected Women program, we followed up on this discovery by analyzing the reasons for this gap. What resulted was a co-branded research report

entitled Mobile phones, Internet and gender in Myanmar, which was launched in Barcelona in February 2016 and in Myanmar in April 2016. Several policy recommendations emerged from this study, targeted at improving women's access and digital skills. Gender issues were also explored in great depth at an event hosted by IDRC in Ottawa, Canada to mark International Women's Day. Helani Galpaya was a panelist at this event. She explored the gendered context of ICT use and access, and how products such as mobile money can be designed to be more gender-inclusive.

Our nationally representative survey of Myanmar survey showed that 78-percent of handsets used in the country were smartphones. This is almost as high as smartphone prevalence in the United States. The findings highlighted the fact that

mobiles are the most important medium for reaching Myanmar citizens. Despite the progress, barriers of low digital literacy, especially among women, need to be overcome to fully benefit from the potential of ICTs. Only 24% of male mobile owners, and 19% of female mobile owners are able to search for information online by themselves.

The impacts of free and subsidized content emerge when we think about what people do once the access barrier is removed and they finally get online. Our research in Myanmar was built around this issue of the "walled garden". We found some evidence that users did not remain within the confines set by zero-rating, but also used other Internet services, including Google, news websites, and apps. We also did this work in India, looking at how users manage costs in the context of the regulator ban on zero-rated content. This led us to earn-reward apps which have the potential to act as an alternative gatekeeper. We also found that personal computers and cyber cafes were still popular alternatives to mobile devices in India, and that there is a not insignificant amount of e-commerce taking place in that market.

Conversations with key stakeholders in the access for differently-abled space have led to development work on a text-to-speech engine in Myanmar. Our progress in this arena has opened the door to another welcome opportunity as well. Over the years, LIRNEasia has undertaken quantitative and qualitative research on teleuse in most of the large South Asian countries. Nepal wasn't a part of this list due to political conditions in the past. Following key strategic discussions, we are now beginning work on access for differently-abled persons in Nepal too. We continued to speak about access and rights, especially for vulnerable communities, at various public fora. Helani Galpaya participated in several panels related to digital rights, empowerment and freedom of Expression at the first Digital Citizen Summit in Bangalore India. Freedom of expression online is also at the center of our ongoing work at the IGF Academy, which aims to increase the multi-stakeholder nature of Internet Governance in four Asian Countries.

Preliminary work for nationally representative Internet and mobile use surveys of households and individuals in Bangladesh, Cambodia, India, Indonesia, Pakistan and Nepal



Helani Galpaya was invited to an IDRC panel discussion titled "Is Innovation Sexist"



Myanmar media engaged well with us during dissemination of the "Mobile phones, Internet and gender in Myanmar" report in April 2016

has been completed. The work proper will begin in the coming year. These surveys will go beyond awareness, access and ownership to examine the nature of use and perception of rights in these communities. With our sister organiza-

tions RIA and DIRSI doing methodologically similar work in the African and South American continents, the surveys will be possibly the largest database on these matters from the global south.



Discussing access to ICTs for the differently abled in Myanmar



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# DIGITAL WORK AND ONLINE FREELANCING

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## Leveraging ICTs to connect service-sector small producers to global supply chains

One of our key interests is understanding how ICTs can be leveraged to create opportunities for so far excluded groups to participate in new economic ventures. In recent years, ICTs have been used to break up large business process outsourcing (BPO) tasks into much smaller components. These are then performed by the less qualified and those who are excluded from the conventional forms of employment in the sector, reducing costs while encouraging participation.

This kind of microwork has attracted some research attention in the recent past. We believe though, that our work is the first systematic

study of success and failure factors in the region, and the first to focus on opportunities for women and youth.

In early 2016, we conducted a representative survey in Sri Lanka to understand awareness of, interest in and actual participation in online freelancing. We also asked respondents to assess their skills. We then conducted a series of focus group discussions with current and potential free lancers, which brought up a host of challenges they face in attempting to earn through such work. Inability to get payments due to PayPal remittances being illegal in Sri Lanka and negative social

perceptions about “not working in an office” were common. Freelancing seems to be a partial solution to under-employment in Sri Lanka - most were doing online freelancing part-time, while engaged in other full time employment or studies.

We will do similar research in India and Myanmar in the coming year. If successful, the study will be extended to more countries and could contribute to the improvement of composite information society indices.

The work was presented at the launch of the World Development Report 2016 in Colombo, Sri Lanka. Soon after, Helani Galpaya was invited to a panel on Digital Economy and the Future of Work at the UN Internet Governance Forum in Guadalajara, Mexico, where she shared insights gained from this work.

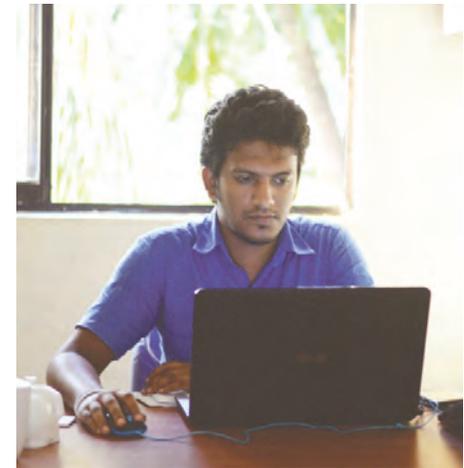
**Rajika Nanayakkara (25) was beginning to grow restless with his work as an IT administrator. He didn't think the stable income and sense of comfort received from the job were a sufficient trade-off for the monotonous work.**

**Taking a friend's advice, he started exploring freelancing options online. At first, he experimented with the most commoditized - ad clicking. He made 10-20 cents per click and wasn't impressed. But not wanting to give up, he invested a large chunk of his time over the next two years, on online learning.**

**After a number of hits and misses, he started migrating from**

**microwork to more sophisticated freelance work: website development, graphic designing and similar services. He joined more platforms and quit his day job. Soon he was earning six times what his 9-5 had paid him.**

**Over the span of four years, Rajika went from freelancer to becoming the co-founder of Codoss Digital. The company provides digital marketing services for international firms based mainly in Europe and Australia. The journey from being an IT administrator to an entrepreneur has not been easy for him, but it has been deeply rewarding and satisfying.**



A success story from Sri Lanka: Rajika Nanayakkara went from a frustrating 9-5 to becoming a tech entrepreneur through online freelancing.

Helani Galpaya was invited to a panel on Digital Economy and the Future of Work at the UN Internet Governance Forum in Guadalajara, Mexico, where she shared insights gained from our work.





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# SYSTEMATIC REVIEWS

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An important part of LIRNEasia work is understanding the existing literature, and building capacity to understand such literature by conducting and teaching others to conduct Systematic Reviews. This year, too, we engaged in multiple efforts towards systematically reviewing literature on ICTs and MSMEs, ICTs and Education and ICTs and mobile financial services. We also engaged in building capacity for systematic reviews among researchers in Asia and Africa.

Among the systematic reviews conducted in the previous reporting cycle was work on whether access to business relevant information through networked devices enhances business growth of urban MSME in LMICs. We found that mobile network expansion improves coordination between buyers and sellers in hitherto separate agricultural markets, in effect merging them into a bigger market. The effects on the

labor market were the same. But this causal relationship is highly dependent on enabling conditions of empowerment.

The findings of this work were disseminated at a round-table discussion held in April 2016, in New Delhi, India. A summary of the report was tabled in the Hansard of the Parliament of Sri Lanka in December 2016.

The systematic review on the impact of mobile financial services in low- and lower middle-income countries showed significantly higher volumes of remittances being received by m-financial service users compared to non-users. Findings were disseminated in Quezon City, Philippines in June 2016, among stakeholders from local government institutions, universities, banks and international agencies. We were also able to use this event to discuss the state of and issues pertaining to

mobile money in the Philippines at large.

LIRNEasia also contributed to a special issue of the Information Technologies and International Development journal on taking research to policy. The issue will be guest edited by Rohan and published post-review.

The training workshop on systematic reviews and evidence summaries for the Systematic Review Program for South Asia was held in March-April 2016. The participants have since produced protocols for the reviews and we expect the work will be completed within the next reporting period.



Findings from the systematic review on “The impact of mobile financial services in LMICs” were disseminated in Quezon City, Phillipines in June 2016.

# MEDIA PRESENCE

Communicating through the media is an important part of our work. Our media presence this year seems to have improved. Either that, or our media mention capture has.

LIRNEasia or one of our researchers was mentioned in the media at least 305 times in 11 countries during the reporting period.

**Topics we were most heavily cited on in the media this year:**



**TELECOMMUNICATIONS**

**60**



**ECONOMICS**

**43**



**BIG DATA**

**27**



**MYANMAR**

**26**



**HUMAN  
CAPITAL**

**25**



**EVENTS**

**24**



**GENERAL**

Media, reconciliation  
and current events

**15**



**AGRICULTURE**

**14**



**BHARATNET**

**12**



PLATFORMS,  
ECOMMERCE,  
BPO

TRADE

EDUCATION

DISASTER

SYSTEMATIC  
REVIEW

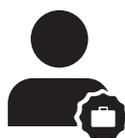
**11**

**11**

**9**

**6**

**6**



ELECTORAL  
REFORMS

EMPLOYMENT

ELECTRICITY

POLITICS

GOVERNANCE

**4**

**3**

**3**

**3**

**3**

# FINANCIAL STATEMENTS

## REPORT OF THE AUDITORS

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To the members of LIRNEasia  
REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of LIRNEasia ('the Company'), which comprise the statement of financial position as at 31st March 2017 and the statement of profit or loss and other comprehensive income, statement of changes in equity and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### **BOARD'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS**

The Board of Directors ("Board") is

responsible for the preparation of these financial statements that give a true and fair view in accordance with Sri Lanka Accounting Standards, and for such internal control as Board determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### **AUDITOR'S RESPONSIBILITY**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with

Sri Lanka Auditing Standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risk of material misstatement of the financial statements, whether due to fraud or

error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by [sic] Board, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## **OPINION**

In our opinion, the financial statements give a true and fair view of the financial position of the Company as at 31st March 2017 and of its financial performance and cash flow for the year then ended in accordance with Sri Lanka Accounting Standards.

## **REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

As required by section 163 (2) of the Companies Act No. 07 of 2007, we state the following;

a). The basis of opinion and scope and limitations of the audit are as stated above.

b). In our opinion

- we have obtained all the information and explanations that were required for the audit and as far as appears from our examination, proper accounting records have been kept by the company,

- the financial statements of the Company, comply with the requirements of section 151 of the Companies Act.

**Wijeyeratne & Company**

**CHARTERED ACCOUNTANTS**

**Colombo**

**03rd July 2017**

## STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31ST MARCH 2017

	Notes	Year Ended 31.03.2017 LKR	Year Ended 31.03.2016 LKR
TURNOVER	3	26,378,444	24,735,615
Other Income	4	1,059,731	4,475,096
		<hr/>	<hr/>
		27,438,175	29,210,711
Administration Expenses		-24,872,224	-25,532,885
		<hr/>	<hr/>
PROFIT FROM OPERATIONS	5	2,565,951	3,677,846
Finance Cost		-1,187,343	-1,101,506
		<hr/>	<hr/>
PROFIT BEFORE INCOME TAX		1,378,609	2,576,340
INCOME TAX EXPENSE	6	-202,452	-267,137
		<hr/>	<hr/>
PROFIT FOR THE YEAR		1,176,156	2,309,203
Other Comprehensive Income		-	-
		<hr/>	<hr/>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		1,176,156	2,309,203
		<hr/>	<hr/>

The Accounting Policies and Notes set out on pages 73 through 86 form an integral part of these Financial Statements.

**STATEMENT OF FINANCIAL POSITION** AS AT 31ST MARCH 2017

	Notes	31.03.2017 LKR	31.03.2016 LKR
<b>ASSETS</b>			
NON CURRENT ASSETS			
Property, Plant and Equipment	7	1,978,111	1,766,661
Term Deposit	8	15,006,681	13,901,790
Deferred Tax Asset	9	754,884	-
		<u>17,739,675</u>	<u>15,668,451</u>
CURRENT ASSETS			
Trade and Other Receivables		3,347,520	4,379,345
Cash and Cash Equivalents		82,059,515	46,168,315
		<u>85,407,035</u>	<u>50,547,660</u>
TOTAL ASSETS		<u>103,146,710</u>	<u>66,216,111</u>
<b>EQUITY AND LIABILITIES</b>			
<b>RESERVES</b>			
Retained Earnings		5,247,362	3,347,226
Exchange Equalization Reserve		892,503	617,725
		<u>6,139,865</u>	<u>3,964,951</u>
NON CURRENT LIABILITIES			
Projects	10	70,666,685	39,050,432
Retirement Benefit Obligation	11	6,370,611	5,969,692
		<u>77,037,296</u>	<u>45,020,124</u>
CURRENT LIABILITIES			
Trade and Other Payables		19,966,396	17,208,637
Income Tax Payable		3,153	22,399
		<u>19,969,549</u>	<u>17,231,036</u>
TOTAL EQUITY AND LIABILITIES		<u>103,146,710</u>	<u>66,216,111</u>

The Board of Directors is responsible for the Preparation and Presentation of these Financial Statements.

Signed on behalf of the Board of Directors ;

DIRECTORS: 1. \_\_\_\_\_ 2. \_\_\_\_\_

The Accounting Policies and Notes set out on pages 73 through 86 form an integral part of these Financial Statements.

**CASH FLOW STATEMENT** FOR THE YEAR ENDED 31ST MARCH, 2017

	Year Ended 31.03.2017 LKR	Year Ended 31.03.2016 LKR
Cash Flow from Operating Activities		
Profit Before Tax	1,378,609	2,576,340
Adjustment for Depreciation	1,202,152	1,265,423
Provision for Gratuity	1,364,293	1,493,721
Tax overpayment written off	-	-61,558
Profit from sale of property Plant and Equipment	-51,542	-
Cash Generated from Operating Activities	<u>3,893,512</u>	<u>5,273,926</u>
Before changes in Working capital		
Changes in Working Capital		
Trade and Other Receivables	1,233,196	-2,433,647
Trade and Other Payables	1,767,600	1,305,175
Cash Generated from Operating Activities	<u>6,894,307</u>	<u>4,145,454</u>
Gratuity Paid	-1,290,643	-
Tax Paid	-229,641	-480,617
Exchange Equalization Reserve	3,489,509	473,823
Net Cash Generated from Operating Activities	<u>8,863,533</u>	<u>4,138,660</u>
Cash Flow from Investing Activities		
Purchase of Property, Plant and Equipment	-1,314,032	-783,823
Purchase of Investment	-	-6,756,374
Proceeds from sale of property plant and Equipment	51,555	-
Investment in Fixed Deposits	-337,759	-
Net Cash Used in Investing Activities	<u>-1,600,236</u>	<u>-7,540,197</u>

Cash Flow from Financing Activities		
Funds Received from Project	28,627,902	-51,511,584
Net Cash Generated from/ (Used In) Financing Activities	<u>28,627,902</u>	<u>-51,511,584</u>
Net Increase/(Decrease) in Cash and Cash Equivalents	35,891,199	-54,913,121
Cash and Cash Equivalents at the Beginning of the Year	46,168,315	101,081,436
Cash and Cash Equivalents at the End of the Year (Note A)	<u>82,059,515</u>	<u>46,168,315</u>
<b>Note A</b>		
Cash and Cash Equivalents at the End of the year		
Bank and Cash Balance	<u>82,059,515</u>	<u>46,168,315</u>

The Accounting Policies and Notes set out on pages 73 through 86 form an integral part of these Financial Statements.

## CHANGES IN EQUITY STATEMENT FOR THE YEAR ENDED 31ST MARCH 2017

	Retained Earnings	Exchange Equalization Reserve	Total
	LKR	LKR	LKR
Balance as at 01.04.2015	1,026,889	402,624	1,429,513
Comprehensive Income			
Net Profit for the Year	2,309,203	-	2,309,203
Tax payment written off 2014/2015	11,134	-	11,134
Movement During the Year	-	215,101	215,101
	<u>2,320,337</u>	<u>215,101</u>	<u>2,535,438</u>
Other Comprehensive Income	-	-	-
Total Comprehensive Income for the year	<u>2,320,337</u>	<u>215,101</u>	<u>2,535,438</u>
Balance as at 31.03.2016	3,347,226	617,725	3,964,951
Prior year Adjustment on Deferred Tax	723,980	-	723,980
	<u>4,071,206</u>	<u>617,725</u>	<u>4,688,931</u>
Comprehensive Income			
Net Profit for the Year	1,176,156	-	1,176,156
Movement During the Year	-	274,778	274,778
	<u>1,176,156</u>	<u>274,778</u>	<u>1,450,934</u>
Other Comprehensive Income	-	-	-
Total Comprehensive Income for the year	<u>1,176,156</u>	<u>274,778</u>	<u>1,450,934</u>
Balance as at 31.03.2017	<u>5,247,362</u>	<u>892,503</u>	<u>6,139,865</u>

The Accounting Policies and Notes set out on pages 73 through 86 form an integral part of these Financial Statements.

## NOTES TO THE FINANCIAL STATEMENTS - 31ST MARCH 2017

### 1 CORPORATE INFORMATION

- 1.1. Domicile and Legal Form L I R N E a s i a is a Company limited by guarantee incorporated and domiciled in Sri Lanka. The registered office of the Company is located at No.12 Balcombe Place, Colombo 08, Sri Lanka.
- 1.2. Principal Activities and Nature of Operations To support economic and other reforms in networked economics that would enable people in Sri Lanka and Asia to better use information and communication technologies (ICTs) and complementary infrastructures, through dialogue, policy and regulatory advice, research , development, consultancy, training and other activities.
- 1.3. Date of authorization for issue The financial statements of L I R N E a s i a, for the year ended 31 March 2017 were authorized by the Board of Directors on the 03rd March 2017

### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### 2.1. Basis of Preparation

##### 2.1.1. Statement of Compliance

The Statement of Financial Position, and Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows together with the Accounting Policies and Notes (the "Financial Statements") of L I R N E a s i a as at 31 March 2017 and for the year then ended, have been prepared in accordance with the Sri Lanka Accounting Standard for Small and Medium-sized Entities ("SLFRS for SMEs") as issued by the Institute of Chartered Accountants of Sri Lanka and the requirement of the Companies Act No. 7 of 2007.

##### 2.1.2. Basis of Measurement

The financial statements of the Company are prepared on an accrual basis and under the historical cost convention except otherwise stated.

##### 2.1.3. Functional and Presentation Currency

Financial Statements of the company are presented in United States Dollars (USD), which is the Company's functional currency and all financial information presented in United States Dollars has been rounded to the nearest cent, except when otherwise indicated.

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#### 2.1.4. Use of estimates and judgments

The preparation of financial statements in conformity with SLFRS for SMEs, require management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses.

The estimates and underlying assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about the carrying amount of assets and liabilities that are not readily apparent from other sources.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate

#### 2.1.5. Events after the End of the Reporting Period

All material events after the end of the reporting period have been considered and where appropriate adjustments to or disclosures have been made in the respective notes to the financial statements.

#### 2.1.6. Foreign Currency Translation

All foreign exchange transactions are converted to United States Dollars, which is the Company's reporting currency at the rates of exchange prevailing at the time the transactions are effected. Monetary assets and liabilities denominated in foreign currencies are translated to United States Dollars equivalents at the end of each reporting period using the closing spot foreign exchange rates.

Non monetary assets and liabilities measured at historical cost are translated using exchange rates that existed when the values were determined. Non monetary

#### 2.1.7. Materiality and Aggregation

Each material class of similar items is presented separately in the Financial Statements. Items of a dissimilar nature or function are presented separately unless they are immaterial.

#### 2.1.8. Going Concern

The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The Company therefore continues to adopt the going concern basis in preparing its financial statements.

### 2.2. Revenue and Expenditure Recognition

#### 2.2.1. Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company, and the revenue and associated costs incurred or to be incurred

can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, net of trade discounts and taxes.

Project Management Fees Revenue represents the project management fees earned during the year.

Other sources of income

Other Income is recognized on an accrual basis.

Gains and Losses

Net gains and losses of a revenue nature arising from the disposal of property, plant and equipment and other non-current assets, including investments, are accounted for in the income statement, after deducting from the proceeds on disposal, the carrying amount of such assets and the related selling expenses.

Gains and losses arising from activities incidental to the main revenue generating activities and those arising from a group of similar transactions which are not

## 2.2.2 Expenditure Recognition

Expenses are recognized in the income statement on the basis of a direct association between the cost incurred and the earning of specific items of income. All expenditure incurred in the running of the business and in maintaining the Property, Plant and Equipment in a state of efficiency has been charged to the income statement.

For the purpose of presentation of the income statement, the “function of expenses” method has been adopted, on the basis that it presents fairly the elements

## 2.3. Taxation Current Taxes

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date and generate

Deferred Taxation

Deferred tax is recognized on differences between the carrying amounts of assets and liabilities in the statement of financial position and their corresponding tax

## 2.4. Property, Plant and Equipment Cost and Valuation

All items of property, plant and equipment are initially recorded at cost. Subsequent to initial recognition, property, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment in value.

Cost includes expenditures that are directly attributable to the acquisition of the asset. Purchased software that is integral to the functionality of the related equipment is capitalized as part of that equipment.

When significant parts of property, plant and equipment are required to be replaced

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at intervals, such parts are recognized as individual assets with specific useful lives and depreciated accordingly. Similarly, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement with the earlier cost being de recognized.

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

An item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain/loss on derecognition of an item of property, plant and equipment is included in profit or loss in the year the asset is derecognized.

#### Depreciation

Depreciation is charged so as to allocate the cost of assets less their residual values over their estimated useful lives, using the straight line method. Depreciation

The following rates are used for the depreciation of property, plant and equipment.

<b>Assets</b>	<b>%</b>
Computer	33.33%
Furniture and Fittings	25%
Equipment	25%
Vehicle	25%

## 2.5. Impairment of Non Financial Asset

At each reporting date, property, plant and equipment and intangible assets are reviewed to determine whether there is any indication that those assets have suffered

If an impairment loss subsequently reverses, the carrying amount of the asset (or group of related assets) is increased to the revised estimate of its recoverable

## 2.6. Financial Assets and Financial Liabilities

### Initial Recognition and Measurement

A financial asset or a financial liability is recognized only when the company becomes a party to the contractual provisions of the instrument. A Financial Asset or a Financial Liability is recognized initially at the transaction price (including transaction costs except in the financial assets and financial liabilities measured initially at fair value), unless the arrangement constitutes in effect a financing transaction where on initial measurement the Financial Asset and Financial Liability is measured at the present value of future payments discounted at a market rate of interest for a similar instrument.

#### Subsequent Measurement

Financial Assets and Liabilities are measured at amortized cost using the effective interest method at each reporting date. In measuring the amortized cost, the amount at initial recognition, minus any repayments of the principal, plus or minus the cumulative amortization derived through the effective interest method minus any reduction for impairment in the case of financial asset.

#### Derecognition

A financial asset is derecognized when the contractual rights to the cash flows from the financial asset expire or are settled or the company transfer to another party substantial all of the risks and rewards of ownership of the financial asset or the company, despite having retained some significant risks and rewards of ownership, has transferred control of the asset to another party and the other party has the practical ability to sell the asset in its entirety to an unrelated third party. Financial liabilities are derecognized only when the obligation in the contract is discharged, is cancelled or expires.

### 2.7. Impairment of Financial Assets

At the end of each of reporting period, company assesses whether there is objective evidence of impairment of any financial assets that are measured at cost or amortized cost which loss is recognized in profit or loss.

If in a subsequent period, the amount of an impairment loss decreases to the extent that it can be related objectively to the previously recognized impairment loss

### 2.8. Cash and Cash Equivalents

Cash and cash equivalents are short-term, highly liquid investments held to meet short-term cash commitments rather than for investment or other purposes.

For the purpose of cash flow statement, cash and cash equivalents consist of cash on hand and deposits in banks net of outstanding bank overdrafts (if any) which are repayable on demand and investments with short maturities.

### 2.9. Retirement Benefit Obligation

#### Defined benefit plan – Gratuity

Gratuity is a Defined Benefit Plan. The Company is liable to pay gratuity in terms of the relevant statute. In order to meet this liability, a provision is carried forward in the statement of financial position, equivalent to an amount calculated based on a half month's salary of the last month of the financial year of all employees for each completed year of service, commencing from the first year of service. The resulting difference between brought forward provision at the beginning of a year net of any

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payments made, and the carried forward provision at the end of a year is dealt with in the income statement. The gratuity liability is not funded nor actuarially valued.

Defined Contribution Plans – Employees’ Provident Fund and Employees’ Trust Fund

All employees are eligible for Employees’ Provident Fund contribution and Employees’ Trust Fund contribution in line with respective statutes and regulations. The Company contributes the defined percentages of gross emoluments of employees to an approved Employee’s Provident Fund and to the Employee’s Trust Fund respectively, which are externally funded.

Obligations for contribution to Employees’ Provident and Employees’ Trust Fund covering all employees are recognized as an expense in profit or loss as incurred

## 2.10. Provisions, Contingent Assets and Contingent Liabilities

Provisions are recognized when the company has a legal or constructive obligation as a result of past events at the reporting date, it is probable that a transfer of economic benefit will be required to settle the obligation and the amount of obligation can be estimated reliably.

The provisions are measured at the best estimate of the amount required to settle the obligation at each reporting date with changes at each reporting date taken to profit or loss.

When the effect of time value of money is material the provisions are measured at the present value of the future amount required to settle the obligation using a pre tax rate reflecting the current market assessment of the time value of money and specific risks relevant for the obligation. The increase in provision due to time passage is recognized as a finance expense in the profit or loss.

All contingent liabilities are disclosed as a note to the financial statements unless the outflow of resources is remote.

Contingent assets are disclosed, where inflow of economic benefit is probable.

<b>3 REVENUE</b>		Year Ended 31.03.2017 LKR	Year Ended 31.03.2016 LKR
	Income Received	<u>26,378,444</u>	<u>24,735,615</u>
<b>4 OTHER INCOME</b>	Interest Income	1,008,189	1,041,452
	Profit on Disposal of Property Plant and Equipment	51,542	-
	Write-off Dormant Creditors	-	623,735
	Write-off Direct non related project expenses	-	2,748,351
	Income tax overpayment settle off	-	61,558.00
		<u>1,059,731</u>	<u>4,475,096</u>
<b>5 PROFIT FROM OPERATIONS</b>	The following items have been charged in arriving at operating profit.		
	Audit Fees	111,387	60,200
	Consultancy Fees	5,678,400	4,943,598
<b>6 INCOME TAX EXPENSE</b>	The provision for Income Tax has been made on the profits for the year adjusted for taxation purposes in accordance with Inland Revenue Act No. 10 of 2006.		

	Year Ended 31.03.2017 LKR	Year Ended 31.03.2016 LKR
Current Taxation	77,542	267,137
Under Provision of income tax for the year of assessment 2015/2016	133,748	-
	211,290	267,137
Deferred Tax	-8,838	-
	<u>202,452</u>	<u>267,137</u>

## 7 PROPERTY, PLANT AND EQUIPMENT

	Furniture and Fittings LKR	Computers LKR	Equipment LKR	Motor Vehicle LKR	Total LKR
COST					
As at 01.04.2016	1,946,248	5,397,689	2,915,414	8,162,152	18,421,503
Additions	14,842	1,071,786	227,405	-	1,314,032
Disposals	-	-1,090,686	-	-	-1,090,686
Exchange Equalization Reserve	106,423	293,267	165,611	444,432	1,009,733
As at 31.03.2017	<u>2,067,513</u>	<u>5,672,056</u>	<u>3,308,430</u>	<u>8,606,584</u>	<u>19,654,582</u>

## ACCUMULATED DEPRECIATION

As at 01.04.2016	1,717,303	4,118,418	2,722,444	8,096,677	16,654,842
Disposal	-	-1,090,686	-	-	-1,090,686
Charge for the year	76,437	977,277	108,240	40,198	1,202,152
Exchange Equalization Reserve	95,822	220,767	151,497	442,077	910,163
As at 31.03.2017	<u>1,889,561</u>	<u>4,225,776</u>	<u>2,982,182</u>	<u>8,578,953</u>	<u>17,676,472</u>

## NET BOOK VALUE

As at 31.03.2017	177,952	1,446,280	326,248	27,631	1,978,111
As at 31.03.2016	228,946	1,279,271	192,970	65,475	1,766,661

**8 TERM DEPOSITS**

	Year Ended 31.03.2017 LKR	Year Ended 31.03.2016 LKR
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Fixed Deposit - NDB	15,006,681	13,901,790
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**9 DEFERRED TAX ASSET**

	Year Ended 31.03.2017 LKR	Year Ended 31.03.2016 LKR
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Prior year adjustment on Deferred Tax (Note 13)	723980	-
Provision for the year	8,838	-
Exchange Equalization Reserve	22,066	-
Balance as at end of the year	754884	-

**10 PROJECTS**

Vriens & Partner	268,880	-
Telenor	-	2,827,635
Nanyang Technological University - SIRCA	679,514	-
PUCSL Project	-22,152	-
University of Alberta Project	402,096	423,354
FORD 2	11,060,679	7,717,789
IDRC - Systematic Review	-	10,851,643
University of Washington Big Data Project	2,967,319	2,878,000
Mozilla Corporation India	516,765	-
London School of Economics	314,863	262,186
PWC DFID	1,008,734	-3,013,410
IDRC- Agri BPO	16,865,308	5,297,103

IDRC - Big Data	6,262,237	11,403,068
IDRC - Big Data for Development	-1,383,056	-
IDRC Network Economy in Myanmar	16,868,229	252,257
Nepal Disaster Response	-	150,807
IDRC - Digital Access Project	14,857,270	-
	<u>70,666,685</u>	<u>39,050,432</u>

### **11 PROVISION FOR RETIRING GRATUITY**

Balance at the Beginning of the year	5,969,692	4,095,150
Add : Provision made during the year	<u>1,364,293</u>	<u>1,493,721</u>
	7,333,985	5,588,871
Less: Payment During the year	-1,290,643	-
Exchange Equalization Reserve	<u>327,269</u>	<u>380,821</u>
Balance at the End of the year	<u>6,370,611</u>	<u>5,969,692</u>

### **12 DIRECTORS INTEREST IN CONTRACT**

Prof. Rohan Samarajiva who is a director of the organization received a sum of LKR8,988,585.08/- from the LIRNE asia as consultancy fees during the year.

### **13 PRIOR YEAR ADJUSTMENT**

Deferred tax asset which had not been considered in prior Accounting periods has been adjusted in the current year's financial statements.

**DETAILED STATEMENT OF PROFIT OR LOSS** FOR THE YEAR ENDED 31ST MARCH 2017

	Schedules	Year Ended 31.03.2017 LKR	Year Ended 31.03.2016 LKR
REVENUE			
Income Received		26,378,444	24,735,615
Other Income	1	<u>1,059,731</u>	<u>4,475,096</u>
		27,438,175	29,210,711
Less : EXPENSES AND OUTGOINGS			
Administration Expenses	2	<u>24,872,224</u>	<u>25,532,865</u>
Finance Cost	3	<u>1,187,343</u>	<u>1,101,506</u>
		-26,059,566	-26,634,371
PROFIT FOR THE YEAR		<u>1,378,609</u>	<u>2,576,340</u>

**SCHEDULES TO THE STATEMENT OF PROFIT OR LOSS** FOR THE YEAR ENDED 31ST MARCH 2017

		Year Ended 31.03.2017	Year Ended 31.03.2016
		LKR	LKR
1	OTHER INCOME		
	Interest Income	1,008,189	1,041,452
	Profit on Disposal of Property Plant and Equipment	51,542	-
	Write-off Dormant Creditors	-	623,735
	Write-off Direct non related project expenses	-	2,748,351
	Income tax overpayment	-	61,558
		<u>1,059,731</u>	<u>4,475,096</u>
2	ADMINISTRATION EXPENSES		
	Audit Fees	111,387	60,200
	Consultancy & Research Fees	5,678,400	4,943,598
	Courier Charges	114,208	123,068
	Training & Educational Expenses	281,415	1,297,166
	Professional Fees	357,954	152,845
	Furniture Fittings Hiring and Maintenance Charges	634,521	597,544
	Printing and Stationery	836,979	493,683
	Telephone Charges - Local and International	590,408	620,752
	Water	105,726	62,051
	Travelling Expenses	122,200	271,944
	Staff Welfare	735,279	897,368
	Casual Wages	121,338	124,033
	Office Maintenance	879,263	358,514
	EPF	550,473	580,871
	ETF	137,609	145,224
	Salaries	4,587,218	4,781,939
	Business Development Expenses	350,522	695,134
	Web Maintenance	364,637	362,725
	Insurance	455,083	654,808
	Newspaper / Magazine, Advertising	4,761	94,982

	Rent	885,691	834,247
	Electricity	512,913	373,121
	Depreciation	1,202,152	1,265,423
	Subscription	227,117	69,207
	IT Services	138,845	481,167
	Vehicle Maintenance	319,296	318,589
	Colloquium Expenses	38,120	199,702
	CSR Expenses	112,583	161,913
	Provision for Gratuity	1,364,446	1,493,632
	Surcharges	-	120,974
	Staff/Strategy Development	2,946,000	2,774,886
	Fuel for vehicles	105,677	121,558
		<u>24,872,224</u>	<u>25,532,865</u>
3	FINANCE COST		
	Bank Charges	752,622	435,745
	Exchange Loss	434,721	665,762
		<u>1,187,343</u>	<u>1,101,506</u>

**SCHEDULES TO THE STATEMENT OF FINANCIAL POSITION AS AT 31ST MARCH, 2017**

1	Trade and Other Receivables - LKR 3,347,519.63		
	Deposit and Advanced Others		453,674
	Interest Receivable		260,078
	Pre-payment		1,649,259
	Other Receivables		984,509
		LKR	<u>3,347,520</u>
2	Bank Balance - LKR 82,059,514.88		
	HNB-Saving A/C- CAD		3,271,813
	HNB-Current A/C- LKR		1,907,050
	HNB-Saving A/C- USD		72,643,836
	NDB-Current A/C- LKR		14,209
	NDB-Saving A/C- USD		1,357,639
	NTB-Current A/C- LKR		698,854
	Petty Cash Imprest 30,033		
	Cash in hand 2,136,082	LKR	<u>82,059,515</u>
3	Trade and Other Payables - LKR 19,966,395.76		
	Accrued Expenses		13,169,501
	Other Payables		2,761,477
	Direct Non Related Project Expenses		4,035,418
		LKR	<u>19,966,396</u>
3.1.	Accrued Expenses - LKR 13,169,500.77		
	Audit Fee Payable		73,743
	EPF Payable		546,727
	ETF Payable		82,010
	PAYE Payable		168,809
	Staff Development Provision		12,138,832
	Salary Payable		159,380
		LKR	<u>13,169,501</u>





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