

JTEC Annual Report 2012

April 2012 – March 2013

JTEC

Japan Telecommunications Engineering and Consulting Service

JTEC Mission Statement

Vision

Education, Knowledge, Information and Communication are at the core elements of human progress, endeavor and well-being. ICTs has immense impact on virtually all aspects of our life. Rapid progress of these technologies revealed new opportunities for attaining higher levels of development. These technologies can be a powerful instrument to increasing productivity, generating economic growth, creating jobs, and improving quality of life for all.

Mission

Our mission is to provide effective international cooperation services in the field of ICTs to improve the daily life in the developing world. JTEC provides support to developing countries for enhancing telecommunications and broadcasting, vital infrastructure for developing their economies and societies.

Core Values

JTEC is a non-profit organization established by the Japanese government and private sector with expertise in telecommunications and broadcasting. JTEC is in a position to effectively utilize our industry relations, and Japan's knowledge and technologies for the progress of developing countries.

Message from the President

Japan Telecommunications Engineering and Consulting Service (JTEC) is the sole non-profit organization engaged in promoting international cooperation activities in the field of telecommunications and broadcasting in Japan. ICTs are extremely important infrastructures that support national development enabling its people to benefit in every spheres of life.

Since its establishment over 30 years ago, JTEC is committed to promote the development of ICTs in developing countries together with the Japanese government and private sector partners.



Dr. Yoshio Utsumi

Our major activities and core business lines are as follows.

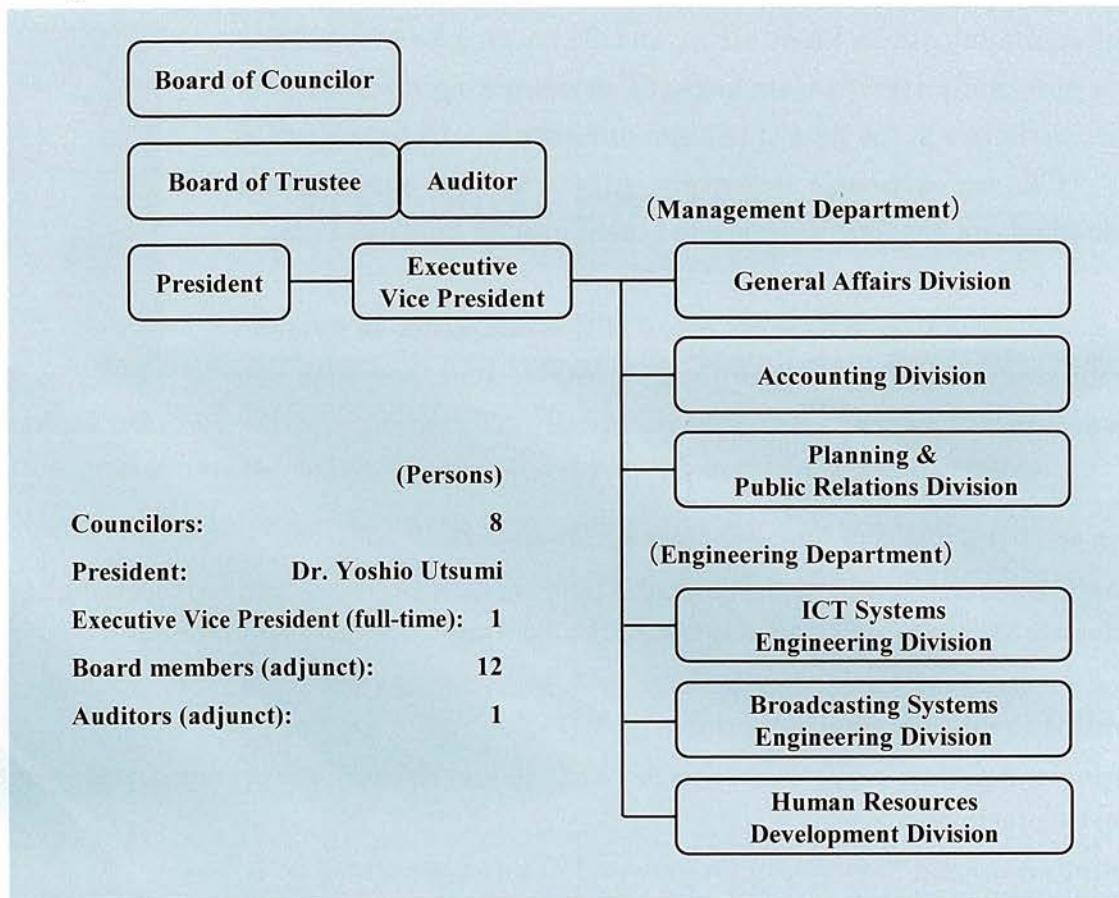
- Study and research to promote development of telecommunications and broadcasting sectors in developing countries
- Plan and conduct study meetings, technology & policy forums emanating information contributing to international cooperation on ICTs.
- Consulting and project support services to establish and enhance telecommunications and broadcasting facilities
- Support international cooperation projects on ICTs and correlated activities.
- Formulation and Implementation of training programs and human resources development related projects.
- Coordinate and interact with Japanese ICT companies strengthening overseas operations.

Due to the worldwide deregulation and privatization in recent years, the telecommunications and broadcasting business sectors have been diverting their dependence from ODA funds to private sector funds. With the changing environments, JTEC is also diverting its conventional dependence on ODA to business activities by private sector.

JTEC is committed to consolidate its resources by reorganizing its activities to achieve sustainable growth to comply with industry expectations. JTEC will continue to make every effort to promote international cooperation to support and contribute to the development of ICT sector of developing world as well as of Japan.

I would like to invite your cooperation and support for JTEC businesses and activities.

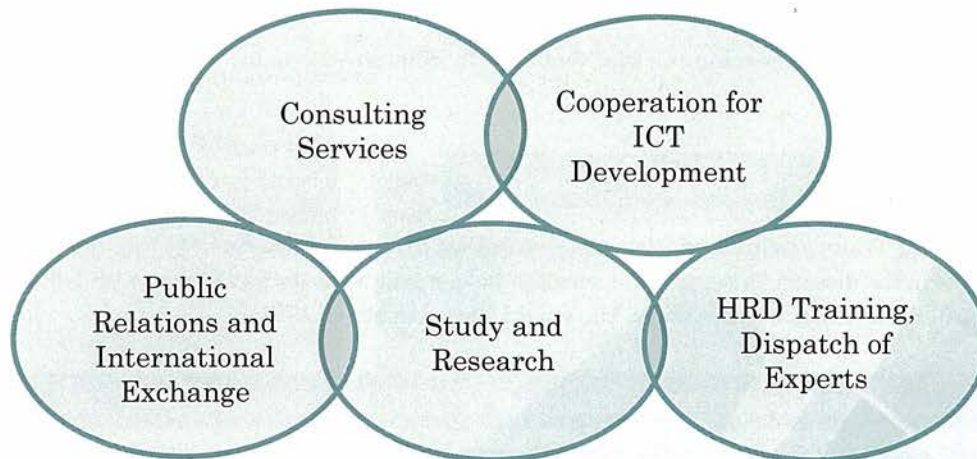
Organization



History

- | | |
|-----------|--|
| Mar. 1978 | Japan Telecommunications Engineering and Consulting Service (JTEC) was established as an incorporated foundation.
First president: Shigeo Nagano (then President of the Japan Chamber of Commerce and Industries)
Office: Azabudai, Minato-ku, Tokyo |
| Nov. 1978 | JTEC representative office in Cairo opened. (until Jun. 2001) |
| Jun. 1995 | The office was moved to Nishi-gotanda, Shinagawa-ku, Tokyo. |
| Sep. 2000 | Angola project office opened. (until Nov. 2010) |
| Jan. 2005 | Vietnam project office opened. |
| Aug. 2006 | Indonesia project office opened. (until Mar. 2012) |
| Dec. 2012 | Bangladesh project office opened. |
| Feb. 2013 | The head office moved to present location. |

JTEC carries out international cooperation and supports human resources development. Through the various projects and activities, JTEC supports developing countries in establishing telecommunication and broadcasting infrastructures. JTEC also supports these countries in establishing social infrastructures, helping to construct e-Governments, improve disaster prevention communications systems, and using ICT for health care, education, and so on. JTEC has been working on these business and activities together with governments, government-related organizations, telecommunications companies and broadcasting entities in over eighty countries until today.



1. Consulting services for planning and implementing ICT networks

JTEC carries out consulting services for feasibility studies (F/S) on telecom & broadcast systems, planning for enhancement and refurbishment of networks, specifications and tender documents preparation as well as assistance for the evaluation of the tenders and procurement process. JTEC also provides oversight for the construction of networks, as well as on operation and maintenance.

2. Study and research on telecommunication status

JTEC conducts studies and draw up proposals on establishing telecommunications networks in developing countries. They include feasibility studies on the establishment of telecommunications networks, research on the formulation of relevant master plans, and surveys on formation of projects for future telecommunications networks. JTEC also conducts studies and research on telecommunications markets in developing countries and international joint research on the uses of ICT.

3. Human resources development, training, and dispatching experts

JTEC organizes training programs in Japan for overseas governments, and private organizations relating to telecommunications and broadcasting. JTEC also dispatches experts in telecommunications and broadcasting technologies abroad to conduct studies and training.

4. Cooperation with public and private sectors for development of ICT in other countries

JTEC as a non-profit, neutral and impartial organization, can provide intermediary support for overseas customers introducing state of the art Japanese technology and through related suppliers.

5. International cultural exchange and public relations activities

JTEC actively participates in forums and seminars both in Japan and abroad Japanese telecommunications and broadcasting status to government agencies and private companies abroad.

JTEC also provides information to Japanese entities for future understanding the status of telecommunications abroad, holding relevant study/lecture meetings and seminars in Japan. In addition, JTEC disseminates information through special bulletins, its website, and mail magazines for its member companies.

I. Consulting services for planning and implementation of ICT networks

1. North-South Fiber Optic Undersea Cable (NSFOC) Project in Vietnam (Yen loan project: Since Jan. 2005)

Received the contract from the Vietnam Posts and Telecommunications Group (VNPT). Implementing as a jointly with the KDDI Foundation.

2. Telecommunications Network Development Project of Bangladesh Telecom Co. Ltd (BTCL) in Bangladesh (Yen loan project: Since Nov. 2010)

Received the contract from BTCL. Implementing as a joint venture with IS International, Inc. with work starting in December 2010.

II. Study and research on telecommunication status

1. Study on Early Warning Transmission and Disaster Prevention System for the Coastal Region in Bangladesh (JICA)

As part of our initiatives in the disaster prevention information field, a joint venture was formed with a development consultant having expertise in disaster prevention, and this study. The project started in March 2013.

2. Pilot project for Medical Information System to enhance public safety and improve Health & Medical services with ICT for rural areas in Lao P.D.R

Based on the results of the APT-J2 Joint Research Exchange Program for FY2011 carried out with the Laos Ministry of Health and the Ministry of Post and Telecommunication, this is a pilot project to promote the construction of medical information systems such patient database and introduction of remote medical systems to rural areas (Provinces, Districts).

This project is to be continued until the first quarter of FY2013.

3. Promoting Agricultural Commodity Market Transparency through the Implementation of Mobile Marketplace

As part of our support for the rural development of Indonesia, research exchange was carried out on agricultural support using ICT. (APT-J2)

4. Study on e-Disaster communications by using advanced ICT in the Kingdom of Tonga

As joint research project with the Government of Tonga, using ICT for the issues facing the island nations in terms of information and communications in disaster prevention activities.

III . Human resources development, training, and dispatching experts

1. Implemented Training Projects

During FY2012, the following two training programs were executed under the Asia-Pacific Telecommunity program (APT-J1).

- Strengthening Disaster Preparedness Utilizing ICT for Public Safety (Dec. 4 – Dec. 13, 2012). No. of participants: 11 (11 nations)
- FTTH and Wireless Access Technologies to Support the Expansion of Broadband Network Infrastructure (Jan. 22 – Feb. 1, 2013). No. of participants: 10 (10 nations)

2. JTEC international personnel registration

Carrying on from last year, JTEC recruited people through its website and e-mail magazine to ensure the personnel required for rolling out our projects. There were an addition 14 persons registered in FY2012, with the number of registrants as of the end of the fiscal year being 39.

3. Dispatching experts

(1) USP-JICA ICT for Human Development and Human Security Project, Fiji (Phase 2)

Following on from the previous year, experts in information technology were dispatched to this project, which supports improving the abilities to provide distance learning to participating nations through a satellite network at the University of the South Pacific, established jointly by twelve Pacific nations including Fiji.

(2) Natural Disaster Early Warning System Construction Project in Myanmar

On receipt of a request for cooperation from the consulting company that was given this request by JICA, people in charge of wireless communication systems were dispatched to Myanmar.

(3) Participation in the APT HRD Experts Meeting

Persons in charge of training at our Foundation participated in the APT HRD Experts Meeting (June 2012, Bangkok, Thailand), held to allow persons in charge of training in each APT member country to assemble to share knowledge based on the situation and experiences in each country, as well as to assess APT training and discuss future improvements.

IV. Cooperation with public and private sectors for development of ICT in other countries

1. ICT Workshop and inspection tour of Myanmar

Over July 15 to 21, 2012, a workshop was held on international cooperation in the ICT field, attended by people from JTEC supporting companies, the Myanmar government, private companies and related people in Yangon and Naypyidaw.

2. Support for a study to promote the ASEAN Smart Network concept

This concept aims to achieve a range of ICT usages and a ubiquitous environment, with 2015, the year of ASEAN unification, as its target year. To that end, it promotes the development of a broadband environment in the ASEAN member nations and the early introduction of advanced ICT systems in the fields of disaster prevention and the environment.

Support was provided in FY2012 for preparations and coordination for carrying out this study.

V. International cultural exchange and public relations activities

The following public relations activities, such as providing information, and the provision of the latest information in the fields of telecommunication and broadcasting from overseas countries.

1. Study groups and seminars held

(1) Study Group and Seminar on the International Development of Telecommunication and Broadcasting (Joint) (July 9, 2012)

Theme: The Development of Information Communication in the Asia-Pacific Region

(2) International Development Support Study Group (for members)

- Session 1 (Nov. 9, 2012) Theme: Situation in Myanmar and NTT Data's Initiatives
- Session 2 (Jan. 17, 2013) Theme: NICT Research Development and the Promotion of International Links and International Expansion
- Session 3 (Mar. 19, 2013) Theme: Recent Movements in Overseas Expansion of ICT (connected with the Ministry of Internal Affairs and Communications)

2. Public relations activities

- The founding issue (April) of "JTEC," our PR magazine, was published, and distributed to member companies and other related organizations.
- Issues 9 and 10 of our e-mail magazine were published.
- A complete revamp of our website (released in November 2012)

Financial Statements

NB: In order to make it easier for the stakeholders to understand the financial statements prepared on the basis of the public interest corporation accounting standards in Japan, these financial statements, which have not been audited by auditors or others, have been converted to a corporate accounting base and provided as reference information.

(a) Balance Sheet

For the year ended March 31, 2013

(in JPY)

Assets		Liabilities	
Accounts	Amounts	Accounts	Amounts
I Current Assets	627,985,490	I Current Liabilities	236,496,495
Cash in hand and Cash in bank	355,968,606	Accounts payable - other	7,109,965
Marketable securities	67,424	Accrued expenses	186,184,748
Supplies	50,000	Advance received	41,081,478
Accounts receivable – other	269,004,041	Deposits received	1,893,704
Cost of uncompleted contracts	1,531,019	Income taxes payable	70,000
Suspense payment	1,078,156	Consumption taxes payable	156,600
Prepaid expense	286,244	II Non-Current Liabilities	13,120,869
II Fixed Assets	636,747,750	Reserve for retirement allowance	5,620,869
(Tangible Assets)	(10,244,857)	Reserve for directors' retirement benefits	7,500,000
Buildings accompanying facilities	8,336,356	Total Liabilities	249,617,364
Vehicles & delivery equipment	425,226	Net Assets	
Tools, furniture & fixtures	1,483,275	I Accumulated earnings	1,015,115,876
(Intangible Assets)	(1,047,788)	(Other Accumulated earnings)	(1,015,115,876)
Software	1,047,788	Earned Surplus	1,015,115,876
(Investments and other assets)	(625,455,105)	Total Net Assets	1,015,115,876
Investment securities	614,894,800		
Long-term prepaid expense	1,627,505		
Security deposits	8,932,800		
Total Assets:	1,264,733,240	Total Liabilities and Net Assets	1,264,733,240

(b) Profit and Loss Statement

For the year ended March 31, 2013

(in JPY)

Accounts	Amounts	
I Sales		
Business income	39,194,646	
Membership fees income	65,829,166	105,023,812
II Cost of Sales		
Cost of Sales	127,129,534	127,129,534
Gross Loss on Sales		22,105,722
III Selling and General administrative expenses		32,896,397
Operating Loss		55,002,119
IV Non-Operating Income		
Interest income and dividend received	16,799,236	
Miscellaneous income	17,160,928	33,960,164
V Non-Operating Expenses		
Interest expenses and discounts	308,637	
Warranty fees	1,114,101	
Loss on foreign exchange	865,631	2,288,369
Ordinary Loss		23,330,324
VI Extra ordinary Gains		
Gain from investment securities	131,802,380	131,802,380
VII Extra ordinary Losses		
Loss on retirement of fixed assets	7,618,216	7,618,216
Income before taxes		100,853,840
Net income		100,853,840

Explanatory notes for financial statements - Significant accounting policy

- (1) Basis for valuation of securities
 - a. Marketable securities: Stated at market price as of the balance sheet date.
 - b. Non-marketable securities: Stated at cost pursuant to the moving average method.
- (2) Depreciation methods for fixed assets
 - a. Building accompanying facilities, vehicles & delivery equipment, tools, furniture & fixtures: Declining-balance method.
For assets acquired on March 31, 2007, or before, the remaining value from the depreciation limit are depreciated using the straight-line method over five years from the year following when depreciation hit the limit.
 - b. Intangible properties: Straight-line method.
- (3) Basis for reserve provision
 - a. Reserve for retirement allowance: The reserve is stated at the estimated payment amount at the balance sheet date to be prepared for future payments to employees.
 - b. Reserve for directors' retirement benefits: The reserve is stated at the amount which has been incurred at the balance sheet date based on the bylaws of the Association.
- (4) Basis for revenue and expense recognition
Revenue from long-term consulting (more than a single-year contract period) is accounted based on the completion of contract activity.
- (5) Accounting for consumption tax
Consumption tax is accounted for using the tax-inclusive method.

<Cumulative Figures>

Classification	Cumulative Figures April 2000 – March 2012		Remarks
	Number of projects	Number of countries	
Consulting services -Consulting -Consigned studies, etc.	9 41	7 32	Funds from World Bank, JICA & other sources
Study and research	65	51	Subsidized projects of Govt. of Japan, and funds from JKA
International cooperation -APT projects * -Dispatch of experts -Secretariat for study meetings Others	4 10 7	3 9 -	* Extra-budgetary contribution from Govt. of Japan through APT projects
Training and human resources development	121	73	Funds from Govt. of Japan, APT and other sources In total 792 trainees accepted since 2000
Study meetings and conferences	13		Since 2007

<JTEC's Projects and Countries for which Training, etc. is Offered>

(Cumulative Total:121)

Asia

Bangladesh, Bhutan, Brunei, Cambodia, China, India, Indonesia, Korea, Laos, Malaysia, Maldives, Mongolia, Myanmar, Nepal, Pakistan, Philippines, Singapore, Sri Lanka, Thailand, Timor-Leste, Vietnam

Pacific

Cook Islands, Fiji, Kiribati, Marshall Islands, Micronesia, Nauru, Niue, Palau, Papua New Guinea, Samoa, Tonga, Tuvalu, Vanuatu

Middle East

Afghanistan, Bahrain, Iran, Iraq, Jordan, Kuwait, Lebanon, Oman, Qatar, Saudi Arabia, Syria, UAE, Yemen

Africa

Algeria, Angola, Botswana, Burkina Faso, Burundi, Cameroon, Cape Verde, Djibouti, Congo, Egypt, Ethiopia, Gabon, Gambia, Ghana, Guinea, Kenya, Lesotho, Liberia, Libya, Madagascar, Malawi, Mali, Mauritania, Morocco, Mozambique, Namibia, Niger, Nigeria, Rwanda, Senegal, Sierra Leone, South Africa, Swaziland, Tanzania, Tunisia, Uganda, Zambia, Zimbabwe

Europe & NIS

Czech Republic, Russia, Belgium, Bulgaria, France, Germany, Kazakhstan, Kyrgyzstan, Rumania, Russia, Tajikistan, Turkey, Turkmenistan, Ukraine, Uzbekistan

Latin America

Argentina, Belize, Bolivia, Brazil, Chile, Colombia, Costa Rica, Dominican Republic, Ecuador, El Salvador, Guatemala, Honduras, Jamaica, Mexico, Nicaragua, Panama, Paraguay, Peru, Suriname, Uruguay, Venezuela

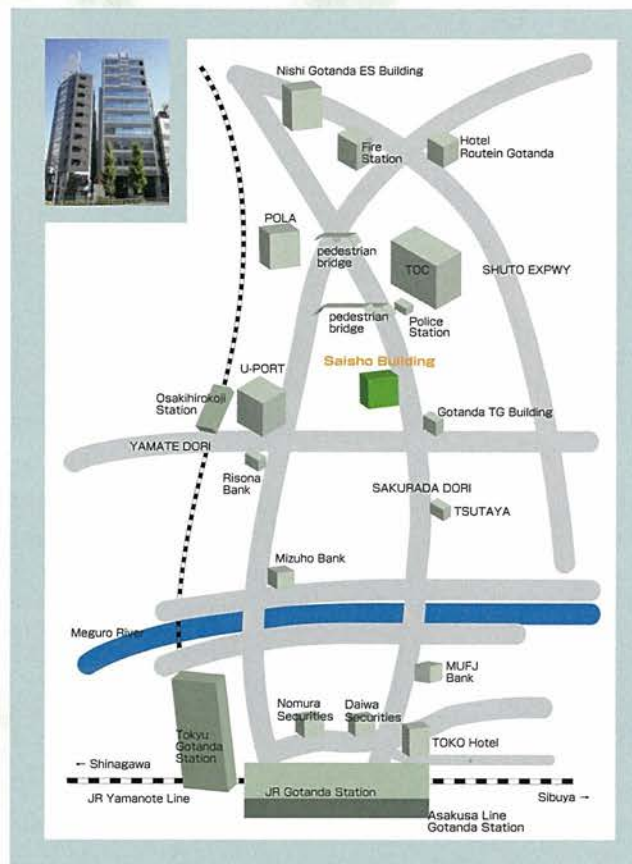


一般財団法人 海外通信・放送コンサルティング協力

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