

JTEC Annual Report FY 2014

April 2014 – March 2015

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 have an immense impact on virtually all aspects of our life. Rapid progress of these technologies created 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 infrastructures 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,
- Provide consulting and project support services to establish and enhance telecommunications and broadcasting facilities,
- Support international cooperation projects on ICTs and correlated activities,
- Formulate and implement training programs and human resources development related projects,
- Coordinate and interact with Japanese ICT companies strengthening overseas operations.

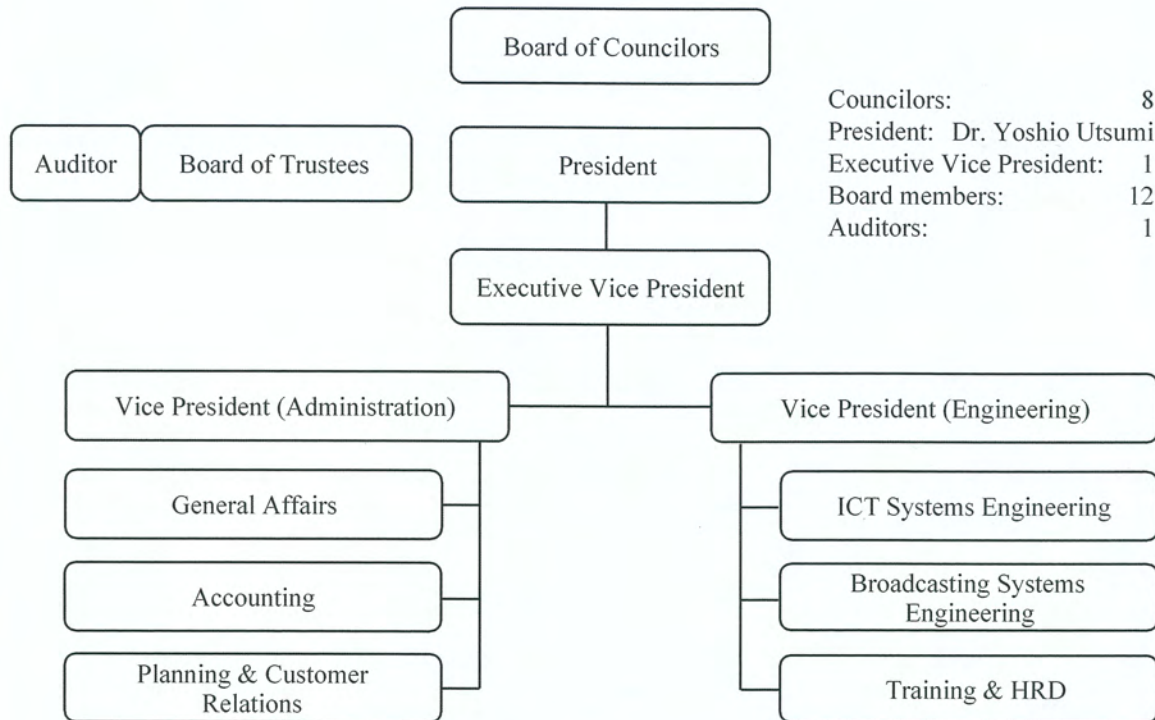
Due to the worldwide deregulation and privatization in recent years, the telecommunications and broadcasting business sectors have been diverting their dependence from ODA funds to private sector funds. With the changing environments, JTEC is also diverting its conventional dependence on ODA to business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

Organization



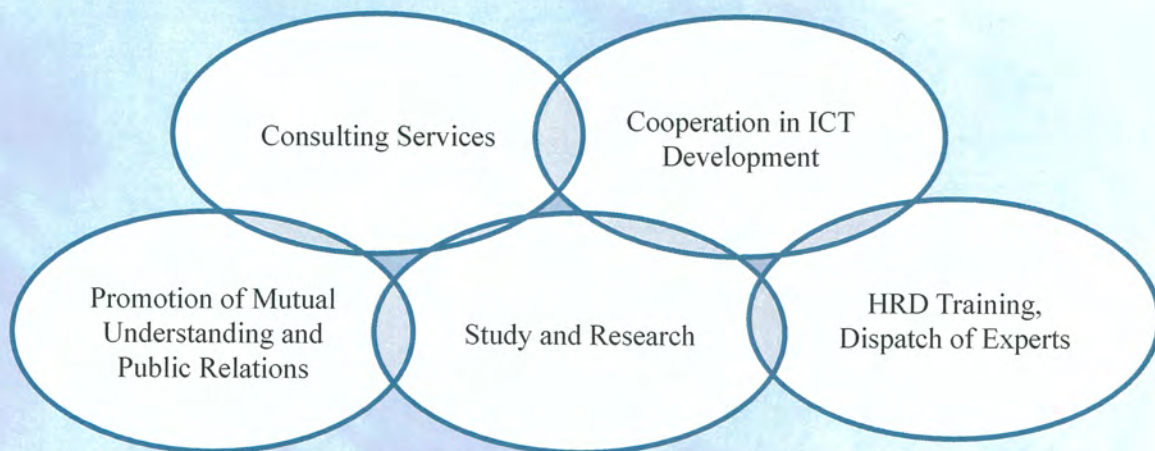
History

- | | |
|-----------|--|
| 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. (until Oct. 2013) |
| Aug. 2006 | Indonesia project office opened. (until Mar. 2012) |
| Dec. 2012 | Bangladesh project office opened. |
| Feb. 2013 | The office moved to current location. |
| Oct. 2013 | Myanmar liaison office opened. |

JTEC Businesses and Activities

JTEC has built up substantial business achievements and experience with governments, government-related organizations, telecom operators, broadcasting operators, and other parties in more than 80 nations.

JTEC covers various business activities as described below. JTEC has supported developing countries/emerging countries in establishing telecommunications infrastructure and broadcasting infrastructure, introducing social infrastructure such as e-Government, disaster prevention/mitigation systems, and ICT systems in the fields of health and education. Furthermore, JTEC has provided human resources development programs as well.



1. Consultancy services for planning and implementing ICT networks

JTEC provides consultancy services for telecom and broadcasting operators from the planning phase to the operation and maintenance phase. For example, JTEC provides field surveys, preparation of specifications and tender documents as well as assistance with the evaluation of tenders and the procurement process. JTEC also supports supervisory services for construction work by vendors.

2. Study and research on telecommunications

JTEC conducts study and research on telecommunications, broadcasting and ICT. For example, JTEC prepares proposals on telecommunications networks with cost effective solutions. These services include feasibility studies (F/S), research on the formulation of relevant master plans, and surveys on the formation of projects. Furthermore, JTEC also conducts study/research on telecommunications/broadcasting markets and international joint study/research on the uses of ICT.

3. Human resources development, training, and dispatch of experts

JTEC implements training programs in Japan and on site as well for the overseas government sector and private sector relating to telecommunications, broadcasting and ICT utilization. JTEC also dispatches experts on site to conduct study and training.

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

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

5. Promotion of mutual understanding and public relations

JTEC promotes mutual understanding of the status of telecommunications and broadcasting among nations to promote international cooperation in the sector by organizing relevant study and lecture meetings as well as seminars in Japan and by visiting agencies concerned in overseas countries. JTEC also disseminates information through special bulletins, its website, and mail magazines for the above purpose.

1. Consultancy Services for Planning/Implementation of Building Telecommunication Networks

(1) Consulting services for Communication Networks Improvement Project in Myanmar

JTEC received an invitation letter for a request for proposal (RFP) for CNIP (Communication Networks Improvement Project) based on a Japanese ODA loan from Myanmar Posts and Telecommunications in November 2014, and submitted a proposal by establishing a joint venture with Japanese consulting companies.

The objective of this ODA loan project is to increase communication capacity by improving communication networks, thereby contributing to economic development in Myanmar. The project includes measures such as improvement of the backbone network between three major cities (Yangon, Nay Pyi Taw and Mandalay), expansion of the Yangon metro network, and enhancement of national gateways.

(2) Telecommunications Network Development Project in Bangladesh

The consortium led by JTEC and a partner consulting company has carried out consultancy services for a telecommunications network development project of BTCL (Bangladesh Telecommunications Company Limited) financed by a Japanese ODA loan. (The service has been continued since 2010.)

This project covers NGN (Next Generation Network), FTTB (Fiber to the Building) and other works.

2. Study and Research Activities

(1) Survey on Telemedicine/e-Health in ASEAN Countries

JTEC has promoted this survey to study the possibility of introducing Telemedicine/e-Health services in Thailand, Cambodia, LAO PDR and Myanmar and to provide information to help Japanese companies expand their business activities into those countries. JTEC carried out the survey successfully and delivered a report to the companies concerned and to the public through the JTEC Website. The survey results were also provided by a JTEC seminar. This survey was undertaken with the budgetary support of “JKA”, a nonprofit organization under the auspices of the Ministry of Economy, Trade and Industry of Japan.

(2) Survey on a personal qualification system for telecommunication network technicians in East African Countries

JTEC has promoted this survey to study the possibility of introducing a personal qualification system for telecommunication network technicians in Kenya and Tanzania, and to provide information to help Japanese companies expand their business activities into those countries.

JTEC carried out the survey successfully and delivered a report to the companies concerned and to the public through the JTEC Website. The survey results were also provided by a JTEC seminar. This survey was undertaken with the budgetary support of the above “JKA” as well.

(3) e-Village Project in Myanmar

JTEC has been conducting a new trial activity since 2013 to assist developing countries by enhancing cooperation with JTEC member companies.

As the first project, JTEC launched the e-Village Project in Myanmar in November 2013 in cooperation with Myanmar Computer Federation (MCF). The aim of the project is to identify how to utilize and apply ICT systems in rural development and examine measures to ensure the sustainability of this kind of project through a joint study with MCF.

JTEC, together with MCF, selected a location in an area of Yangon District as a pilot site for a rural ICT center called the "Community Information Center (CIC)".

All necessary facilities such as computers, power supply and internet access were introduced into the renovated small building for the CIC at the end of March 2014, and MCF and JTEC cooperatively held an official opening ceremony in July, 2014 with the attendance of the Chief Minister of the Yangon Region Government, the Deputy Minister of Science and Technology, and other VIP guests. MCF and JTEC also jointly held an international workshop on rural ICT usage promotion at MCF, Yangon by inviting experts from Thailand, Indonesia and Japan.

Since then, activities such as staff training, providing a PC utilization school for villagers and organizing a management committee have been continuously carried out at the CIC.

Beneficiaries of Myanmar expect the success of the e-Village project as a new trial activity for the promotion of ICT usage in rural areas.

3. Human Resources Development and Dispatch of Experts

(1) Implemented training courses

JTEC implemented the following two training courses under the scheme of the Extra Budgetary Contribution of Japan for training programs (EBC-J1) of the Asia Pacific Telecommunity (APT) in FY 2014.

a) "Latest Technological Trends, Planning Methods and Standardization to Promote Broadband Networks in the Asia-Pacific Region"

JTEC held this training course from 1st to 12th December 2014 in Tokyo. The number of trainees was 10 participants from 10 countries (Bangladesh, Bhutan, Cambodia, India, LAO PDR, Mongolia, Nepal, Palau, Sri Lanka, and Thailand).

The purpose of this training course was to understand the latest technological trends in broadband access networks and their standardization method.

b) "Strengthening Disaster Preparedness in the Asia-Pacific Region Utilizing ICT"

JTEC held this training course from 26th January to 6th February 2015 in Tokyo. The number of trainees was 16 participants from 14 countries (Afghanistan, Bangladesh, Bhutan, China, the Cook Islands, India, the Maldives, Nepal, Pakistan, Palau, the Philippines, Sri-Lanka, Thailand, and Tonga).

The purpose of this training course was to understand the roles of ICT in disaster preparedness especially as a tool to quickly deliver early warnings to local people.

Overview of JTEC Businesses and Activities in Fiscal Year 2014

(2) Participation in ITU-T meeting regarding disaster relief in Fiji

JTEC sent an expert in the field of wireless communication to the 9th meeting regarding a tool to quickly deliver early warnings for the local people information Center (FGDR&NRR) / ITU-T held at the University of the South Pacific (USP) in Suva, Fiji, on May 2014.

At the meeting, there were exchanges of information and discussions on agenda such as recent experiences of disasters in several countries, cases of ICT utilization in disaster relief, and advanced communication technologies for disaster management.

(3) Dispatch of Telecommunication Engineers

a) Project for establishment of an early warning system for natural disasters in the Republic of the Union of Myanmar

At the request of the consulting company that contracted with JICA for this project, JTEC dispatched a wireless communication expert to this project and contributed to the planning of the early warning system.

b) Survey mission to form an ICT pilot project for disaster management in Vanuatu

At the request of APT, JTEC has performed a survey study to draft a new project for disaster management communication with ICT utilization in Vanuatu. (May 2014)

As an outline of this pilot project, two optical monitoring cameras are installed at the crater of a volcano in a remote island in Vanuatu. The monitored picture images are transmitted to the central office through a broadband wireless link installed by the project. The pictures are then accumulated and archived in the central database. These images will be used for geohazard volcano warnings and the dissemination of information for local people through the newly-built broadband internet.

(4) Dispatch of ICT Experts

a) Comprehensive Capacity Development Project for the Bangsamoro, Philippines, JICA

JTEC dispatched an expert to provide consulting service for the update of a personnel information database for the above mentioned project.

b) East Timor port facilities management, JICA

JTEC conducted consulting services to support system establishment in the above-mentioned project, and is scheduled to dispatch an expert in FY2015.

c) Dispatch of an expert for telemedicine project in Lao PDR

JTEC dispatched an expert for a telemedicine project in Lao PDR in March 2015.

(5) Dispatch of Broadcasting Experts

a) Dispatch of expert for equipment survey on JICA Cultural Grant Assistance (Sri Lanka)

JTEC dispatched an expert broadcasting engineer to conduct a preliminary survey for JICA on a project for the provision of Japanese TV programs to Sri Lanka Rupavahini Corporation (SLRC) in August 2014.

b) Dispatch of expert for survey on television programs and production equipment related to Japanese Technical Assistance (El Salvador, Ecuador)

JTEC dispatched an expert broadcasting engineer to conduct a survey on television programs and production equipment related to Japanese Technical Assistance for El Salvador and Ecuador in September 2014.

4. Cooperation with Public and Private Sectors in Development of ICT in Other Countries

(1) Support for feasibility study and research project to promote “ASEAN smart network”

This project aims to achieve a range of usages and applications for ICT as well as development of a ubiquitous environment targeting the establishment of the ASEAN Community in 2015. To that end, it promotes the development of broadband environments in the ASEAN member nations and the early introduction of advanced ICT systems in the fields of disaster management and the environment.

Continuing on from the previous year, JTEC prepared for the feasibility study and research project and coordinated with the project stakeholders.

JTEC started the feasibility study with the approval of the ASEAN Secretariat this fiscal year, held a kick-off meeting with ASEAN member nations and concluded contracts with subcontractors.

(2) Support for installation of “Community One-Seg TV” in rural areas of ASEAN region

This project aims to address the digital divide in rural areas in ASEAN through the introduction and installation of a “One-Segment broadcasting* (Community One-Seg TV)” system with data broadcasting in Thailand and Indonesia.

JTEC received approval for the project in Indonesia from the ASEAN Secretariat this fiscal year, and prepared the TOR document for the procurement of subcontractors.

* One-Segment broadcasting: A mobile terrestrial digital audio/video and data broadcasting service that originated in Japan based on the use of one segment of ISDB-T channel allocation.

Overview of JTEC Businesses and Activities in Fiscal Year 2014

5. Activities for Promotion of Mutual Understanding and Public Relations

JTEC implemented conferences and study seminars to promote mutual understanding by disseminating the latest information concerning telecommunication and broadcasting in overseas countries. JTEC also conducted public relations activities through publications and its website by providing relevant news and information.

(1) JTEC conferences

Session	2014 Theme	Subjects
Jun. 18, 2014	ICT business promotion and international cooperation in overseas countries	1. ICT business promotion for SMEs using ODA scheme 2. Report on progress of “eVillage Project”
Mar. 10, 2015		1. International policy and strategy of ICT sector in Japan 2. Summary reports on survey study in overseas countries (Subsidy provided by JKA)

(2) Study meetings for JTEC member companies

Session	2014 Theme	Subjects
Sep. 9, 2014	ICT business promotion and international cooperation in overseas countries	Role and leadership of top managers in their successful businesses in Southeast Asia countries
Jan. 28, 2015		Fusion, competition in telecommunications and broadcasting, and the next stage

(3) Public relations activities

- Published the 3rd issue (April, 2014) of the public relations magazine “JTEC” and distributed it to member companies and stakeholders, etc.
- Published the 13th issue (September, 2014) of the JTEC e-mail magazine
- Published “JTEC Annual Report FY2013” (September, 2014)

Financial Statements

Financial Statements

(a) Balance Sheet*

Year ended March 31, 2015

(in JPY)

Assets		Liabilities	
Accounts	Amounts	Accounts	Amounts
[Current Assets]	[1,306,527,641]	[Current Liabilities]	[751,214,486]
Cash in hand and Cash in bank	1,118,149,682	Accounts payable - other	172,319
Accounts receivable – other	185,302,993	Accrued expenses	96,944,354
Cost of uncompleted contracts	1,417,758	Advance received	651,483,277
Suspense payment	1,511,008	Deposits received	966,236
Prepaid expense	146,200	Income taxes payable	70,000
		Consumption taxes payable	1,578,300
[Fixed Assets]	[568,350,395]	[Non-Current Liabilities]	[6,856,375]
(Tangible Assets)	(9,553,378)	Reserve for retirement allowance	5,528,250
Building	254,125	Reserve for directors' retirement benefits	1,328,125
Buildings accompanying facilities	6,803,051	Total Liabilities	758,070,861
machinery and equipment	95,688	Net Assets	
Tools, furniture & fixtures	2,400,514	[Accumulated earnings]	[1,116,875,175]
(Intangible Assets)	(500,312)	(Other Accumulated earnings)	(1,116,875,175)
Software	500,312	Earned Surplus	1,116,875,175
(Investments and other assets)	(558,296,705)		
Investment securities	548,371,800	Total Net Assets	1,116,807,175
Long-term prepaid expense	992,105		
Security deposits	8,932,800		
Total Assets:	1,874,878,036	Total Liabilities and Net Assets	1,874,878,036

* 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.

(b) Profit and Loss statement*

Year ended March 31, 2015

(in JPY)

Accounts	Amounts	
[Sales]		
Business income	75,032,439	
Membership fees income	63,875,000	138,907,439
[Cost of Sales]		
Cost of Sales	131,362,576	131,362,576
Gross Loss on Sales		7,544,863
[Selling and General administrative expenses]		28,457,590
Operating Loss		20,912,727
[Non-Operating Income]		
Interest income and dividend received	25,580,282	
Subsidy received	1,910,803	
Miscellaneous income	11,792,093	39,283,178
[Non-Operating Expenses]		
Warranty fees	1,133,218	
Loss on foreign exchange	1,355,704	2,488,922
Ordinary profit		15,881,529
[Extra ordinary Gains]		
Gain from investment securities	4,223,400	4,223,400
[Extra ordinary Losses]		
	0	0
Income before taxes		20,104,929
Net income		20,104,929

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, machinery and equipment, tools, furniture & fixtures: Declining-balance method.
For the assets acquired on March 31, 2007 or before, the remaining value from depreciation limit are depreciated with straight-line method over 5 years from the following the year when the depreciation hit the limit.
- b. Building, 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 1-year contracting period) is accounted based on the completion of contract activity.

(5)Accounting for the consumption tax

The consumption tax is accounted for using the tax inclusion method.

JTEC Activities Overview

Cumulative Figures

Classification	Cumulative Figures April 2000 – March 2015		Remarks
	Number of projects	Number of countries	
Consulting services -Consulting -Consigned studies, etc.	9 43	7 36	Funds from World Bank, JICA & other sources
Study and research	69	57	Subsidized projects of Govt. of Japan, and funds from JKA
International cooperation -APT projects * -Dispatch of experts -Secretariat for study meetings -Others	6 12 7 3	4 17 - 2	* Extra-budgetary contribution from Govt. of Japan through APT projects
Training and human resources development	126	74	Funds from Govt. of Japan, APT and other sources In total 828 trainees accepted since 2000
Study meetings and conferences	18	-	Since 2007

JTEC' Projects and Countries for which Training, etc. is Offered (Cumulative Total: 122)

◆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, Solomon Islands, 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

Activities in Pictures



一般財団法人 海外通信・放送コンサルティング協力

Japan Telecommunications Engineering and Consulting Service

7th Floor, Saisho Building, 8-1-14, Nishi-gotanda, Shinagawa-ku,
Tokyo 141-0031, Japan TEL: (03)3495-5211 FAX: (03)3495-5219
<http://www.jtec.or.jp/>



JTEC