JTEC Annual Report

FY 2020

April 2020 – March 2021

JTEC

Japan Telecommunications Engineering and Consulting Service

JTEC Mission

Our mission is to contribute to the growth and development of both developing countries and Japan by promoting international cooperation in the ICT sector and assisting the Japanese ICT industry in international business operations.

Since ICT is an indispensable tool in people's lives, JTEC aims to enable as many people as possible in developing countries to enjoy the benefits of ICT.

As a trusted global partner, JTEC plays the role of a bridge between developing countries and Japan to proactively meet the needs and expectations of customers and stakeholders.

JTEC, as a partner, assists the evolution of ICT in developing countries by making good use of its characteristics of being an independent nonprofit organization with an impartial and neutral standpoint.

Message from the President

Mr. SAKAMOTO Yasuo

JTEC, a nonprofit organization, was established in 1978, under the Government supervision with the initiatives of telecommunications and broadcasting industry and the finance entities, and has conducted international cooperation activities over 42 years.
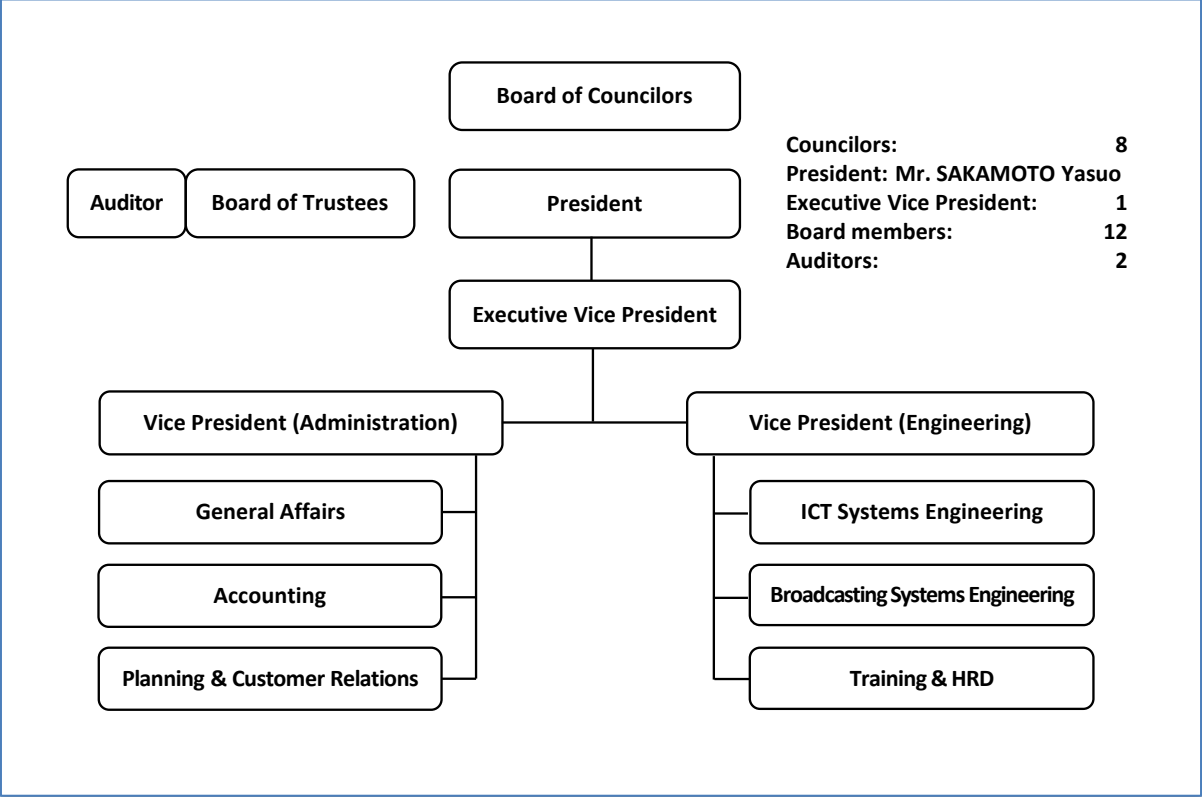
JTEC conducts activities of public interest through surveys, research, training and human resources development in the telecommunications and broadcasting technology sector in developing countries, while also providing consulting services for communications-related development projects and services to support the overseas business of Japanese companies, in order to achieve JTEC missions to promote the development of the telecommunications and broadcasting sector in developing countries and mutual international understanding as well as to contribute to the development of Japan's telecommunications industry.

In recent years, ICT has developed remarkably. While, in tandem with changes in conditions around the world and the changing global environment, ICT is playing an increasing role in regional development and people's security and safety.

Based on the said circumstances, JTEC intends to continue to strive to meet the expectations of the developing countries and the Japanese telecommunications industry.

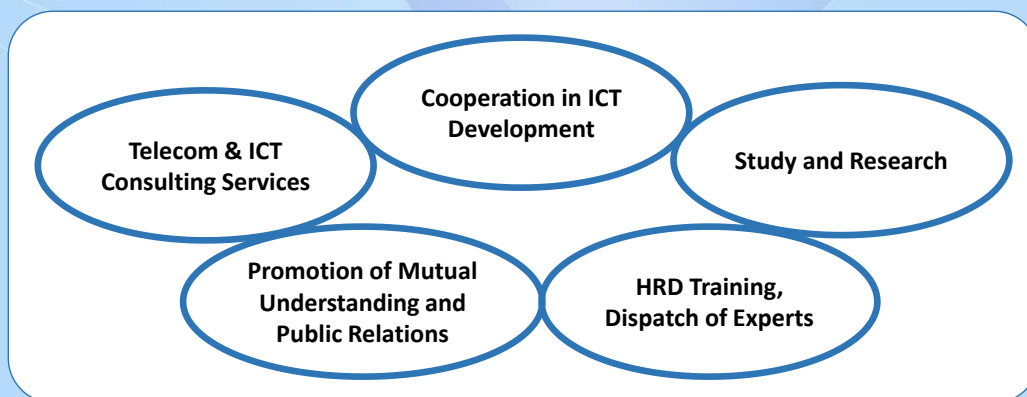# Organization and History

Organization

Board of Councilors

Auditor

Board of Trustees

President

Councilors: 8
President: Mr. SAKAMOTO Yasuo
Executive Vice President: 1
Board members: 12
Auditors: 2

Executive Vice President

Vice President (Administration)

General Affairs

Accounting

Planning & Customer Relations

Vice President (Engineering)

ICT Systems Engineering

Broadcasting Systems Engineering

Training & HRD

History

Mar. 1978	Japan Telecommunications Engineering and Consulting Service (JTEC) 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.
Apr. 2016	Myanmar project office opened.
Jun. 2018	Held official ceremony of JTEC 40 anniversary.

JTEC Business

JTEC has built up substantial business achievements and experience with governments, government-related organizations, telecom operators, broadcasting operators, and other parties in more than 120 nations.

JTEC covers various business 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.

Cooperation in ICT Development

Telecom & ICT Consulting Services

Study and Research

Promotion of Mutual Understanding and Public Relations

HRD Training, Dispatch of Experts

1. Consultancy services for planning and building telecommunication networks and ICT systems

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 and ICT

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. Cooperation with public and private sectors in development of ICT for overseas 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.

4. 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.

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 email news for the above purpose.

Overview of Business in Fiscal Year 2020

Business Environment in FY 2020
We had to take various measures to continue business operations due to the COVID-19 pandemic, which began to spread worldwide from the beginning of year 2020.
In order to prevent the infection of employees, we have introduced online tools and begun to work from home. Most business were done online.

1. Consultancy services for planning and building telecommunication networks and ICT systems

(1) Consulting services for Myanmar Communication Network Improvement Project (JICA Yen loan project)
We established a Joint Venture with Japanese consulting firms, signed an agreement with Myanma Posts and Telecommunications (MPT) in February 2016, and commenced consulting services in April 2016.
Due to the COVID-19 pandemic, all foreign consultant members returned to Japan in April 2020. Then it became impossible to visit Myanmar again after that. In this fiscal year, from Japan we mainly audited the detailed design documents in the phase of Construction Supervision in corporation with the local consultant members.
Moreover, since February 2020, due to political unrest in Myanmar, it has been forced to delay the progress of the project.

(2) Consulting services for introduction of nationwide early warning system and strengthening disaster communication in the Kingdom of Tonga (JICA Grant aid)
This project primarily consists of radio systems for early warning covering all of Tonga. We established a Joint Venture with Japanese consulting firms and received a commission for consulting on the project from the Tongan government. This is a multi-year project, JTEC as a member of JV started the consulting services in FY 2018.
Due to the COVID-19 pandemic, all consultants and vendors returned to Japan at 2Q 2020, and the construction supervision work at the site has been suspended. In this fiscal year, JV made preparations so that consulting services could be resumed as soon as it became possible to travel to Tonga.

(3) Consulting services for improvement emergency communication system in Jamaica (JICA Grant aid)
This project includes introduction of an integrated mobile, broadcasting-based wireless disaster prevention system covering all over Jamaica. JTEC has been tasked with providing consulting services on wireless technologies as a partner of the Japanese company commissioned by the Jamaican government to provide the consulting services for this project. This is a multi-year project, and, we started the consulting services in FY 2018.
In FY 2019, the project was suspended due to the internal reasons of Jamaica, then resumed at 1Q 2020. However due to the COVID-19 pandemic, it was not possible to restart the consulting services at Jamaica. The redesign work of several project sites were necessary because of the suspension of construction work for nearly a year. we supported the field survey done by the Jamaica side, redesigned the site facilities based on the field survey and proceeded the project progress to the stage of waiting for the announcement of equipment procurement from Jamaica.

(4) Survey related to promotion of introduction of national ID system utilizing digital technology in Africa (JICA Survey Program)

We established a Joint Venture with a company in FY 2019, and JV received an order for this survey from JICA.

JV carried out the survey on the digitization of national IDs that contributes to the achievement of the SDGs in Zambia and Senegal, and completed the survey in FY 2020.

2. Study and research on telecommunications and ICT

(1) Current status survey on policies and initiatives against IoT security threats (New)

This is Asia‑Pacific Telecommunity (APT) Publishing program which we proposed and APT entrusted JTEC with its implementation in this fiscal year. This program is to survey the current state of policies and efforts of government agencies related to IoT in the countries surveyed, systematically organizes policies and priorities regarding the promotion of IoT usage and environmental improvement, and compiles a survey report for APT members countries. This survey was conducted online with the cooperation of the Philippines, Cambodia, Thailand, and Indonesia.

(2) Joint Research on the utilization of the latest ICT in disaster management in Vanuatu and other Pacific island countries (Continued)

This is APT Category I (APT-C1 Joint Research) program which we and Vanuatu jointly proposed and APT entrusted JTEC and Vanuatu with its implementation in FY 2019. This program is to be conducted with Vanuatu and several neighboring countries on the latest ICT utilization measures for responding to natural disasters by visiting each other. Due to the COVID-19 pandemic, it was not possible to travel, the planned activities were suspended this year with the consent of APT.

(3) Pilot Project building broadband network in Tuvalu (Continued)

This is APT Category II (APT-C2 Pilot Project) program in Tuvalu which we and Tuvalu jointly proposed and APT entrusted JTEC and Tuvalu with its implementation in FY 2018. This program is to build broadband network in Tuvalu for the government/public sector with optic fiber cables and wireless technologies. We and Tuvalu jointly made the field survey and necessary equipment was sent to Tuvaul in FY 2019.

In this fiscal year, since it was not possible to visit Tuvalu due to the COVID-19 pandemic, the joint installation work on site was postponed. We and Tuvalu continued to discuss on how to proceed this program under such circumstances.

(4) Survey on the current status of natural disaster risk management in Kiribati's postal services and securing emergency communication measures (New)

This is Universal Postal Union (UPU) Research program which we proposed and UPU entrusted JTEC with its implementation in FY 2019. This program is to survey the current state of natural disaster risk management in Kiribati's postal service and propose measures to secure communication means in the event of a disaster. Since it was not possible to travel due to the COVID-19 pandemic, the program was suspended in this year with the consent of UPU.

(5) Survey on the current status of radio wave policy and frequency management in APT member countries (Continued)

This is APT Publishing program which we proposed and APT entrusted JTEC with its implementation in FY 2018. This year, it was not possible to travel due to the COVID-19 pandemic, this program was done by desktop survey using Internet with the consent of APT.

3. Cooperation with public and private sectors in ICT development for overseas countries

(1) Digital Transformation (DX) Promotion Project (New)

We discussed with two cities, Kuching/Malaysia and Makassar/Indonesia participating in ASCN, to clarify their requests for DX promotion and to make a project plan. In response to their intention to join the Smart JAMP program by JASCA's, we supported two cities to provide the application to the Japanese government. Then, Kuching/Malaysia submitted the application to the Japanese Government in March 2021.

 (Note)
ASCN: ASEAN Smart Cities Network
JASCA: Japan Association for Smart Cities in ASEAN
Smart JAMP: Smart City supported by Japan ASEAN Mutual Partnership

(2) Project finding survey in the Smart City sector (Continued)

We supported Japanese company having the location-based service infrastructure which has a possibility to improve social issues in developing countries so that the company can form a pilot project which improves logistics and alleviates traffic congestion in a port area. Then, we supported the company to prepare a proposal for the project feasibility study of JETRO (Japan External Trade Organization), and also supported its study after the company received an order.

(3) Overseas expansion support for the Emergency Warning Broadcasting System (EWBS) (Continued)

The EWBS based on Japanese terrestrial digital broadcasting system (ISDB-T) has been deployed in the countries in Central and South America, and we supported Ecuador to newly introduce this EWBS in this fiscal year. We also supported Peru on introduction of EWBS receivers.

In addition, we, in cooperation with the Swiss International Cooperation Project, supported the development of mechanism for automatically transmitting Earthquake Early Warnings through this EWBS based on ISDB-T in Central America, paving the way for practical application.

On the other hand, we have started the study on EWBS by FM broadcasting for Asian countries.

(4) Survey on trends in the ICT field and ICT utilization needs in the Pacific island countries (Contracted by MIC* Japan)

We received an order for a survey on trends in the ICT field and needs for ICT utilization in Papua New Guinea and Fiji from MIC, Japan. The research was conducted by literature research and online interviews, and successfully completed.

* Ministry of Internal Affairs and Communications

(5) Survey related to the digitization of African regional public services (Contracted by JICA)

We established a Joint Venture with Japanese consulting firms and JV received an order from JICA in this fiscal year. The survey was conducted by literature research and online interviews, and is scheduled to be completed in FY 2021.

(6) Survey on project finding for the promotion of Senegalese National ID Digitization (Contract with JICA)

We established a Joint Venture with a Japanese consulting firm and JV received an order from JICA in this fiscal year. The survey was conducted by literature research and online interviews, and is scheduled to be completed in FY 2021.

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

(1) APT on-site training program on DX（Indonesia, Malaysia）

We proposed this training program and APT entrusted JTEC with its implementation in this fiscal year. This was technical training program related to DX and especially designed for Indonesia and Malaysia as a APT on-site training. Due to the COVID-19 pandemic, this was done online.

In cooperation with the Ministry of Information and Communication of Indonesia (KOMINFO) and Malaysia (KKMM), we conducted online training on the theme of data collection and utilization for about 30 people in charge of smart cities of central ministries and local governments. The training was held by lectures from local and Japanese experts, with the contents of hands-on training using original videos on data collection and analysis, and problem-solving workshops, and it was well received.

FY 2020	Training course title	Number of participants	Cooperating organizations
2020 Dec.8-10	Capacity Building for Data Collection and Usage by utilizing IoT/ICT technology for Smart City	Malaysia 40	JTEC, KKMM, MARii*, NEC, NTT DATA, SMA
2020 Dec.15-17		Indonesia 40	JTEC, NEC, NTT DATA, KOMINFO

- KKMM：Kementerian Komunikasi dan Multimedia Malaysia
- MARii：Malaysia Automotive Robotics and IoT Institute
- SMA：Sarawak Multimedia Agency
- KOMINFO：Kementerian Komunikasi dan Informatika

(2) APT training program on latest wireless communications technology trends and planning of effective utilization of frequency spectrum

We proposed this training program and APT entrusted JTEC with its implementation in this fiscal year. There were 23 participants from 17 countries in the Asia-Pacific region. e the time difference with Japan and the time difference among participating countries are large, we divided them into two groups, and conducted online. The content such as the efforts of introducing 5G of Japan, United States and Europe, which is of great interest for trainees, was well received.

FY 2020	Training course title		Countries, participants	Received trainees
2021 Mar.17-19	Latest Wireless Communications Technology Trends and Planning of Effective Utilization of Frequency Spectrum	Course A （Online）	10	MIC, FMMC, NICT, NHK, Fujitsu, KDDI Research, JTEC
2021 Mar. 24-26		Course B （Online）	13	

(3) APT on-site training program on disaster risk management and correspondence (Kiribati)

We proposed this training program and APT entrusted JTEC with its implementation in this fiscal year. Since it was difficult to conduct this training program under the COVID-19 pandemic, it was postponed to FY 2021 or later with the consent of APT.

(4) Training program "Promoting Digital Transformation (DX) for solving social challenges – the challenge of Society 5.0 in Japan" (Contracted by JICA)

JTEC has been entrusted with the implementation of yearly training courses for the next three years from 2020. The aim of this training is to deepen the understanding on promoting DX through case study of local government efforts in Japan which introduced DX promotion successfully, and to contribute participants to find best practice, hints and awareness etc. for DX promotion in each country.

This training, which was held for the first time this year, was conducted by online including an introduction of efforts for DX in each city in Japan and exchange of information and opinions, and get a favorable reception from trainees.

5. Promotion of mutual understanding and public relations

(1) JTEC Annual Lecture

We implemented annual lecture to deepen understanding of latest ICT promotion policy in Japan and recent ICT situations in overseas countries.

Date	2020 Theme	Lecture title
2020 Nov. 26	Improve cyber resilience and promote DX, looking ahead the new normal era	-Part 1- 1. MIC Cyber Security Management Policy (MIC, Japan) 2. Governmental framework of Cyber Security Measures (Cabinet Office) 3. Efforts of Private Sectors for Cyber Security Promotion (NEC) 4. Management Challenges Faced by Companies and Cyber Security Initiatives (Trend-Micro) -Part 2- 5. Summary report of JTEC activities - Reports of survey study on Smart Village in overseas countries (JTEC)

(2) JTEC Study Seminar(only for members)

This Seminar was suspended due to COVID-19 pandemic in this fiscal year.

(3) Information disclosure on JTEC publication and website

We also conducted public relations activities through publications and its website by providing relevant news and information.

For publication, we published the 9th issue (January, 2021) of the Annual Report "JTEC" and distributed it to member companies and stakeholders, etc.

(4) Other activities

We participated in forums hosted by outside related organizations such as Japan-Indonesia Smart City Forum, Japan-Philippines Business Investment Forum, as well as the Seminar organized by Osaka Chamber of Commerce, in where we introduced JTEC and explained our activities of DX promotion toward Southeast Asia.

Financial Statements

(1) Balance Sheet*

Year ended March 31, 2021

(in JPY)

Assets		Liabilities	
Accounts	**Amounts**	**Accounts**	**Amounts**
[Current Assets]	**[721,770,695]**	**[Current Liabilities]**	**[215,973,227]**
Cash in hand and Cash in bank	471,904,629	Accrued expenses	108,139,059
Accounts receivable – other	221,740,442	Advance received	98,040,841
Cost of uncompleted contracts	11,746,781	Deposits received	9,370,027
Suspense payment	2,252,644	Income taxes payable	70,000
Prepayments	14,027,199	Consumption taxes payable	353,300
Prepaid expense	99,000	**[Non-Current Liabilities]**	**[10,027,425]**
Fixed Assets]	**[739,721,388]**	Reserve for retirement allowance	6,043,050
(Tangible Assets)	(4,602,568)	Reserve for directors' retirement benefits	3,984,375
Buildings accompanying facilities	3,140,293	**Total Liabilities**	**226,000,652**
Tools, furniture & fixtures	1,462,275	Net Assets	
(Intangible Assets)	(8,063)	**[Accumulated earnings]**	**[1,235,491,431]**
Software	8,063	(Other Accumulated earnings)	(1,235,491,431)
(Investments and other assets)	(735,110,757)	Earned Surplus	1,235,491,431
Investment securities	724,690,000		
Long-term prepaid expense	1,487,957		
Security deposits	8,932,800	**Total Net Assets**	**1,235,491,431**
Total Assets	**1,461,492,083**	**Total Liabilities and Net Assets**	**1,461,492,083**

* NB (for (1) and (2)): 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.

(2) Profit and Loss statement*

Year ended March 31, 2021   (in JPY)

Accounts	Amounts	
[Sales]		
Business income	93,472,189	
Membership fees income	60,885,000	154,357,189
[Cost of Sales]		
Cost of Sales	137,912,210	137,912,210
Gross Profit on Sales		**16,444,979**
[Selling and General administrative expenses]		11,544,676
Operating Income		**4,900,303**
[Non-Operating Income]		
Interest income and dividend received	8,727,660	
Subsidy received	6,862,707	
Miscellaneous income	1,302,210	16,892,577
[Non-Operating Expenses]		
Warranty fees	97,548	97,548
Ordinary Income		**21,695,332**
[Extra ordinary income]		
Unrealized income from investment securities	115,895,000	115,895,000
Profit before taxes		**137,590,332**
Net Income		**137,590,332**

Explanatory notes to 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. Buildings accompanying facilities, machinery and equipment, Tools, furniture & fixtures: Declining-balance method.
      For buildings accompanying facilities and structures acquired after April 1,2016, Straight-line method is used.
  b. Buildings and 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.

Overview of JTEC Activities

<Cumulative Figures>

Classification	Cumulative Figures April 2000 – March 2021		Remarks
	Number of projects	Number of countries	

Consulting services
  -Consulting
  -Consigned studies, etc.
	11
	45
		9
		35
			Funds from World Bank, JICA & other sources

Study and research	78	69	Subsidized projects of Govt. of Japan, and funds from JKA

International cooperation
  -APT projects*
  -Dispatch of experts
  -Others**
	14
	17
	15
		15
		14
		-
			* Extra-budgetary contribution from Govt. of Japan through APT projects
			** Dispatch engineers to seminars, trainings etc. in overseas

Training and human resources development	(participants) 144, +89* * via online	76	Funds from Govt. of Japan, APT and other sources In total 979 trainees accepted since 2000
JTEC Study meetings and conferences	23	-	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
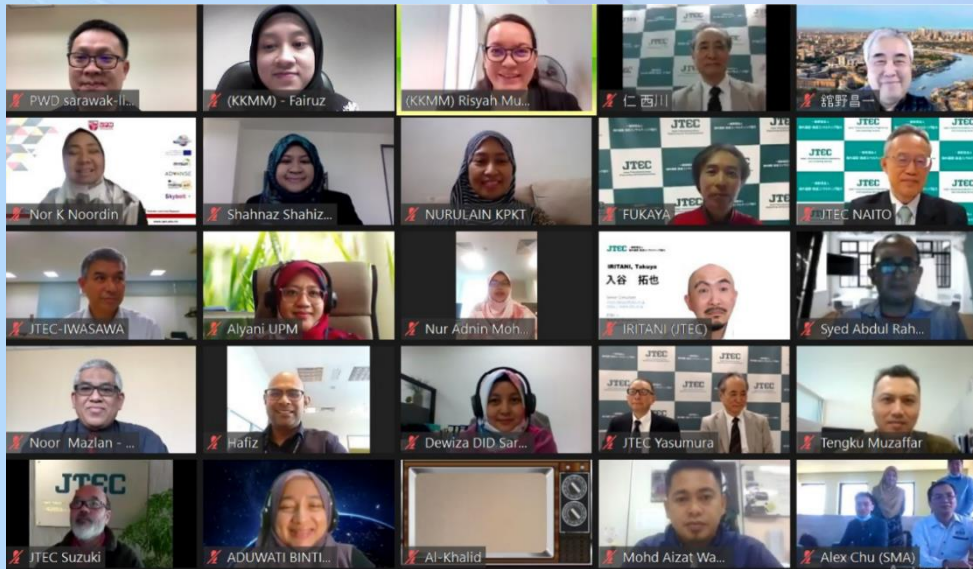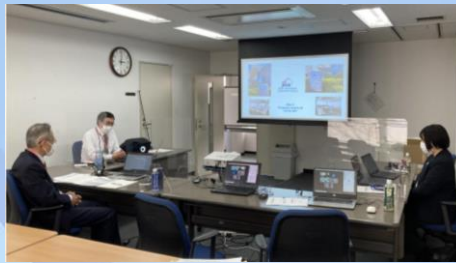
◆Europe & NIS
Czech Republic, Russia, Belgium, Bulgaria, France, Germany, Kazakhstan, Kyrgyzstan, Rumania, Russia, Tajikistan, Turkey, Turkmenistan, Ukraine, Uzbekistan

◆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
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