

Universal Telecommunication Services are bridging to the rural areas -Vietnam case study-



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VTF

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1. Vietnam telecom market overview

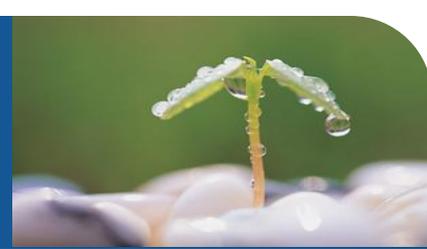


Overview of Vietnam's country:

Capital	: Hanoi
Area	: 331,211.6 Km ²
Population	: 85.154.90 mil
Rural Population	: 61.332.20 mil
No. of provinces	: 63
Literate rate	: 95.1%
Currency	: Dong (VND)
Telephone Density:	55,9/100 individuals
(of which fixed lines:	13,8/100 individuals)
GDP growth 2007	: 8.5 %
GDP per employed person:	900 USD

(Vietnam's static book 2007)

1. Vietnam telecom market overview *(cont)*



❖ **09 Players in telecom-market:**

- Vietnam Posts and Telecommunications Group (VNPT)
- Military Electronics and Telecoms Corp. (VIETTEL)
- Vietnam Power Telecom Company (EVN Telecom)
- Saigon Postel Stock Corp. (SPT)
- Hanoi Telecom Stock Company (Hanoi Telecom)
- Vietnam Electronics Communication Shipping Company (Vishipel)
- Vietnam Television Technology Investment and Development Company (VTC)
- Investment and development technology join stock company (FPT)
- Global telecommunication Group (Gtel)

1. Vietnam telecom market overview *(cont)*



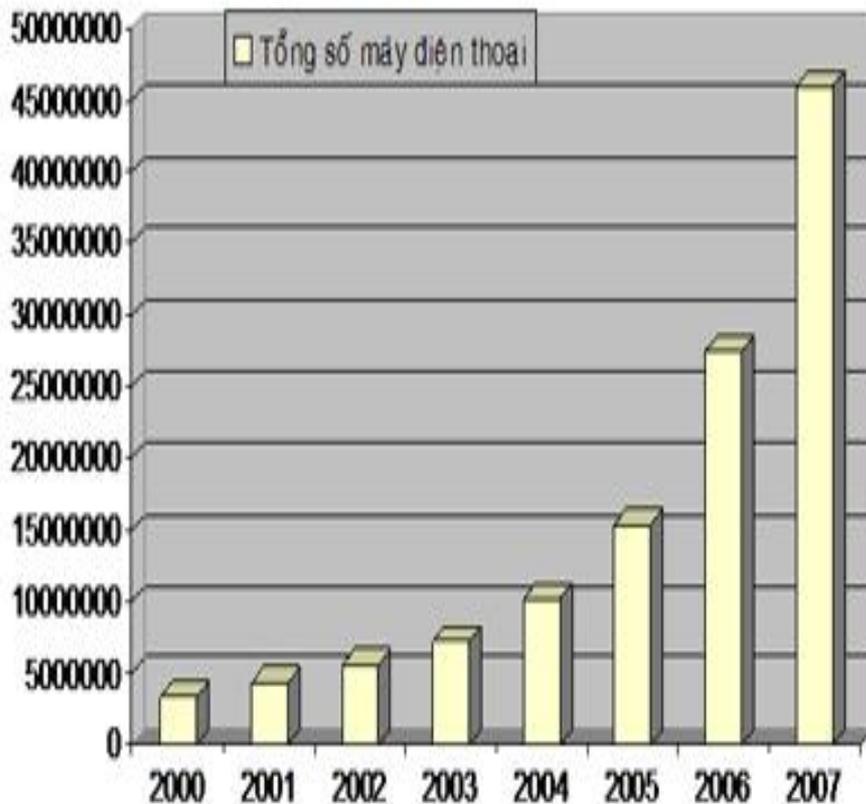
Till September 2008:

- ❖ Telephone subscriber (fix + mobile): 70.4 millions
- ❖ Tele-density: 82.5 telephone set/100 people
- ❖ Number of Internet user: 20.45 millions
- ❖ Internet user-density: 23.95 user/100 people
- ❖ Internet subscribers; 6.2 millions in there 1.84 million xDSL subscribers

1. Viet Nam telecom market overview (cont)

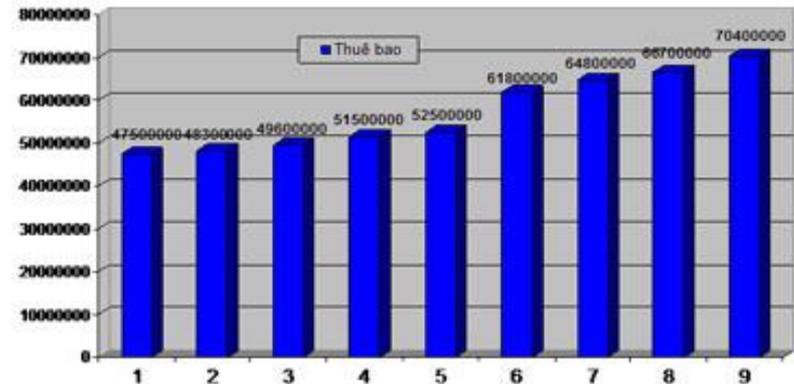


Quantity subscriber

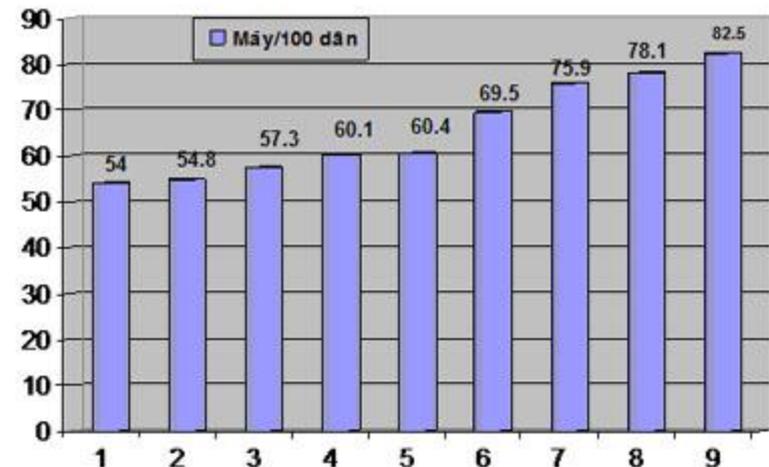


(Source: www.mic.goc.vn)

Subscriber increasing in 2008



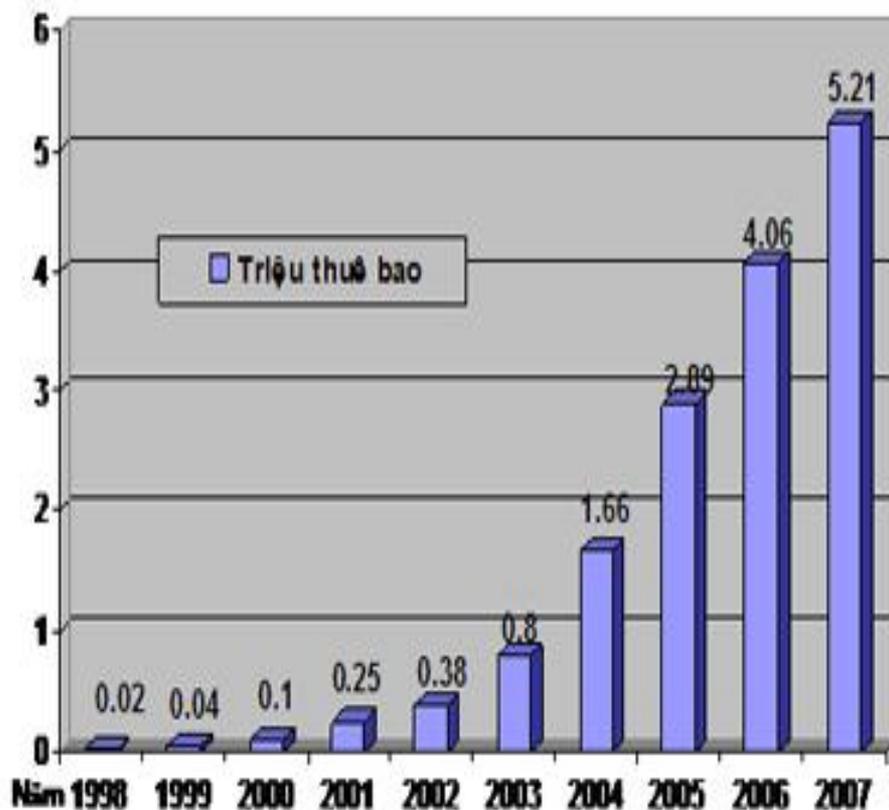
Subscribers/100 peoples in 2008



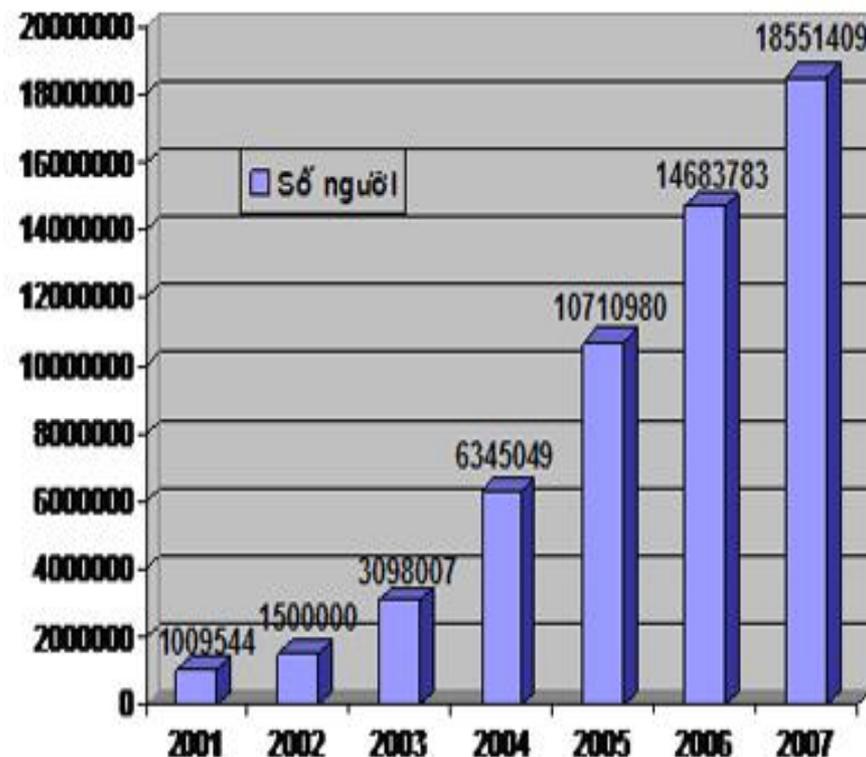
1. Viet Nam telecom market overview (cont)



Number of internet Subscriber (million)

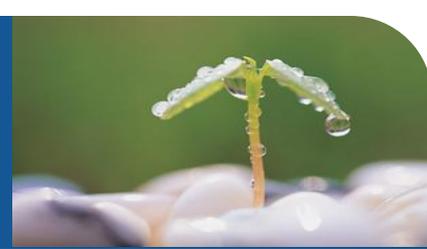


Peoples used internet



(Source: www.mic.goc.vn)

2. UTS support from VTF



2.1. VTF's capitalization

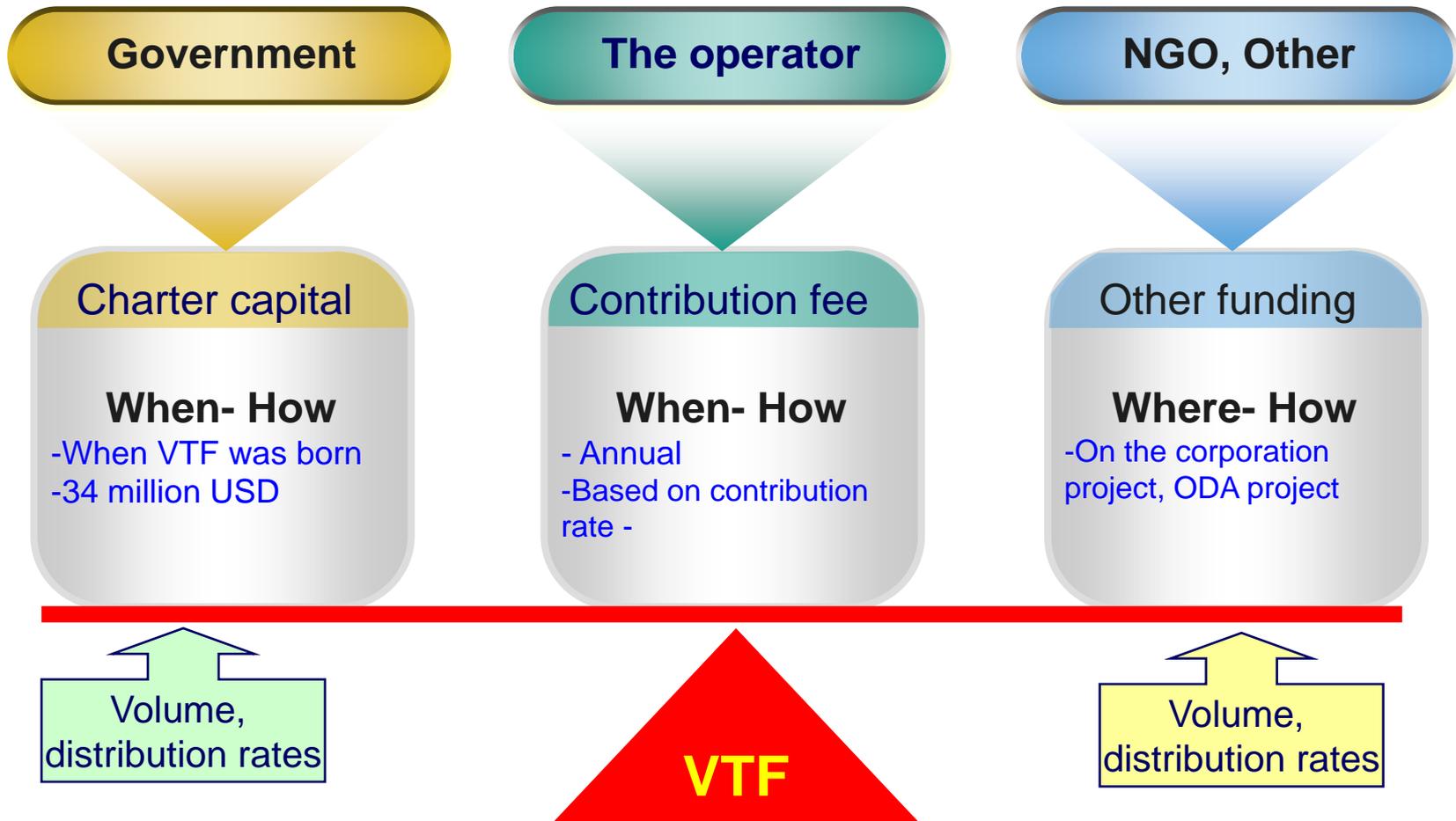
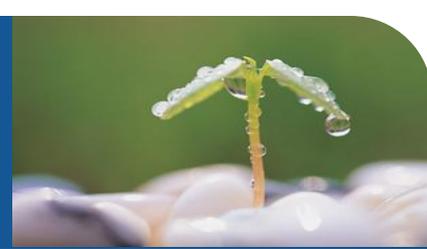
Charter capital (Equity): ~ **34 million USD**

Contribution of telecommunication enterprises

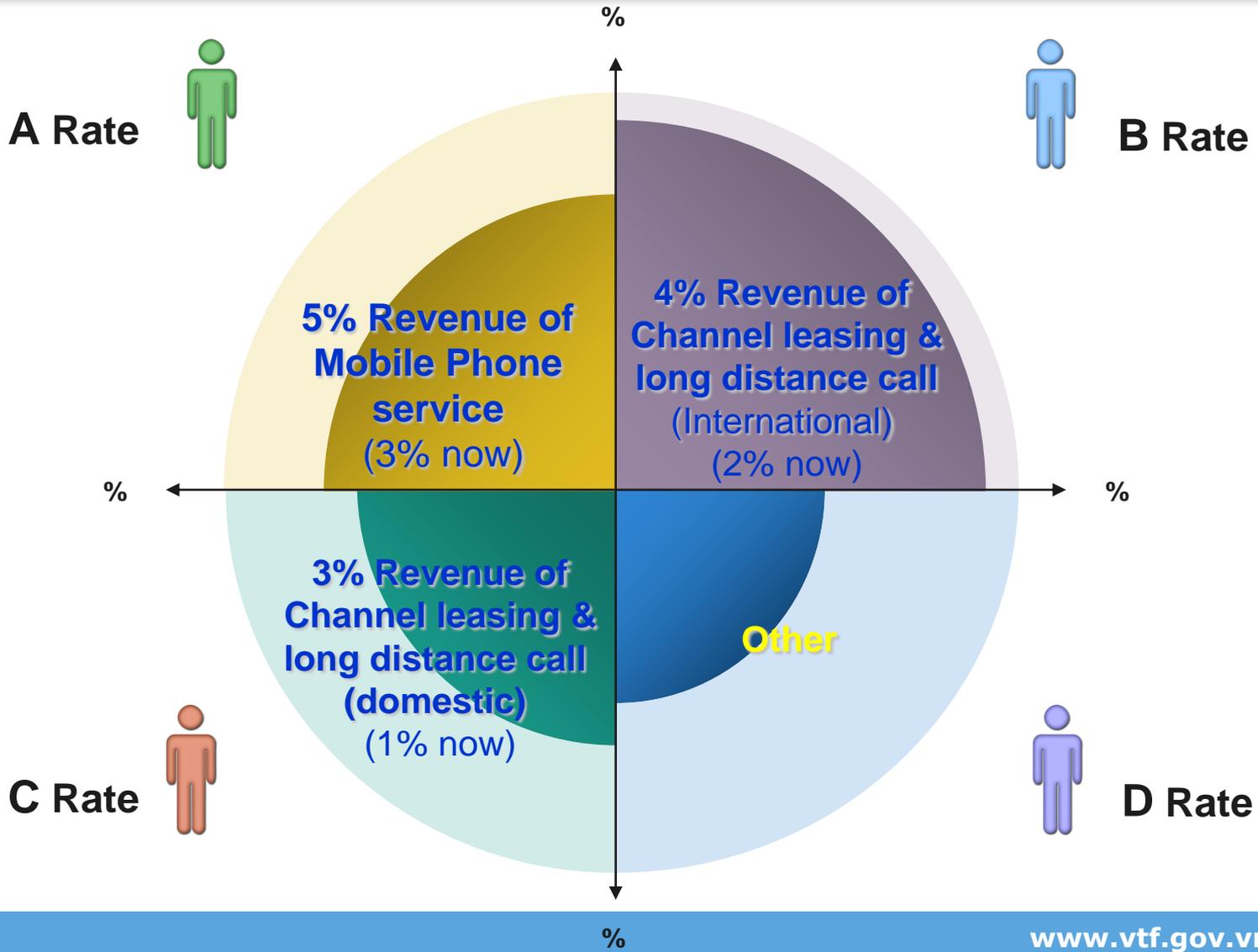
- 5% Revenue of Mobile Phone service
- 4% Revenue of Channel leasing & long distance call (International)
- 3% Revenue of Channel leasing & long distance call (domestic)
- Others.

Aids, financial supports and voluntary contributions of domestic, overseas organizations and individuals for the providing public-utility telecommunication services in Vietnam (NGOs, others)

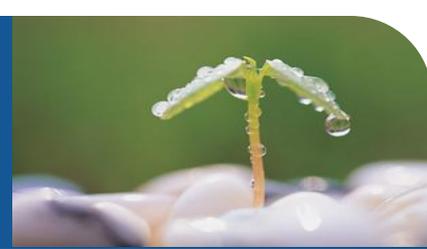
VTF's Capital funding



Rate Contribution of telecommunication enterprises



2. UTS support from VTF (*cont*)



2.2. UTS areas

Key definition UTS areas in Vietnam

1. Fixed tele-density per 100 people in comparison with the average density of the whole country;
2. Socio-economy: to reach the target of eliminating hunger and reducing poverty; giving priority on investing in developing socio-economy; remote areas where enterprise can not do business under the market mechanism.

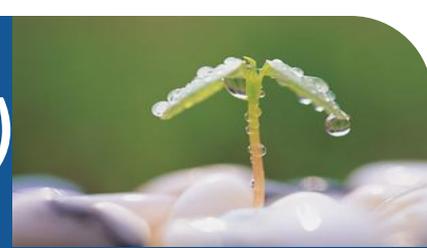
UTS areas:

180 Rural districts (= 2.821 communes)

583 administration communes

Population in public areas: 19 million

2. UTS support from VTF (*cont*)



2.3. List of UTS

➤ **Universal telecommunication service :**

- ❖ Standard telephone service;
- ❖ Standard Internet access service.



installation fix-telecom in Rural Area



Work hard and try for the best

2. UTS support from VTF (*cont*)



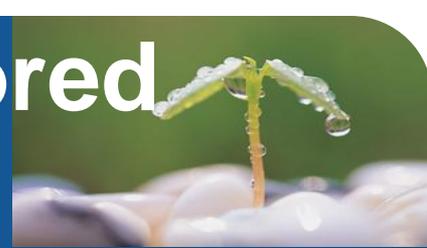
2.3. Types of supporting from VTF (to 2010)

- ❖ Providing supports to cover expenses for development and maintenance of the provision of UTS.
- ❖ Providing soft loans.

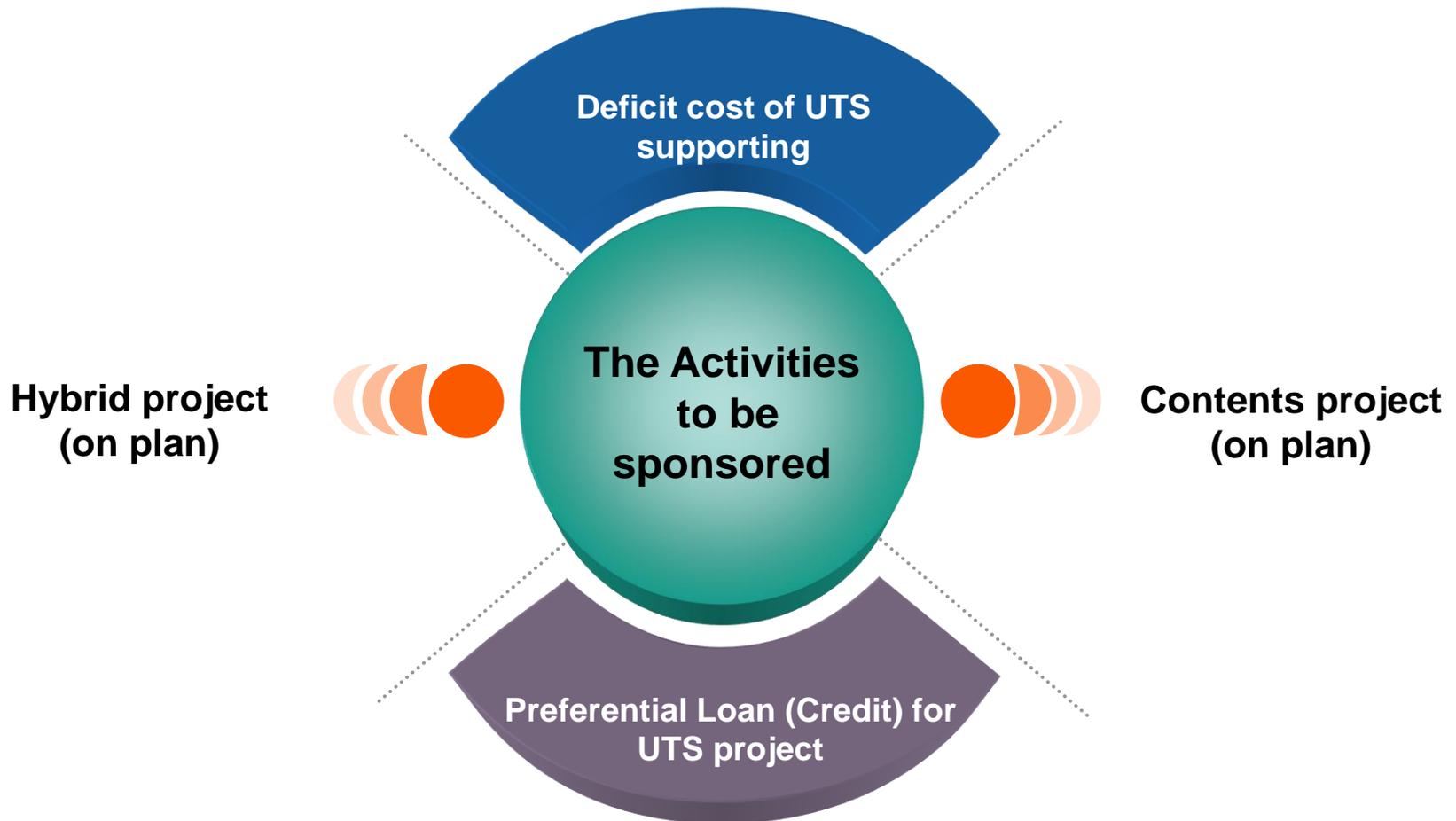


Người dân đến xem sách báo miễn phí và sử dụng các dịch vụ bưu chính, viễn thông và CNTT ở các điểm BĐ-VH xã

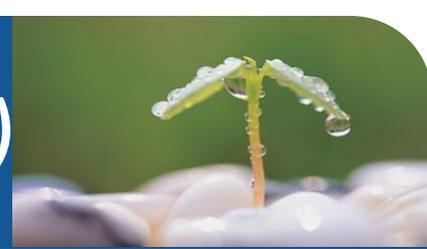
The Activities to be sponsored by VTF



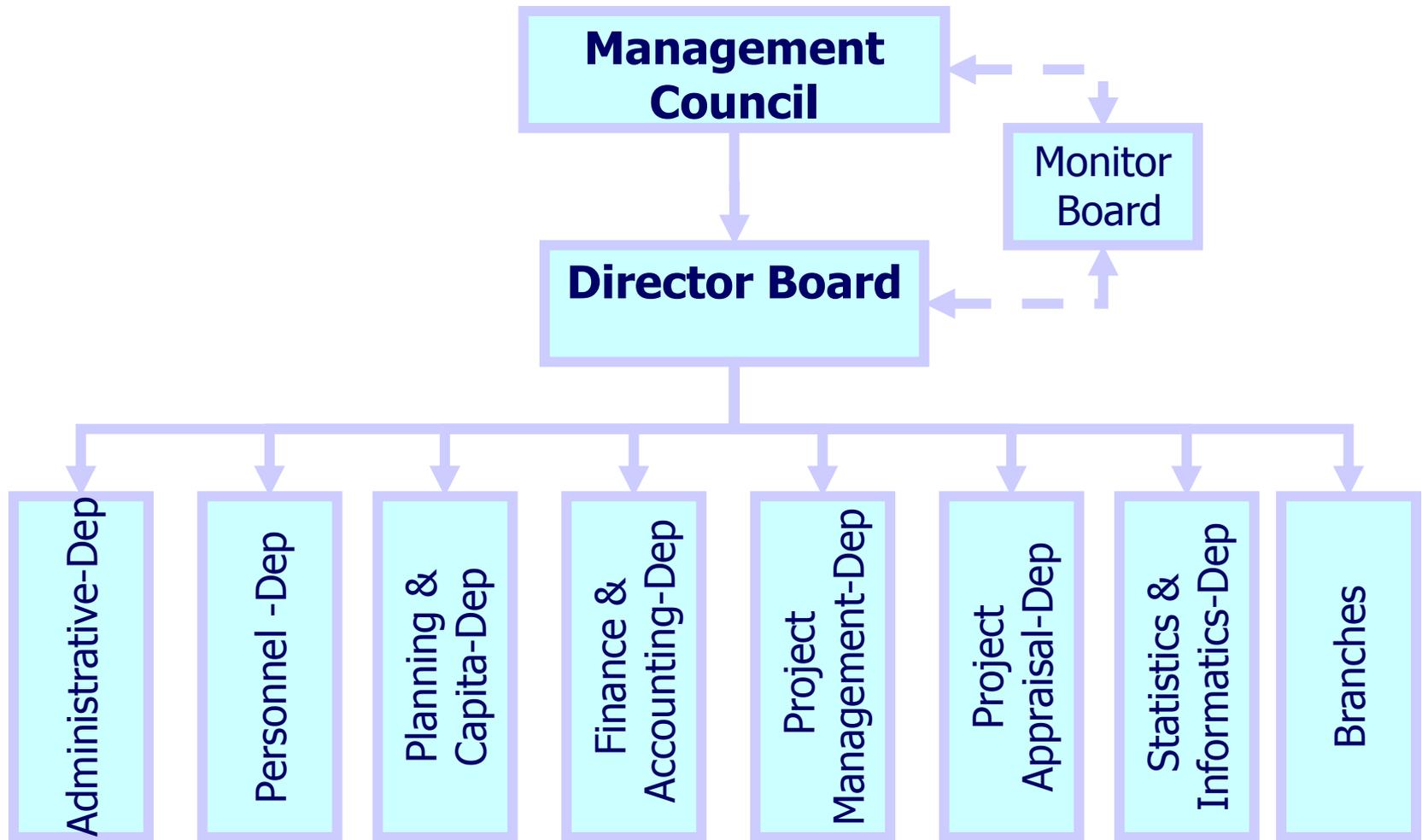
Types of supporting from VTF (to 2010)



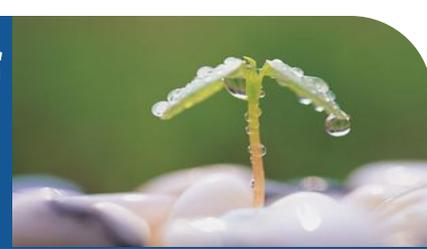
2. UTS support from VTF (cont)



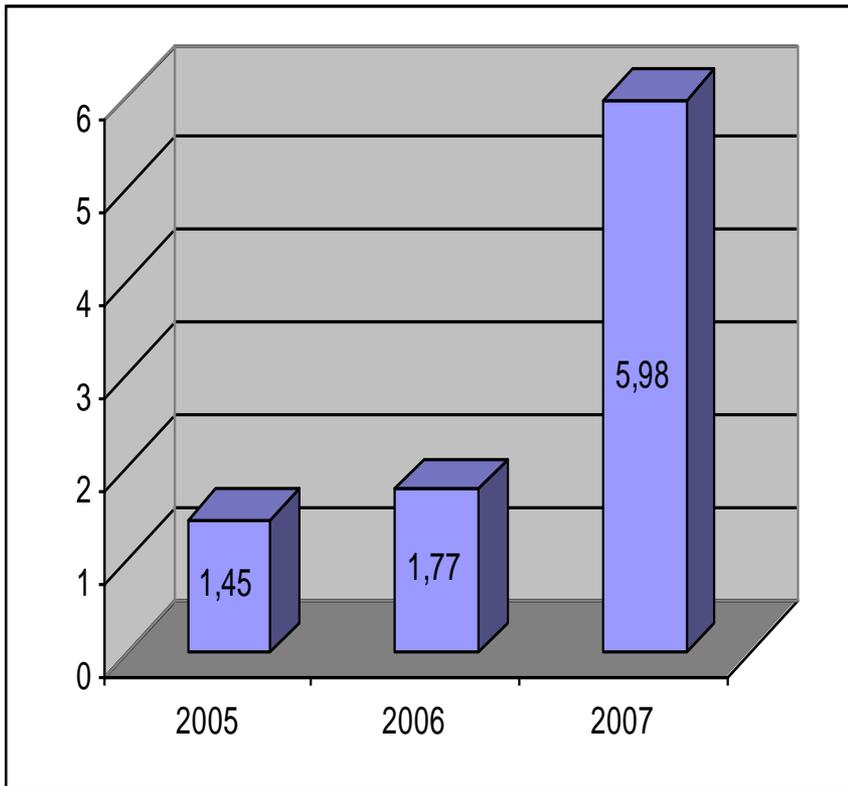
2.4.VTF organization chart



3. Current status and objectives of UTS in Vietnam until 2010



3.1. Current status of UTS in Vietnam



- ❖ 75% of the population in rural and mountainous areas with low income.
 - ❖ 75% of Vietnam's area is mountains and highlands.
 - ❖ Tele-density: urban: 27%; rural: 3,5%, in some remote areas: 2%
- => There's big gap in providing universal services.

Telephone/ 100 people in UTS areas

3. Current status and objectives of UTS in Vietnam until 2010 (cont)



3.2. Objectives of UTS in Vietnam until 2010



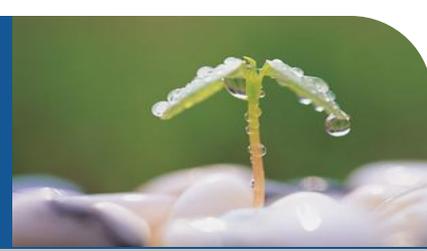
Specific objectives

→ Tele-density in the areas provided with public-utility telecommunications services reaches 5 telephone sets per 100 people

→ 100% communes throughout the country have public telephone service access point;

→ 70% communes throughout the country have public Internet service access point

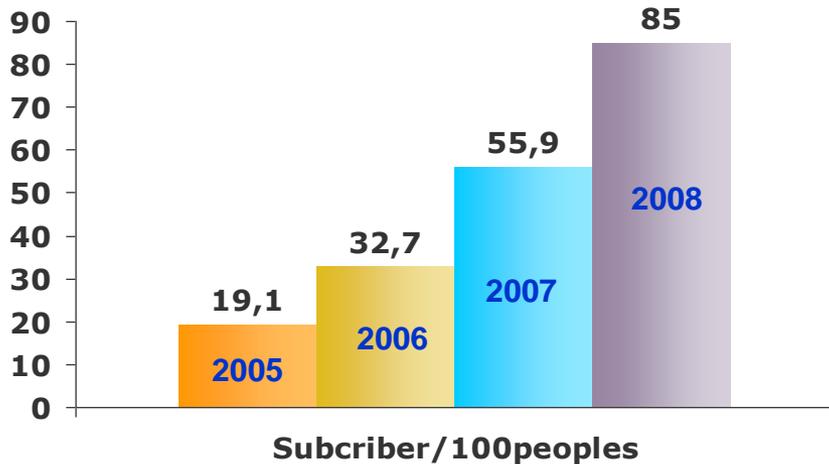
3. Current status and objectives of UTS in Vietnam until 2010 (cont)



3.3. The digital device on telecommunication

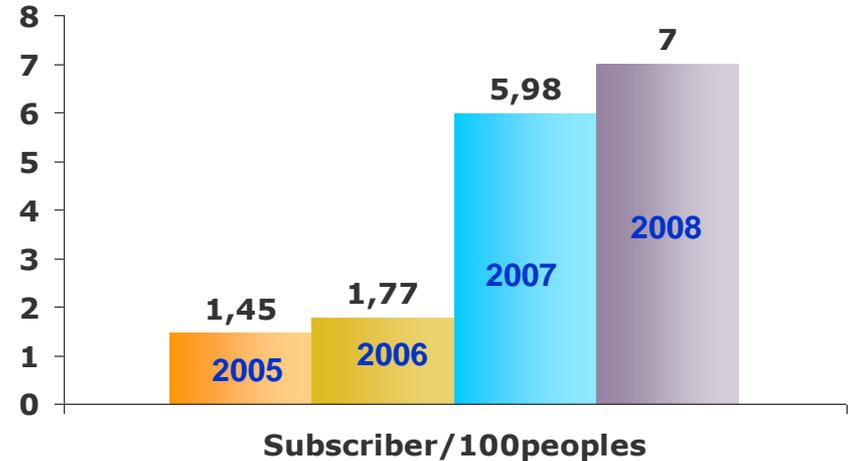
1. Tele-density from 2005-2008

From 2005 Vietnam's market telecommunication is increasing fast



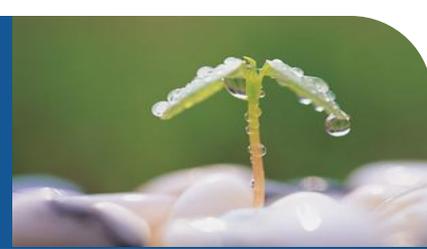
2. Rural Tele-density from 2005-2008

In the 2005 VTF to be created

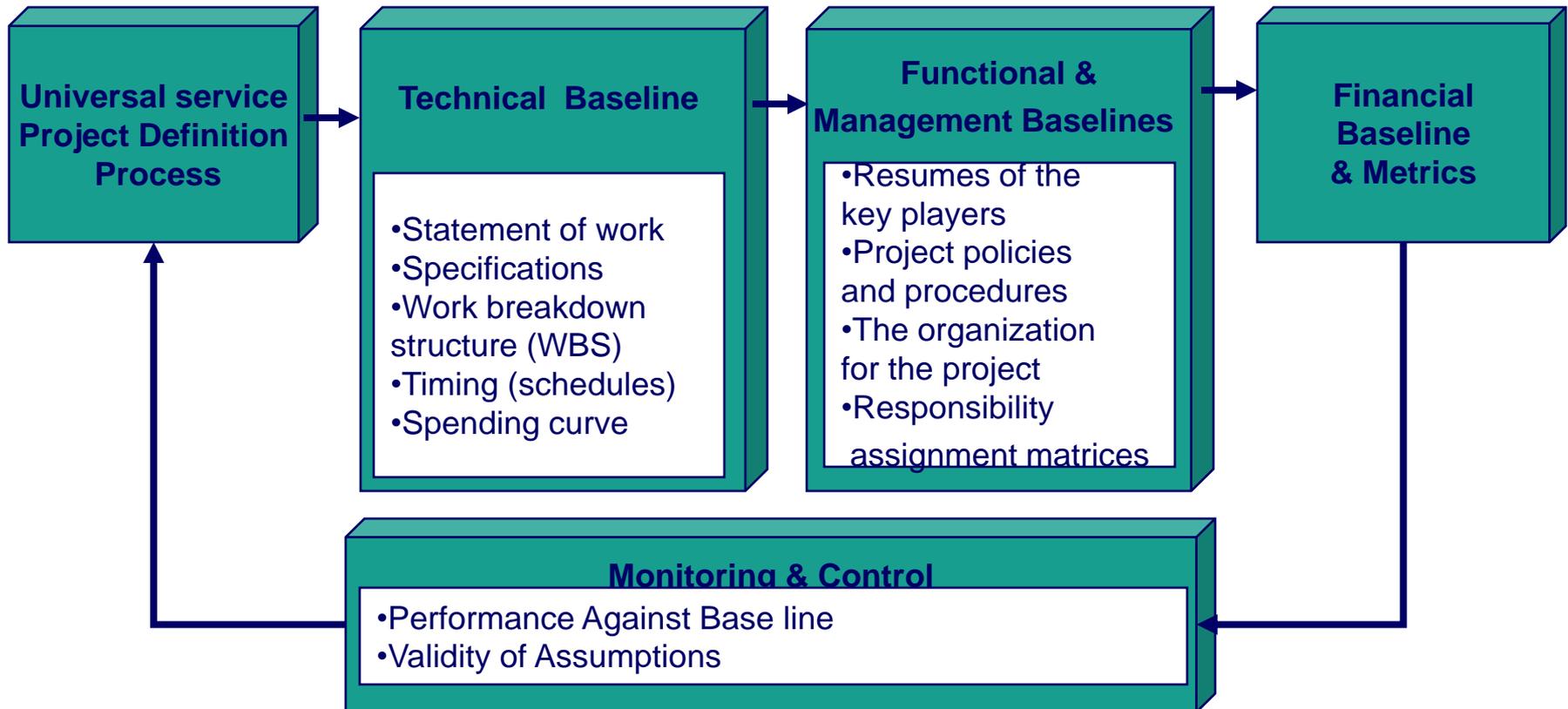


Digital device

The keys on brainstorming and looking forward

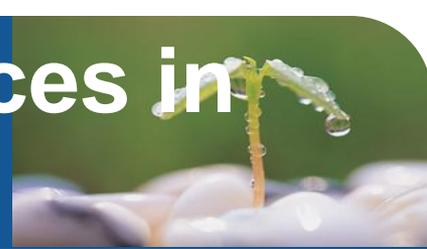


Keys of our logic frame-work

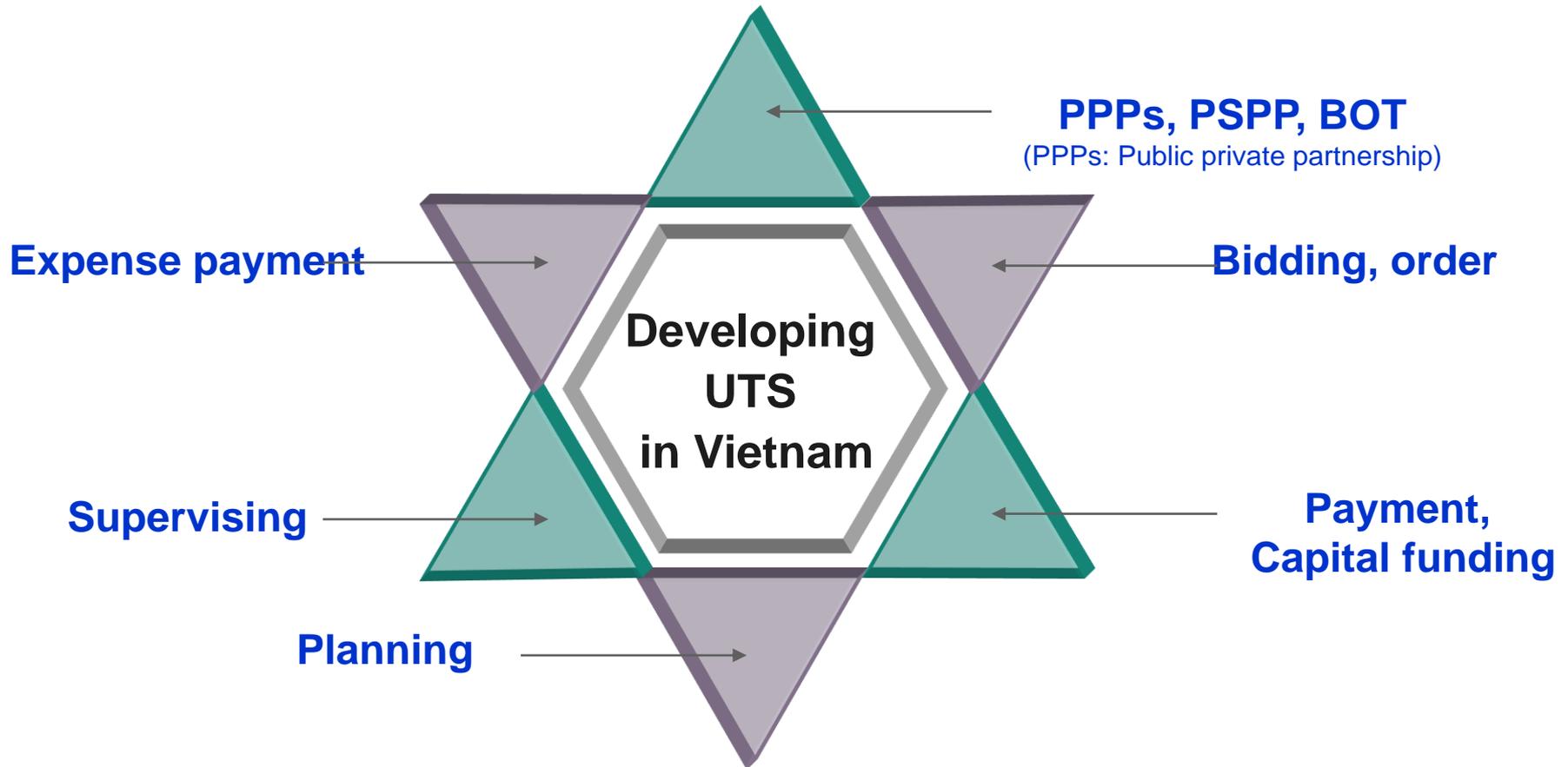


- ❖ The technology have to base on effectives of universal service project
- ❖ The balancing between technology and content support in Universal service depend on budget which is limited in developing country as Vietnam country

Key 1- to receiving experiences in UTS



▪ The ideas From U.S. NGOs

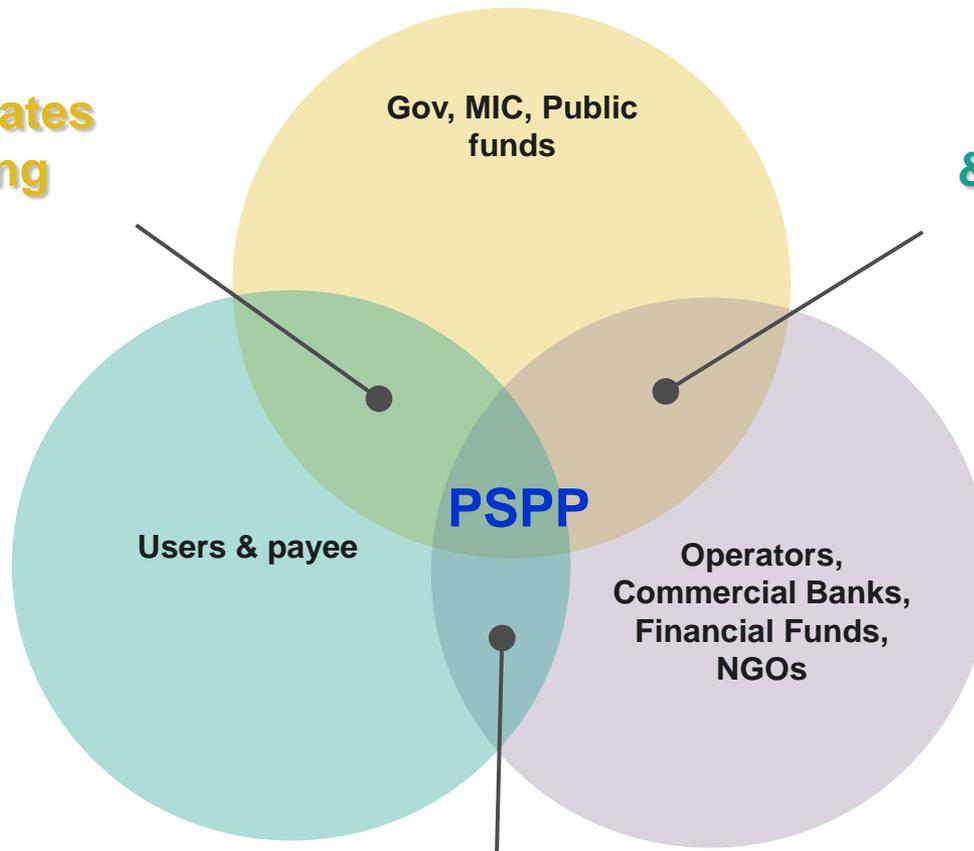


Key 2- to applying PSPPs model



01. Subsidy rates & sponsoring

02. Capital funding & ordering projects



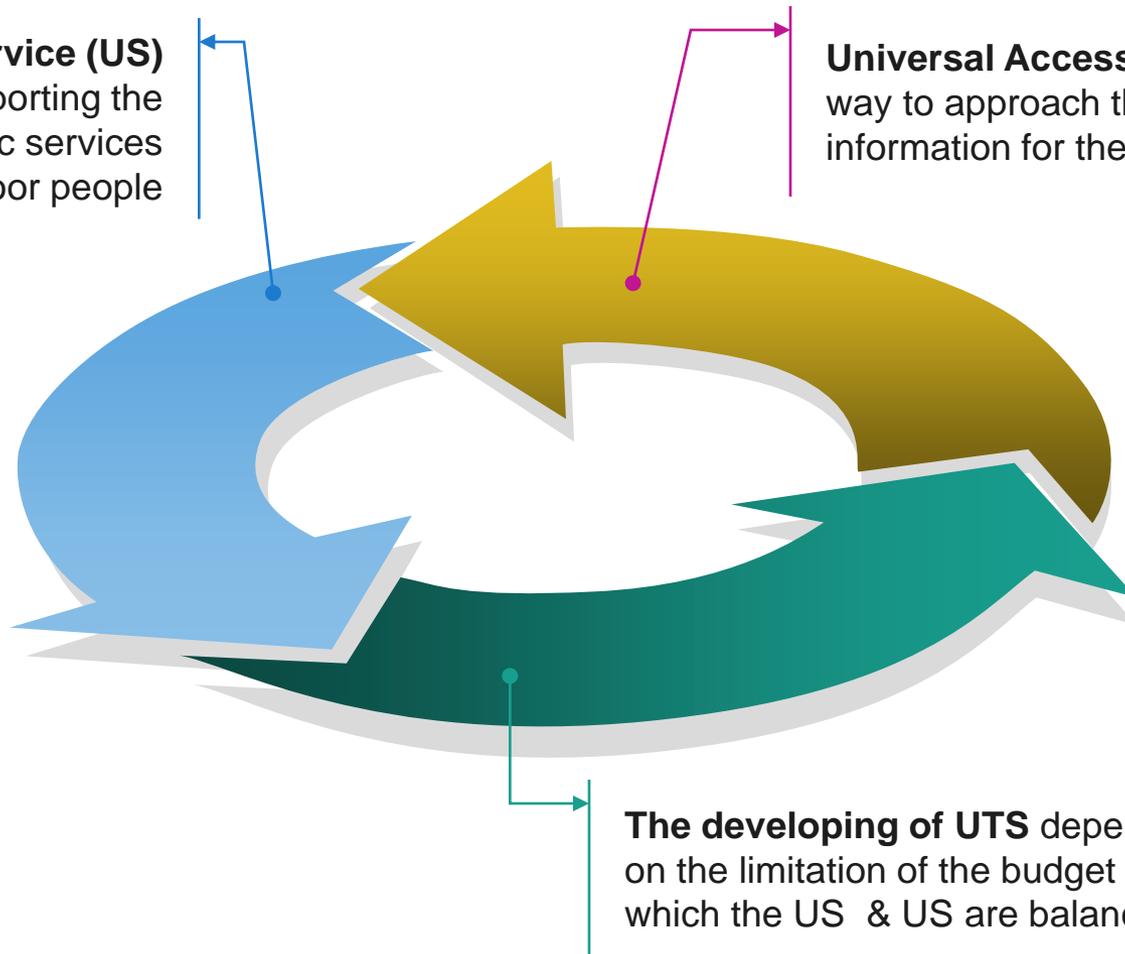
03. Access fee & corporation in management

Key 3 – to finding Diamond chain in UTS



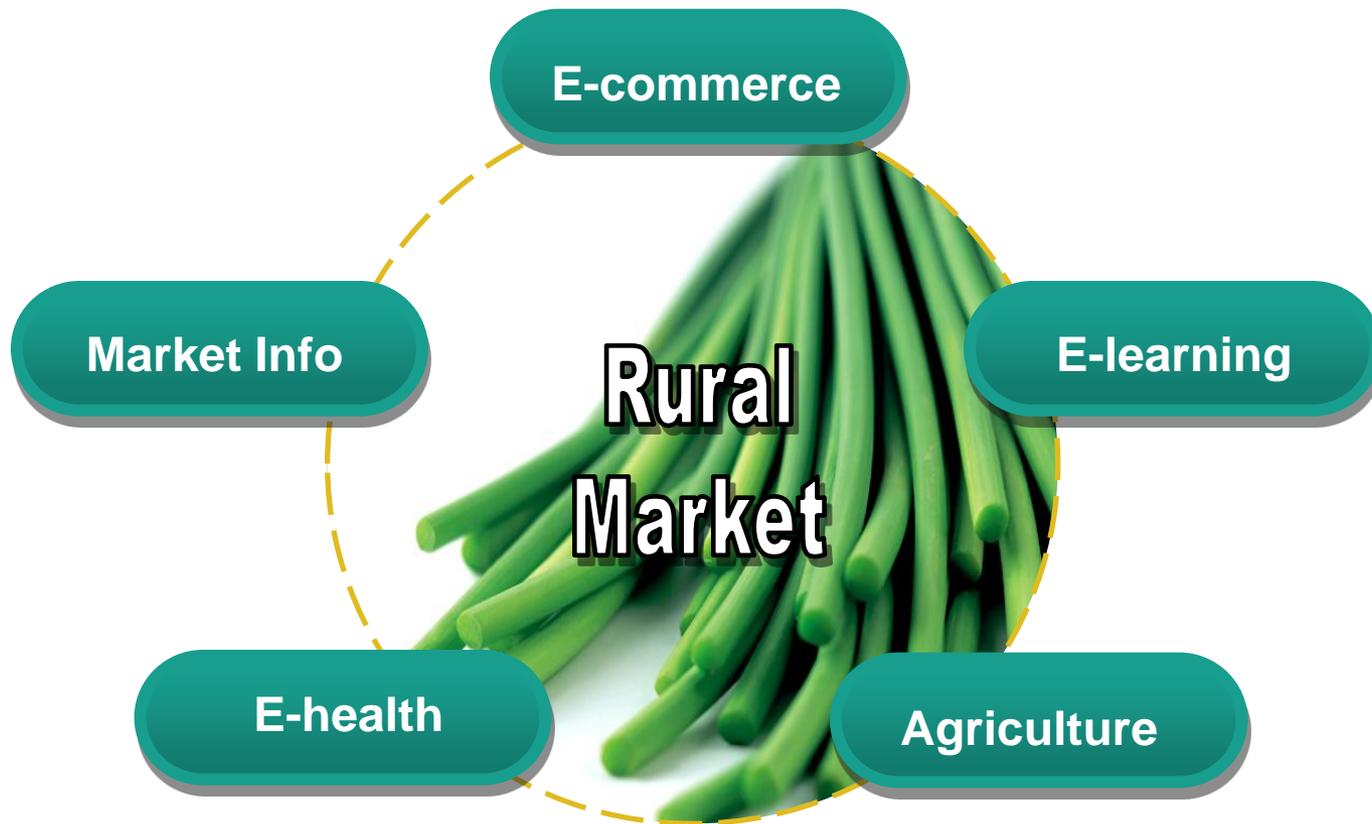
Universal service (US)
are supporting the
content, public services
for the poor people

Universal Access (UA) is the
way to approach the community
information for the poor people

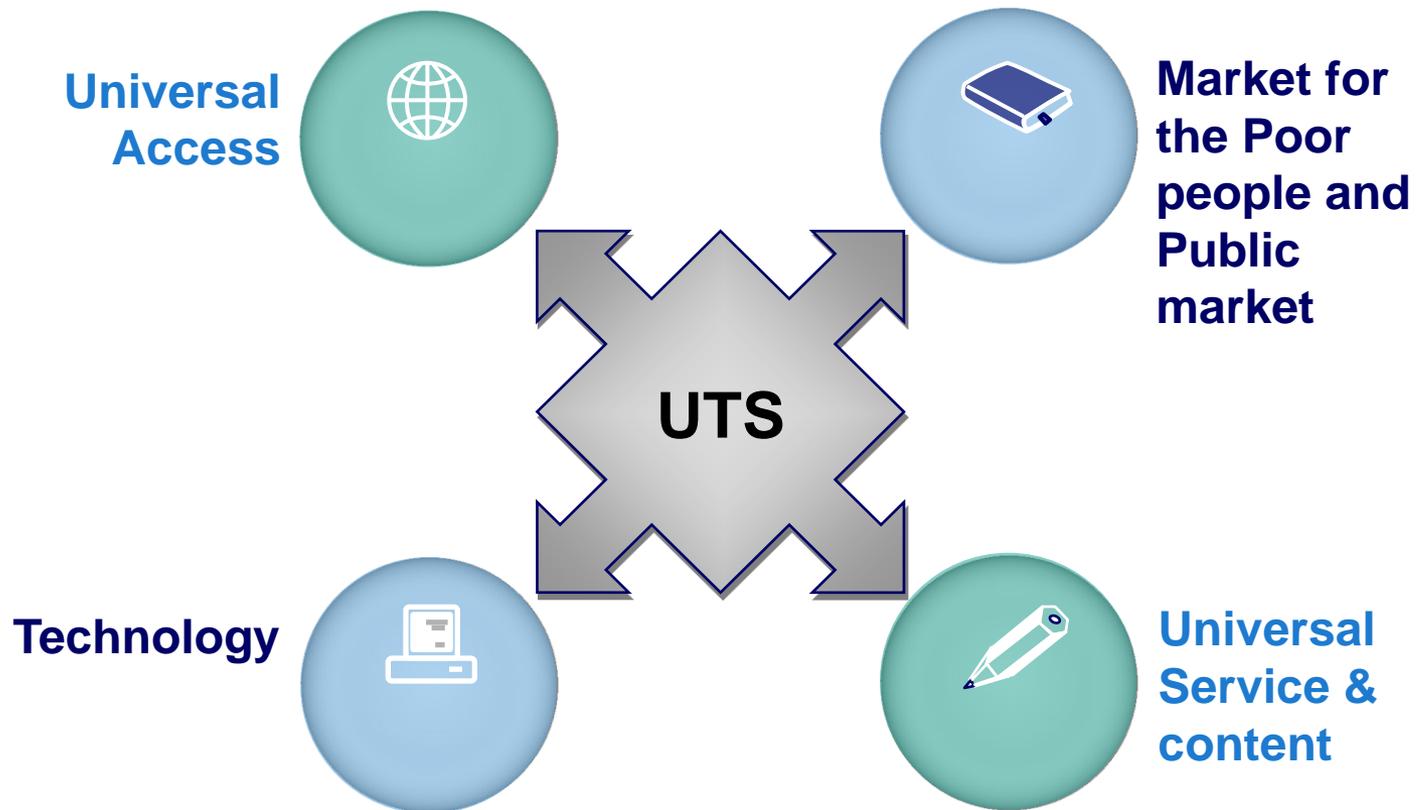


The developing of UTS depends
on the limitation of the budget in
which the US & UA are balanced.

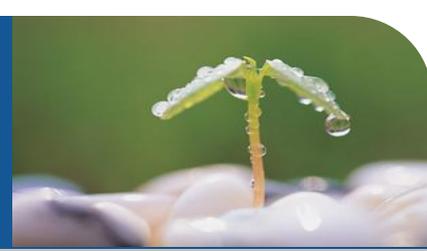
Key 4 - to developing the content project in rural areas



Key 5 – to managing equivalence between 4 factors



5. Recommendation on cooperation projects



- ❖ Broadband Internet Projects
- ❖ Projects on intensifying VTF operation ability, planning, computerizing UTS management
- ❖ UTS HRD, training projects
- ❖ E-commerce and poor people market development projects
- ❖ Projects on training computerizing in UTS areas
- ❖ E-health Projects in UTS areas
- ❖ Sharing experience in ranking and choosing technology used in UTS
- ❖ Assistance from NGOs;

Thank You for attending!



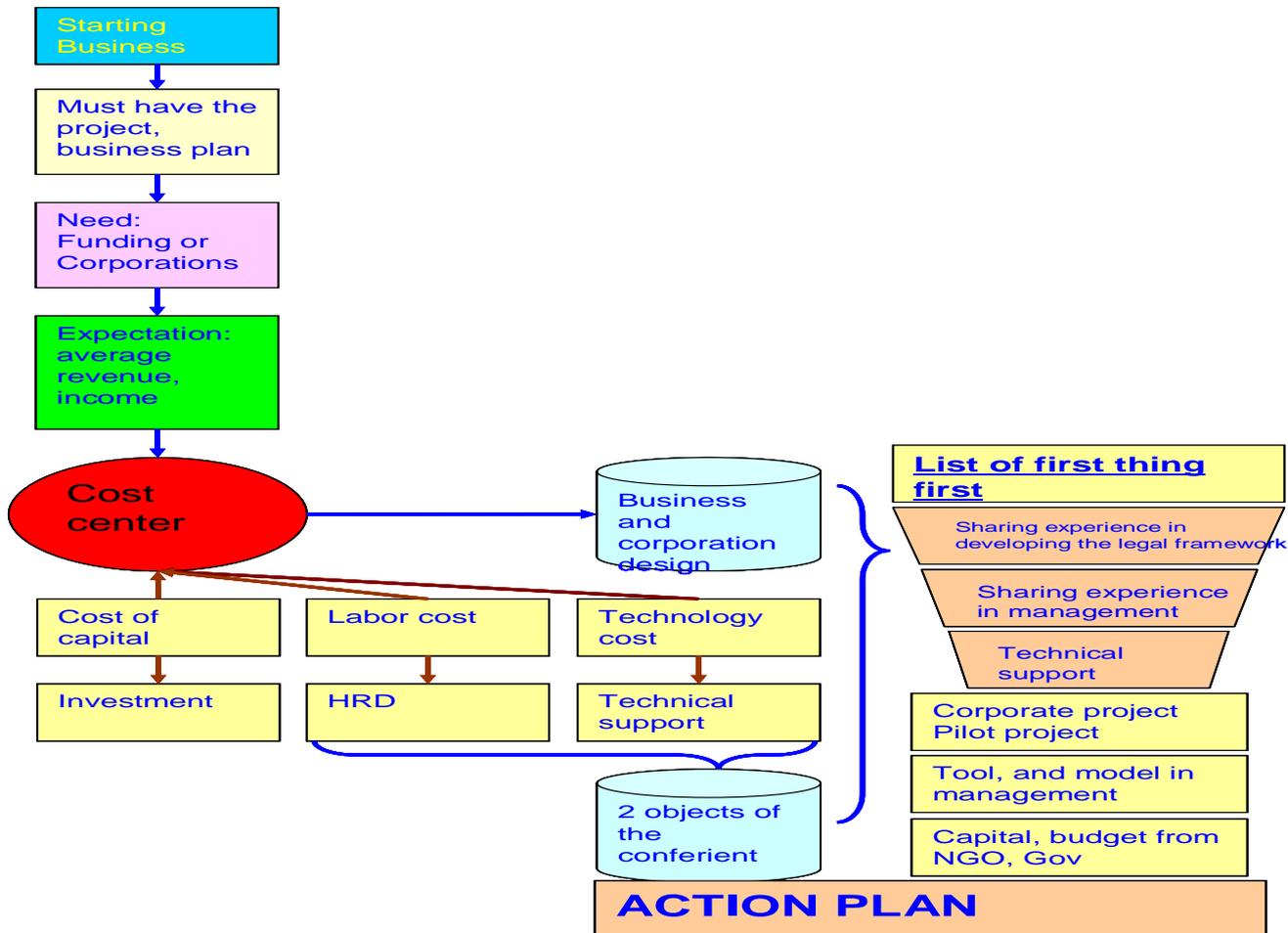
**For more information
Please contact to bxchung@mic.gov.vn**

VTF

The first Frame work



SCANARIO 1- RELAYTIONSHIP BETWEEN 3 TOPICS



The second Frame work

