Implemention of Telecenters in Vietnam

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Facts about Vietnam

Population: 80.7 million of which about 75% living in rural areas.

Geographical profile:

- 64 provinces.
- 633 districts (of which 518 are in rural areas).
- 10,602 communes (of which 8,970 are in rural areas).
- 80,500 villages and hamlets in rural areas.

Economic profile (2003):

- GDP: 40 billion USD
- GDP per capita: 480 USD
- Economic growth rate: 7.3%

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Facts about Telecommunications Market

Total number of telecommunications subscribers is 8.62 million of which more than 5 million are fixed subscribers and about 3.6 million are mobile subscribers.

Telephone density:

- In urban areas: 25 telephones/100 inhabitants

- In rural areas: 3.5 telephones/100 inhabitants

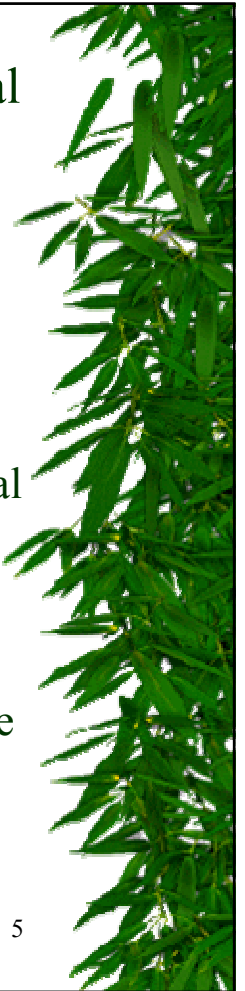**Total Internet subscribers**:803,000 subscribers of which subscribers in rural areas account for only 4.7%.

Communes with telephone lines: 97%

The implementation of Post, Telecom and Cultural Points (PTCPs) for Communes in Vietnam.

Purposes of setting up PTCPs

- Developing telecommunications infrastructure in rural and remote areas.

- Providing basic post and telecom services, socio-cultural information, specialized information, etc to people in rural areas aiming at improving their knowledge and living quality.

- Bringing into full play local resources to facilitate the development of socio-economy in rural areas and bridge the gap between urban and rural areas.

The implementation of Post, Telecom and Cultural Points (PTCPs) for Communes in Vietnam.

Model of PTCPs

- Located in the centers of communes with the area of from 60 to 100 square meters, supplying services for up to 20 people at the same time.
- Having access to 01 telephone line to supply basic telecommunications services and postal services (mail, package services).
- Having a small library with books in many fields such as agriculture, forestry, fishing, aquaculture, education, health care, etc.
- Having some kinds of daily and weekly newspapers.

PTCP is equivalent to Micro-telecenter (tele-shop) according to ITU categorization.

The implementation of Post, Telecom and Cultural Points (PTCPs) for Communes in Vietnam.

Basic services provided at PTCPs

- Accepting, delivering and distributing mails, mail packages and parcels.
- Telephone (PSTN, VoIP)
- Facsimile
- Directory services
- Magazine, newspaper reading

Some extra services

- EMS
- Money transfer
- Sale of stationery

Sale of Pre-paid cards

Internet access

e-Post

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The implementation of Post, Telecom and Cultural Points (PTCPs) for Communes in Vietnam.

Method to supply services

- Employing one local staff to work at each PTCP.
- Tariffs of telecommunications and postal services are regulated by the Ministry of Posts and Telematics (MPT).
- Reading magazines, newspapers, etc is free of charge for all customers.

Investment

- Average investment capital per PTCP is about 68 million VND (equivalent to about 4,500 USD).
- Current investment source from dominant carrier: VNPT

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The implementation of Post, Telecom and Cultural Points (PTCPs) for Communes in Vietnam.

Achievements and shortcomings

- Number of PTCPs

Year 1998 : 1,449	Year 2001: 5,431
Year 1999 : 2,063	Year 2002: 6,136
Year 2000: 4,839	Year 2003: 6,755
	July 2004 : 6,831

- Number of PTCPs having internet access: 268 (account for 4% of total PTCPs)
- Percentage of communes having telephone is increased from 92% in 2002 to 94% in 2003 and 97% in 2004.
- Services provided by PTCPs are still modest.
- Average Revenue per PTCPs in 2003 is 1.7 million VND (equivalent to more than 100 USD), is double that number in 1998. Majority of PTCPs still need subsidy to cover its costs. But some PTCPs has great potential to develop.

The implementation of Post, Telecom and Cultural Points (PTCPs) for Communes in Vietnam.

Future Plan

- 100% of communes will have access to telephone lines by 2005.

- Develop telecenter model through following roadmap:

  Micro-Telecenter

       Mini-Telecenter

            Standard Telecenter

                Multipurpose Community Telecenter

                     ICT Cooperatives

- Telecenter model should be based on the evaluation of supply and demand in each commune.

- Enrich post and telecom services provided by PTCP such as Internet, Post- net services, etc according to each telecenter.

The implementation of Post, Telecom and Cultural Points (PTCPs) for Communes in Vietnam.

Future Plan (cont.)

- Providing more services other than post and telecom services such as computer services, sale of rail and air tickets, etc to create more revenue. The purpose is that each PTCP should cover the cost by itself and gradually earn profit.

- PTCP will be a part of e-Government program.

- Sources for PTCP development:

  ✓ Universal Service Fund: is currently under the establishment process.

  ✓ Local resources: contribution of businesses, organizations, etc.

Multipurpose Community Telecenter Pilot Project in Vietnam

The Goals of the project

- Developing a trial model to supply modern information and communication services to individuals, organizations and enterprises in some communes at affordable tariffs.

- Successful models developed by the project could then be deployed on large scale in Vietnam.

Participating communes

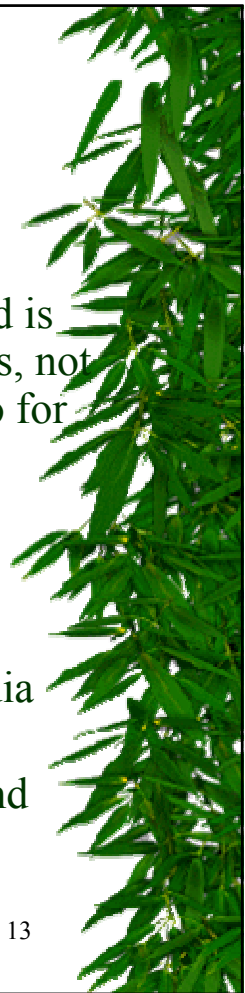MCTs deployed in 03 communes with potential demand for ICT services.

Multipurpose Community Telecenter
Pilot Project (cont.)

Scope

 MCT shares facilities with the existing post offices and is connected to the telecom network and provides services, not only for the communes where they are located, but also for neighboring communities.

Services provided by MCT

- Post, telecom and information services.
- Business center: support for SMEs, local authorities.
- Educational services: long-distance and local multimedia based education.
- Tele-medicine services: access to health information and facilities for exchange of medical reports, etc.

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Multipurpose Community Telecenter
Pilot Project (cont.)

Application Teams have been set up

- Tele-medicine Application: MoPH
- Culture and Education Application: MoCI, MoET
- Small and Medium Enterprise Application : MoSTE
- Agriculture and Rural Development Application:MoARD

Major products of the Applications Teams including papers, books, audio and videotapes and CD-ROM materials were developed by these teams. The material and documents were transferred to MCT and used for providing information and services at MCT.

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Multipurpose Community Telecenter
Pilot Project (cont.)

Projects outcomes

- 04 MCTs were successfully set up in 03 provinces and introduced various types of services.

- This model could be deployed in many PTCPs throughout the country

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Thank you for your attention