

## SUMMARY OF PROCEEDINGS OF THE SECOND MEETING OF THE SUBREGIONAL TELECOMMUNICATIONS FORUM

### I. INTRODUCTION

1. The Second Meeting (the Meeting) of the Subregional Telecommunications Forum (STCF) was held in Phnom Penh, Cambodia from 3 to 4 July 1996. It was hosted by the Ministry of Planning of the Royal Government of Cambodia and organized by the Asian Development Bank (ADB). The Meeting continued the momentum of cooperation among the STCF members by advancing specific subregional initiatives in the telecommunications sector, and by reinforcing the subregional consultative process. Its specific objectives were to further strengthen institutional cooperation among the key telecommunications agencies in Cambodia, Lao People's Democratic Republic (Lao PDR), Myanmar, Thailand, Socialist Republic of Viet Nam (SR Viet Nam), and Yunnan Province of the People's Republic of China (PRC) (the six countries); to discuss and adopt the final report of the Subregional Telecommunications Sector Study; to review developments in the telecommunications sectors in the six countries as they relate to the formation of a subregional network; to discuss and agree upon the terms of reference for project preparation and "soft" issues studies; and to formulate a workplan for the STCF.

2. Participants included delegations from Cambodia, Lao PDR, Thailand, and SR Viet Nam. Representatives from the Asia-Pacific Telecommunity (APT), the Export-Import Bank of Japan (Eximbank), the International Telecommunications Union (ITU), Kreditanstalt für Wiederaufbau (KfW), the Overseas Economic Cooperation Fund of Japan (OECF), the PRC, the United Nations Development Programme (UNDP), and representatives of Embassies of Indonesia, Japan, the PRC, the United States, and SR Viet Nam in Phnom Penh attended as observers. The list of participants is attached as Appendix 1.

### II. OPENING SESSION

3. H.E. Chea Chanto, Minister, Ministry of Planning, Royal Government of Cambodia welcomed the participants and thanked ADB for its contribution to fostering subregional cooperation in the Greater Mekong Subregion (GMS). He expressed the hope that the Meeting will accelerate the implementation of priority subregional telecommunications projects, and actively enhance cooperation for the successful achievement of economic growth and prosperity of the GMS countries. Mr. Akira Seki, Deputy Director, Infrastructure, Energy, and Financial Sectors Department (West), ADB emphasized the benefits of adopting a coordinated approach to the development of the telecommunications sector in the GMS. The 13 priority transmission projects agreed upon by the GMS countries are aimed at establishing optical fiber cable links between and among the six countries, and thus forming a subregional network. The network would provide route diversity, thereby improving reliability and robustness. Mr. Seki underscored the importance of the STCF in

facilitating implementation of priority subregional telecommunications projects.

### III. WORKING SESSION

4. The Meeting was chaired by H.E. Phan Phin, Under Secretary of State, Ministry of Posts and Telecommunications, Royal Government of Cambodia, and was co-chaired by Mr. Akira Seki, ADB. Mr. Robert Rothery, Project Engineer, Transport and Communications Division (West), ADB served as a resource person.

#### A. SUBREGIONAL TELECOMMUNICATIONS SECTOR STUDY - FINAL REPORT

5. Mr. Rothery summarized the Final Report of the Subregional Telecommunications Sector Study (STSS), which incorporated comments given by the participating countries during the Senior Officials Meeting on the Greater Mekong Subregional Telecommunications Sector, held in Manila in November 1995. The findings of the STSS were grouped into three areas, namely: (i) state of the network; (ii) need for subregional network development; and (iii) opportunities for subregional cooperation.

6. The STCF adopted the Final Report of the STSS, and fully supported its recommendations. It emphasized the need to proceed toward immediate implementation of the priority subregional telecommunications projects.

7. The Meeting noted that the STSS has been prepared in close consultation with the International Telecommunications Union (ITU) and the Asia-Pacific Telecommunity (APT), and that close coordination between the STCF and these two agencies has been considered important in carrying out the recommendations of the STSS. In this context, Dr. Michael Calvano, Area Representative for South-East Asia, ITU expressed ITU's support to the STCF, particularly with the latter's work in implementing international telecommunications standards in the GMS. He indicated the offer of ITU to assist the six countries in addressing the soft aspects of telecommunications development, including regulatory framework and human resource development. Mr. A. Narayan, Director, Project Development, APT reiterated the importance of complementarity between the work being done by APT and by the STCF, especially in the establishment of intraregional telecommunications network. He offered APT's expertise and resources to the STCF for the implementation of recommended projects and studies. Both the representatives of ITU and APT emphasized the importance of the active participation by the GMS countries in the implementation of the subregional telecommunications projects.

#### B. SUBREGIONAL TELECOMMUNICATIONS PROJECTS AND STUDIES

8. Profiles of subregional telecommunications projects and studies were presented by Mr. Rothery. The Meeting reviewed the

profiles of the 13 transmission projects and five studies recommended by the Final Report of the STSS. The 13 transmission projects were grouped together to form the following: (i) East Loop (Projects C1, C2, and C3); (ii) West Loop (Projects C4 and C5); (iii) North Loop (Projects C1, C9, and C11); and (iv) Projects to Improve Connectivity (Projects C6, C7, C8, C10, C12, and C13). These four groupings would form a subregional telecommunications network which would accommodate all six GMS countries.

9. The Meeting noted the implementation of priority subregional road projects which could be considered in the prioritization and implementation of subregional transmission projects. For example, detailed engineering studies are underway for the Phnom Penh to Ho Chi Minh City portion of the Bangkok-Phnom Penh-Ho Chi Minh City-Vung Tau road project, and the Thai-Lao-SR Viet Nam East-West Transport Corridor involving Route No. 9. In this regard, the Meeting proposed that related developments in the subregional road, railway, and energy sectors be considered in determining the alignments for the various transmission projects with a view to reducing project costs.

10. The Meeting noted the comments of the Thai delegation that the implementing/executing agency identified in the project profiles for transmission projects involving Thailand, should refer, in general, to Thailand.

### **C. COUNTRY-SPECIFIC DEVELOPMENTS**

11. The STCF members reported on recent activities pertaining to development of the subregional network. In summary, the Meeting was informed of the following developments in the GMS countries that will further the establishment of a subregional network: (i) the Thailand-SR Viet Nam-Hong Kong submarine cable, which will add an important link between Thailand and SR Viet Nam, was placed in service in February 1996; (ii) financing from the German Government has been obtained and project preparation is underway for the Cambodian portion of the Thailand-Cambodia (Project C3), construction of which is expected to start in early 1997 and to be completed by early 1998; (iii) discussions are underway for the financing by the German Government for the Cambodian portion of the Cambodia-SR Viet Nam link (Project C2); (iv) priority has been accorded by the Governments of Lao PDR and SR Viet Nam on the northern Thailand-Lao PDR-SR Viet Nam link (Project C1), implementation of which is planned for 1997; (v) Common Channel Signalling (CCS#7) and the Synchronous Digital Hierarchy (SDH) standard have been accepted by the STCF members as important objectives for telecommunications development in the subregion, implementation of which are already underway in some of the GMS countries; and (vi) a training program for Cambodian officials is being prepared by the Royal Thai Government, which is also being generously offered to the other GMS countries.

#### D. DRAFT TERMS OF REFERENCE FOR PROJECT PREPARATION AND STUDIES

12. Mr. Rothery presented draft Terms of Reference (TOR) for project preparation and "soft" issues studies. The project preparation study will prepare a project, defined as one of the transmission loops identified by the STSS, and assess its feasibility. The "soft" issues study, in particular the study on Network and Operations Support, will assess the feasibility of a common GMS approach to the following four aspects of network and operations support: (i) call event recording; (ii) common channel signalling; (iii) network synchronization; and (iv) dynamic traffic management. Although this study would address a specific issue, it was noted that the same TOR could be adopted for any of the other four identified study topics.

13. The Meeting noted the following suggestions to the draft TOR for the project preparation study: (i) reference for the need to address installation, acceptance testing, and maintenance concerns should be included in the implementation section; and (ii) accommodation of relevant ITU standards (e.g., standards for numbering plans) should be identified for inclusion in the project design.

14. The Meeting noted the following suggestions to the draft TOR for the study on Network and Operations Support: (i) the issue of interworking of network management centers should be included in the scope of the study; and (ii) the issue of institutional change should be addressed by the study from the broader policy perspective, i.e., would the existing institutions be able to make the necessary adjustments and how do these affect the feasibility of adopting common approaches to network operations.

15. The Meeting requested ADB to take the lead role in seeking grant financing for project preparation and studies. The ADB will undertake to seek grant financing through its Cofinancing Operations.

16. The STCF adopted the draft TOR for project preparation study and Network and Operations Support Study, subject to the incorporation of the suggestions made at the Meeting.

#### E. ESTABLISHMENT OF PRIORITIES, DISCUSSION OF IMPLEMENTATION, AND FORMULATION OF STCF WORKPLAN

17. The Meeting agreed that the highest priority be given to the conduct of S4: Telecommunications Training Needs Study among the five priority "soft" issues studies. In this regard, the Meeting noted the kind offer of the Royal Thai Government to conduct training courses for telecommunications personnel of the GMS countries. It was further agreed that S1: Mobile Telecommunications Study be considered as another important priority study, and be focused on maritime communications and the management

of cross-border mobile communications.

18. While addressing tariff issues is considered an important aspect of the development of subregional telecommunications network, the Meeting recognized that these issues are national policy concerns, and may take some time to be fully addressed. It was proposed that a working group under STCF be established to consider subregional tariffs on a priority basis. It was further proposed that this working group on subregional tariffs proceed independently of the other studies.

19. The Meeting noted that all three loops are equally important to the establishment of a subregional telecommunications network. However, the Meeting agreed that the East Loop proceed immediately since portions of the loop are in the advanced stage of implementation.

20. The Meeting agreed on the following Workplan:  
(i) formulation by ADB of the TOR of the project preparation study for the East Loop and the two prioritized "soft" issues studies, for circulation to the members of the STCF in September 1996;  
(ii) immediate initiation by ADB of sourcing of financing for the studies; and (iii) conduct of the studies to commence in 1997.

#### **F. NEXT MEETING**

21. The Thai delegation offered to host the next meeting of the STCF. The Meeting agreed that the next meeting of the STCF be held in Thailand in early 1997. APT offered its support to Thailand to assist in the arrangements for the next meeting.

### **IV. CLOSING SESSION**

#### **A. STATEMENTS OF REPRESENTATIVES OF INTERNATIONAL AGENCIES**

22. Representatives of APT, Eximbank, KfW, OECF, and UNDP expressed their appreciation to the Royal Government of Cambodia and ADB for organizing the Meeting, and expressed their support to the STCF in their future activities. Dr. Karl-Joachim Trede, Project Manager, KfW noted KfW's commitment to promote the development of the GMS, and expressed the interest of the German business community in the GMS, which was manifested during the Private Sector Forum on the GMS held in Frankfurt in May 1996.

#### **B. CLOSING REMARKS**

23. In his Closing Remarks, H.E. Phan Phin thanked the participants for the successful deliberations during the Meeting. He underscored the importance of the agreements reached in advancing the implementation of priority telecommunications projects.

### C. ACKNOWLEDGEMENT

24. The Second Meeting of the STCF was held in an atmosphere of friendship and goodwill. the Meeting expressed its appreciation to the Royal Government of Cambodia for its gracious hospitality and excellent arrangements, and to ADB for its continued support to the STCF.