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Phare





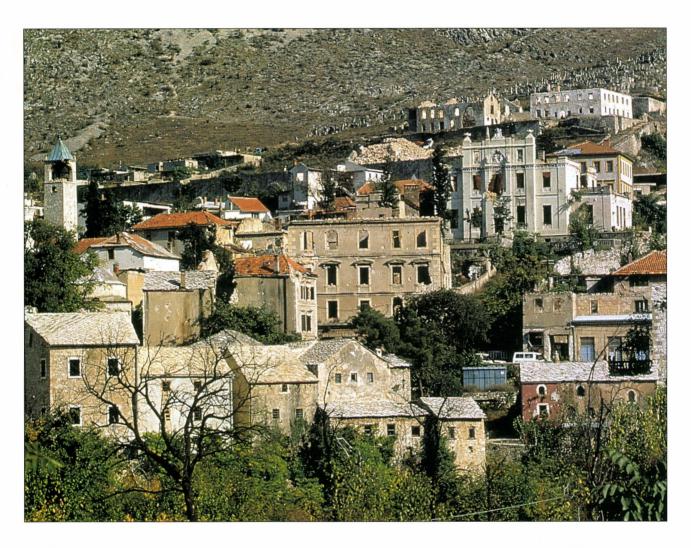
he first issue of TelePhare for 1997 shows how telecoms and postal projects are implemented in a wide variety of environments. We look first at the unique challenges facing a major Phare project to help rehabilitate the war-shattered telecoms networks of Bosnia-Herzegovina. Given the country's recent past, it is proving hard to keep technology and politics apart. In another article, a western consultant gives his recipe for carrying out a successful long-term mission as a Phare adviser in a beneficiary country - in this instance, the Czech Republic. One of his recommendations - learn the language - should be taken on board by others. The central article in this issue explains how the notion of "lead country" was developed for multi-country projects to help deal with the economic, linguistic and cultural differences between the participants. Many of our readers may have their own experience of special situations and special problems and how they were (or were not) solved. We would like to hear from you.

The Editor

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Phare with a difference: The case of Bosnia-Herzegovina



he technologies being applied are often the same, but the challenges and obstacles facing Phare projects differ radically from one beneficiary country to another. Working in Bosnia-Herzegovina gives this truism a new meaning. Since late 1996, the European Commission via Phare has been responsible for the first phase of a programme to rehabilitate the country's war-shattered telecommunications networks, with a priority to establish links between the areas controlled by the three ethnic groups: Serbs, Croats and Bosniacs (Muslims). Technically, the project can be implemented using standards technologies. But it is beset by a unique set of practical and political problems.

Under the Dayton peace agreement of November 1995, Bosnia-Herzegovina was divided into two entities. One was the Bosnian Federation made up of the Muslim and Croat areas; the other was the Republika Srpska (the area under Serb control). Each entity has its own PTT. In fact, just to complicate matters, the Federation has two - one for the Muslim regions based in Sarajevo, and another based in West Mostar to serve the Croat areas.

The EU project has three components:

- to rebuild long-distance communications and inter-entity links.
- to repair and (where necessary) replace local access networks and switches,
- to run training courses for the managerial and technical staff of the three PTTs.

The rebuilding of long-distance communications is tied to the establishment of three inter-entity links. Two of these are between Muslims and Serbs and one between Croats and Serbs.

The budget for the first phase, on which actual work began in February 1997, is eight million ecus. A further seven million is available from 1997 funding providing the first phase is successfully implemented. The different elements of the project are being coordinated by Eurostrategies, the Brussels-based consultancy which is responsible for the Phare framework contract in the sector of posts and telecoms. Eurostrategies took over this coordinating function with a local project manager based in Sarajevo in January 1997.

The initial tranche of the project consists of creating a radio relay backbone based on Synchronous Digital Hierarchy (SDH) in the Republika Srpska, while inserting the three inter-entity links as the backbone progresses. The backbone itself will run from Prijedor in the west of the Republika Srpska to Bijeljina in the east and Trebinje in the south. The tender to supply and install the equipment for the project was won by Alcatel. The contract was signed in March and the company is committed to having the network installed and tested before the municipal elections which are due to take place in Bosnia-Herzegovina in September.

The first practical difficulty encountered by the project was the unusually long winter which made a number of the radio relay sites located on mountain tops inaccessible for inspection until May. Another was the removal of debris from some sites which were targeted by Nato bombers in the closing stages of the Bosnian hostilities in 1995. On at least one of these sites, unexploded Nato bombs may pose a hazard. Others may have been mined by Serb troops stationed there during the fighting. The Nato stabilisation force, SFOR, has accepted the role of supervising the site clearance and the rebuilding of radio towers in advance of the installation by Alcatel of its equipment.

The EU's political priority with this project is to establish inter-entity telephone links to enable ordinary citizens and businesses from different sides to communicate with each other. An integrated communications structure for Bosnia-Herzegovina is a requirement under Dayton and the urgency of installing inter-entity links was re-iterated at the London Conference on Bosnia-Herzegovina in December 1996. But political leaders in the three ethnic groups are reluctant to inter-connect their networks, or want to do so in ways unacceptable to the others. To overcome this hurdle, the Commission has prepared a memorandum of understanding binding all parties to a common set of rules for establishing the inter-entity connections.

Mission statement

Peter Hanson, a British consultant, spent nine months living and working in Prague as an EU Phare advisor. He writes about the job and what can be achieved.

t was while watching the Tom Cruise blockbuster "Mission Impossible", partly set in Prague, that I was inspired to write this article and confirm that however "impossible" the "mission" may appear, the reality is different - impossible it definitely is not.

As one of the many EU advisors working in the Phare programme, I had the rare chance to lend some real "first hand" support to our colleagues in Central and Eastern Europe as part of the continuing initiative to help the Phare countries face the challenges of reform and liberalisation.

My assignment turned out to be surprisingly different from that described in the Terms of Reference that appeared in the Czech Republic Telecoms posting - but it did not matter. The money allocated needed to be spent wisely and it was up to us, the PMU staff, the Czech Telecommunications Office and the local EU delegation, working alongside the beneficiaries, to make it happen.

I chose to learn the language, which was not easy, but as a result earned much respect from my local colleagues. After a while, it really had an impact on my role not least because it meant that I was able to conduct most of my meetings without an interpreter.

My day-to-day job was never predictable; when I was not at meetings with the Ministry, I was in regular touch with the local project leaders and contractors working on their specific tasks. At times I was a delegate representing the Czech Republic on a multi-country event held in Brussels while at other times I was the telephone receptionist of the PMU dealing with local suppliers. Regardless of the role people had big expectations and they needed to be satisfied.

The greatest sense of fulfillment however in my work as an advisor came from being able to introduce new trends and styles of work for my local colleagues to consider and try out.

If you are fortunate enough to be posted to a location as friendly and hospitable as I found Prague and the Czech people to be, then make the most of your time and try and add some real value. The job is only as good as you make it.

Many thanks to all my Czech colleagues for making me feel so welcome, particularly those in the Ministry. ■■

Leading the Field

Multi-country programmes present special challenges. In this article, Peter Lundy of Development Dynamics (DDL) explains how the idea of "lead countries" has

s every project manager knows, if you have an important and complex task to do, then you must break the job down into a number of smaller steps. The success or failure of a project depends on how well the job is broken down and how well each individual task is managed. Teamwork requires different individuals taking responsibility for individual tasks - each person using their own special skills and experience to finish them successfully.

For multi-country projects, a special kind of teamwork is necessary. Coordination across many borders involves countries in a variety of situations. To language and cultural differences are added the organisational complexities. All these give multi-country programmes an extra dimension over their national programme counterparts.

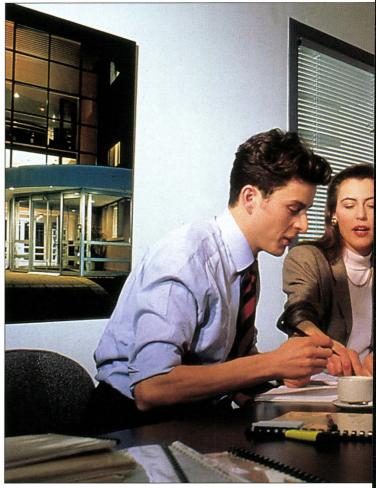
The first multi-country programme to experiment with new ways of coping with complexity was the 1992 Phare multi-country programme for telecommunications. This seven million ecu initiative provided training and back-up to managers in telecommunications companies and national regulators. Together these managers face tough challenges in transforming the former state owned monopolies with their inherent capacity and quality problems into high technology services providers competing for local and international business.

The six training modules were:

- regulating the telecommunications sector
- managing a telecommunications company
- human resources management in telecommunications
- marketing and selling of telecommunications products and services
- introducing new technology and managing telecommnications networks
- managing computer systems for telecommunications

These six modules were open to the ten participating countries. For each module a number of training events were organised. In each event 20-40 delegates from the participating countries took part, plus the participation of experts from the contractors. Clearly the detailed organisation of each event was a make-or-break activity.

If events were not properly structured and organised (agendas, travel, accommodation, hand-out materials,



Selecting leaders and dividing responsibilities

action point generation, facilitation and back-up) then the significant cost of delegate time and travel would be wasted. This is where the idea of lead countries was born. Very early in the planning of the 1992 programme, the steering committee in charge realised that the high spending on travel and the time commitment required by the participants from their countries necessitated a highly organised effort at national and international level.

How could all the various parties work together? There were ten countries, six prime training conductors, four supporting contractors plus the Phare office in Brussels, external advisors plus numerous providers of local services; travel, hotel, interpreters, training schools, caterers. Each had their vital place and each step of the way required proper management and co-operation.

n used to overcome the problems of size and complexity in multi-country programmes.



The problem was solved by putting in place a project management structure that was distributed across the Phare region and giving prime responsibility to the countries themselves.

Each of the original six countries of the Phare telecommunications programme (Bulgaria, Czech Republic, Hungary, Poland, Romania and the Slovak Republic) was asked to "own" one of the training modules. The decision about who owned what was taken jointly - taking into account national preferences, backgrounds and practicalities.

The role of the lead country was then clearly defined and published in a special handbook "The strategic training managers handbook". To lead the effort in each country a special role was created - the strategic training manager (STM). Each country provided the time and resources to ensure that STM could carry out this special co-ordination.

Playing the lead role

Having established the role of the lead countries during the 1992 programme, it was decided to continue and extend the lead country idea in the 1995 multi-country programme for posts and telecommunications. In this programme there are a number of individual projects with multi-country participation.

The overall co-ordination is provided by the multi-country programme co-ordination unit (PCU) specially created for this purpose and set up in Sofia. Each project is "owned" by one country and that country provides a project manager to lead the project. Each project will be carried out by a contractor from an EU country.

The lead country idea works because it gives responsibility to the countries involved for actions that are carried out on their behalf. The lead country system replaces the "provider to beneficiary" relationship (one-way flow) that characterised earlier projects. Too often in the past an expert or consultant would turn up in a country, meet his or her counterpart, write a report, and then, with their job done, return to their own country leaving the so called "beneficiary country" to continue much as before.

With the lead country idea continuity is built in from the start. This includes co-operation on the definition, planning and implementation of the projects. By forming project teams made up of interested experts from each participating country, the benefits can be carried through to many countries. Economy is gained by a single EU contractor, providing services and back up to many countries, under the control of a user representative from the lead country.

The cost of the lead country approach is the extra time and resources that are needed in the lead country - but this is paid back by the extra benefits gained - being more responsible for your own action, and gaining valuable experience in project management and multi-country co-ordination.

The multi-country idea extends across all of Europe, tele-communications and posts are natural trading industries, where common standards and common solutions are essential to high quality international services. Changes can be orchestrated across many countries using novel approaches to project management. The idea of lead countries to provide ownership and management of the project has proven a successful way of carrying out multi-country initiatives.

1995 multi-country programme

Overview of contracts awarded

Project title	Contractor	Ecu Value	Duration
National Spectrum Management Database	European Radiocommunications Office, Denmark	284.265	11 months
Regulatory Observatory (initial phase)	University of Namur, Belgium	78.869	10 months
Policy Forum on Community Law and Policy	LXT, Belgium	719.990	20 months
PCU Support Contract	Development Dynamics Ltd., UK	518.140	24 months
Assistance to Postal Sector Development	Post Europe, Belgium	112.626	8 months
Quality of Service Measurement and Management for Postal Services	British Postal Consultancy Services, UK	370.759	12 months
Market Analysis and Customer Profiles for Postal Services	KPMG, Belgium	487.991	20 months
Re-engineering of Parcel Services and Express Mail Services	Nepostel, Netherlands	197.577	12 months
Motor Transport Fleet Considerations for Postal Services	British Postal Consultancy Services, UK	449.572	12 months
Alternative Models for Rural Telephony	BT TelConsult, UK	599.296	14 months
Regulation and Standardisation in the Postal Sector	Coopers & Lybrand, Czech Republic	442.555	12 months
Cost Allocation Aspects of Letter Delivery Strategies	Berenschot, Belgium	494.262	15 months

Phare's Flemish flavour



n 1993, the Regional Government of Flanders approved a support plan for central and eastern European countries and the New Independent States (NIS). The yearly budget amounts to 12 million ecu which is allocated to projects submitted by Flemish organisations, universities, non-profit bodies, and commercial firms. This financing is intended to be complementary to proposed or existing Phare and Tacis projects.

Intercai, a Belgian independent consultancy, has received some of this financing over the past couple of years and as a result has added a decidedly Flemish flavour to a number of projects.

In Poland, following several short term missions for the Polish Rural Telecommunications Phare initiative, a programme for the advancement of rural communications was set up with the help of local specialists.

In the Slovak Republic, Intercai assisted the Vyskumny Ustav Spojov (VUS), the research and development institute of the Slovak PTT in Banska Bystrica. While Phare activities were limited to support the VUS with the establishment of an EMC laboratory, the Flemish project goes further. VUS Management and various Heads of Departments are being trained to operate in a fully competitive environment and specific assignments will be carried out on European standards, data communication and ISDN.

In Latvia, Intercai ran a training programme for the Latvian Telecommunications Tariff Council and the Flemish project will assist the Latvian officials in setting up a laboratory to issues approval certificates.

Intercai, as a Tacis consultant for re-starting and expanding the central Asian telecommunications Training Centre in Tashkent has set up a project in Uzbekistan with Flemish Government support. This project involves training on the application of modern project management techniques and will survey with Uzbek specialists the development of a data communications network (Uzagronet) for the Uzbek Ministry of Agriculture.

In addition to this Flemish initiative, the Belgian Government started a bi-lateral training programme for high level officials from Eastern Europe. A programme for telecommunications engineers from Siberia is planned in the near future. The total value of this assistance in the telecommunications area is 220.000 ecu.

New technology in an old location: **DECT trial in Brno**

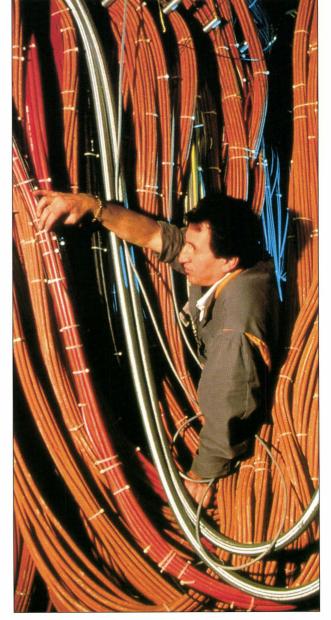
hare is currently financing a DECT-based Wireless Local Loop (WLL) access network in the Czech city of Brno. The medieval city centre was selected as the site for the trial as the demand for main lines exceeded supply and the expansion of the local copper based network was restricted to protect the historic environment. The network operator, SPT Telecom, was particularly interested in using the WLL technologies as an alternative access network solution to copper wire.

The trial aims at implementing a network for 1,000 customers using equipment from two suppliers and expects to show the real coverage and capacity of DECT in a dense urban environment and its performance as a WLL network element. The trial will also highlight any problems that can arise from two networks running close to peak capacity overlapping in the same geographical area..

The network plan was specified in early 1995 and contracts were signed by the end of that year with Ericsson and Siemens, with each supplying the equipment for 500 customers. The systems were installed in spring 1996 and the first customers were connected to the network by August.

While it is still too soon for final conclusions on the trial outcomes, what has been established is that while frequency planning is not needed for DECT, careful planning of the base stations locations is. With the current trend in the prices of subscriber multiplexors, DECT WLL may not be an economically feasible primary access network solution in an urban environment. It may however provide a complementary means of access in a limited number of cases because of its inherent flexibility.

TelePhare will update you on the trial as further results become available.



What a difference wireless would make

In Brief

In **Bulgaria** work started in April on postal licensing and regulation and a number of extra-muros training initiatives are underway. Phare is very pleased with the initial results of the DECT trial in Brno in the **Czech Republic** and will soon launch a similar trial in **Slovakia**. There too Phare has plans to help develop a business plan for postal operators.

There are two new licenses for GSM operators in **Romania** and the first customers are on board. RomTelecom is separating from the Ministry and is looking to corporatise with a strategic partner.

The Phare 1997 Multi-country programme for telecommunications and posts (MPTP) was approved by its steering committee in April. Work is now moving ahead to define the scope and contents of the individual projects in the programme which is worth a total of 6.5 million ecus. The 1997 MPTP has two objectives. The first is to strengthen results achieved by projects included in the framework of the 1995 and 1996



programmes. The second is to expand the programme to a number of carefully selected new areas of activity.

The three sub-headings for the 1997 programme are

- Telecoms policy and legislative procedures
- A comprehensive regulatory framework
- Institutional and human resources.

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