Author's Name:	Bogdan Manolea, Sarah Tisch, PhD
Descriptive Title:	Romania Information Technology Initiative: Policy
Program, Activity, or Project Number:	Not specified.
Strategic Objective Number:	186-0420.00
Sponsoring USAID office and contract or agreement number:	USAID/RCS, Budapest Associate Cooperative Agreement #186-A-00-02-00101-00 with Leader Award #GDG-A-00-01-00009-00
Contractors Name:	Internews Network
Date of Publication:	13MAR06
Indication of procurement sensitive information, if appropriate:	

USAID
FROM THE AMERICAN PEOPLE

FINAL REPORT
21 MAY 2002- 30 SEPTEMBER 2005

Submitted to:
USAID/RSC/RCO Budapest, Hungary
ACA No. 186-A-00-02-00101-00
Under dot-GOV Leader with Associates Cooperative Agreement No. GDG-A-00-01-00009-00 implemented by Internews Network

Ms. Mihaela Popescu, CTO
USAID/Romania
Bucharest

BOGDAN MANOLEA, PROJECT DIRECTOR
Bucharest, Romania
BD. LIBERTATII 14, MCTI BUILDING,
2ND FLOOR, ROOM 8.
70060, SECTOR 5.
BUCHAREST, ROMANIA

SARAH J. TISCH, CHIEF OF PARTY dot-GOV
INTERNEWS NETWORK
1640 RHODE ISLAND AV. N.W. 7TH FLOOR
WASHINGTON, DC, 20036, USA

TABLE OF CONTENTS

The Romanian Information Technology Initiative-Policy (RITI: Policy) Project was awarded on 21 May 2002 by USAID RSC/RCO/Budapest through an Associate Cooperative Agreement (No. 186-A-00-02-00101-00) under the dot-Gov Leader Award with Associates Cooperative Agreement (No. GDG-A-00-01-00009-00) implemented by Internews Network. The original estimated obligation of USD $1,196,032 was fully obligated. The approved Associate Cooperative Agreement budget included cost share financing of USD $236,841. This target was met during the summer of 2005 and reported to USAID/RSC/RCO in the Third Quarter Financial Report for 2005.

The Project was staffed in Romania by Mr. Jerker Torngren (Project Director, May 2002-October 2004), Mr. Bogdan Manolea (Legal Advisor, May 2002-October 2004; Project Director November 2004-September 2005), and Ms. Anca Argesiu (Project Manager). Home office support was provided by Dr. Sarah J. Tisch (dot-GOV Chief-of-Party 2001-2006), Mr. Alejandro Bermudez del-Villar (dot-GOV Deputy Chief of Party 2003-2006), Ms. Inna Rotenberg (Program Associate 2003-2006), Ms. Mariana Kind (nee Ovtcharova, Program Associate 2001-2003), Ms. Tina Schmeltzer (Project Accountant 2002-2005), Ms. Diane Dobbs (Project Accountant 2005-2006), and Mr. Troy Gingrich (Administrative Analyst 2003-2006).

The Project operated from 1 June 2002 through 30 September 2005. A No-Cost Extension (NCE) period was granted to change the close date from 30 June 2005 to 30 September 2005. This NCE allowed activities to continue that were delayed because of a change in the Romanian administration during November-December 2004. Project activities formally ended on the 30 September 2005, and the Project office was closed. The Project website: www.riti-internews.ro is no longer updated but is directly accessible on the Internet.

I.   EXECUTIVE SUMMARY

The RITI: Policy Project represents USAID's effort to assist the Government of Romania (GoR) in establishing a functional policy and regulatory framework for information communication technologies (ICT) based on international best practices. The principal problem addressed by the Project was the low use of ICTs due to non-competitive pricing and unaffordable access.

USAID/Romania timed the launch of the RITI: Policy Project in 2002 just before the full liberalization of the telecommunications market to assist with policy advice concerning challenges triggered by the opening the market to local and global competition.

All fully specified policy outputs in the Program Description were met, where the Project provided significant technical assistance and guidance on the following:

1. Requirement: *New laws for information technology were approved.*

    *   Emergency Ordinance on the General Framework of Electronic Communications
    *   E-Commerce Secondary Legislation
    *   Universal Service Law
    *   Ministry of Communications, Technology and Information (MCTI) Policy on the Implementation of the Universal Service Law
    *   National Communications Regulatory Authority's (ANRC) Decision on the implementation of the Universal Service Law
    *   Time-Stamping Legislation

2. Requirement: *New procedures and legal acts for creating a competitive telecommunications market.*

    *   Draft ANRC comments on Reference Interconnection Offer- submitted by *Romtelecom*
    *   ANRC decision on General Authorization
    *   ANRC and MCTI Report to EU on the situation of the *acquis communataire* on electronic communications
    *   ANRC decision on accounting separation

3. Requirement: *New procedures for issuing additional licenses were designed.*

    *   Decision on Tender for Issuing Licenses for 3G Mobile Networks and the Tender documents.

4. Requirement: *A National Regulatory Agency was established.*

    *   Emergency Ordinance on the General Framework of Electronic Communications (the normative act through which ANRC was created).
    *   ANRC Internal Policy designed.
    *   ANRC work plan for 2003 approved.
    *   Advice to ANRC on conducting a clear and efficient transparent consultation process (regarding all their decisions).
    *   Creation of the Consultative Council for public consultation with the private sector.
    *   First management training of ANRC staff.
    *   Study-Tour to US for all high level managers in ANRC.

5. Requirement: *Procedures for licensing bandwidth were adopted.*

    *   The GOR decided to retain responsibility radio frequency allocation within the General Inspectorate for Communications (IGCTI) instead of transferring to ANRC; however up to September 2005 the Project continued to advise the MCTI that this responsibility might be better served if moved to the ANRC.

The Project's work on key policy issues with the Regulator (ANRC) and the Ministry of Communications, Technology and Information (MCTI) helped stimulate dramatic changes in the way that the Romanian government approached ICT market liberalization and regulation.

<u>Competitive Telecommunications and Internet Market</u>. The development of a competitive market is in part reflected in the prices for telecommunication services in Romania. In April 2002 *Romtelecom* still monopolized the fixed telephone market. In 2002, the local telephone calling rate per minute for peak-hours was 0.03 Euro (approximately $0.026 USD); this cost was less expensive because cost-based tariffs had not yet been introduced (*Romtelecom* public offer in April 2002). Liberalization of the market and use of cost-based tariffs did not create a dramatic increase in rates as had been commonly feared. Currently a new operator, *RCS&RDS,* offers local telephone services at the cost of 0.02 EUR (approximately $0.024 USD) per minute.

The number of telephone subscribers also reflects market expansion and competitiveness: the number of fixed telephony subscribers increased from 4,174, 000 in November 2002 to 4,350,807 by the end of June 2005. The most important aspect is that the <u>alternative provider's</u> (not *Rometelcom*) market share reached 3.86 percent (considering the subscribers in their own networks). The alternative providers reported 185,323 subscribers, among which 165,349 were in their own network (www.anrc.ro).

The number of mobile telephony operators increased from 5,100,000 in December 2002 to 11,379,214 subscribers in June 2005 (www.anrc.ro).

Regarding the average cost of dial-up Internet, in 2003 it was $26.39 USD for 20 hour access (ITU statistics), but is now approximately $17.0 USD for 20 hour access (*Romtelecom* ClickNet Start tariff).

As well, in 2002 broadband Internet access cost about $250-300 USD per month in Bucharest and $110 USD in 2004 (ITU statistics). At the end of 2005 it was possible to subscribe to broadband Internet in most urban areas for $12 USD per month (http://www.astral.ro/en/index.php?id=101).

The USAID Program Description required that the Project assist with MCTI's intent to sell seven additional bandwidth licenses before January 2003 to increase the number of operators. The Project counselled a delay until the regulatory and environment was more favourable to new market entrants regarding their ability to compete with *Romtelcom.*

The delay did not cause a reduction in the market value of the licenses as had been feared. Six licenses in the 3.5 GHz band for point-multipoint solutions were sold in June 2003 (see http://www.mcti.ro/1543.html). Two licenses on the in the 26GHz band for point-multipoint solutions were sold in March 2004; and two 3G licenses (bands 1900 MHz - 1980 MHz, and 2.110 MHz- 2.170 MHz.) were sold in November 2004.   The Project believes these sales were successfully conducted through transparent means

because the market was allowed to mature and the Ministry was able to establish procedures that attracted stable investors (see http://www.mcti.ro/1954.html and http://www.mcti.ro/2281.html).

These numbers regarding the tariff reduction and the increase of telecommunication operators, subscribers, and users show how successfully implementation of the telecommunication liberalization process has occurred in Romania.

Positive Regulatory Environment. Additionally, an improved policy environment helped increase the number of telecommunication operators, Internet Service Providers (ISP), and fixed phone services available to Romanians.   In part this was due to increased purchasing power for the average Romanian coupled with a wider selection of choices for telephony and Internet access; from one to 25 for fixed phone operators that provide the telephone network (ANRC statistical data report), and from approximately 150 to 692 for ISPs (American Business Community in Romania website <http://www.usbiz.ro/us_news_file/ccg.php3>, ANRC statistical data report).

The Project helped the ANRC develop a light-handed approach toward regulation as a result of a study on the impact of ANRC regulation. This approach by the ANRC has increased Internet access, fostering the creation of convenient and low-cost services apart from cyber cafés. A micro-community phenomenon for Internet use has developed in urban areas, where neighbourhood networks called *retele de cartier* comprised of individuals living in the same neighbourhood share a network by linking their computers. This is a viable and inexpensive means for Internet access (an estimated 10 Euros a month for unlimited Internet access).

As of early May 2006 there are about 457 *retele de cartier* broadband networks created in urban areas – while many of these are Bucharest, they are spreading to other cities. A special website is now dedicated to the *retele de cartier* (http://www.retele.net/lista.php), indicates their popularity. These networks are offering Internet services that the CATV (Cable Television), and the dominant telecommunications company *Romtelcom* have not been able to provide to medium and low-income users in urban and suburban areas. While neighbourhood networks existed before May 2002 on a smaller scale, the Project's work on the ANRC General Authorization Regime helped these networks be considered as legal, which helped stimulate the dramatic expansion of the *retele de cartier* phenomenon.

In 2002, prior to the Project start there were approximately 475,200 ISP connections and 2.2 million Internet users (ITU statistics). In 2006 the ANRC reports almost two million connections to the Internet via ISPs and over four million Internet users. The ANRC recently reported that broadband had reached a 3.46% penetration rate which is higher than many countries in South-Eastern Europe.
(http://www.anrc.ro/desktopdefault.aspx?tabid=1982)

Universal Access. To improve telephone and Internet access, the Project advised on drafts of the Universal Service Obligation (USO) Law and implemented a telecenter pilot

project to show how public-private partnerships could work in underserved areas. The USO Law was signed by the MCTI in May 2004. Based on the telecenter pilot project results, the Project encouraged the ANRC to view local communities as active participants in the USO Fund implementation.

On 1 September 2005 the ANRC launched a public tender process for installation of 40 telecenters in rural localities with no telephone connections. Each "universal service provider" tender winner is installing a telecenter in a specific locality, which provides access to telephone, facsimile and Internet services. This approach is based a partnership with the local authorities and limits the responsibilities of the "universal service providers."

The following table summarizes the changes in the Romanian telecommunications market, focusing on competition, the number of subscribers to different services, and investment in the sector. There is no doubt that the Romanian telecommunications market has responded to policy environment that enabled a more competitive market and a greater ranges of services offered to individuals and businesses. Of particular significance is the doubling of mobile phone users and of Internet subscribers.

Table 1. Romanian Telecommunications Market Status

| | | before the Project | | latest data |
		2001	2002	
Basic Indicators	Total Pop	22,132,000	21,803,000	22,329,977 (Jul 2005 est.)
	GNI per capita	1,740 USD`	1,910 USD	2,920 USD (2004)
	Poverty *	21.5 % (2000)	N/A	13.4 % (2002 est.)
Monopoly	Fixed	1 company, *Romtelecom* (Greek ex-national telecommunications company OTE accounts for 54.01% of shares and the Romanian state accounts for 45.99%)		25 companies (Jun 2005). *Romtelecom* finished its monopoly in Jan 2003 but is still dominating.
	Mobile	4 companies.		4 companies. *Orange* and *Connex* account for 51.5 % and 45.1 %of market share, respectively.
Penetration	Fixed	4,116,000 subscribers 18.38 % per inhab. 49.97 % per h.hold	4,215,235 subscribers 19.44 % per inhab. 51.9 % per h.hold	4,364,000 subscribers (Jun 2005) 0.14 % per inhab. (Jun 2005) No new info % per h.hold
	Mobile	3,845,116 subscribers 17.17 % per inhab.	5,110,591 subscribers 23.57 % per inhab.	11,279,000 subscribers (Jun 2005) 52.50 % per inhab. (Jun 2005)
	Internet	1,000,000 users 4.47 % per inhab. N/A subscribers N/A % per inhab.	2,200,000 users 10.15 % per inhab. 475,200 subscribers 2.19 % per inhab.	4,000,000 users (Jun 2005) 24.05 % per inhab. (2003) 1 930 000 connections (Jun 2005) 4.10 % per inhab. (2003)
	Broad Band	N/A	N/A	522,796 connections (Jun 2005) 2.34 % per inhab. (2003)
Telecom Investment		N/A	301.7 million USD 13.9 USD per capita	Between 1 Oct 2001 - 31 Mar 2004 there have been 459 million USD direct investments in the telecom field

* Population below poverty line.

Sources: The International Telecommunications Indicator Database, 8th Edition, the World Bank World Development Indicators, the CIA World Factbook.

The legislation and regulations commented on by the Project encouraged a market environment for business that stimulated growth and use of the Internet, increased e-

commerce, expanded e-Government services and dramatic changes in telephone access. As important, a series of trainings, workshops, conferences and overseas study tours on specific telecommunications and ICT policy topics increased the capacity of government client institutions, private sector associations and civil society groups to use ICTs and operate within a connected world within and outside Romania.

II.   DESCRIPTION OF PROJECT ACTIVITIES

The Project assisted the Romanian government by providing legal and technical assistance needed to establish a regulatory and policy framework that allows a market economy to flourish and compete in the global market, where use and deployment of ICTs are essential. The Project pursued the original objectives assigned and performed additional tasks requested by the ANRC, the MCTI, or the USAID/Romania Mission.

In 2003, given changes in levels of multilateral donor funding, the Project, with concurrence from USAID/Romania, focused more attention on working with the MCTI. This meant a greater number of policy issues were addressed that strengthen the competitiveness of the ICT market and increasing information security and privacy issues concerning use of e-Government applications and growth of e-commerce.

The Program Description required a focus on four main elements which are described below, the additional activities undertaken follow.

A.   Required Project Elements

Element 1: Training for Romanian Regulators

ANRC. The Project provided training to the ANRC on the basic functions of a regulator in an open commercially-oriented market, Public Relations, Interconnection, Universal Access, Management Skills, Accounting Separation, and Radio Frequency Management. This intensive training and guidance resulted in an important decision by the ANRC to separate public relations from consultative outreach concerning new regulations, and consumer affairs, which was not the case in 2002.

The Project helped draft of an Action Plan for 2003, an *Internal Policy Manual: Rules and Regulations for ANRC* staff members, and provided technical advice on establishing a clear and efficient transparent consultation process by ANRC. As a result of the latter, ANRC decided to form a Consultative Council – where discussions with the private sector have been regularly held.

The Project provided input to ANRC's comments on *RomTelecom*m's Reference Interconnection Offer (RIO), which became one of the most crucial documents for facilitating for new entrants to enter the telecommunications market. As of 1 October 2005, following this RIO 49 companies concluded interconnection agreements with *Romtelecom.*

The ANRC website now has separate sections for each topic (www.anrc.ro) and uses other media outlets to reach out to the private sector, civil society organizations, and consumers.

As evidence of growing independence, in October 2003 the ANRC accepted results and recommendations of a regulatory review conducted by the Project, concerning the impact of regulation on interconnection, tariff rebalancing, universal access, the international backbone, customs duties and Internet services (narrowband, (Digital Subscriber Line-DSL, and local loop unbundling). The process regarding the compilation and presentation of the study results is evidence of ANRC's desire for greater consultation with stakeholders, a lighter hand regarding regulation of ICT service providers, and greater vigilance concerning the dominant market operator, *Romtelecom*.

Through consultation with the ANRC, the Project tangibly contributed to a Romanian regulatory framework that largely corresponds with international best practices for competitive telecommunication markets regarding access to the Internet, e-commerce, digital signatures, anti-fraud and cyber crime, interconnection, and digital signatures.

MCTI. At the end of the first year and during the second year of operation, the Project provided the MCTI with workshops and study tours covering the following topics: Radio Frequency Management, Universal Service Obligation and the Implementation of the Universal Service Law, Information Technology Security Issues, Creation of Computer Emergency Response Team Centre, and policy issues concerning e-Government implementation.

During the third year, training focused on building the ICT skills of the large number of new staff hired by MCTI as a result of reorganization of the Information Technology Division. MCTI asked the Project to provide six short courses on: Legislative Drafting, Computer Networks, Operating Systems and Servers, Microsoft and Linux software, Databases and Communication Skills. This training helped ensure that new staff could understand and implement the Ministry's goals and role as a policy body.

The Project also provided training to other Ministries and to GoR staff whose work related to the efforts of the ANRC and MCTI to foster transparency within a competitive market. Training was provided on:

- Frequency Management training given to the General Inspectorate for Information Technology and Communications of the MCTI.

- Management of telecenters training given to local officials in rural four pilot areas that had been agreed upon with the MCTI.

- Information Security basics and the practical implementation of the international ISO Standard 17 799 (regarding information security) to over 100 public servants within the GoR public administration.

- Implementation of the Cyber Crime law given to a range of local officials responsible for law enforcement (done in conjunction with the Ministry of Justice).

This training program proved to be the most practical way to directly engage Romanian officials and key actors on compelling ICT issues affecting the competitiveness of the telecommunications sector, pricing, and access. The training program helped the ANRC develop its capacity as an independent professional entity focused on regulation and allowed the MCTI to move into a policy-oriented role to foster a competitive market and the use of ICTs throughout the government and within Romanian society.

Element 2: Federal Communications Commission and International Telecommunications Union (ITU) Workshops on Telecom Regulatory Principles and Organization.

It was not possible to involve the ITU in this Element or the Project as originally envisioned. Three study tours to the U. S. with the Federal Communications Commission (FFC), and two FCC training in Romania took place during the Project.

ANRC. In 2002, FCC staff Mr. Richard Nunnu, along with trainers familiar with European Union regulation, provided training on the role of the regulator in a competitive market to ANRC staff. This training was followed by a study tour for ANRC staff to the U.S. to see how the FCC balances competition with regulation, engages with ISPs, ICT service businesses, telecommunications operators, and consumers but remains independent of influence, and conducts public relations.

MCTI. Two workshops were provided to the MCTI and the General Inspectorate for Communications and IT (IGCTI). The first was provided by Mr. Richard Nunnu, FCC Telecommunications Policy Analyst, and Mr. Dale Hatfield, University of Colorado. In 2003, Mr. Nitin Shah of the U.S. FCC Technical Advisory Council provided a second workshop on radio frequency training to the MCTI.

In 2004 a study tour to the U.S. was organized for the MCTI State Secretary and staff concerned with e-Government policy issues to learn more about the U.S. government's *FirstGov* initiative, Federal Enterprise Architecture, the Council for Excellence in Governance, and the Office of Management and Budget functions regarding e-Government, and the role of the FCC regarding associated regulation.

Study Tours were designed and led by the Project for MCTI staff on Information Security to Sweden and Hungary during the fall, 2004 with visits to the respective Computer Emergency Response Teams (CERT). A draft CERT strategy for Romania was then drafted based on lessons learned from these two trips.

This draft strategy was used as a basis for discussions during a Study Tour in Spring 2005 to the U.S. for the MCTI Minister, the State Secretary, and senior staff, which included interaction with The State Department Office of International Communications and

Information Policy (Ambassador David Gross), discussions with the FCC, a Romanian presentation hosted by the Department of Commerce (CEEBIC), a visit to U.S. Computer Emergency Response Team (CERT), and participation in the U.S. "SuperComm Conference" in Chicago.

Element 3: Technical assistance in preparation of legislation and regulations for telecommunications reform and electronic commerce.

The scope of the technical assistance provided to ANRC and MCTI was expanded by the circumstances, sectoral demands and the requests of the Romanian Government in consultation with USAID/Romania. The Project substantially contributed to the drafting and implementation of the following legislation and policy documents:

- Emergency Ordinance on the General Framework of Electronic Communications.
- ANRC General Authorization.
- ANRC Internal Policy.
- e-Commerce Secondary legislation.
- Universal Service Law.
- Policy on the Implementation of the Universal Service Law
- The ANRC Decision on the Implementation of the Universal Service Law
- Time-Stamping Legislation.
- Decision on Tender for Issuing Licenses for 3G Mobile Networks and associated Tender documents.
- Draft ANRC comments on Reference Interconnection Offer submitted by *RomTelecom.*
- ANRC and MCTI Report to EU on the situation of the *acquis communataire* on electronic communications.
- Interoperability Standards for e-government.
- Regulation on *Designing Local and Central Administration Websites*
- Legal requirements on the Romanian participation in the *Interchange of Data between Administrations* projects.
- Broadband Feasibility Study

The Project staff served as unofficial advisors on many other policy issues as well, on an *ad hoc* basis, when requested, to the MCTI.

Element 4: Assisting the set-up of the National Regulatory Agency (ANRC).

The Project provided the ANRC staff with technical assistance to help start operations and function in an independent, appropriate and efficient manner. The Project provided technical assistance in drafting the Action Plan for 2003, an Internal Policy Manual "*Rules and Regulations for ANRC*" for staff, and gave practical advice to ANRC on conducting clear, efficient, and transparent public consultation processes, public relations, universal access, interconnection, accounting separation.

The Project provided substantive input to ANRC's comments on *RomTelecom*'s Reference Interconnection Offer (RIO), which was essential to allowing new operators to compete with *RomTelecom*. ANRC staff consulted regularly with the Project to identify the best solutions for the implementation of the Universal Service Obligation Law under Romanian circumstances. The resulting legislation and implementing regulations helped encourage the creation of an environment where electronic communications are flourishing as a key sector for growth in the Romanian economy.

The Project provided a Regulatory Review on Electronic Communications, which highlighted the positive and negative effects of ANRC regulation for operators.   As mentioned earlier, following this study ANRC refined and adjusted its approach to regulation.

Today ANRC is considered a modern regulator regarded by the Romanian public as a professional and independent government body that with transparent communications with consumers and electronic communication providers.

B.   Additional Achievements

The following activities were undertaken at the request of the GOR with concurrence of USAID/Romania and the project CTO. These activities all contributed to the further development of a competitive telecommunications market, expanded inexpensive Internet access, and growth of the ICT service sector as a whole.

1. The Universal Service Obligation (USO) Policy and Law. The Project helped expand rural access to telecommunications and the Internet through assistance to the MCTI and ANRC and by sharing lessons learned with the World Bank Office in Romania. In July 2002, the Project began assisting the Ministry with drafting a law on universal service obligations as per the EU *aquis communataire*. Given the complexities involved with the use Universal Service Funds, the Project sought alternative approaches to assist both MCTI and ANRC with the law and implementation, respectively.   After designing and launching a successful demonstration telecenter activity with private sector donations in five underserved regions by 2005, the Project presented a document to the ANRC and MCTI highlighting key aspects that the Universal Service Policy could cover, including transparent tendering processes and the role of the potential role of the private sector. In May 2004, the MCTI Minister announced a decision on the Universal Service Obligation Policy, incorporating analysis submitted by the Project.

The alternative to the telecenter solution would have been much more expensive. MCTI would have continued requesting that *RomTelecom* install subsidized new lines to individual subscribers. *RomTelecom* reportedly calculated the cost for to expand access throughout Romania to be about 520 million euro per year. This amount is vastly different from the amount now set for the private sector contribution to the Universal Service Fund. Therefore, the Project not provided a demonstration on how the private sector could work with local officials as an alternative solution through telecenters, the

investments made through installing individual *Romtelcom* subscriber lines would have been an expensive choice but pone with limited impact.

An annual total of 16 million euros are now allocated for the establishment of new telecenters through the USO, these will be financed by the Romanian ICT sector through the obligatory USF contributions.

Using suggestions from the Project, the ANRC defined a transparent public tendering process for applying to the Universal Service Fund for creation of telecenters (providing telephone, Internet, and facsimile) in communities located in rural and underserved areas. The Project recommended that local authorities in each municipality have responsibility for management of the telecenter, thus reducing the obligations for the Universal Service providers. After establishing these procedures, the ANRC launched a public tender process for the installation of 40 telecenters in the first set of rural localities with no or few telephone connections during September 2005.

The World Bank asked the Project to share lessons learned regarding the design and implementation of the telecenter demonstration pilot activity, and to comment on the design of the 60 million USD "Knowledge Economy Project." This World Bank Project was approved in November 2005 and among activities, will establish at least 200 Local Community e-Networks based in schools and libraries for education, business and public communications in targeted disadvantaged communities. These e-Networks will operate under private management and are expected to achieve financial self-sustainability.

2. Cyber Security. The MCTI requested assistance in preparing its staff personnel to create a national Computer Emergency Response Team (CERT) that could also be linked to the rest of the CERTs in the world. The Project helped draft a concept paper on how a CERT could be established in Romania. The Project engaged the Minister, MCTI staff and key sectoral representatives in a series of study tours during 2004 first to Sweden, then Hungary, and finally the U.S. to view best practices around the world.

In 2005 the MCTI and Project jointly held a first training on "Information Security Standards" (ISO 17 799) for approximately 100 public servants in local and national government institutions. As a result, the Romanian IT Security Center (CERIS) was created, but discussions continued throughout all 2005 to install a fully functional CERT by mid 2006 under the MCTI budget.

3. Cyber Crime. In 2004 the MCTI requested that the Project create a *Guide on implementing the cyber-crime legislation* to increase Romanian law enforcement authorities understanding and use of the law, and help reduce the cost and impact of cyber crimes perpetrated using the *.ro domain name* and within Romania. The Cyber crime Legislation Guide was finalized in March 2004 and made public by the US Ambassador and the MCTI Minister. The publication of the *Guide* was followed by five workshops held in different regions in Romania, where approximately 100 government officials (police officers, prosecutors and judges) received their first training on cyber crime issues and how these can be effectively investigated using Romanian law.

Romania's position in the IFCC statistics in 2004 dropped from number five to number eight as the sources of cyber crime.

4. e-Government. To provide the MCTI with assistance on strategic planning and implementation of e-Government, the Project organized a study tour in early 2004 focused on U.S. e-Government initiatives. This effort was complemented with two follow-on activities.

First, the Project wrote an e-Government guide for Romanian public servants, with an introduction written by the MCTI Minister. The Guide is freely available on the Internet, as well, the Project printed and distributed copies to 1,500 government officials.

Second, the Project, organized "the e-Government Eastern European Conference" in conjunction with MCTI, USAID and the e-Romania Gateway Association (www.eGeec.org). The conference combined discussion of the need for a competitive ICT Market and the need to develop local e-Government solutions. Ninety specialists and project implementers attended this conference and shared best practices about local projects developed and financed through Public-Private Partnerships (PPP) throughout the Eastern and South Eastern Europe region.

5. Licenses for 3G Mobile Networks and Tender Documents. The Project succeeded in getting the Ministry to delay by one year the tendering process for the *third generation mobile networks and services*. This was important in order to develop the competitiveness of the ICT market and the independence of the Regulator. The Project provided technical assistance to the Ministry in the preparation of the request for proposal documents and the processes necessary to ensure that competitive and transparent bidding requirements were met. Two out of four licenses were awarded by the end of 2004, and the successful companies launched their services during 2005. It is expected that the remaining two licenses will be offered through a similar open, competitive and transparent process in 2006.

6. A Legacy- APTI. To provide continuity for similar policy-oriented activities following the end of the Project, a sub grant was awarded to Association for Technology and Internet providers (APTI). This grant was made because APTI is the first Romanian non-Governmental Organization that has the capability to advocate for issues that complement the goals pursued by the Project, among others.   APTI is a Romanian organization with no relationship to Internews Network.

Whenever possible, the Project deliberately utilized local organizations and consultants with ICT capacity to ensure continuity of the program activities and replication of similar activities once the Project closed.   The Project was considered a steady contributor to the ICT sector by speaking on ICT and property rights, market openness and ICT, cooperation within the South-eastern European region, electronic trade (e-trade), and dialogue within government and with the private sector on bringing the ICT sector into compliance with EU requirements.

Some of the ICT private organizations the Project worked closely with include: the National Association of the Software Industry and Services (ANIS), the National Association of Internet Service Providers (ANISP), and the Romanian Association of the Software Industry (ARIES) among others. Through its activities, the Project was able to foster regular and public meetings between the ANRC and MCTI, these ICT Associations and NGOs concerned with the growth and impact of the ICT sector in Romania.

With the sub grant from the Project, APTI provided a workshop on self-regulation to raise awareness on the topic. A report on self-regulation principles was produced and widely distributed within the sector and also presented to the ANRC. A series of Principles for a Code of Conduct for ISP and Internet Content Providers was also drafted in close collaboration between the Project, APTI, and the ANISP.

This approach helped foster sustainability by involving members of the Romanian private sector and civil society articulating and develop local solutions for local problems. The sub grant to APTI was the culmination of this effort.

10. Public Awareness. The Project staff participated in and gave presentations in a number of national and international seminars and conferences. By participating in these events, the Project became a steady contributor to the creation of a more specialized and professional ICT sector in Romania. Some of the topics where the Project provided input and feedback via participation were: ICT and Intellectual Property Rights, Market Openness and ICT, Cooperation with the East European Region, e-trade, Creation of a Stronger Private Sector via Associations and Lobbying, Preparation to Compliance with the European Union's demands, among others.

III. PROJECT RESULTS AND PERFORMANCE INDICATORS

Sector Benefited/ Results Expected	Indicator	Impact
Establish Competitive Norms and Foster Market-driven Regulation and Policies	Creation and Consolidation of the ANRC. Provided Drafts to the ANRC for: • Ordinance Electronic Comm. • General Authorization Document • Action Plan 2003 • Internal Policy Manual • Public Consultative Process • Reference Interconnection Offer Advised ANRC on: • Interconnection Regimes • Termination Charges • Various regulatory issues During Fall, 2003 the Project carried out a regulatory review to examine how the ANRC regulation had been implemented and assessed how the	The Project positively influenced the priorities of the Regulator in implementing an open and competitive market. Both the general public and ICT sector respect the work of ANRC. The Project encouraged the creation of a Consultative Council to the ANRC open to telecom/ICT market stakeholders and NGOs. ANRC's webpage www.anrc.ro shows a commitment to a consultative process and transparency regarding ANRC decisions. As a result of the review and discussions with stakeholders, the, ANRC published a number of draft changes to previous ANRC decisions, as well as new draft decisions in

	regulatory interventions had contributed to the foreseen changes in the market.	November 2003. These drafts reflected many of the suggestions made in the regulatory review
Human Capacity Building for ANRC ANRC staff capable of effectively managing and solving daily competition and regulatory situations to ensure development of a competitive ICT market.	ANRC Personnel trained through workshops on: • Principles and basics of regulator operations • Interconnection and Access • Radio Frequency Spectrum Management • Public Relations Accounting Separation	The Project provided advice concerning policies and decision making processes and implementation developed by the ANRC. ANRC is a well structured and staffed agency capable of : • Coping with a transitional post-monopoly market. • Assessing ICT market and spectrum management .challenges and opportunities. • Making appropriate decisions based on the national situation and the international best practices.
Human Capacity Building for MCTI MCTI staff capable of formulating policies to stimulate market competitiveness and follow international best practices regarding prevailing circumstances. MCTI development of policies that promote and encourage use of e-government, development of standards and stimulating use of ICTs by other sectors of the Romanian economy, allowing the regulator to operate independently.	MCTI Staff trained with workshops on: Universal Services Obligations • Legislative Drafting • Communication Skills • Cyber Crime Law Implementation • Radio Frequency Spectrum Mgmt • Information Technology • IT/Computer Skills (4 courses) • Study Tours (3) on Information Security to Hungary, Sweden, and the U.S. • Study Tour to the U.S. on e-Government Initiatives	The Project successfully served the technical and policy needs of three administrations of the MCTI and was housed in the Ministry throughout the life of the Project. An example of impact were the quantity of requests received on a monthly basis from MCTI and the variety of topics on which the Project provided or arranged assistance to MCTI on an informal and formal basis. The MCTI has moved is the center of ICT policy formulation in Romania and no longer serves as the regulator.
Electronic Communications Establishment of a regulatory framework that allows for and promotes the expansion of electronic communications.	The Project provided technical assistance and helped draft the final approved document, which helped create an enabling environment for a competitive ICT sector to flourish and promotes e-commerce operations. The Project held a workshop was held for the 30 members of the private sector in October 2002 to explain the legislation and the functions and mandate of the ANRC.	The Emergency Ordinance on the Regulatory Framework for Electronic Communications was created and approved by the ANRC in December 2002 which defined the rights and obligations of providers of electronic communications networks or providers of services with minimal regulation.
e-Commerce Lay the foundation for the technical and policy side to allow e-commerce in Romania to develop.	The Project presented a Discussion Paper on e-commerce for MCTI in March 2003 and participated in meetings concerning the draft for the Secondary Legislation on e-Commerce.	Most of the Project's suggestions were incorporated in the Secondary Legislation for Electronic commerce-Law 365/2002-.
Universal Service Obligation (USO) Encourage the Government to create	From July 2002 through September 2005 the Project assisted MCTI in drafting a law on Universal Service	The Project influenced the drafting of the *Universal Service Obligation Law was signed May 2004.*

a USO and the corresponding implementing policy. Explore the possibilities available in Romania for the compliance with the USO expected by the EU and following international best practices.	Obligations. The Project presented alternative approaches to USO implementation to the MCTI and ANRC. The Project successfully demonstrated how public-private partnerships at the sub-national level. The Project wrote a report to the ANRC and MCTI highlighting critical key aspects of Universal Service Policy. In May 2004, the MCTI Minister announced a decision on the Universal Service policy that incorporated the Project's suggestions. The Project also advised the ANRC on the USO tendering process.	
Pilot Telecenters Project for the Universal Service Obligation Demonstrate how the USO could be used to increase rural access to telecommunications and the Internet.	The Project provided a practical design involvement of the private sector and local government in establishment of telecenters in rural areas to prove their efficacy in providing electronic communications services to the most rural areas of Romania by using the Universal Service Fund for tenders to fund telecenters. Five pilot telecenters were open by 2005.	MCTI and ANRC included telecenters as a way of achieving the goals of the USO official policy and legislation. In September 2005 ANRC successfully tendered 40 telecenters to be opened by the end of 2006. As well, the World Bank drew heavily from the Project's telecenter pilot project design for the "Knowledge Economy " project that includes establishing telecenters throughout Romania (a World Bank USD 2.5 million project was signed in the end of 2004 and a USD 70 million loan was approved in October 2005 to support the Knowledge Economy Project).
3-G Tendering Process Allow an open and fair allocation of licenses.	The Project advised the MCTI from 2002 onward on transparency measures to ensure a competitive market for the 3-G tenders. The MCTI adopted most of the Project's suggestions.	In 2004 The MCTI successfully awarded Licenses through a transparent and open tendering process to *Connex* and *Orange*, thus 3-G Services are now available in Romania.
Cyber crime Encourage the MCTI to adopt legislation on prevention of cyber crime	The Project advised on drafts of the Law containing Provisions on Cyber Crime. The Project then developed a guide for judges, policymakers, police, businesses and citizens on how the law is implemented to better understand what cyber crimes are and how they will be prosecuted in Romania. The Project delivered five workshops in different regions, with staff from the MCTI, the Ministry of Justice, and Municipal level police attending, among others. The trainings provided were backed up by many governmental institutions and the American Embassy. The Cyber Crime Legislation Guide was finalized in March 2004 and made public by the US Ambassador and the MCTI Minister.	The Project's assistance on drafting the law and the promulgation of the law through publication of the Guide on implementing cyber crime legislation and associated workshops helped contribute to a decline of cyber crimes in Romania. Romania's position in the IFCC statistics in 2004 dropped from number five to number eight as the sources of cyber crime. The Guide and workshops provided prosecutors, police, and judges training in Romanian, which increased understanding of the importance of reducing cyber crime to the Romanian economy.
e-Government Help the MCTI focus on policies that	The Project provided a Study Tour to the U.S. for MCTI officials in 2004.	Romanian officials at national, regional, and local government levels

affect the essential aspects of e-government to better serve Romanian citizens and modernize government operations.	The project wrote and published the *"Using Computers and Electronic Services-a Guide for Public Servants."* The Project organized the e-Government Eastern European Conference (eGeec) for Local Public-Private Partnerships, sponsored by the MCTI, USAID/Romania, and the Romania Development Gateway. The Project provided a consultant report on interoperability standards for e-government. The Project helped draft the regulation on *Designing Local and Central Administration websites*	are trained on the *Guide* and have greater awareness of how to safely use the Internet and use specific e-Government applications already in place. 1,500 copies were distributed to through the MCTI and the Ministry for Public Administration and is also available line at www.riti-internews.ro Increased awareness by MCTI of the potential of municipal authorities to create tailored local programs to deliver services to Romanian citizens. An outcome of the eGeec conference is MCTI's intention to conduct a national survey of current e-government projects and create a national database on e-Gov projects to help prepare for a future "Digital City Project" undertaken by the Romanian Government. As a result of the eGeec Conference and U.S. Study Tour, the MCTI has developed contacts on the need for regional cooperation and sharing of best practices regarding e-government applications and challenges concerning implementation of national e-government strategy. The Romanian government now shares common requirements regarding local and central administration websites.
Time-Stamping Law Implement a simple system based on time-stamping service providers.	The Project provided comments to the MCTI on the draft law, with most of the Project's recommendations included in the final approved version.	The Romanian President promulgated the Time-Stamping Law officially published in the *Official Monitor Gazette Dec, 2004*. This law is helps stimulating e-commerce through a time code or to a digital signature whose signer vouches for the existence of the signed document or content at the time given as part of the digital signature. Time Stamps also help with logging of digital transactions.
Interchange of Data between Administrations Project (IDA) Project Assist the MCTI with responding to the European Union project requirements for stronger links with the European Union's Projects for ICT improvements.	The Project drafted the legal requirements on the Romanian participation in the European Union IDA (Interchange of Data between Administrations) Project.	Romania has joined the IDA project.
Broadband Access Feasibility Study Provide practical and realistic	In 2004 the Project provided a study to the MCTI on expanding broadband access to the MCTI to help guide	The study provided the Ministry with improved knowledge and background material for future decisions,

expectations regarding expanding broadband access regarding policy, technical and financial considerations.	policy decisions, regarding development of the "Knowledge Based Economy Project.	especially for the development of the "Knowledge Based Economy Project." The MCTI used the study to help push forward broadband services by the private sector which have expanded dramatically since 2004 in Romania.
Association for Technology & the Internet-APTI Providing a sustainable base for continuity of activities with a local NGO after the Project close-out	Sub grant made to APTI to deliver workshops on: • Self-Regulation For ISPs • Code of Conduct Principles • Report on Self-Regulation in Romania	The sub grant to APTI demonstrated that a nonprofit could provide professional policy-level training and analysis. to advocate for issues that complement the goals pursued by the RITI-dot-Gov project. Raising awareness on self-regulation in Information Society Services.

IV.   CONCLUSION

An excellent collaborative relationship with both ANRC and MCTI was essential to the successful completion of the Project. When the Project began in May 2002 there was a monopoly on the fixed telephony and no Regulatory Agency in the telecom sector. In 2002 many of ICT-related activities in Romania were either in their infancy (such as prevention of cyber crime and promotion of e-government) or not dealt with at all (such as Information Technology security).

Romania's capability to create a National Regulator that follows international best practices concerning independent regulators is a testament to outstanding political will within the GoR and also the real desire by Romanians to have access to information communications technologies. The ANRC was established in the manner and was not deterred from his course despite changes in national leadership, in leadership of the ANRC and three different Ministers of the MCTI. Even with changed leadership, the shared vision of how Romania should modernize its ICT market was pivotal and cannot be emphasized enough as a critical factor in the success of the project.

The RITI project proved to be pivotal because it could provide on very short notice experts who could share international best practices with the ANRC and MCTI and followed on this technical assistance with follow-on discussions. The role of the in-house technical advisor was critical to the Project's success with the ANRC and MCTI.

The role of the private sector was equally as important. The ICT-related industries were quickly learned how important their role was in commenting on policy development and advocating for policy change. They also accepted that for this advocacy to be viewed as professional by the GoR that they had to play a constructive consultative role and, as well, show that self-regulation and a code of conduct would be accepted by the private sector.

Finally, the role of the USAID Mission, the U.S. FCC, the U.S. State Department, and the U.S. Chamber of Commerce were invaluable to the project in bolstering the activities of the Project with the GoR.

A series of RITI dot-Gov's activities are planned to be continued by the Association that RITI helped create - APTI (Association for Technology and Internet). In fact, some of the former RITI dot-Gov staff is already working as part of the association personnel. They shall continue to advocate for issues that complement the goals pursued by the RITI-dot-Gov project, especially in the field on information society services, e-commerce and cyber security.

The lessons learned and achievements accomplished by the RITI dot-Gov project have been shared with other USAID project (such as IMPACT project in Macedonia) and other Internews projects.

The Project embraced and contributed to USAID/Romania's strategic objectives by directly addressing the issue of ICTs use and availability due to –non-competitive pricing and unaffordable access. The Project greatly assisted in the creation of the regulatory framework and its implementation policies for the ICT sector and industry to evolve in a market-oriented environment. The Project succeeded in contributing to USAID/RSC/RCO's goal to bridge the growing digital divide and be able to compete in the global market where the deployment and use of information technology is essential.

ANNEX I: YEARLY RESULTS TABLE
RITI- POLICY

ACA **ACA No. 186-A-00-02-00101-00**
Under dot-GOV Leader with Associates Cooperative Agreement No. GDG-A-00-01-00009-00 implemented by Internews Network, Inc

Main Objective of RITI Program: Assist the Government of Romanian to develop a functioning policy and regulatory framework in the ICT that addresses lack of availability and use of information technology due to non competitive pricing and affordable access.

Four Strategic Elements:

- *Element 1: Training for Romanian Regulators(ANRC) and personnel of the Ministry of Communications and Information Technology (MCTI)*
- *Element 2: FCC/ITU Workshops on Telecom Regulatory Principles and Organization*
- *Element 3: Assisting the preparation of legislation and regulations for telecommunications reform and electronic commerce*
- *Element 4: Assisting the set-up of the National Regulatory Agency (ANRC)*

YEAR 1- May, 2002- May, 2003

Objective 1: Assisting in the creation of a Romanian Regulatory Body in the Electronic Communications field
Element(s) Covered : 1 & 4

Results Expected	Indicators	Activities
Set up a functional regulatory body capable of coping and acting in a transitioning economic environment and electronic communications sector from a Monopolistic to a Multi-operated market.	ANRC Internal Policy manual: a document on Rules and Regulations for ANRC staff members	The RITI-dot-Gov team assisted ANRC in the drafting of the internal regulations document that was adopted.
	Creation of the Consultation Committee under the chairmanship of the ANRC	RITI delivered the proposal to create this committee and followed up the process to the end.
	Adoptions of Provisions on anticorruption measures for ANRC	RITI-dot Gov drafted the provisions of Anticorruption that was finally implemented by ANRC its internal regulations
	Public Consultation Process in place	The RITI-dot-Gov staff provided the necessary technical advise to ANRC on the issue of conducting a clear and efficient transparent consultation process by creating acts drafts that were lately developed by ANRC
	ANRC finalized an Action Plan for 2003	The development of this Action Plan was strongly encouraged by RITI-dot Gov, and therefore had a strong role in the writing of the document. This plan, for instance, include RITI-dot-Gov's suggestions on matters with a direct emphasis on consumer issues.

Objective: 2 Capacity Building for ANRC and MCTI:		
Element(s) Covered 1&2		
Results Expected	*Indicators*	*Activities*
A well functioning Regulatory Personnel capable of managing & solving everyday situations of the agency. A professionalized cadre of officials aware of both the current opportunities and the challenges lying in the present and the future.	Sixty (60) officials-all ANRC newly hired staff - were trained and increased their knowledge on the multiple aspects of running a regulatory agency.	RITI-dot Gov organized a training workshop for Regulators on key characteristics of a modern regulator, working methods and regulatory challenges. The conducted seminar created a very positive change in the attitudes of the staff members. They now clearly give a firm impression of understanding their role in the ANRC.
	Five (5) High ANRC officials were trained. - This specialized group greatly increased their awareness on the international aspect of regulatory functions and decisions. Knowledge on best practices conducted in the US	RITI-dot-Gov carried out an Overseas Study tour for ANRC Staff to Washington DC where they learned and shared visions with US FCC, NGO's, US Officials and institutions related to Regulatory issues.
	Twenty (20) persons discussed the subject of accessing interconnection policy and its effective implementation in an open electronic communication market.	Workshop on Access and interconnection, which included discussion of means to reach dispute settlements. The workshop included a discussion on the means to reach dispute settlements.
	Twenty (20) people trained on information regarding radio frequency spectrum management,	Frequency Management Seminar for MCTI & IGCIT. This training included wireless technologies and applications. The workshop also focused on FCC reforming its process of spectrum management and the importance of international aspects of spectrum management
	Twenty (20) managers/ officials from ANRC trained on management training, concentrating on organizational communications, organization strategy, human resource management, organizing and control functions, change, and development.	Workshop on Regulatory Management for all ANRC members in managerial and germane positions.
	The First Reference Interconnection Offer (RIO) elaborated by *RomTelecom* was approved by ANRC Following the RIO 49 companies concluded interconnection agreements with *RomTelecom* until 1 October 2005	RITI-dot Gov Director reviewed and provided feedback on the RIO produced by *RomTelecom*. This document was pivotal in the opening of a competitive ICT market in Romania.
Additional Advisory for ANRC:	Assistance to ANRC on topics such as the termination charges set by some regulators on mobile networks and the calculation methods used by those regulators. Technical Assistance on the different ways of structuring interconnection regimes, depending on the intended effect it should have on the incoming international traffic, which is of significant economical importance. On-going assistance on various regulatory issued during the whole first year	

Objective: 3 Technical Assistance to *prepare the legislation and regulations on telecommunications reform, open Market and electronic commerce*

Element(s) Covered 3

Results Expected	Indicators	Activities
Establishment of a regulatory framework that promotes both an enabling environment for a competitive ICT Sector to flourish as well as for the promotion of e-commerce operations.	The Emergency Ordinance on the Regulatory Framework for Electronic Communications was created and approved by the Romanian Government	RITI-dot-Gov provided the necessary technical assistance and assisted in the drafting the final approved document
Category	Indicator	Activities
Electronic Communications	Adoption of the General Authorization Document- which defined the rights & obligations of electronic communications services providers	Most of the main suggestions provided by RITI were adequately incorporated and adopted in the General Authorization Document.
	ANRC delivered a report before the European Commission on the situation of the adoption of the new European *acquis communataire* on electronic communication.	RITI-dot-Gov assisted in the preparation of the presentations and explained the fundamental principles of the EU to the ANRC staff in charge of this presentation in Brussels.
e-Commerce	Secondary legislation was drafted and adopted by the Romanian Government.- Standards for the application of Law no.365/2002 on e-commerce	Most of RITI's suggestions and ideas were incorporated in the e-commerce secondary legislation RITI dot-Gov team had extensive discussions with the IT experts in MCTI providing advice on the issues that needed to be incorporated in the secondary e-commerce legislation
	A public discussion document on the present state of the e-commerce in Romania was created. The most representative organizations from the private sector were involved in the discussion before the document was made public. The main recommendations were followed by the private sector in the next couple of years when the first payment gateways appeared on the market.	In 2003 March, RITI-dot-GOV presented its discussion paper on e-commerce to MCTI. RITI-dot-GOV discussed thereafter the document with the private sector-ANIS, ANISP and ARIES. The paper was published on our webpage and received a considerable attention from the media. Also a few public presentations on this topic were made by Mr Manolea (see Objective 4) in the next years.
Interoperability	RITI- dot-GOV drafted a short document describing the policy behind E-Government Interoperability Frameworks adopted in other countries	. MCTI approached RITI requesting for help in the drafting of a document on interoperability standards for e-government. This activity was later included also in the RITI Access activities.
	The Universal Service Law was adopted by the Parliament and published in the Official Monitor. This provided the stimulus for the Ministry and ANRC to have a clear policy in place rather quickly. When dealing with Universal Service ANRC and MCTI staff became was aware on the potential solutions for implementing the US Law in Romania.	Since July, 2002, RITI began assisting the Ministry with the drafting of a law on universal service obligations By the end of 2002; RITI-dot-Gov organized a **workshop on Universal Service Obligations**. These activities raised awareness in MCTI on the need to a) Emphasize the need to have a pragmatic approach realizing the economical restrictions and the need to encourage economical growth. B) Discuss different solutions that could provide better telecom services to poor and rural areas, within the limitations faced by the ANRC and MCTI.

	Opportunity to show how the Universal Service Policy can reach its potential in a country like Romania, and not to waste resources on the development of the fixed telephony incumbent operators	RITI-dot-GOV subsequently offered MCTI and ANRC, to initiate a pilot project on telecentres to prove their efficacy in the USO. Immediate initiation of planning RITI- dot-GOV idea to set up and run a pilot project on Telecenter, thus testing if telecentres can be a viable and cost efficient way of meeting the Universal Service Obligations in Romania.
Universal Service Obligation-USO		
3-G Tendering Process	GOR decided to delay the launching of the tender process for issuing licenses for 3G mobile networks as part of providing new public frequencies for the private operators.	RITI delivered an initial proposal to the MCTI in mid-January 2003, which recommended working gradually up to the goal of four licenses over time.
Regulation regarding the way of designing Romanian local and central administration web sites	Following RITI-dot-Gov's suggestions the adoption process was postponed to allow more time for consultations.	GOR drafted a Regulation regarding the way of designing Romanian local and central administration web sites the first dedicated to the accessibility of public administration web pages and the second imposing a specific design for all public administration websites. RITI dot-GOV delivered a document highlighting the positive and also the less constructive parts of the document. Following RITI-dot-Gov's suggestions the adoption process was postponed to allow more time for consultations.
Cyber crime	The law incorporating provisions on cyber crime entered into force in the end of April 2003. Discussion of the implementation of the law.	RITI legal adviser participated in a public debated on the draft cyber crime law organized by the Centre for Legal Resources, with the help of the US Embassy. Suggestions concerning the implementation of the law incorporating provisions on cybercrime entered into force in the end of April 2003 and presented to the Mr. Liviu Nicolescu, head of cybercrime division within MCTI.
Time-Stamping	MCTI's draft legislation on Time-Stamping	Mr. Bogdan Manolea presented findings and suggestions for the creation of the draft legislation on time-stamping to the MCTI.

Objective 4: Extra-Curricular activities promoting an increased awareness of ICTs in Romania and an enabling environment for an ICT open market.		
Results expected	*Sector Benefited*	*Activity Description*
	Regional Cooperation	Mr. Torngren participated in the Pan European Regional Ministerial Conference, WSIS
	Market Openness	RITI established formal relations with the Chamber of Commerce. This included their assistance in some of the workshops organized in the provision of discounted space.
	Market Openness & Private Sector	RITI's strengthened links with associations representing the IT&C private domain --ANISP, Cable Communications Association (ACC) & the Romanian Association of the Software Industry (ARIES)
	Market Development and Private Sector	Workshop on the Romanian Private Sector- focused on the liberalization of the electronic market in Romania. Thirty (30) participants to the workshop learned about potential business opportunities for new entrants and how the new legislation would facilitate their entry into the market place.

	ICT environment development	Mr. Manolea made a presentation on Freedom of Speech and the Internet at the conference on 26 February, 2003 (Organized by ANISP) to celebrate 10 years of the Internet in Romania, His presentation focused on legal aspects of regulating content with a critical view on the Romanian draft law on fighting pornography.
	Regional Cooperation	Mr. Torngren was invited to Washington D.C. during December 2002 to serve as a lecturer at the Workshop for Southeast Europe's leading Practitioners, organized by Commercial Law Development Program, Department of Commerce. His presentation focused on Competition in the Southeast European Telecommunications Sector in Light of the EU Accession Action Plan: Benefits and Main Challenges.
	Regional Cooperation *E-commerce development*	In April, 2003, RITI's Legal Advisor, Mr. Bogdan Manolea participated in the **"South Eastern Europe and the New Economy "**conference organized by the Romanian Chamber of Commerce. In Session 2B – Regulation in the New Economy he presented a paper "Creating Confidence in electronic transactions – Trust Marks".
	ICT Environment development *E-commerce development*	April, 2003 -RITI-dot-GOV's Legal Adviser participated in the Law Online Conference in Bucharest organized by the ELSA (European Law Students Association) together with the Law Faculty in Bucharest. Mr. Manolea gave several presentations on subjects such as "Introduction to e-commerce," "Web Development Contracts" and "Jurisdiction and Internet."

YEAR 2 - May, 2003- May 2004

- *Element 1: Training for Romanian Regulators(ANRC) and personnel of the Ministry   of Communications and Information Technology (MCTI)*
- *Element 2: Workshops on Telecom Regulatory Principles and Organization*
- *Element 3: Assisting the preparation of legislation and regulations for telecommunications reform and electronic commerce*

Objective 1: Capacity Building for ANRC & MCTI

Element(s) Covered 1&2

Results Expected	*Indicators*	*Activities*
Highly skilled Personnel capable of taking the best decisions possible to attain the aimed Market openness and follow up with the prevailing circumstances.	The impact of this activity convinced the ANRC to produce a regulation on cost accounting issues that did not create burdensome obligations for the operators and at the same time stimulated competition.	Early 2003-ANRC published a draft regulation on accounting separation, initially to the incumbent *RomTelecom* and later to several mobile operators. It was estimated that as a result of the proposed legislation, the incumbent would incur costs in access of USD 8 million and the positive impact on competition would be minimal. RITI-dot-Gov provided a Consultant aiming to help ANRC's Financial Department to find solutions for accounting separation, an extremely important issue for the Romanian regulating authority during that time. The training led to a discussion on cost methodologies and helped the ANRC in elaborating a regulation on accounting separation.

	Simulation of the Romanian e-Government activities as well as helping MCTI to focus on the essential aspects that creates a real impact on the entire Romanian society.	RITI dot-Gov organized the trip during the first week of February 2004 for a high-level group of officials from MCTI, including the State Secretary, Ms. Adriana Teacup. The visit included meetings with agencies, policy makers, stakeholders and companies from the private sector involved with the US e-Gov Initiatives.
	MCTI requested a second radio frequency training. 43 Participants were trained in the new wireless applications	RITI provided a training seminar focusing on the new wireless applications that can prove successful for Romania as alternative to the inadequate wire based network. ICGIT also sent participants to the training. The Minister, Mr. Dan Nica, personally opened the event.

Objective: 2 Technical Assistance to *prepare the legislation and regulations on telecommunications reform, open Market and electronic commerce*

Element(s) Covered 3

Results Expected	*Establishment of a regulatory framework that promotes both an enabling environment for a competitive ICT Sector and the creation of operations via e-commerce.*	
Category	**Indicator**	**Activities**
Universal Service Obligation: Provide MCTI with a live example of how USO can be attained through the use of Telecenters in Rural and far-to reach communities	Selection of Tele-Center Locations Getting financial and technical support from the private sector	Discussion on telecenter functions with MCTI. RITI dot-Gov through a dialogue with ANRC. The selected five communes to respectively host a telecenter were: Frecatei - Braila County;Balaşeşti- Galati County;Iana - Vaslui County; Rebricea- Vaslui County; In selecting the sites, RITI dot-Gov wanted to combine several aspects, such as meeting a significant need of improved communication facilities but also getting efficient test cases where different solutions can be tested.. RITI dot-Gov also approached several private sector companies that decided to contribute to the Pilot Project.
	City Halls hired Telecenters' personnel. Three out of the four Centers were operating by 15th October, 2003.	Training for Telecenters- A three days training was organized from the 24th through 26th of September, 2003 for appointed staff members in the four operational telecentres. The Mayors of each commune were also invited and participated.
	MCTI produced a draft policy document on the implementation of the Universal Service law focusing on Telecenters. This was later adopted by MCTI.	The draft reflects the recommendations provided at an earlier stage by RITI dot-Gov. The telecentres idea is presented in the document as a key instrument for providing telecom services to underserved areas, especially rural areas. The RITI team presented ANRC MCTI a document highlighting key aspects of Universal Service Policy. The telecommunication policy aimed at safeguarding the provision of cost efficient telecommunication services to the entire society
	ANRC drafted a document on the Decision on the conditions and procedure for the designation of the Universal service providers in the electronic communications domain based on the Policy developed by MCTI	RITI dot-Gov submitted comments on ANRC's draft on the Decision on the conditions and procedure for the designation of the Universal service providers in the electronic communications domain.
	Momentum on the law incorporating provisions on cybercrime that entered into force in the end of April 2003	RITI's suggestions on the implementation of the cybercrime law (including the Guide on implementing the cyber-crime) were well received by the Ministry that started to coordinate the actions with the Justice Ministry and the Domestic Affairs Ministry.

Cybercrime	The Cybercrime guide was drafted and publicly presented	The Ministry agreed in October 2003 to the structure of the Guide and its purpose. RITI dot-Gov then hired a Romanian expert that drafted, together with the RITI staff *a Guide on the Implementation of the cyber crime law* addressing both the technical and the legal aspect of cyber crime cases. The final draft was submitted for comments in the beginning of February 2004 to MCTI and other authorities, including to US Secret Service within the US Embassy in Romania that is involved in this domain. The draft was finalized in March 2004 and it was made public in the presence of the US Ambassador and the ICT Minister, Adriana Ticau
	RITI's Guide for the implementation of the cyber crime legislation was presented in the **training** organized by the Embassy at the Police Academy in Bucharest, 24-28 May 2004.	Participants to the seminar were selected police officers that already work in the field--- this group of policemen came from Romania, the Republic of Moldavia and from Macedonia.
	Presenting the Guide for the implementation of the cyber crime legislation to the ISPs	
Market Openness	Regulatory review requested by ANRC Presidency. The impact of the regulatory review was clearly seen in November 2003-when, ANRC published a number of draft changes to previous ANRC decisions, as well as new draft decisions. These drafts reflected many of the proposals by RITI|dot.GOV in the regulatory review	RITI dot-Gov carried out a regulatory review to examine how the regulation had been implemented. RITI dot.Gov also assessed how the regulatory interventions had contributed to the foreseen changes in the market. Delivery of the review at a meeting with key staff on 6 October 2003. The meeting lasted the entire day, filled with many fruitful discussions.
IDA project (Interchange of Data between Administrations)	IDA project (Interchange of Data between Administrations)--a European Union project- Romania has joined the IDA project	MCTI asked RITI dot-Gov project in helping them in drafting the legal requirements on the Romanian participation in the IDA project. RITI dot Gov has provided legal assistance on the Romanian participation in the EU IDA project,
Time-stamping	The **Law draft on Time-stamping**, approved by the Romanian Government at the end of May 2004	The **Law draft** was very much based on RITI dot-Gov recommendations. These recommendations suggested that a simple system be implemented, based on a notification to the Electronic Signature Authority by any time-stamping service provider that meets the minimum security and reliability conditions as approved by an independent auditing report.
Broadband Access	The Feasibility study on broadband possibilities was delivered. The reaction from the ICT Ministry was very positive and indicated that the report was useful and fulfilled its purpose. Representatives of the Ministry have clearly listened to our arguments on the need to first and foremost assess the potential need for and relevance of certain transmission capacity in specific cases. The study provided the Ministry with improved knowledge and background material for future decisions, especially for the development of the "Knowledge Based Economy Project." By the end of 2004, the document was used by the Ministry as a starting point for the broadband policy	World Bank's Knowledge Based Economy Project announces intention to 60-80 millions USD project that should include an ICT access component in Romania. Focusing on broadband Aiming to cooperate, RITI dot-Gov took the initiative and suggested to the Minister that RITI do-Gov would perform a **feasibility study on broadband possibilities** in Romania The purpose of the study was to bring practical aspects and realistic expectations into the discussion. The focus was not only technical techniques, but also possible financial obstacles. The study provided useful input to the MCTI and World Bank Projects, "Knowledge Based Economy."

	that needs to be adopted. Also, the new government in 2005 requested a copy of the report in order to give them an overview of the potential broadband solutions.	

Objective 3: Extra-Curricular activities promoting an increased awareness of ICTs in Romania and an enabling environment for an ICT open market.		
Results expected Creation of stronger vincula among ICT actors. Share ideas, learn from each other. Promote creativity in the ICT sector.	*Sector benefited* ***ICT & EU compliance*** E-signature legislation	*Activity* The RITI dot-Gov legal adviser gave a presentation at the "Electronic signature - Legal Aspects" conference, held in Bucharest 12th November 2003. The presentation focused on the European implementation of the Electronic Signature Directive, its impact in the European Union and what lessons could be learned by Romania.
	e-Trade *E-commerce development*	The RITI dot-Gov legal advisor, Mr. Bogdan Manolea, was the moderator in the working group on Strategy at the "National E-Trade Bridge- Kick- off Meeting" conference, October 2003. The conference was organized by ITC (Information Technology Committee) Geneva – part of UNCTAD/WTP together with the RFTC – Romanian Foreign Trade Centre and ARIES.
	Regional Cooperation *E-government development*	RITI-DOT-Gov's Project Director participated, on request by USAID, Washington, in the conference *E-Government Strategies for Macedonia*, held in Skopje 15-16 March, and gave presentations on "*Telecom Reform in Europe; Lower Prices and Better Services*" and on "*e-Government in Romania.*" Mr. Torngren also co-chaired the working group on "*European Perspective on e-Government*."
	ICT & EU compliance *E-commerce development*	The RITI dot-Gov Legal Advisor participated in a conference focused on the *Advantages of Understanding and Implementing the aquis communitaire for the Romanian Information, Technology and Communication Companies*, which was organized by the Romanian Association for Electronic and Software Industry and the Institute of Research in Informatics, where he presented the present status of the e-commerce in Romania.
	ICT & Property Rights *Digital Copyright development*	The RITI dot-Gov Legal Advisor participated in a conference convened 29-30, 2004 March, on *Protecting and Enforcing Intellectual Property Rights,* organized by the International Development Law Organization (IDLO). The RITI dot-Gov Legal Advisor gave two presentations: "*Copyright and Internet*" and "*Domain Names and Trademarks.* "In addition he presented the RITI dot-Gov participation in the telecenter Pilot Project at the USAID All Partners Meeting held 18th February in Bucharest.

YEAR 3 - May, 2004- October 2005

- *Element 1: Training for Romanian Regulators(ANRC) and personnel of the Ministry of Communications and Information Technology (MCTI)*
- *Element 2: Workshops on Telecom Regulatory Principles and Organization*
- *Element 3: Assisting the preparation of legislation and regulations for telecommunications reform and electronic commerce*

Objective 1: Capacity Building for ANRC & MCTI

Element(s) Covered 1&2

Results Expected	Specialized Personnel capable of taking the best decisions possible in an open ICT market	
Category	Indicator	Activities
Cyber Security Capacity Building	The CERT report was drafted and submitted to public consultations. The report is available also on the Ministry webpage	MCTI requested assistance in the creation of a Computer Emergency Response Team in Romania. Two people from MCTI and one from the private sector have been introduced in the IT Security issues Study Tour and Report. RITI dot-Gov organized a CERT study tour to Stockholm, Sweden, during the week of 22 October 2004 for two MCTI officials: Liviu Nicolescu, General Director IT Regulation, Standards, Anti Fraud and Security and Iulia Bumbac, Head of Service, Antifraud and Network Security; as well as for Mr. Gheorghe Serban, Executive Director of ANISP (National Association of ISPs).The purpose of this study was both learning about the experience of a country that created a CERT type organization under current global conditions. The RITI dot-Gov Project together with the participants in this Study Trip has drafted that discussed the major issues in implementing CERT in Romania.
	Cybersecurity issues are very well known at the MCTI level The security component is part of the activities of MCTI. MCTI has started collaboration with Hungarian CERT and with the ENISA (European Network for Information Security Agency) RITI-dot-Gov has information that the Ministry wants to include the creation of a CERT in the next year budget of MCTI.	The news MCTI staff requested Further capacity Building in Cyber Security. Training the new team in MCTI on the importance on the IT Security policies and the CERT issues. During the period 11-13 April, 2005 a study tour to look at how Hungary organizes CERT units took place. Three MCTI High officials formed the Delegation. The goal for the visit to the CERT facilities in Hungary was to raise awareness among the new staff in MCTI on the subjects related to IT security and on the need to create a government-oriented CERT in Romania. As a continuation of RITI: Policy project efforts to assist the MCTI in strategically organizing how it approaches information technology security issues, a study tour to the U.S. was organized 28 May – 9 June. This study tour was performed in USA with the assistance of Internews team in Washington. The MCTI team included the Minister, Mr. Zsolt Nagy, one of his state secretaries, Mr. Aurel Netin, Mr. Liviu Nicolescu, Director of Directorate for Regulations and Standards for Information Technology, Antifraud and Networks Security, and Mr. Andras Farkas, Counselor to the Minister.
	A hundred (100) public servants were trained in the basic aspects of information security, including IT Security matters. Many of the participants decided to implement the Standard 1799 in their respective institutions and therefore improved the IT Security in the Romanian public administration.	During May -July 2005, the company Infologica Silverline, with the assistance of RITI dot-Gov project team and MCTI staff carried out the planned five sessions of trainings on Management of Information Security for public servants serving in local and central public administration. The e-learning application that includes the Information Security Course will be available for other public servants who want to study the basic concepts related to Information Security and IT Security and will help as well increase on-line learning skills.

Cybercrime Capacity Building	Twenty six (26) Participants trained on the basic aspects of cybercrime from Craiova and neighbouring counties	The first training based on *The Introductory Guide for the Implementation of the Cyber Crime Legislation*[1] took place on 7 October 2004 in Craiova. Twenty six officials from a number of specialized agencies including the Craiova-based Police Units, the Prosecutor's Office, the Romanian Secret Service, and diverse units within the National Police Departments attended the workshop. Mr. Liviu Nicolescu, Director in the Antifraud & Security Division in the MCTI and Ms. Ramona Popescu, National Institute of Criminology, joined the RITI: Policy Project Director as part of the speaker's team for this workshop. Mr. Virgil Spiridon, Head of the Specialized Unit on Combating Cyber Crime in the Ministry of Internal Affairs and Ms. Ioana Albani also joined the training during the first afternoon session.
	Four (4) cybercrime workshops were organized in collaboration with the Ministry of Justice, for judges and prosecutors. A total of one hundred thirteen (113) participants were trained in the basic aspects of the Cybercrime issues and related issues.	Two cyber crime workshops took place in June, 2005- in Brasov and Bucharest workshops for judges and prosecutors – especially from local offices - took place with the assistance of the Ministry of Justice (MOJ). The *third* workshop on cyber crime for judges and prosecutors took place in Timisoara. Thirteen participants from Timisoara and neighboring counties. The fourth and final cyber crime training was held 26 September in Iasi. The workshop had 20 participants, most of them judges from all over Moldova. An important portion of the workshop focused on vulnerabilities of computer programs, the types of attackers using the Internet and the skills needed to commit a cyber crime with the tools existing today. In the last two courses, three technical experts from the Institute for Advanced Technologies (part of the Romanian Secret Service) joined the team. They have explained what domains can cover their expertise and how can they help with computer and computer networks expertise in the cyber crime cases.
NEW STAFF- Capacity building for the new Generation	MCTI hired new staff in two phases in June and mid-July for the Information Technology Division. This increase in human resources was really needed as the Ministry was previously seriously understaffed. As the new staffs are young and relatively inexperienced, the MCTI asked RITI: Policy to provide specialized training for the new staff. Six courses were organized; four of which were dedicated to improvement of IT skills (Computer Networks, Operating systems and servers: Microsoft and Linux, Databases).	
Capacity building in: *Legislative drafting training.*	Twenty-one (21) mostly new employees, from all divisions of the MCTI participated in the course.	The course took place on 12-13 July 2005 with an expert from the Romanian Legislative Council. The participants will have to draft normative acts as part of their jobs. Exercises on the legal acts already submitted by MCTI for public consultation and the identification of the errors in these acts completed the course. The participants also received a handbook with the course materials that they will be able to consult as they undertake their work.
Capacity Building in: **Information Technology**	Four (4) IT courses were organized for the period 22 August – 1 September. Eighty (8) people from the IT Division in MCTI were trained and they are now able to implement different IT projects	-The *first* course, Introduction to Computer Networks, had eight MCTI employees of the Information Technology Division. The *second* course was an overview of the history and current state of open source operating systems. The *third* course specifically focused on Microsoft Server applications

---

[1] The Guide was mentioned in the previous quarterly report.

	developed by MCTI in the autumn.	and was attended by six staff of the MCTI Information Technology Division The final IT course, Databases, for the same six participants, focused on how to design, create and manage databases, implement data integrity techniques, use Transact-SQL to query a database.
Capacity Building in: **Communication Skills**	Twelve (12) participants attended the Communication training for MCTI staff from the IT Division Section.	The Communications training took place with 5-6 September 2005. Issues approached among others- Communication styles. Non-verbal communication. -Identifying communication problems/challenges within the team/ institution. -Team work - analyzing communication challenges/blockings.
Capacity Building through the Sub-grant to the Association for Internet and Technology	*As part of laying the ground for the continuity of activities after the Project close-out, RITI-dot-Gov contributed to the creation of the Association for Technology and Internet provided. Part of this contribution was the awarding of a sub-grant to carry out activities that directly built on RITI-dot-Gov's achievements. The activities carried out through this sub-grant were:*	
Self-Regulation In information society services	Raising awareness on the self-regulation possibilities in Romania in the ITC sector Identifying the Status of self-regulation in Romania Developing Principles for a code of conduct for ISPs and/or Internet Content providers together with ANISP	Workshop on self-regulation- APTI held the workshop on self-regulation activities on 1 July, 2005 with Thirty individuals, all directly involved in the field of electronic services. The active and open discussions on this topic focused on finding the best ways to implement self-regulation in this field. A report on self-regulation opportunities was drafted by APTI with active involvement by other stakeholders and the Project. following the workshop ideas and findings. The report is in Romanian and freely distributed to anyone via the Internet. The report has been further publicized by APTI in the beginning of October 2005... Code of conduct. For the principles for the code of conduct for the ISPs, the ANISP and two APTI experts and the Project staff met many times to define the objectives, identify codes of conduct developed in other countries and contrive the best mechanism for voluntary enforcement of these self-regulation solutions in Romania. APTI has also agreed to continue the work on these issues further, even though the sub-grant from RITI dot-Gov was accomplished.

Objective: 2 Technical Assistance to *prepare the legislation and regulations on telecommunications reform, open Market and electronic commerce*

Element(s) Covered 3

Results expected: Establishment of a regulatory framework that promotes both an enabling environment for a competitive ICT Sector and the creation of operations via e-commerce.

Category	*Indicators*	*Activities*
3G documents for Tender	The tendering process for the *third generation mobile (3G) networks and services* has been publicly launched by the Ministry of Communications and IT. 2 Licenses were sold by MCTI to the main telecom operators – Connex and Orange, who started to provide 3G services in 2005.	The tendering process following very closely proposals by RITI dot-Gov allowing an open and fair allocation of the licences.

e-Government www.egeec.org	. Drafting and publishing the Guide *"Using Computers and Electronic Services – a Guide for Public Servants"* The official launch of the Romanian language guide produced by RITI: Policy *"Using Computers and Electronic Services – a Guide for Public Servants"* took place at MCTI in Bucharest on 9 May, 2005. The Guide was distributed to 1 500 public servants all around the country and the Guide is available for free download on the Internet	*MCTI Requested a Guide on e-Government* The event had the presence of the MCTI Minister Mr. Zsolt Nagy, Mr. Rodger Garner, USAID Mission Director in Romania, other officials from MCTI and USAID. 1,500 copies were printed/ Representatives from the Ministry of Administration and Domestic Affairs, local administration associations, the Ministry of Education, the Ministry of Transports, the Bucharest City Hall, the Ministry of Environment, the National School of Administrative and Political Studies and members of the press also attended the launch event. All persons attending the launch received hard copies of the copies of the Guide.
	Ninety (90) ICT Specialists from Romania and Eastern Europe attended the Eastern Europe e-Gov Conference focusing on local e-Government and Public –private partnerships. This unique conference was Organized by RITI-dot Gov, in collaboration with USAID, MCTI and the e-Romanian Gateway. The conference was held on September, 12-13, 2005 at Sinaia, Romania. * As a result of the Conference a comprehensive document containing the findings and conclusions of the event was produced. The Takeaway document has been greatly received by participants who contacted RITI staff to let them know how the document will help them in their future endeavours.	eGEEC's objective was to share experiences and best practices by learning about local e-government projects that were developed and financed through Public-Private Partnerships (PPP) in throughout the Eastern and South Eastern Europe region. The representatives of public authorities, private sector, civil society or university representatives addressed showed the best practices in the e-Government local applications. Seventeen (17) Participants from South-East European countries (Bulgaria, Macedonia, Turkey, Latvia, Estonia, Belarus, Ukraine, Armenia and Serbia) had the opportunity to share experiences with the Romanian participants from all the sectors. The State Secretary on Information Technology, Mr. Aurel Netin said that the Ministry should build a database of successful local e-government projects, in collaboration with perhaps a civil society organization such as the *eRomania Gateway*. Also the MCTI Minister Zsolt Nagy announced, for the first time, that the Ministry initiate a national survey on the current e-government projects, which will serve as a base for their further work and which can inform the Digital City project.
Time Stamping.	The Romanian President promulgated the time-stamping law which officially took effect on the first week of December, 2004 and was published in the *Official Monitor Gazette.*	The final version is very much based on RITI: Policy's recommendations: implement a simple system based on having time-stamping service providers (meeting minimum security and reliability conditions as approved by an independent auditing report) notify the Electronic Signature Authority.
Universal Service Obligation	ANRC changed its implementation strategy and accepted the RITI suggestion in creating a partnership with the local authorities. According with the new framework agreement – 40 Telecenters will be opened until the end of 2005. Five (5) Telecenters created by ANRC are already in operation.	MCTI requested the RITI: Policy Project Director to make an extensive presentation of the Telecenter pilot-activity undertaken in 2003 and 2004 highlighting the main lessons learned and results in a public meeting on a better implementation of the US law in collaboration with the private sector and ANRC. RITI-dot-Gov's Project Director underlined all the aspects that were changed in how the ANRC decided to implement the Universal Service law.

	On 1 September, 2005 the ANRC launched the public tender process for the installation of 40 Telecenters in the first set of rural localities with no telephone connections. Each "universal service provider" tender winner will install a telecentres in the specific locality which has been selected, facilitating the inhabitants' access to telephone, facsimile and Internet services.	This approach closely follows the suggestions provided by the RITI-dot Gov Project, and is based on a partnership with the local authorities and limits the responsibilities of the "universal service providers."
Open Standards Policy and Virtual Private Networks	The open standards report and Virtual Private Networks reports were delivered to the Ministry.	MCTI specifically requested a consultant, to provide technical assistance to the MCTI on Open Standards and Virtual Private Networks Mr. Marion Richburg was contracted and produced two draft reports on these topics. Mr. Richburg's draft recommendations on Open Standards were problematic and his report was withdrawn by USAID/Romania on 24 June 2005. Mr. Richburg takes took full responsibility for <u>all opinions</u> expressed in his draft reports. Internews provided memos regarding Mr. Richburg's consultancy to USAID on 6 July. RITI: Policy is <u>not</u> distributing Mr. Richburg's draft reports and is <u>not</u> involved with the MCTI discussions concerning Open Standards.

Objective 3: Extra activities promoting an increased awareness of ICTs in Romania and an enabling environment for an ICT open market.		
Results Expected	*Sector Benefited*	*Activity Description*
Results expected Creation of stronger vincula among ICT actors. Share ideas, learn from each other. Promote creativity in the ICT sector.	*Regional Cooperation* *Intellectual Property development*	Mr. Bogdan Manolea participated in the invitation by the Training Coordinator at the Regional Security Office within the US Embassy to give a presentation at the Intellectual Property seminar organized by the US Embassy 30 August - 3 September 2004 for the law enforcement authorities. The presentation focused on the challenges that the Internet creates in relation to the Intellectual Property protection.
	Cybercrime Regional Cooperation *Advising the US companies on the cybercrime issues*	Mr. Manolea participated in and gave a presentation at the OSAC (Overseas Security Advisory Council) meeting at the US Embassy Public Diplomacy building, held on 22 September... His presentation was titled "Cyber Crime Impact on Business."
	International Cooperation and Vincula creation	By suggestion of the Department of State, RITI dot Gov coordinated the participation Minister Nagy at the "Supercomm" Conference in Chicago which is the most important and extensive even on ICTs in the US (and highly recommended by Ambassador David Gross, U.S. Coordinator, International Communications and Information Policy, U.S. State Department). Minister's Nagy spoke to the audience in the International Panel and held meetings with Ambassador Gross during the event.
	Market Openness & Foreign Direct Investment	In collaboration with the US Department of Commerce's Central and Eastern Europe Business Information Center CEEBIC, RITI-dot Gov organized an event for the Romanian Delegation (IT Study tour, 2005) to meet with American ICT companies interested in investing Romania. The 20 attending companies had the opportunity to network with the State Secretary, Aurel Netin and the rest of the Romanian Officials.

ANNEX II TRAININGS PROVIDED BY TECHNICAL EXPERTS
ACA No. 186-A-00-02-00101-00
Under dot-GOV Leader with Associates Cooperative Agreement No. GDG-A-00-01-00009-00 implemented by Internews Network, Inc

Training: Basic Regulatory Training	
2002 (September 16-20)	
Foreign Consultants:	Nunno, Richard (FCC)
	Defraigne, Philippe (Cullen International)
	Afleck, Vincent (Oftel)
	Dickie, John (ECTA)
Local Consultants:	Vasilescu, Andrei (National Center for Science and Communication – Romania)
Aim:	Training on regulatory policies and practices in the US and Europe for the new regulating authority (ANRC) staff.
Impact:	This was the first training implemented by RITI|dot.GOV for the new staff of the ANRC. This training reached a cross-section of ANRC staff from different levels, backgrounds and knowledge. The training created a positive change in the attitudes of staff members in regards to understanding how a modern regulatory authority must operate. Following the training, a strong team spirit was created within the staff members. The training gave the staff the ability to understand the true intentions of a regulatory authority.

Workshop: New Electronic Communications Market for Private Sector	
2002 (October 10)	
Foreign Consultants:	Defraigne, Philippe (Cullen International)
	Nording, Olof (Telia-Brussels)
Local Presenter:	Hirtan, Alexandra (Vice President, ANRC)
Aim:	This workshop was aimed at presenting the Romanian private sector with opportunities in the newly de-regulated communication market, as well as acquainting the private sector with the new regulatory authority (ANRC) and its policies.
Impact:	The workshop clearly improved the opportunity for companies to evaluate the market opportunities, with a better understanding of key financial and legal considerations. The participants of the workshop learned new valuable information in regards to events that took place in other countries at the time that the markets were opened to competition. The necessity and usefulness of the workshop was demonstrated in the participation of the attendants. The participants asked relevant questions thereby demonstrating the serious intent of the companies in attendance to enter the market.

Training: Public Relations for ANRC staff	
2002 (November 19)	
Foreign Consultants:	Dieter, Loraine – (Bosnia – Independent Consultant)
Aim:	Effective/efficient communication means to disperse information within the ANRC, as well as general communication techniques. Effective and efficient dissemination of information to the press and the public sector.
Impact:	The impact of the training was evident in the awareness of the PR division of the ANRC to the necessity in assessing potential crisis and the need to prepare necessary actions in the case of that such situation should arise. The staff gained a forward looking and proactive attitude to deal with difficult situations, if and when they should occur. Assessing the image of the ANRC in the Romanian society today, we may consider that the workshop provided positive and useful advice in regards to the activities of a PR department of a government institution. This is vital to the role of the ANRC to educate the Romanian citizens about the benefits and difficulties that an open communications market involves. Studies have shown that without citizen awareness, citizens cannot participate and add a demand to the market.

Workshop: Interconnection and Access for ANRC	

2003 (January 6-7)	
Foreign Consultants:	Groebel, Annegret (German – Independent Consultant)
Aim:	This workshop intended to present and discuss the subject of accessing interconnection policy and its effective implementation in an open electronic communication market. The workshop included a discussion on the means to reach dispute settlements.
Impact:	Access and Interconnection are two inter-related, main issues for a competitive telecommunication market. These issues are complicated for any regulator. The participants (economic regulation and legal division of the ANRC) were actively involved in discussion possible solutions to disputes that had taken place in other countries. The workshop helped the participants understand complicated technical aspects that were used in decisions made during 2003 by the regulator that had direct influence on the development of a competitive market.

Training: Universal Service for ANRC and MCTI	
2003 (March 18-20)	
Foreign Consultants:	Scanlan, Mark (Cullen International)
	Guettler, Jan H. (Cullen International)
Aim:	The aim of this training was to illustrate international experience, especially of the European Union in universal service obligations and to stress this important concept to the ANRC and MCTI.
Impact:	The timing of this training was vital because it was during the time that the Law on Universal Service was being debated in the Romanian Parliament. The workshop emphasized the need to have a pragmatic approach in implementing universal service obligations, adopting the concept to the economic restrictions in Romania and the need to encourage economic growth. The workshop permitted the discussion of different solutions that could provide better telecom services to poor and rural areas. This was the start point for the RITI|dot.GOV telecenter activities and defining the policy and implementation strategy of the universal service law. Today, telecenters are one of the major objectives in this policy. We have proven that this is the best solution for Romania for access to electronic communication in poor rural areas. The introduction of the universal service obligation law was also an important step in satisfying requirements for entry into the European Union.

Training: Frequency Management for MCTI and IGCTI	
2003 (May 22-23)	
Foreign Consultants:	Hatfield, Dale (University of Colorado, Boulder – Department of Interdisciplinary Communications)
Aim:	This training was aimed at providing the MCTI new staff members and General Inspectorate for Communications and IT (IGCTI) with information regarding radio frequency spectrum management, including wireless technologies and applications. The workshop also focused on FCC reforming its process of spectrum management and the importance of international aspects of spectrum management.
Impact:	The participants learned to see spectrum management as a critical component of telecommunication policy and regulation. They have discussed ways in reducing the administrative obstacles/rigidities of the method at that time of spectrum management and to develop appropriate incentives for an efficient use of the resource. The workshop was very useful, taking into consideration the number of licenses of radio spectrum that have been distributed through auctions by the MCTI during 2003 and 2004.

Training: Management for ANRC Staff	
2003 (May 26-28)	
Trainers:	ASEBUSS Company – Simona Podgoreanu, Lavinia Rasca, Alexandrina Deaconu
Aim:	Provide ANRC staff with management training, concentrating on organizational communications, organization strategy, human resource management, organizing and control functions, change, and development. The staff at the training consisted of middle management positions.
Impact:	This training led to the improvement of management skills for staff, many of which were new. The result was giving vital skills to the future managers of the ANRC. This workshop contributed to the fact that for the past three years and presently, the ANRC top management team has remained unchanged. As a result, the team has proven to be effective in assuring the stability of the regulator, and consequently of the implementation of vital policy, and stability in the market environment.

Consultancy: Accounting Separation for ANRC	
2003 June (2-6)	
Foreign Consultants:	Steingrover, Markus (Detecon International GmbH)
Aim:	This consultancy was aimed in helping the ANRC Financial Department in finding solutions for accounting separation, an extremely important issue for the Romanian regulating authority during that time. The training led to a discussion on cost methodologies and helped the ANRC in elaborating a regulation on accounting separation.
Impact:	Background: In the beginning of 2003, ANRC published a draft regulation on accounting separation, initially to the incumbent *RomTelecom* and later to several mobile operators. It was estimated that as a result of the proposed legislation, the incumbent would incur costs in access of USD 8 million and the positive impact on competition would be minimal. Training: Markus Steingrover, the expert hired by RITI|dot.GOV focused his discussions with the ANRC on the purpose behind the legislation, relevant international experience, and alternative Romanian approaches. Following these discussions, the first draft was withdrawn by the ANRC and the new draft was developed in line with the recommendations provided by the RITI|dot.GOV project. The impact of this activity convinced the ANRC to produce a regulation on cost accounting issues that did not create burdensome obligations for the operators and at the same time stimulated competition.

Training: Basic Computer for Telecenter Staff	
2003 (September 24-26)	
Local Consultants:	Dinu, Cristian
Aim:	Before RITI|dot.GOV project began, a pilot project implemented by Internews | dot.GOV to build telecenters in rural areas to satisfy the application of universal service standard. The aim of this training was to provide basic skills in computer use for the operators of the telecenters that were created. In addition to basic computer training, this also included the general administrative matters related to running/managing a telecenter.
Impact:	Following the training, the staff in the four telecenters had gained the appropriate skill set to run a telecenter and use the equipment properly. When RITI|dot.GOV made follow-up visits to the telecenters, we determined that further training for IT skills were necessary. Additional trainings were organized by a Romanian company, Silveco in 2004.

Training: Basic Regulatory Training	
2002 (September 16-20)	
Foreign Consultants:	Nunno, Richard (FCC) Defraigne, Philippe (Cullen International) Afleck, Vincent (Oftel) Dickie, John (ECTA)
Local Consultants:	Vasilescu, Andrei (National Center for Science and Communication – Romania)
Aim:	Training on regulatory policies and practices in the US and Europe for the new regulating authority (ANRC) staff.
Impact:	This was the first training implemented by RITI|dot.GOV for the new staff of the ANRC. This training reached a cross-section of ANRC staff from different levels, backgrounds and knowledge. The training created a positive change in the attitudes of staff members in regards to understanding how a modern regulatory authority must operate. Following the training, a strong team spirit was created within the staff members. The training gave the staff the ability to understand the true intentions of a regulatory authority.

Training: Basic Regulatory Training	
2002 (September 16-20)	
Foreign Consultants:	Nunno, Richard (FCC) Defraigne, Philippe (Cullen International)

	Afleck, Vincent (Oftel)
	Dickie, John (ECTA)
Local Consultants:	Vasilescu, Andrei (National Center for Science and Communication – Romania)
Aim:	Training on regulatory policies and practices in the US and Europe for the new regulating authority (ANRC) staff.
Impact:	This was the first training implemented by RITI|dot.GOV for the new staff of the ANRC. This training reached a cross-section of ANRC staff from different levels, backgrounds and knowledge. The training created a positive change in the attitudes of staff members in regards to understanding how a modern regulatory authority must operate. Following the training, a strong team spirit was created within the staff members. The training gave the staff the ability to understand the true intentions of a regulatory authority.

Consultancy: Improving the Development of Competition in the Romanian Communications Market	
2003 (October 1-6)	
Foreign Consultants:	
	Defraigne, Philippe (Cullen International)
	Blondeel, Eves (Belgian – Independent Contractor)
Aim:	This consultancy aimed at evaluating the affects of regulatory interventions taken by the ANRC on the behavior of different players in the market. It assessed how the regulatory interventions had contributed to the foreseen changes in the market. This consisted of meetings with several private companies, the ANRC and the MCTI. The result was a report to the ANRC/MCTI with suggestions on solutions for improving competition in the Romanian market. The evaluation had the intention of proposing modifications to the ANRC, thereby helping encourage more companies to enter the market.
Impact:	The results of the regulatory review were presented to the ANRC Presidency at a meeting with key staff on 6 October 2003. The meeting lasted the entire day, filled with many fruitful discussions. The impact of the regulatory review could be clearly seen in November 2003. At that time, the ANRC published a number of draft changes to previous ANRC decisions, as well as new draft decisions. These drafts reflected many of the proposals by RITI|dot.GOV in the regulatory review. The President of the ANRC clearly stated that the ANRC would follow up on the recommendations received. The review confirmed many of the difficulties faced by new market entrance. Consequently, corrective actions were taken by the ANRC to improve the situation.

Training Frequency Management II for MCTI and IGCTI	
2004 (February 11-13)	
Foreign Consultants:	Shah Nitin (US – Independent Contractor)
Aim:	The training was a follow up to the 1st Frequency Management training. This time the focus was on new wireless applications. The expert, Mr. Nitin, participated in separate meetings with the Minister on the topic of new wireless applications and the introduction of the 3G mobile networks and services in Romania.
Impact:	The focus of this training on new wireless applications was specifically requested by the MCTI because it had a great potential to become successful in Romania, as an alternative to the inadequate wire-based network. The importance of this training was demonstrated by the attendance and opening remarks of by the Minister himself who requested active participation from trainees. The final tests demonstrated that the participants assimilated the information presented.

Feasibility Study on Potential Broadband Solutions for Romania for the MCTI	
2004 (June 17 – 23)	
Foreign Consultants:	Holscher, Gregory R. – (US Independent Consultant)
Aim:	From a technical point of view, broadband can be established anywhere. However, due to lack of basic infrastructure in Romania, the cost would frequently be prohibitive. MCTI has previously given an impression of disregarding the cost aspect. The purpose of the study was to bring practical aspects and realistic expectations into the discussion. The focus was not only technical techniques, but also possible financial obstacles. The study aimed to provide useful input to the MCTI and World Bank Projects, "Knowledge Based Economy."

Impact:	The reaction from the Ministry in regards to the study indicated that the report, rightly served its purpose. Representatives of the Ministry have clearly listened to our arguments on the need to first and foremost assess the potential need for and relevance of certain transmission capacity in specific cases. The study provided the Ministry with improved knowledge and background material for future decisions, especially for the development of the "Knowledge Based Economy Project." As the end of 2004, the document was used by the Ministry as a starting point for the broadband policy that needs to be adopted. Also, the new government in 2005, requested a copy of the report in order to give them an overview of the potential broadband solutions.

Training: Cyber-crime for Authorities Implementing Legislation on computer crimes (5 trainings)

2005-2005 (Oct. June. Sep.)	
Local Consultants:	Ion Georgescu
Aim:	Training of the local representatives in law enforcement authorities officers (police, prosecutors, and judges) on the technical and practical issues that arise in cybercrime cases.
Impact:	100 local law enforcement authorities were trained. This is the first training on this topic in Romania designed to provide the inexperienced law enforcement authorities with basic information of the relevant computer and internet aspects, the legal cyber-crime framework, and the practical aspects of the forensic activities.

Consultancy: Open Standards for the MCTI

2005 (March 28 – April 2)	
Foreign Consultants:	Richburg, Marion – (US Independent Consultant)
Aim:	Providing technical assistance to MCTI on open standards and digital private networks.
Impact:	Mr. Richburg produced two draft reports on the above topics. Mr. Richburg's draft recommendation on open standards was problematic and his report was withdrawn by RITI|dot.GOV on 24 June 2005.

Training: Management of Information Security for Local Administration

2005 (May, June)	
Trainers:	Infologica Company – Romanian
Aim:	Building awareness regarding information and cyber-security within public administration. Training the public servants from national and local public administration bodies on the information security issues with a focus on the implementation on the ISO Standard 1799 in their appropriate institutions.
Impact:	This was the first training of this character that was created and performed in Romania with a special focus on public administration. Through the course 100 public servants were trained in the basic aspects of information security, including IT Security matters. Many of the participants decided to implement the Standart 1799 in their respective institutions and therefore improved the IT Security in the Romanian public administration.

Training: Legislation Drafting for MCTI Staff

2005 (July 12 – 13)	
Local Consultants:	Gabriel Popa – Romanian Independent Contractor
Aim:	Train MCTI new employees on the legislative drafting techniques that are imposed by the Romanian legal system.
Impact:	21 participants from the MCTI, mostly new employees with no legal background were training in order to understand the procedure that must be followed for approving any type of normative act. MCTI is the initiator of many normative acts, making this course necessary for the new staff to prevent errors and to make them more effective in carrying out their duties in an efficient manor.