



**National Regulatory Agency for Electronic  
Communications and Information Technology**

# **ANRCETI Activity Report for 2017**



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## ANRCETI's mission and objectives for 2017

ANRCETI is the central public authority that regulates and monitors the activities in the fields of electronic communications, information technology and postal communications, ensures the implementation of the development strategies of these sectors, as well as the observance of the existing legislation to ensure that providers of electronic communications networks and/or services to obtain and exercise the right of access to properties and shared use of the infrastructure associated with public electronic communications networks.

At the same time, ANRCETI has the mission to protect the rights of end-users of electronic communications and postal services, by promoting competition on these markets, ensuring the efficient use of limited state resources, encouraging efficient infrastructure investments and innovations.

The strategic objectives of ANRCETI's activity in 2017 focused primarily on promoting competition in its regulated sectors, developing electronic communications networks and encouraging shared use of physical infrastructure, increasing the use of broadband access services, optimizing the use of limited state resources, enhancing the development of the postal services market, increasing the benefits and freedom of choice for end-users of electronic communications services.

In order to achieve these objectives, ANRCETI has undertaken a set of actions and measures designed to contribute to:

- promoting efficient competition on electronic communications markets by taking ex-ante

regulatory measures on these markets;

- continuation of implementation of the Law on access to properties and shared use of the infrastructure associated with public electronic communications networks no. 28 of 10.03.2016;
- implementation of the general authorization regime for the provision of postal services;
- optimization of the general authorization procedure for the provision of electronic communications services;
- monitoring providers' observance of the obligations provided in normative acts and preventing deviations from their requirements;
- promoting measures to protect the rights of end-users of electronic communications and postal services.

It is notable that on August 18, 2017, given the entry in force of Law no. 135 of 07.07.2017 amending and supplementing the Law on Electronic Communications no.241-XVI of 15.11.2007, as subsequently amended and supplemented (hereinafter - *Law no. 241/2007*), ANRCETI initiated the procedure of bringing the issued regulatory acts in accordance with the new provisions of *Law no. 241/2007*.

More information about the issued acts, actions and measures taken by ANRCETI in 2017 are available further in this Report. It was drafted in accordance with art. 11 section 11 of *Law no. 241/2007*, which provides that ANRCETI has the obligation to publish annually, by April 30, the report on its activity and the statistical yearbook on the development of electronic communications in the previous year.

# 1 Regulatory framework development

*In 2017, ANRCETI continued the process of drafting and adopting acts regulating the activities in the field of electronic communications and postal communications under Law no. 241/2007 and Law on Postal Communications no. 36 of March 17, 2016 (hereinafter „Law No. 36/2016”), in order to implement the strategy for electronic communications development of and policy documents in the field of postal communications, to promote effective competition on these markets, to protect the legitimate rights and interests of end-users of those services.*

*Most of the regulatory acts issued by ANRCETI in the reporting year refer to ex-ante regulation of relevant markets in the field of electronic communications by imposing on providers designated with significant power on the relevant markets mandatory requirements related to ensuring the interconnection of networks and access to electronic communications networks and/or services and user protection.*

## 1.1 Regulation of electronic communications

In addition to the ex-ante regulation of relevant markets, the regulatory activity of electronic communications included a review of a number of regulatory acts, in order to bring them into line with amendments to the primary legislation, but also to implement the new recommendations of international standardization bodies.

Among the regulations reviewed by ANRCETI are Administrative Board Decision no. 11 of 07.04.2010 on regulation of access to public electronic communications services provided through access codes „1600-1639” and Administrative Board Decision no. 79 of April 17, 2009 regarding regulation of provision of services by *Free phone* numbers in public electronic communications networks, as well as the procedure for administration of telephone numbering resources, approved by Administrative Board Decision no. 58 of 21.12.2010.

Taking into account the amendments made to the legislation relevant to the areas of ANRCETI competence, by Law No. 135 of 07.07.2017 amending and supplementing *Law No. 241/2007* and by Law No. 185 of 21.09.2017 amending and supplementing a number of legislative acts (hereinafter - *Law No. 185/2017*), which establishes new requirements for the authorization and licensing of entrepreneurial activities, ANRCETI reviewed the Regulation on general authorization regime and licensing the use of limited resources for the provision of public

electronic communications networks and services, approved by Administrative Board Decision No. 57 of 21.12.2010. Taking into account the significant volume of changes made in this normative act, ANRCETI developed and approved, by Administrative Board Decision No. 54 of 28.12.2017, in a new version, the Regulation on general authorization in the field of electronic communications and the standard forms of applications for issuing or extending licenses for the use of radio frequencies and numbering resources.

ANRCETI also amended by Administrative Board Decision No. 8 and 9 of March 30, 2017, the Special License Conditions for the use of frequencies/radio channels in 470-694 MHz frequency band, for the purpose of providing electronic communications networks and services in the digital terrestrial television system in the multiplex A and multiplex B respectively, operated by State company „Radio Communications”.

These modifications transposed into the special license conditions the provisions of the Government Decision No. 52 of 01.02.2017, which establish the use of the H.265 or H.264 video compression standard. The use of this standard will result in more efficient use of the data stream transmitted through the digital television channel and will allow the transmission of a larger number of television program services in the frequency band of the digital TV channel.

### 1.1.1 Analysis of relevant markets and ex-ante regulatory measures

In accordance with the provisions of *Law No. 241/2007*, ANRCETI identifies the relevant markets and conducts market analyzes to determine whether the respective markets are sufficiently competitive and to impose, maintain, modify or withdraw the special ex-ante obligations imposed on providers with significant market power. ANRCETI performs this action based on the Regulation on identification and analysis of relevant electronic communications markets and designation of electronic communications networks and/or service providers with significant market power on those markets, approved by Administrative Board Decision nr. 55 of 29.12.2008.

Pursuant to the requirements of *Law No. 241/2007*, in 2009, by Administrative Board Decision No. 85 of 28.04.2009, ANRCETI defined the list of relevant markets for electronic communications networks and/or services. In defining this list, ANRCETI took into account the European Commission Recommendation 2007/879/EC on relevant product and service markets in the electronic communications sector, which can be subject to ex-ante regulation. Starting from the



fact that in 2014 the European Commission approved Recommendation 2014/710 / EU revising the list of relevant electronic communications markets recommended for ex-ante regulation and redefining wholesale access markets at fixed locations, ANRCETI has proposed in the 4<sup>th</sup> iteration of the relevant market analysis, launched in 2016, to analyze these markets in terms of their compliance with those specified in the European Commission Recommendation 2014/710 / EU.

As a result of 4<sup>th</sup> round of analysis of markets for wholesale access at fixed locations, performed on basis of Recommendation 2014/710/UE, ANRCETI re-defined them as follows:

- market of wholesale access to network infrastructure at a fixed location into market for wholesale local access provided at a fixed location;
- wholesale broadband access into wholesale central access provided at a fixed location for mass-market products;
- wholesale terminating segments of leased lines, irrespective of the technology used to provide leased or dedicated capacity into wholesale high-quality access provided at a fixed location.

In view of Recommendation 2014/710 / EU, ANRCETI also made the above-mentioned amendments to Administrative Board Decision No. 85 of April 28, 2009 regarding the definition of the list of relevant markets for electronic communications networks and/or services.

Per total, during 2017 ANRCETI performed the 4<sup>th</sup> round of market analysis for six markets for electronic communications networks and/or services, as follows:

- 1) Market of access to the public telephone network at a fixed location for residential and non-residential customers (Market 1);
- 2) Market for call termination on individual public telephone networks provided at a fixed location (Market 3);
- 3) Wholesale local access provided at a fixed location (Market 4);
- 4) Market for wholesale central access provided at a fixed location for mass-market products (Market 5);
- 5) Market for wholesale high-quality access provided at a fixed location (Market 6);
- 6) Market for wholesale trunk segments of leased

lines, irrespective of the technology used to provide leased or dedicated capacity (Market 8).

#### ***Market of access to the public telephone network at a fixed location for residential and non-residential customers***

As a result of the 4<sup>th</sup> round of analysis of the market for access of end-users, natural and legal persons, to a fixed location of the public telephone network (Market 1), ANRCETI concluded that the definition of the respective market does not differ from the one established in the previous three rounds of market analysis in terms of market boundaries. Geographic boundaries have been determined to be national territory, while the Three-Criteria Test proved that this market is still susceptible to ex-ante regulation.

The detailed analysis of Market 1, which reviewed a number of criteria that ANRCETI considered appropriate for this market, showed that JSC „Moldtelecom” continued to have significant market power on this market and was designated, by Administrative Board Decision No. 52 of 28.12. 2017, as a provider with significant market power

By the same Decision, the Administrative Board concluded to maintain the special ex-ante obligations previously imposed to JSC „Moldtelecom” as a provider with significant market power on Market 1.

#### ***Market for call termination on individual public telephone networks***

The analysis of the Market for voice call terminating on individual fixed telephony networks (Market 3) was started by ANRCETI in 2016 and completed, including by taking ex-ante regulatory measures in 2017.

Following the analysis of Market 3 identification, ANRCETI's conclusion on defining this market as regards its boundaries was the same as in the previous rounds, the geographic boundaries of the market under consideration were determined as the national territory, and the Three-Criteria Test proved that the market is still susceptible to ex-ante regulation

Detailed analysis of Market 3 showed that all fixed telephony providers have significant power in call termination markets in their own fixed telephony networks, but the power to influence downstream markets is different between JSC „Moldtelecom” and other providers. Thus, all fixed telephony providers were designated by Administrative Board Decision No. 11-30 of March 30, 2017 as providers with





significant market power on call termination market in their own fixed telephony networks.

By the same decisions, the Administrative Board decided to maintain the ex-ante special obligations previously imposed on the providers with significant market power on Market 3 and imposed on them the application of new maximum prices which can be levied by the offering provider for the provision of the call termination service in his own individual fixed telephony network. According to ANRCETI decisions, these prices will be gradually diminished in five stages of half a year each, between 01.07.2017 and 01.07.2019 in order to bring them to the level of the costs identified by ANRCETI during the market analysis performed in 2016.

#### ***Market for wholesale local access provided at a fixed location***

After the first three rounds of analysis of the market for wholesale access to the network infrastructure, carried out in accordance with Recommendation 2007/879 / EC, in 2017 ANRCETI performed this task in line with Recommendation 2014/710 / EU and redefined this market in Market of wholesale local access services provided at fixed locations (Market 4).

As a result of the analysis to identify Market 4, ANRCETI found that this market comprises total unbundled access services to the local copper loop and sub-loop, shared access to the local copper loop, total access to the local loop based on fiber optic and virtual local unbundled access (VULA - virtual unbundled local access). The geographic boundaries of the market were determined as the national territory, and the Three-Criteria Test proved that this market is susceptible to ex-ante regulation.

Based on the findings of the detailed analysis of Market 4, ANRCETI approved the Administrative Board Decision No. 42 of 14.11. 2017 on ex-ante regulation of this market, by which JSC „Moldtelecom“ was designated as a provider of significant market power on this market. By the same decision, ANRCETI maintained the special ex-ante obligations previously imposed on JSC „Moldtelecom“ on the market for wholesale access to network infrastructure at a fixed location and further imposed the obligation to provide unbundled virtual local access (VULA), including the associated facilities as part of the obligations on Market 4.

#### ***Market for wholesale central access provided at a fixed location for mass-market products***

Following the 4<sup>th</sup> round of analysis of the market for wholesale broadband access, as advised by the Recommendation 2014/710 / EU, ANRCETI redefined this market in the wholesale central access services provided at fixed locations for large mass-market products (Market 5).

The Market 5 identification analysis showed that it includes bit stream access services based on copper and fiber optic networks. The geographic boundaries of the market were determined as the national territory, and the Three-Criteria Test proved that this market is susceptible to ex-ante regulation.

Based on the findings of the detailed analysis of Market 5, by Administrative Board Decision No. 43 of November 14, 2017, ANRCETI designated JSC „Moldtelecom“ as a provider with significant market power on this market and maintained the ex-ante special obligations previously imposed on JSC „Moldtelecom“ on the wholesale broadband access market.

#### ***Market for wholesale high-quality access provided at a fixed location***

ANRCETI performed the fourth round of analysis of the market for wholesale provision of terminal segments of leased lines, irrespective of the technology used to make available leased or reserved capacity in accordance with Recommendation 2014/710 / EU and redefined this market in the Market for wholesale high quality access services provided at fixed locations (Market 6).

The analysis to identify Market 6 showed that this market includes services for the provision of terminal segments of leased lines, regardless of transmission links, used technologies and transmission capacities, for making available leased or reserved capacity. The geographic boundaries of the market were determined as the national territory, and the Three-Criteria Test demonstrated that this market is susceptible to ex-ante regulation.

Based on the findings of the detailed analysis of Market 6, ANRCETI Administrative Board approved Decision No. 53 of 28.12. 2017 on ex-ante regulation of this market, by designating JSC „Moldtelecom“ as a provider with significant market power on this market and maintaining the ex-ante special obligations previously imposed on this provider on the market for wholesale provision of terminal segments of leased lines, irrespective of the technology used to make available leased or reserved capacity.



### **Market for wholesale trunk segments of leased lines, irrespective of the technology used to provide leased or dedicated capacity**

Following the 4<sup>th</sup> round of analysis of the market for the wholesale supply of trunk segments of leased lines, irrespective of the technology used for the provision of leased or reserved capacity (Market 8), ANRCETI's conclusion regarding the definition of this market in terms of its boundaries, was the same as in previous rounds of analysis, and the geographic boundaries of the market were determined as the national territory.

At the same time, the Three-Criteria Test, applied by ANRCETI in Market 8 analysis, showed that this market is not susceptible to ex-ante regulation being driven by the tendency towards effective competition. In support of this assertion, ANRCETI invoked the following reasons:

- the number of providers of leased line trunk segment grew from one in 2010 (JSC „Moldtelecom”) to five providers in 2016;
- according to circuits provided, the market share of JSC „Moldtelecom” on Market 8 dropped from 100% in 2010 to 39,86% in 2016;
- according to revenues, the market share of JSC „Moldtelecom” on Market 8 decreased from 100% in 2010 to 37,74% in 2016;
- the level of concentration of Market 8 decreased, according to revenues, from value 1 of IHH index in 2010 to 0,4703 in 2016, while according to the provided circuits, from 1 to 0,2959.

As a result, ANRCETI determined that Market 8 no longer meets the characteristics of a market susceptible to ex-ante regulation and decided to withdraw the special obligations previously imposed on JSC „Moldtelecom” in connection with its significant market power. This decision entered into force on 1 January 2018. By the same decision, ANRCETI excluded Market 8 from the list of relevant markets for electronic communications networks and/or services approved by the Administrative Board Decision No. 85 of 28.04.2009.

### **Regulating access to public electronic communications services provided through access codes**

By Administrative Board Decision No.07 of 30.03.2017, ANRCETI made amendments to Administrative Board Decision No.11 of 07.04.2010 on the regulation of access to public electronic communications services provided through the access codes „1600-1639” (hereinafter - Decision No.11/2010), in order to ensure the optimal functioning of the tariff-

setting mechanism for services of origination and termination of calls to those access codes.

By these amendments, ANRCETI brought Administrative Board Decision No.11/2010 in line with the provisions of its decisions on the regulation of the market for voice call termination in individual mobile telephony networks, approved as a result of the 4th round of analysis of this market. By these decisions, ANRCETI changed the maximum tariff that mobile providers can charge for the call termination service on their own mobile network and set its value in euro, while before December 31, 2016 this tariff was set in US dollars.

The amendments made to Administrative Board Decision No. 11/2010 allowed to restore the functioning of call service to the access codes „1600-1639” and to implement a new method of setting the tariff for this service. Whereas previously the calculations took into account the US dollar average annual exchange rate, as stipulated in the Budget Law for the ongoing year, after the entry in force of the amendments to Administrative Board Decision No. 11/2010, the calculations take into account the average official exchange rate for USD/EUR for the last three full months before this respective tariff was set.

### **1.1.2 Regulation of the use of numbering resources**

In the reporting year, ANRCETI updated the Procedure for Administration of Telephone Numbering Resources, approved by the Administrative Board Decision No. 58 of December 21, 2010, as subsequently amended and supplemented, and the Administrative Board Decision No.79 of April 17, 2009 regarding the regulation of service provision via Free phone numbers in public electronic communications networks.

The first regulatory document was brought into line with the changes in the National Numbering Plan (NNP) and, at the same time, supplemented, at the providers' request, with a mechanism to avoid double charging for the use of numbering resources in the same month.

Having regard to the fact that the new wording of section 2 of the NNP requires that national short numbers of 11x format are allocated and used in accordance with special regulations issued by the regulatory authority, ANRCETI deleted from section 1 of the Annex to the Procedure for Administration of Telephone Numbering Resources the phrase “112 – single number for emergency services”. By this amendment the national short numbers of 11x format for emergency services and other services harmonized



at European level have been exempted from the need to be license-based.

In order not to admit unjustified payments be made by providers for the use of numbering resources in certain circumstances, as well as to avoid double taxation for the same month, ANRCETI established, through the amendments made to Administrative Board Decision No. 58 of 21.12. 2010 that the payments for numbering resources include: a) payment for the month in which the right to use the given resources was granted and b) payment for the month in which the right to use numbering resources was terminated.

The second regulatory document (Administrative Board Decision No. 79 of April 17, 2009) was revised by ANRCETI on basis of the recent CEPT / ECC and ITU-T recommendations by establishing a simple and clear procedure of service providers launching free access of callers to national Free phone numbers, including users in roaming, and also outside the Republic of Moldova, if technically and economically feasible. In view of the above mentioned recommendations, ANRCETI determined that, if it is not possible to provide free access to Free phone services technically and economically, the provider from the Republic of Moldova is required to inform the caller, until the connection with called person is set up, about the fee applied for accessing Free phone services, by sending a text message or a voice message.

## 1.2 Regulation of postal communications

Under Art. 19 of Law No. 36/2016, ANRCETI issued Administrative Board Decision No. 32 of 25.05.2017

on the deadlines for claiming and storing postal items sent via the universal postal service provider, an action aimed at creating transparent and fair conditions for the postal market players.

By its decision, ANRCETI established that the SC „Posta Moldovei” in its capacity of an universal postal service provider (USP), is liable to store the material goods from unclaimed postal items for 9 months from the date of their submission. When establishing the storage period for goods from unclaimed postal items, ANRCETI took into account the need to ensure, by SC „Posta Moldovei”, the appropriate level of service quality, as well as creation of appropriate conditions for this provider to operate.

*Law No. 36/2016* establishes that material goods in postal items, sent via the USP, which could not be handed over to recipients and senders, after the expiry of the deadlines for claiming and storing postal items, as set by the regulator, shall be used or destroyed by the USP, pursuant to the Rules on Postal Service Provision, a normative act approved by Government Decision No. 1457 of 30.12.2016

In the same year, in order to clarify the ways of implementation of legal provisions prescribed by normative acts in the field of postal communications, ANRCETI developed and published on its official website the Guide of the Postal Service Provider.





## 2 Monitoring the implementation of normative acts

*In its activity of monitoring the enforcement of the legislation in force and of the regulatory acts in the areas within its powers, ANRCETI focused on the verification of the implementation of the Law on access to properties and shared use of the infrastructure associated with the public electronic communications networks No.28/10.03.2016 (hereinafter - Law No.28/2016), the fulfillment of the ex-ante special obligations imposed on the providers of electronic communications with significant power on the relevant markets, the providers' observance of the obligations to measure and publish the values of the service quality parameters, as well as the rules for the use of numbering resources.*

### 2.1 Implementation of the Law on access to properties and shared use of infrastructure

In 2017, ANRCETI focused both on monitoring of the implementation of Law No.28/2016 and on the enforcement of the regulations issued this regard, as well as on informing the providers, the public entities at different levels regarding the rights and obligations according to the provisions of Law no. 28/2016. In carrying out this task, ANRCETI was guided by the need to establish a consolidated view regarding a uniform application of the provisions of Law no. 28/2016, by establishing some unitary criteria of approaches to legal norms.

In this respect, in May 2017, ANRCETI developed and published on its official website, the Guide on Access to Property, which provides clarification and guidance for electronic communications providers, public entities at different levels, private owners and holders of physical infrastructure in terms of applying the regime for access to public or private property and shared use of the infrastructure associated with electronic communications networks.

Subsequently, in October, ANRCETI developed and published on its official web page an comprehensive informative material, entitled *Actions deriving from Law No. 28/2016*, and describing the steps to be taken by the parties involved in the implementation of this law in order to obtain and exercise the right of access to properties and shared use of infrastructure associated with electronic communications networks. The document specifies the actions to be performed by the applicant and the respondent, as well as the prescriptions, the deadlines for their accomplishment, indicating the legal basis for those actions.

As part of the information campaign, ANRCETI sent to 935 mayoralities information letters on the

basic provisions of Law no. 28/2016, the rights and obligations of local public authorities under this law. Subsequently, following the analysis of the conditions for access to property, presented by some public authorities, ANRCETI decided to develop single sample conditions, a model which was subsequently published as a recommendation on its official website. On this occasion, ANRCETI once again sent letters to the 935 mayoralities throughout the country, recommending them to use the sample conditions, while in the process of defining the conditions of access to properties. As a result of these actions, by the end of 2017, the public entities holding ownership titles, had sent to ANRCETI, as required by Law No. 28/2016, 84 conditions for public property access, which were later published on its official web page.

During 2017, ANRCETI had 18 meetings with a number of providers, in which debated issues related to the enforcement of Law no. 28/2016. At the same time, ANRCETI specialists provided the necessary methodological support, requested by phone, e-mail and ex officio to the entities and/or persons involved in the implementation of Law No.28/2016.

ANRCETI believes that although after the entry into force of Law 28/2016 electronic communications providers strengthened their rights of access to property and shared use of infrastructure, it is premature to talk about the real effects of this law on the entire electronic communications market. They will be visible after a longer term, because one and a half year of implementation process is a relatively short period of time to see all the changes made in the sector following the application of this law. At the current stage, we can say that in 2017 there was a clear improvement in the way the rights of access to properties and shared use of infrastructure has been exercised by providers.

By the end of 2017 more than 500 contracts for access to public properties have been concluded, which led to the reduction of costs for the construction (installation), maintenance, dismantling, replacement, transfer or refurbishment of public electronic communications networks or infrastructure elements necessary to support them.

### 2.2 Verification of compliance with the obligations imposed on providers with significant market power

In 2017, ANRCETI monitored the compliance with the regulatory framework as regards relations between providers of electronic communications networks and/or services dealing with network interconnection, access to infrastructure and the associated services,



as well as service interoperability. In this process, ANRCETI focused on verifying providers' compliance with the above-mentioned regulatory framework, in particular with the Administrative Board decisions of 2016-2017 on ex-ante regulation of relevant markets.

In this respect, ANRCETI verified the fulfillment of the ex-ante special obligations imposed on the providers with significant market power on relevant markets, in particular the obligations to ensure the transparency of the terms, technical and commercial conditions, including pricing and other detailed information on access and interconnection contained in reference offers and agreements for access and interconnection, presented by those providers.

In connection with the implementation of the new maximum price chargeable by the offering provider for the provision of national call termination services in its own mobile telephony network, approved by Administrative Board Decision No. 37-39 of 29.12.2016 on measures for ex-ante regulation of the market for voice call termination in individual mobile network (Market 7), the providers with significant market power on this market JSC „Moldtelecom“, JSC „Orange Moldova“ and JSC „Moldcell“ made corresponding changes to their reference offers and previously concluded interconnection agreements. Subsequently, all three suppliers published their reference offers in line with the requirements set by ANRCETI.

A similar situation was also found after the entry in force of Administrative Board Decision No. 11-30 of March 30, 2017, on ex-ante regulation of the market for voice call termination in individual fixed telephony network (Market 3), by which the maximum price that can be charged by the offering provider for the provision of such services was reduced. Thus, providers designated as having significant market power on Market 3 signed 91 amendments to interconnection agreements, four direct interconnection agreements and three indirect interconnection agreements. The verification of these documents by ANRCETI specialists showed that they were in full compliance with the regulations in force.

At the same time, ANRCETI verified JSC „Moldtelecom's“ observance of special obligations imposed due to its significant market power on four relevant markets (access of end-users, natural and legal persons, to fixed locations in the public telephone network; wholesale supply of local access services at fixed locations, wholesale supply of central access services at fixed locations for mass market products, wholesale supply of high-quality access services at fixed locations). ANRCETI specialists

found that JSC „Moldtelecom“ created optimal conditions for ensuring non-discriminatory access to its associated infrastructure for all the requesting providers and did not admit abusive practices or blockages in the process, which enhanced a higher degree of use of JSC „Moldtelecom's“ infrastructure.

The evolution of the market for access and interconnection services in 2017 shows that ANRCETI has facilitated the efficient development of access and interconnection agreements in order to promote competition and service interoperability, and providers with significant market power acted transparently and in strict compliance with the requirements set by ANRCETI.

### 2.3 Measuring and reporting quality parameters of electronic communications services

In 2017, ANRCETI continued to monitor the providers' compliance with the obligations to measure, present and publish the values of quality parameters for the provided services, obligations set by Administrative Board Decision No. 278 of 17.11.2009, as subsequently amended and supplemented. According to this decision, the providers have the obligation to measure, present to ANRCETI and publish information on the measured quality parameters for four types of services: fixed telephony, Internet access, mobile telephony and pay TV services.

The quality parameters of the four types of service refer mainly to start-up terms, speed of data transfer, timescales for remedy of technical faults in the network, frequency of complaints from users, terms for solving complaints, etc.

As a result of ANRCETI's cooperation with the providers who are liable to measure and present the quality parameters for their services, in 2017 the number of providers who observed this obligation slightly increased (by 1.2%) up to 95.2% of the total number of liable providers. As per the type of services provided, this obligation was met by all providers of mobile networks and services, by 96.5 percent of the providers of fixed networks and services, by 95.4% of the Internet access providers and by 95.9% of the providers of pay TV services.

Based on the information on measured values of the service quality parameters presented by providers, ANRCETI has developed and published on its official website quarterly reports on the results of the monitoring this information. The publication of this information is intended to make consumers aware of the quality of the electronic communications services they use or intend to acquire. All the information



on this subject can be found on the official website of ANRCETI at the addresses <http://anrceti.md/fileupload/77> și [http://anrceti.md/parametri\\_calitate\\_trimestrial](http://anrceti.md/parametri_calitate_trimestrial).

It should be mentioned that in 2017 most of the providers of electronic communications networks and/or services were provided within the limits of the values recommended by ANRCETI for the quality parameters of the four types of services. Some providers, most frequently because of natural disasters, exceeded the terms set for the frequency of complaints about network failures and the duration of remedies.

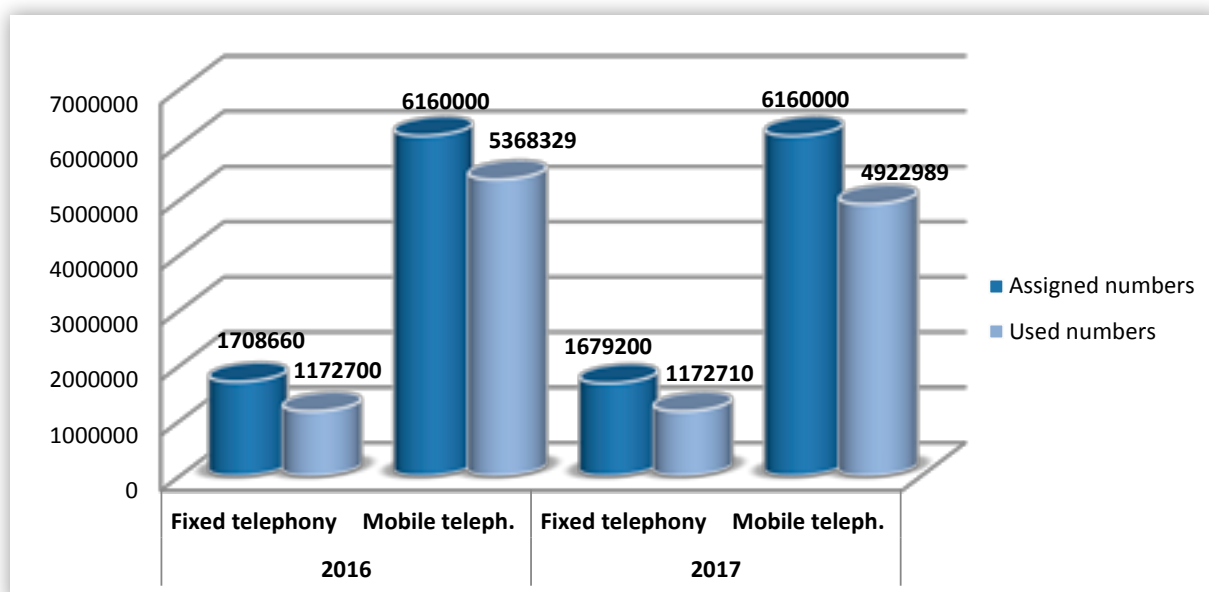
## 2.4 Use of numbering resources

In the reporting year, ANRCETI monitored the use of the numbering resources assigned to providers of electronic communications networks and/or services in terms of compliance with the license conditions and the rules set out in the Procedure for Administration of Telephone Numbering Resources, approved by the Administrative Board Decision No. 58 of December 21, 2010, as subsequently amended and supplemented.

According to ANRCETI data, from 38 suppliers required to submit, according to the provisions of Law no. 241/2007, reports on the use of the numbering resources for the previous year, 35 - met this obligation and three - ignored it, for which they have been warned of the consequences of non-compliance with this obligation.

The analysis performed by ANRCETI shows that the 35 suppliers who submitted the reports for 2017 observed the license conditions regarding the use of numbering resources and the provisions of the Procedure mentioned above. According to the analysis, during the reporting period, 4 922 989 numbers were used out of 6 160 000 numbers assigned to providers for electronic communications networks and services provided at mobile locations, which represents around 79,9% of their total number. From 1,679,200 numbers allocated to electronic communications networks and services provided at fixed locations, 1,172,710 of the total resources were used, which makes 69.8%. Further data on the use of numbering resources in the last two years can be found in the diagram below.

The data in the chart shows that in 2017 the degree of use of numbering resources assigned for electronic communications networks and services provided at mobile locations decreased by 7% compared with 2016 and the resources allocated for the electronic communications networks and services provided at fixed locations practically remained at the level of 2016. The decrease in the level of use of the numbering resources for the electronic communications provided at mobile locations is caused by the increasing saturation trend of this market and the stagnation of the use of numbers for the electronic communications provided at fixed locations - the decrease of the demand on this market due to the migration of fixed telephony subscribers to mobile telephony services and those provided by IP telephony.



**Chart 1** Use of assigned numbering resources for electronic communications networks and services provided at fixed and mobile locations in 2016-2017

Source: ANRCETI



### 3 General authorization and licensing of activities in the sectors regulated by ANRCETI

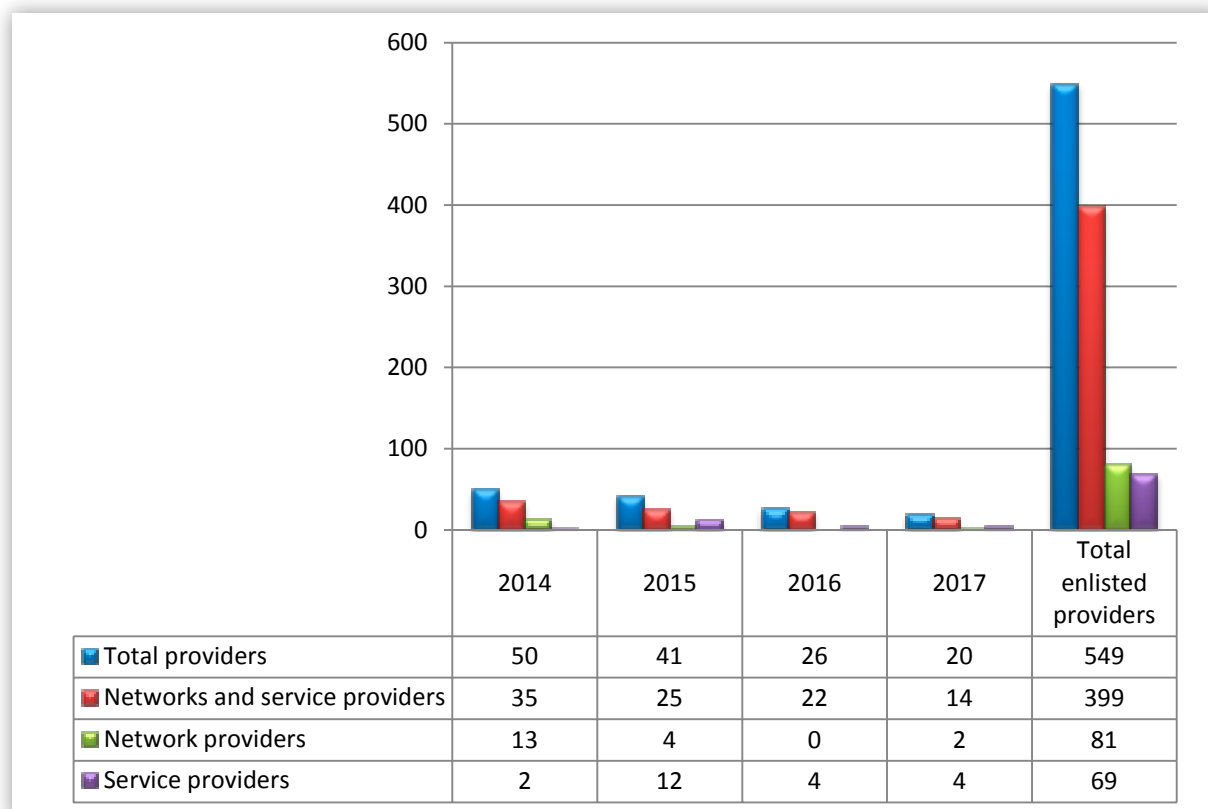
*The provision of electronic and postal communications networks and services is carried out under the conditions of general authorization regime, a regime implemented by ANRCETI according to the provisions of Law No. 241/2007 and Law No. 36/2016. This regime is free and gives entrepreneurs the right to provide public electronic communications networks, publicly available electronic communications services and postal services for an indefinite period.*

*In 2017, ANRCETI issued licenses for the use of radio frequencies/channels and numbering resources to providers authorized for the provision of electronic communications networks and /or services, based on submitted applications (declarations). At the same time, in the timeframe January 1 - October 26, 2017, ANRCETI granted, under the Law on the licensing of entrepreneurial activity No.451-XV of 30.07.2001 (hereinafter „Law No. 451/2001”), licenses for services of creating, implementing and ensuring the functionality of automated information systems of state importance, including software. Starting with October 27, 2017, when Law No. 451/2001 was repealed by Law No. 185 of September 21, 2017, ANRCETI no longer issues licenses for this type of activity because it is not subject to licensing.*

#### 3.1 General authorization for the provision of electronic communications networks and services

During 2017, ANRCETI authorized and registered in the Public Register of Electronic Communications Providers 21 applicants to operate in the field of electronic communications. From this total number of entrants, 15 - chose to provide both electronic communications networks and services, two - only networks and four - only electronic communications services. The most demanded types of networks and services were public terrestrial networks of access at fixed locations, Internet access services and audiovisual programs retransmission services.

As per the situation on 31.12.2017, 549 providers of electronic communications networks and services were enlisted in the Public Register of Electronic Communications Providers, their total number being slightly lower than in 2016. Compared to this year, the number providers holding the right to provide both electronic communications networks and services increased by 1.8% and reached 399, of those providing only networks decreased by 8% and made 81, and those providing only services decreased by 2.8% and equaled 69. Other data on the evolution of the general authorization process for the provision of electronic communications networks and services in the years 2014-2017 are represented in Chart 2



**Chart 2** Authorizations for the provision of electronic communications networks and services during 2014-2017

Source: ANRCETI

It should be noted that in 2017 24 providers changed the initial notifications due to the extension of their activities, by adding with other types of electronic communications networks and/or services, or due to changes of their legal addresses. During the same period, 23 providers, for different reasons, renounced the right to provide electronic communications networks and/or services, and were subsequently deleted from the Public Register of Providers.

### 3.2 General authorization for the provision of postal services

2017 is the second year since ANRCETI has implemented the general authorization regime for the provision of postal services. During this year, ANRCETI authorized, based notifications, 13 entrepreneurs and enlisted them in the Public Register of the Postal Service Providers.

10 providers out of 13 - chose to provide both services within the scope of universal postal service and services beyond that, three – chose to provide only services outside the scope of universal postal service. At the same time, one provider was deleted, upon request, from the Public Register of Providers.

On December 31, 2017, 40 suppliers were registered in the Public Register of Postal Service Providers. Of these, 27 - have the right to provide both universal service and non-universal services, and 13 - only services outside the scope of the universal postal service.

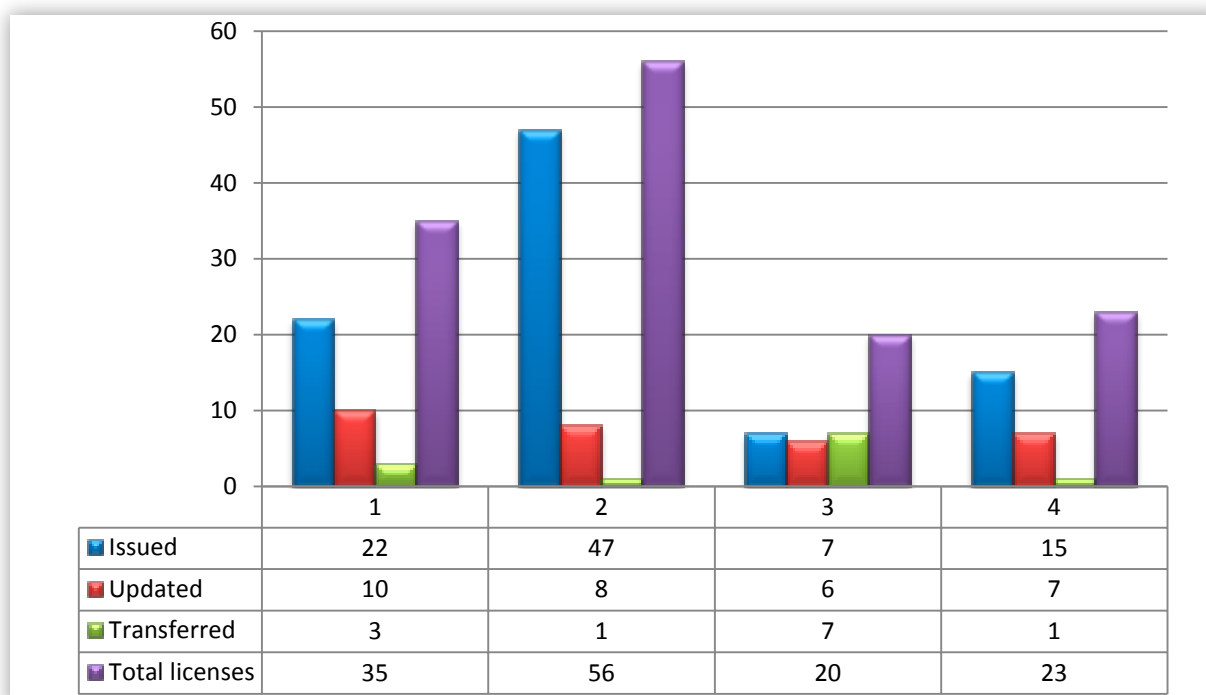
### 3.3 Licensing of radio channels/frequencies

In 2017, ANRCETI issued 15 licenses for the use of radio frequencies/channels for the provision of electronic communications networks and services based on applications submitted by licensed providers, and updated seven previously-obtained licenses to extend the scope of service provision. At the same time, ANRCETI accepted, upon request, the transfer of a license for the use of radio channels.

Compared to 2016, the number of licenses for the use of radio channels/frequencies issued by ANRCETI increased by 15%. This increase was basically due to the renewal of licenses expired in 2017.

Of the 15 licenses, 14 were issued for terrestrial broadcasting radio and television programs (ten for broadcasting and four for television) and a license was granted to the SE „Radio communications“ for temporary use of television channels 56 and 58 for the testing of digital terrestrial television networks and services (DVB-T / T2).

As per the situation on 31.12.2017, providers of electronic communications networks and services had 197 licenses for the use of radio frequencies/channels. Other data on the issuance, update and transfer of licenses for the use of radio frequencies/channels in 2014-2017 are represented on the Chart below.



**Chart 3** Dynamics of the process of issuance, updating, transfer of licenses for the use of radio frequencies/channels in 2014-2017.

Source: ANRCETI





### 3.4 Licensing of numbering resources

In 2017, ANRCETI issued 41 licenses for the use of numbering resources for the provision of electronic communications networks and services, based on applications submitted by licensed providers, updated 25 previously-obtained licenses and accepted, upon request, the transfer of three such licenses.

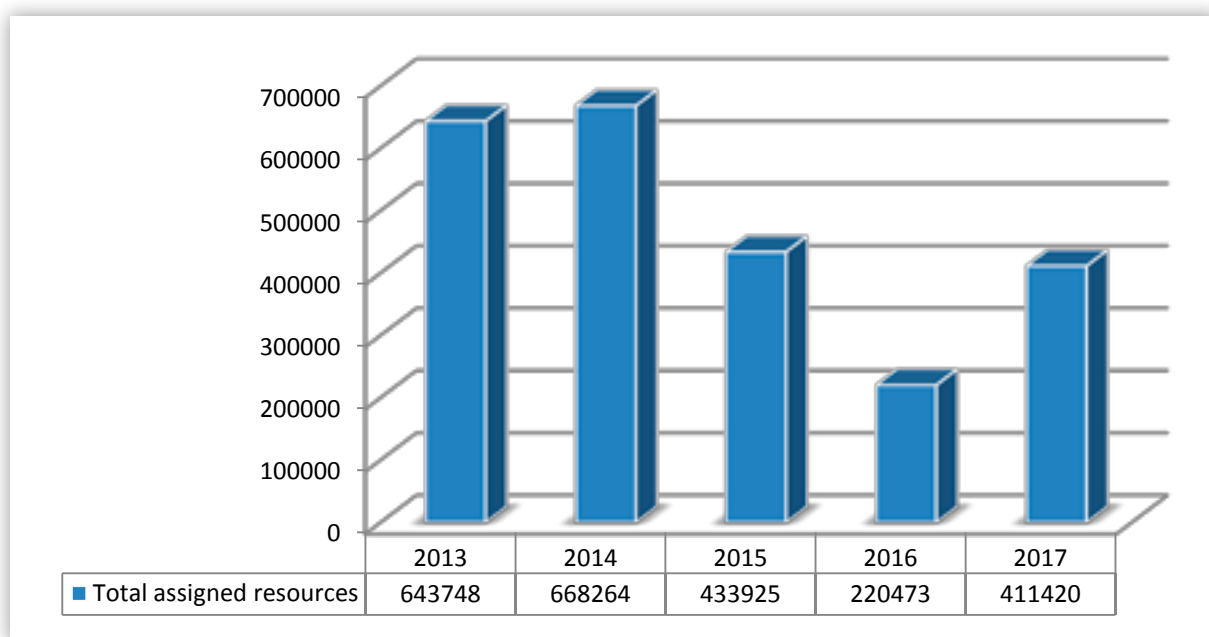
Based on those licenses, over 411.4 thousand numbers were assigned to providers. 400 thousand (97.2% of the total) of these were numbers for electronic communications networks and services provided at mobile locations, 9.8 thousand (2.4%) - numbers for networks and services provided at fixed locations and 1.6 thousand (0.4%) numbers from other categories of numbering resources. These categories include 1.5 thousand numbers independent of location, 10 Premium Rate numbers, 100 Freephone numbers, 10 short national numbers and 6 national signaling codes.

Compared to 2016, the volume of numbering resources attributed by ANRCETI during the reporting period increased by 86.6%. This evolution was determined on the basis of the expiry of some

licenses and their extension at providers' request.

At the same time, at providers' request, more than 35.2 thousand numbers were withdrawn, of which more than 31.1 thousand (88.3% of the total) - numbers for electronic communications networks and services provided at fixed locations, 4.1 thousand (11.65%) - numbers independent of location and 8 numbers (0.02%) from other categories of numbering resources.

According to ANRCETI data, before December 31, 2017, a total of over 7 million 866.5 thousand numbers were assigned to providers. The largest share in the assigned numbering resources structure belongs to the numbers for electronic communications networks and services provided at mobile locations - about 78.3% (6 million.160 thousand). The share of numbers for the electronic communications networks and services provided at fixed locations is 21.4% (over 1 million.679.2 thousand) and the share of other types of numbering resources - about 0.3% (over 27, 3 thousand numbers). The data on the number of resources assigned to the providers by ANRCETI over the last five years are represented in the Chart below.



**Chart 4** Quantity of numbering resources assigned to providers of electronic communications networks and services in 2013-2017.

Source: ANRCETI

### 3.5 Licensing of information technology activities

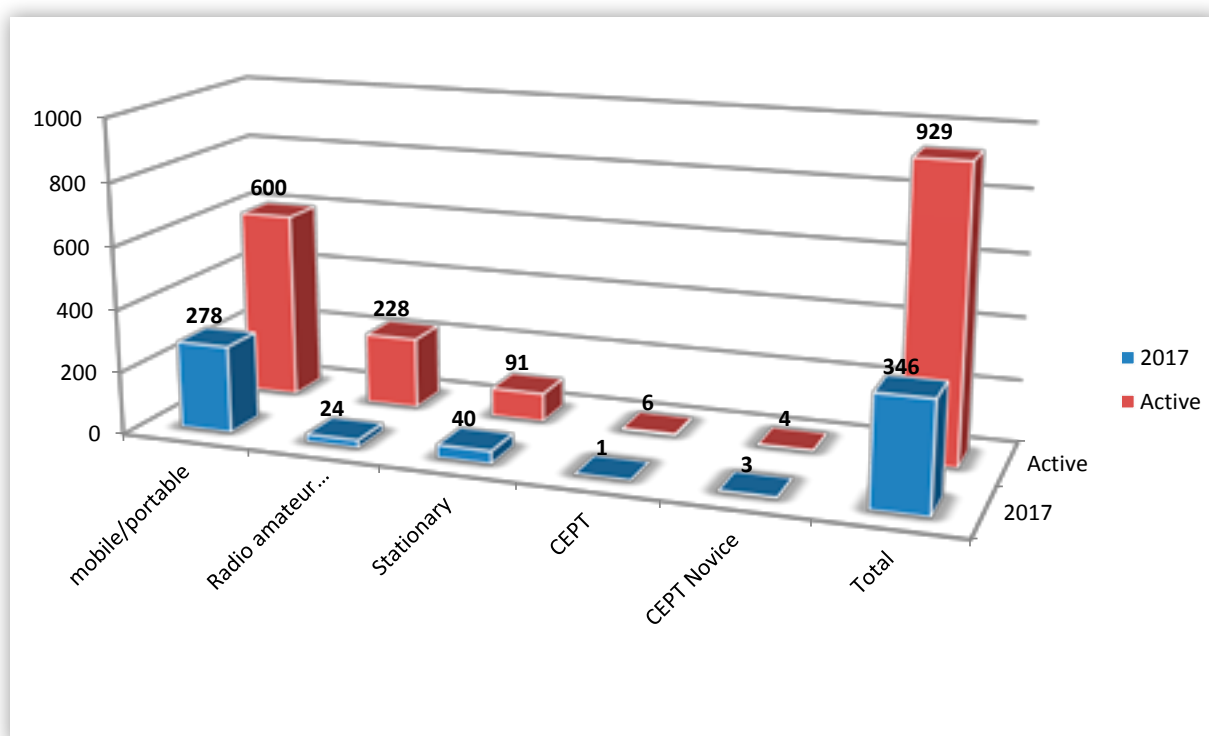
In the timeframe January 1 and October 26, 2017, ANRCETI issued, pursuant to Law No. 451/2001, 22 licenses for services for the creation, implementation and ensuring the functionality of automated information systems of state importance, including software.

ANRCETI began to grant licenses for this type of activity, under Law No. 451/2001, in November 2010. In almost seven years, ANRCETI has issued a total of 186 licenses of this type. The amount of license fees transferred to the state budget for the licenses issued in 2017 reached over 66.6 thousand lei.

### 3.6 Issuance of technical permits for radio communication stations

During 2017, ANRCETI issued, at applicants' request, 346 technical permits for the terrestrial radio stations, as follows: 278 - for mobile/portable terrestrial radio communication stations, 24 - for radio communication stations used for the amateur radio service, 40 - for stationary radio stations, one CEPT technical permit and three - CEPT Novice technical permits.

As per the situation on 31.12.2017, the total number of technical permits for radio stations, issued by ANRCETI, included 929 permits, of which: 600 - for mobile/portable stations, 228 - for radio amateur stations, 91 - for stationary stations, six CEPT permits and four CEPT Novice permits (Chart 5).



**Chart 5** Number of technical permits for radio communication stations ANRCETI issued in 2017, and number of active technical permits, as per 31.12.2017

Source: ANRCETI



## 4 Supervision and control

In 2017, ANRCETI continued, according to its powers established by the legislation in force, the monitoring and control of the observance by the providers of electronic communications networks and/or services and of postal services with the provisions of legislative and normative acts in the fields under its competence. In carrying out this activity, ANRCETI focused on preventing deviations from the requirements set out in the normative acts in force, on informing the providers regarding the application of the provisions of the relevant regulations and compliance with the obligations regarding the protection of end users' rights.

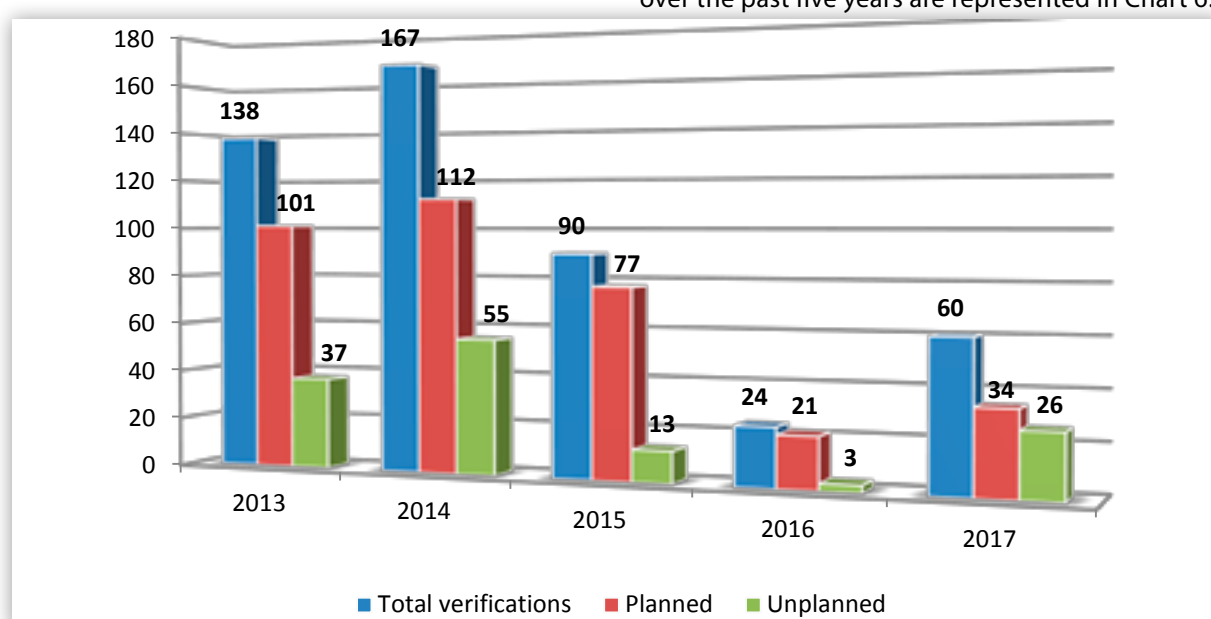
### 4.1 Verification of compliance with the legislation and regulations in the field of electronic communications and postal services

During the reporting period, the monitoring and control by ANRCETI consisted in the examination of notifications and complaints received from individuals and legal entities, as well as from public institutions, verification of compliance by providers of electronic communications networks and/or services and postal services with the requirements of the legislation and regulations in force, keeping the providers informed about their rights and obligations under general authorization. According to ANRCETI estimations, over 34 cases of contraventions in the electronic communications sector have been prevented due to its monitoring and control actions.

In 2017, ANRCETI performed 60 verifications, of which 34 were planned and 26 were unplanned. The planned verifications were focused on assessing the providers' compliance with the provisions of the normative acts in force in the areas of ANRCETI competence, the emphasis being placed on the preventing violations, while the unplanned verifications - on the examination of facts presented in notifications and complaints received by the Agency.

In the framework of the planned verifications, a number of violations were found, the most frequent ones being the following: failure to present technical and financial statistical data related to the provision of electronic communications networks and/or services and postal services before the established deadlines, failure to inform ANRCETI about the modification of data identifying providers and included in their initial notifications provided for the general authorization, non-payment of regulatory and monitoring fees within the set deadlines. Some of the providers subject to verifications complied with the prescriptions issued by ANRCETI and remedied the infringements before the end of verifications, while for 34 providers verifications ended up with reports on contraventions.

ANRCETI data show that the number of verifications in 2017 significantly increased compared to 2016. This evolution was caused by the small number of verifications carried out by the Agency in 2016, following the moratorium instituted by the Government on state verifications. More information on verifications carried out by ANRCETI over the past five years are represented in Chart 6.



**Chart 6** Number of planned and unplanned verifications made by ANRCETI in 2013 - 2017

Source: ANRCETI



## 4.2 Analysis of contraventions

In 2017, ANRCETI, as an entity enabled to ascertain contraventions in the field of electronic communications and postal services, found 59 contraventions which were reflected in 59 reports, prepared pursuant to the Contravention Code of the Republic of Moldova. 218-XVI from 24.10.2008 (hereinafter - CC No. 218/2008).

The contravention cases, initiated by ANRCETI, concerned 34 legal entities and 21 natural persons, including four persons in managerial positions. The following served as basis for contravention cases:

- 28 self-notifications by ANRCETI;
- 23 notifications from providers of electronic communications networks and/or services;
- three notifications from Audiovisual Coordinating Council;
- two notifications by Public Enterprise „National Radio Frequency Management and Cyber Security Service”;
- one notification from a department of the Ministry of Internal Affairs.

The reports on contravention prepared by ANRCETI refer to the illegal acts, provided and sanctioned according to the articles of Chapter XIV of CC No. 218/2008, as follows:

- non-compliance with the conditions of the general authorization by providers of electronic communications networks and/or services (art. 247 (1) of CC No. 218/2008) – 29 reports;
- unauthorized connections or admitting of unauthorized connections to electronic communications networks (art. 252 of CC No. 218/2008) – 19 reports;
- works related to electronic communications, carried out without the consent of the land owner

or immovable property owner or in the absence of a court ruling on execution of such works (art. 254 of CC No. 218/2008) – four reports;

- use of radio frequencies/channels without license or technical permit (art. 248 (1) of CC No. 218/2008) – two reports;
- violation of protection rules for electronic communications lines and installations (art. 250 (6) of CC No. 218/2008) – two reports;
- unauthorized provision of electronic communications networks and services (art. 246 (1) of CC No. 218/2008) – one report;
- non-compliance with regulations and technical norms in the field of information technology (art. 250 (1) of CC No. 218/2008) - one report;
- construction works related to electronic communications within the protection zones of electronic communications lines, cables and installations, without an authorization from owner of these facilities (art. 250 (7) CC No. 218/2008) - one report.

Of the 59 reports on contraventions prepared by ANRCETI, 15 – were referred to Chisinau Central Court for examination, 31 were examined by ANRCETI management and 13 reports are to be examined at the beginning of 2018. At the same time, ANRCETI, as the authority empowered to investigate contraventions in the areas under its competence, examined two reports prepared by and referred for examination by other investigating entities (subdivisions of the Ministry of Internal Affairs).

As a result of the examination of the contravention cases, according to court rulings and ANRCETI management decisions, the offenders had to pay 169,500 lei total fines.



## 5 Protection of end users' rights

*In 2017, ANRCETI, as an authority legally empowered to protect the legitimate rights and interests of users of electronic communications and postal services, focused on keeping them informed as regards their rights in relation to providers, on solving their petitions and complaints, and on monitoring providers' compliance with users' rights, in particular related to telephone number portability.*

*At the same time, ANRCETI continued monitoring and verifying providers' observance of the Regulation on Public Electronic Communications Service Provision, approved by Administrative Board Decision No. 48 of 24.09.2013 (hereinafter - Regulation No. 48/2013), a normative act that establishes a set of rules for the protection of the rights of electronic communications service users.*

### 5.1 Observance of users' rights by providers

In monitoring the activity of electronic communications and postal service providers, ANRCETI specialists provided consultations in order to familiarize them with the amendments to *Law No. 241/2007*, in particular those related to the protection of users' rights, as well as with the provisions of *Law No. 36/2016* regarding the promotion of the legitimate interests of postal service users. During the consultations, the emphasis was placed on the need to ensure the transparency of tariffs and conditions for the provision and use of services, the observance of the obligation to inform service users about applicable tariffs and conditions, as well as the adjustment of standard contracts to the requirements of normative acts in force.

In the process of examining the complaints from users of electronic communications and postal services, ANRCETI specialists verified all the factual and legal circumstances invoked by the complainants with regard to the legal provisions regulating the areas under ANRCETI's competence, thus contributing to ensuring providers' observance of users' rights. At the same time, ANRCETI analyzed and classified the complaints from service users, in order to identify the main problems and to find appropriate solutions.

It should be noted that ANRCETI specialists provided assistance to users who faced problems at the pre-contractual stage of acquiring electronic communications services, a step that is interdependent with the pre-contract procedure. This action was aimed at preventing the inclusion

of abusive clauses in contracts for the provision of electronic communications services in relation to users of these services.

### 5.2 Petitions and complaints

During the reporting period, the number of petitions and complaints ANRCETI received from individuals and legal entities increased by 9.3% compared to 2016 and reached 974. This increase was due to a higher number of requests for information of public interest and for technical, legal and economic consultations in areas under ANRCETI competence, which were extended after the entry in force of *Law No. 28/2016* and *Law No. 36/2016* in 2016.

Thus, the number of petitions increased by 32% to 243, requests for access to information - by 20.5% and totaled 287, and the number of requests for consultations in the areas of ANRCETI's competence increased by 13.7% and amounted to 340. At the same time, the total number of inquiries via the free phone line (080080080) and during public hearings decreased by 38.8% to 104.

As regards requests for information, the statistics of 2017 shows that in most cases interested persons requested information on how to fill in the statistical data forms and/or the questionnaires (40 requests), on the ANRCETI activity (38 requests), as well as the general authorization procedure for the provision of electronic communications and postal services (21 requests). Further information on the subjects of filed requests information are represented in the table no.1 below.

The statistics of petitions examined by ANRCETI in 2017 show that from the total of 243 petitions, 171 - came from end users of electronic communications services, 11 - from postal service users, 38 - from electronic communications providers and 23 from holders of public and private property. The evolution of the number of petitions received by ANRCETI in the last seven years from these categories of persons is shown in the Chart 7 below.

In the reporting timeframe, the share of petitions related to the situation in the electronic communications sector was 74%, those addressing to property access and sharing of the infrastructure associated with electronic communications - 21% and those concerning the situation in the postal sector - 5%. More data on the petitions examined by ANRCETI in the last two years are provided in the table no.2 below.

The analysis of the issues addressed by the petitioners





**Table no. 1** Subjects of requests for information filed to ANRCETI in 2016 – 2017

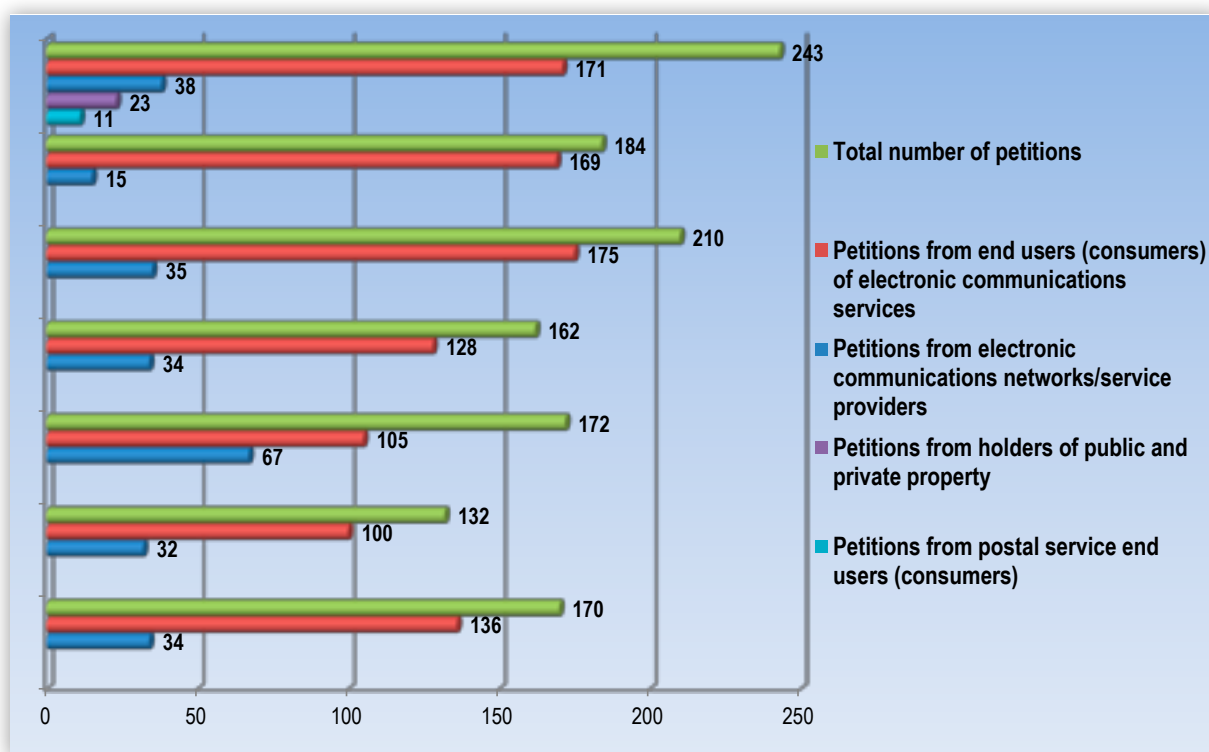
Reporting timeframe	2016	2017
<b>Requests for information, including electronically</b>	<b>238</b>	<b>287</b>
<i>Applicant's area of interest <sup>1</sup></i>		
• telephony	7	6
• television	5	2
• audiovisual	2	-
• Internet access services	1	5
• roaming	-	2
• radio broadcasting	1	1
• numbering resources	9	8
• authorization, licensing	31	21
• interconnection	3	-
• access to public and/or private properties	-	13
• radio frequencies	2	8
• equipment	3	16
• network security	1	1
• market analysis/tariffs	2	4
• implementation of technical regulations	5	-
• clarifications of regulatory acts	-	7
• billing of services	6	11
• connection to networks	2	2
• abusive actions admitted by some providers	21	17
• number portability	5	7
• general electronic communications issues	9	5
• general postal communications issues	3	8
• filling out statistical forms/questionnaires	26	40
• data reporting to the Agency	-	2
• data about providers operating in electronic communications	10	15
• general data about the Agency	7	8
• information on ANRCETI activity	17	10
• information on ANRCETI administrative activity	44	38
• verifications carried out by ANRCETI	-	3
• access to information systems	-	2
• international telephony traffic	-	1
• others	16	24

Source: ANRCETI

<sup>1</sup> Part of the requests for information refer to multiple spheres of interest

in 2017 shows that in most cases they claimed against the clauses included in the contracts for the provision of electronic communications services and those on access to property (57 petitions), compared to the amount of bill charges and debts for consumption electronic communications services, veracity of

invoice data (45 petitions), correctness of the telephone and Internet service provision services, compliance with contract clauses, interconnection agreements, normative documents (40 petitions), as well as quality of electronic communications services (34 petitions).



**Chart 7** Number of petitions filed to ANRCETI in 2011–2017, by categories of signees

Source: ANRCETI

As a result of the examination of the petitions, ANRCETI specialists found that out of the total of 243 petitions 37 (15% of the total) - were based, and the facts exposed in 64 petitions (26%) did not prove true, they were qualified as unfounded. 108 Petitions (44.5%) were given explanations, two (1%) were withdrawn by the petitioners, seven (3%) - remitted by proficiency, six (2.5%) - rejected the requirements of the legislation in force, and 19 petitions (8%) were in the process of examination at the beginning of 2018.

It should be noted that all well-founded petitions were resolved by ANRCETI in favor of end-users (consumers), and in other cases the Agency's specialists proposed to the petitioners alternative remedies that helped them remedy the reported problems.

While examining the petitions, ANRCETI specialists found that out of 243 total petitions, 37 (15% of the total) - were founded, while the facts described in 64 petitions (26%) did not prove true, they were qualified as unfounded. Explanations were provided for 108 petitions (44.5%), two (1%) were withdrawn by the

petitioners, seven (3%) – referred by competence, six (2.5%) – rejected for the reason that they are not consistent with the requirements of the legislation in force, and 19 petitions (8%) were in the process of examination at the beginning of 2018.

It should be noted that all founded petitions were solved by ANRCETI in favor of end-users (consumers), and in other cases the Agency's specialists proposed to the petitioners alternative remedies that helped them remedy the reported problems.

### 5.3 Evolution of number portability

Telephone number portability is a service available to end-users that allows them to retain their phone number when changing their service provider. Launched in July 2013, this service allows users not only to keep their phone number but also to benefit from the best deals on the market.

ANRCETI data on the use of number portability service in 2017 shows that the basic trends that have been shaped on this market in recent years have not changed significantly. It is mobile users that most



**Table no. 2** Characteristic features of petitions examined by ANRCETI in 2016- 2017

Reporting timeframe	2016	2017
<b>Total number of petitions</b>	<b>184</b>	<b>243</b>
<b>a. Petitions by area of interest</b>		
• Mobile telephony services	42	25
• TV services	21	14
• Internet access services	26	9
• Fixed telephony services	11	8
• Radio broadcasting	-	2
• Radio amateur services	-	3
• Interconnection	7	1
• Number portability	6	5
• Content services	2	-
• Numbering resources	-	1
• General about electronic communications	69	105
• General about postal communications	-	11
• Access to public and/or private property and shared use of electronic communications infrastructure	-	49
• Other petitions	-	10
<b>b. Subjects</b>		
• Data included in bills	62	45
• Tariff increase/pricing in electronic communications sector	12	15
• Quality of services, malfunctions	28	34
• Contractual clauses (provider - user)	6	8
• Contractual clauses (provider - owner of public and/or private property)	-	49
• Breach of legislation in the field of electronic communications and postal communications	45	40
• Illegal disconnection/restriction of access/termination of service provision	19	16
• Unfair competition in electronic communications sector	-	3
• Abusive actions in the implementation of number portability	6	5
• Abusive actions in using personal data	2	-
• Fear of electromagnetic fields effects on human health generated by base stations	1	7
• Network security	3	-
• conditions of postal service provision	-	7
• loss of postal items	-	2
• postal services delivered with delay	-	1
• disagreement with the amount of damages for loss or damage to postal items	-	1
• other	-	10
<b>c. Petitions from natural persons</b>	154	171
<i>Petitions from legal persons</i>	30	72
<b>d. Petitions from end users of in electronic communications and postal sectors</b>	169	182
<i>Petitions from electronic communications providers</i>	15	38
<i>Petitions from owner of public and/o private property</i>	-	23
<b>e. Founded petitions</b>	39	37
<i>Unfounded petitions</i>	87	64
<i>Petitions referred by competence</i>	6	7
<i>Petitions withdrawn by petitioners</i>	8	2
<i>Presentation of explanations</i>	24	108
<i>Rejected petitions</i>	6	6
<i>Petitions pending examination at the end of 2016 and 2017</i>	14	19

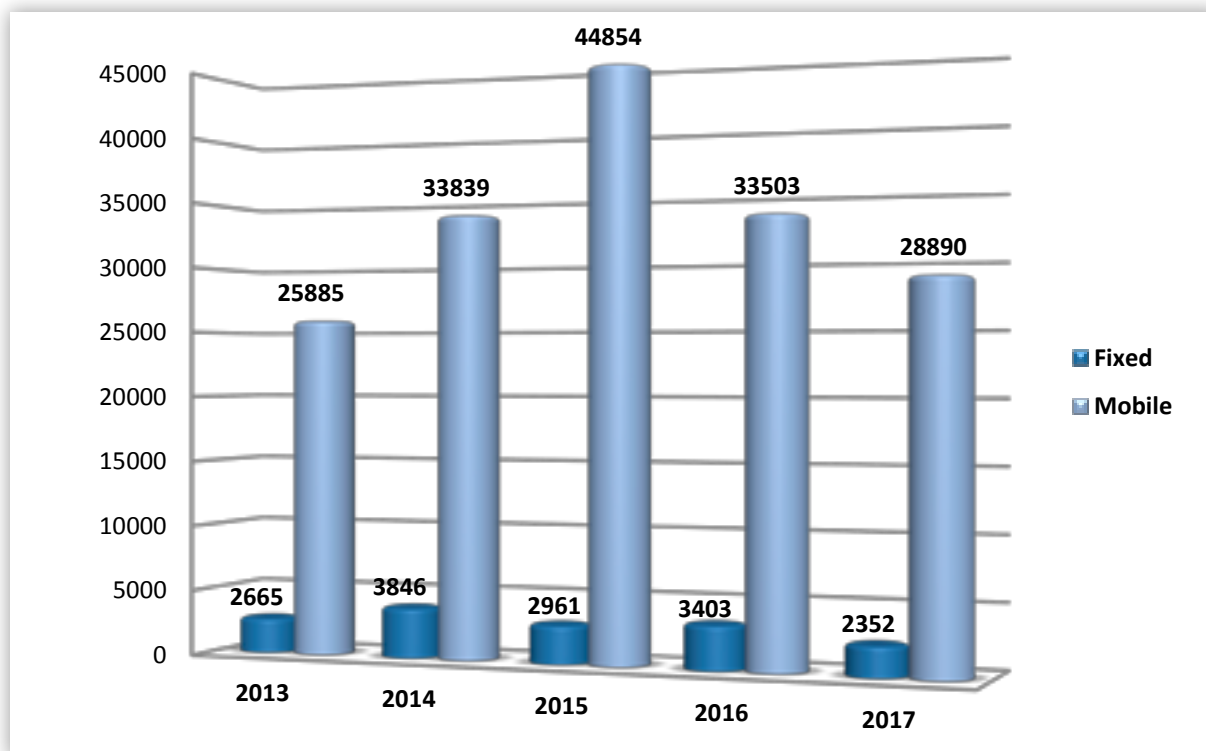
Source: ANRCETI



frequently apply for this service. In the reporting year, 31.2 thousand people used the number portability service, of which 28.8 thousand are mobile users or 92% of the total number of applicants, and 2.3 thousand - fixed-line users or 8% of the total. The small number of fixed-line ported numbers is explained by the lack of alternative fixed networks with

national coverage and the technical impossibility of subscribers connected to analogue network to use that service.

2017 was the second consecutive year, when there was a decrease in the total quantity of ported numbers. The total number of ported numbers



**Chart 8** Dynamics of mobile and fixed telephony number portability process in 2013 – 2017

Source: ANRCETI

decreased by 15% (-5.6 thousand) compared to 2016 and the monthly average decreased from 3 thousand in 2016 to 2.6 thousand in 2017. This was due to the tendency to provider balanced offers, including tariffs proposed by mobile providers, in which case the users of these services have fewer reasons to migrate from one supplier to another.

From the 28.8 thousand mobile numbers ported in 2017, most - over 11 thousand - were ported to JSC „Moldcell” network. More than 10,000 numbers were ported JSC „Orange Moldova” network, and 7.2 thousand – to JSC „Moldtelecom” network (Unite). Out of 2.3 thousand ported fixed telephony numbers, most migrated to fixed telephony networks of „Starnet Solutions” (697 numbers), „Moldtelecom” (338 numbers) and „Orange Moldova” (264 numbers).

In the four and a half years since the number portability was launched (July 2013), a total of approximately 182.1 thousand phone numbers

have been ported, of which over 166.9 thousand mobile numbers (91.6% of the total) and about 15.2 thousand - fixed numbers (8.3% of the total). Most numbers - 47.8 thousand - were ported in 2015. In the six months of 2013, a total of 28.5 thousand numbers were ported, in 2014 - 37.6 thousand, and in 2016 - 36.9 thousand (Chart 8).

During the reporting timeframe, ANRCETI constantly monitored the evolution of number portability and offered upon request the necessary support to providers and users in this process, in accordance with the regulations in force. Of the total number of number portability applications, 270 - were rejected by the accepting providers for the following reasons: technical impossibility for some fixed telephony numbers, incorrect number portability application, and inconsistency of the applicant's and customer's identity. With reference to the functionality of the number portability service, ANRCETI informs that in 2017 no malfunctions of this service were reported.

## 6 Information and communication

*During 2017 ANRCETI upheld an open and transparent dialogue with the media, an important actor in the process of communication with industry and civil society, through its official web site, press releases sent electronically to the press representatives, as well as by answers to information inquiries. The main communication directions ANRCETI pursued were: to make the process of public consultations and approval of the draft Administrative Board decisions widely known, to inform the civil society and the industry about developments and events of public interest in the regulated sectors, the actions taken by the regulator for the smooth operation of the electronic communications and postal services markets.*

### 6.1 Transparency of decision-making process

Pursuant to the Law on Transparency in Decision Making No. 239-XVI of 03.11.2008 and Government Decision No. 967 of 09.08.2016 on the public consultation with civil society in the decision-

making process, ANRCETI offered the possibility to citizens and other interested parties to participate in developing its draft regulations. To this end, ANRCETI has ensured access to draft decisions and related materials by publishing them, within the public consultations framework, on its official web page, in order to receive recommendations and proposals, where appropriate.

ANRCETI developed the mentioned draft regulations in accordance with the provisions of the Law on Legislative Acts No.780-XV of 27.12.2001 and of Law on Normative Acts of the Government and Other Central and Local Public Administration Authorities, No. 317-XV of 18.07 may 2003.

In 2017, ANRCETI held public consultations on 35 Administrative Board Decisions, 33 of which were examined and approved during five public Administrative Board meetings. In the public consultations process, ANRCETI received 36 recommendations from stakeholders on consulted documents, which, where appropriate, contributed to their improvement.

**Table no. 3** Data on transparency in ANRCETI's decision-making process in 2015-2017

Indicators	2015	2016	2017
Number of documents subject to public consultations	27	30	35
Number of adopted decisions	53	26	33
Total number of recommendations provided	230	367	36
Number of consultation meetings, public debates and hearings	15	35	5
Number of cases in which ANRCETI's actions or decisions were challenged for non-observance of Law No. 239-XVI of 13.11.2008	0	0	0
Number of sanctions applied for non-observance of Law No. 239-XVI of 13.11.2008	0	0	0

Source: ANRCETI

### 6.2 Communication with mass media

In order to enhance the process of informing the civil society and the industry about its activity and the situation in the sectors under its regulation, ANRCETI, on constant basis, cooperates with mass media institutions. Throughout 2017, ANRCETI disseminated 48 press

releases to media representatives, 27 of which focused on the evolution of the electronic communications and the postal services markets. The subjects and facts outlined in the 48 press releases were covered in over 225 media publications.

**Table no. 4** Coverage of ANRCETI activity by mass media, 2015-2017

	2015	2016	2017
<b>Total number of releases published in mass media, of which:</b>	<b>274</b>	<b>215</b>	<b>225</b>
releases published in the electronic press	230	185	218
radio and TV appearances	11	17	23
releases published in printed media	33	13	7
Number of press releases filed to mass media representatives	78	75	48

Source: ANRCETI





## 7 International relations

*In 2017, in its external activity, ANRCETI focused on strengthening the cooperation with the EU and Eastern Partnership (EaP) regulators, in order to improve the regulatory process within the sectors under its sphere of competence. In this sense, much of ANRCETI's activity was devoted to the Chairmanship of the Network of Electronic Communications Regulators of EaP countries (hereafter - the EaPeReg Network), a task which required much effort and dedication. ANRCETI, as an observer, also actively participated in the events held within the European Regulators Group for Postal Services (ERGP), as well as in other regional, European and international events covering electronic communications and postal regulation.*

### 7.1 Cooperation with organizations and regulatory authorities

As Chair of EaPeReg Network, ANRCETI was responsible for monitoring the implementation of the Network's annual work plan and managing the preparation and development of the planned activities. In performing these duties, ANRCETI worked closely with the National Authority for Administration and Regulation in Communications (ANCOM) from Romania, as Vice Chair.

The EaPeReg Network brings together the regulatory authorities in electronic communications of the six EaP countries and pursues the mission to ensure regular exchanges of information and experience between regulators in EaP countries and EU Member States, harmonization of the national legal framework in EaP countries with EU framework and application of best European regulatory practices. The EaPeReg Network was set up in 2012 and is part of the EU4Digital platform, funded by the European Commission (EC).

In 2017, two plenary sessions of the EaPeReg Network – the 9th and 10th, were organized, with the support of ANRCETI and the EC, in order to discuss current issues related to EaPeReg Network operation. At one plenary meeting, held in Chisinau in April, the EaPeReg discussed and approved the Activity Report for 2016 and reviewed the EaPeReg Action Plan for the years 2017 - 2020 discussed. The Plenary Meeting also examined and approved the activity reports of the three previously created expert working groups: Spectrum Expert Working Group (SEWG), Benchmarking Working Group (BEWG), (Roaming Expert Working Group - REWG), as well as the activity plans of these groups for 2017.

The Plenary participants also decided to extend the

EaPeReg Memorandum of Understanding, concluded in 2014 with the European Regulators Group for Electronic Communications (BEREC), for the next two years (November 2017 - November 2019) and approved the membership of Croatia's Regulatory Authority for Network Industries (HAKOM) in EaPeReg Network. It should be noted that on November 23, 2017 EaPeReg and BEREC decision makers signed the protocol on the extension of the Memorandum, which means that EaPeReg will continue to benefit from the expertise and support of BEREC in terms of electronic communications regulation.

At the other Plenary meeting of the EaPeReg Network, held in October 2017 in Minsk, Republic of Belarus, the delegates discussed the results of EaPeReg activity in 2017, presented by ANRCETI as Chair, the draft activity plan for the year 2018, the activity reports of the three expert working groups and their work plans for 2018.

At the same meeting, the draft EaPeReg Action Plan for the years 2017 - 2020 was discussed and approved. The Plan included, after due coordination with the EaPeReg partners, the part developed by ANRCETI, which provides for the development of broadband services and harmonization of national electronic communications legislation in EaP region with EU regulatory framework, including in ensuring the regulator's independence. Further, EaPeReg Action Plan was presented to the International Financial Institutions for additional financial assistance.

In 2017, ANRCETI, as Chair of the EaPeReg Network, attended two important events, on May 31 – June 1, Lisbon, Portugal, organized jointly by BEREC, EaPeReg, EMERG (Euro-Mediterranean Group of Regulatory Electronic Communications Authorities) and REGULATEL (Group of Electronic Communications Regulatory Authorities of Latin America): - the BEREC - EMERG - EaPeReg - REGULATEL Summit and the EMERG - EaPeReg - REGULATEL Joint Meeting. The main purpose of the meetings was to facilitate an efficient dialogue between the four platforms on issues related to the regulatory challenges of the ICT sector in the context of the development of converged networks and services and their technological integration.

Throughout 2017, ANRCETI continued to strengthen cooperation with regulatory authorities in the EU Member States, signatories of bilateral cooperation agreements. This was done by means of joint activities within the EaPeReg Network, as well as exchanges of information and experience in the regulation of electronic communications and postal services. ANRCETI concluded a Memorandum of Cooperation



and Information Exchange with Croatia's Regulatory Authority for Network Industries (HACOM), a document that was signed during a working visit by the HACOM delegation to Chisinau.

## **7.2 ANRCETI participation in European and international events**

In 2017, ANRCETI representatives took part in a number of meetings, seminars and trainings, organized by regional, European and international structures in the field of electronic communications and postal communications, which contributed to the increase of professionalism of the Agency's specialists and to stronger institutional capacities.

The most important international events attended by ANRCETI were the World Mobile Congress, held in February 2017 in Barcelona, Spain, under the auspices of the GSM Association (GSMA) and the World Summit on Information Society, which had place in June in Geneva, Switzerland.

In most cases, ANRCETI representatives took part in events related to postal sector regulation, in particular those organized by ERGP, in which ANRCETI had held observer status since July 2016. ANRCETI delegates took part in ERGP plenary meetings (June 2017), in a number of seminars within this organization. The issues discussed covered: monitoring the postal market, implementation of accounting separation, price regulation and evolution of universal postal service obligations.

At these and other events organized by the regional, European and international institutions, ANRCETI representatives made presentations, participated in debates and roundtables, while having the opportunity to study and take up the best regulatory practices applied electronic communications and postal sectors.

## 8 Human resources

*Human resources are a determining factor in ensuring the functionality and efficiency of ANRCETI's activities. In 2017, ANRCETI's Administrative Board continued to focus on creating and maintaining a favorable working environment in the team and on training a efficient staff, capable to achieve high performance in the regulatory and monitoring activity of the sectors within its sphere of competence.*

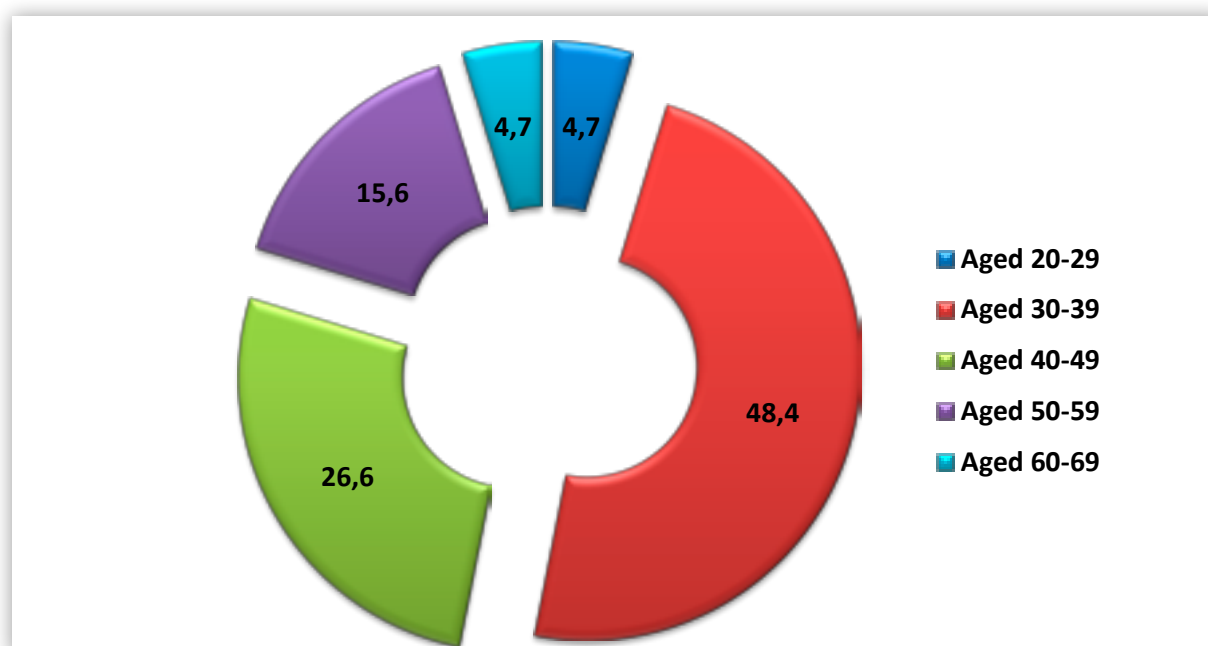
### 8.1 Management of human resources and professional training of staff

The actions of human resources management, performed in 2017, were focused on ensuring, developing, motivating and maintaining ANRCETI staff, in order to accomplish ANRCETI's objectives and tasks with maximum efficiency and to meet the needs of its employees.

As per the situation on 31.12.2017, ANRCETI had 64 employees, most of them being specialized staff. At the same time, the largest share in the employees' structure by age - 48.4% - was employees aged between 30 and 39. Employees aged 40 to 49 had 26.6% share, aged between 50 and 59 - 15.6%, and aged between 20-29 and 60-69 - an equal share of 4.7%. (Chart 9).

A significant contribution to ensure an adequate institutional capacity of ANRCETI is the level of professional training of employees. From the total number of ANRCETI employees, 60 have university degrees (94%), of which 11 – have postgraduate diplomas, eight employees have two university degrees, one employee has doctor in law scientific degree, and six employees are currently studying for second university degree or master's degree.

Employees with technical and with economic degrees are the largest share in the structure of



**Chart 9** Structure of ANRCETI staff by age

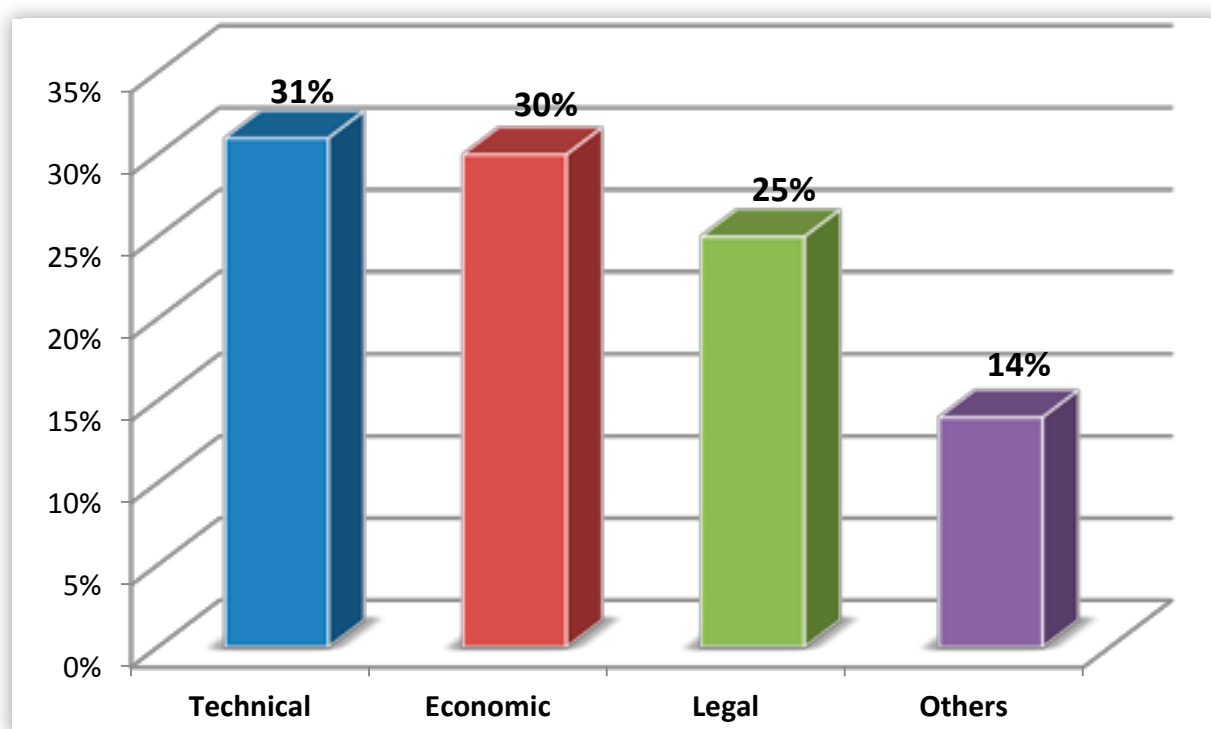
Source: ANRCETI

ANRCETI's human resources, according to the education - 31% and 30%, accordingly. They are followed by employees with legal degrees (25%) and with degrees in other fields - 14%. The data on ANRCETI staff according to the survey profile is shown in the Chart below. Data about ANRCETI staff according to education degrees are represented in the Chart 10 below.

In 2017, as a tribute of high appreciation to the contribution towards the development of information and communication technology, two ANRCETI employees were awarded the Honoric Title „Master in Information Technology and

Communications”, and ten employees - with Honoric Diplomas of the Ministry of Information Technology and Communications and Trade Unions Federation.

As far as the training of ANRCETI employees is concerned, most of them have been involved in many activities aimed at improving their professional skills. In 2017 they participated in seminars, workshops, round tables organized by EaPeReg, ERGP, by the International Telecommunication Union, as well as by the regulatory authorities of the EU Member States. More information on this topic is available in Chapter 7 of this report.



**Chart 10** Structure of ANRCETI staff according to education degrees

Source: ANRCETI



Among the most important priorities of ANRCETI for 2018 are the actions aimed at an effective enforcement of the provisions of Law no. 28/2016 in order to facilitate the development of the broadband electronic communications networks and to ensure the transparency of access conditions on public properties and shared use of infrastructure associated with electronic communications networks. In this respect, ANRCETI mainly aims at creating and making publicly available a database that will include the conditions for access to public properties, including the conditions for shared use of the infrastructure associated with electronic communications networks, as well as the entities responsible for granting the right of access and or shared use of this infrastructure.

Another important activity in the list of priorities is issuance of new regulatory acts and amendment of previous acts in accordance with the new provisions of Law no. 241/2007, laid down in Law No. 135 of 07.07.2017, amending the former Law. Thus, ANRCETI aims to establish the minimum security measures to be taken by the providers in order to ensure the adequate security of public networks and publicly available electronic communications services. This regulatory act aims to help prevent and minimize the impact of security incidents on end-users of electronic communications networks and services, as well as on improving the quality of services.

At the same time, ANRCETI will review its regulatory acts on interconnection, identification and analysis of relevant electronic communications markets and designation of providers of electronic communications networks and/or services with significant power in these markets, transfer of licenses for the use of limited resources for the provision of electronic communications networks and services, administration of telephone numbering resources, the provision of electronic communications services, etc.

Taking into account the situation on the electronic communications networks and services markets and for the purpose of promoting competition, ANRCETI

will continue the analysis of the relevant markets, in particular of the market for traffic transit services on public telephone networks in order to determine whether this market is sufficiently competitive and to decide on the need to maintain, modify or withdraw the ex-ante special obligations previously placed on the provider with significant market power on that market.

In 2018, ANRCETI will also focus on ensuring a higher level of the quality of terrestrial cellular electronic communications services. In this regard, the regulator will:

- revise the quality parameters for the public electronic communications services established by the ANRCETI Administrative Board Decision No. 278 of 17.11.2009;
- carry out, with the technical support of the public entity "National Service for Radio Frequency Management and Cyber Security", an assessment of the effective situation regarding territory coverage, including of national roads and population, with voice services and data transfer via the public mobile terrestrial cellular networks and the quality of those services in areas declared by providers as covered and, where appropriate, intervene with appropriate lawful measures to improve the existing situation;
- set up technical requirements to ensure a higher level of quality of mobile terrestrial electronic communications services.

In 2018, ANRCETI will also issue regulatory acts relevant for the implementation and proper operation of the Single National Emergency Service 112.

As for postal communications, ANRCETI will focus on promoting competition on this market and on end-users protection. For this purpose, ANRCETI will continue to monitor the distribution of costs, revenues and capital of SE „Posta Moldovei” as a universal postal service provider and, if necessary, will take appropriate lawful measures to ensure cost-based tariffs for services within the scope of universal postal service. ANRCETI will also establish access conditions to the public postal network of SE „Posta Moldovei” for alternative providers.

