

# REPORT on activity in 2014



- Main achievements of 2014
  - Market analysis • Regulation of spectrum
  - General authorization and licensing • Monitoring and control
  - Dispute resolution • Consumer protection
- Management and regulation of numbering and technical resource
  - Information and communication • International relations
  - Human resources • Conclusions. Priorities for 2015

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## Dear readers,

*2014 was an important year for ANRCETI, with ample challenges, with high stakes and long-term implications for the electronic communications sector. We reached important achievements, due to my colleagues' determination and their desire to succeed, their knowledge, attention to details, which helped us overcome the challenges of the year, attain notable success and add valuable experience for the future.*

*2014 will earn a place in ANRCETI's history, as well as in the electronic communications sector of this country, as the starting year for the process of granting the right of use of 800, 900 and 1800 MHz spectrum for the provision of public terrestrial cell mobile communications networks and services for a 15-year period, which was successfully completed. It was a historically important action, following which providers will have the spectrum they need for development over the next 15 years, users gained access to the most recent mobile communications technologies available in the world, the state budget received 62,5 million euro (over 1 billion lei) license fees, while ANRCETI team felt the satisfaction of an important mission successfully carried out.*

*2014 was an important year in terms of regulatory measures taken by ANRCETI to enhance competition in the electronic communications sector and to ensure consumer protection. Thus, ANRCETI launched the third round of relevant electronic communications market analysis, implemented a number of new regulations on the use of numbering resources, developed several useful guides for providers and users, conducted an information campaign "Know your rights as a consumer of electronic communications services" and organized the first ever survey on the use of and consumer satisfaction with electronic communications services. This Report provides details of these and many other actions and measures taken by ANRCETI in 2014.*

*The facts described in this Report confirm that 2014 will be recorded by ANRCETI's history as a difficult, but a good one for our team and for the entire electronic communications sector in Moldova. Jointly with my colleagues, we are ready to turn 2015, the year when ANRCETI will celebrate its 15th anniversary, into a year of fruitful activity to the benefit of all electronic communications market players.*

**Grigore VARANIȚA**  
ANRCETI ANRCETI

## 1 MAIN ACHIEVEMENTS OF 2014

In its activity in 2014, ANRCETI focused on the tasks set out in its annual work plan, mainly directed on the following objectives: promotion of competition and investment in electronic communications infrastructure, creation of appropriate conditions for the development of broadband technologies and services, monitoring the providers' compliance with legal provisions and protection of rights and interests of end users of electronic communications services.

One of the main events on the electronic communications market in 2014 was the issuance of the new licenses for the use of 800 MHz, 900 MHz and 1800 MHz spectrum to the three mobile communications providers (Orange Moldova, Moldcell and Moldtelecom). ANRCETI issued these licenses for a 15-year timeframe, for the provision of public electronic communications mobile services, under technological neutrality conditions. The enforcement of these licenses from November 6, 2014 started a new stage of development of national radio communications sector and promotion of innovative broadband services meant, to facilitate people's daily activities.

The technological neutrality regime for 800 MHz, 900 MHz and 1800 MHz spectrum, as provided by license conditions, offers license holders the possibility to choose and use the GSM technology or other compatible one (HSPA, WiMAX, 3G, 4G / LTE, etc.), and independently decide upon the moment of technological migration, without an administrative decision in this regard. In December 2014, a provider (Moldtelecom) made use of the possibility to use the 900 MHz spectrum under technological neutrality conditions. The company used HSPA radio access equipment (3G) in 900 MHz band, for the first time in Moldova, which significantly improved the coverage of its 3G network, which previously operated only in 2100 MHz band. Thus, Moldova became the third country in CIS area, which implemented the 3G technology in 900 MHz spectrum.

Two more projects, undertaken by ANRCETI in 2014, also directly contributed to the increase of competition on the telephone market and added benefits for end users. These

are the ongoing number portability process in fixed and mobile networks, as well as the application of new LRIC-oriented wholesale rates for call termination services in fixed and mobile networks as of July 1, 2014. By means of its previous decisions, ANRCETI required that providers with significant market power (hereinafter - SMP providers) on those markets continue in 2013-2014 the gradual reduction (four phases six months each) of wholesale rates for call termination services in mobile and fixed networks, so that July 1, 2014 these rates become LRIC-based. These and other regulatory measures taken by ANRCETI aimed at creating equal conditions for all providers operating in the market, regardless of the network size, subscriber base and time of their market entry, so that end users can enjoy high quality services at lower rates for calls to other mobile and fixed networks.

ANRCETI also fulfilled a few other important actions, devised to increase the benefit of end users. In February 2014, once the Regulations on Electronic Communications Service Provision became effective and since it contains a number of provisions with reference to consumer protection, ANRCETI launched the information campaign „Know your rights as a consumer of electronic communications services“. In parallel, ANRCETI started a number of actions of monitoring and control of providers' compliance with the provisions of these Regulations. This Report gives a description of several activities within the information campaign. Their effect is proved by the following fact: in 2014, the number of people addressing to ANRCETI via information telephone line – 080080080 increased by more than 220%: from 8 in 2013, to 191 in 2014. This increase was caused mainly by the information campaign launched by ANRCETI, which had its effect of raising the consumers' awareness about the regulator and its consumer protection functions.

As part of this campaign, ANRCETI organized a survey to assess the level of electronic communications service use and the degree of consumers' satisfaction with those services, making the result publicly available in a press conference and on its official Web site. The survey was the first study of this kind, fulfilled nationwide and represented an efficient tool of measuring the



degree of consumers' satisfaction with services, of evaluating their use and the degree of competition on all surveyed market segments. The results of the survey will make a basis for ANRCETI to adopt new decisions, capable to ensure higher transparency in the provision of electronic communications services and improve service quality, as well as raise the degree of consumers' satisfaction with services.

## 2 MARKET ANALYSIS

ANRCETI's main objectives for 2014 in terms of economic regulation of electronic communications markets were focused on creating appropriate conditions for the development of sustainable competition, enhancing investments in sector development and consumer protection.

To attain these objectives, ANRCETI fulfilled the following:

- Started third round of relevant market analysis, as defined by *ANRCETI Administrative Board Decision no. 85* din 28.04.2009 on defining the list of relevant electronic communications network and/or service markets;
- Monitored the compliance with special ex-ante obligations previously imposed to SMP providers.

In 2010 – 2011, ANRCETI carried out the first round of market analysis for ex-ante regulation. As a result of this process, ANRCETI designated SMP providers on nine markets identified as susceptible to ex-ante regulation (one retail and eight wholesale markets) and imposed, pursuant to the Law on Electronic Communications no. 241-XVI of 15.11.2007 (hereinafter - *Law no.241/2007*), a number of special ex-ante obligations.

In 2013 ANRCETI fulfilled second round of relevant market analysis, in which identified all the nine markets as susceptible to ex-ante regulation, designated SMP providers and maintained and/or modified the obligations imposed during the first round of analysis and/or imposed new ones.

In 2014, ANRCETI resumed the market analysis process, for the purpose of ex-ante regulation.

### 2.1 Launch of third round of relevant market analysis

In 2014 ANRCETI launched third round of market analysis, pursuant to art. 53 (1) of *Law no.241/2007*, which provides that ANRCETI analyse relevant market at least every two years, in order to ascertain that the markets are effectively competitive and review the ex-ante remedies in terms of imposing, maintaining, modifying or withdrawing with relation to SMP providers.

ANRCETI completed the analysis of two relevant markets: market for call origination at fixed locations in the public telephone network (Market 2) and market for traffic transit in public telephone networks (Market 9) and issued decisions as to ex-ante remedies.

On the other hand, ANRCETI started public consultations for the analysis of two other relevant markets: market for voice call termination in individual fixed telephone networks (Market 3) and market for voice call termination in individual mobile telephone networks (Market 7), following which, in the first half of 2015, the regulator will approve the decisions as to the identification of the markets as susceptible to ex-ante regulation and designation of SMP providers.

#### 2.1.1 Market for call origination at fixed locations in the public telephone network and market for traffic transit in public telephone network

As a result of analysis of market for call origination at fixed locations in the public telephone network (Market 2) and market for traffic transit in public telephone networks (Market 9), ANRCETI concluded that the definition of the product market, in both cases, does not differ from the one established during the previous round of market analysis. The geographic limits of both markets were identified as national territory, whereas the three-criterion test proved that these markets were susceptible to ex-ante regulation.

The detailed analysis of Markets 2 and 9, reviewing number of criteria deemed appropriate by ANRCETI, showed that JSC Moldtelecom still remains an SMP provider on both markets. As a result, ANRCETI designated JSC Moldtelecom as SMP provider on Market 2 and decided to maintain the ex-ante obligations imposed on this provider by

ANRCETI Administrative Board Decision no. 27 of 01.11.2011. A similar decision was taken with reference to Market 9. Thus, ANRCETI designated JSC Moldtelecom as SMP provider on Market 9 and maintained the ex-ante special obligations imposed on this provider by ANRCETI Administrative Board Decision no. 28 of 01.11.2011.

### **2.2.2 Market for voice call termination in individual fixed telephone networks and market for voice call termination in individual mobile telephone networks**

The draft analysis of the market for voice call termination in individual fixed telephone networks (Market 3) and the market for voice call termination in individual mobile telephone networks (Market 7) and the draft ANRCETI Administrative Board Decisions on remedies for ex-ante regulation of these markets were subject to public consultations on November 26-December 11, 2014. Pursuant to ANRCETI Program for Regulatory Acts Development, these draft documents are to be approved in the first half of 2015.

## **3 REGULATION OF SPECTRUM USE**

In this activity, ANRCETI sought to create appropriate conditions for the implementation and development of public electronic communications radio access broadband networks and services and implementation of the technological neutrality regime for the use of 800 MHz, 900 MHz and 1800 MHz spectrum. These measures were aimed at reaching the objectives of the Spectrum Management Program for 2013 - 2020, approved by Government Decree no.116 of 11.02.2013.

### **3.1 Regulation of the right to use 800 MHz, 900 MHz and 1800 MHz spectrum**

Based on Law no.241/2007 and Spectrum Management Program for 2013 - 2020, on July 14, 2014, ANRCETI Administrative Board adopted Decision no.30 on limiting the number of licenses for the use of 800 MHz, 900 MHz and 1800 MHz spectrum. The main purpose of such a decision was to ensure the successive evolution of the cell mobile electronic communications networks already deployed and legally provided by the existing operators.

By this decision, ANRCETI Administrative Board limited the number of licenses as follows:

- Three licenses for the use of 800 MHz spectrum [FDD regime - frequency-division duplex, of total bandwidth 20 MHz (2x10 MHz) each];
- Three licenses for the use of 900 MHz [FDD regime, two licenses of 20 MHz (2x10MHz) total bandwidth each and one license of 10 MHz (2x5MHz) total bandwidth];
- Three licenses for the use 1800 MHz spectrum [FDD regime, 50 MHz (2x25 MHz) total bandwidth each].

### **3.2 License issuance for the use of 800 MHz, 900 MHz and 1800 MHz spectrum**

On June 28, 2014 ANRCETI adopted eight decisions to directly grant licenses for the use of 800 MHz, 900 MHz and 1800 MHz: two – for 800 MHz band, three - for 900 MHz band and three - for 1800 MHz band. The reason for these decisions were the requests submitted by the providers already legally providing electronic communications terrestrial mobile networks and services in the Republic of Moldova, expiry of licenses held by JSC Orange Moldova and JSC Moldcell (05.11.2014) and the need to ensure the continuity of mobile terrestrial services, the benefit of end users and the development of competition. The licenses were granted for 15 years, their term starting November 6, 2014.

JSC Orange Moldova and JSC Moldcell were granted three licenses each: one for the use of frequencies in the 800 MHz band (20 MHz total bandwidth (2x10MHz), 900 MHz band (20 MHz total bandwidth (2x10MHz) and 1800 MHz (50 MHz total bandwidth (2x25 MHz). JSC Moldtelecom obtained two licenses – one for the use of 900 MHz frequencies (total bandwidth 10 MHz (2x5MHz) and one for the 1800 MHz band (total bandwidth 50 MHz (2x25 MHz). The total amount the three providers paid to the state budget for the granted licenses was 62,5 million Euro in national currency equivalent (over 1 billion lei).

ANRCETI granted all the licenses, for the first time, under full technological neutrality. This means that license holders are entitled to choose and use any technology compatible with GSM systems (2G) -UMTS / HSPA, WiMAX (3G) LTE (4G), as well as more advanced ones, in

the listed frequency bands, without having to obtain a permissive administrative decision, at the same time being required to ensure continuity of service provision. Before summer 2014, all licenses for the use of spectrum granted by ANRCETI, enabled providers to use only a specific technology for each band. For example, licenses allowed only GSM technology to be used in frequency bands 900 and 1800 MHz.

After the new licenses were granted, the total volume of spectrum available for mobile network providers in 800 MHz, 900 MHz and 1800 MHz bands increased by about 195% compared to the volume they held before the summer of 2014 in the same bands. This will provide them with the possibility to ensure sustainable network development. The better quality of wave propagation in those frequencies will enable providers develop both GSM systems and 3G and 4G mobile broadband (or even more advanced systems 5G in the future) at lower cost and ensure better mobile broadband coverage.

### 3.3 Auction for 3600 – 3800 MHz licenses

Pursuant to the Spectrum Management Program for 2013 - 2020, ANRCETI put up for a repeated auction four licenses for the use of 3600-3800 MHz spectrum for broadband services (October 1 – November 19, 2014).

The licenses for the use of four sub-bands of the 3600-3800 MHz band (3600-3650 MHz, 3650-3700 MHz, 3700- 3750 MHz and 3750-3800 MHz) of 50 MHz bandwidth each, were planned to be issued by ANRCETI for 15 years.

As none of the auctioned licenses was claimed, the auction was declared null.

According to the National Frequency Allocation Chart, approved by Decision of the State Radio Frequency Commission of the Republic of Moldova no.11 of 27.04 2000, the 3600-3800 MHz band is for non-governmental use and is assigned for radio communications services of secondary status – mobile services.

### 3.4 Approval of documents for the auction of 3400-3600 MHz spectrum licenses

ANRCETI developed two documents necessary for the auction of four 3400-3600 MHz licenses for the provision of mobile terrestrial broadband and fixed radio access networks and ser-

vices: standard special License Conditions for the use of these resources and the Terms of Reference for the auction. These documents were approved by *ANRCETI Administrative Board Decisions no. 59 and no. 58 of 30.12.2014*. On January 19, 2015 ANRCETI announced an international open auction for the right to use the 3400-3600 MHz spectrum, based on the comparative selection procedure. The auction will last through March 13, 2015.

According to the National Frequency Allocation Chart, the 3400-3600 MHz spectrum is for non-governmental use and is assigned for radio communications services of primary status – fixed, fixed via mobile satellite and of secondary status – radiolocation.

### 3.5 Updating vacant spectrum categories

By *Decision no. 34 of 24.07.2014*, ANRCETI Administrative Board harmonized Decision no.126 of 02.06.2009 on establishing categories of spectrum, which are not subject to general authorization in the Republic of Moldova and for which no license or permit is required, with the amendments operated to Recommendation ERC 70-03 in 2014 by European Conference of Postal and Telecommunications Administrations (CEPT).

By the mentioned Decision, the Board approved the modifications of section 2 of Decision no.126 of 02.06.2009 and a new version of the Annex to this Decision. The Annex contains 13 categories of short-range devices/equipment, which were transposed from CEPT/ERC 70-03 Recommendation and two other types of short-range devices, which are reflected in Decision ERC/DEC (98)25 and Decision ERC/DEC(05)12.

According to the Board Decision, short-range devices/equipment/vacant frequencies may be used only subject to compliance with the technical regulation "Technical Parameters for short-range device emission", approved by Order of the Ministry of Information Technology and Communications no.16 of 21.02.2014.

## 4 MANAGEMENT AND REGULATION OF NUMBERING AND TECHNICAL RESOURCES

In 2014, ANRCETI continued to improve the regulatory framework as to the use of num-

bers and codes from the National Numbering Plan (NNP), the enforcement of new provisions of the NNP, approved by Order of the Ministry of Information Technology and Communications no.57 of 02.07.2014, in particular the ones with reference to the conditions of allocation and use of national short numbers 116006 and 116117 for harmonized services of social value and short national numbers of 15xx format as Premium Rate numbers.

#### 4.1 New regulations for the use of numbering resources

As a result of amendments to the NNP regarding the inclusion of two national short numbers for harmonized services of social character: 116006 – *helpline for victims of crime* and 116117 – *non-emergency medical assistance*, ANRCETI updated four Administrative Board Decisions: *no. 58 of 21.12.2010* on approval of the Procedure for telephone numbering resource management, *no. 17 of 12.07.2011* on regulation of access to short national numbers for harmonized services of social value of 116xxx format, *no. 19 of 12.07.2011* on approval of special license conditions for the use of short national numbers of 116xxx format and *no.06 of 27.03.2012* on establishing the evaluation score grid for the selection of providers that will be licensed to use national short numbers of 116xxx format.

Thus, ANRCETI harmonized the mentioned decisions with the new provisions of the NNP and Recommendations from European Commission Decision 2007/116/CE on reserving the national number series „116” as numbers for harmonized services of social value and Decision 2009/884/CE on identification of the *Helpline for victims of crime and Non-emergency medical on-call services* as harmonized services of social value.

The decisions mentioned above provide for the rules of allocation of national short numbers 116006 and 116117, new obligations for providers and conditions associated to the right to use numbers for harmonized services of social value.

Given that the national short numbers “15xx” became Premium Rate numbers, as a result of the amendment of the NNP, ANRCETI Administrative Board undertook a review of two Decisions on special rate numbers. By *Decision no. 53 and no. 54 of 04.12.2014*, ANRCETI amended Annex to *Decision no. 81 of 17.04.*

*2009* on approval of special license conditions for the use of numbers for Premium Rate services in electronic communications networks and, accordingly, *Decision no. 16 of 19.05.2010* on access to Premium Rate numbers in public electronic communications networks.

These decisions provide for the conditions and rules for the use of Premium Rate numbers, in particular that calls to these numbers are dialed according to the format stipulated by the NNP, without any additional specification whatsoever. As well, a modification was made to allow charging of content services, including per message, as appropriate, taking into account the type of service.

At the same time, taking into consideration providers’ requests, by *Decision no. 38 of 11.09.2014*, ANRCETI Administrative Board amended *Decision no. 58 of 21.12.2010* on approval of the Procedure for telephone numbering resource management, giving the numbers 1500 – 1559 the destination of short Premium Rate numbers, whereas the numbers 1300- 1319 – the destination of short numbers for non-communication services (numbers that are used by businesses for the maintenance of electric and heat networks, gas, water and sewerage networks, etc.).

#### 4.2 Amendment of Procedure for Signaling Point Code Administration

Given the need to extend the amount of resources for the identification of networks or network elements and, in order to ensure the processing of signals that fulfill and maintain communication links, ANRCETI Administrative Board, by *Decision no.15 of 05/29/2014* updated the *Procedure for Signaling Point Code Administration*, approved by *Decision no.27 of 02.09. 2010*. Thus, ANRCETI added routing numbers to the list of the existing technical resources call. Routing numbers are numbers used in public telephone networks in order to correctly route calls to ported numbers. According to NNP, routing numbers are assigned from the short number range 17xx.

By this Decision, ANRCETI decided to make available technical resources enabling providers to reduce the risks of difficulties in billing the termination traffic, originating from fixed public networks, which are not directly connected with the networks they operate. The technical solution for the iden-



tification of the call-originating network is the application of signaling point codes, used in SS7 common channel signaling systems and identify the network nodes for the transmission of signaling information. The signaling point codes can be national or international, depending on the level of interconnection. In this respect, the Administrative Board Decision requires that providers activate and use the allocated technical resources within 6 months from allocation and actually use a significant number of national identification point codes in a single block.

### 4.3 Number portability evaluation report

Pursuant to the Number Portability Implementation Program for 2011 – 2013, ANRCETI developed and launched, in March 2014, the evaluation report “Implementation of number portability in the Republic of Moldova”. The document was presented on March 18, and further made publicly available on ANRCETI official web site. The report covered the following reference timeframes: 01.07.2013 – 31.12.2013 – for mobile networks and 01.08.2013 – 31.12.2013 – for fixed networks.

The document presents the objectives and organizational stages preceding the launch of number portability, provides analysis of the progress and performance indicators and the impact of the project on the telephone market.

According to the report, the main objectives of the Number Portability Implementation Program, such as development of competition, new services affordable for end users, reduction of the difference between in-network and out-network call rates, encouraging investment in infrastructure, have been met. Thus, the launch of number portability service enhanced the competition among providers, which proved beneficial for end users.

The analysis of the indicators reported by mobile providers in qrs. III and IV 2013, presented in the report, shows that the volume

of mobile calls to other mobile networks, to fixed networks and to international networks increased significantly compared to qr. II of 2013, some of these indicators increasing by over 100%. This evolution was driven by the increase of competition in the two market segments: national calls outside the network and international calls. At the same time, the total traffic processed by each mobile network increased, whereas the indicator ‘income per minute’ decreased for all the three mobile providers. These data demonstrate that end users paid on average less per minute than before the implementation of number portability.

ANRCETI considers the evolution of indicators of number portability progress and performance as satisfactory and believes that the objectives of the number portability implementation project in the Republic of Moldova have been achieved. ANRCETI welcomes the fact that the providers involved in the number portability process do not charge end users for this service.

### 4.4 Evolution of the number portability service

In 2014 ANRCETI continued to monitor the process of number porting in telephone networks, the compliance of providers involved in number portability and the centralized database administrator (CDA) with the relevant regulations. The monitoring results reveal no serious breaches that during the timeframe under report.

As regards the statistics of ported numbers, the information provided by the CDA shows that in the timeframe July 2013 - December 2014, (mobile number portability started 01.07.2013 and fixed – 31.07.2013), 66 235 numbers were ported, of which 59 724 - mobile and 6 511 - fixed.

In the 1st half of 2014, the volume of mobile and fixed ported numbers slightly decreased, then increased in the second half. The total volume of ported numbers in 2014 was 37 685, of which 33 839 - mobile numbers and 3 846 - fixed.

The chart below shows the evolution of ported telephone numbers.

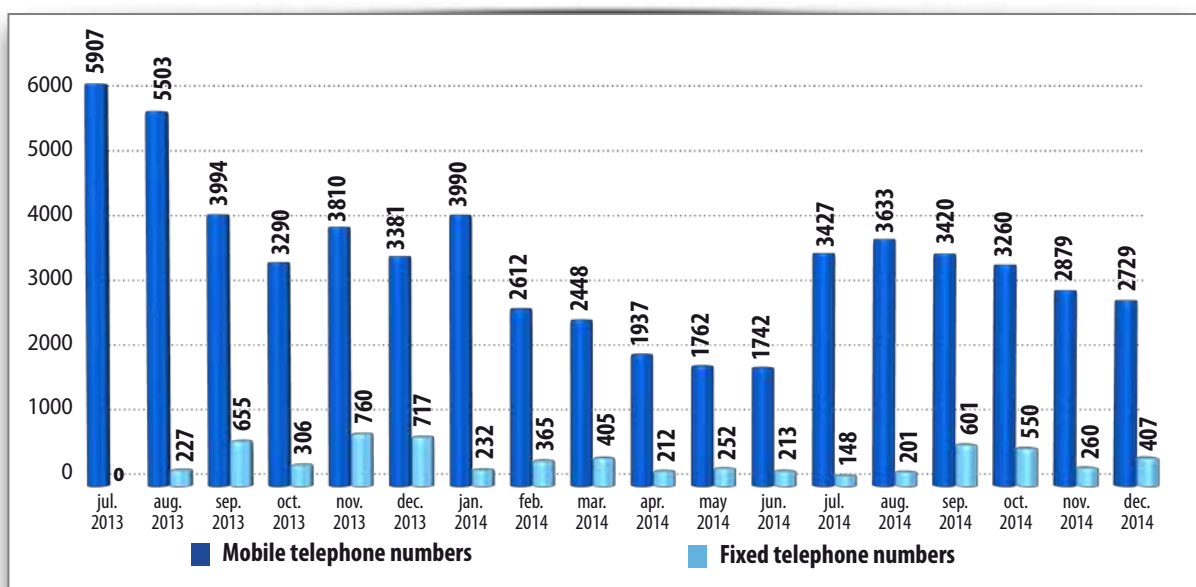


Chart 1

Evolution of number portability in mobile and fixed networks, July 2013 – December 2014

Source: ANRCETI

In 2014, the monthly average ported numbers in mobile networks was 2 578, in fixed networks - 320 numbers. In January 2014 the highest volume of numbers – 3990 – were ported in mobile networks, whereas in September – the highest quantity of numbers – 601 – were ported in fixed networks. The reason for fewer ported numbers in fixed networks is lack of alternative fixed networks of national coverage and technical impossibility for subscribers connected to fixed network via analog technology, to use the number portability service.

Of the 33 839 mobile numbers ported in 2014, most went to JSC Moldcell - 18 470 numbers. JSC Orange Moldova received 8 127 numbers and JSC Moldtelecom (Unite) – 7 242. However, JSC Orange Moldova ported 21 458 numbers to other networks, JSC Moldcell – 9 887 and JSC Moldtelecom (Unite) – 2 495 numbers.

The 3 846 fixed numbers were ported to 24 fixed telephone providers. Most of these numbers went to the fixed networks of LLC Starnet Solutions (2325), JSC Orange Moldova (595) and LLC Arax-Impex. (867).

## 5 OTHER REGULATIONS AND DECISIONS

### 5.1 Approval of the Methodology of planning state control of entrepreneurial activity in electronic communications based on risk criteria analysis

The Methodology of planning state control of entrepreneurial activity in electronic communications based on risk criteria analysis was approved by *ANRCETI Administrative Board Decision no.51 of 4.12.2014* and became effective on 23.01.2015, upon its publication in the Official Gazette of the Republic of Moldova.

ANRCETI developed and approved the Methodology for the enforcement of *Law no. 131 of June 8, 2012* on state control of entrepreneurial activity, (hereinafter – *Law no.131/2012*), according to which one of the fundamental principles of control is based on risk assessment, a principle which, according to Article 1 (3) of *Law no.131/2012*, does not contradict the legislation in force governing ANRCETI's control and surveillance activity, but complements it.

This document sets forth the organizational and methodological framework for the risk assessment process when planning state control over business activity in electronic communications and the manner of scoring according to a pre-established grid, by comparing it to the weight of each risk criterion, based on its relevance for the overall risk level, thus representing a set of risk criteria, followed by ANRCETI when selecting providers to be subject to planned inspections.

The risk criteria provided in the methodology summarize a set of circumstances or features of the subject and/or object liable to control and/or previous relations between the provider liable to control and ANRCETI, the existence and intensity of which may indicate probability of poor quality of electronic communications service provision, breach of general authorization or license conditions, legal provisions governing the activity in electronic communications. According to the methodology, each risk criterion is distributed per degrees/levels of intensity, scored according to the value of the risk degree, the value scale ranging from 1 to 5, where 1 is the minimum degree and 5 the maximum degree of risk.

ANRCETI considers that the application of this methodology will optimize the control over entrepreneurial activity in electronic communications and enhance public benefit by maximizing of efficiency of ANRCETI inspections.

## 5.2 Amendments and additions to statistical report forms

At the end of 2014, by its *Decision no. 52 of 04.12.2014* ANRCETI Administrative Board amended five annexes to *Administrative Board Decision no. 33 of 17.11.2011*: Annex no.1 "CE-1. Networks and Services", Annex no. 2"CE-2. Fixed networks and service", Annex no. 3"CE-3. Mobile networks and services", Annex no. 4"CE-4. Broadcasting networks and services" and Annex no. 6 – "Instructions for statistical report forms".

The need to adopt this decision was caused by the developments on the electronic communications market, appearance of new services and technologies and the need to update and improve the information collected by ANRCETI. According to the Board Decision, providers that collect revenues

from activities related to construction, installation and maintenance of electronic communications networks, are required to quarterly submit to ANRCETI statistical data on revenues, personnel and investment, by filling-in the statistical forms CE-2, CE-3 and CE-4 according to relevance. New indicators were included in all the four statistical report forms, as required by the International Telecommunications Union, while some were excluded or modified.

The amendments and additions to the statistical reports forms are reflected in the Instructions on statistical report forms. ANRCETI believes this measure will facilitate the process of reporting and aggregation of statistical indicators, for the correct evaluation of the electronic communications market development.

## 5.3 Amendment to the Instructions on separate accounting implementation by JSC Moldtelecom

The Instructions on separate accounting implementation by JSC Moldtelecom within its internal accounting system, approved by *ANRCETI Administrative Board Decision no. 09 of 22.04.2011*, was amended following Order no.166 of 28.11.2013 of the Ministry of Finance, which extended by one year (from January 2014 to January 1, 2015) the term of application of the national accounting standards, harmonized with international financial reporting standards.

By its Decision, ANRCETI amended section 8.5 of the Instructions, which before that required JSC Moldtelecom to report separate financial results based on current costs for the first time in 2014 for 2013, or earlier, if it is explicitly provided by the financial legislation or provider's corporate policy as regards financial reporting. The new version of section 8.5, approved by ANRCETI, requires JSC Moldtelecom to report separate financial results, based on current costs, where the financial and accounting legislation imposes such a financial reporting obligation on for the corporate accounting policy of this provider.

The obligation of separate accounting was imposed on JSC Moldtelecom in connection with its significant market power on all 9 relevant markets identified by ANRCETI as susceptible to ex-ante regulation.

## 6 MONITORING THE ELECTRONIC COMMUNICATIONS MARKET

As regards its activity of monitoring the electronic communications market, in 2014, ANRCETI continued to supervise the due application of regulatory provisions of economic and technical nature, in particular those related to ex-ante special obligations imposed on SMP providers, the rules for the use of numbering resources, for measurement and publication of information on service quality parameters, provision of quarterly statistical reports, as well as reports on revenues, derived from electronic communications activities.

### 6.1 Fulfillment of special ex-ante obligations imposed on SMP providers

The activity of monitoring the compliance with special ex-ante obligations imposed on SMP providers was focused on verification of reference interconnection/access offers, interconnection/access agreements, application of regulated tariffs for call termination in fixed and mobile networks, as well as claims regarding SMP providers' non-compliance with the obligations.

At the same time, ANRCETI offered advice to some SMP providers on how to develop reference interconnection and access offers. Thus, according to *ANRCETI Administrative Board Decision no. 56 of 26.09.2013* on imposing specific ex-ante obligations on JSC Moldtelecom in connection with significant market power on the market for wholesale access to network infrastructure at a fixed location, this provider was required to develop reference interconnection and access offers and make them publicly available.

As a result of supervision of JSC Moldtelecom's compliance with this obligation, it was found that the provider developed and issued, in due term, three reference offers: for access to ducts, for access to poles and for colocation services, thus ensuring the obligation of transparency. The publication of these offers on the website of JSC Moldtelecom allows free access to information regarding the technical and commercial terms for access services, provided by JSC Moldtelecom to those seeking to develop their own services.

A special aspect of the monitoring of electronic communications market was dedicated to the verification of compliance by SMP providers with the obligation of non-discrimination as related to interconnection and access agreements signed with other providers. ANRCETI keeps records of these agreements and examines their compliance with the regulations in order to avoid abuse of SMP and discrimination in contractual relations. In 2014, no such cases were recorded.

As regards monitoring the application of regulated tariff for call termination services in mobile and fixed networks, as established by relevant Administrative Board Decisions, it is notable that all SMP providers on the markets for voice call termination in mobile and fixed networks, have been applying LRIC-based costs, since 01.07.2014.

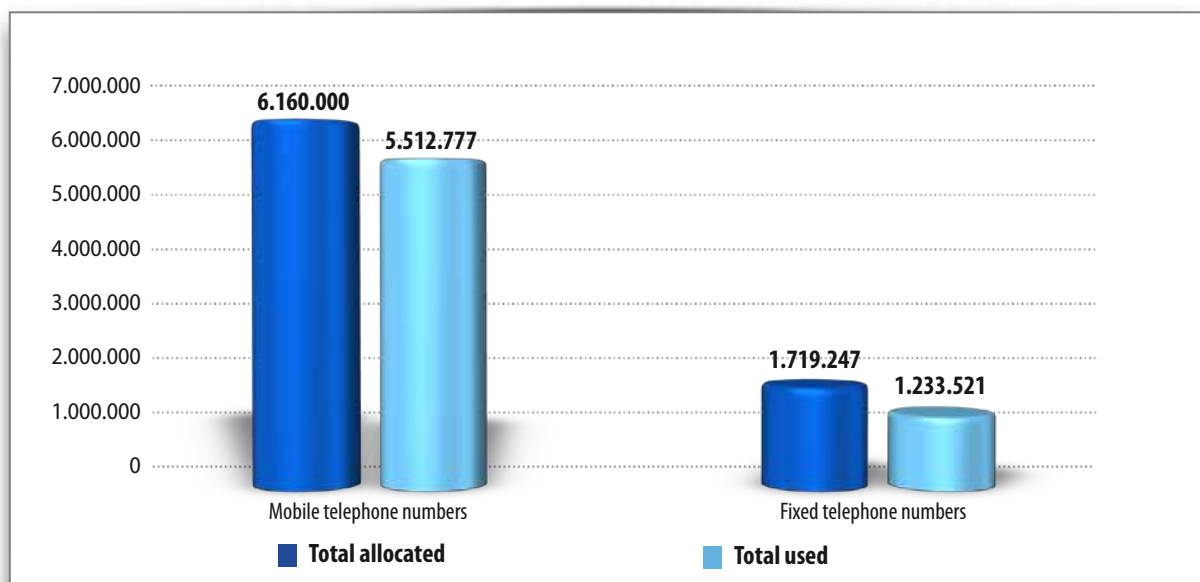
### 6.2 Use of numbering resources by providers

In 2014, ANRCETI continued to supervise compliance of providers with license conditions for the use of numbering resources, the provisions of the Procedure for the use of numbering resources, timeliness of reports in this regard, as well as their proper non-discriminatory use, according to destination, etc.

The analysis of reports on the use of numbering resources showed that 36 of the total 43 providers authorized to use numbering resources, did use them in accordance with the procedure, however, five providers failed to activate the numbering resources within the assigned deadlines. This contradicts the relevant procedure, which requires providers to activate the numbering resources within one year from the date of their allocation. ANRCETI warned these providers against the breach and intends to initiate the procedure of withdrawing the license, unless the providers comply with this requirement.

The Chart below represents aggregated data on the use of numbering resources assigned to mobile and fixed telephony providers, according to Reports for 2014.





**Chart 2** Degree of usage of mobile and fixed numbering resources in 2014

Source: ANRCETI

The chart shows that the use of numbering resources reached 89% for mobile numbers and 71.7% for fixed. The increased use of mobile numbers is due to the maximal use of the switching node capacities of networks and the facilities for consumers of such services: lower charges for some mobile services after the implementation of mobile number portability, permanent access to the mobile device, the possibility to use a wide range of services offered by providers. The lower degree of fixed number use occurred due to the impossibility to efficiently use blocks of fixed telephone numbers in rural areas, due to low switching node capacity, especially analog ones.

### 6.3 Ensuring service quality parameters

In accordance with its duties established by law, ANRCETI monitored providers' compliance with their obligation to measure and publish information on service quality parameters.

By *Administrative Board Decision no.278 of 17.11.2009 establishing quality parameters for public electronic communications services* (hereinafter *Decision no. 278/2009*), ANRCETI defined the indicators to be measured by providers. Those indicators refer to seven types of public services: fixed telephony, Internet access, IP-based electronic communication services, ISDN-based services, leased line services, mobile and TV services.

According to the decision mentioned above, providers of those services are required to measure the established quality indicators on quarterly basis, submit to ANRCETI the information as to the fulfillment of the recommended quality parameters and subsequently publish the parameters on their websites.

In 2014, ANRCETI processed and placed on its official website quarterly information on quality parameters for the services, as submitted by providers according to the standard forms set out in Annexes 1-7 of *Decision no. 278/2009*.

ANRCETI data show a positive trend in the number of providers, who met the requirement to measure service quality indicators, publish them and present relevant information to ANRCETI. To compare, in the first quarter of 2014 about 73,8% providers from the total number of providers subject to this obligation complied with this requirement, while in the fourth quarter - 89%.

### 6.4 Processing the statistical data reported by providers

ANRCETI monitors the evolution of the electronic communications market among other by collecting, verifying, processing and analyzing the statistical data reported by providers of public electronic communications services.

According to *ANRCETI Administrative Board Decision no.33 of 17.11.2011* approving the statistical report forms for providers of public electronic communications services, with

the subsequent amendments, all providers have the obligation to fill out and submit the statistical form "CE-1. Networks and Services" to ANRCETI, on yearly basis, whereas providers of fixed telephone services, broadband access, paid TV – both, CE-1 and „CE-5. Detailed geographic presentation of provided services". The forms „CE-2. Fixed networks and services", „CE-3. Mobile networks and services" and „CE-4. Broadcasting networks and services" are filled out and submitted to ANRCETI by the providers of corresponding services on quarterly basis.

Based on statistical data reported by providers, ANRCETI collects the relevant information in order to evaluate the tendencies persisting on the electronic communications market, in particular new services and technologies, as well as to perform market analysis. Data on quarterly evolution of the situation on different market segments are published on ANRCETI official web page, Statistical Data section. In the recent three years, the number of active providers who comply with the requirement to report statistical data to ANRCETI has increased significantly.

### 6.5 Implementation of the online system of statistical data reporting

In order to automate the process of statistical data reporting and processing, ANRCETI started the implementation of an online reporting system. The system was tested by a group of providers and is expected to become operational in the first quarter of 2015.

The development and implementation of the on-line reporting system is a component of ANRCETI integrated information system, which represents all data, information flows and circuits, means and procedures of storage, processing and use of information, devised to help ANRCETI achieve its objectives.

The on-line presentation of filled-out statistical report forms by providers and automated stock-taking of reports will help optimize the work process on statistical data. Providers will have an alternative to report online,

which will spare their efforts to visit ANRCETI office, whereas the verifications and validation operations performed by ANRCETI will minimize the number of errors in filling-out the forms. However, the time spent on the preparation, sending, receiving and recording the filled-out statistical report forms will be significantly reduced.

## 7 GENERAL AUTHORIZATION AND LICENSING

*Law 241/2007* provides for the general authorization regime, according to which ANRCETI authorizes the provision of public electronic communications networks and services and issues licenses for the use of scarce state resources (spectrum and numbering resources).

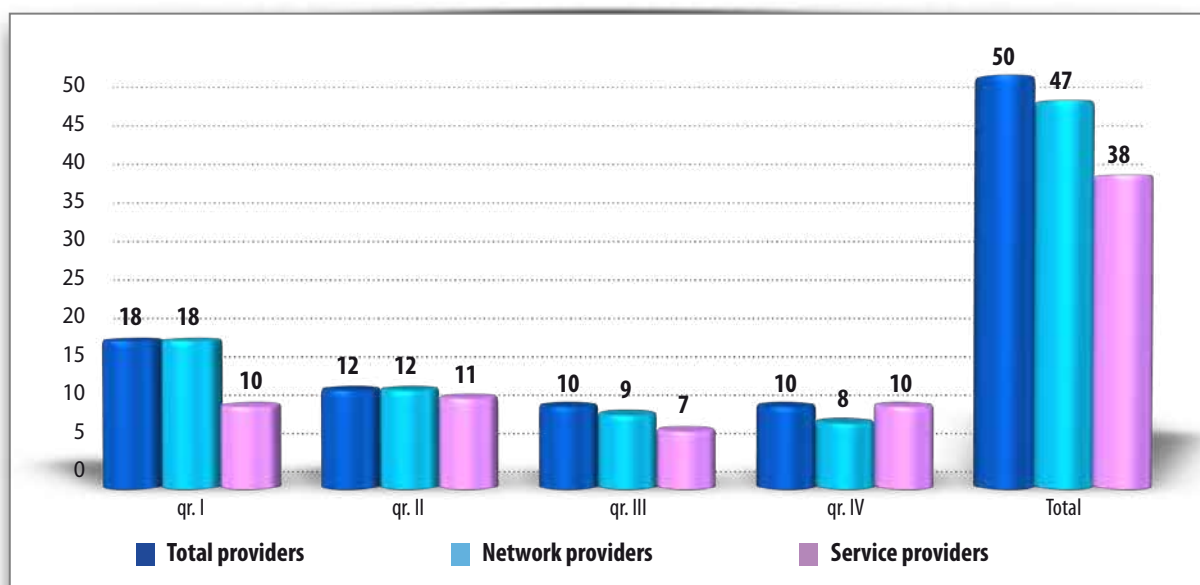
The general authorization regime for electronic communications activities replaced the previous system of licenses for these activities. It started to be applied by ANRCETI in September 2008. General authorization has several advantages over the previous licensing procedure: unlimited term of the general authorization, procedure free of charge, minimum set of documents submitted by the applicant, limited pending timeframe.

### 7.1. General authorization

In 2014, the number of businesses that obtained the right to provide public electronic communications networks/services under general authorization, increased over 2013 by 3,7% (+50), whereas the number of businesses included in the public Register of electronic communications network/service providers went up to 531, as of 31.12.2014.

35 of the 50 businesses recorded in the Register opted for provision of both networks and services, 13 – only for networks and 2 – only for services.

The chart below shows the quarterly evolution of the number of businesses that obtained the right to provide public electronic communications networks/services under general authorization regime in 2014.



**Chart 3**

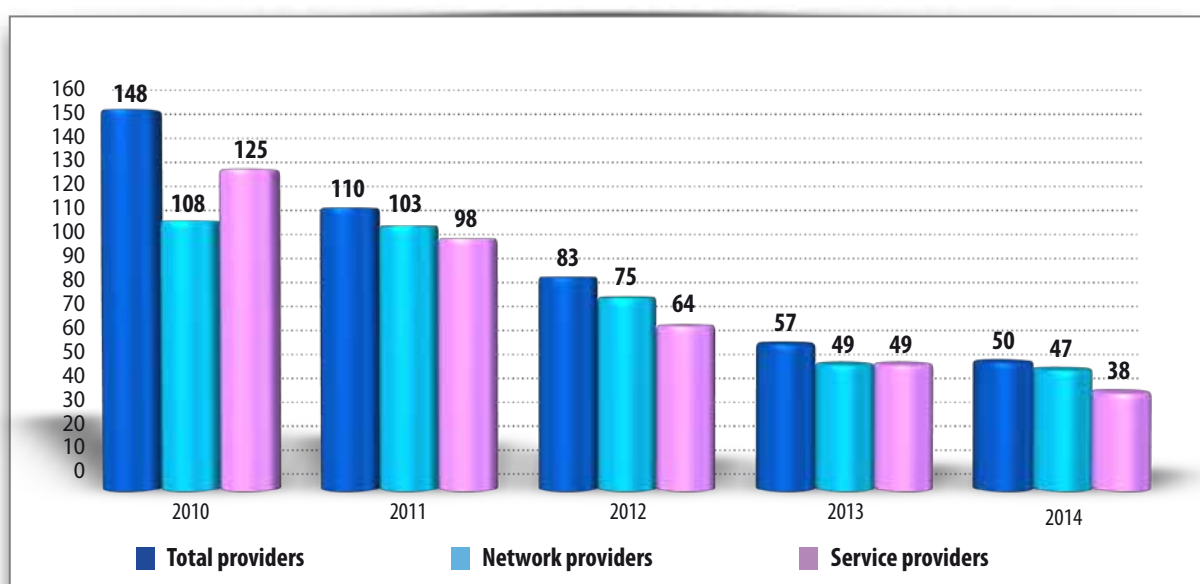
**Quarterly evolution of the number of businesses that obtained the right to provide public electronic communications networks/services in 2014**

Source: ANRCETI

It is notable that during 2014, 33 providers requested modifications to their informative declarations, wishing to extend the area of activity, to add other networks and services or requesting other modifications related to their identification data. In 2008-2014, 122 providers requested similar modifications of their informative declarations.

In the timeframe under report, 31 providers gave up for different reasons their rights to provide networks and services. Those were excluded from the public Register of electronic communications network/service providers. In 2008 - 2014, 164 providers submitted such requests.

The chart below shows statistical data on general authorization regime for the recent five years.



**Chart 4**

**Evolution of the general authorization implementation process in 2010-2014**

Source: ANRCETI

The indicators of the chart show that in the recent four years, the number of applicants for the rights to provide public electronic communications networks/services, based on general authorization decreased significantly. ANRCETI specialists consider that this tendency is caused by the market saturation.

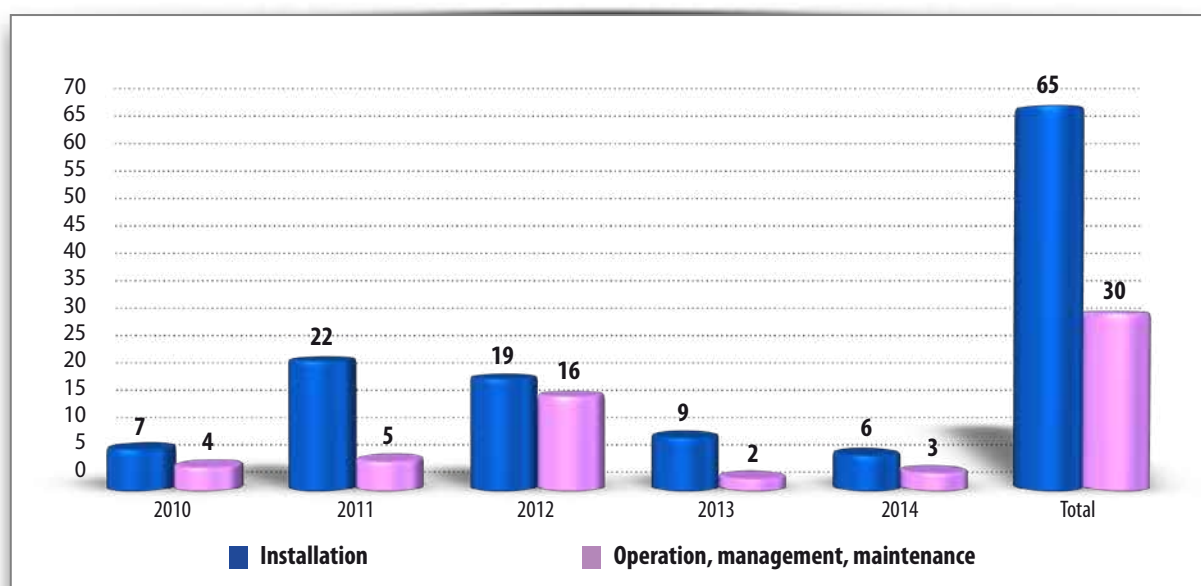
### 7.1.1 Authorization of activities in border area

In 2014, under the provisions of the Regulations on conducting activities of installation, operation, management, maintenance and/or liquidation of electronic communications networks at the state border of the Republic of Moldova, approved by Government Decree no. 974 of 12.08.2008, ANRCETI issued nine additional informative declarations, by which

authorized the roll out of such activities in the border area. Thus, the regulator authorized JSC Orange Moldova to provide such services in a number of localities in districts Ungheni, Cahul, Ocnita, Leova, Briceni and LLC Starnet Solutions – in district Ungheni.

As of 31.12.2014, JSC Moldtelecom, JSC Orange Moldova, JSC Moldcell, Starnet LLC and Etelecom International LLC are authorized to conduct activities of installation, operation, management, maintenance and/or liquidation of electronic communications networks at the state border of the Republic of Moldova.

The chart below provides data on the authorization process for activities in the border area of the Republic of Moldova, in the recent five years.



**Chart 5** Authorization of activities in the border area of the Republic of Moldova, in 2010 – 2014

Source: ANRCETI

### 7.2 Licensing information technology activities

During 2014, under *Law 451-XV of 30.07.2001 on regulation of entrepreneurial activity by licensing*, ANRCETI issued 20 licenses for services of for services of creation, implementation and ensuring the operation of informa-

tion systems of state interest, including software. The amount paid to the state budget for the license issued by ANRCETI in 2014 was 61 thousand lei. As per 31.12.2014, ANRCETI had issued 140 licenses for this type of activity was. The chart below shows the evolution of licensing process for this type of services.



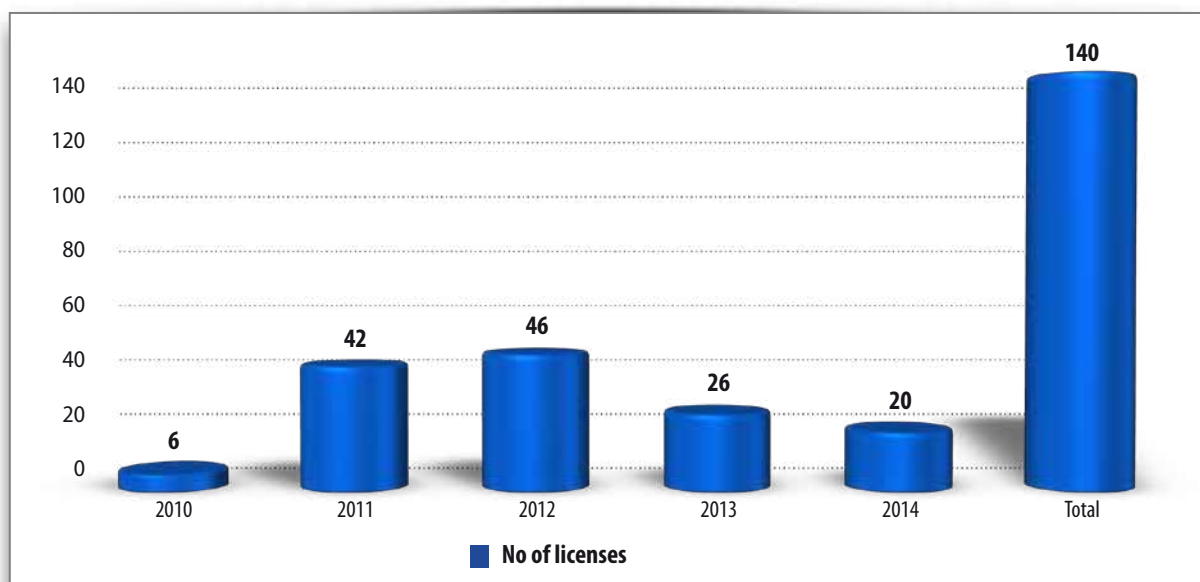


Chart 6

Source: ANRCETI

Evolution of the licensing process for services of creation, implementation and ensuring the operation of information systems of state interest, including software, in 2010 - 2014

### 7.3 Licensing limited resources

#### 7.3.1 Licenses for the use of numbering resources

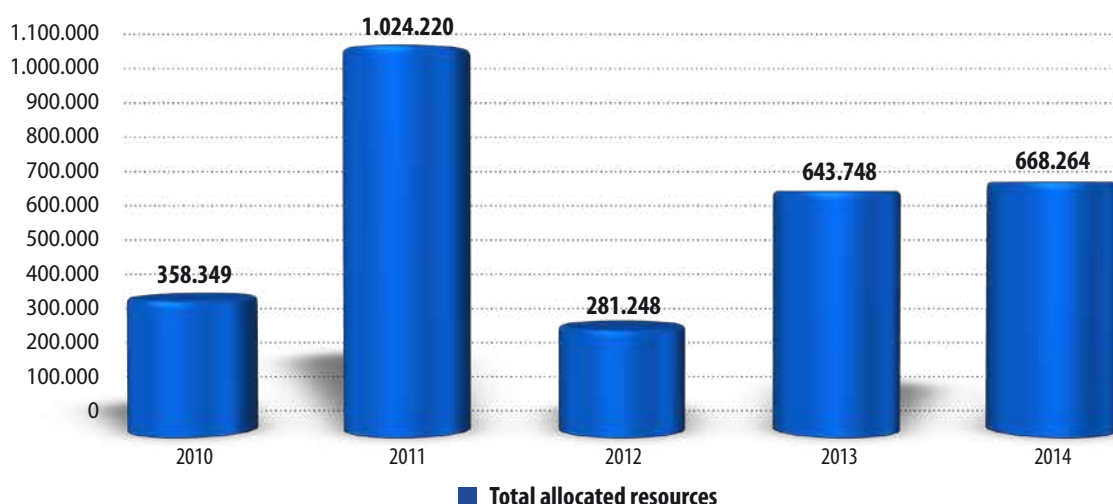
In 2014, at providers' request, ANRCETI issued 45 licenses for the use of numbering resources for the provision of public electronic communications networks and services. Based on these licenses, ANRCETI allocated over 668,2 thousand telephone numbers to providers. 610 thousand (or 91,28%) of the total number are mobile numbers, 41 thousand (or 6,14%) – fixed numbers, 13 thousand (or 1,95%) – numbers independent of location and 4140 (or 0,62%) – Premium Rate numbers. On the other hand, ANRCETI withdrew 36 195 numbers, upon providers' requests, of which 27 100 (or 74,87%) were local fixed numbers, 6 020 (or 16,63%) – Free Phone numbers, 3 000 (or 8,29%) – numbers independent of

location. ANRCETI also withdrew 60 Premium Rate and 15 short national numbers.

According to ANRCETI data, as per 31.12.2014 the total allocated telephone numbers was 7 933 180, the highest share – 77,65% (or 6 160 000 numbers) were numbers for mobile services, 21,78% (or 1 728 110 numbers) – for fixed services. Other types of numbering resources made a share of 0,57% (or 45 069 numbers).

The total volume of numbering resources allocated in 2014 increased by 3,8% or 24 516 numbers as compared to 2013, mainly due to a higher demand for numbers for fixed services, Premium Rate services and numbers independent of location.

The chart below specifies the volume of numbering resources allocated by ANRCETI in the recent five years.



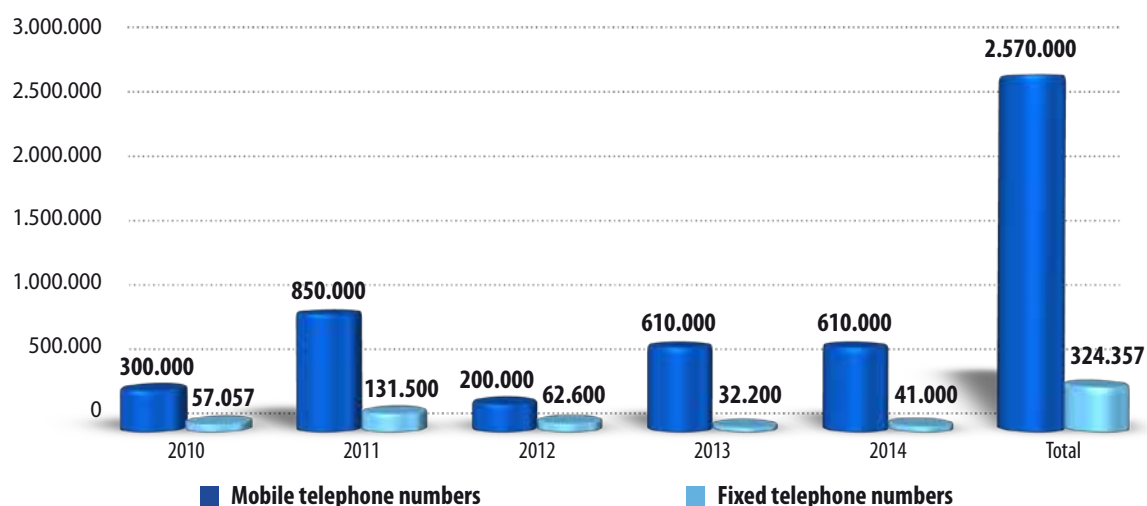
**Chart 7** Volume of numbering resources annually allocated by ANRCETI in 2010 - 2014

Source: ANRCETI

The 610 thousand numbers for mobile services were allocated as follows: JSC Moldcell - 510 thousand, JSC Orange Moldova - 100 thousand. The 41 thousand numbers for fixed services were allocated as follows: 15 400 numbers to LLC Starnet Solutions, 11 000 - JV Sun Communications LLC, 8 400 - LLC Arax-

Impex, 100 numbers - JSC Moldtelecom and 6 100 numbers to other providers.

The chart below shows the annual volumes of numbering resources allocated by ANRCETI for fixed and mobile services in the recent five years.



**Chart 8** Numbering resources, allocated by ANRCETI for mobile and fixed services in 2010 - 2014

Source: ANRCETI

In 2014, ANRCETI also allocated 13 000 numbers independent of location, 4 120 - numbers for Premium Rate services and 110 numbers for Free phone services, 12 national short numbers and eight signaling point codes.

The chart below shows the volumes of numbering resources, allocated to providers in the recent five years for the above-mentioned services

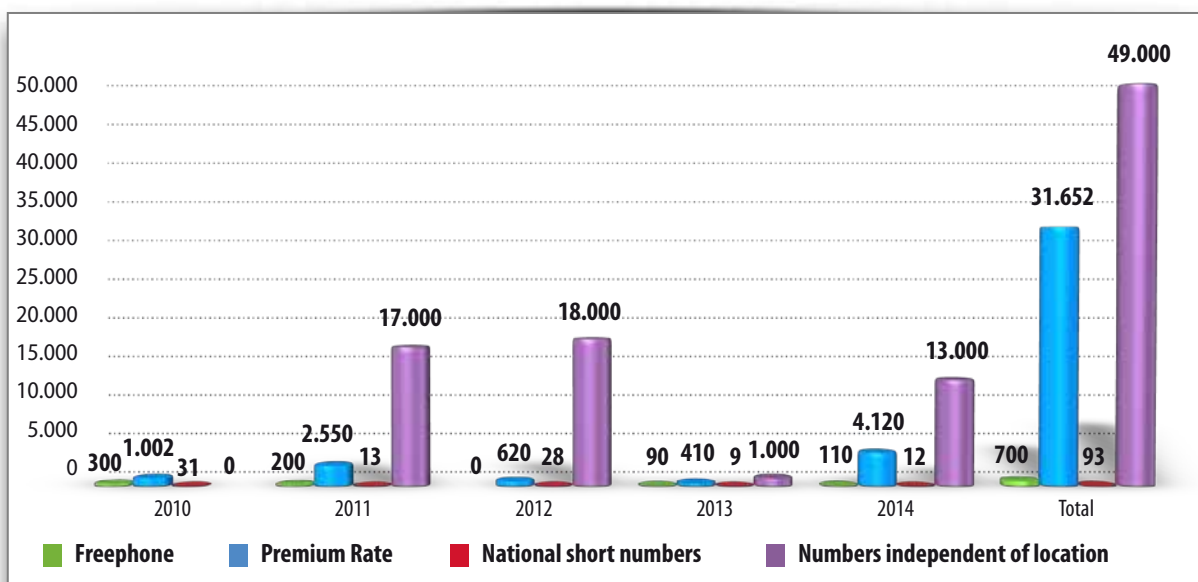


Chart 9

Annual volumes of numbers (types of numbers are given in the chart text), allocated by ANRCETI in 2010 – 2014

Source: ANRCETI

### 7.3.2 Licenses for the use of spectrum

During 2014, ANRCETI examined 45 requests for issuance, transfer of rights and update of licenses for the use of radio frequencies/channels to be used in the provision of public electronic communications networks and services, as well as waiver of some licenses of this type.

Based on those requests, ANRCETI issued decisions on 15 licenses to be issued for the use of radio frequencies/channels, eight licenses for the use of frequencies of 800MHz, 900MHz and 1800 MHz for cell mobile ter-

restrial electronic communications services and five licenses for temporary use of radio frequencies and channels in testing standard digital transmitters.

ANRCETI also updated 10 licenses, accepted the transfer of rights for three licenses of this type and withdraw four similar licenses, on basis of requests in this sense.

The chart below shows the evolution of the licensing process for spectrum use, in 2010-2014

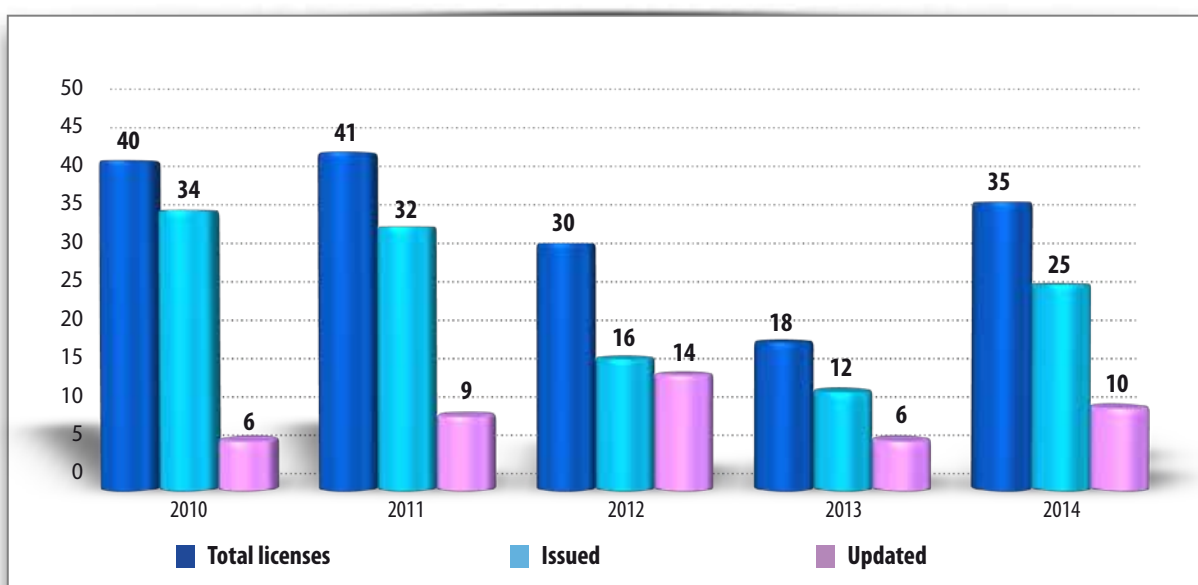


Chart 10

Number of licenses for the use of radio frequencies/channels, issued by ANRCETI in 2010-2014

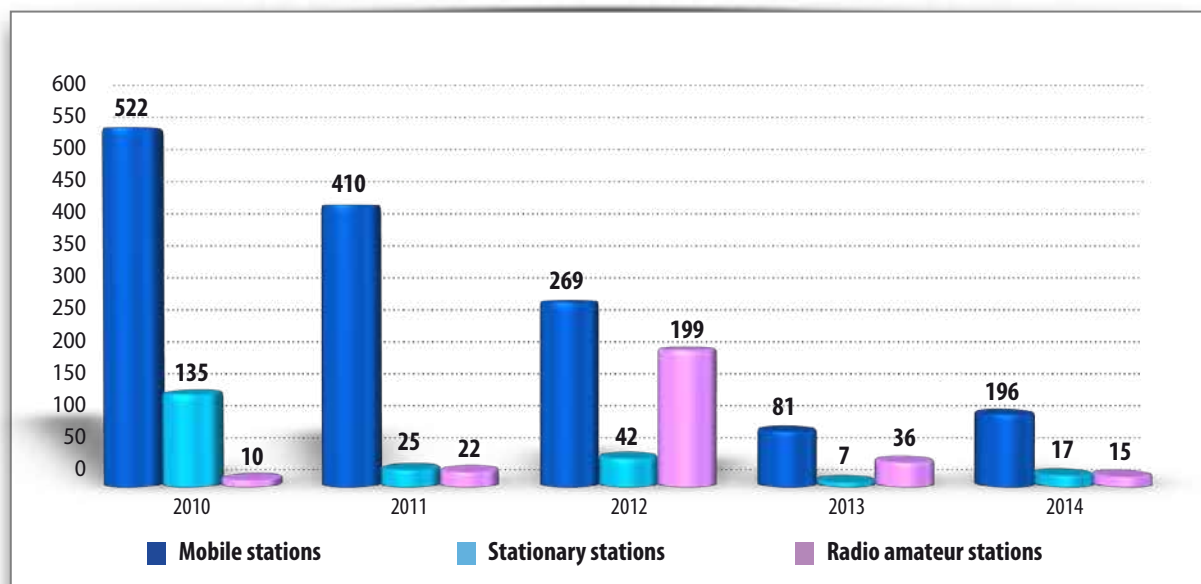
Source: ANRCETI

## 7.4 Issuance of technical permits for radio communications stations

ANRCETI issued 138 permits for radio communications stations, as follows: 106 – for terrestrial mobile radio communications stations; 17 – for stationary radio communications stations and 15 – for radio amateur communications stations. The first two types

of permits are valid for five years, the last type – for three years.

The data on technical permits for radio communications stations issued by ANRCETI in the recent five years are represented in the chart below.



**Chart 11** Number of technical permits for radio communications stations in 2010-2014

Source: ANRCETI

## 8 MONITORING AND CONTROL

The purpose of the monitoring and control of electronic communications activities, performed by ANRCETI, is to ensure that electronic communications providers comply with quality of services requirements, with the general authorization or license conditions, legal laws, normative acts and regulations governing the activity in the sector. The monitoring is targeted at ensuring consistent application of legal provisions applicable to electronic communications, preventing and removing any breach of those provisions, whereas control aims to verify providers' compliance with the legislation in force.

ANRCETI performs inspections, pursuant to *Law no.241/2007*, Regulations on control procedure in electronic communications, approved by *ANRCETI Administrative Board Decision no. 9 of 18.08.2008*, as well as in compliance with the provisions of *Law no.131/2012*, unless those provisions contradict the legislation as regards ANRCETI activity of control and supervision.

### 8.1 Monitoring the application of normative and regulatory acts by providers

During 2014, ANRCETI monitored, to the extent of its competence, the correctness of providers' application of normative and regulatory acts in electronic communications, by relevance to their activity.

The evidence collected during the monitoring process revealed a numbers of breaches of normative and regulatory acts, such as: ignoring the legal requirements for the use of scarce resources, non-transparency of tariffs and conditions for the provision and use of public electronic communications services, failure to include mandatory minimum contractual clauses in contracts with end users, to meet the deadlines for submitting statistical reports to ANRCETI, non-payment, incomplete or delayed payment of regulatory and monitoring fees or fees for numbering resources, the use of electronic communications networks for broadcasting without prior authorization procedures, as provided by broadcasting legislation, etc. ANRCETI issued prescriptions to the provid-



ers concerned, which in most cases were executed.

Due to the monitoring activity, including issuance of 70 prescriptions, ANRCETI managed to prevent 50 cases of eventual infringements of electronic communications legislation.

## 8.2 Control of compliance with electronic communications legislation

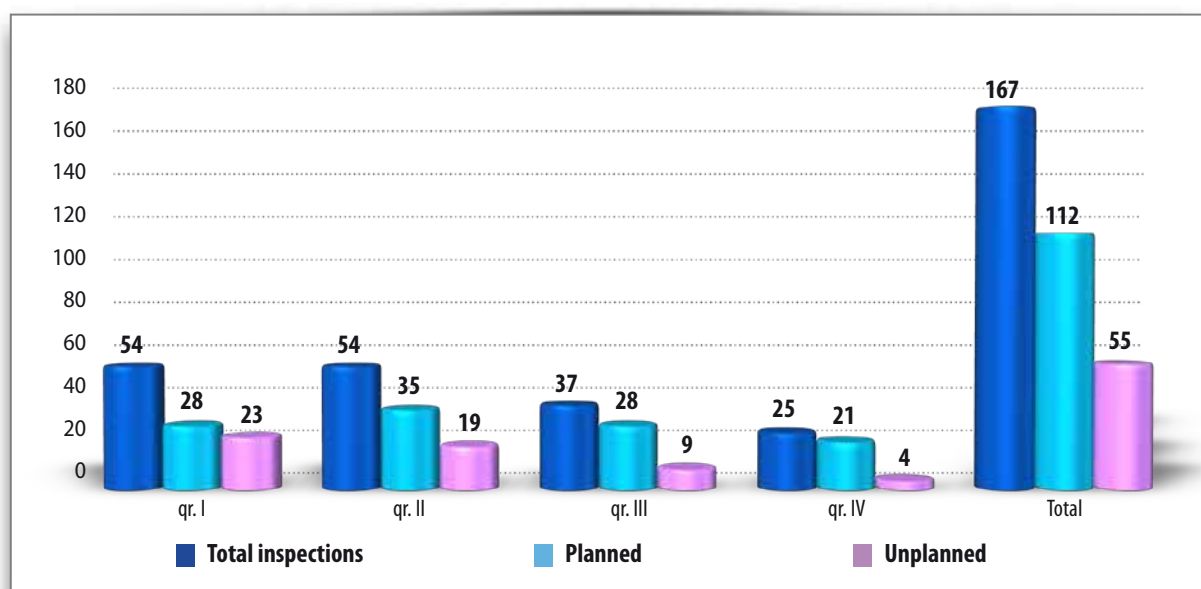
In 2014, ANRCETI performed 167 state inspections of entrepreneurial activity in electronic communications, of which 112 – planned and 55 – unplanned.

The planned inspections were mainly focused on evaluation of providers' understanding and application of relevant normative and regulatory acts, in particular as regards prevention of eventual abuse. The inspections were conducted according to the quarterly schedules of planned inspections, developed, approved and published on ANRCETI website and on the <http://old-controale.gov.md> portal.

The unplanned inspections were performed mainly based on monitoring reports, in order to ascertain actual aspects of providers' activity, prevention, termination and/or avoidance of any legal breaches of electronic communications legislation. Part of unplanned inspections were focused on verification of facts described in complaints addressed to ANRCETI by state public and private entities, as well as end users, another part were focused on verification of compliance with ANRCETI decisions/regulations as to termination and/or remedy of breaches found by ANRCETI.

Additionally to the 167 inspections performed by ANRCETI, its specialists took part in 64 joint inspections, initiated by other state entities authorized with control powers, 60 of which were performed at the request of the Ministry of Information Technology and Communications and 4 – at the request of State Tax Inspection.

The data about the planned and unplanned inspections performed by ANRCETI in 2014 are reflected in the Chart below.



**Chart 12** Number of inspections performed by ANRCETI in four qtrs of 2014

Source: ANRCETI

The data in the chart show a significant decrease of the number of unplanned inspections during 2014 - from 23 in qr. I to four in qr. IV. This decrease occurred, on the one hand, due to the reduced number of com-

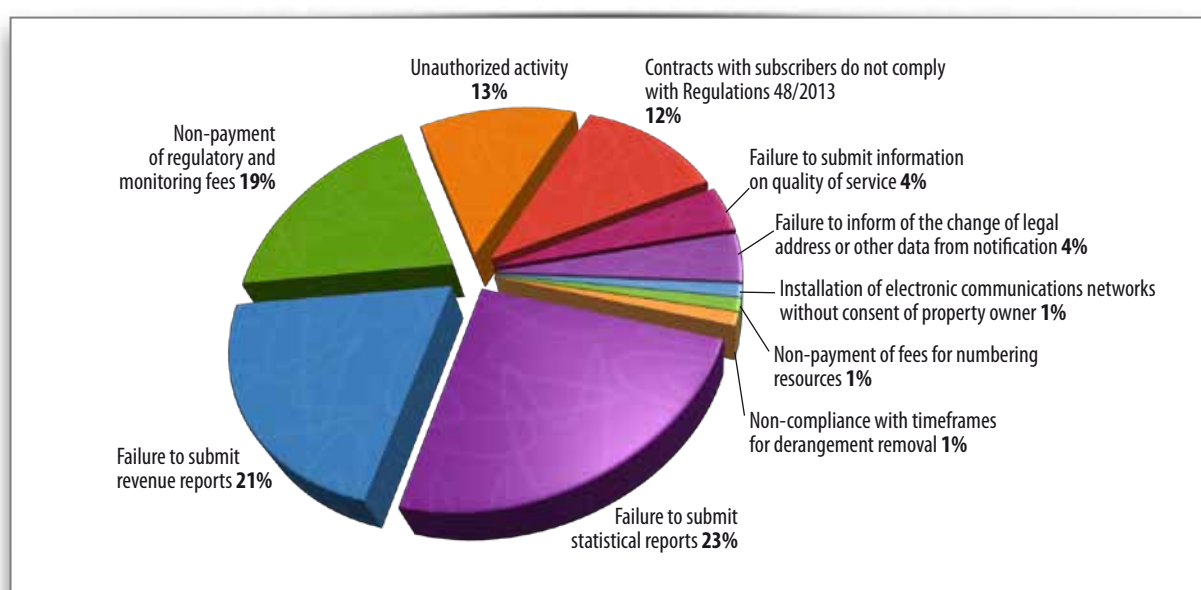
plaints that require unplanned inspections to be performed and, on the other hand, a higher degree of providers' compliance with the legislation in force, ascertained during the monitoring process performed by ANRCETI.

All the inspections ended up with the issuance of inspection records, or, in case of breaches – contravention reports. Thus, the inspections resulted in 167 inspection records, 41 contravention reports and a sanctioning decision in the form of a warning.

The analysis of the 167 inspection records shows that no breaches whatsoever were detected in the activity of 82 providers (49%), whereas 18 companies (11%), included in the public Register of electronic communications network/service providers did not perform any electronic communications activities, 67 providers (40%) committed different breaches, with or without contravention constituents.

Of the 18 providers who did not and still do not intend to perform electronic communications activities, 14 - requested waiver of the right to provide publicly available electronic communications networks and/or services, upon ANRCETI proposal during planned inspections. All in all, in 2014, 32 such requests were submitted by non-operating providers, who were subsequently removed from the public Register of electronic communications network/service providers.

The chart below characterizes the breaches recorded by ANRCETI in 2014.



**Chart 13** Statistics of breaches recorded by ANRCETI in 2014

Source: ANRCETI

The information of Chart 12 denotes that the following types of breaches were most frequent in 2014: failure to submit statistical reports (23%) or reports on revenues from electronic communications activities (21%), non-payment of regulatory and monitoring fees (19%), non-compliance of the service provision contract with the relevant legal provisions (12%), unauthorized electronic communications activities (13%) and other.

### 8.3 Contraventions

In 2014, ANRCETI, while exercising its powers to ascertain electronic communications contraventions, found 45 contraventions, which were recorded in 41 reports, drawn up by ANRCETI specialists, as provided by the Code

on Contraventions of the Republic of Moldova no 218-XVI of 24.10.2008 (hereinafter – CC no.218/2008).

ANRCETI also detected a contravention committed by a natural person, under art. 250 (1) of CC no.218 / 2008: non-compliance with electronic communications regulations and technical standards. According to the legal provisions applicable for this case, ANRCETI warned the offender, without making a contravention report.

The contravention cases, initiated by ANRCETI, concerned 22 natural persons and 20 legal persons, 17 of which are electronic communications providers.

Most reports on contraventions prepared in 2014 refer to the following illegal acts, as provided and penalized according to the articles of Chapter XIV of CC no.218/2008:

- production of harmful interference (art. 251 (1) of CC no.218/2008) - 16 reports;
- non-compliance with general authorization conditions (art. 247 (1) of CC no. 218/2008) – five reports;
- unauthorized provision of electronic communications networks and services (art. 246 (1) of CC no. 218/2008) – three reports;
- non-compliance with the prescription to remedy breach of obligations under general authorization conditions (art. 247 (2) of CC no. 218/2008) – three reports;
- works related to electronic communications installation, without the consent of the property owner or without a court ruling regarding authorizing this work (art.254 of CC no. 218/2008) - three reports;
- deliberate harm caused to electronic communications networks (art. 255 of CC no. 218/2008) – three reports.

Analysis shows that 40 % of the issued contravention reports concerned natural persons, who committed contraventions under art. 251(1) of CC no.218/2008 - produce harmful interference in public mobile telephone networks and hindering the operation of telecommunications lines and equipment.

The disturbances were caused by fixed radiotelephones operating in DECT 6.0 standard which started to be used on the territory of Moldova, but which are intended for North American countries (USA, Canada). The operating frequency of this standard is 1920-1930 MHz and it is used in North America without a license, whereas in European countries, including Moldova, this frequency is allocated to licensed mobile providers for 3G networks and therefore, the use of fixed radiotelephones DECT 6.0 by consumers in Moldova produces significant interference to national mobile networks.

In connection with the increasing use of fixed radiotelephones of DECT 6.0 standard in several places of the country, ANRCETI organized a public information campaign to inform the population that the use of fixed radiotelephones operating DECT 6.0 standard in the Republic of Moldova is illegal.

All the contravention reports issued by ANRCETI were filed to court. By the end of 2014, final court judgments were pronounced for 36 contraventions, as follows: for 19 cases administrative fines were applied; in 6 cases the court found the offender guilty, however, due to the expiry of the prescription term for contravention liability, no penalty was applied; in other 11 cases the reports were dismissed for lack of constitutive elements of an offense.

The examination of the cases resulted, according to court rulings, in fines applied to offenders, equal to 66 600 lei.

## 9 DISPUTE RESOLUTION

Under Law no.241/2007, ANRCETI regulates the electronic communications market, *inter alia*, by solving disputes between electronic communications network/services providers and between providers and end users. Dispute resolution performed by ANRCETI represents an alternative alternative/optional and free method of solving disputes between parties, implemented on basis of complaints/requests, by the provider or end user, unless it can be remedied amicably.

ANRCETI examines disputes pursuant to the provisions of the Regulations on dispute resolution procedure in electronic communications (hereinafter – *Regulation no. 54/2013*), approved by ANRCETI Administrative Board Decision no. 54 of 24.09.2013.

### 9.1 Disputes between providers

The subject of disputes between electronic communications providers is the obligations imposed on them under Law no. 241/2007 and ANRCETI. In 2014, ANRCETI reviewed two dispute resolution requests: LLC Net-Connect Internet Communication against JSC Moldcell and LLC Arax-Impex against JSC Moldtelecom.

In the first case, the subject of the complaint was the alleged non-compliance of JSC Moldcell with ANRCETI Board Decision no.78 of 23.12. 2010 on special ex ante obligations on the market for voice call termination in individual mobile networks of JSC Moldcell, in particular the obligation of JSC Moldcell to conclude an interconnection agreement with LLC Net-Connect Internet Communication, for the provision of international call termination in the mobile network of JSC Moldcell.

ANRCETI informed LLC Net-Connect Internet Communication that the complaint cannot be solved under *Regulation no. 54/2013* for the reason that in 2012 the regulator amended the initial obligations imposed on Moldcell, by *ANRCETI Administrative Board Decision no. 59 of 16.11. 2012* (for interpretation of *Decision no. 33 of 16.08. 2013*). According to the amendments, on provisional basis, the request of LLC Net-Connect Internet Communication can be examined and accepted by JSC Moldcell based on freedom of contract principles and good-faith negotiation of technical and commercial conditions of the interconnection agreement, until cast-based rates are established for the interconnection service of international call termination in mobile networks.

In the second case, LLC Arax-Impex" notified ANRCETI about cases of abusive porting (without subscriber's consent) of some fixed telephone numbers held by the complainant, by JSC Moldtelecom. Based on section 51 of *Regulations no. 54/2013*, ANRCETI considered the complaint of LLC Arax-Impex as unjustified for the following reasons: LLC Arax-Impex did not enforce in due deadlines the requirements of Table 2 of section 2.4.3. in correlation with section 2.4.6. of the Technical and Commercial Conditions for the implementation of number portability in the Republic of Moldova, approved by *ANRCETI Administrative Board Decision no. 08 of 26.02. 2013*, which regulates the number return process [a process in which a ported number is returned to the provider-donor, for the reason it was erroneously ported (*end user did not request porting*)].

According to the afore-mentioned provisions, the number return process can be initiated only by the provider-donor (LLC Arax-Impex), by sending to the centralized data base Administrator a message requesting number return. This can be done only within 30 calendar days. However, according to the complaint filed by LLC „Arax-Impex” (donor-provider), the porting application was automatically accepted by the latter (as a result of an error), upon expiry of five working days necessary for number porting. Moreover, LLC „Arax-Impex” did not make use of its right to send a message for number return, within 30 calendar days from the date of the erroneous porting.

## 10 CONSUMER PROTECTION

ANRCETI performs its consumer protection attributions, as established by law, by the development and improvement of electronic communications regulations, solving complaints, giving audience to complainants and tackling disputes between providers and end users.

In this activity, in 2014, ANRCETI focused on the implementation of the Regulations on Electronic Communications Service Provision, approved by *Administrative Board Decision no. 48 of 24.09.2013* (hereinafter – *Regulations no. 48/2013*), which became effective on February 15, 2014. This documents aims to ensure a higher level of information transparency concerning service provision terms, both at pre-contractual stage and within the civil relations between the parties, which will decrease end users' vulnerability and eventual risks they might face in dealing with service providers.

### 10.1 Providers' compliance with Regulations on public electronic communications service provision

In 2014, ANRCETI undertook a number of monitoring and control actions focused on supervising their compliance with *Regulations no. 48/2013*.

As a result of these actions, ANRCETI found that 27 out of 97 electronic communications providers, who have Internet websites, ignored the obligation Under *Regulations no. 48/2013* to publish on their Internet sites contracts with standard contractual clauses, the terms of electronic communications service provision/ use and the procedure of complaint examination. ANRCETI issued prescriptions to the 27 providers concerned demanding to stop the breaches and remedy their consequences, following which all the providers complied with the prescriptions.

The inspections carried out by ANRCETI in 2014 revealed 18 cases of non-compliance with *Regulation no. 48/2013*. Most frequent breaches concerned the obligation of providers to inform end users about the terms of provision and use of services, to include mandatory minimum contractual clauses in contracts signed with end users, as set in the



Regulations and the obligation to remove network derangements within the established timeframes.

Out of the total number of breaches, five were removed by the providers before the end of the inspection. Prescriptions, based on inspection records, were issued to 12 providers, while in 3 other cases – repeated prescriptions, by which ANRCETI demanded that the breaches be removed and the consequences remedied. There were no cases whatsoever of non-compliance with the prescriptions issued by ANRCETI regarding elimination of breaches of *Regulations no. 48/2013*.

The review of inspection records made by ANRCETI in 2014 show that the number of breaches related to end users' rights recorded thereof decreased from 77% in 2013 to 17 % in 2014. To compare: in 2013, out of the total number of 35 breaches recorded by ANRCETI, 27 concerned non-observance of end users' rights, while in 2014, out of 128 breaches – only 22 referred to end users' rights. This fact denotes visible progress in the process of enforcement of *Regulations no. 48/2013*.

### 10.2 Informing end users about their rights and obligations

On February 14, 2014, ANRCETI organized a press-conference timed to the entry in force of *Regulations no.48/2013*, where the information campaign „Know your rights as a consumer of electronic communications services“. More information on the objectives and actions fulfilled by ANRCETI during the campaign are available in section **11.2 Communication with the public** of this report.

During this campaign, ANRCETI organized two seminars, in Balti and Cimislia, dedicated to different issues of fulfillment of providers' obligations related to end users. The seminars were attended by over 100 representatives of 90 electronic communications service providers from northern and southern districts of the country.

The participants were offered advice and explanations in order to make them understand, correctly interpret and apply the provisions of *Regulation No.48 2013*. The seminars were focused on the need to ensure the transparency of tariffs and terms of service provision/use, on strict observance of the obligation to inform end users on standard contractual clauses under the requirements of the normative acts in force, etc.

As part of the information campaign, ANRCETI launched, in October 2014, the Guidelines on conclusion and minimum contents of contracts for the provision of publicly available electronic communications services. ANRCETI developed the Guidelines in order to respond to the needs of end users and to facilitate the implementation of legal provisions on contracts. The purpose of the Guidelines is to offer providers a number of clarifications regarding the interpretation and practical application of legal obligations specific to the electronic communications sector, to be observed by them in contracts concluded with end-users, and regarding what information is mandatory to be included in contracts.

Also in October 2014, ANRCETI launched the first thematic guide for consumers "How to avoid excessive bills mobile telephone services and mobile Internet" a document published in a new section of ANRCETI website - Thematic Guides, part of the User's Page. At the same time in the FAQ section of the User's Page, ANRCETI provided answers to a number of questions from consumers, related to the use of telephone, Internet and television services. The information posted on the website, ANRCETI tried to answer the most common questions and problems reported by consumers in their complaints or by hotline 080080080.

It should be mentioned that starting with April 2014, following an ANRCETI decision, the procedure for responding to requests received by means of the hotline 080080080 was simplified. From that date all consumer calls to this number are forwarded to the specialists of the User Service Protection Service of ANRCETI, who provide answers and recommendations on how to solve the reported problems.

Besides the above, ANRCETI undertook a number of other consumer protection actions. Thus, in May 2014 in connection with a significant increase in the number of complaints from mobile users, complained on fraudulent calls and SMS messages from unknown international numbers, ANRCETI recommended the three mobile providers to take action in order to counteract swindlers' attempts to cheat customers and quarterly inform the regulator about the actions they took. Both ANRCETI and mobile providers launched campaigns to inform consumers

about the risks of this type of fraud by SMS, displaying on their websites warning messages addressed to end users and opening free telephone lines for consultation.

As a result of the measures taken by ANRCETI and the three mobile providers, by the end of 2014, the rate of answering call-backs to fraudulent calls and SMS messages from unknown international numbers decreased significantly.

### 10.3 Requests and complaints

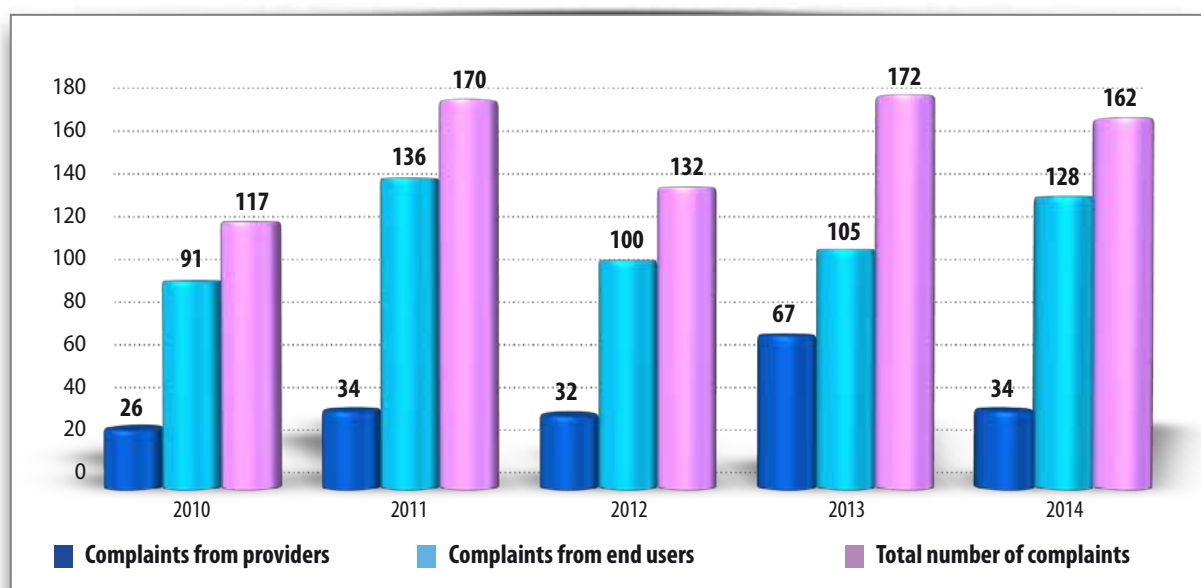
In 2014, the total number of legal and natural persons seeking ANRCETI assistance reached 780, which is 31,9% increase over 2013. This is due, mainly, to the significant increase in the number of calls to ANRCETI hotline - 080080080. The call to this number is free for the caller.

The number of people who referred to ANRCETI for assistance via 080080080 increased by more than 220%, from 8 in 2013

to 191 in 2014. The increase occurred due to the information campaign "Know your rights as a consumer of electronic communications services", held by ANRCETI in 2014, as a result of which consumers learned a lot more useful information about the regulator and later addressed to it for assistance.

In the timeframe under report, ANRCETI also reviewed and responded to 207 requests regarding access to information, 214 requests for technical, legal and economic expertise, from the public, 162 complaints and 10 requests from consumers addressed during hearings.

128 out of 162 complaints, registered by ANRCETI, came from consumers/end users and 34 - from electronic communications service providers. The evolution of the number of complaints both from consumers and from providers in 2010 – 2014 is represented in the Chart below.



**Chart 14** Number of petițiilor adresate ANRCETI de furnizori și utilizatorii finali, în perioada 2010 – 2014

Source: ANRCETI

124 from the total number of complaints received in 2014 were directly filed to ANRCETI, while 38 – via other state institutions.

The analysis of the problems described in complaints show that the most pressing issue addressed by consumers is the correctness of service provision by some telephone and Internet service providers, breach of contract terms of service provision, inter-connection agreements, laws (67 petitions). Statistics also shows an increase in the num-

ber of petitions containing claims about billing services and correctness of invoice data (45 complaints) and higher tariffs for some services (11 complaints). A smaller number of complainants claimed abusive actions by some providers in telephone number porting process (6 complaints), illegal disconnection (11 complaints), quality of telephone and Internet access services (20 complaints), unfair competition (1 complaint), and presence of abusive clauses in contracts (1 complaint).

Following the examination of petitions, ANRCETI specialists found that out of the 162 registered complaints, 36 – were justified, whereas the facts claimed in 76 complaints did not prove true. 18 complainants received explanations, four complaints were submitted by competence, one - withdrawn by the complainant, seven were pending examination at the beginning of 2015 and 20 complaints were rejected as non-compliant with the legislation in force.

Like in the previous timeframe, in 2014 the biggest number of complaints were lodged by the end users of biggest electronic communications providers - JSC Moldtelecom" (65 complaints), JSC Orange Moldova (19 complaints), JSC Moldcell (14 complaints), JV Sun Communications LLC (11 complaints).

Most complaints were solved in favor of end users, otherwise ANRCETI proposed alternative solutions to remedy the problems.

## 11 INFORMATION AND COMMUNICATION

The information and communication activity of ANRCETI in 2014 was focused mainly on the following main areas: (a) dissemination of ANRCETI's initiatives and projects of public interest, developments of electronic communications market; (b) media coverage of the decision-making process; (c) running the information campaign "Know your rights as a consumer of electronic communications services"; (d) organization of seminars and press conferences on topical issues.

These activities helped all market players, including users, to become more aware of ANRCETI specific role, of its regulatory documents, obligations of service providers and

rights of end users, as well as current situation on the electronic communications market.

### 11.1 Consultation process and communication with providers

In the process of communication with service providers, ANRCETI sought to keep them well-informed about the stages of public consultations for Administrative Board Decisions the meetings for the their approval, involvement of service providers in the decision-making process and in working sessions focused on current regulatory issues. In addition, ANRCETI sent to requesting providers, electronically, all the relevant information published in 2014 on its official website.

In 2014 ANRCETI brought to public consultations on its webpage 49 draft Administrative Board Decisions, of which 22 - were approved in public Board meetings, the others will be examined and approved in the first semester 2015. All public consultations and Administrative Board meetings were announced on the website. The published materials included general information about the content of draft decisions, rationale for their adoption, information on accompanying documents and summaries of recommendations and proposals.

During the public consultations ANRCETI received 53 recommendations from stakeholders for the consulted draft documents. 27 out of the total number of recommendations were considered justified by ANRCETI and taken into account for further modifications and amendments to the draft documents subject to consultations.

The table below contains comparative data about the public consultation process for draft Administrative Board Decisions in the recent four years.

**Table no.1 Public consultation process for ANRCETI draft documents in 2011 – 2014**

Nr.		2011	2012	2013	2014
1	Number of draft documents subject to public consultations	29	65	54	49
2	Number of draft documents announced on thre website	29	65	28	49
3	Number of public hearings, debates and meetings	35	78	27	12
4	Number of recommendations received	240	195	675	53
5	Number of recommendations included in draft decisions	111	112	402	27
6	Number of decisions adopted	23	59	43	22
7	Number of cases where ANRCETI decisions were challenged for non-compliance with Law no. 239-XVI of 13.11.2008	0	0	0	0
8	Number of penalties applied for non-compliance with Law no. 239-XVI of 13.11.2008	0	0	0	0

Source: ANRCETI

## 11.2 Communication with the public

The bulk of ANRCETI activity in terms of communication with the public in 2014 was related to the information campaign „Know your rights as a consumer of electronic communications services“. ANRCETI launched the campaign in its press conference on February 14, 2014, timed to the entry in force of the Regulations on Electronic Communications Service Provision, which contains a series of new clauses with reference to consumers' rights and interests.

By the information campaign, ANRCETI sought to raise the level of consumers' awareness of their rights and the ways of protecting such rights. The main objectives of this campaign were: to educate well-informed and pro-active consumers, capable to defend their lawful rights and interests, knowledgeable in terms of correct and efficient consumer protection tools, to encourage amiable disputes resolution between providers and consumers.

During the campaign, ANRCETI performed a series of information dissemination activities, including following: a banner on this topic, developed and placed on ANRCETI website, two press conferences on issues related to consumer protection, two regional seminars devised to inform providers about their obligations in relation to customers, two thematic guides for consumers and a guide minimum contents of contracts for electronic communications service provision, media coverage for these activities, including by ANRCETI website. From February to December 2014, the print and electronic media published 25 articles about the information campaign.

ANRCETI's activity in this regards was not limited to the aforementioned. Being interested to learn the consumers' opinions about the services they use, the regulator had a sociological survey conducted on this topic in October-November 2014. The company selected in a competition for the acquisition of sociological research services to conduct the survey was company XPLANE. The interviewees were 1,150 individuals aged between 16 and 65. The survey comprised 452 villages, of which - 54 urban and 398 rural areas, observing the respondents' gender and age rates. The margin of error was less than 3%. The sur-

vey data are available on ANRCETI official website: <http://ANRCETI.md/sondaje>

The survey results were presented to the public in a press conference on January 15, 2015. The survey ordered by ANRCETI is the first study of this kind at national level and represents a tool to measure consumers' satisfaction with electronic communications services as well as to assess the level of service use and the degree of competition on the market segments surveyed (fixed and mobile broadband, mobile and fixed telephony and paid TV). The results of this survey will serve as landmarks for ANRCETI in the decision-making process capable to increase the transparency electronic communications service provision, improve service quality and raise customer satisfaction with services.

## 11.3 Communication with mass-media

In 2014, ANRCETI answered all the requests for information received from media institutions and on regular basis informed their representatives about its activities of public interest, regulatory acts with significant impact for the electronic communications market and on quarterly evolution of the market situation. This information was disseminated by news releases and news, interviews and press events. During 2014 ANRCETI issued 120 press releases and submitted them to mass media institutions for dissemination, all of those being displayed on ANRCETI website.

During the reporting timeframe, ANRCETI held four press conferences dedicated to current issues in the electronic communications sector. The first press conference (February 14 2014) was dedicated to the entry in force of the Regulations on Electronic Communications Service Provision, the second (March 18, 2014) – to the launch of the report on the impact of number portability implementation program in R. Moldova for 2011-2013.

At the third conference (April 14, 2014), ANRCETI officials presented the tendencies attested in the evolution of the electronic communications market in 2013, while at the fourth conference (2 September 2014) – the benefits for mobile providers and users derived from the new licenses for the use of 800, 900 and 1800 MHz spectrum, issued by ANRCETI in August 2014. Live broadcast of



the press conferences was available via [www.privesc.eu](http://www.privesc.eu) portal and the topics covered were reflected in over 50 publications in national mass media.

Overall, in 2014, mass media presented over 140 publications covering subjects related to ANRCETI activities of public interest and evolution of the electronic communications market. These publications were generated by ANRCETI sources – press releases, responses to requests for information from mass media representatives and interviews offered to mass media.

#### 11.4 Use of ANRCETI official website

In 2014 ANRCETI continued to use its website as an efficient tool of information and communications with electronic communications providers and end users. Practically, all ANRCETI activities of this kind were implemented by means of its website. The contents of the website was complemented with two new guides for providers and one – for end users, a set of new data on service quality parameters about the first telephone service for children assistance, harmonized at European level 116111. Per total, in 2014, 700 new pages of ANRCETI website were created, complemented and modified.

With the view of modernizing its official website, ANRCETI started work to update its version. For this purpose, ANRCETI requested website visitors to respond to a questionnaire aimed to determine the level of user's satisfaction in terms of functionality, design, content and site utilities. Responses and proposals received by ANRCETI will be considered in developing the new version of its official web page, the process to be completed in 2015.

As for the use of ANRCETI official website by visitors in 2014, statistics shows that it was monthly visited on average by about 5,3 thousand visitors. The number of first-time visitors was 54,000 (in 2013 – 67,4 thousand), while the total number of visitors - 111 thousand (in 2013 to 131,8 thousand).

The data also show that more than half of the total number of visitors - 57 800 (51,7%) - returned to the website once or several times during the year, others (48,3%) visited the website for the first time. The absolute majority of ANRCETI website visitors - 86,82 thousand (77,7%) – accessed the site from Mol-

dova, the rest - the other - from 146 countries of the world. Most visitors accessed the site from Romania (10,91 thousand or 9,77% of total), US (1,96 thousand or 1,75%), Russia (1,61 thousand or 1.44%), Ukraine (1,56 thousand or 1,4%) and the UK (0,79 thousand or 0,71%).

According to statistical data, an average of 27,3 thousand monthly views of ANRCETI website pages. Most often viewed: News – 78 thousand (23,56% of the total), Test your Internet speed – 12,4 thousand (3,74%), Search engine for numbering resources – 11,45 thousand (3,46%), Market evolution – 10,53 thousand (3,18%), Administrative Board Decisions – 10,4 thousand (3,14%), Laws – 9,12 thousand (2,75%), etc.

## 12 INTERNATIONAL RELATIONS

In the context of the European integration policy and the actions pursued by Moldova following the signing of the Association Agreement with the EU in June 2014, ANRCETI established a number of objectives for 2014, focused on enhancing the cooperation with similar EU regulatory authorities and application of the European standards and best practices in the regulation of the electronic communications and information technology sector (ICT).

These objectives were fulfilled by ANRCETI's involvement in European projects, conclusion of cooperation agreements with electronic communications regulators from EU countries and participation of ANRCETI specialists in the main regional, European and international ICT events.

#### 12.1 Partnerships and projects

During 2014, ANRCETI continued to participate in two important projects: EU technical assistance project "Networks of electronic communications regulators from EaP countries (hereinafter - EaPeReg network) and the project for cooperation development funded by the Ministry of External Affairs of Estonia; concluded cooperation agreements with the Communications Regulatory Commission of Bulgaria (CRC) and Czech Telecommunications Office (CTU) and was the beneficiary of two technical assistance projects delivered through the Technical Assistance and Information Exchange instrument TAIEX.

### 12.1.1 Activity within EaPeReg network

ANRCETI took part in all EaPeReg activities, together the regulatory authorities of the six EaP member countries (Armenia, Azerbaijan, Georgia, Moldova, Ukraine and Belarus), including in six workshops with the following topics: quality of service and consumer protection (Ukraine, January); national and international roaming (Moldova, February); broadband networks and services NGN/NGA (Belarus, April); spectrum management and digital dividend (Georgia, September); separate accounting and regulatory audit (Armenia, October); transition to digital television (Czech Republic, December).

The workshops aimed at sharing the experience of EU regulators with the EaP regulators in terms of specific regulatory approaches and regulations, by providing consultations on specific topics requiring urgent solutions. All seminars were attended by two or three ANRCETI specialists, directly involved in activities related to subject of the workshops.

ANRCETI delegations attended the two Plenary meetings of the EaPeReg (Tbilisi, Georgia, April 1-2, and Prague, Czech Republic, December 11- 12), where the all the parties involved discussed and identified the specific actions needed to ensure the project continuity and sustainability in 2015. In this respect, the European Commission intends to continue partial funding of the EaPeReg project, whereas the latter will function under the same format, however, with the implementation of some new elements, such as assuming additional responsibilities by beneficiary countries and the involvement of the European Bank for Reconstruction and Development (EBRD) in the project.

Thus, starting with 2015, in addition to traditional activity of EaPeReg network, a series of individual programs in the country will be launched, at bilateral level, financed by the EBRD. These programs will be part of the EaPeReg project and will be based on subjects identified and proposed by the beneficiary countries individually. The purpose of this activity is to assist beneficiary countries in aligning to the requirements of the European Acquis to attract investments in the ICT sector.

In its further activity, EaPeReg Network will be supported by the Body of European Regulators for Electronic Communications (BEREC). In December 2014, the EaPeReg Network and BEREC signed a Memorandum of Understanding for the cooperation between the two parties, which provides that BEREC experts will offer assistance to EaPeReg network in terms of expertise for workshops and other activities planned for 2015. This Memorandum aims at encouraging cooperation relations between the two entities and supporting their efforts to effectively address current and future challenges in electronic communications regulation. The document was discussed and signed during BEREC Plenary meeting in December 2014, which was attended by EaPeReg delegations, including ANRCETI.

### 12.1.2 Cooperation for Development Project

ANRCETI continued the cooperation with its partners from Estonia within the project "Enhancing the protection of free market competition in Moldova through education and good governance"), financed by the Ministry of External Affairs of Estonia and implemented jointly with the Competition Council and the Law School of the Tallinn Technological University.

The purpose of this project is an exchange of information and experience between the parties concerning the enforcement of the electronic communications and energy regulatory frameworks in harmonization with the European legislation governing competition, based on the experience gained by Estonian partners.

The parties involved in the project: ANRCETI, ANRE and the Competition Council of the Republic of Moldova and the Estonian Competition authority and the Tallinn Technical University Law School extended mutual visits. In May 2014, the experts from Estonia shared their experience in Chisinau, while in December 2014 the representatives of the Moldovan institutions, including ANRCETI visited the Estonian Competition authority for an exchange of information and study of best practices related to the protection of competition applied in Estonia and the cooperation of the Competition Council with utility regulators, including the electronic communications regulator.

### 12.1.3 *Bilateral agreements*

Development of bilateral relations with regulators from other countries was one of ANRCETI priorities for 2014. In this context, ANRCETI signed a memorandum of cooperation and exchange of information with the Czech Telecommunications Office (CTU) and a new memorandum of understanding with the Communications Regulation Commission (CRC) of Bulgaria. The main objective of these agreements is to establish sustainable partnerships and exchange expertise and information with regards to the regulation and supervision of activities electronic communications, in accordance with the national law of the parties and European Union legislation.

ANRCETI delegations visited both regulators, with the purpose of holding bilateral consultations on topical issues for all the parties involved. These include: adjustment of the national regulatory framework with EU standards and its enforcement, regulation of spectrum use, access to electronic communications associated infrastructure, service quality, implementation of universal service, etc.

At the same time, ANRCETI further developed and strengthened its cooperation with the national regulators of Lithuania (RRT) and Romania (ANCOM), following previously concluded bilateral cooperation agreements. Thus, at ANRCETI's request, a group of ANCOM experts made a working visit to ANRCETI in January 2014, to share their experience in terms of organization of spectrum auctions.

### 12.1.4 *TAIEX technical assistance projects*

The technical assistance projects under EU TAIEX instrument were delivered to ANRCETI through two expert missions, taking place in Chisinau in March and June 2014. The first mission of experts was dedicated to issues of monitoring providers' compliance with the regulatory provisions and harmonization with EU standards; and the second mission reviewed issues regulating the use of numbering resources.

Both mission agendas were jointly developed by ANRCETI specialists and the European experts involved. Those included the topics of priority for ANRCETI, such as ex ante regulatory practices, special ex-ante obligations for SMP providers, quality of service, number portability, procedure for monitoring the

compliance with regulations issued by the regulatory authority, including the provisions of the National Numbering Plan. All the topics listed above were reviewed in accordance with the latest EU regulations.

## 12.2 *Participation in European and international forums*

Participation of ANRCETI representatives in forums, seminars and trainings, held by regional, European and international ICT bodies contributed to an enhanced level of staff professionalism and strengthened institutional capacities.

The largest international events attended by ANRCETI in 2014 was the Global Symposium of ICT Regulators (GSR14) (Manama, Bahrain, June 2014), organized by the International Telecommunications Union (ITU) and Mobile World Congress (Barcelona, Spain, February 2014), held under the auspices of the GSM Association (GSMA). The first event - "Capitalizing on the potential of the digital world" – focused on the ways to ensure that the full array of benefits of the digital world is brought to all citizens of the world in an informed, responsive and safe manner, while the second reviewed the options of regulatory practices for sustainable investments in mobile communications networks.

As well, ANRCETI representatives took part in a number of conferences and workshops under the auspices of European ICT-specialized bodies, such as:

- Regional seminar: „3G and 4G licenses, allocation of the first dividends"), organized under the auspices of FRATEL (Senegal, April);
- 4<sup>th</sup> meeting of the Central and Eastern European regional working group (CE-ERWG) and international conference "Knowledge is Power: Information Tools for Telecom Consumers" (Romania, May);
- 9<sup>th</sup> International Conference for Electronic Communications Regulators (Turkey, May);
- regional seminar organized by the Information technology and Communications Authority of Turkey (ICTA), entitled: "Telecommunications regulation" (Turkey, June);
- 6<sup>th</sup> meeting of the North-Eastern Digital Dividend Implementation Forum (NE-DDIF) (Hungary, October);
- 12<sup>th</sup> World Telecommunications ICT Indicators Symposium (WTIS-2014) (Georgia, November).

## 13 HUMAN RESOURCES

In 2014, the HR policy pursued by ANRCETI administration continue to be targeted at creating and maintaining favorable work environment conducive to the formation of stable and efficient staff, at effective correlation of employees' satisfaction with creativity in performing their job duties and at the need for continuous training.

### 13.1 Management of human resources

The actions of human resources management, undertaken during 2014, were aimed at ensuring, developing, motivating and maintaining ANRCETI staff in order to achieve reach the targets the regulator faces and meet the needs of its employees with maximum efficiency.

Thus, in order to optimize the structure and improve ANRCETI activity, the Administrative Board made some changes in the organizational structure of the institution. The changes were carried out within annual expenditures as provided by the budget and human resources available at that time.

As per 31.12.2014, ANRCETI had 66 employees, the absolute majority being specialized staff. As per the same date, the average age of ANRCETI staff was 40. The bulk of the staff consists of employees aged between 30 to 49 - 66% of the total number. The rate of the staff aged 20 to 29 is 18,2 %, while those aged 50 – 59 and 60 - 69 are 9,1% and, accordingly, 6,1% of the total of ANRCETI staff. (Chart 15)

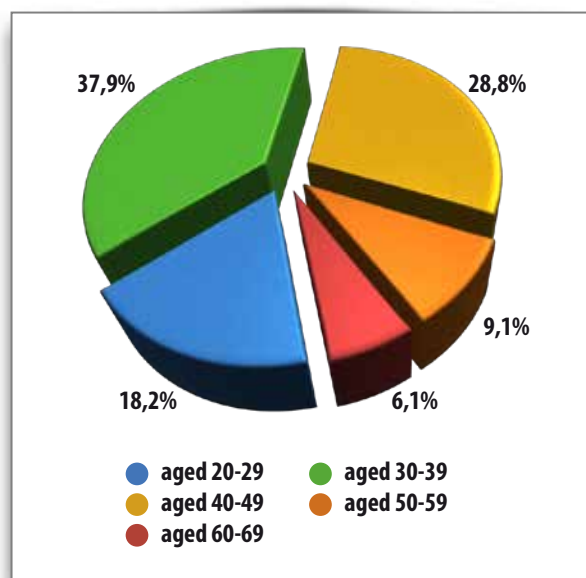


Chart 15 Structure of ANRCETI staff by age categories

Source: ANRCETI

The structure of the staff by the level of professional qualification shows that ANRCETI has significant potential for development. Thus, according to the situation on 31.12.2014, out of the 66 ANRCETI employees, 61 have university degree (93%), including 24 who also have post-graduate degree (36%). 13 employees have two academic degrees, one employee has PhD degree in law, while seven - are currently studying for second academic degree or PhD.

Most ANRCETI employees have technical degree (26), legal and the economic degrees (14 and 12) and humanitarian degree (7). Data on ANRCETI staff by professional qualification are shown in the chart below.

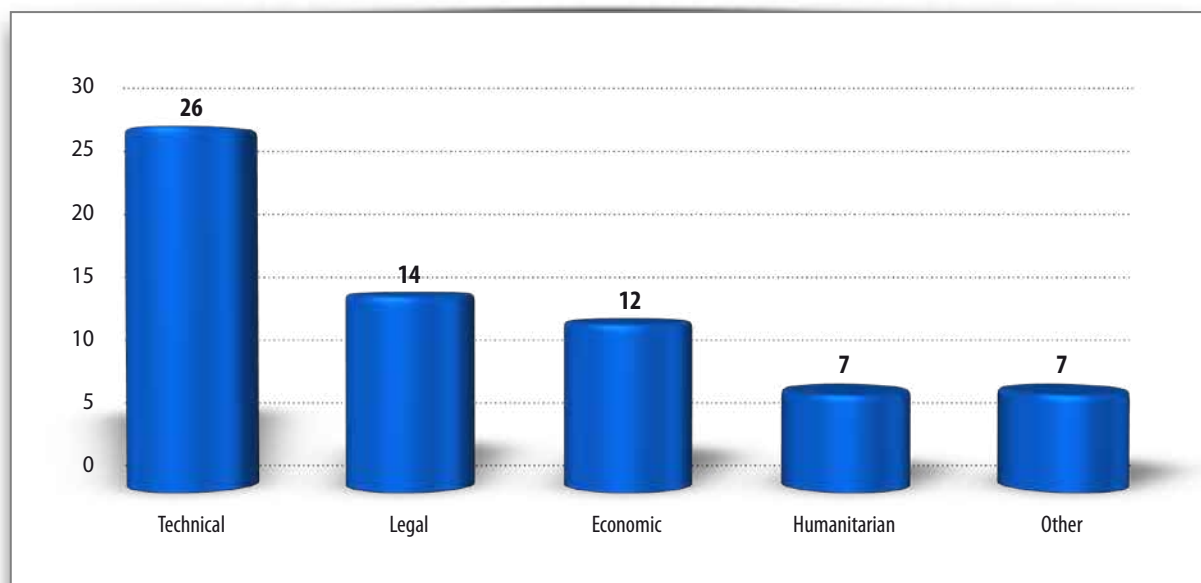


Chart 16 Structure of ANRCETI staff by professional qualification

Source: ANRCETI



In 2014, ANRCETI continued to apply the motivational incentive to have its employees obtain higher performance. Thus, in August 2014, on the occasion of the ANRCETI 14th anniversary, for professional success, creative mind, perseverance and professionalism, one employee was awarded the honorary title of “Master in Information Technology and Communications”, six employees were awarded with Honorary Diplomas of the Ministry of Information Technologies and Communications and Trade Union Federation in Communications.

### 13.2 Professional training of ANRCETI staff

In terms of professional training of its employees, ANRCETI focused on enhancing their skills through a diverse training program, in accordance with their spheres of regulatory activity and in accordance with quality standards.

In 2014, the professional training of ANRCETI employees was performed through seminars, training courses and trainings conducted in the country and abroad. ANRCETI specialists participated in numerous training courses, seminars, conferences and trainings conducted within technical assistance project EaPeReg and TAIEX tool, delivered by the EU, the project financed by the Ministry of Foreign Affairs of Estonia, as well as the events organized by the International Telecommunication Union (ITU) and regulators of Romania, Turkey, Georgia, Slovenia, Bulgaria, Ukraine, Belarus and Hungary. Additional information about ANRCETI in ICT events is covered by chapters **12.1 Partnerships and projects** and **12.2 Participation in European and international forums** of this report.

ANRCETI representatives attended English language training courses to improve their communication skills, as well as the online training course on “Internet and mobile wireless broadband”. The last event was held under the auspices of the ITU Centers of Excellence Network for Europe.

## 14 CONCLUSIONS. PRIORITIES FOR 2015

The facts presented in this report and the analysis of ANRCETI’s performance in 2014 shows that the regulator fulfilled the tasks outlined in its Plan of Activity for 2014 and gained the objectives pursued in this timeframe.

This is proven by the nature of ANRCETI Board Decisions of 2014. The Board adopted 60 decisions, including 18 – normative and three – individual, all of them on current regulatory aspects. Most decisions concern important subjects related to the functioning of the electronic communications market, such as: regulation of spectrum use for the development of broadband services, numbering resources, including national short numbers of social value, harmonized at European level 116xxx, analysis of a number of markets to identify their susceptibility to ex-ante regulation, within the third round of market analysis launched by ANRCETI in 2014.

It is worth mentioning that in the timeframe covered by this report, ANRCETI conducted the analysis of four markets (markets 2 and 9, 3 and 7) of the nine previously defined as susceptible to ex-ante regulation, while during 2015 ANRCETI intends to finish the third round of market analysis for the other five markets. Within this exercise, ANRCETI will review the competitive situation on those markets to designate SMP providers, revise the ex-ante remedies in order to maintain or withdraw certain obligations previously imposed on those providers.

Another priority ANRCETI established for 2015 is the fulfillment actions contained in Chapter 18 Information Society of the National Action Plan for the implementation of the Association Agreement Republic of Moldova – European Union in the timeframe 2014 – 2016 and the Spectrum Management Program for 2013 – 2020.

For the fulfillment of the tasks set in the Spectrum Management Program for 2013 – 2020, ANRCETI needs to establish the auction schedule for the available frequencies from bands allocated for the provision of public electronic communications networks and services and organize the auctions for the right to use spectrum according to the schedule. For this purpose, ANRCETI will update the Administrative Board decisions concerning the license conditions for the use of spectrum for provision of 3G networks and services for the purpose of applying the technological neutrality principle in 1900MHz and 2100MHz frequency bands, the General License Conditions for the use of radio frequencies/channels and the special license conditions for the use of spectrum in 3600 - 3800MHz bands.

ANRCETI Agenda for 2015 also provides for the development of special regulations for the implementation of 112 emergency service and terrestrial television.

ANRCETI also planned to approve a set of amendments and additions to the Regulation on general authorization and licensing use of limited resources for the provision of electronic communications networks and services, the Procedure for numbering resources management, the decisions on establishing quality parameters for public electronic communications services and approval of standard forms for the publication and presentation of information on those parameters. The purpose of this work is to eliminate the problems identified in the enforcement

of the mentioned acts and bring them in line with the relevant EU regulations.

The list of priorities for 2015 also includes monitoring SMP providers' compliance with the special ex-ante obligations imposed by ANRCETI, the manner in which they apply the provisions of other regulatory documents issued by ANRCETI, such as the Regulations on Electronic Communications Service Provision, in particular the part covering customer protection. ANRCETI will pursue the line to keep the consumers well-informed and advise them as regards issues related to the provision and use of electronic communications services, observance of their rights by providers and amicable dispute resolution between consumers and providers.