

**NATIONAL REGULATORY AGENCY FOR ELECTRONIC
COMMUNICATIONS AND INFORMATION TECHNOLOGY**



ANNUAL REPORT 2011

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The National Regulatory Agency for Electronic Communications and Information Technology (hereinafter ANRCETI/the Agency) is a central public authority entitled to regulate the activity of providers of public electronic communications networks and/or services, supervise compliance of market players with the relevant legislation, promote competition and innovations, encourage investments in infrastructure and protect end users' rights.

Acting as an arbitrator on the electronic communications market, the Agency follows the principles of technological neutrality, non-providers of fairness in disputes between suppliers and troubleshooting on the market for the benefit of end users. In promoting regulatory measures, the Agency is also guided by the principles of transparency, predictability, timeliness, proportionality and efficiency.



Main activities performed by ANRCETI in 2011

1 Objectives and priorities for 2011

The activities performed by ANRCETI in 2011 were mainly focused on the priorities set in its annual plan, to mention a few:

- continue the activity of identification, analysis and regulation of electronic communications markets, in order to ensure their operation under competitive conditions;
- make the management of numbering resources more efficient; create the regulatory frameworks for the implementation of telephone number portability;
- ensure compliance of market participants with the provisions of normative acts, governing the sector;
- adopt measures intended to protect end users rights;
- develop draft amendments to Law on Electronic Communications no. 241-XVI of 15.11.2007.

This Report, developed pursuant to *Art. 11 paragraph 9 of Law on Electronic Communications no. 241-XVI of 15.11.2007* (hereinafter *Law no.241/2007*), describes the main activities performed by the Agency, the regulatory documents developed in 2011 with the view of implementing the strategy of electronic communications development and the analysis of market evolution throughout the year.

2 Market analysis and preventive regulations

2.1 Objectives

The priority targets for the Agency in 2011 continued to be stimulation of fair competition, encouragement of efficient investment in the development of electronic communications markets, and protection of end users' legitimate interests.

To achieve these objectives, the Agency performed the following actions:

- conducted the analysis of the markets, earlier defined through *ANRCETI Administrative Board Decision no.85 of 28.04.2009*, in order to identify them as relevant markets susceptible to ex-ante regulation and to designate the providers with significant market power (hereinafter – *SMP providers*) on these markets, identify the remedies to be imposed, so as to prevent the use of SMP to the detriment of competition;
- imposed special ex-ante obligations to SMP providers on the identified markets;
- supervised and verified the way SMP providers meet the obligations imposed by the Agency;
- developed the LRIC cost calculation models for call termination services in fixed and mobile networks;
- developed the Instructions for separate accounting to be implemented by JSC "Moldtelecom", according to the obligations imposed by the Agency.

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2.2 Analysis and regulation of relevant markets

In 2011, the Agency identified and analyzed in detail the following five relevant markets:

- The market for access of end users, legal and natural persons, to fixed locations of the public telephone network (*Market 1*);
- The market for call origination at fixed locations of the public telephone network (*Market 2*);
- The market for traffic transit in public telephone networks (*Market 9*);
- The market for wholesale provision of leased lines terminal segments, regardless of the technology used for making the leased or reserved capacity available (*Market 6*);
- The market for wholesale provision of trunk leased line segments, regardless of the technology used for making the leased or reserved capacity available (*Market 8*).

After identifying the mentioned markets, the Agency made, on basis of a number of criteria, the detailed analysis of those markets, in order to evaluate the degree of competition and the risks that could cause competition distortion, to determine the SMP providers and the remedies to solve the existing competitive problems.

The conclusions made after the market analysis served as basis for ANRCETI Administrative Board Decisions regarding the identification of 5 relevant markets and designation of SMP providers on those markets.

2.2.1 Designation of providers with significant market power

As a result of the detailed analyses of the aforementioned markets, by Administrative Board Decisions, the Agency designated JSC „Moldtelecom“ as an SMP providers on all the five markets analyzed in 2011 (markets 1, 2, 6, 8 and 9), due to the fact that the incumbent possesses the most developed infrastructure on the entire territory

of the country, has the possibility and provides a large range of wholesale and retail services, has significant market shares both by number of subscribers and by revenues.

According to the analyses made by the Agency, JSC „Moldtelecom“ shares on the analyzed markets, in 2010, were as follows:

- *Market 1* – 96,8%, by subscribers;
- *Market 2* – 98%, by volume of traffic originated at fixed locations;
- *Market 9* – 100% (in 2010, this provider was the only one that provided traffic transit services in public telephone networks);
- *Market 6* – 99,6%, by provided leased line terminal segments;
- *Market 8* – 100%, by provided leased line trunk segments.

The SMP of JSC „Moldtelecom“ on the five analyzed markets was proved not only by the market shares held by this provider, but also by other factors ascertained by the Agency, such as: significant barrier to market entry and exit, powerful scale economies, range of products and density, big size of the provider, control on the infrastructure hard to be doubled, provider's vertical integration, etc.

2.2.2 Imposing obligations on providers with significant market power

After JSC „Moldtelecom“ was designated as having SMP on the mentioned markets, the Agency set a number of preventive special obligations for this provider to remedy the existing competition problems. The purpose of these obligations is to prevent the abusive use by JSC „Moldtelecom“ of its SMP to the detriment of competition on the analyzed and/or adjacent markets, and as a result, to the long-term detriment of end users.

The preventive intervention consists in imposing certain obligatory requirements on JSC „Moldtelecom“, related to networks interconnec-

tion and access to electronic communications networks and/or services, non-discrimination of other providers and transparency in the relations with the later, price control and separate accounting.

In the reporting year, ANRCETI Administrative Board approved six decisions with regards to the special preventive obligations to be imposed on JSC „Moldtelecom“ as an SMP provider on the four markets identified in 2011 (markets 2, 9, 6 and 8) and on two markets identified in 2010 (markets 4 and 5):

- the market for wholesale access to network infrastructure at a fixed location (*Market 4*);
- the market for wholesale broadband access (*Market 5*).

Given that:

some of the analyzed markets are similar by their nature and contents;

similar or common network elements and infrastructure are used on those markets, which fact exercises an influence of the corresponding retail market;

the Agency, in drafting the decisions, grouped market 2 with market 9, market 4 with market 5 and market 6 with market 8. Below there is a brief presentation of the obligations imposed on JSC „Moldtelcom“ as an SMP provider on the following markets:

1. The market for wholesale access to network infrastructure at a fixed location and the market for wholesale broadband access (Markets 4 and 5)

The special preventive obligations for JSC “Moldtelcom” on those markets were established by ANRCETI Administrative Board in its Decisions no. 05 and 06 of 28.03.2011 the obligations are as follows:

- a) ensuring access to certain specific elements of the individual network, to associated infrastructure and their use

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JSC "Moldtelecom" is required to offer unbundled access, including bitstream, to its local loop, other related services, necessary for the efficient use of access to the local loop/sub-loop/bitstream services (access to associated infrastructure, access to cable galleries and via technological space, access to ducts and masts, collocation of equipment, facilities for equipment permutation, „backhaul" services, installation and use of cables for internal/external links etc.). This obligation means providing total access to the local loop (exclusive use of the entire spectrum of the local loop/sub-loop) and shared access to the local loop (use of high frequencies of the copper local loop, used for broadband service provision), both at the main distribution frame and at intermediate distribution frames.

For bitstream access, JSC „Moldtelecom" is required to provide access only to the local loops related to distribution frameworks, provided with their own active equipment for broadband access, such as DSLAM or other equipment with similar functions, including optical access. As for the „backhaul" service, JSC „Moldtelecom" must make the tariffs for all types of transmission links it can provide publicly available in its Reference Access Offer. The Agency established a term of maximum 20 days, following the date of request, for the access agreement to be concluded.

b) ensuring transparency, including publicly available Reference Access Offer

pursuant to this obligation, JSC „Moldtelecom" is required to publish the Reference Access Offers and Reference Bitstream Offer on its Internet site and to update them when necessary.

In the mentioned offers, JSC "Moldtelecom" must publish the Technical and Commercial Conditions for access, the information about its network, including the plans for modification of its access network at least 12 months before the work itself.

In order to monitor the compliance with the obligation to provide access and admit no discrimination, JSC „Moldtelecom" is also required to display on its Internet page the statistical indicators regarding the provision of unbundled access to the local loop and bitstream, to update these indicators on quarterly basis and submit them to the Agency.

c) admitting of no discrimination

JSC „Moldtelecom" is required to offer services of access to the local loop and bitstream under equal conditions to all requesting providers and make services and information available for third parties, including about transmission speed and quality, under the same conditions as for its own services or for the services offered to its branches, affiliated persons or partners.

d) price control, including the obligation of cost-based prices

The Agency made it incumbent on JSC „Moldtelecom" to use LRIC cost-based prices for access and bitstream services, as well as for associated services. Before the LRIC cost-based prices are set, the Agency established the maximum prices to be applied for access to the local loop and associated services.

e) separate accounting

Pursuant to this obligation, JSC Moldtelecom" shall keep separate accounting so as to ensure the reporting of separate situations as per activities related to local loop and bitstream access services, as well as associated services and shall annually publish a declaration on implementation of separate accounting on its Internet site. As well, JSC „Moldtelecom" shall have the separate accounting verified by an independent auditor, shall publish and present to the Agency a due audit report for the previous year before May 31st.

2. The market for call origination at fixed locations of the public telephone network and the market for traffic transit in public telephone networks (Markets 2 and 9)

The special preventive obligations for JSC "Moldtelcom" on the mentioned markets were approved by ANRCETI Administrative Board *Decisions no.27 and 28 of 01.11.2011*

The purpose of the obligations imposed on the market for call origination at fixed locations in the public fixed network is to create opportunities for end users to benefit from competitive offers when making fixed calls. These are intended to overcome the structural barrier related to high costs and the difficulty of deploying alternative fixed networks.

The obligations imposed to JSC "Moldtelcom" on the market for traffic transit in its fixed telephone network are targeted at safeguarding the connectivity between all the providers on this market, including providers' connectivity to international networks.

The Agency intervention was caused by competition problems on the two markets as through lack of transparency, discriminatory practices and application of non-cost-based tariffs.

In order to remove the risks mentioned above, the Agency imposed the following obligations on JSC "Moldtelecom":

a) ensure the access to specific network elements, including interconnection for call origination and traffic transit, to associated infrastructure

Pursuant to the given decision of the Agency, JSC „Moldtelecom" is required to offer to other providers interconnection with its own fixed networks for call origination and transit to any network of the Republic of Moldova and to perform the transit of international incoming calls to any fixed network in the country.

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b) *ensure transparency, including publication of the Reference Interconnection Offer.*

According to this obligation, JSC "Moldtelecom" will have to publish a Reference Interconnection Offer (RIO), containing the commercial and technical conditions for the provision of call origination and transit services in its individual network. It is necessary that the RIO contain technical specifications, network characteristics, ways and conditions for service provision and use, accounting information and tariffs for call origination/traffic transit services.

The Agency also made it incumbent upon JSC „Moldtelecom“ to make publicly available on its Web page the standard Interconnection Agreements for call origination/traffic transit services in its fixed network. These Agreements must conform to the RIO requirements and include the prices and other conditions related to call origination/traffic transit services in its individual fixed network.

c) *admitting of no discrimination*

Following this obligation, JSC „Moldtelecom“ is bound to apply equivalent conditions under equivalent circumstances, to provide services and information, including on service quality, to third parties under the same conditions as for the ones offered for its own services or services provided to its branches, affiliated persons or partners.

d) *price control, including the obligation to apply cost-based prices.*

This obligation means that the tariffs applied by JSC „Moldtelecom“ for the provision of call origination/traffic transit services in its individual fixed network, for related services, must be based on incremental cost (LRIC). For this purpose, the Agency established the ceiling for the tariffs applied for the mentioned range of services.

e) *separate accounting*

In order to fulfill this obligation, JSC "Moldtelecom" shall have to ensure the distinct separation of wholesale and retail services. In order to facilitate the verification of compliance in this respect, the Agency required that JSC "Moldtelecom" make separate accounting reports publicly available.

3. The market for wholesale provision of leased lines terminal segments and trunk segments, regardless of the technology used for making the leased or reserved capacity available (Market 6 and 8)

The special ex-ante obligations imposed to JSC "Moldtelcom" for the given markets were approved by ANRCETI Administrative Board *Decisions no.35 and 36 of 20.12.2011.*

As a result of detailed analysis of the two markets, the Agency concluded that JSC "Moldtelcom" has significant market power, fortified by serious barriers to market entry, other problems impeding the development of competition the therefore, forwarded a series of remedies through the mentioned *Decisions.*

The Agency considers that the obligations imposed to JSC „Moldtelecom“ being fulfilled, will contribute to the improvement of competition environment by facilitating market entry for alternative fixed and mobile, Internet and TV service providers, creating favorable conditions for the development and roll out of their services.

The main obligations imposed on JSC „Moldtelecom“ through the mentioned decisions:

a) *ensuring access to specific network elements, associated infrastructure and their use.*

This obligation is aimed at providing access to leased line services by making the requested capacities available within 15 working days from the date of request. Where the requested capacities are unavailable, JSC „Moldtelecom“

is required to extend them and make them available within maximum 6 months from the date of request. JSC „Moldtelecom“ is liable to enable the access to all network points, where it is technically feasible, respectively to all the transmission nodes of the SDH/MPLS network from the levels of regional transmission network, subordinated local transmission network or subordinated access network, according to the network architecture.

JSC „Moldtelecom“ will also offer physical or virtual collocation at any interconnection point for leased lines.

In order to eliminate the detected failures, JSC "Moldtelecom" shall identify and remedy them in a timeframe as short as possible (one hour within the working schedule and 8 hours outside it), a timeframe not exceeding 24 hours if the failure enables the functioning of interconnection.

b) *ensuring transparency, including the publication of the Reference Leased Line Offer*

For the purpose of ensuring transparency of its activity in this respect, JSC „Moldtelecom“ is required to develop the Reference Interconnection Offer for Leased Lines and make it publicly available before April 20, 2012, in order to offer interconnection services for all types of leased line terminal segments and trunk segments under fair and non-discriminatory conditions, required by the mentioned ANRCETI Administrative Board.

c) *admitting of no discrimination*

According to this obligation, providers operating national or regional transmission networks will be able to provide leased line total circuit services on the retail market by purchasing leased line services from JSC „Moldtelecom“, thus competing with the SMP provider. For these reasons the Agency imposed on JSC "Moldtelecom" the obligation to provide leased line services, collocation and other related services, under conditions equivalent to those

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provided for its own retail services, for affiliates, subsidiaries or partners, to allocate network capacity for leased line services under non-discriminatory conditions.

d) *price control, including the obligation to apply cost-based prices*

Pursuant to this obligation, until the tariffs for leased line services are calculated based on long-run average incremental cost (LRAIC), JSC „Moldtelecom“ will have to calculate and apply tariffs based on their own reasonable method, but the tariffs will not exceed the fully allocated costs. The given tariffs will be reflected in the Reference Leased Line Offer of JSC „Moldtelecom“.

e) *keeping separate accounting*

To ensure non-discrimination in relation to service-requesting providers, JSC „Moldtelecom“ is liable to keep separate accounts for all its activities related to the provision of leased lines and with the public electronic communications network that the company operates. Thus, JSC „Moldtelecom“ will annually make a statement on separate accounting implementation publicly available on its Internet page, and also publish the annual audit report for the previous reporting year and submit it to the Agency, by May 31, every year.

2.3. Conclusions. Priorities for 2012

In 2011, the Agency completed the first cycle of analyses of six markets, the results of which allowed to identify competitive problems prevailing on these markets and the barriers to effective competition and to the provision of diversified electronic communications services, at high quality standards and affordable for end users. The detailed market analysis served as basis for designation of JSC „Moldtelecom“ as a SMP provider on five markets (Markets 1, 2, 9, 6 and 8) and for imposing special ex-

ante obligations on JSC „Moldtelecom“, given its SMP on six markets (Markets 4 and 5, analyzed in 2010, Markets 2, 9, 6 and 8, analyzed in 2011).

In 2012, the Agency will complete the first cycle of analysis of the last two relevant markets from the list of 10 markets defined as susceptible to ex-ante regulation and will start the second cycle of analysis of four relevant markets (markets 3, 4, 5 and 7). According to the Agency's Program for Regulatory Acts Developing in 2012, the Agency intends to adopt preventive regulatory measures for market 10 (for physical access to facilities associated with electronic communications networks) and impose special preventive obligations on JSC „Moldtelecom“ as an SMP provider on market 1 (end users' access to public telephone network at fixed locations).

Among other priorities of the Agency for 2012 we note the following:

- implement an effective system of control over performance of special obligations imposed by the Agency on SMP providers;
- amend the Regulation on Interconnection. Adopt the rules of procedure for access to facilities associated with electronic communications networks;
- develop an automated process of collecting and processing statistical reports from providers. Develop a new approach to the statistical reports on the situation on electronic communications markets.

3 Regulation of Costs and Accounting

3.1. General description

This compartment of the Agency performance refers to the measures taken in order to ensure that the tariffs for services on insufficiently com-

petitive retail and wholesale markets are calculated on basis of economic costs and separate accounting is implemented by vertically integrated providers.

In the timeframe 2010 – 2011, the Agency Administrative Board approved a number of decisions with reference to the special preventive obligations imposed on SMP designated providers on 8 out of 10 relevant markets, defined by the Agency, in 2009, as susceptible to analysis for ex-ante regulation. The obligations imposed on SMP providers aim to help create a competitive market by providing access to electronic communications networks and services, ensure the transparency, prevent discrimination, establish cost-oriented tariffs and keep separate accounting within the internal management activity.

Guided by the rationale described above, the Agency developed, in 2011, the Guidelines for the implementation by JSC „Moldtelecom“ of separate accounting within the internal management activity, a document approved through ANRCETI Administrative Board Decision nr. 09 of 22.04.2011.

In order to regulate the tariffs for call termination in fixed and mobile networks, the Agency established in 2010, with the support offered by the consultants from the EBRD technical assistance project, on basis of the benchmarking method, the ceilings for these tariffs and approved a 7-stage plan for their gradual reduction, every stage devised for six months, through 01.01.2014.

3.2. Separate accounting

Pursuant to the provisions of Art. 46 of Law 241/2007, the Agency has the right to impose on SMP providers the obligation to keep separate accounting within the internal management activity. For the purpose of ensuring a competitive environment on the identified

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markets, ANRCETI Administrative Board, by its Decisions no.60 and 79, 2010 and no.5, 6, 27, 28, 35 and 36, 2011, imposed on JSC "Moldtelecom" the obligation to implement separate accounting.

The Instructions for the implementation of separate accounting by JSC „Moldtelecom“, approved by Administrative Board Decision no. 09 of 22.04.2011, were developed to complete the legal obligation of JSC "Moldtelecom" on separate accounting. The Instructions specify the documents to be reported, describe the format of separate reports and the level of detail required, the methodological principles for allocation of costs, revenues, assets and capital as per activities and services.

Under the Guidelines, JSC "Moldtelecom" is required to report and publish on its Internet page separate financial reports and other provisions related to costing and cost allocation, revenues, assets and capital, cost of capital, etc. restatement of financial situations, etc. The Annexes to the Instructions provide the form of presentation for the information from separate financial statements, the algorithm for allocation of costs, revenues, assets and capital, the situation regarding internal transfers etc.

3.3 LRIC cost calculation models

The LRIC (Long-Run Incremental Cost) cost calculation models for call termination in fixed and mobile networks, developed by the Agency in 2011, are meant to complete the legal obligation imposed in 2010 by the Agency on fixed and mobile providers regarding the use of LRIC-cost-based tariffs for call termination in their individual networks (fixed or mobile).

According to ANRCETI Administrative Board Decisions no.60-79 of 23.12.2010, JSC „Moldtelecom“, JSC „Orange Moldova“, JSC „Moldcell“ and other SMP providers were placed under the

obligation to use LRIC-cost-based tariffs for call termination on fixed and mobile individual networks and to gradually exclude discrimination of calls by price, depending on origin, within a pre-established transition timeframe, through 31.12.2013.

The Agency established the maximum tariffs that could be applied, as of 01.01.2011, by the providers who offer call termination service in their individual fixed and/or mobile networks, based on benchmarking method. At the same time, the Agency committed to develop the LRIC models and use them for the calculation of final call termination tariffs, to be applied as of 01.01.2014. Thus, after calculating the LRIC costs, the Agency intends to establish, for the period 2013-2014, the glide path to reduce tariffs for these services to their economic costs.

In 2011, jointly with the consultants from the EBRD technical assistance project, the Agency developed the LRIC cost models for call termination on fixed and mobile networks and proposed them under public consultations. The final version of the models was supplemented with a series of recommendations from fixed and mobile network providers and published on the Agency Internet page on 08.02.2012.

3.4 Conclusions. Priorities for 2012

The measures mentioned above are particularly important in the regulation of electronic communications markets for the reason that once the (LRIC-based) cost of call termination services in fixed/mobile networks is known, the Agency will be able to come up with specific proposals on further measures to adjust tariffs for these services to their economic costs.

In 2012, the Agency will use the models published on its Internet page to estimate the costs of call termination in fixed and mobile networks

and determine the next steps to cap these tariffs. The Agency plans to supplement the obligations on maximum call termination tariffs, imposed in 2010 on designated SMP providers and to monitor their compliance with the obligations.

4 Management of numbering resources

4.1 Objectives

In the numbering management activity in 2011, the Agency focused on the development of the necessary regulations to transpose the new provisions of the National Numbering Plan (NNP), in particular those referring to the transition to „closed“ type of dialing geographic numbers, the implementation of access to short national codes and numbers from range „1“ without using prefix „0“, to national short 116(xxx) numbers for services of social character, harmonized at European level, as well as the creation of a regulatory framework for the implementation of number portability.

These regulations are aimed at creating favorable conditions for electronic communications market development, promotion of competition and new services for the benefit of end users.

4.2 Management of National Numbering Plan

4.2.1 Implementation of the „closed“ type of National Numbering Plan

In order to provide the electronic communications market with numbering resources sufficient for network/service provision, the Agency developed draft modifications to the NNP, which subsequently were approved by the Ministry of Information Technology and Communications (MTIC) by Order no.93 of

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25.11.2011. The document provided for the transition, as of March 31 2012, to the „closed“ type of calling range “2” numbers and allocation of range “3” numbering resources for the provision of public fixed telephone networks and services. According to this document, the NNP became a “closed” plan, which provides for the dialing of telephone numbers, including the geographic ones, by using prefix “0” and national significant number (N(S)N) or a national short number.

The allocation of range “3” numbering resources became necessary due to the shortage of range “2” numbers, caused by the increasing demand for resources, in particular by alternative providers, who mainly offer triple – play services (Internet, TV and telephony). In 2011, only for Chisinau and Balti, it was necessary to allocate 40 thousand new numbers. According to the regulator’s estimations, the increasing demand for numbering resources will persist in the years to come.

The numbering resources from range “3” are reserved in the NNP in particular for fixed telephone services. The problem of overcoming the shortage of numbering resources was the subject of a number of discussions during sessions, organized by the Agency, MTIC and attended by providers of fixed telephone services. They expressed their support for the proposal to make range “3” numbering resources available for allocation and apply the “closed” type of dialing geographic numbers.

In order to synchronize the actions taken by providers of public telephone services for the implementation of “closed” type of dialing range “2” numbers, the Agency applied a Plan of Actions, approved through ANRCETI Administrative Board Decision no. 01 of 10.01.2012. The decision provides for the measures that need to be taken by providers in order to implement the “closed” type of dialing, as well as for the 3-month transition period, so that fixed

subscribers have enough time to get used to the new dialing format. In the three months, providers will have to inform the subscribers, by means of answering machines, about these modifications.

Starting July 1, 2012, fixed subscribers will be able to use only the new “closed” type of dialing.

4.2.2 Regulations of access to short national codes and numbers from range „1“

In order to fulfill the new provisions of the NNP, the Agency approved Board Decision no.14 of 23.06.2011 on implementing the access to national short numbers and codes from range “1”, without using prefix “0”. According to this decision, on January 31 2012, the access to national short numbers and codes became available from all the geographic zones and public fixed and mobile networks, without using prefix “0”, except codes „1600 -1639”.

At the same time, the short local 4-digit numbers „14xx”, used for information services on transportation, taxi, railway, air services, medical services, etc. were replaced with national short 5-digit numbers of „14xxx” format. This format ensures the access to the new short national numbers from all geographic zones, via public fixed and mobile telephone networks, without dialing prefix “0” and the code of the geographic zone.

Simultaneously, according to the decision, the national short numbers „117” (customer care), „119” (removal of network faults) and „18xx” (technological numbers) were withdrawn and reserved for subsequent use.

For the services previously accessed via „117” and „119”, providers are free to use new numbers from „118x(x) number block (directory services), whereas numbers „18xx” can be replaced with local numbers from blocks reserved for fixed telephone services.

The implementation of access to range “1” numbers without prefix „0” was necessary in order to ensure compliance of the Republic of Moldova with the Recommendations of the ECC (Electronic Communications Committee) of CEPT (European Conference of Postal and Telecommunications Administrations) on reservation of range “1” short numbers for services harmonized at European level and also given the impossibility of using short national numbers, such as: emergency 112, social numbers 116(xxx), access codes 16xx, 19xx etc.

4.2.3 Implementation of access to national short numbers of 116(xxx) form

In accordance with the NNP provisions, in 2011 the Agency developed three regulatory acts with regards to the access to and use of national short numbers of 116(xxx) form for the provision of social services, harmonized at European level: (1) on regulating the access to these number; (2) Procedure for allocation of such numbers and (3) special license conditions for the use of such numbers. These documents were approved by ANRCETI Administrative Board Decisions of 12.07.2011, effective since February 1, 2012 – the date when the access to national short numbers and codes of range “1” was possible without using prefix “0”.

The Decision regulating the access to the numbers mentioned above provides for the obligations of public electronic communications providers in terms of ensuring the access from public electronic communications networks to numbers of 116 (xxx) format, including from public pay telephones and free of charge, and the conditions for such access. The procedure for allocation of 116 (xxx) numbers contains the rules for the management of these numbers and the specific conditions under which a provider acquires and can use

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these numbers, whereas the special license conditions prescribe the rights and obligations of the license holder regarding the use of these numbers.

The allocation and use of 116(xxx) numbers in Moldova pursues the aim to align to European standards and ensure the access of end users to social services harmonized at European level.

The NNP provides for the allocation of the following three short numbers of services of social character: 116000 - *hotline for missing children* 116111 - *child helpline* and 116123 - *emotional support help lines.*“

4.2.4 Regulation of the use of numbers independent of location

For the purpose of applying the provisions of the NNP related to the allocations of numbers independent of location of 30xxxxxx and 38xxxxxx format, the Agency developed the *Special License Conditions for the use of these numbers in public electronic communications networks*, a regulatory document approved by ANRCETI Administrative Board Decision no. 20 of 4.08.2011. It prescribes the obligatory conditions to be met by providers when using the numbers independent of location and the conditions for interconnection of networks for the provision of public electronic communications networks.

The 30xxxxxx and 38xxxxxx numbers independent of location are used for the provision of public electronic communications services, at fixed or mobile terminal points, from/to the Internet network, on basis of switched package technologies by signaling protocols - IP (VoIP), of H.323 type, SIP (Session Initiation Protocol) etc. These numbers are transferred by the license holder to his subscribers, who use them for call origination on the territory of the Republic of Moldova and call termination at local, national and/or international level.

4.3 Telephone number portability

4.3.1 Approval of the Program for Number Portability Implementation

In 2011, the Agency paid special attention to the creation of a regulatory framework for telephone number portability implementation. The Agency completed the draft Program for the implementation of number portability in the Republic of Moldova for 2011-2013, started in 2010 and approved by MTIC Order no.52 of 30.06.2011. This Program and other number portability documents were developed by the Agency jointly with the working group, comprising specialists from the Agency and representatives of providers of public fixed and mobile networks/services. The Program is aimed at ensuring the end users right to free choice of a telephone service provider, without having to change his telephone number, when this is in his interest and without being prevented by obstacles of legal, technical or practical character.

Number portability is a key-factor meant to facilitate the user's choice and to enhance competition on the electronic communications markets. The possibility of users to retain their telephone numbers when switching providers increases their interest to alternative offers and ensures a higher degree of freedom in selecting providers, because it is no longer necessary to inform friends, relatives about the new telephone number. This service will also encourage competition and contribute to the development of new telephone services, as the possibility of porting telephone numbers will cause providers to make further efforts to maintain and attract subscribers through attractive offers and services at affordable prices.

The program establishes the goals, the actions to be taken, the stages, timelines and respon-

sibilities for implementation, the expected results, the procedures of reporting and evaluating the number portability implementation. According to the Program, the number portability in mobile networks is to be implemented by the end of 2012, in fixed networks - by the end of 2013.

4.3.2 Adoption of the Regulations on Number Portability

Pursuant to the Program mentioned above, the Agency developed the Regulations on number portability, approved by Administrative Board Decision no. 34 of 01.12.2011.

The Regulations sets out the general principles for number portability implementation, the key elements of Technical and Commercial Conditions for this process, the rules for porting and routing of calls, the obligations of providers involved in the porting process, the status of the centralized database, ways of selecting the database administrator. According to the Regulation, the geographical numbers from ranges “2”, “3” and “5”, the numbers independent of location from range “3” and the non-geographic numbers from ranges “6”, “7”, “8” and “9”, assigned from the NNP, will be subject to porting.

As stipulated in this document, providers of public telephone services, including virtual mobile, authorized under Law 241/2007, licensed for the use of numbering resources or providers who accept number porting to their own networks must ensure number portability in their own networks, so that any number from their own network can be ported to an eligible network of another provider, vice versa, in accordance with the provisions of the Regulations above, the Technical and Commercial Conditions, other documents issued in this respect.

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Providers of public telephone services are required to provide number portability in fixed and mobile networks, regardless of the technology used (PSTN, ISDN, IP, CDMA, GSM, CDMA 2000, UMTS, etc.), the type of service provided (voice, fax, data, etc.), the method of payment (postpaid, prepaid, etc.), whether the subscriber has or does not have a written contract signed with the provider. The Regulations states that the porting is performed by public telephone service providers, following an application-request submitted by the subscriber, within five working days unless the subscriber requests a longer period.

4.3.3 Development of other regulatory acts

According to the Regulations on number portability, the administration of the porting process, including the exchange of information between providers on ported numbers, is performed through a centralized database. The database administrator is to be selected through an open tender with international participation by applying the comparative selection procedure. For this purpose, the Agency developed the tender Procedure and proposed it for public consultations. The Agency also developed the Terms of Reference for the tender. The comparative selection of the bidders will be based on the first-ranked principle, after performing the evaluation of a number of technical, administrative and/or financial criteria pursuant to the Terms of Reference.

The draft Procedure mentioned above sets the principles, terms and conditions for the tender to select the centralized data base administrator. The administrator's mission is to create, operate, administrate and maintain the centralized data base for the implementation of number portability in Moldova, to coordinate and control the number porting process on centralized basis. According to the

draft document, the tender will take place in two stages. The first stage (pre-selection of applicants, in order to identify the tender participants), will takes place on basis of a number of eligibility criteria, set in the Terms of Reference and will comprise all the applicants who submitted applications for participation, under the terms and conditions established in the tender announcement. The applicants pre-selected in the first stage will take part in the second stage (review, evaluation and comparison of bids).

The Agency plans to approve, in the first quarter of 2012, the Procedure for the organization and selection of a centralized database administrator and the Terms of Reference for the tender, followed by the Technical and Commercial Conditions for number portability implementation. This document will be developed by the database administrator jointly with the providers of fixed and mobile telephone services, within two months from the date the database administrator is designated.

4.4 Conclusions. Priorities for 2012

The Agency considers that the objectives, set for 2011 in terms of numbering resource management, have been attained. In 2012 the Agency is planning to organize the tender in order to select the centralized data base administrator for number portability implementation, to sign the agreement with the administrator, to coordinate and approve the Technical and Commercial Conditions, to launch, by the end of the year, number portability in mobile networks.

The Agency also intends to launch the services of social character harmonized at European level of 116(xxx) format, to monitor the fulfillment of the action plan for the implementation of the 'closed' type of dialing telephone numbers, to modify the procedures for numbering resources

administration and for transfer of licenses for the use of limited resources, in order to make these procedures more efficient.

5 Other regulations and decisions

5.1 Modification of the reporting system for statistical indicators

Given the need to update the statistical indicators reporting system regarding the situation on the electronic communications markets, the Agency started, in 2011, the revision of its requirements in relation to the statistical information submitted by providers pursuant to *Law 241/2007*. This exercise was aimed at adjusting the statistical information collected by providers to the requirements set by the Agency and the needs of the public at large for relevant information about the markets.

As a result of this work, the Agency approved, through *Administrative Board decision no.33 of 17.11.2012*, the following statistical forms for providers of electronic communications networks and services: „CE-1 Operated Networks and Provided Services“, „CE-2. Fixed Networks and Service“, „CE-3. Mobile Networks and services“, „CE-4. Audiovisual Networks and Services“ and „CE-5. Geographic Breakdown of Provided Services“. According to the mentioned decision, the statistical indicators included in the statistical forms CE - 1 and CE -5 will be reported annually, whereas the other three forms (CE -2, CE -3 and CE -4) will be filled out and submitted to the Agency on quarterly basis. The statistical forms are supplemented by a set of instructions, offering the providers the necessary support to on how to fill them out.

The Decision of the Agency requires that the indicators included in the quarterly statistical reports will be calculated cumulatively throughout the reporting year, whereas the

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data per quarter IV will correspond to the annual situation. The providers must submit the filled-out statistical reports to the Agency within 45 days from the end of the reporting timeframe.

The modifications made by the Agency in the statistical reporting system are aimed at extending the amount of information the regulator needs to evaluate the existing tendencies on the electronic communications markets, as well as to perform market analysis. The new statistical forms better reflect the convergence of networks, technologies and activities, require a deeper breakdown of the provided services, their division based on retail and wholesale markets, as well as geographical breakdown of fixed network services of special social interest.

As a result of the modifications operated through its decision, the Agency intends to update the quarterly statistical bulletins about the development of electronic communications markets and services, in particular on broadband access at fixed and mobile locations.

5.2 Regulation of the use of radio frequencies

According to *Law 241/2007*, the Agency has the right to decide on certain categories of radio frequencies, the use of which is not subject to the general authorization regime and is allowed without a license or a technical permit.

In order to optimize the procedure of radio frequency assignment and the implementation of Decision ERC/DEC(98)25, ERG/DEC/(05)12, Recommendation ERG/REC/01-07 of the CEPT Electronic Communications Committee on ensuring the harmonized regime for the use of PMR 446 radio communications equipment (Mobile Personal Radio communications, 446 MHz band), the Agency extended (*Administrative Board decision no.29 of 02.11.201*) the list of radio frequency categories under this status.

According to the mentioned Decision, owners of analog personal mobile radio communications equipment have the right to use the 466,000-466,100 MHz frequency band, and holders of digital equipment - 466,100-466,200 MHz frequency band, without applying for a license or a technical permit.

The RMP-446 equipment of 500 mW power of emission are intended to provide short-range voice communications and are exclusively used for individual needs of natural persons and legal entities-owners of equipment. They cannot be used to provide public electronic communications services.

In 2009, the Agency established the first 13 categories of free frequencies, which are used by owners of short-range radio-communications equipment. Each category contains a list of frequency bands to be used for certain services, such as: management of alarm systems to guard buildings, automatic traffic control, railway applications, routing models of airplane, ships, sound systems for concert halls, detection of defects in constructions, etc.

In 2012, the Agency plans to open the 2500-2690 MHz and 3400-3800 MHz bands to be assigned for the provision of broadband access services by means of LTE and WiMax technologies.

5.3 Other acts developed by the Agency

In the reporting timeframe, the Agency, jointly with the State Agency for the Morality Protection, developed the standard *Code of Conduct for the provision of content services via public electronic communications networks, using Premium rate numbers*. This document was developed based on the Law on modification and amendment of certain legal acts no. 140 of 28.07.2011, subsequently being made avail-

able on the Agency's Internet page. The document is a recommendation for providers of electronic communications networks/services and of content services by means of *Premium rate numbers*.

The Code of Conduct defines the rules and conditions for content service provision, the rules of conduct for providers of content services, assumed by them when signing contracts for the use of *Premium rate numbers* on provision of content services via public electronic communications networks. According to the document, the parties are required to expressly include in contracts the clause saying that they adhere to the Code of Conduct.

6 General authorization and Licensing

6.1 General Authorization. Evolutions and tendencies

In 2011, the Agency continued its activity of authorizing the provision of electronic communications networks and services under the general authorization regime, which has been applied since September 2008, after Chapter IV of *Law no.241/2007* entered in force. For the purpose of keeping an electronic Public Register of providers of electronic communications networks/services, in the reporting timeframe, the Agency developed and implemented the Integrated System "Register of Providers". This system ensures registration, processing, updating and analysis of the data concerning the providers entered in the register.

Based on the general authorization regime, in 2011, a total of **123** applicants were authorized to provide electronic communications networks/services. Most of the authorized applicants (102) chose to provide both networks and services (Figure no.1).

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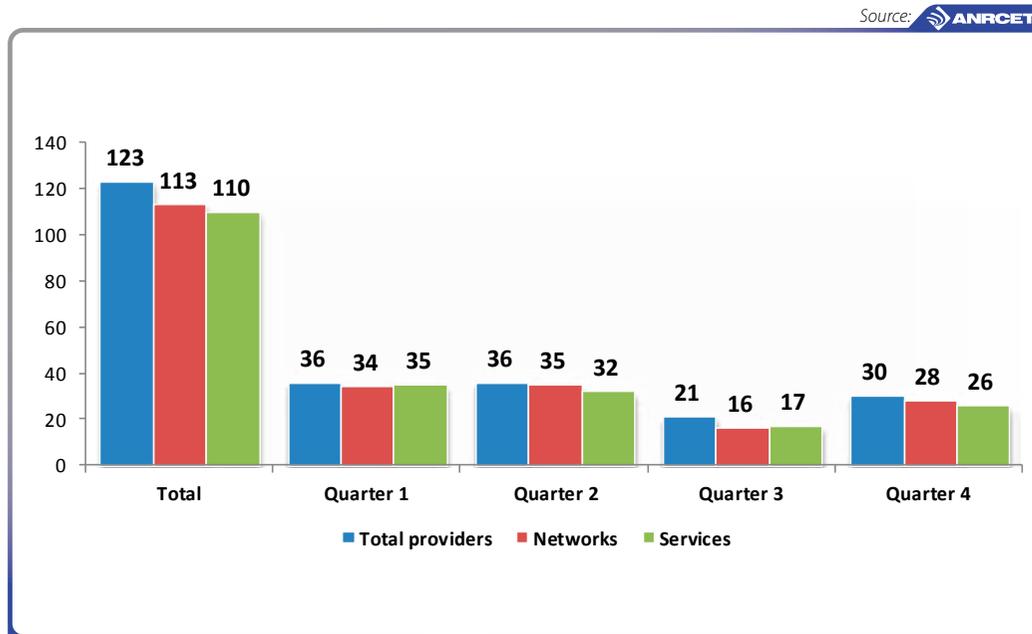


Fig. 1 Providers of networks and services authorized by the Agency in 2011

The analysis of the data included in the notifications and related documents submitted to the Agency, showed the preference of the applicants to provide certain types of electronic communications networks and services. So, in terms of „networks provision“, in the timeframe under report, most applicants chose to provide terrestrial networks with access at fixed locations (Figure no.2).

In terms of „service provision“, the preferences were divided proportionally between the right to provide: a) Internet access, b) data transmission and c) audiovisual programs (Figure no.3).

It is obvious that the implementation of the general authorization regime has undergone a positive development, or the number of people authorized in this way to operate on the electronic communications service market is growing. The insignificant decrease in the number of providers, registered in 2011 in the Pub-

lic Register, compared with 2010, was caused by saturation on some market segments, and also by renunciation, by some of the providers, of their rights granted by general authorization regime.

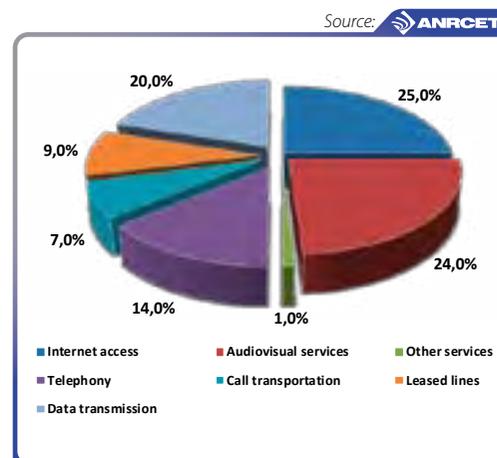


Fig. 3 Types of services chosen by authorized providers in 2011

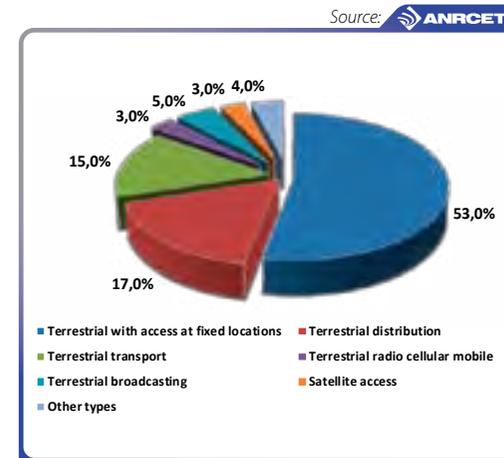


Fig. 2 Types of networks chosen by authorized providers in 2011

Thus, as per December 31, 2011, the Public Register recorded 460 authorized persons, of which, according to notifications, **354** – intended to provide various types of electronic communications networks, **403** – various types of electronic communications services (Figure no.4).

The positive trends in the implementation of the general authorization regime in the 2008-2011, occurred due its over other procedures for granting rights to conduct business activities (eg, licensing), such as: indefinite validity of the general authorization; gratuity of the procedure, minimum set of documents submitted by the applicant, limited lead time (seven days), etc.

The following fact could serve as an example. As per December 31, 2011, the electronic communications market was operated by both providers authorized under the general authorization regime and license holders („old“ licenses), under Law on Telecommunications no. 520-XIII of July 07, 1995 (in force until 15.09.2008). However, part of the license holders voluntarily preferred the general authorization regime to their licenses, still valid. In 2011, 78 „old“ license holders became authorized under the general authorization regime (Figure no.5).

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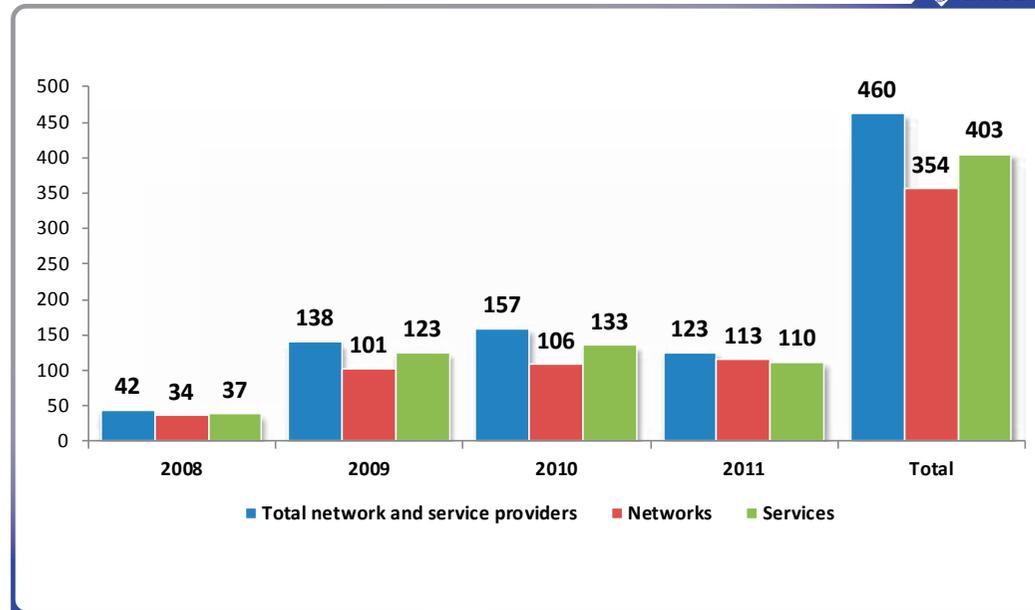


Fig. 4 Network/service providers authorized by the Agency in 2008 - 2011

The increase in the number of providers authorized under general authorization regime occurred due to the increasing number of new market entrants. Respectively, the decrease in the number of providers entitled operate under the „old“ licenses occurred due to the expiry of their validity terms, which, under the provisions of the *Law on regulating entrepreneurial activity through licensing no.451-XV of 30.07.2001*, cannot be extended.

So, on December 31, 2011, **713** companies had the right to operate on the electronic communications market, of which **460** – providers authorized under general authorization regime and **253** – „old“ license holders. One of the priorities of the Agency for 2012, in this respect, is to complete the transition of all the „old“ license holders to the general authorization regime.

6.1.1 Authorization of activities in border area

In the reporting timeframe, the Agency continued the procedures of authorizing electronic communications activities in border areas, pursuant to the *Regulations on activities of installation, operation, management, maintenance and/or liquidation of electronic communications networks at the border of the Republic of Moldova*, approved by Government Decree no. 974 of 12.08.2008.

Due to a number of modifications made to the aforementioned Regulations (proposed by the Agency), which simplified the authorization procedure for electronic communications activities in the border zone, the number of notifications in this respect grew in 2011 more than twice and reached **27** (compared to 11 notifications received in 2010), of which in **22** cases applicants

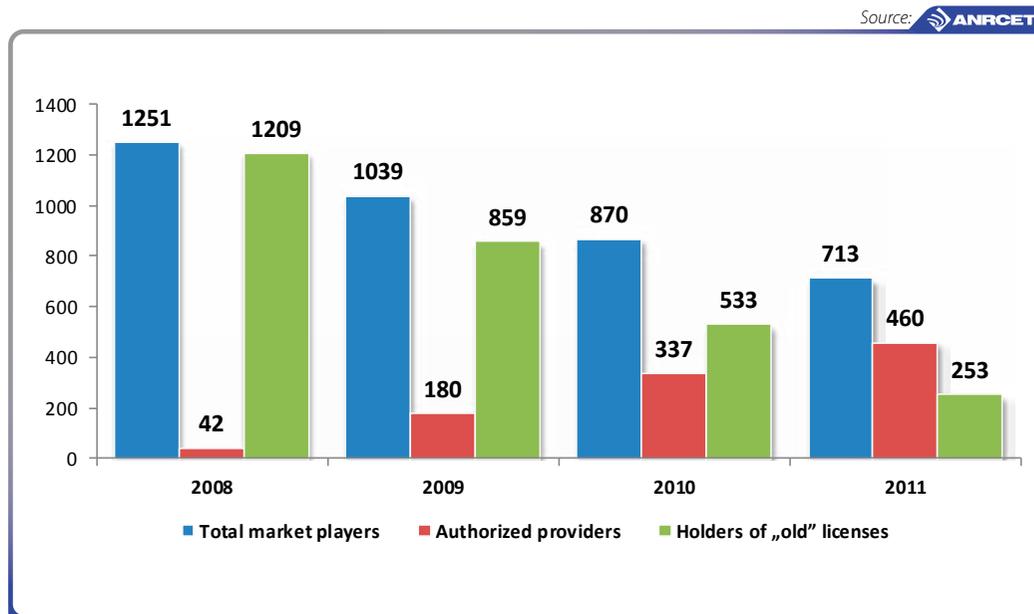


Fig. 5 Dynamics of the number of authorized providers, in 2008 – 2011, under general authorization regime and of „old“ license holders

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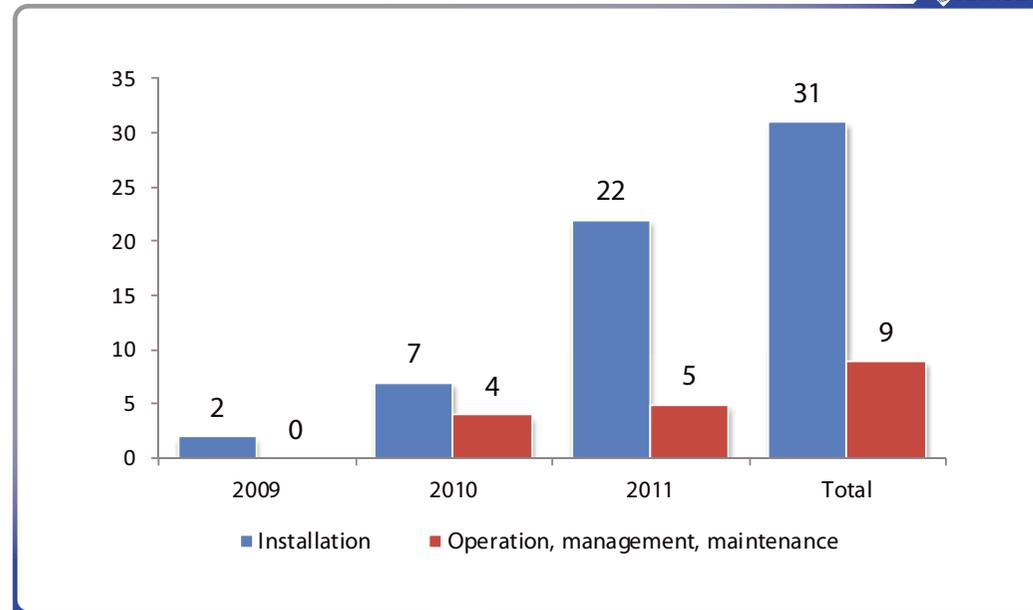


Fig. 6 Authorization Process for activities in the border zone, 2009 - 2011

obtained the right to install, and in **five** cases - to operate and manage electronic communications networks.

Totally, in 2009-2011, the Agency issued, as required, 40 standard declarations to confirm the right of the applicants, who submitted notifications in this respect, to install, operate or manage electronic communications networks on/ under the sites situated in the border zone (Figure no.6).

Company JSC „Orange Moldova” proved to be the most active in this respect, obtaining by the end of 2011, the right to install, and respectively to operate and manage electronic communications networks in 27 and six sectors accordingly in the border zone.

As per December 31, 2011, five electronic communications providers had the right to perform activities of installation, operation,

management and maintenance of electronic communications networks in the border zone of the R. of Moldova: JSC „Moldtelecom”, „Starnet” LLC, „Norma” LLC., JSC „Orange Moldova” and JSC „Moldcell” (only for installation).

6.2 Issuance of licenses for information technology activities

During 2011, pursuant to the provisions of the *Law on regulating entrepreneurial activity through licensing no.451-XV of 30.07.2001* the Agency issued **44** licenses for services of creation, implementation and ensuring the functionality of automated information systems of state interest, including software.

The validity term for the mentioned licenses is 5(five) years and the license fee is 2500 lei. The total license fees – 110 thousand lei - collected by the Agency, was integrally transferred to the state budget.

6.3 Issuance of licenses for the use of limited resources

6.3.1 Licenses for the use of numbering resources

In the reporting timeframe, the Agency issued 238 licenses for the use of numbering resources in the provision of public electronic communications networks and services. Based on these licenses, **1 million 024,2 thousand** numbers were allocated to providers, which exceeds by 160% the quantity of numbers allocated in 2010. This sudden increase occurred due to a higher demand for telephone numbers for mobile and fixed telephone services, *Premium rate* numbers and numbers independent of location.

The demand from providers of public mobile networks increased 2,5 times: from 300 thousand numbers, in 2010, to 850 thousand numbers, in 2011. 500 thousand numbers were allocated to JSC „Orange Moldova”, 200 thousand numbers to JSC „Moldcell” and 150 thousand numbers to JSC „Moldtelecom”, the latter providing mobile services under the brand „Unite”.

The quantity of numbering resources allocated to providers of public fixed telephone networks increased about 131%: from 57 thousand, in 2010, to 131,5 thousand, in 2011. 34,1 thousand numbers were allocated to JSC „Moldtelecom”, 97,4 thousand numbers were allocated to alternative fixed operators. This evolution is due to the increase in demand for numbering resources from alternative operators, offering triple-play services (Internet, TV and telephone).

Starting with August 2011, the Agency has allocated to providers of public electronic communications networks/services, for the first time, 17 thousand independent of location to be used in the provision of VoIP (*Voice over IP*). The Agency also allocated 25,5 thousand *Premium rate* numbers and 200 *Freephone* numbers.

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Tab. 1 Numbering resources allocated by the Agency in 2008 – 2011

	2008	2009	2010	2011
Total allocations, including:	778 101	840 089	358 349	1 024 220
- numbers for electronic communications networks and services provided at mobile locations	700 000	700 000	300 000	850 000
- numbers for electronic communications networks and services provided at fixed locations	78 000	130 749	57 007	131 500
- Freephone services	39	7 500	300	200
- Premium rate services	40	1 764	1002	25 500
- numbers for the provision of services at local level (taxi, medical services, etc.)	14	41	31	13
- IP – telephony dial - up services non-electronic communications services	8	35	9	7
- numbers independent of location	--	--	--	17 000

6.3.2. Licences for the use of radio frequencies/channels

In 2011, the Agency issued **75** licenses for the use of radio frequencies/channels in the provision of public electronic communications networks and services. Also, following the submitted requests, the Agency accepted the transfer of six licenses for the use of radio frequencies.

The licenses issued by the Agency in 2011 are distributed as follows: (i) for the use of radio channels - 13 licenses (of which one updated) and (ii) for the use of radio frequencies -28 licenses (of which eight updated).

The Agency issued most licenses for the use of radio frequencies/channels to providers of electronic communications networks for broadcasting and re-transmission of audiovisual programs by terrestrial radio services.

Licenses for the use of radio frequencies/channels for broadcasting and re-transmission of audiovisual programs are issued by the Agency based on an application, supplemented with the copy of the broadcasting license or the authorization for re-transmission issued by the Audiovisual Coordinating Council, and by the Technical Approval issued by the National Center for

Radio Frequencies, which includes the result of the selection, calculation and coordination of the required radio frequency or channel.

The Agency has issued licenses for the use of radio frequencies/channels in the provision of public electronic communications networks and services since September 2008 - the entry in force of the general authorization regime, established by Chapter IV of Law no.241/2007.

In 2008, the Agency issued **three** licenses of this type, in 2009 – **13** and in 2010 - **41** (including six - updated).

6.4 Authorization of the use of radio communications stations

The Agency authorizes the use of radio communications stations by issuing technical permits, which attest the right of use, in compliance with specific technical parameters, of one or more radio communications stations on the assigned radio frequencies/channels. The authorization procedure is prescribed in the *Instructions for obtaining a technical permit for radio communications stations, a document approved by ANRCETI Administrative Board Decision no. 16 of 23.09.2008*

In 2011, the Agency issued **449** technical permits, including **24** – for stationary radio communications stations, **400** – for mobile and **25** – for amateurs.

All in all, in 2008 – 2011, the Agency issued **3 850** technical permits, of which **224** – for stationary radio communications stations, **3 318** – for mobile, **290** – for amateurs and **18** – international technical permits.

7 Monitoring and control

7.1 Objectives

One of the Agency's basic objectives for 2011 was to ensure the compliance of electronic communications market players with the legislation governing the sector.

In order to attain this objective, the Agency performed, pursuant to its powers under *Law 241/2007*, monitoring and control activities, by:

- Preventing deviations from the requirements established in the normative acts in force in the field of electronic communications;
- contributing, through raising the awareness of providers at different stages (in the notification process, during verifications etc.) on how to correctly to apply the provisions of relevant regulations;
- protecting the end users' legal rights and interests;
- detecting contraventions in the sector.

7.2 Monitoring the application of normative and regulatory acts by providers

The monitoring is an activity of the Agency, which consists in the systemic and complex analysis of the information (from various sources – reports, complaints, appeals, information submitted at the request of the Agency, mass-media etc.) about the activity of market players

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in electronic communications and information technology. It is focused on estimating the accuracy of applying the provisions of the legislation in force, as well as on the assessment of the regulatory framework compliance with the modern requirements.

The objective of this activity is to prevent any eventual violation by market participants of the requirements prescribed by the legislative in force. A special place in this activity is dedicated to the protection of end-users rights, to ensuring higher security of public electronic communications networks, efficient use of limited resources, raising the level of awareness in terms of the need to comply with the requirements of the new legal framework in the field.

The monitoring activity performed by the Agency during 2011 included the analysis of the information contained in **164** documents on different subjects, coming from natural and legal persons and public institutions.

The following actions were undertaken as part of monitoring activity during the reference period:

- assessment of the deadline observance by providers and proper submission of reports on electronic communications activities under the legislation in force, with appropriate measures that required to improve the situation. Following the analysis of the statistics on quarterly reports presentation by providers, as well as regular work with the providers indebted in this respect, in 2011 there was a substantial increase (over 82%) in the number of presented reports, over the 53% in 2010.
- prior notification of providers regarding their license expiry and, where appropriate, their compliance to the general authorization regime (65 providers informed) in order to avoid contraventions such as unauthorized service provision.

Another important in terms of monitoring was the analysis of the results of verifications related to the degree of radio signal coverage by JSC "Moldtelecom", JSC "Moldcell" JSC and "Orange Moldova" of the territory and the population of the country. In this respect, throughout 2011, the working group created by order of the Agency Director met in several sessions, during which its technical experts made proposals to solve the existing problems and monitored the work progress and the results obtained.

Thanks to the efforts made, by the end of 2011, a substantial improvement was notable in terms of coverage of public roads, adjacent settlements and, in general, of the territory of the country, with the radio signal from mobile networks.

7.3 Control of compliance with the legislation governing the ICT sector

The control represents a series of actions to verify the compliance of providers of electronic communications network and/or services with the provisions of the legislation in force, performed by the specialists of the Agency by visiting the providers, or by inviting their representatives to the Agency office. This work is carried out pursuant to the *Regulations on control procedure in electronic communications, approved by ANRCETI Administrative Board Decision no. 9 of 18.08.2008*. Taking the objectivity and impartiality as principles for the verifications carried out in 2011, the emphasis was put on the quality and efficiency of their organization. At the same time, in order to prevent any possible violations, the Agency continuously took steps to inform and notify the providers under different circumstances, depending on the information gained in the monitoring activity.

In the reporting timeframe, the Agency specialists performed **172** verifications, of which **116** – planned and **56** – unplanned.

The 172 verifications were focused on the following subjects:

- 119 – on the observance of the provisions of normative and legislative acts in electronic communications (70%);
- 35 – on veracity of information included in the notifications and abstract descriptions of networks and services, presented as part of notifications; (22%);
- 18 – on investigating facts described in complaints. (10%) (Figure no.7).

The number of verifications increased significantly in the IVth quarter of 2011 due to intensified on-site verifications on veracity of the information, included in the notifications applicants filed to the Agency, and identifications of the circumstances preventing some of the providers to submit statistical reports. As a result of these verifications, a number of providers, who had no intention to start any activities whatsoever in electronic communications in the nearest future, voluntarily renounced to their rights granted through the general authorization and licenses.

Additionally, in 2011, 9 verifications were carried out jointly with other state institutions entitled with control powers. (Ministry of Information Technology and Communications, State Fiscal Inspection, etc.)

A total of 546 verifications were carried out by the Agency specialists in the recent four years (Figure no.8).

The diagram data attest the fact that the number of verifications by the Agency in 2011 grew over 2010 almost twice, as a step necessary to meet the objectives set for 2011.

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Source: ANRCETI

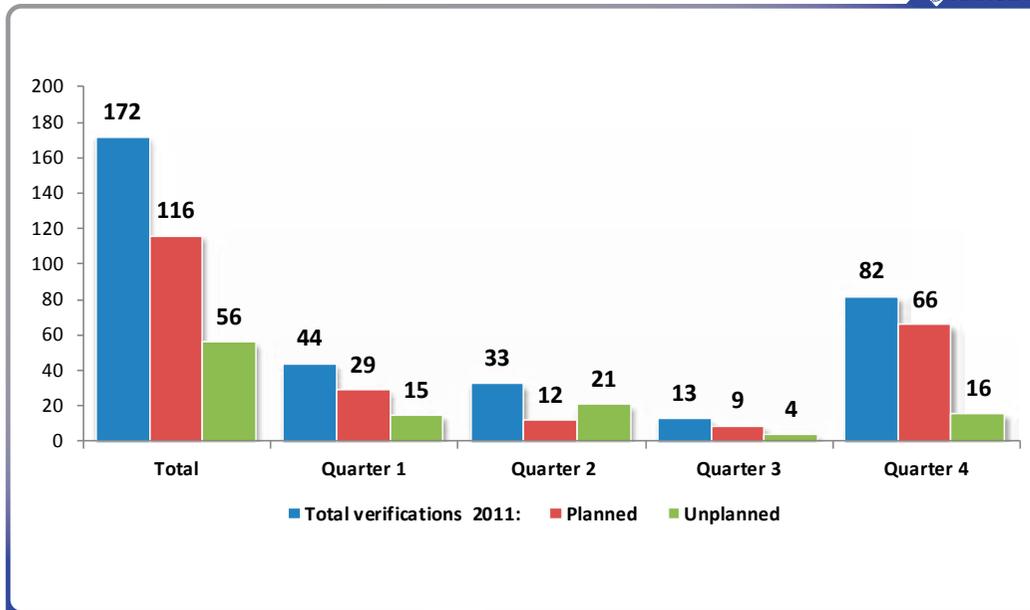


Fig. 7 Quarterly dynamics of verifications performed by the Agency in 2011

Source: ANRCETI

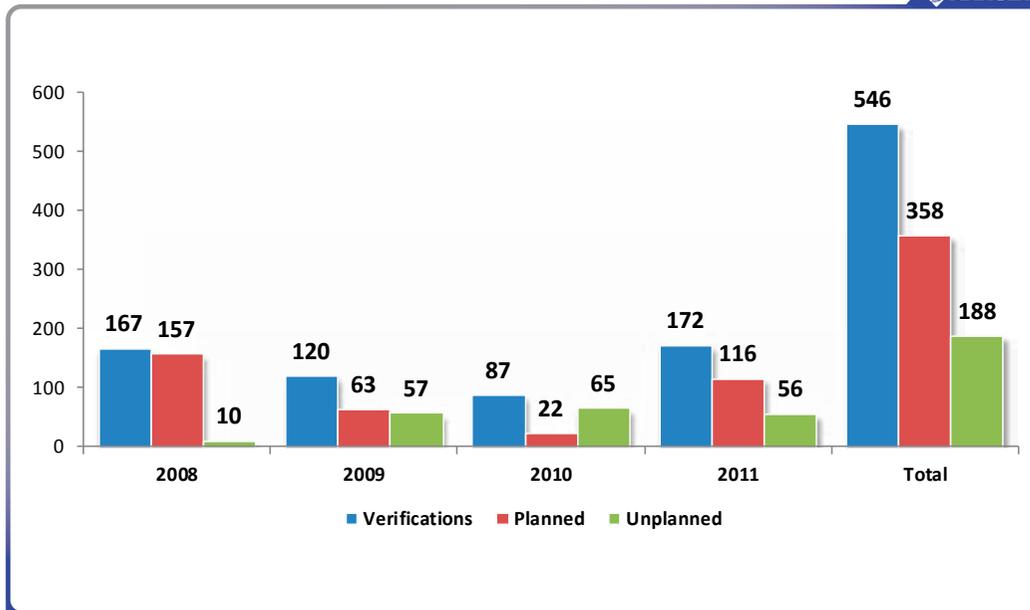


Fig. 8 Dynamics of verifications by the Agency in 2008 - 2011

The verifications were, as a rule, completed by drawing up appropriate verification documents, whereas in case of contraventions – by drawing up reports, further submitted to competent courts for review.

7.4 Contraventions

As a result of those 172 verifications in 2011, the Agency specialists draw up 59 reports on contraventions, of which 32 directly concern the network/services providers and 27 – natural and legal persons acting in other fields (construction, transportation, security services etc.). The contraventions they committed referred to the use of radio frequencies, the requirements of the normative acts concerning the protection of networks integrity and authorized access to such networks. Of the 32 reports, 25 referred to providers of broadcasting/audiovisual programs retransmission services; five - to providers of fixed telephone services and two – to providers of Internet access services.

Most frequent contraventions referred to: unauthorized provision of electronic communications networks/services (Art. 246 (1) Contravention Code), unauthorized connection or permission of connection to electronic communications networks (Art. 252 Contravention Code), use of radio communications stations and, implicitly, radio frequencies without a license or technical permit (Art. 248 (1) Contravention Code). Most of the reports were drawn up for a plurality of contraventions committed by the same person (Figure no.10).

All the 59 reports on contraventions were filed to the competent courts to be reviewed. Before the end of 2011, the court reviewed 52 reports issued definitive rulings.

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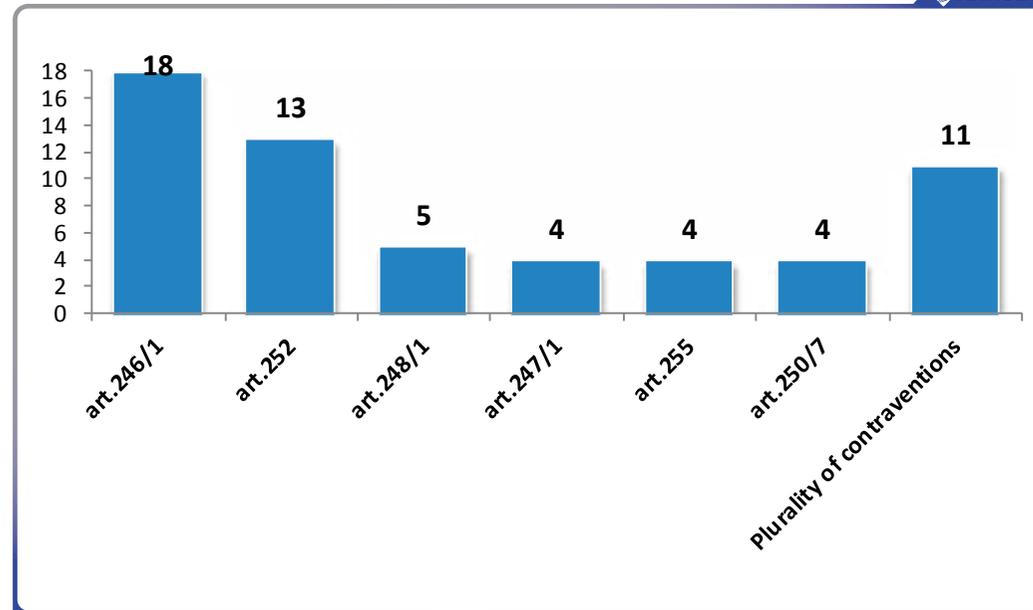


Fig. 9 Classification of reports drawn up by the Agency in 2011, per illicit facts committed by offenders

Of the 52 reports reviewed by the court:

- **39** - ended in proclamation of contravention sanctions, in the form of fines, the total amount of 96400 lei;
- **2** - contravention sanctions in the form of deprivation of the right to provide electronic communications networks and/or services, for 6 months („PBX SERVICE” LLC and „Unicomtel” LLC);
- **8** - classified by the court for various reasons (death of the offender, lack of sufficient evidence etc.);
- **3** - contravention acknowledged by the court, however, the sanction was not applied for the reason of prescription term expiry).

7.5. Conclusions. Priorities for 2012

The facts described above show that the objectives outlined for 2011 regarding monitoring and control have been reached. Thanks to the efforts of the Agency staff, many potential electronic communications contraventions were timely prevented. This task was accomplished by raising the awareness of the providers about their rights and their obligations under the general authorization, about the expiry of “old” licenses, about the entry in force of new legislation and regulations in the field of electronic communications.

In 2012, the Agency will continue its activities intended to prevent deviations from the requirements established in the normative acts in force, monitoring and control over the correct application of relevant regulations and observance of legitimate rights and interests of the end-users by service providers. A special role

in the monitoring and control activity will go the supervision on how the providers apply the regulatory acts, adopted by the Agency in the year 2012.

8 Protection of end users' rights

8.1. Objectives

In its activity of ensuring the protection of end-users' rights, the Agency is guided by its annual plans of actions for the implementation of the “National Strategy for Consumer Protection for 2008-2012”, drawn up for the purpose of enforcing the Government Decree no. 5, 14.01.2008.

In 2011, the Agency work in this respect was focused on the following directions:

- monitoring the providers' compliance to the requirements of Law 241/2007 concerning the inclusion of mandatory minimum clauses in contracts concluded with end-users and ensuring the service quality parameters, according to the standards in force;
- raising the awareness of providers in terms of normative acts, providing for their rights and obligations in relation to end-users and informing the end users about their rights and obligations related to service providers;
- examination and provision of solutions to complaints received by the Agency from end users.

8.2. Measures taken to protect end users' rights

In 2011 the Agency continued to supervise the providers' compliance with ANRCETI Administrative Board Decision no. 22 of August 02, 2010 with regard to ensuring the enforcement of the legal provisions in the field of end-users' rights protection. This Decision was taken in order to ensure the minimum level of trans-

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parency of information and legal security of end users, guaranteed by law, and improve their level of protection in their relationships with providers of public electronic communications services.

The verifications showed that most of the providers took steps to comply with the requirements and developed standard contracts in which they included the mandatory minimum clauses as provided by *Law no. 241/2007*.

At the same time, the Agency continued to take measures necessary to ensure observance of service quality parameters by providers. For this purpose, the Agency adopted *ANRCETI Administrative Board Decision no 15 of 23.06.2011 concerning the quality of public mobile telephony services* which adds to Board Decision no.278 of 17.11.2009 establishing quality parameters for electronic communications services. This Decision is meant to ensure that providers observe the end-users right to benefit from high quality mobile services. It sets out the seven quality parameters (network availability, service accessibility, service integrity, continuity, reliability, complaints on charging for services and satisfaction of users), the methods of measuring the indicators of quality parameters and the value of quality parameters recommended by the Agency.

In accordance with the decision mentioned above, providers of mobile networks and services must make the values of the measured quality indicators publicly available according to a standard form, approved by ANRCETI Board Decision. Quarterly information must be published before the 30th of the month following the reporting quarter and annual information - before the 30th of the month following the reporting year.

The Agency believes that public availability of these indicators will cause mobile providers to

take further actions to improve the quality of services and also offer to end-users the opportunity to make comparative analyses of the quality of services provided by different providers and select the most convenient offers in terms of price and quality.

Previously, the Agency established quality requirements for the provision of five types of public electronic communications services (fixed telephony, Internet access, IP protocol services, services provided via ISDN networks and public leased line services). By Decision no.278 of 17.11.2009, ANRCETI Administrative Board required that providers measure and publish, in their commercial offices and on their internet pages, the values of the measured quality parameters.

8.3. Complaints

In 2011, the Agency examined **170** complaints (**136** – from end users and **34** – from providers of electronic communications services), by **53** more than in 2010.

As well, the Agency examined **169** requests for access to information and **193** requests for technical, legal and economic assessment of the problems faced by market participants, which fact proves that the industry and the end users become increasingly aware of the Agency activity and request veridical information and clarifications from the regulator. In most cases, the interested persons requested detailed information with regards to the authorization procedure and the issuance of licenses for the use of limited resources, information about providers operating on the market, legislation and market analyses carried out by the Agency, general data about the regulator's activity, etc. The Agency provided prompt responses to all the requests.

The Agency also examined 37 complaints made during hearings and by "green" line -080080080. In the responses to these complaints, the Agency provided explanations and recommendations on how to solve the problems and provided useful information for a better understanding of the services and offers placed on the market.

Of the 170 complaints, 113 were directly submitted to the Agency, 57 – through other state institutions. Most of the complaints (**85 %**) were examined in the office, the rest (15%) – on the site. The biggest number of complaints (40) was sent by fixed and mobile telephone users (39). Internet access users submitted 27 complaints, users of TV retransmission services - 22 and users of interconnection and access services – 16.

Like in previous years, most of the complaints came from the customers of the major providers, such as JSC „Moldtelecom“ (87 complaints), JSC „Moldcell“ (13 complaints), JSC „Orange Moldova“ (8 complaints), JV „Sun Communications“ LLC (11 complaints) and „Starnet“ LLC (8 complaints).

The facts described in **46 (27%)** complaints proved to be justified, whereas in **72 (42%)** - did not prove to be true, the latter being qualified as unjustified. 6 complaints were referred to other entities by competence, the signees of **33** appropriate explanations, **13** complaints were solved in January 2012.

Following the verifications of the facts described in complaints, the Agency warned the operators against the committed violations and demanded their elimination within the timeframes as required by law. This approach facilitated the identification of solutions to solve the problems raised by complainants.

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Tab. 2 Complaints and requests for information of public interest, examined by the Agency in 2010-2011

TOTAL NUMBER OF REQUESTS AND COMPLAINTS:	2010	2011	TOTAL NUMBER OF REQUESTS AND COMPLAINTS:	2010	2011
• Requests for access to information	167	169	• Service quality, malfunctions	25	23
• complaints of technological, legal and economic nature	289	193	• Abusive clauses in contracts concluded with end users	5	5
• „green line“ complaints	12	33	• Breaches of contract terms, interconnection agreements and normative acts	64	76
• Complaints during hearings	5	4	• Illegal disconnection from the networks/restriction of access to the network/service	-	17
• Complaints	117	170	• discriminatory attitude in service provision in relation to some subscribers/anti-competitive actions practiced by providers	1	6
a. Depending on the area of interest			• damages incurred	1	1
• Mobile telephone services	18	39	c. Complaints from natural persons	91	118
• Cable TV services	37	22	• Complaints from legal persons	26	52
• Internet services	24	27	d. complaints from providers	26	34
• Fixed telephone services	16	40	• Complaints from end users	91	136
• Radio broadcasting services	1	2	e. Justified complaints	33	46
• Interconnection, access to infrastructure	11	16	• Unjustified complaints	60	72
• Content services	1	3	• Complaints referred to other entities by competence	2	6
• General aspects	9	21	• Pending complaints	8	13
b. Aspects complained of:					
• Influence of electromagnetic field generated by basic stations on human health	3	5			
• Correctness of data included in bills	12	21			
• Rate increase	6	16			

The facts described above prove that the work with complaints has become a regular activity of the Agency. The measures taken by the Agency in this respect, the openness displayed in its relationship with the citizens contribute to increasing their awareness of their rights and obligations, as well as of services and offers available on the electronic communications market (Figure no.11).

8.4. Conclusions. Priorities for 2012

The results above show that in 2011 the Agency devoted special attention to the observance of legal end-users' rights and interests. The Agency promptly provided responses to complaints and took appropriate measures in order to provide objective, unbiased solutions to all the raised issues, within the limits of its competence and in strict compliance with the legislation in force, including, if appropriate, by carrying out on-

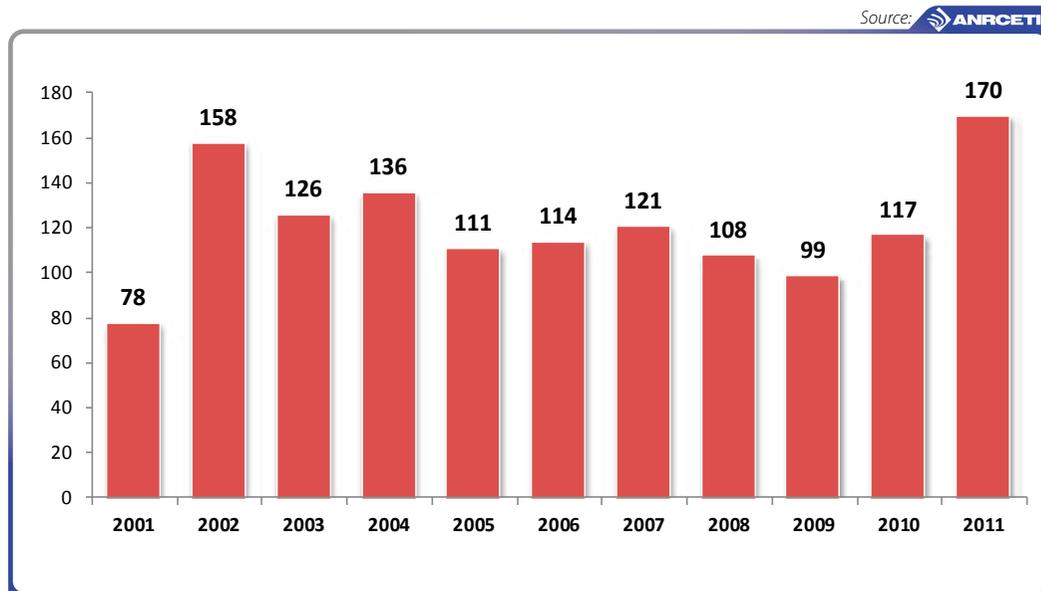


Fig. 10 Number of complaints examined by the Agency in 2001- 2011

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site investigations in relation to the providers concerned. Ensuring the rights of end-users will still be one of the basic priorities for the Agency 2012. The Agency intends to continue to take efficient steps in order to prevent the violation of end users rights and to meet their requirements and expectations with regards to electronic communications services.

9 Communication

9.1 Objectives

The main objective of the Agency's communication activity in 2011 was to pro-actively inform the public about the regulator's activities of public interest, so that the stakeholders benefit to the full extent from ANRCETI's regulations and services. In 2011 the Agency paid utmost attention to notifying the providers of electronic communications networks and services about the stages of consultation and approval of draft regulatory documents and the users about their rights and obligation in relation to service providers. These actions were mainly performed via the Agency's Internet page and through mass media.

9.2 Consultation process and communication with providers

In 2011 the Agency maintained an active dialogue with the providers through public consultations on draft Administrative Board Decisions and a big number of business meetings organized at ANRCETI's or providers' initiative.

An important role in the process of communication with providers was played by the Agency's as well as the informative articles sent to stakeholders electronically. Throughout the year, these informative articles issued by the Agency, translated in Romanian and Russian (a part in English), were sent by e-mail to about 200 interested recipients.

During this period, the Agency organized through its Web page 21 public consultations on 29 draft Board decisions, of which 23 were approved in public Board meetings and six – will be examined and approved in the first quarter of 2012. All the consultations and public meetings of the Board were announced on the Internet page by informative articles, including summaries of draft documents, the justifications for the need to adopt them, data regarding the supplementing documents, syntheses of the recommendations submitted by the interested parties.

In the process of public consultations, the Agency received from stakeholders 240 recommendations on the proposed draft documents. 111 of these were considered justified and served as basis for subsequent modifications and additions to the concerned draft decisions. However, 129 recommendations were not accepted by the Agency, the reasons for refusal being set out in the synthesis, published on the Internet page.

In the process of communication with providers the Agency actively uses its Internet page. In order to provide exhaustive answers

Tab. 3 Process of public consultations on ANRCETI draft documents, 2009 – 2011

Nr.		2009	2010	2011
1	Number of draft decisions subject to public consultations	14	67	29
2	Number of draft decisions announced on the Internet page	14	67	29
3	Number of public hearings, debates and sessions	16	40	35
4	Number of recommendations received	313	420	240
5	Number of justified recommendations	238	175	111
6	Number of resolutions/decisions adopted	10	60	23
7	Number of cases where ANRCETI's actions/decisions were challenged for non-compliance with Law no. 239-XVI of 13.11.2008	0	0	0
8	Number of sanctions applied for violation of Law no. 239-XVI of 13.11.2008	0	0	0

to questions from providers and individuals who wish to operate in this field, the Agency developed and posted on its official Internet page, on November 11, 2011, a new electronic page "Frequently Asked Questions" for providers. It is structured into six sections per subjects and includes answers to a wide range of questions.

In the answers provided by the Agency, providers of electronic communications services can find practically all the information on how to obtain limited resources, their obligations to report statistical data to the Agency, ways of network interconnection

and ensuring the transparency of information about the service quality parameters etc.

9.3 Informing end users

In 2011, the Agency paid special attention to informing and advising end-users on their rights and obligations in relation to service providers. The Agency accomplished this task by replying to the 136 complaints filed in throughout the year from end users, through the "User's page" section of its official Internet page and also by creating a new page "Frequently asked questions" for users, on October 25, 2011.

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The new page was developed on basis of a set of questions about electronic communications service provision addressed to the Agency by users. The page is structured in four sections per subjects (relations with providers, telephony, Internet, cable TV), which contain multiple questions and detailed answers provided by the Agency specialists. This information is in particular helpful for many consumers, as it reflects the typical situations faced by telephony, Internet and cable TV users.

The Agency will update the new electronic page, depending on the new questions received. The users have the possibility to send their questions traditionally by post, by e-mail or "green line" – 080080080, which is a free call from any place of the country. Additionally, they can submit questions by filling out the electronic form downloadable on the web page, in section „Online consultations“.

The Agency uses the above mentioned informative tools to assist the end users to make informed choices of services appropriate to their needs and to better know their rights and obligations in relation to service providers.

9.4 Communication with mass-media

In its communication with mass media, he emphasis was placed on provision of information (news, press releases) about the key issues of the regulatory process, the the Agency's projects and decisions of public interest, the evolution of electronic communications markets, as well as on interviews and, presentation of the information requested by press representatives.

In 2011, the major media entities in the country received 106 informative materials dedicated to ANRCETI activity, which were also published on the Internet page. A big part of them were taken over by the most important news agencies and economic magazines in the country „The ECONo-

mist“ and „Economic review“. Most of the materials covered by mass-media were generated from ANRCETI sources, such as press releases, Web news, answers to requests for information, interviews, participation in events), all usually bearing a neutral character.

In 2011, the representatives of the print and electronic media attended two press conferences organized by the Agency. The first took place on April 18, dedicated to ANRCETI Annual Report on activity and the development of electronic communications market in 2010, the second – on October 14, dedicated to the end of the technical assistance project, delivered to the Agency by the European Bank for Reconstruction and Development. Both events were reflected in several mass-media.

10 International relations and projects

10.1. Objectives

At the moment of establishing the objectives of the regulator for 2011, it was considered necessary to continue the activity within the European integration process and to enhance the Agency's relations with international organizations and regulatory authorities from other European countries.

Proceeding from these premises, the Agency intends to explore the benefit of Moldova's status of Eastern Partnership (EaP) member, to increase its representativeness in international, regional and European bodies, including the International Telecommunications Union (ITU), Body of European regulators in Electronic Communications (BEREC), European Conference of Postal and Telecommunications Administrations (CEPT), the Regional Communications Community (RCC), as well as to develop cooperation relations with the similar authorities in the region.

10.2. Partnerships and projects

The activity of the Agency within the EaP was marked by participation in two events, attended by the regulatory authorities from EaP member countries, organized by the European Commission (EC) jointly with BEREC in Trokay, Lithuania (June 30 – July 1, 2011) and Barcelona, Spain (November 23-24, 2011). These meetings laid the foundation for the creation of the Eastern Partnership Electronic Communications Regulators Group and decided upon the cooperation of the Group with the European Commission and BEREC to achieve this objective.

PaE Regulator's Group will comprise six national regulators from the EaP member countries (Armenia, Azerbaijan, Belarus, Georgia, Moldova and Ukraine), being also open for BEREC members and other interested regulators. The new organization is expected to become an efficient tool for the consolidation of cooperation relations, exchange of information and experience between the regulators from the EaP countries and those from the EU countries.

At the meeting in Barcelona, the Agency was appointed as Coordinator for the creation of the EaP Regulators Group, whereas the regulatory authorities of Lithuania and Poland - as vice-coordinators for this process. It was also agreed that the official document establishing the Group will be signed by the regulatory authorities from the EaP countries during 2012, in a meeting to be held in Chisinau.

Before the event, the Agency, as Coordinator, will provide the necessary support to the partner countries' cooperation in the activities related to the group creation. Also, the Agency and the regulators from Lithuania and Poland will coordinate the approval of the document establishing the Group by the competent authorities of the EaP countries, the development of its medium-term plan of activity and of a study on the current situation of the electronic communications markets and the regulatory frameworks in EaP countries.

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- 10.2.2. EBRD technical assistance project**
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In 2011, the Agency extensively worked within its partnership with the Regional Communications Community (RCC) of the CIS. Its representatives attended seminars and conferences conducted under the auspices of this regional organization, and in October 2011 it hosted the first meeting of the RCC Committee for Coordinating the activities of telecommunications regulatory authorities.

During this meeting, Committee members elected Sergiu Sitnic, ANRCETI director, as Chairman of the Committee, which fact will enable our institution to boost the development of co-operation relations with the authorities within the RCC.

10.2.1. Bilateral agreements

The Agency maintained bilateral relations with several national regulatory authorities from European countries and strengthened its relations with the authorities from Romania (ANCOM), Lithuania (RRT) and Austria (RTR).

In June 2011, ANRCETI and ANCOM signed a Memorandum of Understanding to facilitate co-operation and exchange of information in electronic communications. The document establishes the framework for cooperation between the two regulatory authorities and surveillance of electronic communications activities, for joint activities and exchange of experience in order to promote competition and interests of end users, in accordance with the best international practices.

The Agency and the regulator from Lithuania completed the coordination of an agreement for cooperation and exchange of experience. The authorities will sign this agreement in the first half of 2012.

10.2.2. EBRD technical assistance project

In 2011, the Agency was actively involved in the delivery of the technical assistance project „Communications Regulation Development”, offered by the European Bank for Reconstruction and Development (EBRD). The final event of the project was the workshop: “Strategy of communications regulation development” held on October 4, 2011, in Chisinau, by the EBRD. The event was attended by officials from EBRD, Government and Ministry of Information Technology and Communications, (MTIC), ANRCETI, representatives of other interested authorities.

The workshop participants discussed the results of the project, the problems faced by the electronic communications market and the actions required to address them by applying the European regulatory practices.

The technical assistance project lasted October 2009 – October 2011. It was mainly dedicated to three aspects: (i) training the Agency staff in theoretical and practical issues of electronic communications regulations according to the EU practices; ii) offering practical assistance for market analysis and application of ex-ante regulatory tool in relation to providers with significant market power; iii) development of new regulations for the enforcement of *Law no. 241/2007* in force since March 2008.

The Agency Administration considers that the technical assistance project was welcome and helpful both for the regulator, as well as for electronic communications providers. It contributed to enhancing the efficiency of the Agency’s work, its regulatory capacity and to stimulating the development of the electronic communications market in the Republic of Moldova.

10.2.3. TAIEX technical assistance project

In 2011, the Agency benefitted from an assistance project delivered by the European Commission by means of the technical assistance and information exchange TAIEX. The project was offered at the request of the Agency as assistance in the development of regulatory documents for number portability implementation in the Republic of Moldova. Part of this project was a workshop dedicated to the problem of number portability implementation, held in Chisinau on April 4-7, 2011 by experts from the Lithuania regulatory authority.

The workshop was attended by members of the Working Group for number portability implementation, consisting of representatives from the Agency and fixed and mobile companies. Participants discussed the conditions of number portability implementation in Lithuania, the regulatory acts and the functioning mechanism of the centralized data base for ported numbers.

The TAIEX experts also reviewed the Program for portability implementation in the Republic of Moldova in 2011-2013 and the Regulations on number portability, developed by the Agency and also provided recommendations as to the improvement of the documents.

10.3. Organization of regional and international forums

In the reporting period, the Agency did not confine only to participation and representation of Moldova’s interests at seminars and conferences held by European and international bodies, but also contributed to the organization of international events in Chisinau, such as the Regional Seminar „Telephone number portability. Regulatory issues and re-

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sults of implementation" held on May 19-20, 2011, by the International Telecommunications Union (ITU) jointly with MTIC and ANRCETI and the meeting of the RCC Committee for coordinating the activities of telecommunications regulatory authorities from the CIS, organized with the support of the Agency on October 6, 2011.

The seminar was attended by experts from the ITU, European Communications Committee, RCC, delegates from administrations and regulatory authorities from the CIS, Romania and Lithuania, representatives of interested state and non-governmental institutions, fixed and mobile companies from Moldova. During the two days of the seminar, participants discussed the principles and peculiarities of number portability implementation, technical, economic and regulatory issues related to this process, the best implementation practices in European countries, as well as the perspectives of telecommunications network for the provision of next generation services.

The participants to the RCC Committee for coordinating the activities of telecommunications regulatory authorities, held in Chisinau for the first time, reviewed current issues of telecommunications market liberalization, creation and use of the universal service fund, licensing practice in telecommunications, consumer protection and service quality parameters. The invited representatives of the Agency contributed to the exchange of opinions on all the subjects under discussion. The Committee members expressed their interest and highly appreciated the experience of the Agency in terms of implementation of the general authorization regime in electronic communications.

Another important event for the Agency was the first visit to Moldova of Brahim Sanou, the new Director the ITU Telecommunications Develop-

ment Sector, in the timeframe July 6-9, 2011. The ITU high official had a meeting with the Agency Administration. The meeting was focused on aspects related to ANRCETI-ITU collaboration. The BDT Director informed that the ITU intended to conduct a study of the evolution of the ICT sector in the Republic of Moldova and other CIS countries, devised to contain data about the sector development in the last 10-15 years and provide forecasts on its evolution in the next 10 years to come.

10.4. Participation in European and international forums

The active participation of Agency representatives to international electronic communications events, organized in 2011 by the international bodies made the regulator more visible worldwide. The English version of its Internet page, which is constantly updated, plays an important role in promoting the image of the Agency internationally.

In the reporting period, the Agency participated in a number of conferences, seminars and other meetings held under the auspices of European and international ICT bodies. Here are a few of them:

- Meeting of the ECC working group on issues related to the administration of numbering resources, organized by CEPT (Athens, Greece, May 4-5, 2011);
- International conference „Strategies for radio spectrum – necessity, opportunity, involvement”, organized by the regulator of Romania (Bucharest, Romania, May 12, 2011);
- Seminar „Role of consumer in defining regulatory measures”, organized by FRATEL (Sofia, Bulgaria, May 11-12, 2011);
- Seminar on issues of telecommunications development, organized by the regulatory authority of Turkey (Istanbul, Turkey, June 13-17, 2011);

- Seminar on issues related to the implementation of digital TV, organized by the ITU jointly with the RCC (Kiev, Ukraine, May 23-26, 2011);
- Seminar “Regulation of number portability outside EU borders”, organized by the EC (Barcelona, Spain, June 9-10, 2011);
- Workshop for executive-level personnel of regulators, organized by the ITU (Geneva, Switzerland, June 27-28, 2011);
- Workshop for regulators from EaP countries, organized by the EC (Troky, Lithuania, June 30-July 2, 2011);
- Global Symposium of Regulators 2011 (GSR/GILF11), organized by the ITU (Armenia, Columbia, September 20-23, 2011);
- Workshop for regulators from EaP countries, organized by the EC, BEREC and CMT (Barcelona, Spain, November 23-24, 2011).

10.5. Conclusions. Priorities for 2012

The events described above show that 2011 was a fruitful year for the Agency in terms of its external relations. For 2012, the Agency intends to continue the relations through a more active and more visible presence on international level.

As coordinator of the EaP Regulator’s Group creation, the Agency will do the utmost to complete this process and promote the policy of uniform implementation of regulatory practices on electronic communications markets in the region.

As regards the collaboration with international organizations, the Agency intends to strengthen its relations with the ITU, BEREC, RCC, EaP Regulator’s Group, to contribute to the implementation of the agreements with these bodies, as well as cooperation agreements concluded with regulators from other countries.

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II. EVOLUTION OF ELECTRONIC COMMUNICATIONS MARKETS IN 2011**11 Human resources****11.1 Objectives**

The Agency pursues the following objectives related to the promotion of its human resource policy:

- planning, organizing and efficient management of human resources;
- creating and maintaining a climate favorable for the formation of a stable and efficient staff.

11.2 Management of human resources

The human resources make the key element in the work of the Agency, an element meant to ensure the development and success of the entity. The Agency describes the following actions as the basic factors of its human resources policy;

- hiring and training of staff, capable to cope with the requirements of the electronic communications sector,
- the growing spirit of teambuilding,
- the provision of appropriate equipment for workspaces,
- the creation of a legal and operational support to ensure proper activity of all the employees of the institution.

The structure of staff by their level of professional qualification shows that the Agency has a significant potential for development. So, as per 31.12.2011, of the 55 employees of the Agency, 49 have completed university-level education (89%): 25 – technical education, 10 – economic education, 7 – legal education and 7 – humanitarian education. 6 employees have other levels of education.

The analysis of the staff by age confirms the potential for development of the Agency. So, by the end of 2011, about 30% of the total of employees were aged 30 – 39. Employees aged

20-29 ranked second in the top of age segments (25,45%), followed by those aged 40-49 (21,82%) and aged 50-59 (12,73%). This structure enables the Agency to ensure a balanced distribution of human resources by combining the staff with high level of professional experience with the younger employees who are in the process of gaining professional experience.

In the reporting timeframe, the Agency started the process of creating the motivational framework in order to enhance better work performance results. Merit diplomas and special awards were established for the best performance results of sub-divisions and employees.

Thus, on the 11th anniversary of the Agency, the Authorization and Control Division was awarded the "Agency's Cup for 2011", for displaying team-work spirit, perseverance, professionalism and responsibility. Also, five employees, (three of whom aged 20-30), were conferred Merit Diplomas, for creativity, perseverance and professionalism.

11.3 Professional training of ANRCETI staff

Professional training followed by continual professional development of employees is a priority for the Agency and for every employee. This objective is laid down in the Collective Job Agreement, as well as in Individual Job Agreements.

In 2011, the professional training of the Agency employees consisted of seminars and courses in the country and abroad. An important contribution to this process was provided by the technical assistance project "Communication Regulatory Development", delivered to the Agency by the EBRD in the timeframe 2009 – 2011. One of the project components was the trainings for the employees of the Agency dedicated to theory and practice of regulating electronic communication in accordance with the requirements of the European Union.

In the course of two years, the Agency employees attended 20 seminars and trainings held by the international experts of the EBRD project. The Agency Administration considers that due to the trainings and assistance from foreign experts, the employees learned about the best practices applied for market analyses, designation of providers with significant market power, determination of preventive obligations for SMP providers, development of cost models for access and interconnection services, issues of particular importance for the present state of regulatory communications markets.

In the reporting timeframe, the Agency specialists involved in the development of regulatory acts for the implementation of number portability took part in two trainings on this subject: a workshop as part of the TAIEX technical assistance project (April 2011) and regional seminar „Telephone number portability. Regulatory challenges and results of implementation“, organized by the ITU jointly with ANRCETI and MTIC (May 2011).

12 Financial data

The Agency budget for 2011, 16619,8 thousand lei, was approved, based on art. 12 of *Law 241/2007*, by *ANRCETI Administrative Board Decision no. 35/1, 18.11.2010*,

The budget consisted of regulatory and monitoring fees paid by providers of electronic communications networks and services, fees for allocated numbering resources and other revenues. The quantum of the regulatory and monitoring fee for 2011 was approved by *Administrative Board Decision no. 31 of 22.10.2010*, as 0,2 % of the total volume of revenue generated from activities performed by network/service providers in the field of electronic communications.

The fees for numbering resources were paid according to the tariffs provided for in the *Administrative Board Decision no.59 of 21.12.2010*.

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In 2011, effective revenues made up 16108,8 thousand lei, or 96,9% of the planned level, these being exclusively used to finance the functional activities of the Agency. This amount

also includes the calculated debts, estimated at 4636,1 thousand lei at the end of the year.

The total of Agency's effective expenditures made up 14379,6 thousand lei, which is 86,5% of

the annual requirements. The financial resources used for the upkeep of the Agency were mainly intended for labor remuneration and payment of obligatory social and healthcare contributions.

Tab. 4 Data on collection and use of special means for 2011

(Thousand lei)

Name	Initially approved per year	Specified plan per year	Executed during the reporting timeframe		Debts	
			Cash revenues/expenses	Effective revenues/expenses	TOTAL	
					Debit	Credit
I. Revenues, total	16619,8	16619,8	14363,6	16108,8	4636,1	27,0
II. Expenses, total	16619,8	16619,8	14320,3	14379,6	190,3	29,9
including						
2.1 Labor remuneration	10838,3	10838,3	9351,7	9351,7		
2.2 Contribution to obligatory state social insurance	2304,0	2304,0	2074,0	2111,0		
2.3 Payments for goods and services	1726,8	1726,8	1570,1	1590,0	190,3	29,9
2.4 Business trips and staff training	600,0	600,0	259,3	261,7		
2.5 Contribution to obligatory state medical insurance	350,7	350,7	307,0	307,0		
2.6 Purchase of fixed assets	800,0	800,0	758,2	758,2		
Balance at the beginning of the reporting timeframe			995,8	4366,7		
Balance at the end of the reporting timeframe			1039,1	6095,9		



According to the annual budget execution balance, on 31.12.2011 the value of balance assets increased over the one recorded on 31.12.2010 by 1783,2 thousand lei and constituted 16017,8 thousand lei.

The receivables, as of 31.12.2011 was 4826,4 thousand lei, the accounts payable - 56,9 thousand lei. The receivables include settlements with different debtors regarding special revenue

funds (4636,1 thousand lei) and debts accumulated from payments for goods and services. (190,3 thousand lei).

Tab. 5 Balance of ANRCETI budget on 31.12.2011

(thousand lei)

Indicators	Beginning of the year	End of the year	
		Before annual closure	After annual closure
ASSETS			
fixed assets	9208,6	9133,7	9133,7
stocks of materials	216,5	271,6	271,6
low-value and short-term objects	659,1	731,3	731,3
cash assets	1019,6	1046,6	1046,6
settlements	3127,0	4826,4	4826,4
expenses	0	14379,6	0
revenues	3,8	8,2	8,2
Total assets	14234,6	30397,4	16017,8
LIABILITIES			
funds for special purposes	9867,7	9865,0	9865,0
settlements	0,2	56,9	56,9
revenues	4366,7	20475,5	6095,9
Total liabilities	14234,6	30397,4	16017,8



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The execution of the Agency's budget for 2010 was audited by company „AUDIT-ATLANT“ LLC. According to the audit report, no deviations from accounting rules and laws in force were revealed. The financial report and the audit report on budget execution for 2010 were submitted to the Government before March 1, 2011.

Pursuant to the provisions of *Law 241/2007*, the Agency's financial and audit reports for 2011 had been delivered to the Government by March 1, 2012.

13 Conclusions. Priorities for 2012

The facts described in this Report confirm that 2011 was full of results for the Agency both in terms of its domestic activities, national and of the actions undertaken externally in order to strengthen its cooperation relations with European and international, European and regional bodies.

The designation of the Agency as Coordinator for the creation of the PaE Regulators Group, the election of ANRCETI Director Sergiu Sitnic as chairman of the RCC Committee for Coordinating the activities of telecommunications regulatory authorities, the conclusion of a Collaboration Agreement with the regulatory authority of Romania and the completion of the coordination procedure for another agreement with the regulatory authority from Lithuania is clear evidence that ANRCETI has become more visible on regional and European levels, whereas its activity is positively appreciated by regulators from other European countries.

The Agency has succeeded in gaining some positive results in terms of preventive regulation of the electronic communications market, development of the regulatory framework for the implementation of number portability, adoption of measures to protect the end users' rights

by setting the minimum service quality parameters and compelling the providers to measure the quality indicators and make them publicly available.

In 2011, the Agency finalized the first round of analysis of 8 markets of the 10 it defined in 2009, for their identification and preventive regulation. In particular, the Agency required that providers with significant market power on the markets for call termination in fixed and mobile networks apply LRIC-cost-oriented tariffs for those services and exclude price discrimination of calls terminated according to their origin. As well, the Agency established that the tariffs for call termination services will be gradually reduced (in 7 stages), every six months, so that by January 1, 2014 these are based on the economic costs of these services.

These and other regulatory measures are intended to ensure the functioning of the electronic communications markets in competitive conditions and protect the interests of end users. They intend to create equal conditions for all providers on these markets, whatever the size of the network, client base and the moment of entry on the market, so that end-users enjoy high quality service at competitive tariffs.

In 2012, the Agency plans to complete the first round of analysis of the last 2 markets out of 10 (the market for end users access to the public telephone network at fixed locations and the market for access to associated infrastructure) and start, pursuant to the requirements of *Law no. 241/2007*, the second round of analysis of four relevant markets, subject to analysis in 2010.

According to the program of ANRCETI Regulatory Acts Development for 2012, a document adopted for the first time by the Agency, it is also planned to approve another set of regulations for the implementation of number portability.

In the first semester of the year the Agency will adopt the Procedure for organizing and conducting tender to select centralized data base administrator for number portability implementation in the Republic of Moldova and the Terms of Reference for the tender. After the data base Administrator is designated, the Agency will adopt the Technical and Commercial Conditions for the implementation of number portability.

Another priority of the Agency for 2012 is to promote the draft amendments to *Law no. 241/2007*, a document developed in 2011, jointly with MTIC with the support of the international experts of the EBRD technical assistance project.

The main goal of the draft amendment is to bring *Law no.241/2007* in line with the EU 2009 directives, to implement the new legal institutions covered by the directives and to contribute to a more significant practical effect of the regulations issued by the Agency. The draft amendments provide for a more efficient process of development and implementation of preventive regulations, for facilitation of providers' access to spectrum, the regulation of shared use of electronic communications infrastructure, strengthening the rights of end users, including by ensuring personal data confidentiality and privacy.

The list of priorities of the Agency for 2012 also contains measures intended to ensure the transition to a 'closed' format of dialing range "2" numbers, established in the National Numbering Plan, the launch of services of social character harmonized at European level by means of short national numbers of 116(xxx) from, making available the frequencies 2500-2690 MHz and 3400-3800 MHz to be used in fixed and mobile networks in the provision of broadband services based on advanced technologies, development of special regulations for the implementation of terrestrial digital television, the single national system for emergency calls and universal service.

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Annex – geographic breakdown – access to broadband Internet at fixed locations, provided in administrative-territorial units of the Republic of Moldova, as per 31.12.2011



Evolution of electronic communications markets in 2011

Indicators	2010	2011	Changes
Mobile communications			
Total users	3.165.052	3.714.965	17,4%
Active Users	-	3.252.514	-
- residential	-	3.041.421	-
- business	-	211.093	-
penetration	88,8%	104,3%	15,5 p.p.
Traffic in million minutes	4.087,3	4.685,7	14,6%
MoU (minutes of use per subscriber per month)	132	132	-0,2%
SMS messages (millions)	1.080,6	1.019,5	-5,7%
MMS messages (millions)	3,4	6,2	80,5%
Revenues (millions)	3.454,0	3.610,6	4,5%
ARPU (monthly)	99,4	89,6	-9,8%
Fixed telephony			
Users (lines)	1.160.937	1.179.865	1,6%
- residential	-	1.040.305	-
- business	-	139.560	-
penetration	32,6%	33,1%	0,6 p.p.
Traffic in million minutes	3.704,0	3.321,7	-10,3%
MoU (minutes of use per subscriber per month)	268	236	-11,9%
Revenues (millions)	1.916,7	1.647,3	-14,1%
ARPU (monthly)	138,9	117,3	-15,6%

Indicators	2010	2011	Changes
Fixed Internet and data transmission			
Subscribers	269.126	355.099	31,9%
- residential	-	337.841	-
- business	-	17.258	-
penetration	7,6%	10,0%	2,4 p.p.
Revenues (million)	541,7	678,2	25,2%
ARPU (monthly)	158,7	144,9	-8,7%
Mobile Internet			
Subscribers	121.599	124.813	2,6%
Penetration	3,4%	3,5%	0,1 p.p.
Revenues (million)	-	175,7	-
ARPU (lunar)	-	118,8	-
Total External Internet Band (Gbps)	87	123	40,7%
Mobile Internet Traffic, voice services (TB)	-	390	-
Mobile Internet Traffic, dedicated Internet (TB)	-	6.227	-
Audiovisual			
Subscribers multichannel TV	229.838	256.118	11,4%
Penetration multichannel TV	6,4%	7,2%	0,7 p.p.
Revenues audiovisual (million)	228,0	284,0	24,5%
ARPU Multichannel TV (monthly)	41,0	58,8	43,5%
Total Revenues from electronic communications (mil.)	6.140,4	6.220,0	1,3%


General data
1.1. Dynamics of the markets

In 2011, the total value of the four electronic communications markets (mobile communications, fixed telephony, Internet access and data transmission, audiovisual program broadcasting and retransmission) increased over 2010 by 1,3% and totaled 6 billion 220 million lei. In relation to the gross domestic product (GDP) per 2011, the volume of sales was 7,72%. The most significant sales were recorded on the mobile communications market and fixed telephony market – 3 billion 610 million lei and, accordingly, 1 billion 647 million lei. The major growth occurred on the Internet access and data transmission market – 25,19% and on the audiovisual program broadcasting and retransmission markets - 24,52%. The volume of sales on the mobile telephony market increased by 4,53%, whereas on the fixed telephony market – decreased by 14,05% (Figure 1).

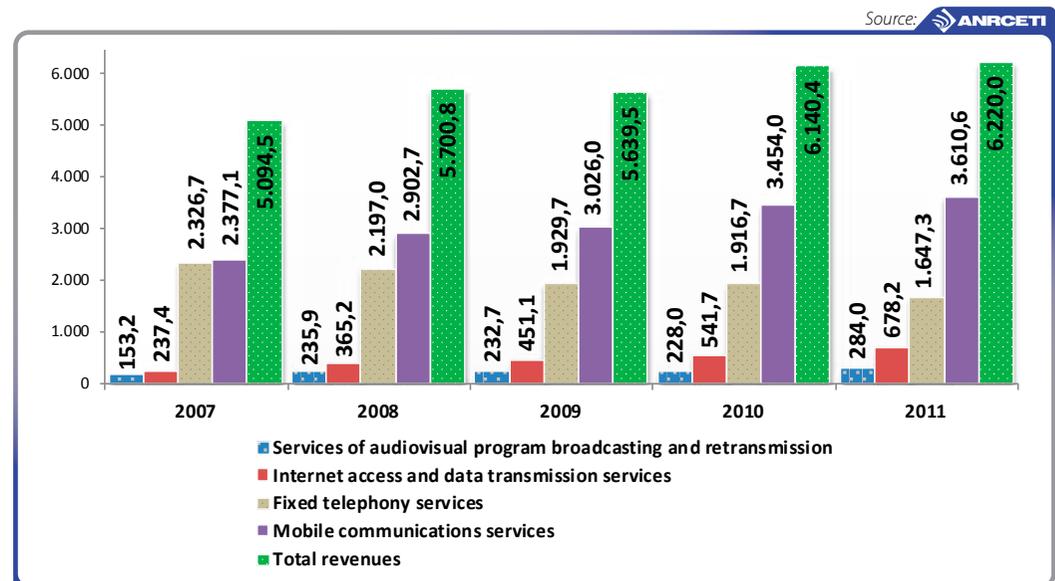


Fig. 1 Evolution of electronic communications sector, in terms of revenues (million lei)

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Source: ANRCETI

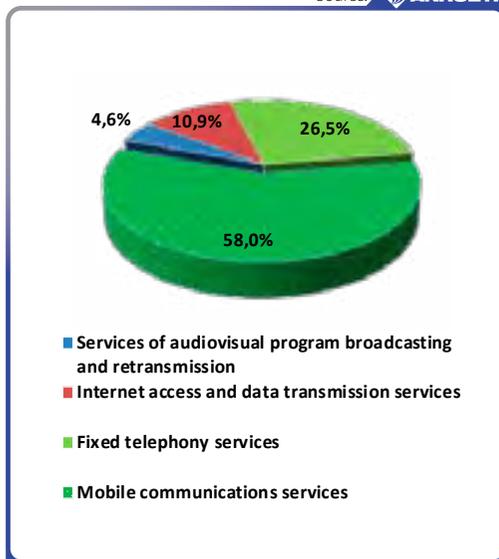


Fig. 2 Structure of the electronic communications market, in terms of revenues

As a result of this evolution, the share of Internet access and data transmission services in the structure of the electronic communications market increased by 2,08% and made up 10,9%, the share of mobile communications – by 1,81% and totaled 58,1%, and audiovisual program broadcasting and retransmission services – by 0,84% and constituted – 4,6%. Also, the share of fixed telephony decreased by 4,73% and totaled 26,5% (Figure 2).

1.2. Dynamics of basic indicators

Although the volumes of sales on the four electronic communications markets were subject to different trends, the number of users on these

Source: ANRCETI

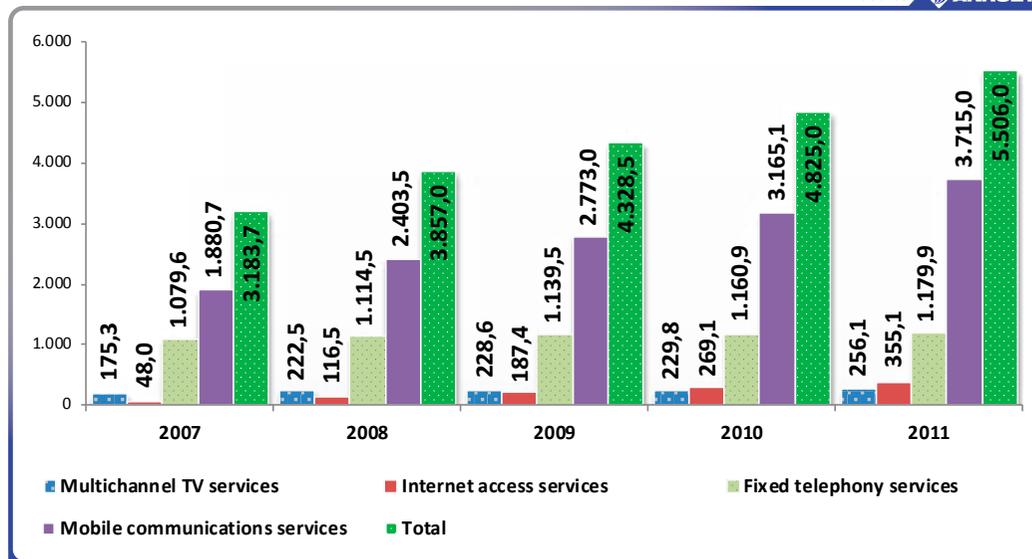


Fig. 3 Evolution of the number of electronic communications service users (in thousands)

markets was ascending. The total number of users increased over 2010, by 14,1% and reached 5 million 506 thousand (Figure 3).

The number of users of Internet access in broadband at fixed locations services increased by 31,95%, of mobile communications users - by 17,38%, multichannel TV service users and fixed telephony users – by 10,83% and 1,64% accordingly.

Of the total number of electronic communications users, 67,5% are mobile users, 21,4% - fixed telephony users, 6,5% - Internet access and 4,6% - multichannel TV services users (Figure 4).

Source: ANRCETI

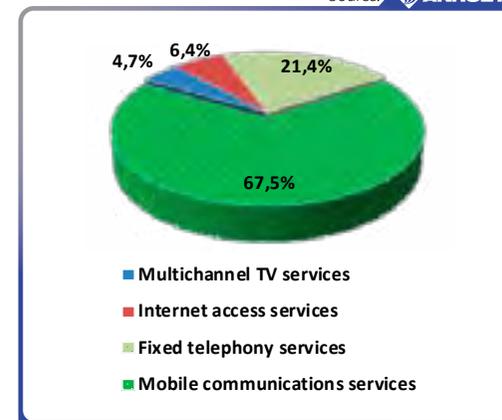


Fig. 4 Structure of the electronic communications market, in terms of number of users

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The increase in the number of electronic communications users led to higher penetration rates of these services, per 100 inhabitants. The mobile communications penetration rate, for the first time, reached 104,34%. This indicator on the fixed telephony market was 33,14%, on the market for broadband Internet access at fixed locations – 9,97% and on the market for multichannel TV services – 7,17% (Figure 5).

In 2011, for three years in succession, the most significant average monthly revenue per users (ARPU) – 144,68 lei – was achieved on the market for Internet access services. This indicator for fixed telephony was 117, 25 lei, for mobile communications – 89,63 lei and multichannel TV services – 58,7 lei (Figure 6).

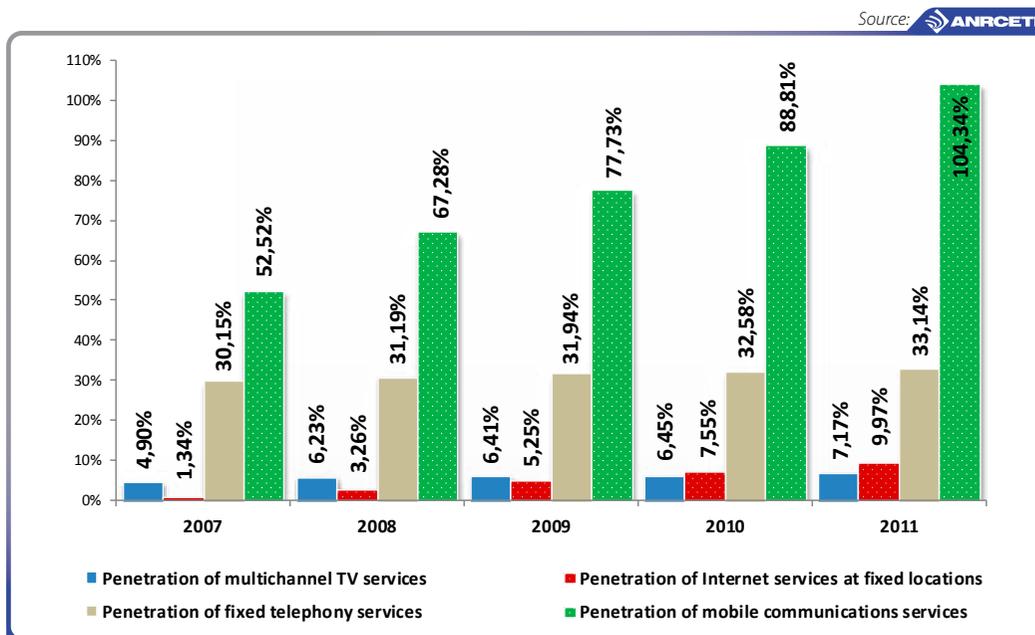


Fig. 5 Evolution of penetration rates for electronic communications services

1.3. Evolution of investments

In the reporting timeframe, the total volume of investments in the development of the four electronic communications markets increased over 2010, by 4,88% and made up 1 billion 810 million lei (Figure 7).

The investments in audiovisual networks increased by 81,3% and constituted 60,7 million lei, in mobile networks - by 20,3% and made up 1 billion 132,2 million lei. However, the investments in fixed networks decreased by 17,9% and equaled 617,5 million lei.

Of the total volume of investments – 62,5% were directed to the development of mobile communicatione networks, 34,1% - to fixed networks and 3,4% - in audiovisual program broadcasting and retransmission services (Figure 8).

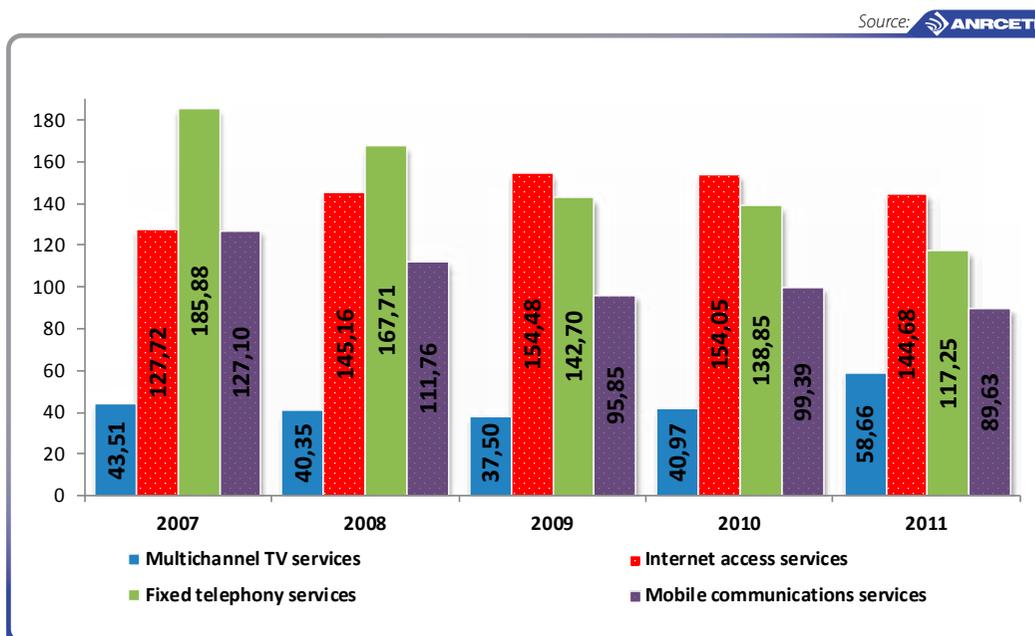


Fig. 6 Evolution of average monthly revenue per user (ARPU)

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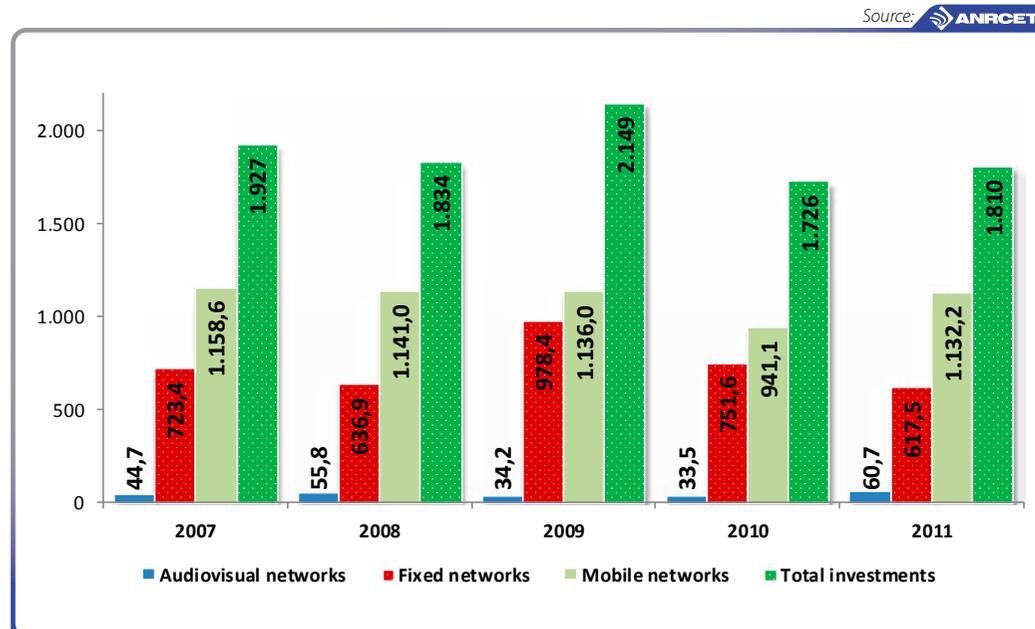


Fig. 7 Evolution of investments made in electronic communications networks (million lei)

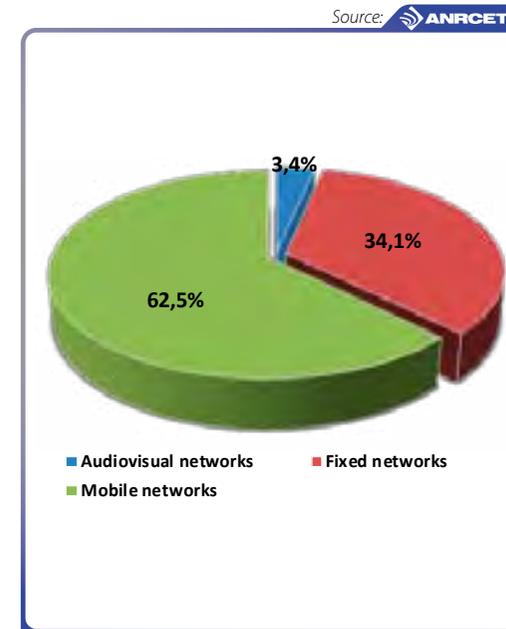


Fig. 8 Destination of investments in electronic communications networks

In 2011, like in the previous years, companies JSC "Moldtelecom", JSC "Orange Moldova" and JSC "Moldcell" were the biggest investors that jointly ensured 91,9% of the total of investments in electronic communications sector. JSC "Moldtelecom" invested 841 million lei or 46,5% of the total of investments, JSC "Orange Moldova" – 502,9 million lei or 27,8% and JSC "Moldcell" – 319,1 million lei or 17,6 % of the total.

2 Mobile Communications

2.1. General data. Dynamics of the market

In 2011, the mobile communications market was operated by three providers: JSC "Orange Moldova", JSC "Moldcell", in GSM and UMTS standards, and JSC "Moldtelecom" under the brand "Unite", in CDMA 2000 and UMTS standards (Table 1).

Tab. 1 Providers of public mobile communications services and technologies used

PROVIDER	GSM	CDMA 1x/ EV-DO	UMTS/ HSPA
JSC "Orange Moldova"	+	-	+
JSC "Moldcell"	+	-	+
JSC "Moldtelecom"	-	+	+

Source: ANRCETI

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The total volume of sales by the three providers in 2011 increased over 2010, by 4,53% and reached 3 billion 610,6 million lei. The sales of mobile communications services by JSC "Moldtelecom" increased by 31,11% and totaled 129,5 million lei. The sales of JSC "Moldcell" grew by 10,41% and made 923,3 million lei, whereas the revenues of JSC "Orange Moldova" - by 1,54% and constituted 2 billion 557,8 million lei (Figure 9).

According to the state of things as per 31.12.2011, JSC "Orange Moldova" held 70,84% of the market in terms of turnover, JSC "Moldcell" – 25,57% and JSC "Moldtelecom" – 3,59% (Figure 10).

The most significant share – 54,9% - in the structure of revenues obtained by the three mobile communications providers went to voice services sales. Revenues from interconnection services (incoming call termination in the networks) made up 31,9%, from mobile data services - 4,2%, from other services – 13,2% (Figure 11).

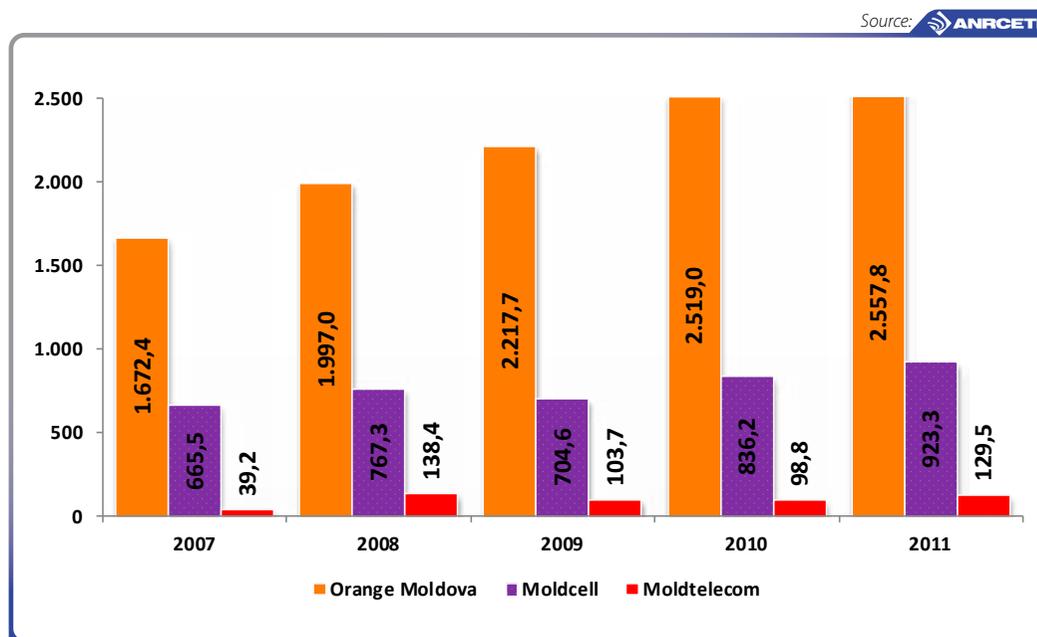


Fig. 9 Evolution of turnover of mobile communications providers (thousand lei)

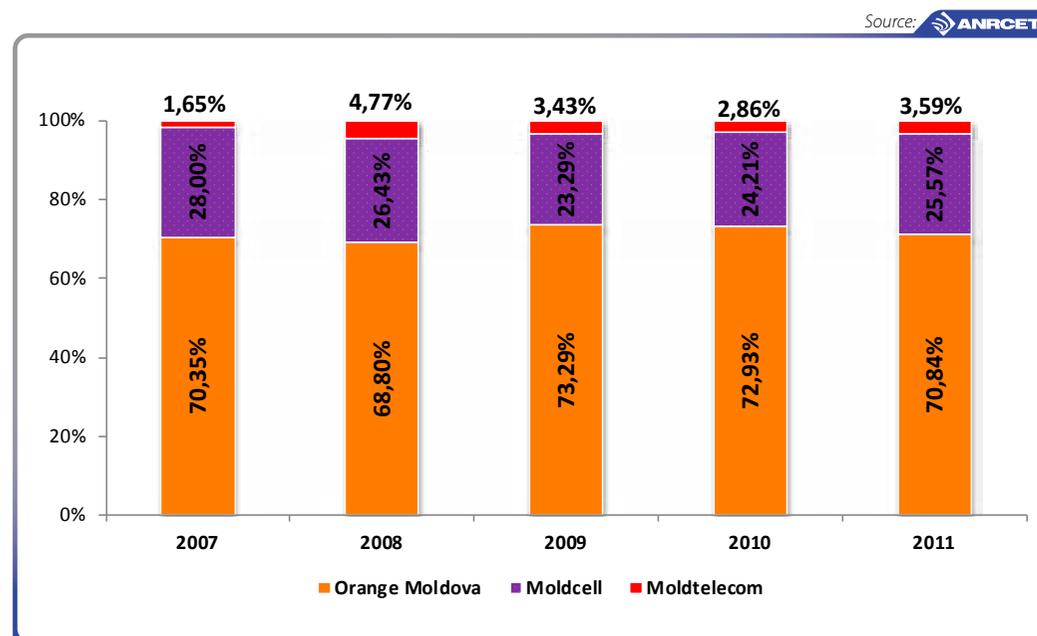


Fig. 10 Structure of mobile communications market, in terms of turnover

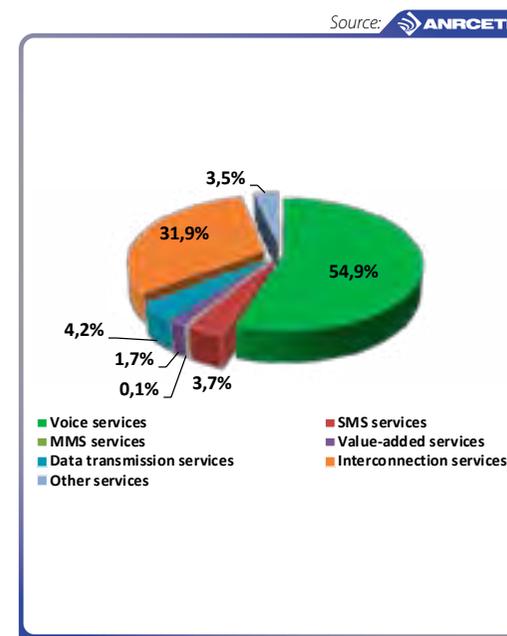


Fig. 11 Structure of revenues obtained by mobile communications providers

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In 2011, all the three mobile communications providers recorded an ARPU lower than in 2010. The value of this indicator was 89,6 lei, a decrease by 9,82% (Figure 12). The ARPU decrease was caused by the reduction of the incremental revenue generated by new subscribers, reduction of retail tariffs applied by providers, as well as wholesale tariffs for call termination in mobile networks, as a result of the remedies imposed by the Agency.

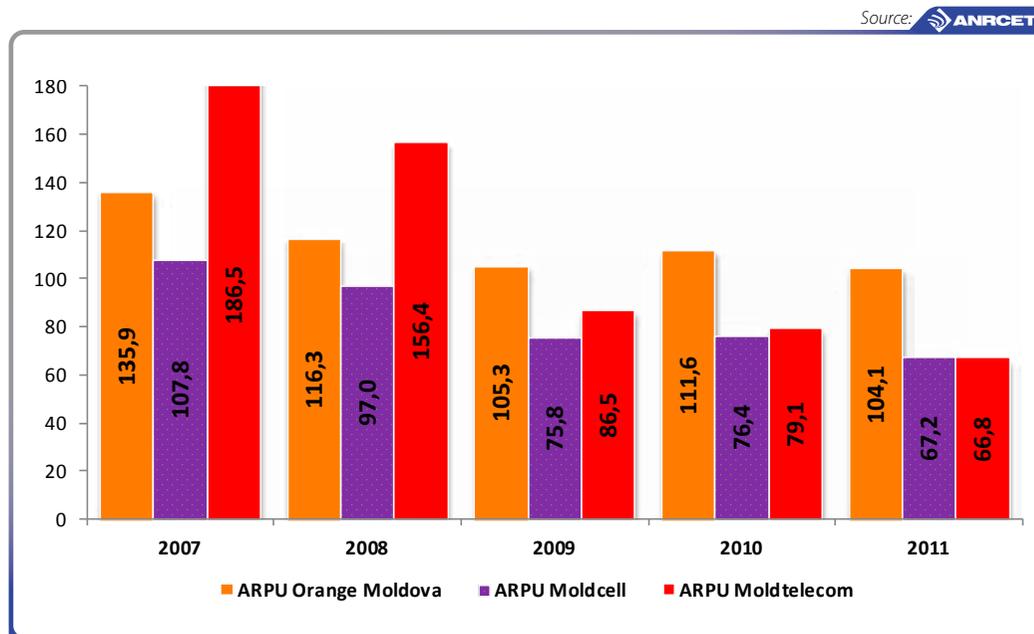


Fig. 12 Evolution of average monthly revenue per user - ARPU (lei)

According to the data submitted by mobile communications providers, as of 31.12.2011 JSC "Orange Moldova" ensured 99% coverage of territory with radio signal from its 2G networks, JSC "Moldcell" – 97,35% and JSC "Moldtelecom", with CDMA2000 1x radio signal, in 450 MHz frequency band – 97,78% (Figure 13).

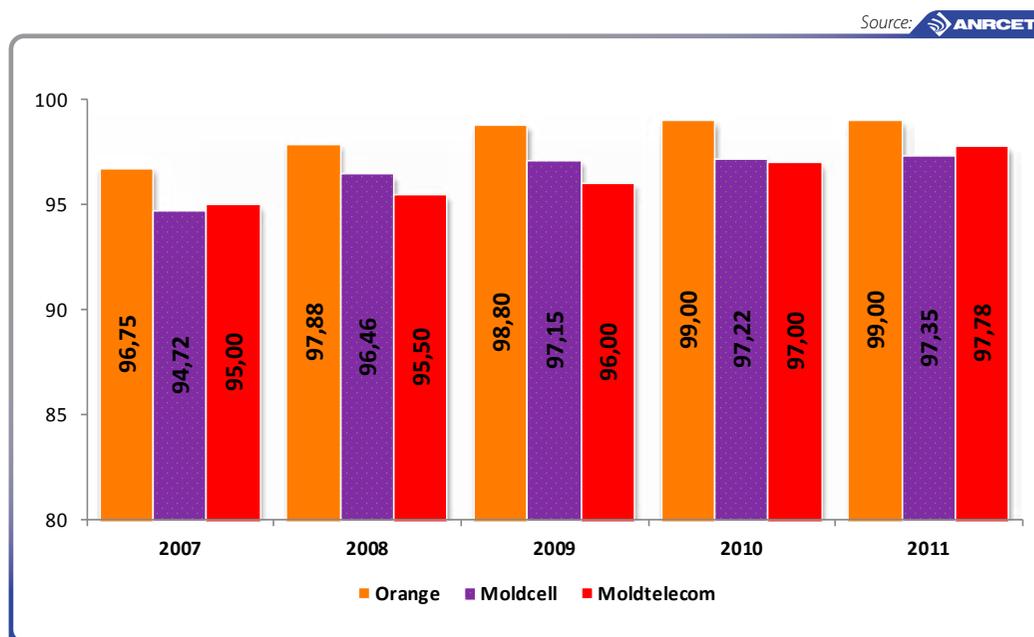


Fig. 13 Degree of territory coverage with 2G networks, per provider (%)

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As per 31.12.2011, JSC "Orange Moldova" covered with (2G) radio signal - 99% of the population, JSC "Moldcell" – 96,81% and JSC "Moldtelecom" – 98,62% (Figure 14).

As of the same date, the degree of territory coverage with radio signal from the 3G network of JSC "Orange Moldova" was 98%, of JSC "Moldtelecom" - 77,6% and of JSC "Moldcell" - 73% (Figure 15).

The data regarding the population coverage with radio signal from 3G networks show that the highest rate, as of 31.12.2011, was ensured by JSC "Orange Moldova" – 99%. The rate of JSC "Moldtelecom" was 59%, of JSC "Moldcell" - 51,15% (Figure 16).

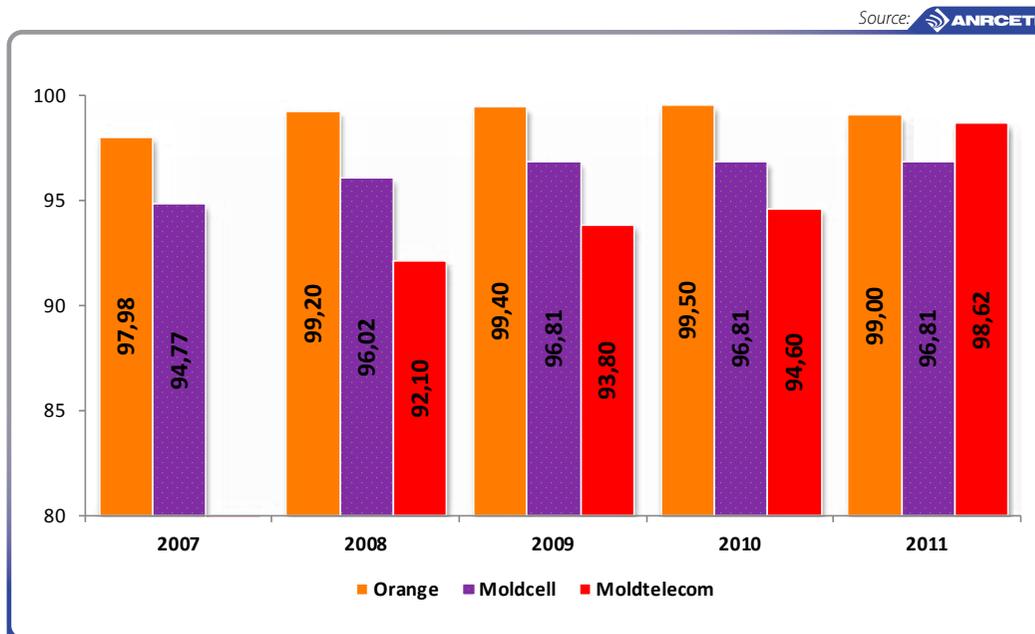


Fig. 14 Degree of population coverage with 2G networks, per provider (%)

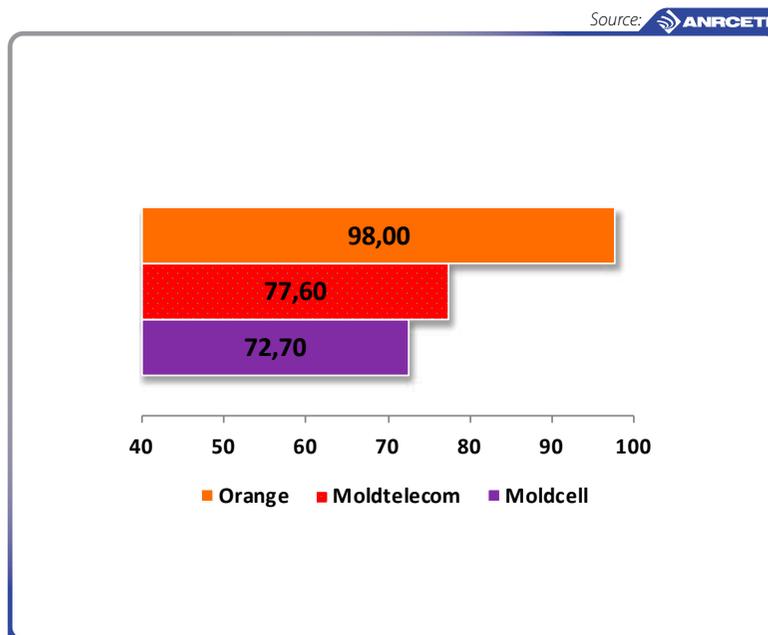


Fig. 15 Degree of territory coverage with 3G networks, per provider (%)

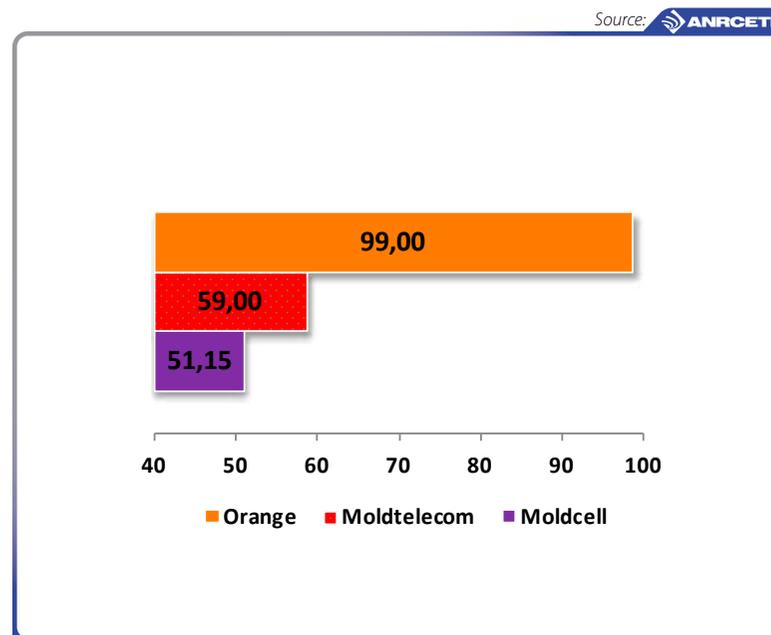


Fig. 16 Degree of population coverage with 3G networks, per provider (%)

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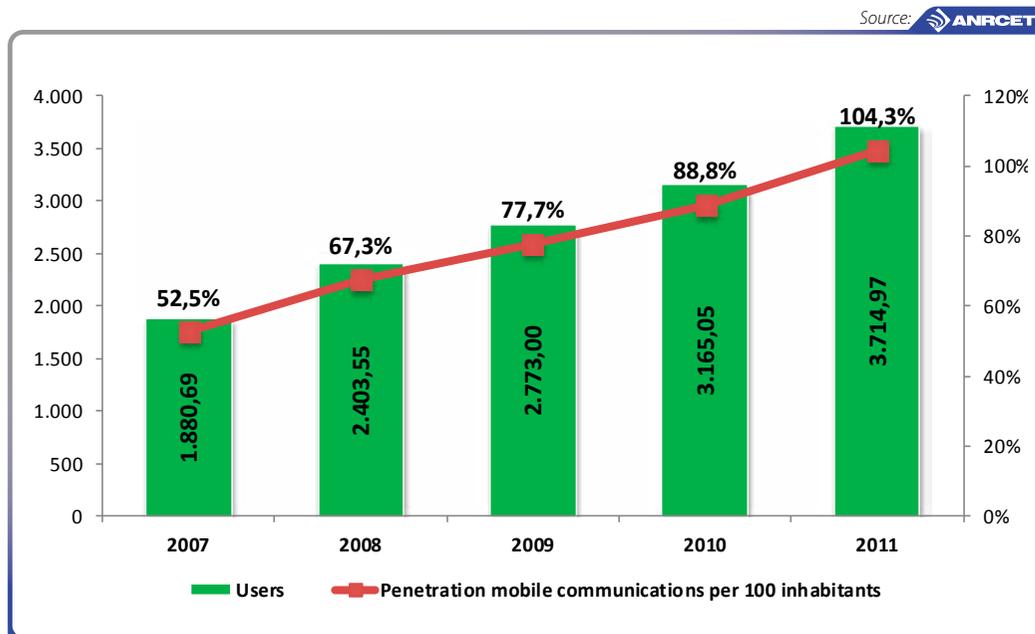


Fig. 17 Number of users (thousands) and penetration rates of mobile communications services

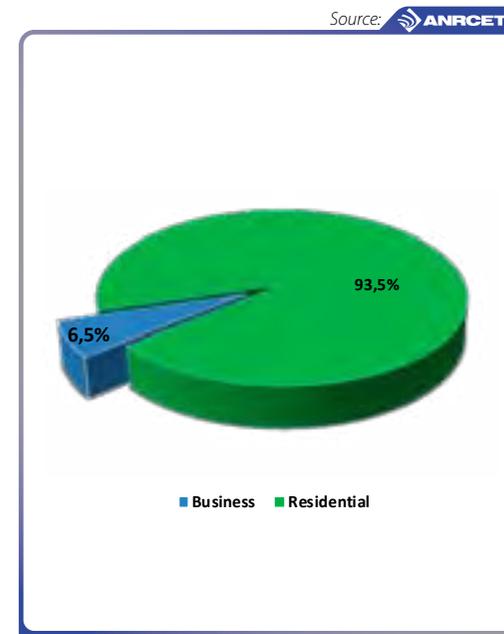


Fig. 18 Share of natural/legal persons

2.2. Users and penetration

In 2011, the mobile users base continued its ascending evolution. Their number increased over 2010 by 17,37% and exceeded 3 million 714,9 thousands, whereas the penetration rate of these services increased by 15,5 p.p. and exceeded 100% - up to 104,3% (Figure 17). Of these, 3 million 590,2 thousand were mobile telephone users and 124,8 thousand – subscribers to dedicated mobile Internet access services.

DoF of the 3 million 590,2 thousand mobile telephony users, about 500 thousand used the services (SMS, video call, mobile TV, mobile Internet) via 3G networks, and about 1,2 million – accessed the Internet from the mobile device via 2G/3G networks as a service additional to the voice service.

Of the total number of users, 93,5% - are natural persons, 6,5% - legal persons (Figure 18).

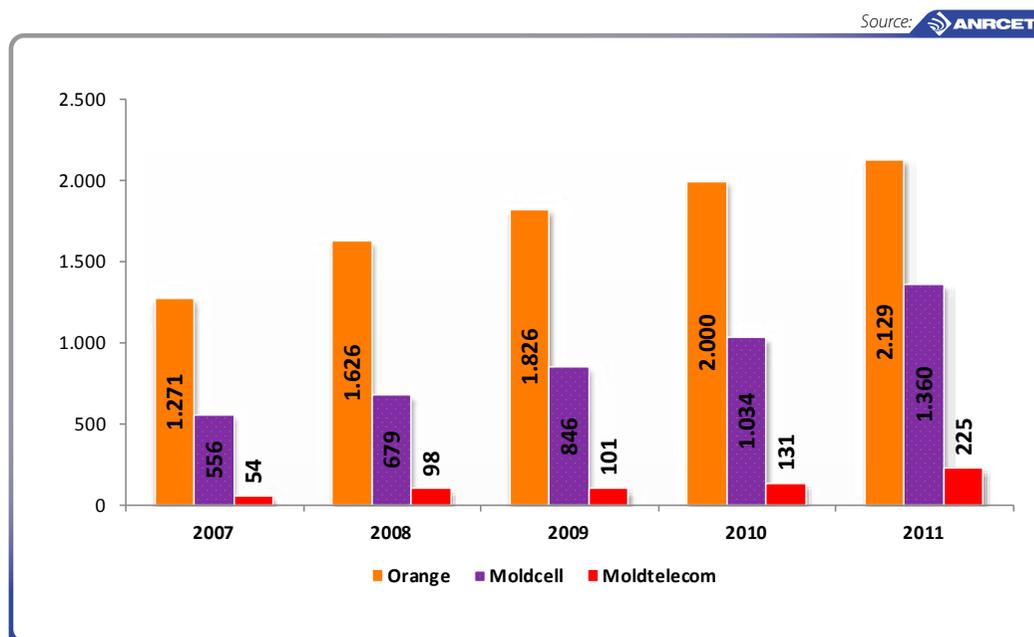


Fig. 19 Evolution of the number of mobile communications users per provider (thousands)

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In the reporting timeframe, the users base of JSC "Moldcell" grew most of all – by about 329,5 thousands. The customers base of this providers grew by 31,5% and reached 1 million 360 thousands. This evolution was driven by both net connections and the changes in the number of users as a result of modifications made by ANRCETI to the methodology of user calculation. The number of users of JSC "Orange Moldova" increased by 129,8 thousand and reached 2 million 129 thousands, of JSC "Moldtelecom" – by 94,1 thousand and totaled 225,3 thousand (Figure 19).

The most significant share of the mobile telephony market, in terms of number of users, - 57,32% - was held, like in the previous years, by JSC "Orange Moldova". JSC "Moldcell" held 36,61%, and JSC "Moldtelecom" - 6,07% (Figure 20).

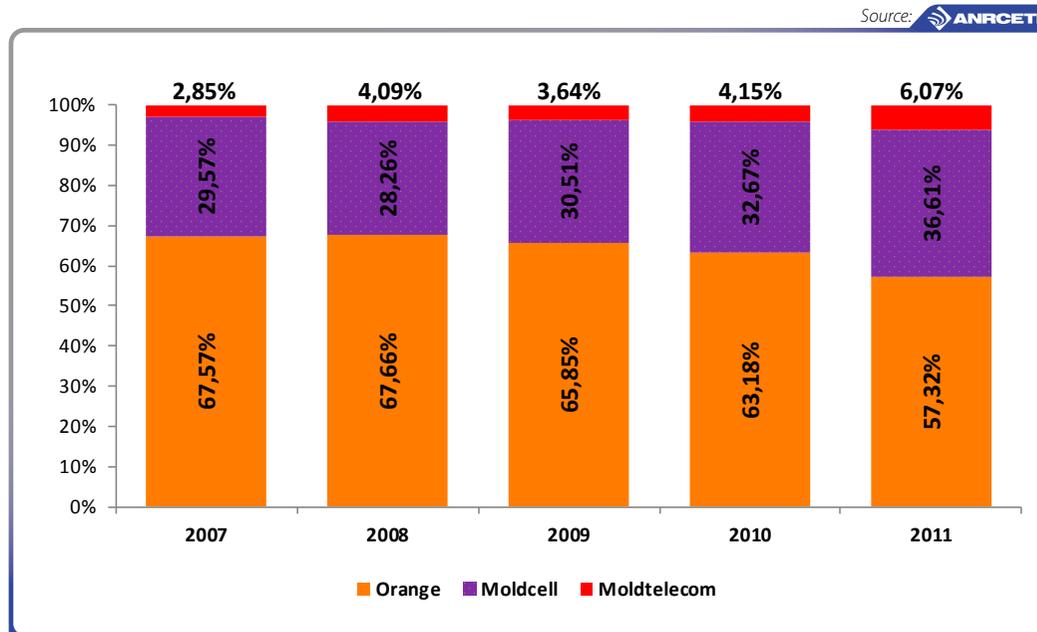


Fig. 20 Structure of the market, in terms of number of users

In 2011, the share of mobile telephony users with subscriptions was 26,29%, pre-pay users – 73,71% (Figure 21).

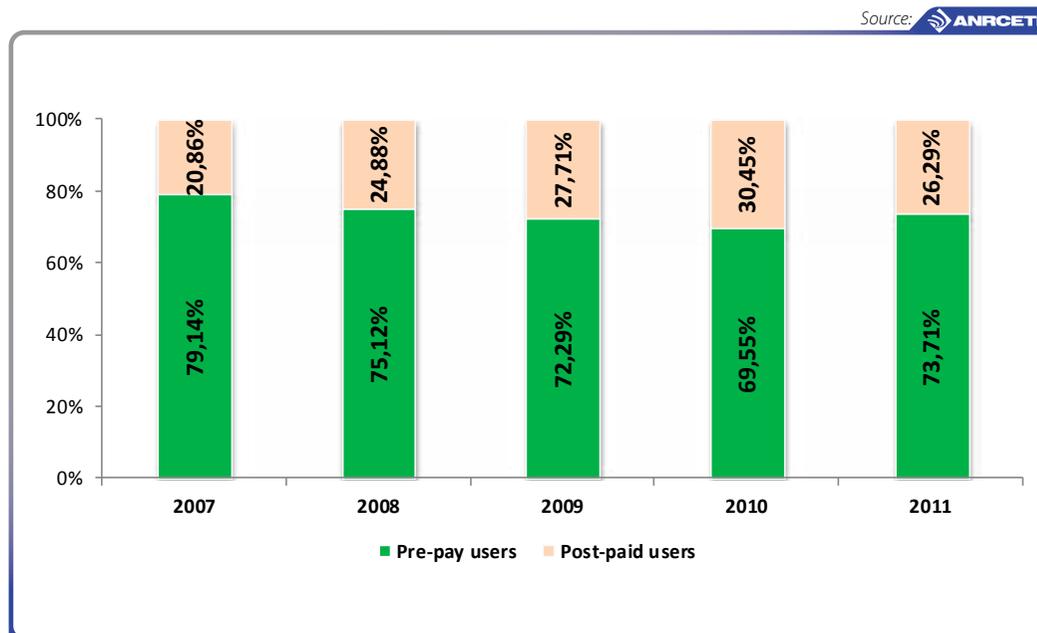


Fig. 21 Structure of the market, in terms of user type – pre-pay/postpaid

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By the end of 2011, of the 3 million 590,2 thousand mobile telephony users, 89,38% were active¹ users, and 10,32% - passive users (Figure 22).

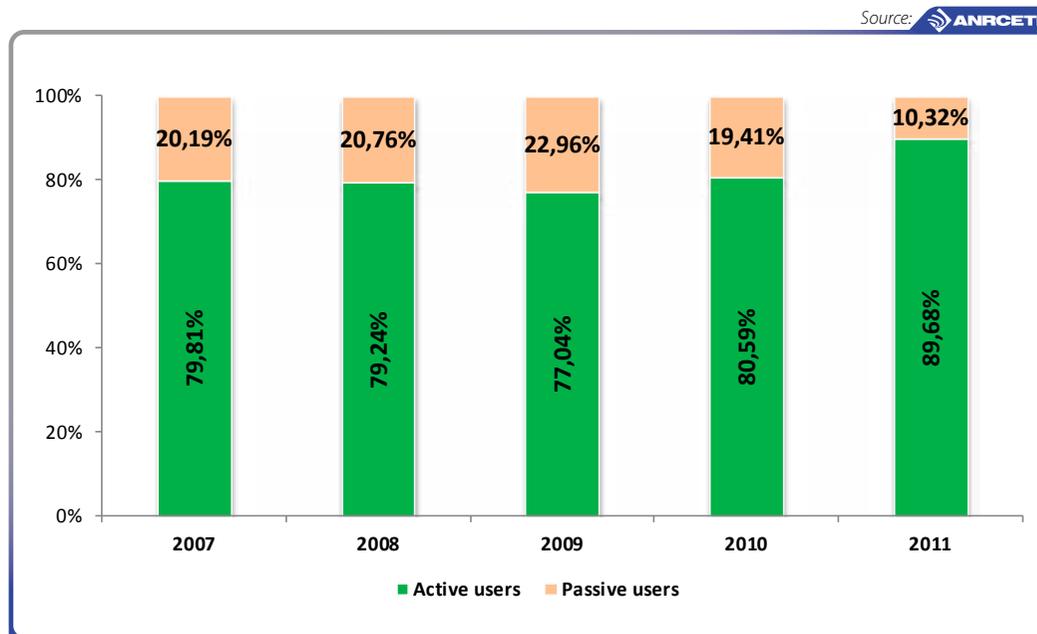


Fig. 22 Structure of the market, in terms of user type – active/passive

2.3. Evolution of traffic

In 2011, the total volume of voice traffic in mobile networks increased over 2010, by 14,6% and exceeded 4,685 billion minutes. All categories of traffic in mobile networks, except the outgoing traffic to fixed networks, underwent increases compared to 2010. The traffic to the fixed networks decreased for three years successively (Figure 23).

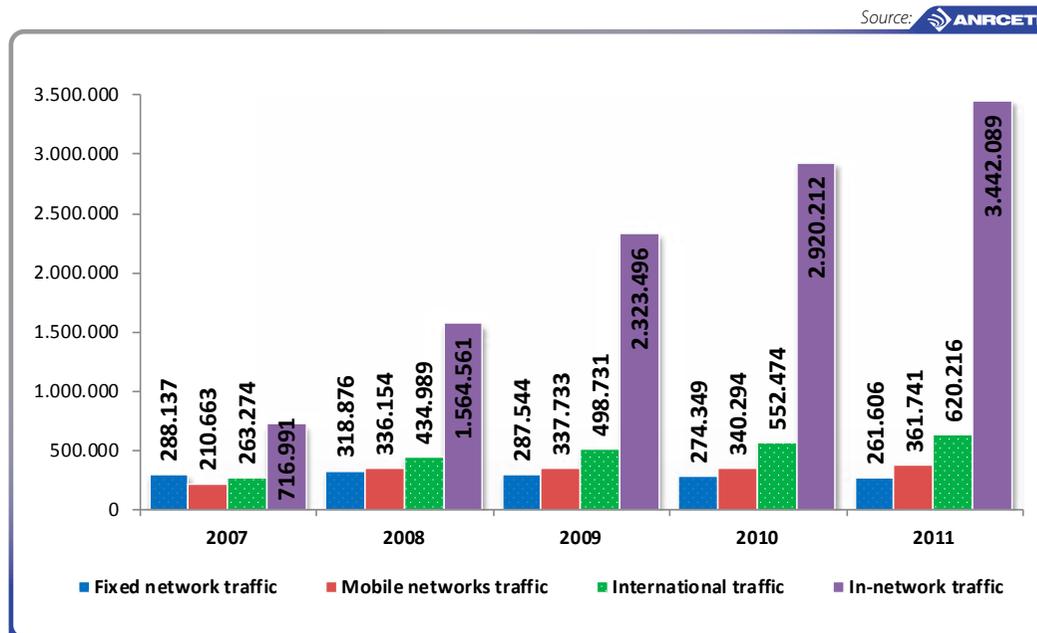


Fig. 23 Evolution of traffic in mobile networks (thousands minutes)

¹ According to ANRCETI methodology, the users who, during the last three months before data reporting, consumed at least one paid service, are considered active users.

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In 2011, the MoU indicator (minutes of use per subscriber per month) did not undergo significant changes. The value of this indicator, like in 2010, was 132 minutes (2 hours and 12 minutes). Per provider, the MoU indicator increased only for JSC "Orange Moldova": from 145 minutes, in 2010, to 151 minutes, in 2011. The MoU indicator of JSC "Moldtelecom" decreased from 119 minutes to 101 minutes, whereas the one of JSC "Moldcell" – from 108 minutes to 104 minutes (Figure 24).

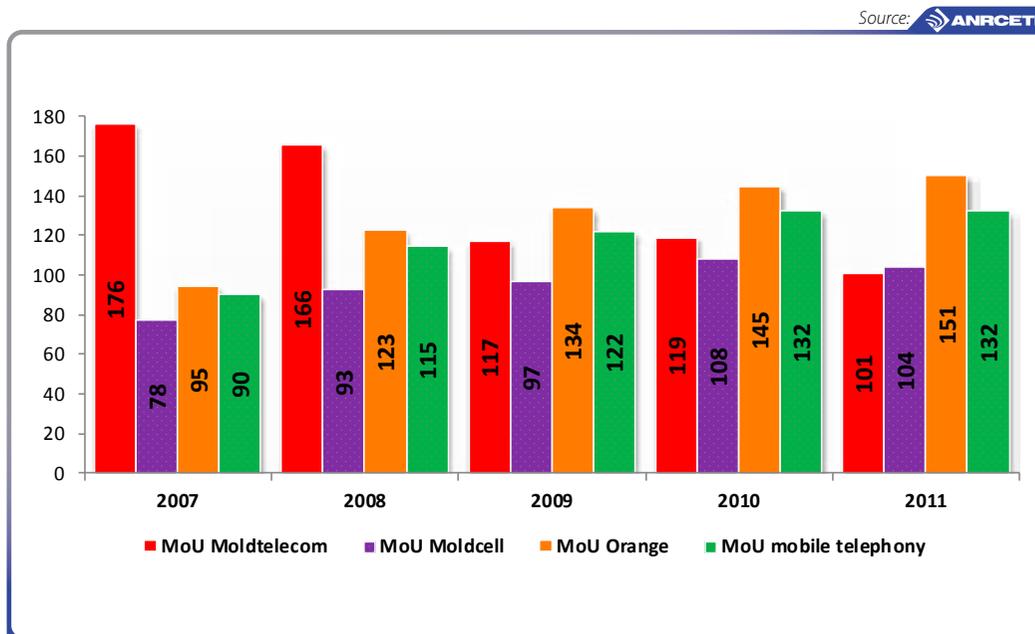


Fig. 24 Evolution of MoU indicator (minutes)

The decrease in the traffic to fixed networks (incoming and outgoing), for three successive years, is further caused by the substitution of fixed telephony with mobile. Thus, the total volume of mobile - mobile traffic was about 80,9% of the traffic recorded in mobile networks. The share of traffic in the networks (interior of mobile network of the call- originating provider) increased by 2 p.p and constituted 73,2% of the total volume of traffic in mobile networks (Figure 25).

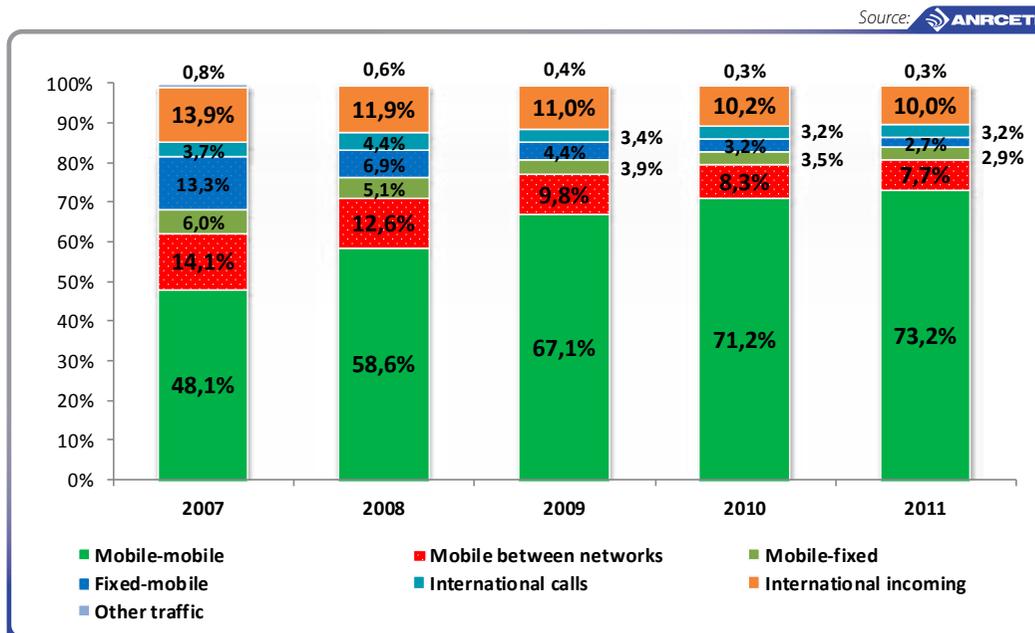


Fig. 25 Structure of traffic in mobile networks

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Of the total volume of traffic in mobile networks, 2,92 billion minutes belong to JSC "Orange Moldova", 1,06 billion minutes - to JSC "Moldcell" and 143 million minutes – to JSC "Moldtelecom" (Figure 26).

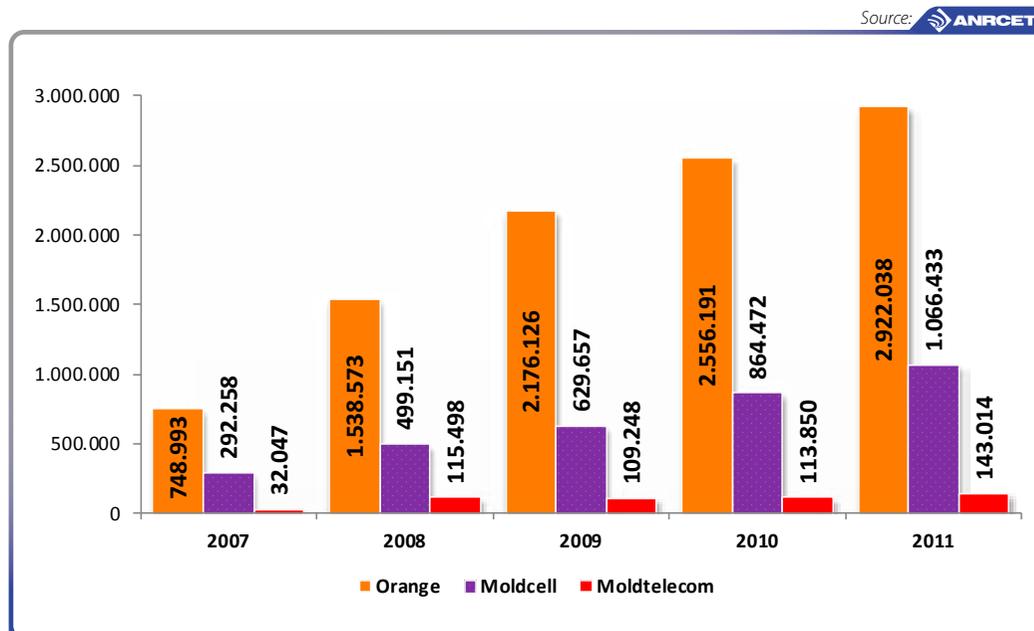


Fig. 26 Volume of traffic originated in the networks of mobile communications providers (thousand minutes)

In 2011, the number of short messages (SMS) sent via mobile networks decreased compared to 2010, by 5,65% and made up 1 billion 20 million SMS, on average 25 SMS monthly sent by every user. (Figure 27). Also, the number of multimedia (MMS) messages increased by 80,5% and reached 6,2 million, on average 2 MMS monthly sent by every user.

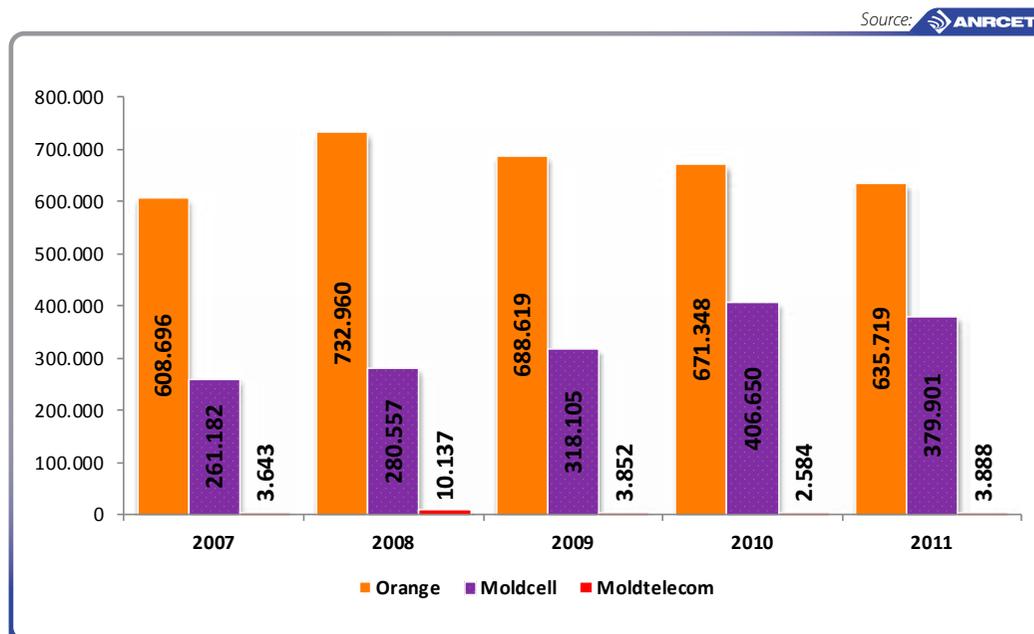


Fig. 27 Evolution of the number of SMS sent via mobile networks (thousands)

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3 Fixed telephony

3.1. General data. Dynamics of the market

In the reporting timeframe, the fixed telephony market was operated by 20 providers, of which the incumbent JSC "Moldtelecom" and 19 alternative providers. Compared with 2010, the total volume of sales on this market segment decreased by 14,05%, making up 1 billion 647 million lei. The sales of the incumbent JSC "Moldtelecom" decreased by 14,48% and constituted 1 billion 619 million lei, those of alternative providers increased by 20,9% and totaled 27,8 million lei. As a result of this evolution, the consolidated share of alternative providers increased by 0,53 p.p. and made 1,69% (Figure 28).

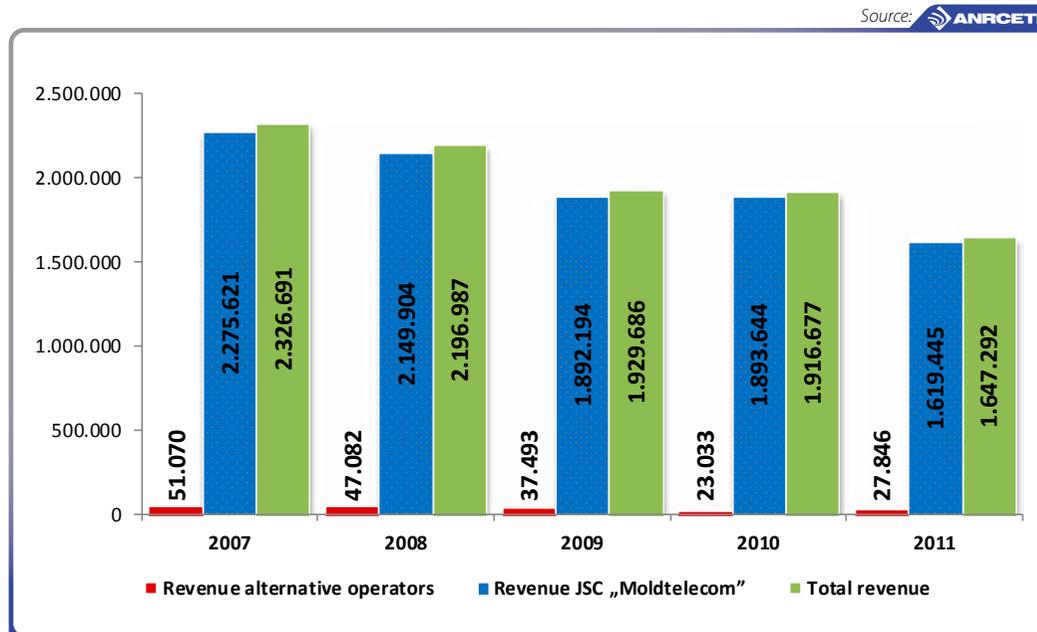


Fig. 28 Evolution of the fixed telephony market, in terms of turnover (thousand lei)

Revenues from sales of fixed telephony services are structured as follows: 53,7% - from international incoming and outgoing calls, 12,8% - from local and long-distance calls, 11,4 % - from calls to mobile networks, 11% - from subscriptions, 4,1% - from interconnection and acces and 7% - from other services (Figure 29).

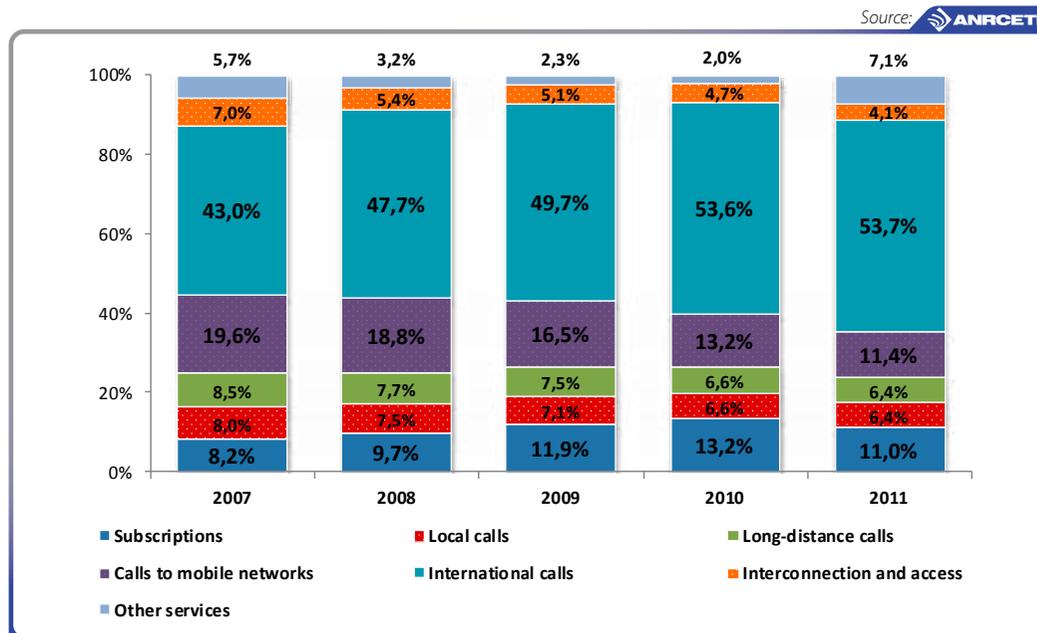


Fig. 29 Structure of revenues from fixed telephony services

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In the reporting year, the average monthly revenue per users (ARPU) recorded by fixed telephony providers decreased, compared to 2010, by 15,55% and equaled 117,25 lei. The ARPU of JSC "Moldtelecom" was 119,9 lei (15,2% decrease), ARPU of alternative providers – 51,0 lei (9,1% decrease) (Figure 30).

3.2. Users and penetration

The number of subscribers to fixed telephony¹ increased over 2010 by 19 thousand or by 1,38% and reached 1 million 179,9 thousands. JSC "Moldtelecom" connected to its network 3,5 thousand new subscribers or 18,5% of the total net connections, alternative providers – about 15,5 thousand or 81,5% of the total of connections. The increasing share of net connections made by alternative providers was determined mainly, by the rapid development of VoIP services. On 31.12.2011, JSC "Moldtelecom" had 1 million 127,2 thousand subscribers, alternative providers - 52,7 thousand. Of these, "Sun Communications" LLC, "Arax-Impex" LLC and JSC "Orange Moldova" has the biggest number of subscribers. The general structure of fixed telephony subscriber base was 1,12%, 1,07% and, accordingly, 0,98%.

The penetration rate of fixed telephony services per 100 inhabitants increased by 0,56 p.p. and achieved 33,14% (Figure 31).

¹ Fixed subscriber lines have been taken into account; where services are provided based on VoIP technology – the telephone numbers allocated to users have been taken into account.

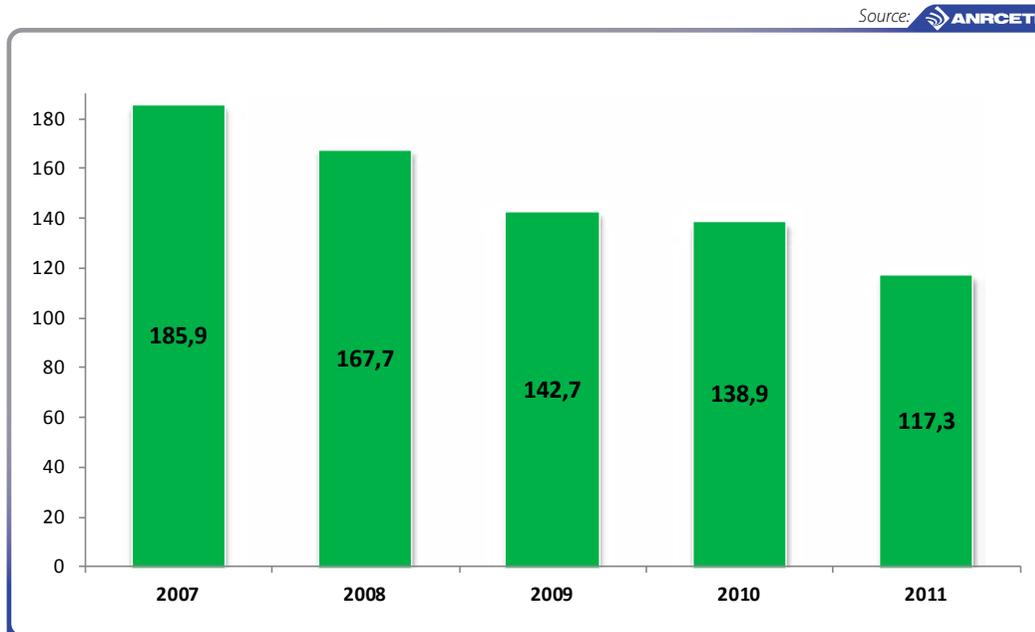


Fig. 30 Evolution of average monthly revenue per user (lei)

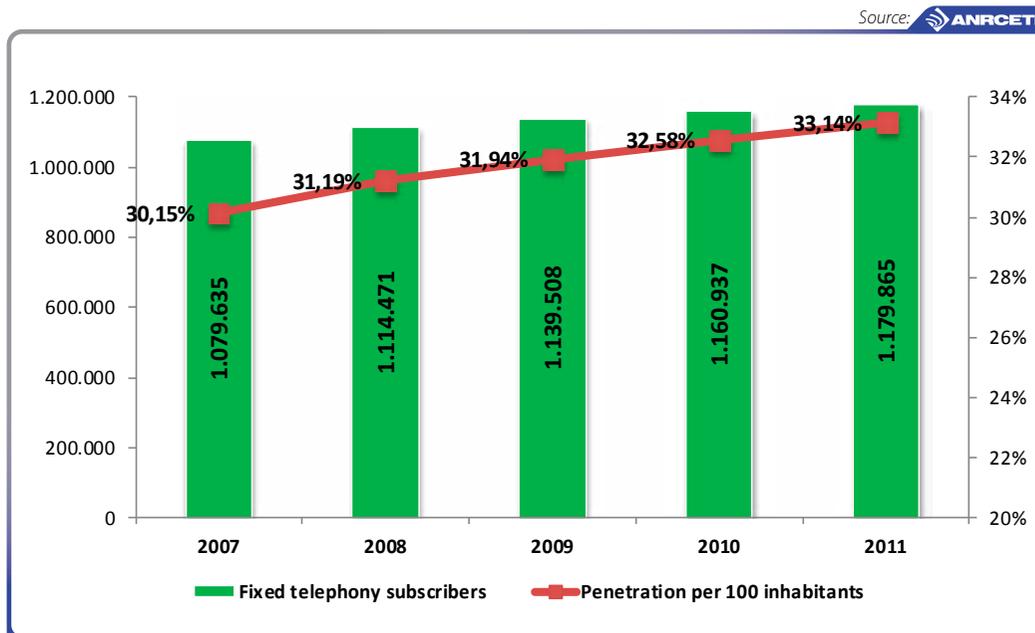


Fig. 31 Number of fixed telephony subscribers and penetration rates

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In 2011, of the total number of subscribers to fixed telephony services, 88,2% were natural persons, 11,8% - legal persons (Figure 32).

Of the 1 million 179,9 thousand subscribers registered at the end of 2011, 631,3 thousand or 53,5% were urban residents and 548,6 thousand or 46,5% - rural residents. (Figure 33).

The penetration rate of the services per 100 inhabitants was 42,5% in urban areas and 26,5% - in rural.

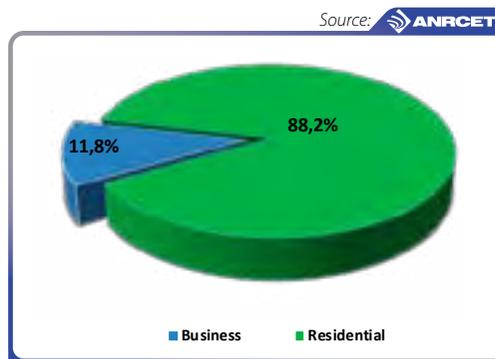


Fig. 32 Share of subscribers natural/legal persons

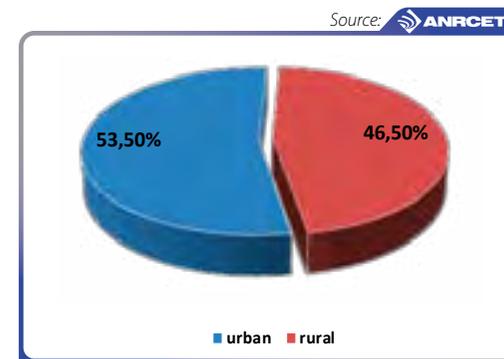


Fig. 33 Number of fixed telephony subscribers, in terms of area of residence

As per 31.12.2011, the share of the incumbent JSC "Moldtelecom", in terms of number of subscribers, was 95,53%, and the 19 alternative providers' share ranged between 0,10% and 1,12% (Table 2).

Tab. 2 Shares of providers holding over 0,1% of the market, in terms of number subscribers

Operator	2008	2009	2010	2011
Moldtelecom	97,65%	97,44%	96,79%	95,53%
Sun communications	0,00%	0,07%	0,19%	1,12%
Arax-Impex	0,64%	0,82%	0,97%	1,07%
Orange	0,33%	0,26%	0,77%	0,98%
Starnet	0,06%	0,04%	0,11%	0,40%
Riscom	0,29%	0,30%	0,29%	0,29%
Calea ferata din Moldova	0,36%	0,29%	0,28%	0,25%
Boomtelecom	0,00%	0,07%	0,07%	0,10%

3.3. Evolution of traffic

In the reporting year, the total volume of traffic in fixed telephony services was 3 billion 321 million minutes, a 10,32% decrease compared with 2010 (Figure 34). The decrease was caused by the decline in most traffic types. The traffic to fixed networks decreased by 11,07%, to international – by 10,02%, to mobile networks – by 5,49%, interconnection traffic – by 7,52%.

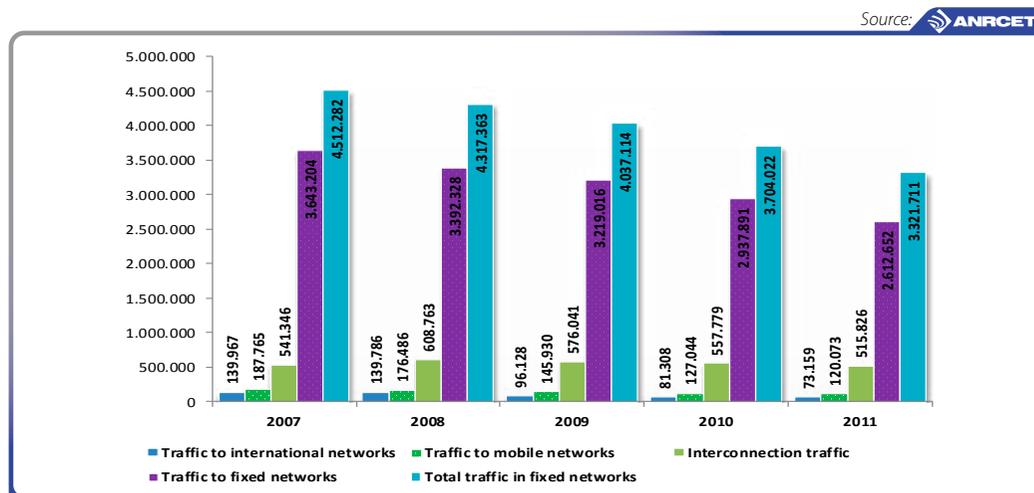


Fig. 34 Evolution of traffic pe piața serviciilor de Fixed telephony (mii minute)

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In 2011, the MoU indicator (minutes of use per subscriber per month) was 236 minutes (3 hours and 56 minutes), a decrease by 11,9% as compared with 2010 (Figure 35).

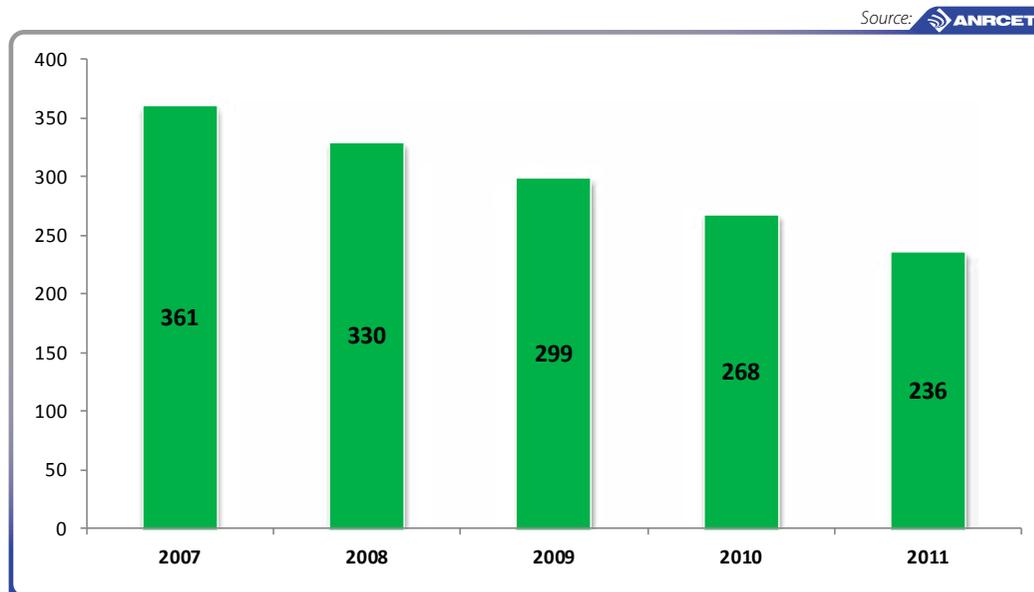


Fig. 35 Evolution of MoU indicator (minutes)

The traffic structure shows that the fixed telephone is mainly used by subscribers for communication within fixed networks. The biggest, 78,65% part of the total voice traffic, takes place within fixed networks (Figure 36).

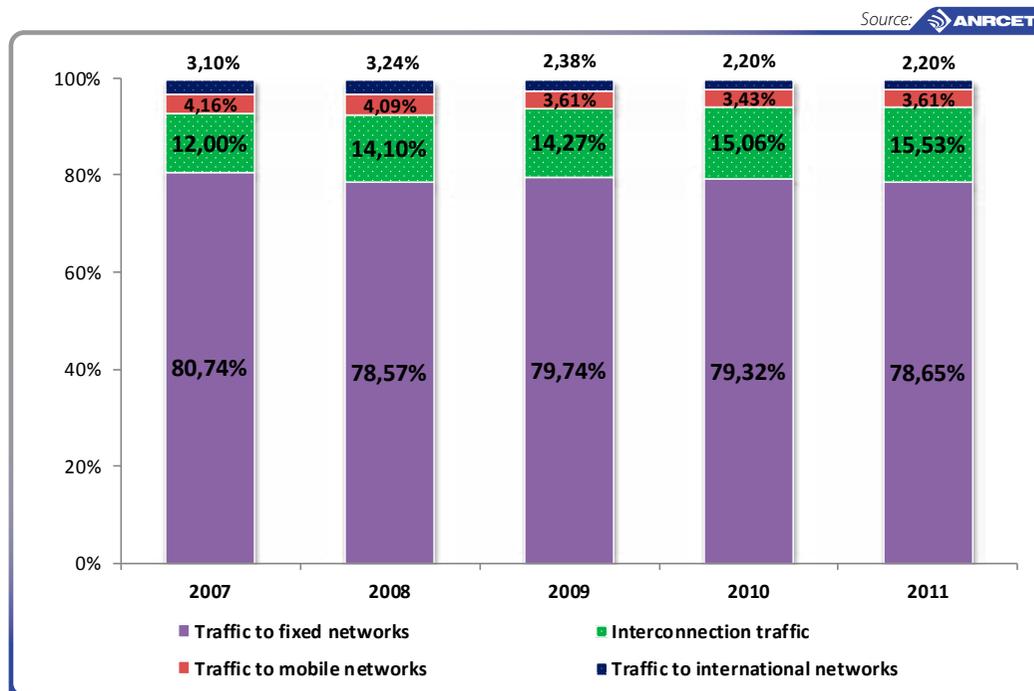


Fig. 36 Evolution of traffic structure in fixed networks

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4 Internet access and data transmission

4.1. General data. Dynamics of the market

In 2011, the market for Internet access and data transmission was operated by 46 providers. In this timeframe the Internet access band in the Republic of Moldova increased over 2010, by 41% and reached 122,7 Gbps. This development was caused mainly by the increasing number of Internet users, change of their preferences (accessing video content and social media), the increase of the duration of Internet use per month and diversification of ways to access the Internet (more frequent use of tablets and smartphones).

The total volume of sales on the market for Internet access and data transmission services reached 678,2 million lei, which is a 25,2% increase over 2010. The most significant sales increase was achieved by JSC "Moldtelecom", "Starnet" LLC and JSC "Orange Moldova". The turnover of JSC "Moldtelecom" increased by 30,4% and reached 454 million lei, "Starnet" LLC – by 34,7% and constited 106,5 million lei, JSC "Orange Moldova" – by 19,6% and totaled 27,1 million lei (Figure 37).

As a result of this evolution, the share of JSC "Moldtelecom", in terms of revenues raised to 66,9%, "Starnet" LLC – to 15,7%, JSC "Orange Moldova" – to 4%. The total share of the other providers on this market decreased to 13,4% (Figure 38).

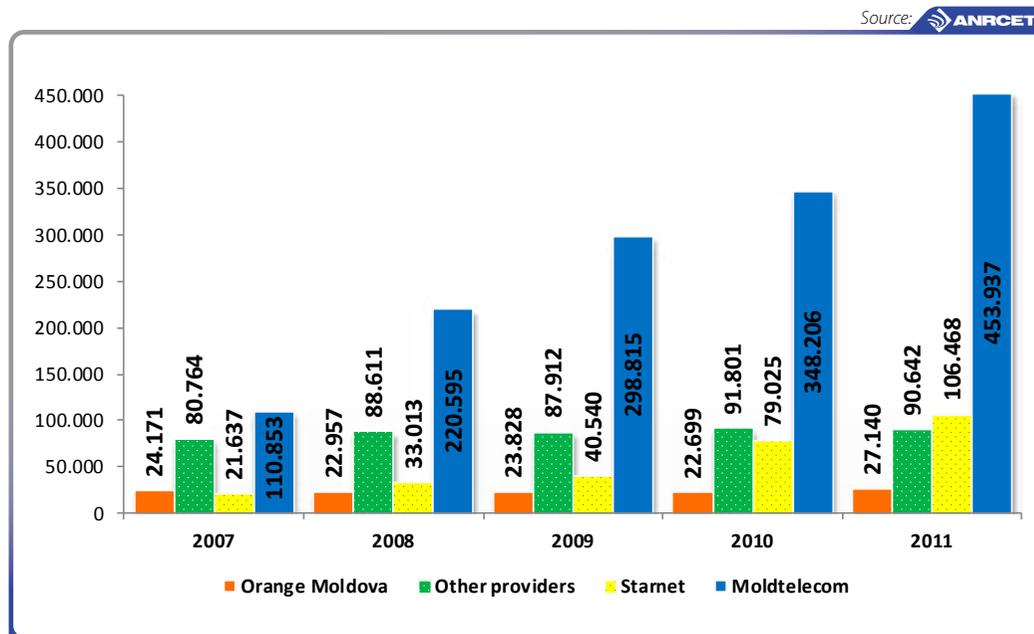


Fig. 37 Structure of the market, in terms of revenues obtained by providers (thousand lei)

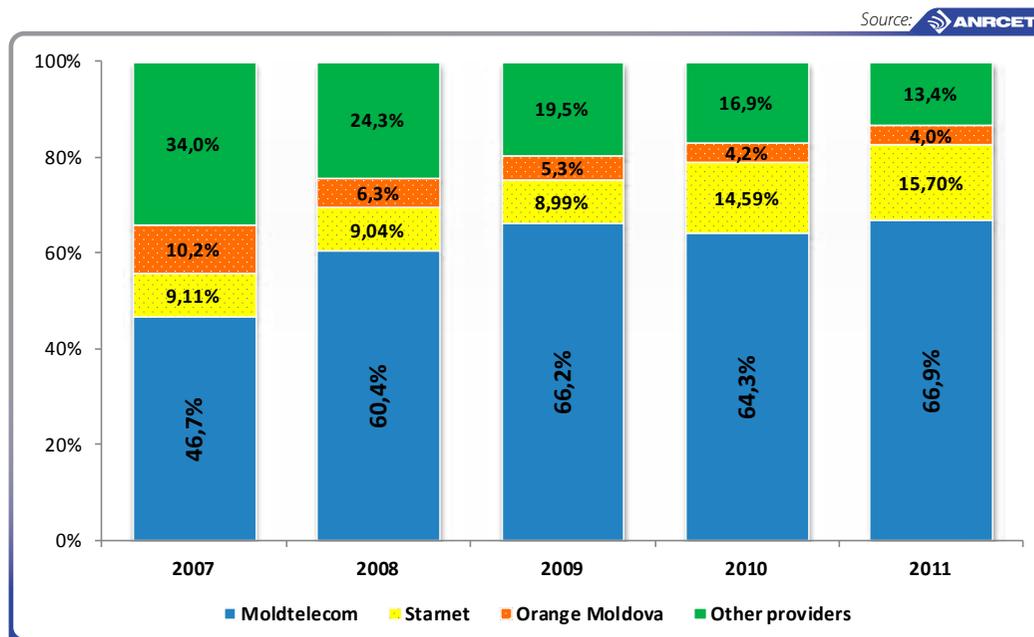


Fig. 38 Market shares of providers, in terms of turnover

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The average monthly revenue per user (ARPU) of Internet access providers declined, compared with 2010, by 6,08% and constituted 144,68 lei (Figure 39).

4.2. Users and penetration

The total number of subscribers to broadband Internet access at fixed locations reached 355,1 thousand, 32% increase over 2010. The penetration rate of these services per 100 inhabitants equaled 9,97%, a 2,42 p.p. increase over 2010. (Figure 40).

In 2011, of the total number of subscribers to broadband Internet access services at fixed locations, 95,1% were natural persons, (home subscribers), and 4,9% - legal persons (Figure 41).

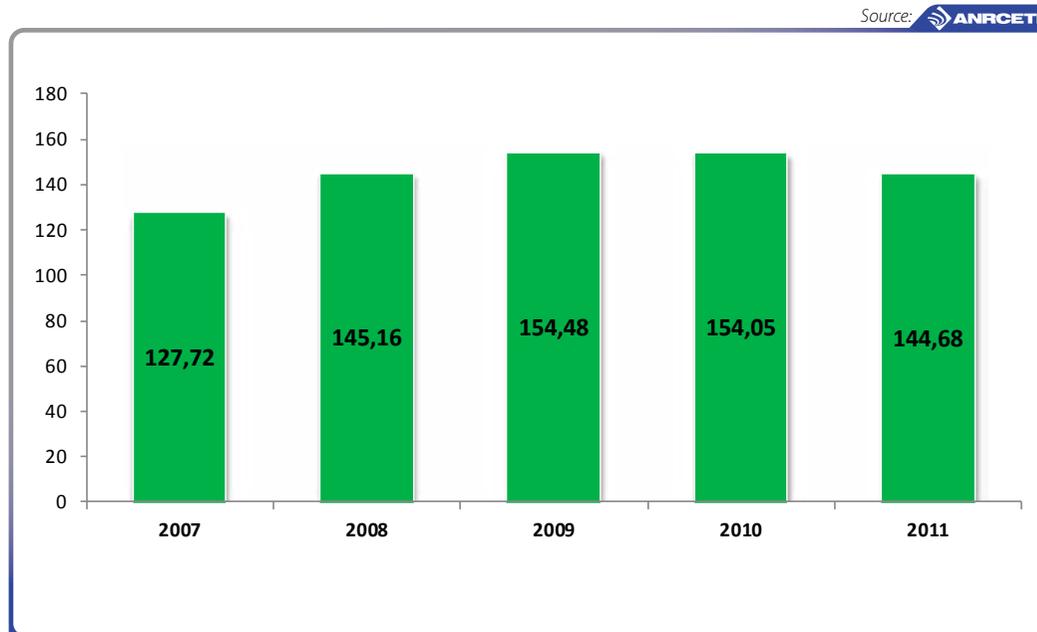


Fig. 39 Evolution of average monthly revenue per user (lei)

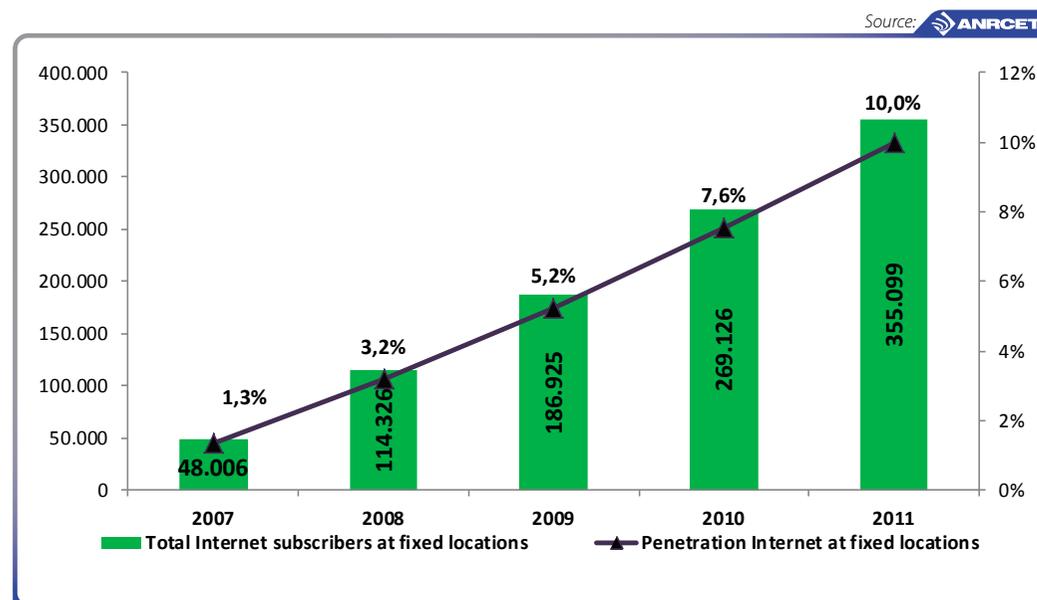


Fig. 40 Evolution of the number of subscribers and penetration for services of Internet access at fixed locations

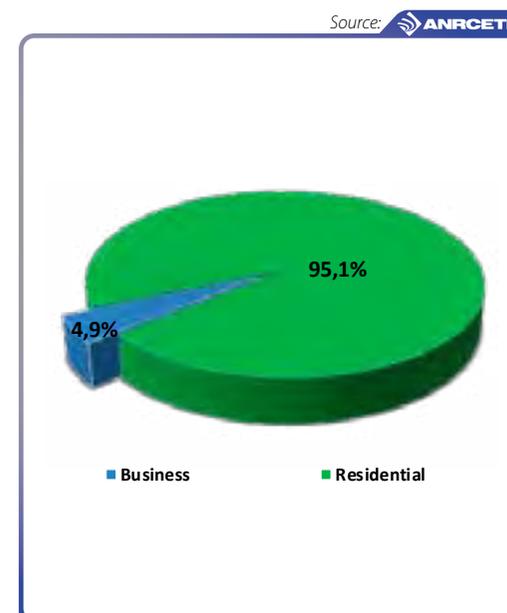


Fig. 41 Share of subscribers natural/legal persons

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Compared to the penetration rates in other regions, the penetration rate of broadband Internet access services at fixed locations in the Republic of Moldova (Figure 42), by 1,5 p.p. exceeds the global average (8,5%) and by 0,4 p.p. – the average level registered in the CIS (9,6%). However, compared with the neighbouring states, this indicator is by 0,8 p.p lower than in the Ukraine (10,8%) and with by 5,1 p.p. lower than in Romania (15,2%). The value of this indicator is much lower than the 23,9% average in the EU countries.

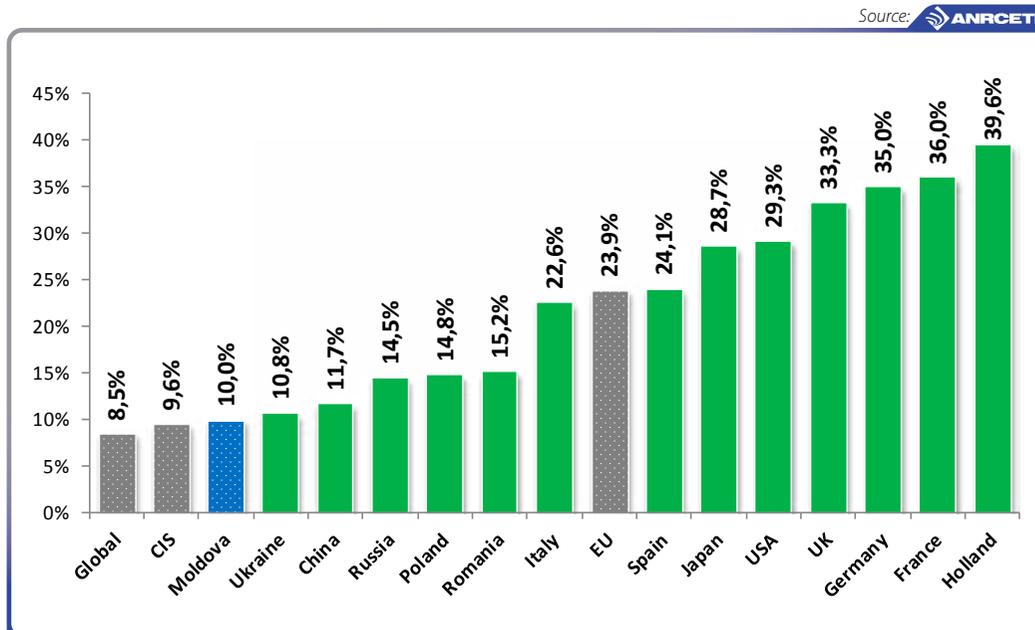


Fig. 42 Penetration rates¹ of broadband services in the Republic of Moldova and other countries/regions

Though in 2011 the share of JSC “Moldtelecom”, in terms of number of subscribers, dropped by 0,9 p.p, this provider still holds the biggest market share – 69,5%. The market share of “Starnet” LLC dropped by 0,4% and equaled 17,6% (Figure 43).

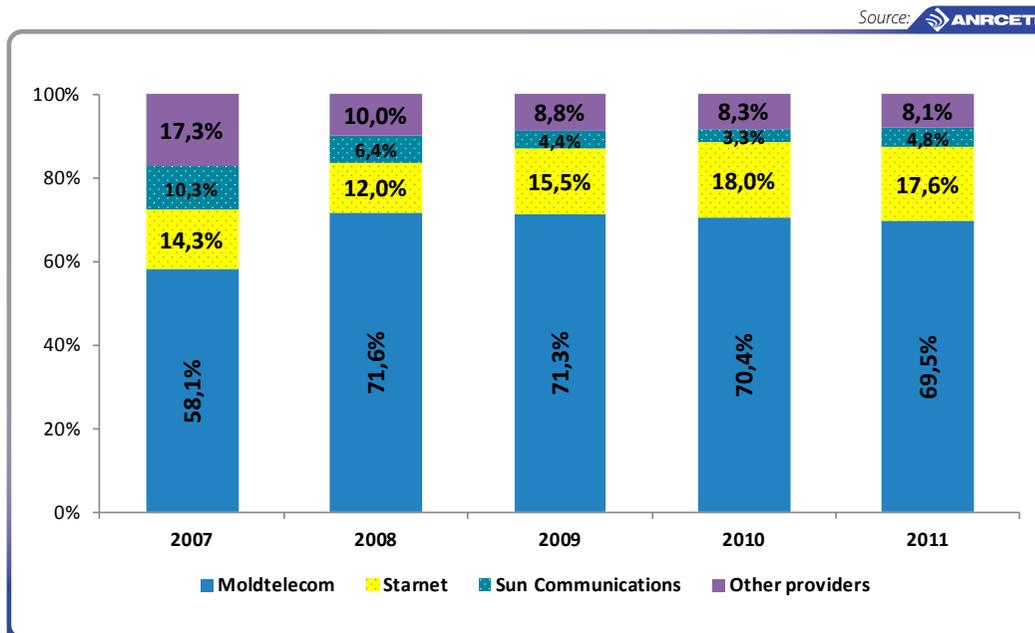


Fig. 43 Market shares, of number of subscribers

¹ Estimative statistical data, taken from different sources.

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In 2011, JSC "Moldtelecom" performed the biggest number of net connections of subscribers to its network – 57,3 thousand (68,6% of the number of net connections). "Starnet" LLC connected 14,2 thousand (16,9%) new subscribers, "Sun Communications" LLC – 8,1 thousand (9,52%), the other providers - 6,4 thousand (7,4%) (Figure 44).

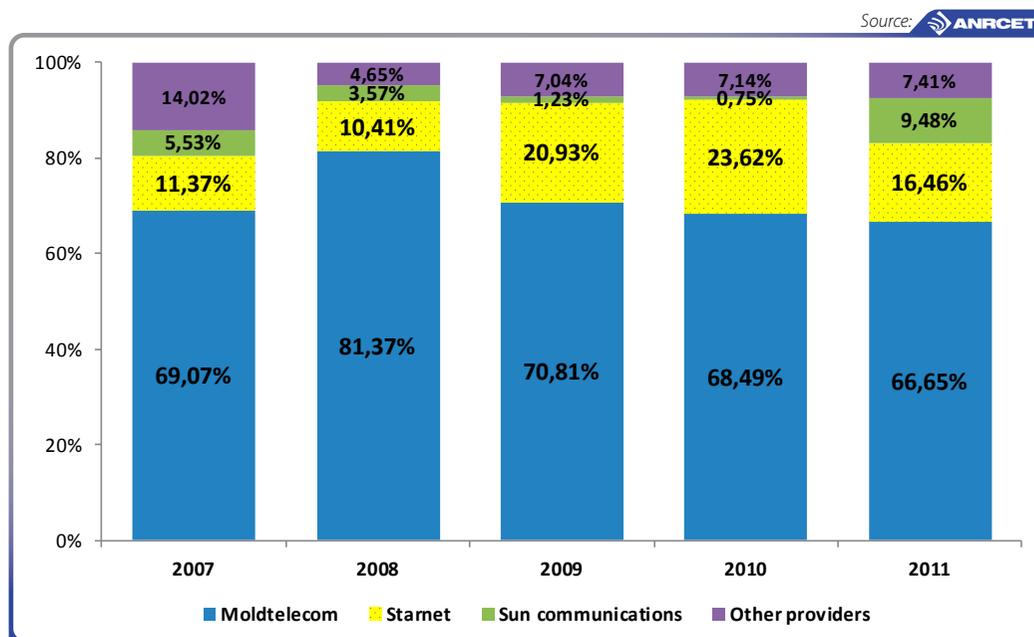


Fig. 44 Evolution of net connections of new subscribers to broadband services

In 2011, the and FTTx technologies were the ones most widely used to connect subscribers to broadband Internet at fixed locations. The number of new subscribers connected by means of xDSL increased by 19,4% and was estimated at 196,7 thousands, by means of FTTx, increased by 48% and reached 141 thousand, whereas the number of subscribers connected via coaxial cable (DOCSIS technologies) grew by 115,7%, exceeding 16,2 thousand subscribers (Figure 45).

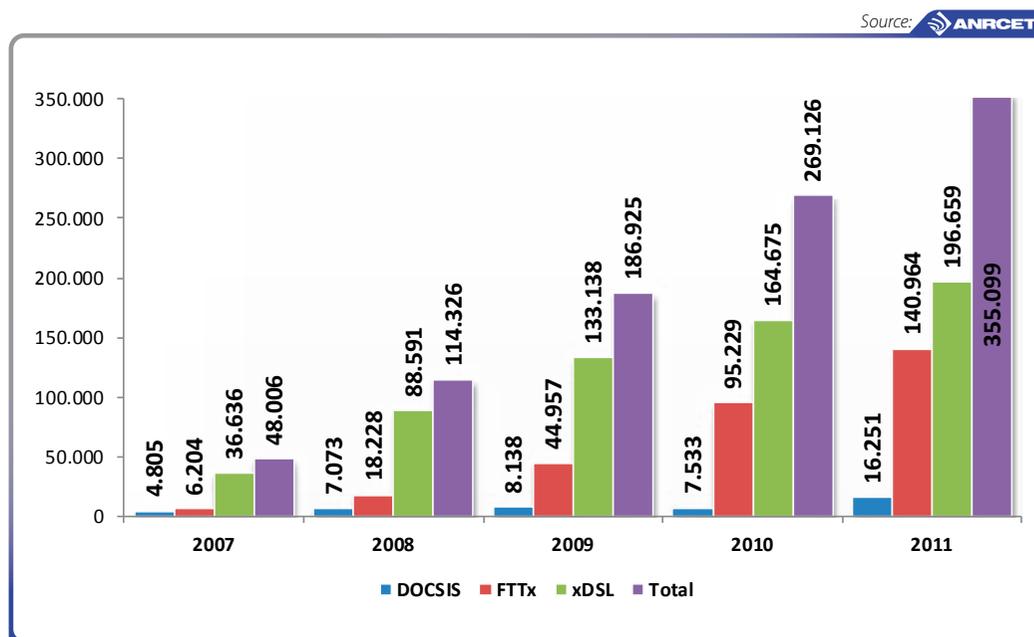


Fig. 45 Number of subscribers to broadband services, in terms of technology

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In the timeframe under report, the share of connections to broadband Internet at fixed locations by means of FTTx technologies increased by 4,3 p. p. and constituted 39,7%, the share of xDSL connections decreased by 5,8 p.p. and estimated 55,4% (Figure 46).

The increase of the share of connections via FTTx was caused by the expansion of these types of networks in the urban areas of Moldova and the on-going substitution of xDSL connections with FTTx, where such networks are available. This substitution is generated by technological advantages for users of FTTx access against the ADSL access.

The territorial development of broadband services at fixed locations in 2011 was marked by an on-going high concentration of subscribers in Chisinau municipality, where more than 46% of the total number of subscribers to these services reside. As of 31.12.2011, in the country capital, the penetration rate of broadband services, as per 100 households, was 58,7%, and in the districts of the country – between 8 and 36%.

According to the data supplied by the providers, 68,1% of the total number of subscribers to services of broadband Internet access at fixed locations are urban residents and 31,9% - rural (Figure 47).

4.3. Broadband mobile Internet access

In 2011, the total revenue of providers generated by broadband mobile Internet¹ constituted 175 million 661 thousand lei. JSC "Orange Moldova" – 113 million 891 thousand lei, JSC "Moldcell" – 39 million 170 thousand lei, JSC "Moldtelecom" – 22 million 600 thousand lei (Figure 48).

¹ Revenues generated by services qualified by providers as broadband mobile access, even if the effective access can be performed via 2G networks.

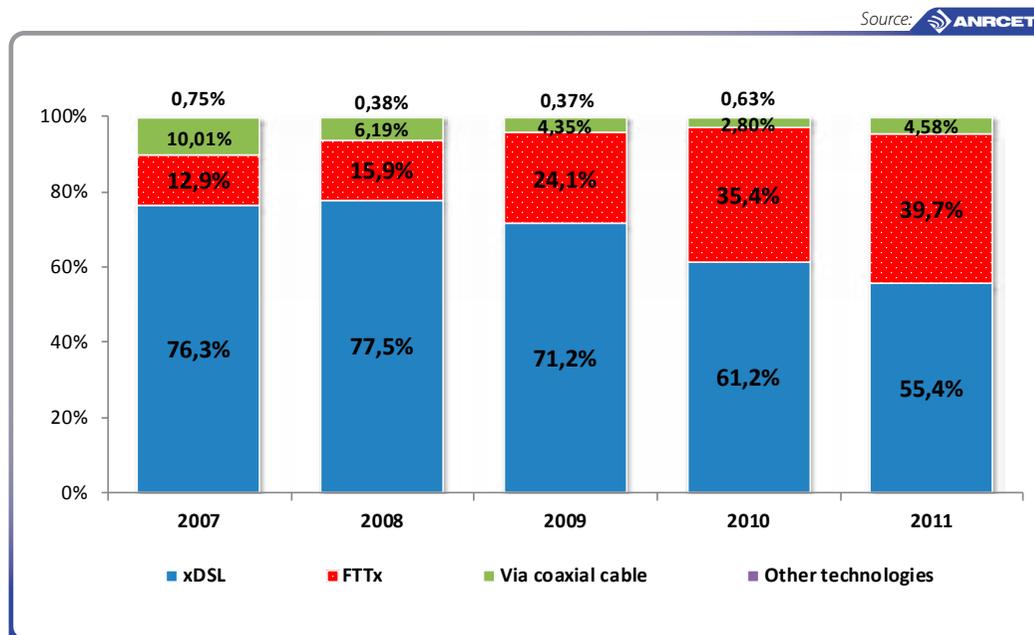


Fig. 46 Share of technologies of access to broadband Internet

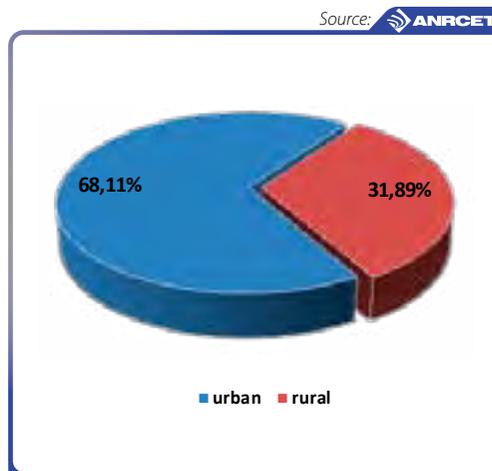


Fig. 47 Number of subscribers to broadband services, in terms of place of residence

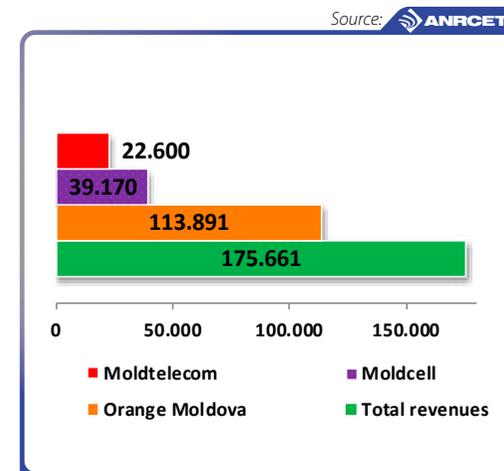


Fig. 48 Revenues from broadband mobile access per provider, in 2011 (thousand)

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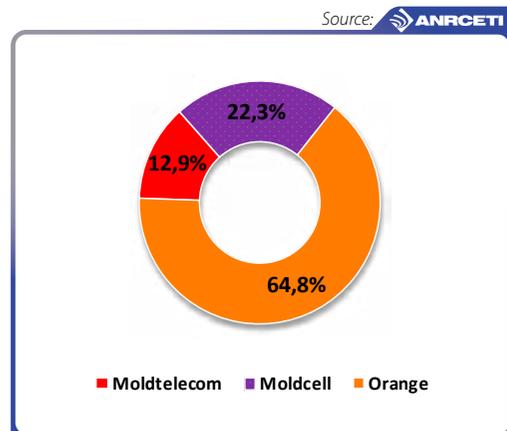


Fig. 49 Market shares of broadband mobile access providers, in terms of turnover

The shares of the broadband mobile access market in terms of turnover were distributed as follows: 64,8% - JSC "Orange Moldova", 22,3% - JSC "Moldcell" and JSC "Moldtelecom" – 12,9% (Figure 49).

As per 31.12.2011, JSC „Orange Moldova” had the highest number of subscribers to dedicated broadband mobile access - 79,2 thousand. JSC "Moldtelecom" registered 23,8 thousand subscribers, JSC „Moldcell” – 21,8 thousands. The penetration rate of these services per 100 inhabitants was 3,5% (Figure 50).

The average monthly revenue per user (ARPU) of broadband mobile access providers was about 118,8 lei, the highest - 125,7 – lei was registered by JSC "Orange Moldova", 114,7 lei - JSC "Moldtelecom" and 104,3 – JSC "Moldcell" (Figure 51).

¹ The data do not contain the traffic of JSC "Moldtelecom" subscribers

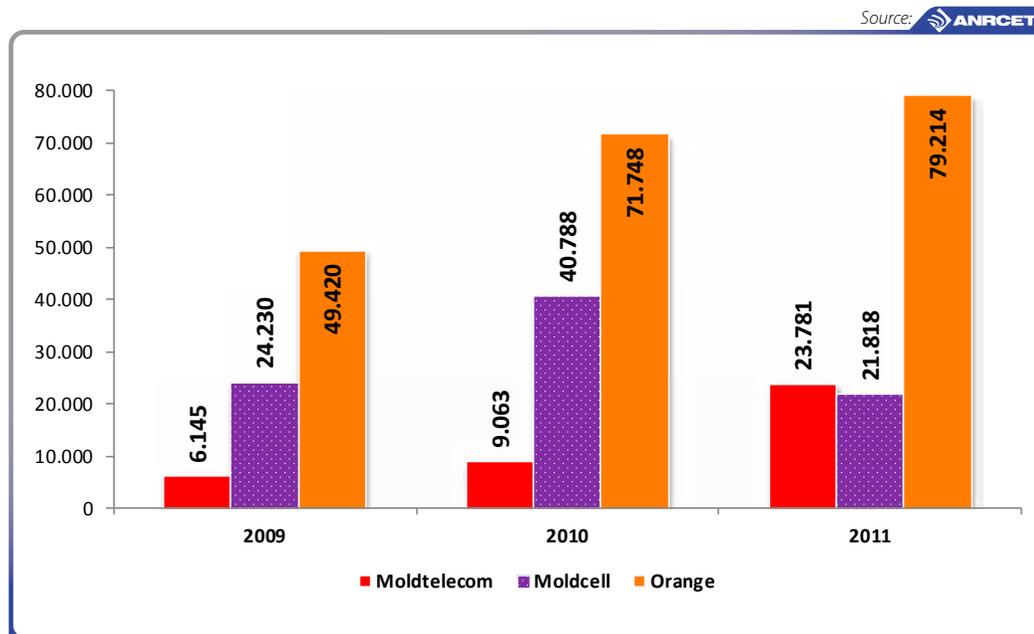


Fig. 50 Evolution of the number of subscribers to broadband mobile Internet (thousands)

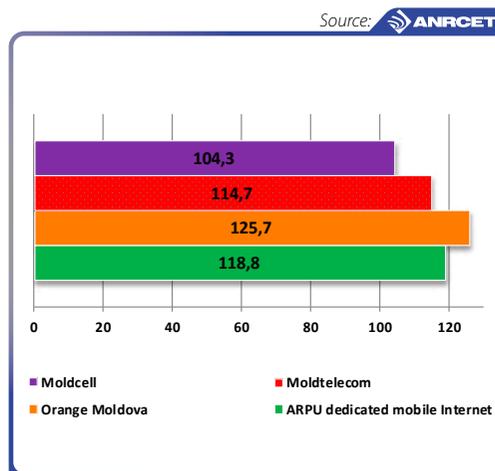


Fig. 51 Average monthly revenue per user (ARPU) of broadband mobile access providers, in 2011 (lei)

In the reporting period, the overall volume of mobile Internet traffic¹ consumed by users of mobile voice communications amounted to 389,6 thousand GB or about 27 MB per user per month. The total mobile Internet traffic generated by users of dedicated broadband mobile access services was 6 million 227,3 thousand GB or about 4.2 GB per subscriber per month.

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5 Audiovisual program broadcasting and retransmission

5.1. General data. Dynamics of the market

In 2011, the market for audiovisual program broadcasting and retransmission services was noted by the rapid development of multichannel TV services. The sector was operated by 118 furnizori. The total volume of sales in the sector grew by 24,5% over 2010 and reached 283,95 million lei. The highest share of this market – 53,9% (or 153,1 million lei) – belonged to multichannel TV services, and 46,1% (or 130,9 million lei) – air TV and radio services (Figure 52).

The average monthly revenue per user (ARPU) for providers of multichannel TV services increased, over 2010, by 43,5% and totaled 58,8 lei (Figure 53). The ARPU of the major provider on this market segment – “Sun Communications” LLC - was 58,1 lei, JSC “Moldtelecom” – 96,05 lei.

In 2011, company “Sun Communications” LLC, in turns of turnover had 48,85% market share, JSC “Moldtelecom” – 22,4%, “AMT” LLC – 4,7%, “CTC Alfa” LLC – 2,54% (Figure 54).

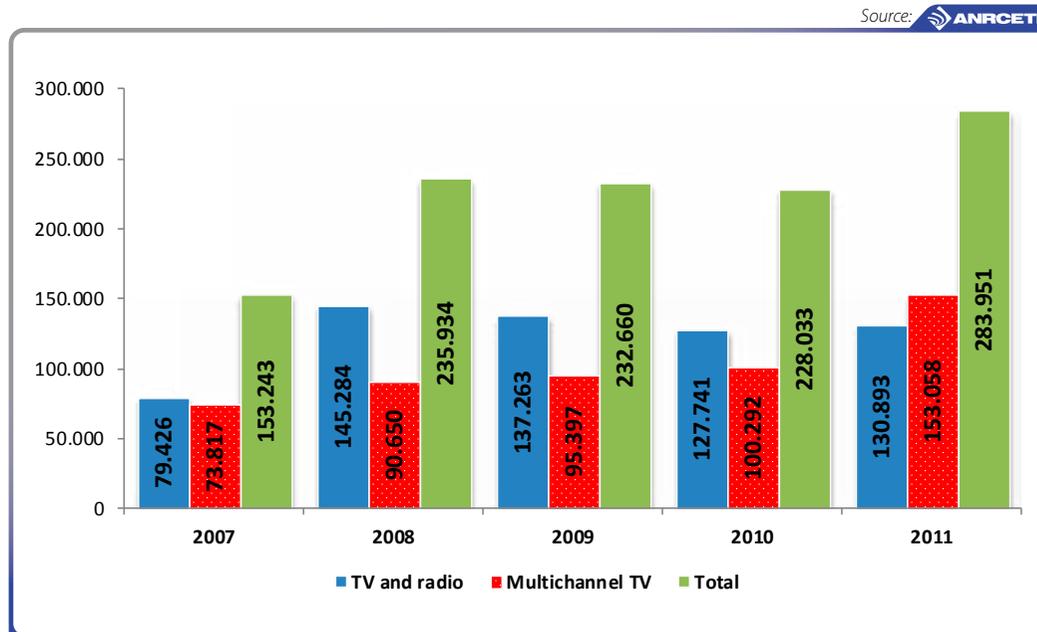


Fig. 52 Evolution of turnover on the market for audiovisual program broadcasting and retransmission servciilor (thousand lei)

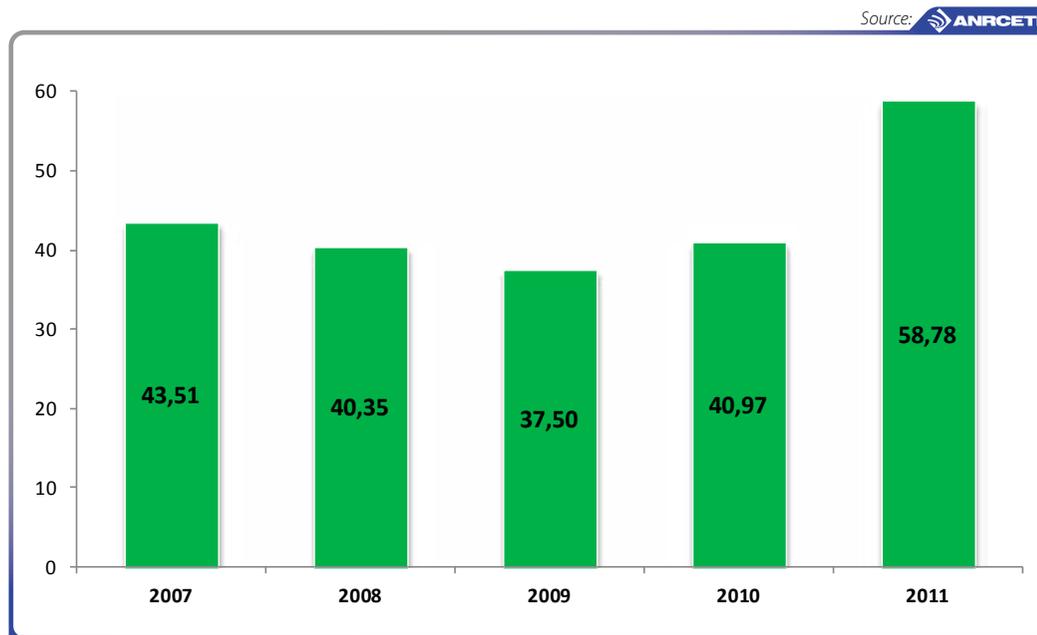


Fig. 53 Evolution of the average monthly revenue per user ARPU (lei)

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5.2. Users and penetration

In the reporting timeframe, the number of subscribers to multichannel TV services increased over 2010, by 11,4% and reached 256,1 thousands. The penetration rate per 100 inhabitants, grew by 0,7% and made up 7,2% (Figure 55).

Din numărul total al abonaților la serviciile TV Of the total number of subscribers to multichannel TV services, 211,2 thousand (82,46%) are subscribers to coaxial cable TV, 35,1 thousand (13,71%) – to IPTV services, 6,2 thousand (2,45%) – to satellite TV (DTH) and 3,5 thousand (1,38%) to MMDS (Figure 56).

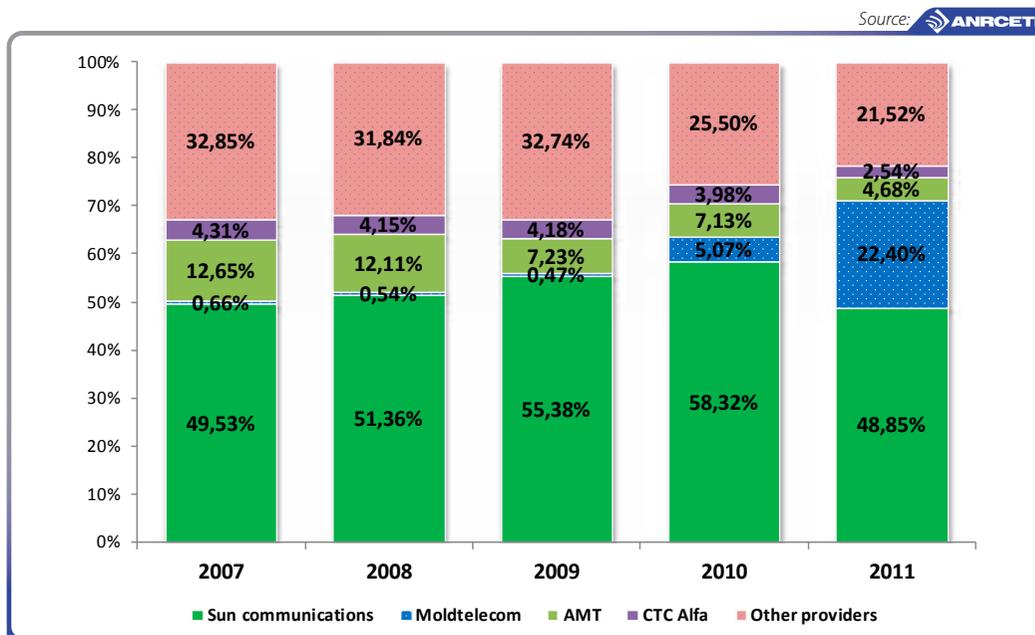


Fig. 54 Evolution of the multichannel TV service structure, in terms of turnover

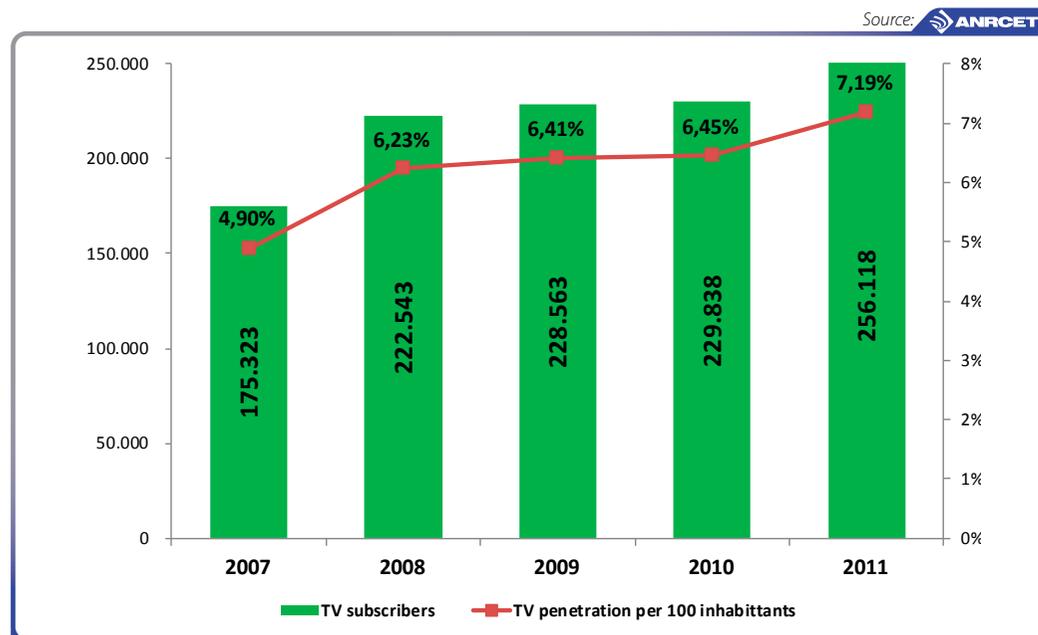


Fig. 55 Number of multichannel TV subscribers and penetration rates

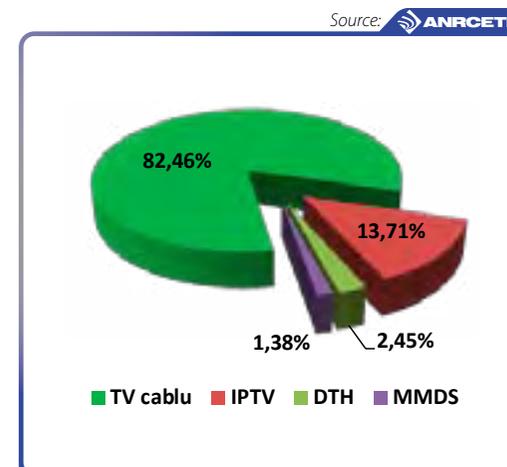


Fig. 56 Structure of subscribers to multichannel TV services, in terms of reception technology

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In 2011, the trend of increasing usage of digital multichannel TV services continued. The number of users benefitting from digital TV content increased by 124% and equaled 80,1 thousand, the analog TV – by 7,1% and constituted 207,8 thousand. The share of subscribers to analog multichannel TV services was 72,2% and subscribers to digital TV - 27,8% (Figure 57).

Most of the subscribers of digital TV were subscriber to services received via coaxial cable and IPTV (Figure 58). The share of subscribers to digital cablu TV services was 43,97%, IPTV - 43,79%.

In 2011, "Sun Communications" had the highest number of subscribers to multichannel TV services - 42,4% (108,5 thousand) – increased by 2,32% over 2010. JSC "Moldtelecom" held 13,45%, and "AMT" LLC – 7,81% (Figure 59).

In 2011, the trend of increasing number of TV channels received by subscribers continued, the majority having the possibility to receive over 50 channels. Thus, the customers of "Sun Communications" LLC can receive up to 134 channels, subscribers of JSC "Moldtelecom" – up to 94 channels (including 7 HD channels). These and other providers extended the list of TV channels received, introduced options for interactive digital TV users (DWR, EPG, widgets, pause, time shifting, parental controls), factors that stimulate the increase in the number of subscribers and revenues obtained from provision of multichannel digital TV services.

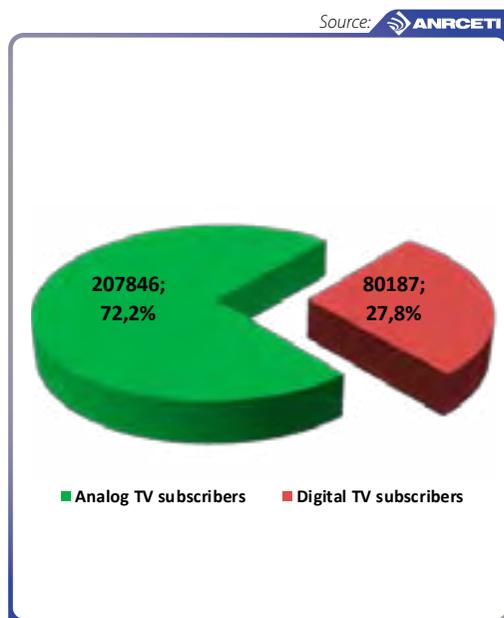


Fig. 57 Structure of subscribers to multichannel TV services- analog/digital

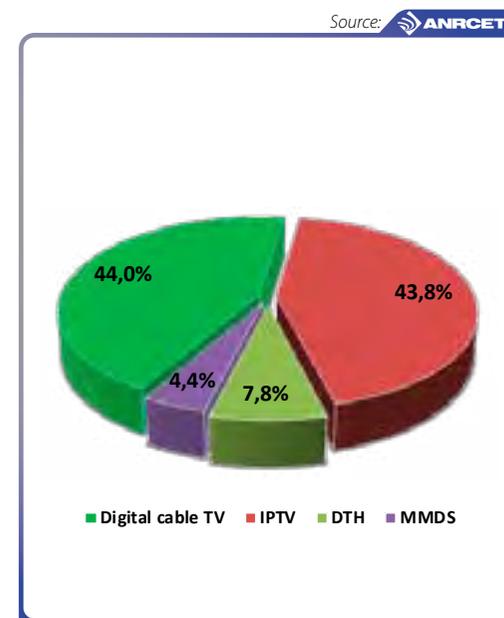


Fig. 58 Structure of subscribers to digital TV, in terms of reception technology

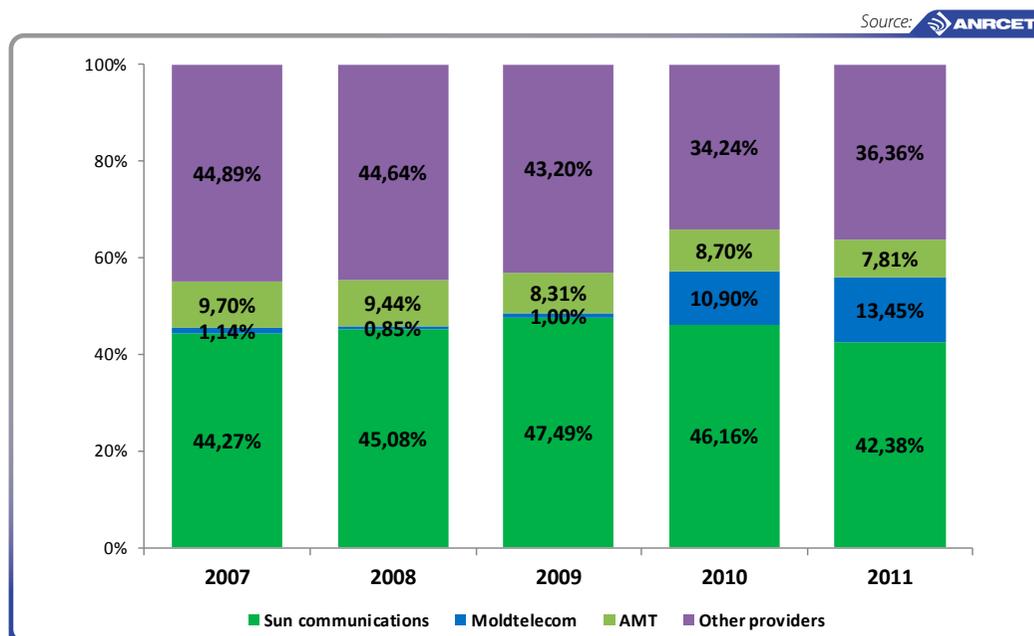


Fig. 59 Structure of multichannel TV market, in terms of number of users

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6 Conclusions. Forecast for 2012

In 2011, the electronic communications sector registered a moderate, 1,3%, increase of the aggregated turnover. Compared to 2010, the rhythm of sector growth reduced by 7,6 p. p. This evolution was caused mainly by mobile communications, the main sector development engine, which, in 2011, displayed signs of maturity and slowing down growth, as well as decline of revenues on the fixed telephony market. The reduction of sector growth was also determined by the decline of revenues obtained by providers from services of call termination in mobile and fixed networks as a result of regulatory remedies imposed by ANRCETI.

The most important revenues increase in 2011 occurred on the market for broadband Internet access and the market for audiovisual program broadcasting and retransmission. According to the trend of the recent years, these markets will continue to grow in 2012. The the most significant increase being expected on the broadband Internet access market, including broadband mobile Internet.

The only market that underwent a significant decline is the fixed telephony market. This evolution is part of the global trend of fixed telephony markets decline and is caused by the the substitution of fixed telephony services with other services, more convenient and less

expensive (mobile, voice over Internet networks, Skype etc.).

According to the forecast made by ANRCETI for 2012, the electronic communications sector will undergo about 2% growth and will reach the value of 6,3 - 6,4 billion lei. This growth will be driven by the increasing revenues obtained on mobile communications market (about 5%), Internet access and data transmission market (about 25%), audiovisual program broadcasting and retransmission market (by 20%). On the other hand, the fixed telephony market will continue to diminish in terms of revenues (about 10%). The number of mobile communications users will grow by about 15% and will exceed 4,3 million, the penetration rate of these services per 100 inhabitants will reach 120%. The number of subscribers to dedicated broadband mobil Internet services will grow by about 30% and total 160 thousand. At the same time, due to the development of Internet access via mobile networks and reduction of price to equipment for customers: smartphones, tablets, etc., the number of users mobile Internet users will grow too.

ANRCETI estimations show that the number of fixed telephony subscribers will grow by 1-2% and make up 1,20 million, the penetration rate will make 33,7%. This growth will be caused mainly by provision of telephone lines to new residence areas the development of triple – play services (Internet, TV and telephony).

However, the revenues from fixed telephony service provision will continue to decrease. This decrease is generated by the continual migration of traffic from fixed to mobile and Internet networks, as well as by the dependence of fixed telephony providers on the revenues from international calls (53% of the revenue) given the reduction of this type of traffic in fixed networks.

In 2012, the market for broadband Internet access at fixed locations, like in 2010-2011, will be the most dynamic market. The number of subscribers to these services will increase by 30% - 35% and exceed 450 thousand, the penetration rate will reach 12,8%. The growth in this market is determined by the increasing influence of the Internet on the daily lives of Internet users (social media, blogging, video sharing, cloud computing, e-services, etc.), the development of optical access infrastructure, the increased access bands to tariff plans offered, inclusion of additional services in offers (VAS, e.g.,- antivirus) and reduction of tariffs per megabit.

According to ANRCETI estimations, in 2012, the market for audiovisual program broadcasting and retransmission will exceed the pace of development in 2011. This market will undergo an increase in the number of subscribers and revenues, a trend caused by the intensified competition between providers of digital TV - IPTV services and cable TV services.

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Annex

Geographic breakdown of broadband Internet access services at fixed locations, provided in administrative-territorial units of the Republic of Moldova, as per 31.12.2011.

no	Administrative Territorial Unit	Total broadband subscribers	Penetration of services per 100 households	Subscribers				Share of access technologies				Penetration per 100 inhabitants 2011	Dynamics of penetration i (p.p)		Increase in the number of subscribers 2011 (un.)				
				via xDSL	via FTTx	via coaxial cable	other.	xDSL	FTTx	Co-axial cable	Other		per 100 households	per 100 inhabitants	xDSL	FTTx	Coaxial cable	Other	Total broadband subscribers
1	Mun. Chişinău	163.738	58,74%	37.125	110.192	15.511	910	22,7%	67,3%	9,5%	0,6%	20,60%	2,54	3,00	-11.425	29.629	8.402	-774	25.832
2	Mun. Bălţi	20.024	36,45%	9.498	9.802	640	84	47,4%	49,0%	3,2%	0,4%	13,42%	10,75	5,32	-251	7.996	196	84	8.025
3	District Anenii Noi	6.801	25,09%	6.062	628	0	111	89,1%	9,2%	0,0%	1,6%	8,18%	8,19	2,78	1.573	627	0	111	2.311
4	District Basarabasca	2.077	21,58%	1.889	188	0	0	90,9%	9,1%	0,0%	0,0%	7,16%	1,98	0,86	83	150	0	0	233
5	District Briceni	5.694	22,36%	4.968	726	0	0	87,2%	12,8%	0,0%	0,0%	7,62%	7,86	2,12	1.271	240	0	0	1.511
6	District Cahul	9.173	23,37%	7.744	1.429	0	0	84,4%	15,6%	0,0%	0,0%	7,34%	4,77	1,84	1.584	774	0	0	2.358
7	Raionul Cantemir	4.380	24,05%	4.058	322	0	0	92,6%	7,4%	0,0%	0,0%	7,01%	7,15	2,31	1.263	173	0	0	1.436
8	District Călăraşi	4.051	14,80%	3.548	502	0	1	87,6%	12,4%	0,0%	0,0%	5,14%	3,40	1,44	854	224	0	1	1.079
9	District Căuşeni	5.559	18,57%	5.081	450	0	28	91,4%	8,1%	0,0%	0,5%	6,04%	5,87	2,04	1.557	287	0	28	1.872
10	District Cimişlia	4.338	22,48%	4.057	281	0	0	93,5%	6,5%	0,0%	0,0%	7,08%	6,58	2,18	1.225	25	0	0	1.250
11	District Criuleni	4.146	17,89%	3.888	258	0	0	93,8%	6,2%	0,0%	0,0%	5,66%	6,19	1,96	1.206	258	0	0	1.464
12	District Donduşeni	2.328	12,99%	2.189	139	0	0	94,0%	6,0%	0,0%	0,0%	5,20%	4,29	1,70	649	91	0	0	740
13	District Drochia	5.689	17,30%	5.055	634	0	0	88,9%	11,1%	0,0%	0,0%	6,36%	3,10	1,46	967	223	0	0	1.190
14	District Dubăsari	871	7,92%	871	0	0	0	100,0%	0,0%	0,0%	0,0%	2,47%	-1,88	-0,43	-139	0	0	0	-139
15	District Edineţ	5.950	19,69%	5.037	912	0	1	84,7%	15,3%	0,0%	0,0%	7,21%	4,89	1,91	1.109	419	0	1	1.529
16	District Făleşti	5.355	16,23%	4.828	527	0	0	90,2%	9,8%	0,0%	0,0%	5,80%	6,13	2,40	1.686	460	0	0	2.146
17	District Floreşti	5.488	16,68%	4.742	661	0	85	86,4%	12,0%	0,0%	1,5%	6,13%	6,68	2,53	1.623	540	0	85	2.248
18	District Glodeni	3.918	18,25%	3.581	337	0	0	91,4%	8,6%	0,0%	0,0%	6,38%	7,65	2,68	1.394	231	0	0	1.625
19	District Hînceşti	7.070	18,92%	6.391	679	0	0	90,4%	9,6%	0,0%	0,0%	5,81%	5,32	1,71	1.790	261	0	0	2.051
20	District Ialoveni	7.618	25,73%	6.348	1.270	0	0	83,3%	16,7%	0,0%	0,0%	7,64%	6,03	1,84	1.122	821	0	0	1.943
21	District Leova	3.849	22,78%	3.483	366	0	0	90,5%	9,5%	0,0%	0,0%	7,18%	8,38	2,88	1.390	161	0	0	1.551
22	District Nisporeni	3.620	17,55%	3.575	45	0	0	98,8%	1,2%	0,0%	0,0%	5,44%	5,05	1,74	1.075	45	0	0	1.120
23	District Ocniţa	3.605	17,43%	3.356	249	0	0	93,1%	6,9%	0,0%	0,0%	6,46%	5,33	1,96	933	129	0	0	1.062
24	District Orhei	8.991	21,76%	6.161	2.727	100	3	68,5%	30,3%	1,1%	0,0%	7,15%	5,06	2,15	1.677	930	100	-2	2.705
25	District Rezina	3.302	18,60%	2.771	531	0	0	83,9%	16,1%	0,0%	0,0%	6,31%	4,70	2,01	771	264	0	0	1.035
26	District Rîşcani	4.285	16,29%	3.961	324	0	0	92,4%	7,6%	0,0%	0,0%	6,17%	4,39	1,77	1.003	191	0	0	1.194
27	District Sîngerei	5.725	18,43%	5.378	347	0	0	93,9%	6,1%	0,0%	0,0%	6,14%	5,43	2,14	1.873	104	0	0	1.977
28	District Soroca	6.564	17,95%	5.476	1.087	0	1	83,4%	16,6%	0,0%	0,0%	6,56%	5,65	2,36	1.424	911	0	1	2.336
29	District Străşeni	7.372	26,39%	5.901	1.470	0	1	80,0%	19,9%	0,0%	0,0%	8,06%	8,19	2,66	1.559	863	0	1	2.423
30	District Şoldăneşti	2.050	13,51%	2.040	10	0	0	99,5%	0,5%	0,0%	0,0%	4,77%	5,31	1,97	797	10	0	0	807
31	District Ştefan Vodă	3.889	16,72%	3.436	453	0	0	88,4%	11,6%	0,0%	0,0%	5,44%	5,02	1,74	993	219	0	0	1.212
32	District Taraclia	3.454	26,86%	3.205	249	0	0	92,8%	7,2%	0,0%	0,0%	7,83%	6,96	2,13	685	249	0	0	934
33	District Teleneşti	4.185	17,35%	3.966	219	0	0	94,8%	5,2%	0,0%	0,0%	5,66%	6,25	2,26	1.581	78	0	0	1.659
34	District Ungheni	7.385	19,08%	5.075	2.310	0	0	68,7%	31,3%	0,0%	0,0%	6,30%	5,78	2,20	1.440	1.136	0	0	2.576
35	UTA Gagauzia	12.555	27,13%	11.915	640	0	0	94,9%	5,1%	0,0%	0,0%	7,79%	5,03	1,59	2.542	175	0	0	2.717
Total		355.099	29,62%	196.659	140.964	16.251	1.225	55,4%	39,7%	4,6%	0,3%	9,98%	5,82	2,48	28.884	48.894	8.698	-464	86.012



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