

**CONTRIBUTION**  
**TO THE GSR2013 CONSULTATION PROCESS ON**  
**ROLES OF REGULATION AND REGULATORS IN A DIGITAL**  
**ENVIRONMENT**

**4G PUBLIC ELECTRONIC COMMUNICATIONS REGULATION IN THE**  
**REPUBLIC OF MOLDOVA**

**1. Regulation 4.0:**

***Innovative and smart regulatory approaches fostering equal treatment of market players, stimulating services uptake and access to online services and applications without putting extra burden on operators and service providers (co-regulation, self-regulation, smart incentives etc.).***

Currently, on the market for terrestrial mobile electronic communications in Moldova, three companies are legally providing 2G and 3G networks and services: JSC „Orange Moldova”, JSC „Moldcell” and JSC „Moldtelecom”, including „Orange Moldova” and „Moldcell” – providing 4G networks and services. The latter were authorized in this respect, upon request, on 08.11.2013 by the National Regulatory agency for Electronic Communications and Information Technology (ANRCETI) (JSC „Moldtelecom” has not applied for a 4G license). The licenses for the use of spectrum, necessary for the provision of 4 G services were directly granted to companies, having in view that the offered right constitutes a successive evolution for the networks already built and provided under authorizations, a right stipulated by the Law on Electronic Communications no.241-XVI, of November 15, 2007, Government Decree no. 365 of June 6, 2012, on the development of public electronic communications broadband radio access networks and services and the Program for broadband Internet access for 2010-2013, approved by Government Decree no. 1077 of November 17, 2010.

We would also like to mention that according the Program for Spectrum Management for 2013-2020, approved by Government Decree no. 116 of 11.02.2013, ANRCETI has announced an open international auction, based on a competitive selection procedure, from 2500 -2690 MHz band, one license for the use of spectrum in the provision of 4 G networks/services and is about to auction, before the end of the year, two more licenses for the use of 2500 -2690 MHz frequencies. Also, the Agency has put to auction 4 licenses for the use of 3600-3800 MHz frequencies the holder of these licenses will have the right to use any available technology, if this utilization does not contradict the obligations regarding compliance with certain technical and operational conditions, as provided in the Terms of Reference.

The bids will be evaluated according to the criteria and conditions established in the Terms of Reference for the license auction for the use of 3600-3800 MHz sub-bands in the provision of public broadband electronic communications networks/services. (Administrative Board Decision no. 12 of March 28, 2013).

The auction will take place in accordance with the Procedure for organizing and holding auctions, by applying the competitive selection procedure, for licenses authorizing the use of radio frequencies/channels in the provision of public electronic communications networks/services (Administrative Board Decision no. 11 of March 28, 2013).

In order to ensure the transparency in the decision making process and non-discrimination of current or potential market players, to avoid any additional burden of the providers, to safeguard the access of end users, under equivalent and acceptable conditions, to public electronic communications services, the Agency organized consultations and public hearings on all draft documents pertaining to the auction, including the license conditions to be fulfilled by the license holders.

In order to reduce investments in 4G networks, the Agency, through the license conditions, allowed providers to use the already existing infrastructure and elements of public mobile electronic communications networks, based on IMT-2000/UMTS (WCDMA), CDMA2000 and / or GSM / GPRS / EDGE standards, as well as radio frequencies and channels used for fixed microwave links (relays).

## ***2. The evolving role of the regulator: the regulator as a partner for development and social inclusion.***

In order to be perceived as a partner for development and social inclusion, the Agency developed the necessary regulations for the implementation of public services, as follows:

- a) Number portability, due to be launched on 01.07.2013 (mobile) and 31.07.2013 (fixed);
- b) Services of social value harmonized at European level of 116(xxx) form, due to be implemented by the end of 2013.
- c) Premium rate services (a value-added service), such as: entertainment, games and contests, televoting, different types of information - general, business, marketing, assistance, etc.
- d) Freephone services.

## ***3. The need to adapt the structure and institutional design of the regulator to develop future regulation.***

According to the Electronic Communications Act no. 241 of 15.11.2007, the Agency regulates electronic communications *inter alia*, by means of applying the general authorization regime and licensing for use of radio frequencies and channels. The Agency must monitor and supervise the activity of providers in terms of compliance with the legislation, including the general authorization and spectrum license conditions and is empowered to impose sanctions under the legislation in force, such as for the use of radio frequencies and channels without a license, failure to comply with spectrum license conditions, non-compliance with regulations or technical in electronic communications, breach of rules for electromagnetic emission and industrial interference admissible in radio reception.

The Law on Electronic Communications provides that the spectrum for non-governmental use is managed by the administration, the Ministry of Information Technology and Communications, which actually delegated these functions to the National Radio Frequency Center (CNFR), founded by MTIC.

The CNFR keeps records of radio stations, radio frequencies and channels and provides the following services against a fee:

- a) selects, calculates and plans radio frequencies and /or channels, according to the National Frequency Assignment Table;
- b) ensures the electromagnetic compatibility of radio stations;
- c) measures the technical parameters of emission for radio stations;
- d) develops Terms of Reference for radio stations projects and performs their expertise .

In light of the above we should mention that the allocation of functions between the Agency and the CNFR complicates the procedure of spectrum license issuance this generating expenses and being time-consuming.

Given that the license applicant is required to initially obtain, from the CNFR the technical approval, which includes the result of selection, calculation and coordination for the required radio frequency and, from the Coordinating Broadcasting Council - the broadcasting license/retransmission authorization (for audiovisual program broadcasting) the term pending the decision to issue a spectrum license may last up to 6 weeks according to the Law on Electronic Communications decisions, a term which sometimes cannot be met. The term for spectrum license issuance can be reduced and the implementation of „one-stop-shop” system can only be achieved on condition that the Agency will take over the specific functions of the CNFR.

We believe that the transfer of the CNFR (part of MTIC) functions, to the regulator (ANRCETI) will entail better coordination of activities in this field, will reduce bureaucracy and generate savings for the industry in terms of time and financial resources. It will also bring to an end the regulatory reform in electronic communications which started in 2000 – targeted at delimitation of policy-making and policy-implementing functions, while this will be a necessary step to adjust to the European model of electronic communications regulation.

**Director**



**Sergiu SITNIC**