

linking the Private Sector with South-Eastern European Initiatives on ICT Development

Dr. Despina Anastasiadou

Director



**Inaugural Meeting of the private sector ICT Forum
Budva, Montenegro, 26 September 2006**



Overview

- INA and INA Academy
- electronic South East Europe Initiative (eSEE)
- broadband South East Europe Initiative (bSEE): bSEE Action Plan
- The role of the private sector in broadband development
- Proposal to the BAC for SEE: the ICT Forum for the Private Sector
- Concrete Steps
- Further Considerations



Initiative of the FEDERATION OF INDUSTRIES OF NORTHERN GREECE (FING)



Activities

- ✓ Research and Analysis of the Telecommunications market and ICT Infrastructure in Southeastern Europe
- ✓ ICT Training & Dissemination (workshops, conferences, scientific events and distance learning activities)
- ✓ Initiation, management and support of collaborative R&D programmes on ICT
- ✓ Development assistance and guidance on funding opportunities for the development of ICT





INA Academy (SETA) a Centre of Excellence

a non-governmental, non-profit organisation with primary geographical focus on South Eastern Europe

Mission

- To promote interregional collaboration in SEE
- To offer training to telecommunications institutions in SEE region (telecom operators, governments and regulators)
- To promote high quality and effective support services
- To facilitate convergence to EU telecommunications standards in SEE

Activities



member of the Steering Committee of the ITU Centre of Excellence program for CEE and CIS Countries



technical advisor and support mechanism for eSEE Initiative under the Stability Pact



Technical Consultant for ICT issues to the Business Advisory Council for South Eastern Europe (BAC SEE)



INA Academy Nodes in SEE

ICT Forum
Belgrade Node



Under preparation
Sarajevo Node



Podgoritsa Node



Tirana Node



Bucharest Node
To be established



Sofia Node



Skopje Node



INA Academy
Thessaloniki



electronic SEEurope Initiative



Launched in Istanbul in October 2000 - Regional effort in Working Table II of the Stability Pact for SEE. Participating countries: Albania, Bosnia & Herzegovina, Croatia, Moldova, FYROM and Serbia & Montenegro.

Main objectives:

- Development of Information Society in SEE
- Focus on regional strategies and measures
- Promotion of benchmarking, best practices and co-operation within the region

- **eSEE Agenda (2002 – 2006): Significant progress accomplished on a legislative level for the IS in SEE**
- **New eSEE Agenda+ currently under preparation to be validated in a SEE Ministerial Conference in autumn 2006**



INA Academy brings forward the broadband SEE Initiative (bSEE)



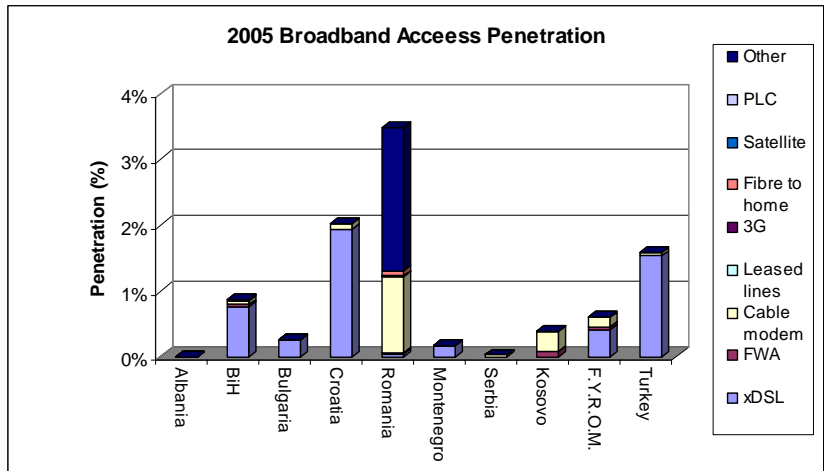
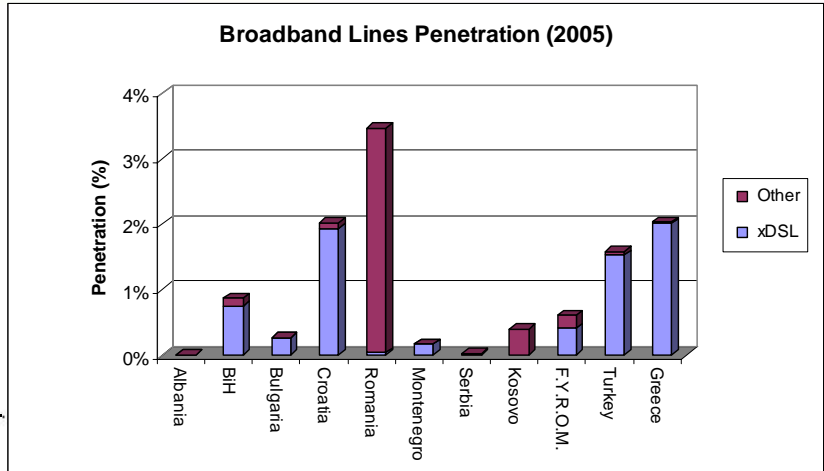
- Kick-off Meeting for bSEE: INA Academy Workshop on Telecommunications, 10th Thessaloniki Forum, 24-25 of May 2004
- Signing of the bSEE Memorandum of Understanding
SEE Ministerial Conference, Thessaloniki, 1 July 2005
 - Signatory countries: Albania, Bosnia-Herzegovina, Croatia, FYROM, Greece, Moldova, Montenegro, Serbia, Romania and UNMIK;
 - MoU supported by: EC, UNDP, ITU, UNECE, the World Bank, EBRD, CLDP, private companies and trade associations
- bSEE Task Force established in March 2006 at Belgrade Meeting. Includes representatives of the signatory countries. bSEE Secretariat hosted by UNDP Bosnia. INA Academy is the only non-governmental member and supports the coordinator of the bSEE Task Force (currently Croatia).
- bSEE Task Force prepares the bSEE Action Plan (May-June 2006)



Broadband Facts for South East Europe

SE Europe particularities:

- Small and fragmented markets
 - low fixed-lines penetration,
 - Lack of alternative technology offerings (DSL is the prevalent technology)
- Fixed to mobile communications substitution
- Comparatively low Broadband penetration (lower than 2% in most of the countries)
- mainly urban deployment
- High cost and limited affordability
- Limited infrastructure investments
- Absence of “bandwidth-hungry” e-applications



Source: SEE Observatory report 2006, INA- SEE ICT Monitoring Review, EETT



INA Academy brings forward the broadband SEE Initiative (bSEE)



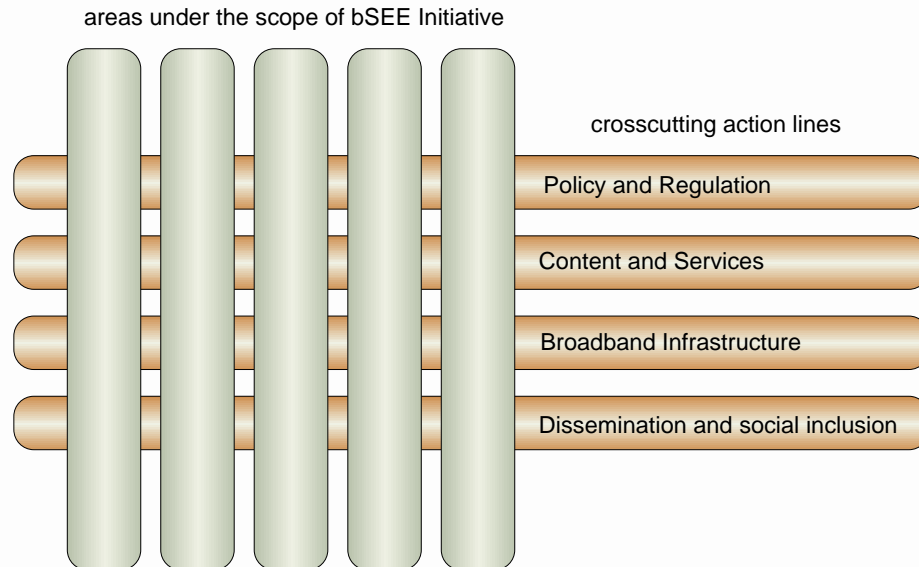
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In accordance with the bSEE MoU the ultimate goal of this action plan is: “...**the development of a unified market of broadband networks fully interconnected to the European and global networks**”.



bSEE Task Force

- bSEE Task Force established in March 2006 at Belgrade Meeting. Includes representatives of the signatory countries. bSEE Secretariat hosted by UNDP Bosnia. INA Academy is the only non-governmental member and supports the coordinator of the bSEE Task Force (currently Croatia).
- Draft bSEE Action Plan presented at Brussels Meeting on 15th May
- bSEE Action Plan finalized at September 2006 meeting





bSEE Action Plan

1. Action line 1: Policy and Regulation

- *Action 1.1:* National Broadband Strategies
- *Action 1.2:* Regulatory framework for electronic communications

2. Action line 2: Content and Services

- *Action 2.1:* National Broadband Services Status
- *Action 2.1:* National Broadband Services Status

3. Action line 3: Broadband Infrastructure

- *Action 3.1:* National Broadband Infrastructure Status
- *Action 3.2:* Development of Broadband Infrastructure

4. Action line 4: Dissemination and social inclusion

- *Action 4.1:* Human Resources Development



The role of the Private Sector in broadband development

- Open a dialogue to enhance Private sector participation in setting the broadband policy agenda in SE Europe
- Identify obstacles to Private Investment
- Suggest appropriate strategic models for PPPs for broadband infrastructure
 - Suggest scenarios and projects (i.e. USAID “Macedonia connects” project)
 - Contribute to the formulation of project implementation studies covering costs, revenue streams and phasing, initial business plans
 - Conduct informal discussions with possible partners
- Implement International experience on successful PPPs for broadband development
- Propose suitable technological solutions for SEE countries based on geographical particularities and existing infrastructure



BAC-led ICT Forum linking the Private Sector with eSEE/bSEE Initiatives

Proposal approved by BAC on 15 June 2006, at the Tirana meeting:

1. Establishment of a **BAC-led ICT Forum**, co-chaired by BAC members Goran Radman and Vassili N. Takas, reporting to BAC on its activities
2. Inaugural meeting of the BAC-led ICT Forum in late September in Budva, Montenegro on the margins of the annual Montenegrin “INFOFEST” (ICT trade fair)

Rationale: Promoting a 3-fold regional event in Budva (26-27 Sept 2006):

1. ICT Forum for the Private Sector
2. 3rd Regulatory Brainstorming Session (INA - Agency for Telecommunications, Montenegro)
3. eSEE/bSEE meeting

First Goal: to interact and provide input to the SEE Ministerial in late 2006



Concrete Steps

- Formulate and codify main private sector concerns and priorities for ICT development in the SEE region
- Establish communication links with the governments of the region
- Propose policy and regulatory reforms
- Propose specific PPP models for successful project implementation to be used by the eSEE/bSEE representatives on a regional or national level.
- Contribute to the formulation of project implementation studies covering costs, revenue streams and phasing, initial business plans, etc.
- Initiate periodic (semi-annual) exchanges of the eSEE/bSEE initiatives with the BAC-led ICT Forum
- Promote joint activities including the re-enforcement of the educational role of INA Academy and its SEE nodes and also explore such possibilities as a regional eGovernment Academy created on a public-private partnership basis.
- Establish a high level component to the dialogue by including a private sector element in the eSEE/bSEE Ministerial meeting (late 2006 in Bosnia-Herzegovina) - unified presentation by BAC-led ICT Forum representatives



Further Considerations

- Publishing periodical summary reports on competitiveness in the ICT sector in SEE countries, coordinated by the BAC-led ICT Forum in consultation with eSEE/bSEE representatives and, while taking into consideration relative reports already available (SEE Observatory, INA SEE ICT Monitoring Review, NRA reports, etc).
- Establishment of national contact points (selection among participants) responsible for providing links for private sector associations and fora from their countries with the ICT Forum.
- Distribute a short questionnaire to selected private sector representatives in order to collect information about successful experience on PPPs, as well as major barriers to be overcome.
- Organisation of regional PPP workshop in Spring 2007



Contact Details

✉ For more information please contact INA at:

- Phone: +30 2310 489386
- Fax: +30 2310 489387
- web-site: www.inatelecom.org
- e-mail: ina@inatelecom.org