

**Feasibility Study for the Romanian Ministry of
Communications & IT**

Abstract

The Government of Romania is currently developing a *Knowledge Based Economy* project. Many foreseen IT based applications in the project would necessitate broadband transmission capacity to be fully utilised. RITI dot-Gov has initiated this feasibility study in order to offer back ground information to the Government, i.e. the Ministry of Communications and IT, in its endeavour to decide on which applications could potentially be used in Romania in a cost efficient way.

Romania has taken a very dynamic and market oriented approach towards its telecommunications sector. Nevertheless, due to previous lack of investments the existing fixed line infrastructure has rather low penetration rate and broadband services are not widely offered. The very extensive GSM networks have technical constraints to provide broadband services. Therefore, the challenge is how to establish and fund widespread broadband connectivity in Romania.

The purpose of this feasibility study is to provide a background document that can be used for decision making. The document describes the alternative broadband solutions and compares their relative costs, considering both the initial investment required and the ongoing costs of the service. The document is meant to provide a vendor-neutral explanation of the technologies and solutions, free from the hype often promulgated by proponents of a particular solution. In order to further that objectivity, it is not the mandate of this document to make recommendations.

In order to accurately reflect the Romanian situation, meetings and follow-up discussions were held with many of the key participants in the Romanian telecommunications market, including the Ministry, the national regulator, service providers and equipment vendors in Romania.