Main objectives

- Increasing the competitiveness of the Romanian economy, by encouraging the use of the latest information technology
- Strengthening of the IT&C industry (TIC)
- Increasing the institutional performance of the public administration by the coherent and generalized implementation of integrated information systems
- Increasing the citizens’ comfort
Priorities - Implementation of the IT&C to the public administration

- Efficient and coherent IT&C implementation under conditions of open standards and interoperability of the local and central public administration
- More online services provided by administration in order to increase the citizens’ comfort
- Render the local and central administration structures more flexible in order to initiate, support and develop IT&C projects for the SMEs
- Open funding programs in collaboration with internal and international institutions
Priorities - Extension of the access to communication services all throughout Romania

- Setting up of Public Access Points that should allow the access in the public network of telephony (PSTN) and to Internet - in the localities of low density of the access to services

- The City Net project: development of “Digital cities”, based on the metropolitan network made up of: the services of the municipality, residents, commercial services

- Encouraging the alternative regional operators with the view to develop the local loop

- Development of broadband communications
Priorities: Education and human resource for the information society

- Training and retaining of the specialists as Romania competitive advantage
- Introduction of the digital alphabetization, beginning with the first school years
Romanian Business Environment

- Flat income tax of 16%
- Telecom and IT related investments considered as having significant economic impact
- Incentives available to small and medium enterprises (SMEs)
- Income tax exemption for software developers
- Special facilities for underdeveloped zones investments
- Recently adopted Law on profit tax exemption for hardware production enterprises with sales of over 1 billion USD/year
Romanian ICT Market

- 20,2% growth rate 2004 / 2003
- One of the highest growth rate in Central and Eastern Europe

ICT Market Value (million Euro)

<table>
<thead>
<tr>
<th>Year</th>
<th>Value (million Euro)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2002</td>
<td>2,672</td>
</tr>
<tr>
<td>2003</td>
<td>3,025</td>
</tr>
<tr>
<td>2004</td>
<td>3,637</td>
</tr>
<tr>
<td>(E) 2005</td>
<td>4,153</td>
</tr>
<tr>
<td>(E) 2006</td>
<td>4,697</td>
</tr>
</tbody>
</table>

EITO 2005
Fixed Telephony

No. of fixed telephony subscribers

<table>
<thead>
<tr>
<th>Year</th>
<th>Subscribers</th>
</tr>
</thead>
<tbody>
<tr>
<td>2001 (RT)</td>
<td>3,900,000</td>
</tr>
<tr>
<td>2004</td>
<td>4,389,082</td>
</tr>
</tbody>
</table>

60 alternative operators of fixed telephony by the end of 2004

No. of subscribers to alternative services of fixed telephony – over 100,000.

Average growth rate of fixed telephony market value – 15% annually

Romania – 21.5 millions inhabitants
Third Place in Europe

Penetration rate – close to 50%

Market Value is growing with 15% average, annually

Relaunch Cosmorom
Internet Usage

21,5 millions inhabitants

Number of Internet users
Evolution of the PCs Number

- 2001: 700,000
- 2002: 1,500,000
- 2003: 2,100,000
- (E) 2004: 2,500,000
This is the beginning of a reform process that will lead, through transparency, to:
- the improvement of the business environment
- the decrease of bureaucracy and corruption
- the high availability of public information and services
- internal efficiency and better public management

Received the World Summit on the Information Society (WSIS) Award in 2003
... started with:

- Hundreds forms for download
- Implementation of the online services
  - Unique form for the payment of different taxes by companies
  - Using the unique form 433 companies, important tax payers, submitted online over 9000 declarations to the authorities.
National e-Government projects

- **www.eFrauda.ro**: Allows users to file efficiently an online complaint

- Electronic System for Allocating International Transport Authorizations
  - Over 400,000 authorizations allocated, 2000 transport companies registered as users

- **www.ceris.ro**: Center for providing expertise on security matters – assistance to public institutions

- Electronic Collection System of Statistical Data
### Knowledge based Economy initiative - Actors

<table>
<thead>
<tr>
<th>TELECENTER</th>
<th>LOCAL ADMINISTRATION</th>
<th>SCHOOL</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Communications: phone, fax, internet</td>
<td>• Video conference</td>
<td>Curricula`s lessons teaching</td>
</tr>
<tr>
<td>• E-government services</td>
<td>• Online business registration</td>
<td>• Evaluation and self evaluation</td>
</tr>
<tr>
<td>• Online authorization</td>
<td>• Documents renewal</td>
<td>• Learning resources management</td>
</tr>
<tr>
<td>• Request tracking</td>
<td>• Civil status documents</td>
<td>• IT&amp;C basics</td>
</tr>
<tr>
<td>• Download &amp; online application for civil status</td>
<td>• Personal data checking</td>
<td>• Monitoring</td>
</tr>
<tr>
<td>• E-learning</td>
<td>• E-government services – NES</td>
<td></td>
</tr>
<tr>
<td>• Partners or client finding</td>
<td>• Public servant education</td>
<td></td>
</tr>
<tr>
<td>• Market research</td>
<td>• Evaluation of social and economic potential through statistics</td>
<td></td>
</tr>
<tr>
<td>• Monitoring for costs purposes</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Knowledge based Economy initiative

- initiated with the support of the World Bank
- will be implemented during 2004-2008, using a loan estimated to 80 millions USD.
- reduction of the discrepancies in IT&C education at the level of the entire population;
- provision of e-government services at the level of the rural communities;
- ensuring the mechanisms of encouraging the entrepreneurial initiatives all throughout Romania;
- provision of computerized community public services within the town halls;
Romanian competitiveness on the global IT&C market

Romania has a long history of education and research in all fields of engineering and software: 116 universities, 36 have a computer science related faculty.

Romanian graduates are multi-lingual (1st place in the Certificate of Proficiency in English exam at Cambridge University) and world class concerning their competencies (ranking 4th and 11th in the 1999 ACM International Collegiate Programming Contest).

Romania’s location is an advantage in itself.

Romania’s density of software graduates per thousand inhabitants is significantly higher than in USA, five times higher than in Russia and nearly seven times bigger than in India.

The cost of IT-skilled professionals = 1/3 in US and Europe.

Made in Romania

Romania’s legal system and culture - similar to those in Europe and US.
Thank you for your attention!

For more details please visit www.mcti.ro