

MEMORANDUM OF UNDERSTANDING

on the development of a unified market of broadband networks fully interconnected to the European and global networks - Initiative for 'bSEE' - Broadband South Eastern Europe

Under the auspices and respecting the principles of the Stability Pact for South Eastern Europe, which has at its core the need to strengthen regional co-operation in South Eastern Europe and to foster the conditions for peace, stability and economic growth,

The undersigned

Representatives of

the Republic of Albania

Bosnia and Herzegovina

the Republic of Croatia

the former Yugoslav Republic of Macedonia

the Hellenic Republic

the Republic of Moldova

the Republic of Montenegro

Romania

the Republic of Serbia

and the Special Representative of the Secretary General of the United Nations, United Nations Interim Administration Mission in Kosovo (UNMIK)

Reference to Kosovo and UNMIK in this document is made pursuant to United Nations Security Council Resolution 1244(1999)

(Hereinafter referred to as "the Parties")

HAVING taken into consideration the Lisbon strategy pursued by the European Union, the successive eEurope Action Plans, the i2010 initiative as

well as the need to align laws and regulations with the regulatory framework adopted by the European Union

RECOGNIZING the progress made under the auspices of the eSEEurope Initiative of the Stability Pact towards implementing the *eSEE Agenda for the Development of the Information Society* and in particular item 3e "Establish mechanisms for regional "at cost" interconnection of electronic communication networks".

HAVING taken into consideration the conclusions of the *10th Thessaloniki Forum Workshop on Electronic Communications, 24th-25th of May 2004*,

CONSIDERING that all the countries of South Eastern Europe, as participants in providing technology and services in the Electronic Communications sector, intend to build up their partnership in the sector in a variety of ways;

RECOGNIZING the potential for extensive trade in the SE European region in the Electronic Communications sector and the need to tap the capabilities and opportunities in the sector in a more focused and comprehensive manner;

RECOGNIZING further the need to promote stronger links in the Electronic Communications in the SE European region with a view to leverage capabilities and opportunities on both sides;

HAVING a common interest in the promotion of investments, joint ventures, joint initiatives, technology development and markets in the Electronic Communications sector and in the economy in general; and

INTENDING to develop a unified broadband market, set up into a regulatory framework that is harmonized among the countries and with the EU framework, fully interconnected to the European and global networks and to implement a technology and industry co-operation programme aimed at fostering business partnerships between countries of the South Eastern Europe region;

HAVE REACHED the following understanding:

ARTICLE 1

Basic Principles

The Parties agree to promote closer co-operation and exchange of information pertaining to the Electronic Communications sector in accordance with this Memorandum of Understanding and on the basis of equality, reciprocity and mutual benefit.

ARTICLE 2

Scope of Co-operation

The scope of co-operation between the Parties shall include the following areas relating to broadband:

- a. Regulatory framework competence
- b. Human resource development , i.e. human capital
- c. Modern electronic communication technologies
- d. Development and monitoring of the electronic communication market
- e. Excellence in research

ARTICLE 3

Implementation

In order to implement the scope of co-operation identified in Article 2, a Broadband South Eastern Europe Task Force (hereinafter referred to as "the bSEE Task Force") shall be set up to identify and facilitate programmes for the purpose of:

- a. Proposing legal and regulatory frameworks consistent with European Union Directives and global standards;
- b. Developing skills through exchange programmes and through joint sponsorship of conferences, training programmes and seminars in the field of Broadband technologies and services;
- c. Evaluating broadband technologies and international best practices;
- d. Aggregating demand leading to broadband development;
- e. Establishing national and regional Internet Exchange Centres;
- f. Prompting activities regarding broadband investment that would result in building awareness, increasing level of public interest and empowering SMEs to participate in such initiatives;
- g. Providing incentives to the private sector for broadband development, especially in rural and remote areas;
- h. Monitoring progress and producing timely reports ; and
- i. Preparing regional projects of common interest and applying for EU and other sources of funding.

ARTICLE 4

Composition and Responsibilities of the Collaboration

1. For the purpose of identifying and facilitating programmes and projects under Article 3, the Parties shall designate one or more representatives as members of the bSEE Task Force. The designated representatives shall be responsible for seeking any required approval for the conduct

of specific co-operative activities from their respective Governments or from the Special Representative of Secretary General in the case of UNMIK. The eSEE Initiative Working Group will serve as the platform for this procedure for the eSEE Agenda signatory Parties.

2. The bSEE Task Force shall be responsible for implementing the scope of co-operation as set out in Article 2 above. The bSEE Task Force may hold consultations to identify and define future activities under Article 3, review activities in progress or discuss matters related to such activities. The bSEE Task Force will hold working meetings twice a year back-to-back to the eSEE Initiative Working Group Meetings.
3. The Parties agree that the eSEE Initiative Working Group, complemented by representatives of the Parties who are not signatories of the eSEE Agenda, shall draft and adopt, at the latest by 31 December 2005, the bSEE Terms of Reference that will define the composition of the bSEE Task Force and identify its key deliverables. The bSEE Terms of Reference will also decide on the organisation of the bSEE Task Force Secretariat and its relationship to the eSEE Initiative Secretariat.
4. Recognizing the major contribution made by the Southeastern Europe Telecommunications & Informatics Research Institute (INA) to the realisation of this initiative and considering seriously the proposal of INA to act as the bSEE Task Force Secretariat, the Parties agree that, a representative of INA shall take part in drafting and adopting the bSEE Terms of Reference.
5. Acknowledging the continuous support of the United Nations Development Programme to the eSEE Initiative and the eSEE Initiative Secretariat, the Parties agree that a representative of UNDP shall take part in drafting and adopting the bSEE Terms of Reference.

ARTICLE 5

Form of Co-operation

Parties' co-operation under Articles 2, 3 and 4 of this Memorandum of Understanding shall be in accordance with the applicable laws and regulations of each party.

ARTICLE 6

Funding and Resources

The conduct of co-operative activities under Articles 2, 3 and 4 of this Memorandum of Understanding shall be subject to availability of funds and other resources of the Parties. The cost of co-operative activities shall be shared by the Parties in a manner to be defined in the bSEE Terms of Reference. Costs that pertain to organization of the meetings (facility, printing of materials, etc.) will be funded by the Host party.

ARTICLE 7

Intellectual Property Rights

Should intellectual property rights arise out of or pursuant to any Article or activity under this Memorandum of Understanding, the allocation of ownership of these rights shall be determined on a case-by-case basis, in accordance with applicable laws of the parties and international law.

ARTICLE 8

Confidentiality of Information

The Parties confirm that neither Party shall disclose or distribute any confidential information that is supplied to the other Party in the course of conduct of co-operative activities under this Memorandum of Understanding to any third party except as and to the extent authorized in writing to do so by the other Party.

ARTICLE 9

Amendments

This Memorandum of Understanding may be modified or amended as may be required from time to time by mutual written consent of the Parties.

ARTICLE 10

Settlement of Disputes

Any and all disputes between the Parties concerning the interpretation and/or implementation of this Memorandum of Understanding shall be settled amicably through consultations and/or negotiations.

ARTICLE 11

Validity

1. This Memorandum of Understanding shall come into effect on the date of its signature or on the date of the fulfillment of internal legal procedures concerning the entry into force of all Parties involved (depending on internal legislation of each country, as well as, where applicable, E.U. legislation) and shall remain in force for an indefinite period of time. Each Party may denounce it in writing. In such a case the Memorandum of Understanding shall be terminated upon expiry of 6 months from the date of receipt of the act of denunciation.
2. The termination of this Memorandum of Understanding shall not ipso facto affect co-operative activities under Articles 2 and 3, which are already in progress and the confidentiality of information, which shall continue to apply notwithstanding the termination.

IN WITNESS WHEREOF, the undersigned, being duly authorized hereof by their respective Governments and by the SRSG in the case of UNMIK, have signed this Memorandum of Understanding.

Done at Thessaloniki on July 1st 2005, in English, in one original copy

For and on behalf of

The Government of the Republic of Albania

H.E. Mr. Eduard Prodani
General Secretary
Ministry of the Transport and Telecommunication



The Council of Ministers of Bosnia and Herzegovina

Minister of Communications and Transport

The Government of the Republic of Croatia

H.E. Mr. Miroslav Kovačić
State Secretary
Central State Administrative Office for e-Croatia



The Government of the former Yugoslav Republic of Macedonia

H.E. Mr. Xhemali Mahazi
Minister of Transport and Communications

The Government of the Hellenic Republic

H.E. Mr. Anastasios Nerantzis,
Deputy Minister of Transport and Communications



The Government of the Republic of Moldova

H.E. Mr. Pavel Buceatchi,
Viceminister of Information Development



The Government of the Republic of Montenegro

H.E. Mr. Branimir Gvozdenović
Deputy Prime Minister



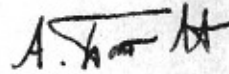
The Government of Romania

H.E. Mr. Zsolt Nagy
Minister of Communications and Information Technology



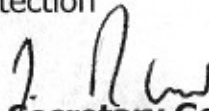
The Government of the Republic of Serbia

H.E. Mr. Aleksandar Popović
Minister of Science and Environmental Protection



UNMIK

For the Special Representative of the Secretary General, acting for the
Provisional Institutions of Self Government



H.E. Mr. Joachim Rücker
Deputy Special Representative of the Secretary General
UNMIK/Pillar IV Economic Reconstruction (EU)