

7. OTHER ACTIVITIES

7.1 Electronic commerce

Mission and Development Unit for Electronic Commerce

To fully carry out the new tasks that would befall ANACOM with respect to electronic commerce (anticipating what would become Decree-Law no. 7/2004 of 7 January, which transposed into the national legal order Directive 2000/31/EC of the European Parliament and of the Council of 8 June 2000, concerning certain legal aspects of information society services, particularly electronic commerce, in the internal market – “Directive on Electronic Commerce”) a working group was set up in May 2003 to better enable this Authority to optimise resources and knowledge to meet the obligations deriving from law and emerging market needs. This group was designated the Mission and Development Unit for Electronic Commerce (UMD-CE).

The consolidation of this unit’s framework was aided in November and December 2003 by working visits to entities that carry out duties in other Member State similar to those ANACOM was preparing to take on, and which were in a more advanced state of legislative implementation and operations with respect to electronic commerce, namely:

- in Germany, to the *Bezirksregierung Düsseldorf* (Düsseldorf District Government) and to the *Bundesministerium für Wirtschaft und Arbeit* (Ministry of the Economy and Labour);
- in Spain to the *Ministerio de la Ciencia y Tecnología* (Ministry of Science and Technology); and
- in the United Kingdom, to the Department of Trade and Industry.

The aim of these visits was to gather information and experience on the supervision of electronic commerce, specifically with respect to the duties, necessary resources and work volume associated to its performance, as well as the strengths and weaknesses of the organisational models implemented by those entities.

Likewise, and taking into account insertion of the unsolicited communications (commonly known as spam) issue in the scope of the (future) Decree-Law no. 7/2004, the UMD-CE sought to

accompany the latest developments in this area, where its participation in the European Commission's workshop on unsolicited communications, held in Brussels on 16 October 2003, stands out. Also worthy of note in this regard is the designation of UMD-CE officials to represent ANACOM at Meetings of the National Authorities on Unsolicited Communications or Spam and also as national contact points under the recently established Contact Network of Spam Authorities (CNSA).

With a view to the entrance into force of this new legislative framework on electronic commerce, which took place in January 2004, and anticipating its eventual role in this context, various tasks and projects were pursued by the UMD-CE, namely:

Informal Group on electronic commerce

In the wake of the approval by the Council of Ministers of 31 October 2003 of the instrument on electronic commerce, the UMD-CE organised, ahead of the respective entrance into force, a working meeting with various entities that would potentially take on an oversight role under this instrument, keeping in mind debate on a number of relevant and particularly sensitive issues with respect to its execution.

This meeting was held on 26 November 2003 and attended by a large number of entities, indicative of heightened interest in the matter. Despite the sensitivity of some of the topics considered, a good deal of willingness to closely work with ANACOM on this subject was generally manifested.

In this regard an informal working group on electronic commerce was established, composed of ANACOM, as the central supervisory authority in the area of electronic commerce, and the sector supervisory entities that intervene in this area, namely the High Authority for the Media, the Bank of Portugal, the Commission on the Application of Fines in Economic and Advertising Matters, the Securities Market Commission, the National Data Protection Commission, the Energy Services Regulatory Entity, the Inspectorate General of Cultural Activities, the Inspectorate General of Economic Activities, the Media Institute, the Consumer Institute and the Portuguese Insurance Institute.

The main objectives behind the establishment of this working group were:

- the exchange of experience and information, keeping in mind a good and uniform application of the law in electronic commerce matters;

- uniformity of regulation of the law, particularly with regard to the procedure for the provisional resolution of disputes involving network content;
- provisional resolution procedure for disputes involving network content;
- the signing of collaboration protocols, specifically for the speedy transmission of information requests and claims;
- creation of the conditions needed for an effective and concerted response to solicitations from the European Commission, namely with respect to monitoring implementation of Directive 2000/31/EC; and, in general,
- creation of a forum to reflect on the matter of electronic commerce.

Generally speaking, the commitment and willingness shown by all entities at this meeting stands out, vis-à-vis working together to attain the legal security needed for a good and uniform application of the instrument on electronic commerce.

Continuing the work begun in November 2003, plans for 2004 call for the holding of other working meetings, basically for grounded discussion of controversial issues involving the interpretation and application of Decree-Law no. 7/2004.

Manual on electronic commerce

In 2003, ANACOM put together a publication titled “Electronic Commerce in Portugal: the legal framework and the business”, which was released in the first quarter of 2004 at the same time as a conference on the same topic.

This publication is meant to be an instrument to promote, disseminate and advise with information on this topic, and reflects work undertaken by the UMD-CE in accompanying and analysing issues with respect to electronic commerce. Its elaboration process counted the collaboration of José de Oliveira Ascensão (author of the draft law) from the Office of Legislative Policy and Planning of the Ministry of Justice (entity responsible for the transposition work), and the Sonae, PT and Microsoft Groups.

Conference on Electronic Commerce

Work to prepare and organise a conference on the theme topic of Electronic Commerce in Portugal: the legal framework and the business (which took place in the first quarter of 2004) was begun.

The organisation of an initiative of this nature was held to be opportune and necessary following approval of the new legal framework for electronic commerce and the supervisory duties that this Authority would assume in this regard.

An esteemed group of reference figures on the matters in question gathered with the aim of encouraging reflection and the release of information on diverse subjects linked to this situation, in its legal and economic aspects, as well as broad debate on its implications and strengths, reaching out to a large field of target entities, namely information society service providers, relevant sector associations, the academic community, business circles, financial institutions, some professional orders, other regulators, information spreading agents and citizens in general.

Anacom website section on electronic commerce

With a view to providing information on electronic commerce and associated areas, and to promote this Authority's new services and missions in this domain, a special section on electronic commerce was set up on the ANACOM website and launched for the public on 2 March 2004. The work undertaken in 2003 consisted in the first phase of the section's conception, the choice of relevant information to publish and the elaboration of content for the available categories.

Promotion and external training actions

A project was undertaken to carry out external training and promotion actions, to divulge information on this area, and to explain to its principal players the various strengths and implications of this kind of trade, and thus provide an important contribution towards effective implementation of the instrument and the good functioning of the electronic commerce market. At the same time it would promote ANACOM's image and the major role it plays in the scope of these matters.

The pursuit of these actions would include giving presentations on electronic commerce to professionals working in the area (lawyers, economists, engineers), academics, information

society service providers, companies that use electronic commerce and consumers. The presentations cover various issues related to electronic commerce from the economic and legal standpoint, depending on the target audience. They are part of a number of initiatives, specifically: sessions with relevant audiences, the organisation of workshops, seminars, summer courses or the insertion of these theme topics in high level academic studies.

Plans call for these presentations to start being given in the second half of 2004.

Safer Internet

ANACOM has been asked by the European Union a number of times to comment on the Action Plan for a Safer Internet. In this regard, ANACOM had occasion to take part on 12 September 2003 in an information session held in Luxembourg, where the community institutions expressed their satisfaction over ANACOM's interest in the matter, and especially expectations that this Authority would encourage more adhesion to the Action Plan by potential Portuguese participants, particularly with respect to national direct lines to denounce illegal internet content and awareness of the internet security issue.

Given the extreme current relevance of the topic and the undeniable benefit that Portuguese participation may bring to our country, ANACOM decided to organise a broad-reaching meeting to inform various public and private entities in attendance of the need for a national initiative on the Action Plan for a Safer Internet (which would take place during the first quarter of 2004).

Meeting of the Platform on Electronic Commerce

Meetings of the Convergence and Development Platform organised by ICP-ANACOM provide a view of the prospective accompaniment and analysis of service and technology platforms with regard to the convergence of telecommunications, the audiovisual and information technologies, and function as a forum for debate among the market's economic players.

In the context of the aforesaid Convergence and Development Platform, a meeting on Electronic Commerce and SMEs – instrument of efficiency and internationalisation – was held on 10 April 2003 with the aim of discussing issues related to the adhesion of SMEs to electronic commerce.

The meeting included the presentation by Silicon of a study on the “Adhesion of National SMEs to the Practice of Electronic Commerce”, followed by an international comparison presented by

ICP-ANACOM. The Innovation and Knowledge Mission Unit (UMIC) ended the presentations with a demonstration of the public electronic purchasing project.

The invited participants included representatives of operators, manufacturers, consumer associations and other telecommunications market players, who were able to express their opinions and discuss issues related to electronic commerce.

7.2 The role of communications in development of the Information Society

According to the Green Paper on the Information Society, the “Information Society” concept refers to a social and economic development mode in which the acquisition, storage, processing, valorisation, transmission, distribution and dissemination of information leading to the creation of knowledge and satisfying the needs of citizens and companies plays a vital role in economic activity, the creation of wealth and the definition of citizens’ quality of life and their cultural practices. The Information Society consequently corresponds to a society that increasingly uses digital information networks. This change in the domain of economic activity and the factors determining social well being results from the development of new technologies of information, the audiovisual and communications, with major ramifications and impacts on work, education, science, health, leisure, transports and the environment, among others.

Among the vicissitudes associated to the use of new information and communication technologies, and besides the structural problems – such as resistance to change, organisational inertia and budget restrictions – are namely the preservation of human rights, the protection of minors, intellectual property and personal data, database safety and the spread of the Information Society.

As the Information Society is currently an aspect that affects and has repercussions on all areas of the economy, it is subject to horizontal co-ordination by a body under the charge of the assistant minister to the Prime Minister. The aim is to develop a comprehensive and centralised strategy that enables decentralised implementation. In this regard, all State ministries and bodies plan to launch various concerted actions and initiatives to encourage and promote the information society.

The promotion of Information Society development is likewise a crucial goal of communications regulation. The initiatives envisaged in the remaining two ICP-ANACOM strategy objectives, concerning the development of open and competitive markets and the protection of user and consumer interests are consequently joined to that end.

In 2003, the main ICP-ANACOM initiatives in this regard encompassed:

Collaboration Protocol between ICP-ANACOM and UMIC

In the wake of the creation of the Innovation and Knowledge Mission Unit (UMIC) by Council of Ministers Resolution no. 135/2002, which also defines the powers of same, UMIC and ICP-ANACOM agreed to join efforts and resources on a basis of co-ordinated collaboration in order to promote and support the development of initiatives to ensure widespread access to the Information Society.

To that end a collaboration protocol was signed by ICP-ANACOM and UMIC on 28 March 2003. Its Action Plan envisages a number of initiatives including a survey of existing communications infrastructures, development of a diversified supply of electronic communications network infrastructures and access services with quality, security and at affordable prices, a survey of the status of the national content industry and its promotion, divulgation and training in ICTs, and information on the benefits of broadband.

National Broadband Initiative

In the scope of co-operation with UMIC, specifically as per the protocol signed in March 2003, ICP-ANACOM collaborated on elaboration of the National Broadband Initiative, which was approved by a Council of Ministers Resolution dated 26 June 2003.

This initiative envisages five major activity axes involving infrastructures and accesses, content and multimedia applications, broadband use, info-inclusion, and national competitiveness.

In this regard there is also place for legislative and regulatory intervention; annexed to the aforesaid initiative's support document is a Joint ICP-ANACOM/UMIC Statement considering a number of matters in this area.

At the level of legislative intervention the definition of a legal framework was considered, to regulate the sharing of infrastructures and rights of way, the establishment of appropriate broadband provision conditions in disadvantaged regions, the approval of two instruments that include measures to stimulate the use of electronic means and conclusion of the process of approving the legal measures deemed critical for broadband development.

With respect to regulatory intervention the compulsory installation in buildings of infrastructures that enable the provision of broadband services was considered, along with promotion of the development of broadband wholesale offers, the adoption of service quality levels for the provision of broadband, incentives for simplifying all processes involving the mobility of broadband service end users between service providers, proper application of the non-discrimination principle in broadband provision, proper application of the regulatory model that assures the development of emerging support platforms and technologies for broadband, and the guarantee of interoperability between technological platforms and networks.

Study on the Creation of an Open LRN Network

Under the collaboration between ICP-ANACOM and UMIC the latter contracted a consultancy firm in October 2003 to carry out a study on the creation of an Open LRN (Local Radio Network) Network, which involved ICP-ANACOM as the sector regulator.

This task was part of the National Broadband Strategy, and aimed to stimulate the active market presence of new communication technologies, namely LRN, by facilitating initiatives that eliminate barriers to their adoption, such as, for example, interoperability between platforms and billing and roaming standards.

The study was finished and submitted to ICP-ANACOM and UMIC in December 2003. First, it provided a benchmark and analysis of best practices for business models associated to LRNs, having studied the business's value chain and alternative positions for the various kinds of players. The work specifically covered the presentation of models for pricing/payment, investments and associated costs, coverage strategies, value offers associated to localisation, and regulation-related initiatives developed in other countries.

The study's second part listed a number of features associated to an open LRN network, vis-à-vis security and service quality, among others.

The study also considered conceptualising a possible business model, with regard to characterisation of the kind of activities and players, as well as the logic and mode of functioning. This included a business case to demonstrate economic feasibility and the ability to sustain the proposed model.

Lastly, an awareness strategy was proposed to highlight the advantages and benefits of creating an open network.

Support for Conceiving a National Home Broadband Strategy

As part of the collaboration between ICP-ANACOM and UMIC, the latter contracted a consultancy firm in October 2003 to carry out a Support Study on the Conception of a National Home Broadband Strategy, which involved ICP-ANACOM as the sector regulator.

This work is part of the National Broadband Strategy and means to stimulate the development and operation of alternative technological platforms with lower investment and operational costs.

In the first phase, the work covers the analysis and systematisation of technological options, with top-down identification of the solutions to closely evaluate in each region, a survey of eventual actions to launch by the Government and the systematisation of strategy options and the respective macro-actions.

In the second phase, the study will on the one hand consider the requirements for base technology coverage, with analysis of the gaps, overlaps, prevailing technologies and definition of the best alternatives per region, and on the other hand the underlying requirements for housing, specifically with respect to telecommunications infrastructures in buildings.

The second phase should also see the strategy become operational, namely with regard to models for possible state intervention and, among others, the various players' plans for communication/information.

Cyber-centres

ICP-ANACOM participates in the constitution of Cyber-Centres, which are managed by private non-profit associations and function as centres for the practical demonstration and promotion of the use of information, communication and multimedia technologies. The centres generally target the youth and student population and are associated to spaces for socialising and recreation.

The Cyber-Centre founders are usually the local municipal councils, together with ICP-ANACOM and the Foundation for the Divulgence of Information Technologies (FDTI).

The following Cyber-Centres were legally constituted in 2003: Castelo Branco, Covilhã, Guarda, Guimarães, Bragança and Faro. Only three of the aforesaid are functioning: Covilhã, Bragança and Guimarães.

The associations that constitute Cyber-Centres are set up after protocols have been signed by the government representatives for the telecommunications sector and for youth and the head of the local government in question. The costs of installing and equipping (computer and communications equipment) the Cyber-Centres are usually split between ICP-ANACOM, the Portuguese Youth Institute, the Cinema, Audiovisual and Multimedia Institute, and the respective Municipal Councils, which take charge of the Centres' premises.

Citizens with Special Needs

One of ICP-ANACOM's concerns, as per the 2005 eEurope Action Plan, is to accompany and carry out actions that help promote access by citizens with special needs to new technologies and to co-operate with actions undertaken by other entities.

Council of Ministers Resolution no. 110/2003 of 12 August approved the National Programme for the Participation of Citizens with Special Needs in the Information Society, which specifically aims to "minimise digital barriers created in the conception of digital content and of software and hardware interfaces", namely the internet content of public administration and the interfaces of third generation mobile communications and digital terrestrial television. The ACCESS Unit, working with various State bodies and specifically with ANACOM, was the pivotal entity for implementation of this national programme

In sum, it may be said that Portugal and especially ICP-ANACOM, as per its competences, has sought to implement measures, define actions and take part in initiatives to encourage development of the Information Society, an objective stipulated at community level and based on sustained development of the European economy.

7.3 Standardisation under the protocol with the IPQ

Under articles 17 and 18 of the Framework Directive, The EC issued the standardisation mandates M328 and M331, which aim to guarantee interoperability and expanded consumer choice. Underlying this standardisation work are different technologies for electronic communications, with digital television given an autonomous position via M331.

ICP-ANACOM has been following this normative work undertaken in the standardisation bodies, specifically in OCG ECN&S of ETSI.

A list of standards and/or specifications for electronic communications networks and services and associated resources and services had been published in OJEU 2002/C331/04, intermediate edition, origin of the aforesaid mandates, which results from the new regulatory framework. The EC asserted that the Member States should play a role to encourage the adoption of standards, establishing the Framework Directive; in the case of eventual problems with interoperability, the EC could make application of some of the standards on the list compulsory.

Aware of the responsibility granted by the EC to the Member States, ICP-ANACOM has been making efforts to promote internal awareness by publicising on the intranet the progress with this legislative work. In a second phase, expansion of this awareness policy outside of ICP-ANACOM has been planned, with the eventual participation of service providers and operators, to measure the impact of adopting the standards on the list.

7.4 Installation of Telecommunications Infrastructures in Buildings (ITED)

The regulation on the installation of telecommunications infrastructures in buildings (the Portuguese acronym is ITED) and respective connections to public telecommunications services, as well as the regime governing installation certifying activity and assessment of the conformity of equipment, materials and infrastructures, derive from application of Decree-Law no. 59/2000 of 19 April.

This context of responsibility, beyond action at the level of designing and installing telecommunications infrastructures in buildings, also includes the certification of the installations' conformity – with the applicable legal and regulatory provisions and with the respective technical plan – to be issued by the certifying entity or by the installer-certifier, of recognised competence and duly registered with ICP-ANACOM.

Under ITED, ICP-ANACOM is responsible for not only overseeing compliance with provisions of the said instrument, but also for enrolling and registering the various entities involved (designers, installers, installer-certifiers and certifying entities), releasing information on the registered entities and certified installations, and evaluating equipment and infrastructure conformity with the applicable requirements and with the information contained in the respective certificates and statements of conformity. ICP-ANACOM is also in charge of developing and approving the Technical Installation Prescriptions, the Technical Specifications for Equipment and Material (which will together comprise the Technical Prescriptions and Specifications – ITED Manual), and issuing the procedures to evaluate infrastructure conformity.

Also in this regard, collaboration actions are under way with other entities, specifically the Institute for Training Innovation (INOFOR), the Institute for Employment and Vocational Training (IEFP) and the Portuguese Quality Institute (IPQ), with the respective aim of designating the training entities, creating a reference on the training of technical personnel and, lastly, framing the ITED certifying entities in the Portuguese Quality System. Parallel to this, ICP-ANACOM has been in regular contact with Portuguese industry to develop materials appropriate for ITED.

The year 2003 saw continued enrolment of technical designers and technical installers, 1,032 of whom were newly enrolled (versus 1,216 in 2002).

With respect to the certifying entities, 24 new entities were registered, for an end 2003 total of 91 registered entities.

A total of 27,194 ITED conformity certificates were issued by the certifying entities and sent to ICP-ANACOM.

Activity also continued in 2003 on overseeing the certifying entities in accordance with the procedure approved in late 2001, with the aim of verifying compliance with the registration conditions, and of the accomplished activity and other obligations assumed by those entities. In this regard 19 inspection and investigation actions were carried out.

ICP-ANACOM also approved the second version of the draft technical standard designated as the “ITED Manual”, which contains the technical specifications and prescriptions for telecommunications infrastructures in buildings, following on the European Commission opinion on the first version and on the Government’s initiative for broadband. The previous specifications, prescriptions and RITA technical instructions will remain force until final approval of the ITED Manual.

7.5 National Emergency Plan

ICP-ANACOM is endowed by its statutes with a set of powers covering this aspect of the communications sector, powers that are shared between support that should be provided to the entities charged with planning actions in areas associated with civil protection, specifically the National Fire Fighting and Civil Protection Service, and collaboration on the definition of civil emergency planning policies via the Emergency Communications Planning Commission, which is chaired by the President of ICP-ANACOM (Decree-Law 128/2002 of 11 May).

Regarding activities associated with Civil Protection, in 2003 contacts were initiated with figures who in the new structure resulting from the governmental reorganisation have responsibilities in the emergency communications area; the forms of collaboration aim to proceed with revision of the Emergency Communications Plan, which at 10 years old is obsolete given the recent developments in the communications sector.

Regarding the Emergency Communications Planning Commission, ICP-ANACOM fully assumed its respective chair and in 2003 began a process of reflection on the activities and operational mode in light of the new regulatory framework and technological evolution in the sector, whose results should materialise in 2004.

7.6 Laboratory Activity

Context

Given its statutory responsibilities in the area of equipment and material, ICP-ANACOM oversees and regulates the market, keeping in mind the modernisation challenges faced by industry and the need to attain a high degree of quality in products and services. This is surely an important contribution towards national technological development.

ICP-ANACOM thus conducts electromagnetic compatibility trials (Electromagnetic Compatibility Laboratory), calibrations in the electric area (Radio Metrology Laboratory) and testing of radiocommunications equipment (Radiocommunications Equipment Testing Laboratory), as well as testing to evaluate electromagnetic environments.

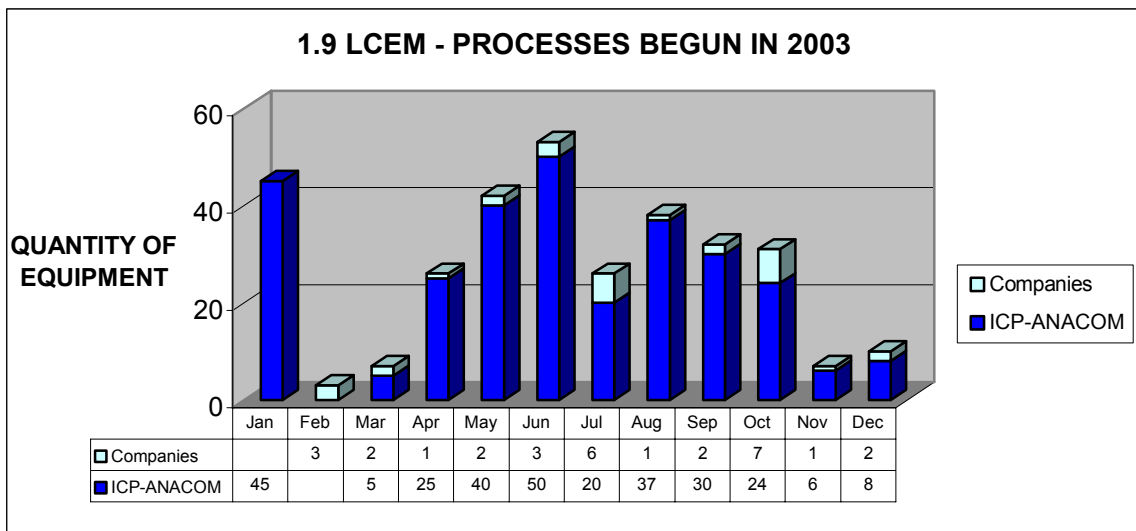
Activity pursued in 2003

Realisation of electromagnetic compatibility trials on electric and electronic equipment.

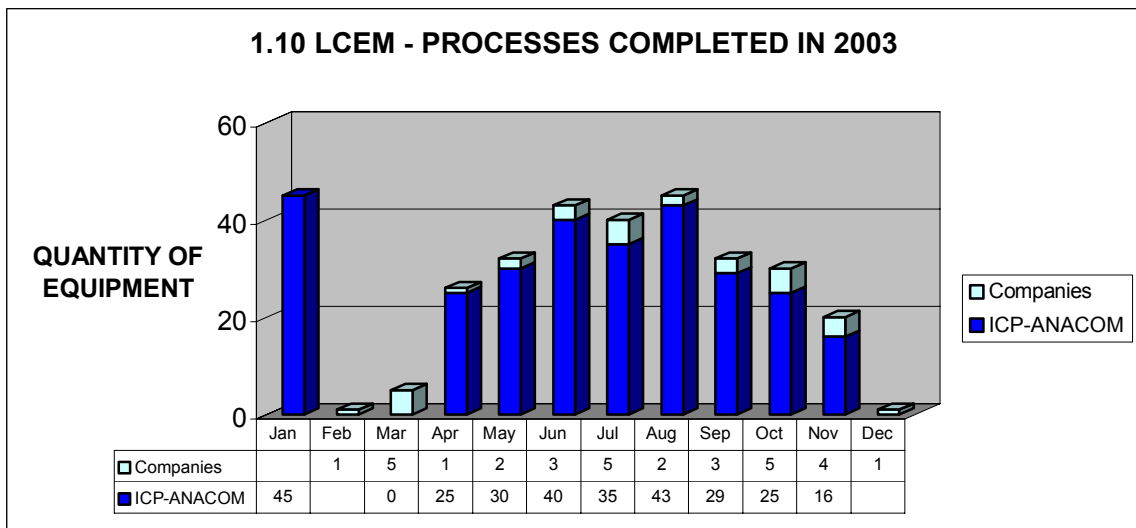
The Electromagnetic Compatibility Laboratory (LCEM) carries out tests of emission and immunity, whether conducted or radiated, on electric and electronic equipment of various kinds.

The laboratory is accredited with the Portuguese Quality Institute (IPQ) under standard NP EN ISO/IEC 17025 to conduct electromagnetic compatibility trials as per IPQ qualification certificate no. 95/L.143.

Compared to the previous year, the LCEM's activity in 2003 saw a stabilisation in the quantity of equipment tests for ICP-ANACOM (internal customer) and an increase in the quantity of equipment tested for outside customers.

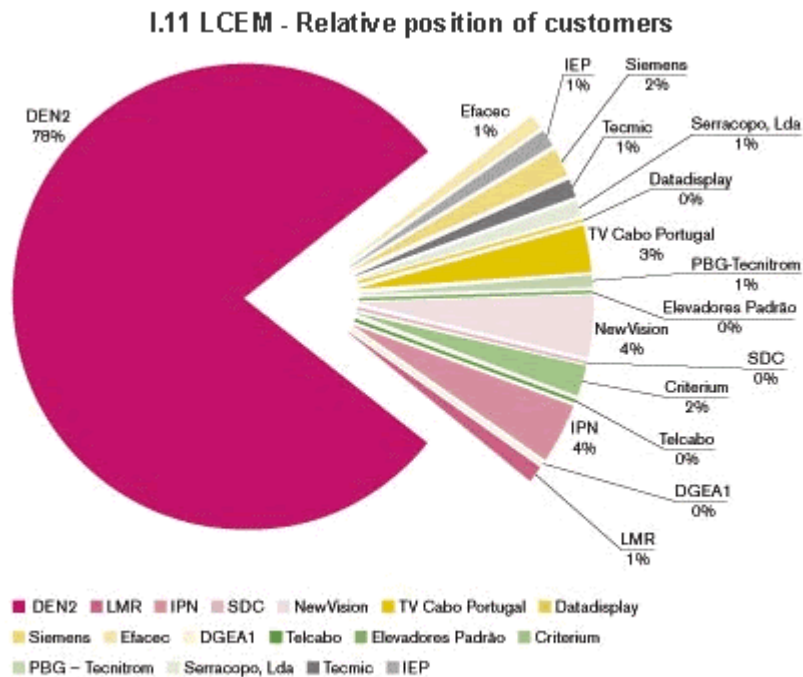


Source: ICP-ANACOM



Source: ICP-ANACOM

In 2003, considering the accumulated value for hours spent for the various LCEM laboratory customers, the following relative position was registered:



Source: ICP-ANACOM

Calibrations effected in the Radio Metrology Laboratory (LMR)

The Radio Metrology Laboratory (LMR) is a laboratory accredited by the Portuguese Quality Institute (IPQ) according to standard NP EN ISO/IEC 17025 with IPQ certificate no. 99/L.264. This laboratory's accreditation encompasses the calibration of devices in DC/low frequency and radio frequency (RF) up to 18 GHz in the following: frequency, RF power, attenuation, VSWR, AM, FM and PM, harmonic distortion, AC and DC tension, AC and DC current and resistance.

The kinds of equipment covered by the LMR's activity are above all the following:

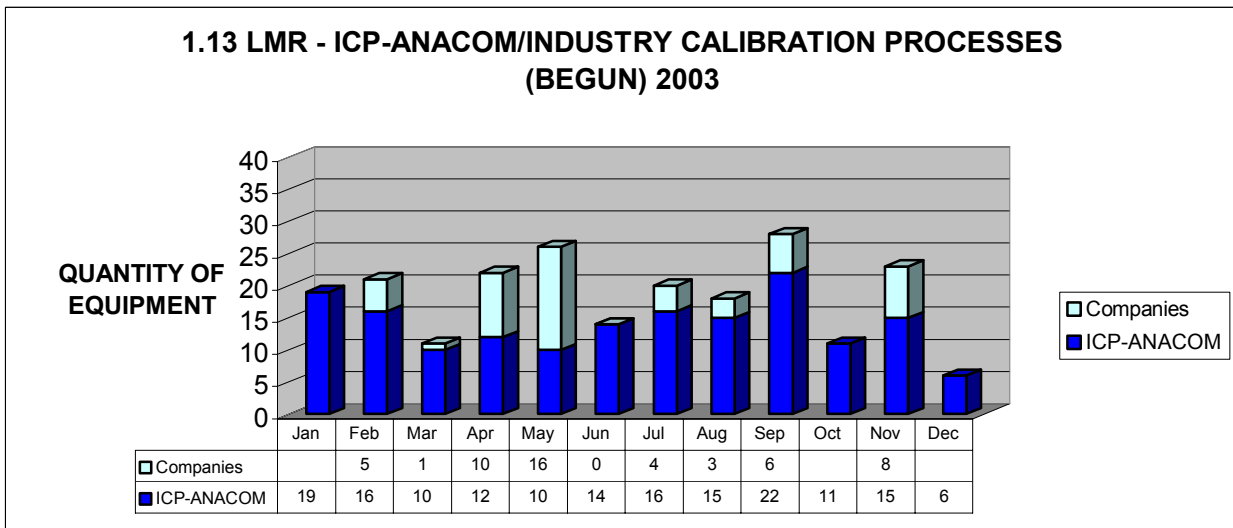
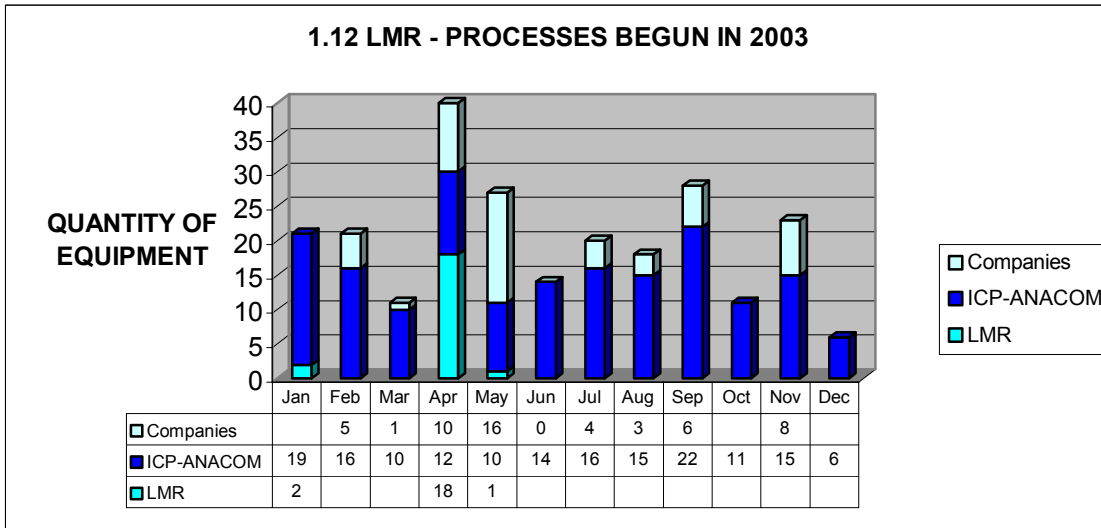
- DC/LF: multimeters;
- RF: Radiocommunications analysers, frequency managers and component attenuation.

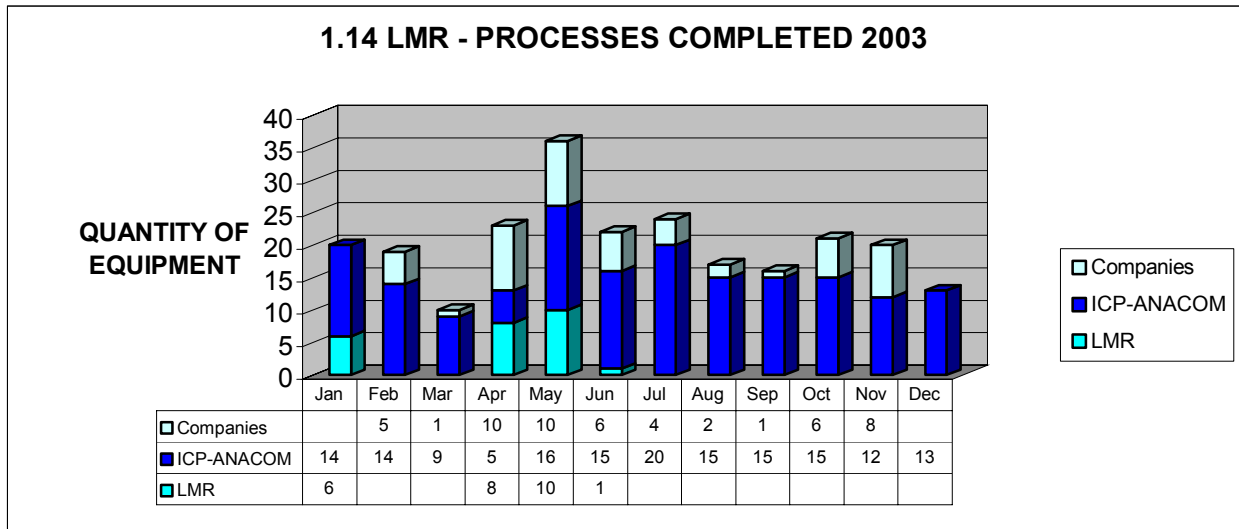
As is the case with the other ICP-ANACOM laboratories, the LMR is available to provide calibration services to outside entities.

The LMR is also via remote control in charge of daily gauging and ensuring that the ICP-ANACOM Frequency Standards installed in Barcarena, Oporto, Madeira and the Azores are in

good order, as they support the precise frequency measurement values needed by the ICP-ANACOM laboratories and radio spectrum oversight bodies.

LMR – Annual activity/processes completed



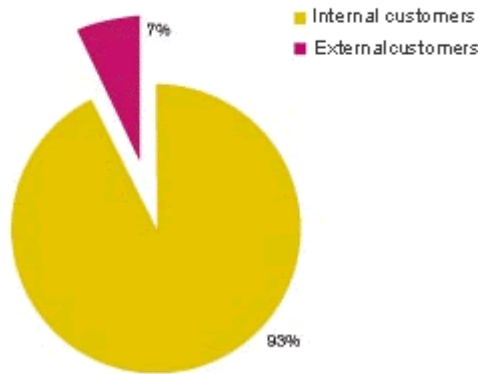


Source: ICP-ANACOM

Regarding the relative position of the LMR’s customers, with respect to the accumulated values of hours spent in 2003, the following distribution was verified:

1.15 LMR - Relative position of customers

LMR Subtotals in 2003
Internal and external customers



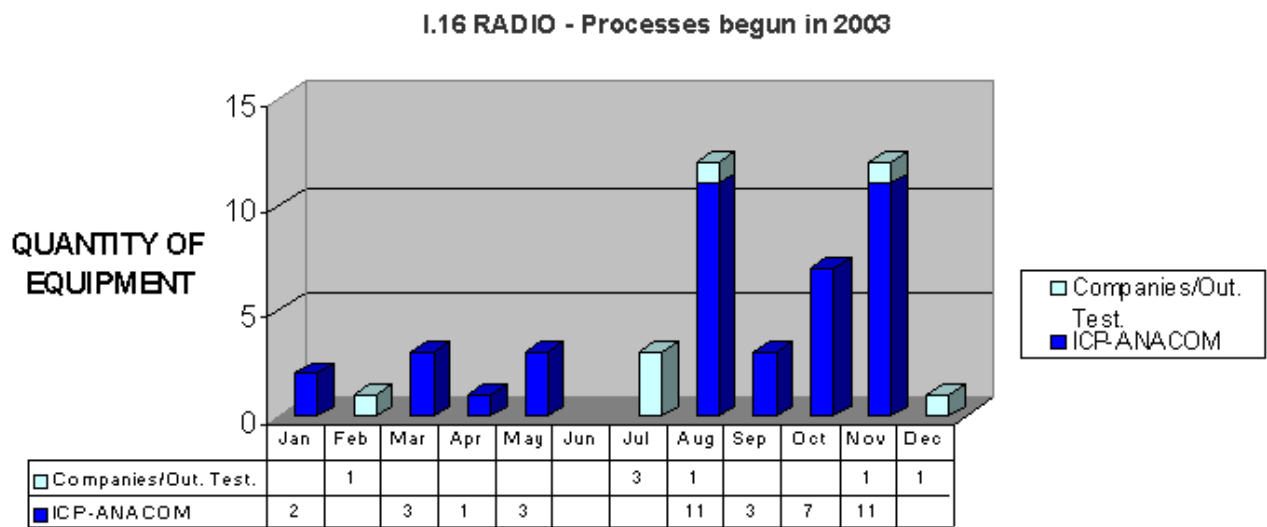
Testing of radio equipment

The Radiocommunications Equipment Testing Laboratory (LEER) verifies conformity of the characteristics of transmission, reception and transmission/reception equipment with the specific requirements stipulated by national legislation (radiocommunications) and/or European standards from the European Telecommunications Standards Institute (ETSI) and whose

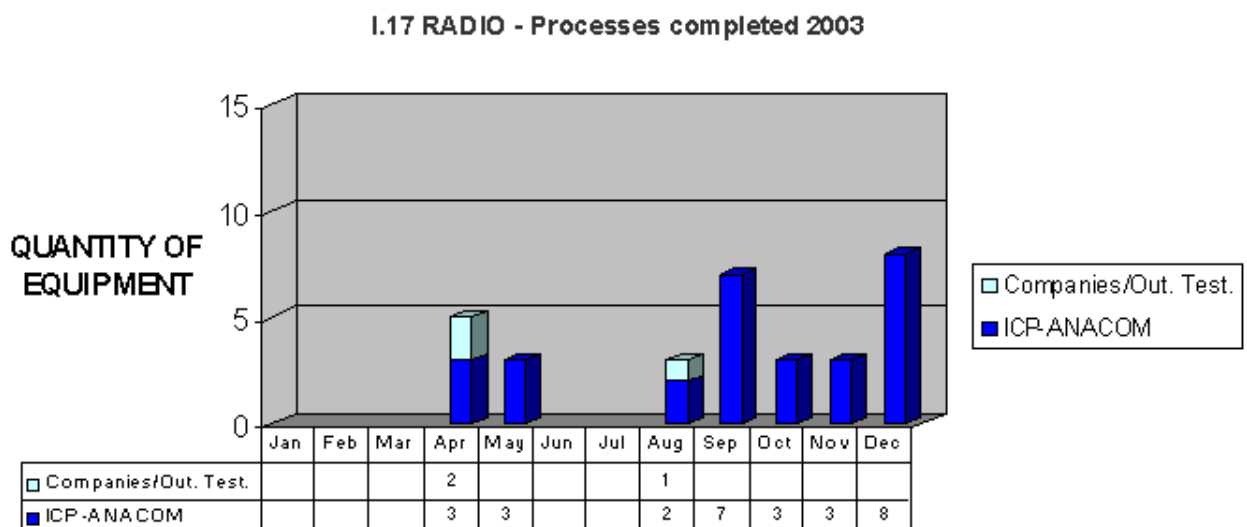
adoption was recommended by the Electronic Communications Committee (ECC) of the European Conference of Postal and Telecommunications Administrations (CEPT).

The tests involve equipment for various uses, specifically: personal radio (CB), land mobile (private networks), fixed, aeronautic mobile, maritime mobile, paging (private and public networks), amateur radio, cordless telephony, wireless microphones and low power short range devices (SRDs).

Available data for equipment tested and to be tested in 2003 are as follows:



Source: ICP-ANACOM



Unit: equipment/outside test
Source: ICP-ANACOM

In 2003 the LEER also carried out activities in the field of electromagnetic radiation, namely concerning:

- The identification, elaboration and development of procedures to measure electromagnetic fields, keeping in mind the verification of conformity with the reference levels set in Council Recommendation 1999/519/EC of 12 July 1999;
- The realisation at the request of outside entities of on-site measurement of electromagnetic fields so that they can be compared to the aforementioned reference levels.