

**REQUEST FOR PROPOSALS**

**FEASIBILITY STUDY FOR THE**

**ROMANIA: ELECTRONIC ELECTION MANAGEMENT SYSTEM**

Submission Deadline: **4:00 PM**  
**LOCAL TIME**  
**December 1, 2010**

Submission Place: **PERMANENT ELECTORAL AUTHORITY**  
**6, STAVROPOLEOS STREET, 3RD DISTRICT**  
**030084 BUCHAREST, ROMANIA**  
**PHONE: (40) 21.310.07.76**  
**FAX: (021) 310.13.85**

**SEALED PROPOSALS SHALL BE CLEARLY MARKED AND RECEIVED PRIOR TO THE TIME AND DATE SPECIFIED ABOVE. PROPOSALS RECEIVED AFTER SAID TIME AND DATE WILL NOT BE ACCEPTED OR CONSIDERED.**

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## **Section 1: INTRODUCTION**

The U.S. Trade and Development Agency (USTDA) has provided a grant in the amount of US\$344,422 to Romania's Permanent Electoral Authority (PEA) (the "Grantee") in accordance with a grant agreement dated September 15, 2010 (the "Grant Agreement"). The PEA has requested USTDA support for a study to develop an integrated IT-based solution to improve the accuracy of voting and reduce the possibility for electoral fraud. The study will develop a high-level assessment and implementation plan combining technical, managerial, and institutional recommendations. The Grant Agreement is attached at Annex 4 for reference. The Grantee is soliciting technical proposals from qualified U.S. firms to provide expert consulting services to perform the Feasibility Study.

### **1.1 BACKGROUND SUMMARY**

The PEA must address several deficiencies in the current Romanian electoral process. In particular, allegations of fraudulent or suspicious voting cases have been reported by the media and watchdog organizations, and have become a major political issue. Key issues include paper-based voting lists that do not permit the PEA to prevent multiple or illegitimate votes from being cast, paper-based vote counting processes that are not transparent or timely, and ad-hoc election planning that results in inefficient resource utilization.

Areas the PEA is currently examining to improve the electoral administrative process include:

- developing an electronic electoral register (database) of citizens with the right to vote and a means to effectively guard against multiple voting and other types of illegal voting (such a database is mandated by the European Union);
- improving the vote casting/counting process by means of electronic voting, to make vote counting faster and more reliable, while improving transparency;
- developing a call center for technical and administrative support of the electoral process;
- improving training and communication among the personnel involved in the electoral process, possibly by means of e-learning and portal functionalities; and
- developing a remote voting functionality for citizens living abroad.

The overall objective of the proposed FS is to develop a roadmap for the systematic deployment of a fully operational Electronic Election Management System (EEMS). The study will develop a high-level assessment and implementation plan combining technical, managerial, and institutional recommendations. At a technical level, the FS will help the PEA determine its national-level EEMS needs, including hardware, software, GIS, a Relational Database Management System, network management tools, security solutions, and communications equipment. The EEMS project will improve the technical and institutional capability of the PEA, leading to significant efficiency and effectiveness gains to the electoral process. It will decrease fraudulent and other illegal voting, create a faster and more reliable tabulation process, improve administrative and technical capacities, and will also allow for real time monitoring of the election process. In addition, successful implementation of the EEMS will considerably improve

the experience of Romanian citizens with the voting process, and build a higher level of trust in election results.

The PEA is fully committed to the EEMS project and has demonstrated that it has the technical and administrative capacity to effectively implement it. Through its contacts at the U.S. Embassy, the PEA actively sought out USTDA support for this initiative. Improvement of the election management process is a priority of the Government of Romania and was a specific pledge of President Basescu to the Romanian public after the 2009 presidential election.

A background Definitional Mission is provided for reference in Annex 2.

## **1.2 OBJECTIVE**

The objective of this study is to develop a roadmap for the systematic deployment of a fully operational Electronic Election Management System. The study will develop a high-level assessment and implementation plan combining technical, managerial, and institutional recommendations. The Terms of Reference (TOR) for this Feasibility Study are attached as Annex 5.

## **1.3 PROPOSALS TO BE SUBMITTED**

Technical proposals are solicited from interested and qualified U.S. firms. The administrative and technical requirements as detailed throughout the Request for Proposals (RFP) will apply. Specific proposal format and content requirements are detailed in Section 3.

The amount for the contract has been established by a USTDA grant of US\$344,422. **The USTDA grant of US\$344,422 is a fixed amount. Accordingly, COST will not be a factor in the evaluation and therefore, cost proposals should not be submitted.** Upon detailed evaluation of technical proposals, the Grantee shall select one firm for contract negotiations.

## **1.4 CONTRACT FUNDED BY USTDA**

In accordance with the terms and conditions of the Grant Agreement, USTDA has provided a grant in the amount of US\$344,422 to the Grantee. The funding provided under the Grant Agreement shall be used to fund the costs of the contract between the Grantee and the U.S. firm selected by the Grantee to perform the TOR. The contract must include certain USTDA Mandatory Contract Clauses relating to nationality, taxes, payment, reporting, and other matters. The USTDA nationality requirements and the USTDA Mandatory Contract Clauses are attached at Annexes 3 and 4, respectively, for reference.

## **Section 2: INSTRUCTIONS TO OFFERORS**

## **2.1 PROJECT TITLE**

The project is called Electronic Election Management System Project.

## **2.2 DEFINITIONS**

Please note the following definitions of terms as used in this RFP.

The term "Request for Proposals" means this solicitation of a formal technical proposal, including qualifications statement.

The term "Offeror" means the U.S. firm, including any and all subcontractors, which responds to the RFP and submits a formal proposal and which may or may not be successful in being awarded this procurement.

## **2.3 DEFINITIONAL MISSION REPORT**

USTDA sponsored a Definitional Mission to address technical, financial, sociopolitical, environmental and other aspects of the proposed project. A copy of the report is attached at Annex 2 for background information only. Please note that the TOR referenced in the report are included in this RFP as Annex 5.

## **2.4 EXAMINATION OF DOCUMENTS**

Offerors should carefully examine this RFP. It will be assumed that Offerors have done such inspection and that through examinations, inquiries and investigation they have become familiarized with local conditions and the nature of problems to be solved during the execution of the Feasibility Study.

Offerors shall address all items as specified in this RFP. Failure to adhere to this format may disqualify an Offeror from further consideration.

Submission of a proposal shall constitute evidence that the Offeror has made all the above mentioned examinations and investigations, and is free of any uncertainty with respect to conditions which would affect the execution and completion of the Feasibility Study.

## **2.5 PROJECT FUNDING SOURCE**

The Feasibility Study will be funded under a grant from USTDA. The total amount of the grant is not to exceed US\$344,422.

## **2.6 RESPONSIBILITY FOR COSTS**

Offeror shall be fully responsible for all costs incurred in the development and submission of the proposal. Neither USTDA nor the Grantee assumes any obligation as a result of the issuance of

this RFP, the preparation or submission of a proposal by an Offeror, the evaluation of proposals, final selection or negotiation of a contract.

## **2.7 TAXES**

Offerors should submit proposals that note that in accordance with the USTDA Mandatory Contract Clauses, USTDA grant funds shall not be used to pay any taxes, tariffs, duties, fees or other levies imposed under laws in effect in the Host Country.

## **2.8 CONFIDENTIALITY**

The Grantee will preserve the confidentiality of any business proprietary or confidential information submitted by the Offeror, which is clearly designated as such by the Offeror, to the extent permitted by the laws of the Host Country.

## **2.9 ECONOMY OF PROPOSALS**

Proposal documents should be prepared simply and economically, providing a comprehensive yet concise description of the Offeror's capabilities to satisfy the requirements of the RFP. Emphasis should be placed on completeness and clarity of content.

## **2.10 OFFEROR CERTIFICATIONS**

The Offeror shall certify (a) that its proposal is genuine and is not made in the interest of, or on behalf of, any undisclosed person, firm, or corporation, and is not submitted in conformity with, and agreement of, any undisclosed group, association, organization, or corporation; (b) that it has not directly or indirectly induced or solicited any other Offeror to put in a false proposal; (c) that it has not solicited or induced any other person, firm, or corporation to refrain from submitting a proposal; and (d) that it has not sought by collusion to obtain for itself any advantage over any other Offeror or over the Grantee or USTDA or any employee thereof.

## **2.11 CONDITIONS REQUIRED FOR PARTICIPATION**

Only U.S. firms are eligible to participate in this tender. However, U.S. firms may utilize subcontractors from the Host Country for up to 20 percent of the amount of the USTDA grant for specific services from the TOR identified in the subcontract. USTDA's nationality requirements, including definitions, are detailed in Annex 3.

## **2.12 LANGUAGE OF PROPOSAL**

All proposal documents shall be prepared and submitted in English, and only English.

## **2.13 PROPOSAL SUBMISSION REQUIREMENTS**

The **Cover Letter** in the proposal must be addressed to:

Dr. Octavian Oprea  
Permanent Electoral Authority  
6, Stavropoleos Street, 3rd District  
030084 Bucharest, Romania

Phone: (40) 21.310.07.76

Fax: (021) 310.13.85

**An Original and eight (8) copies of your proposal must be received at the above address no later than 4:00PM, on December 1, 2010.**

Proposals may be either sent by mail, overnight courier, or hand-delivered. Whether the proposal is sent by mail, courier or hand-delivered, the Offeror shall be responsible for actual delivery of the proposal to the above address before the deadline. Any proposal received after the deadline will be returned unopened. The Grantee will promptly notify any Offeror if its proposal was received late.

Upon timely receipt, all proposals become the property of the Grantee.

#### **2.14 PACKAGING**

The original and each copy of the proposal must be sealed to ensure confidentiality of the information. The proposals should be individually wrapped and sealed, and labeled for content including "original" or "copy number x"; the original and eight (8) copies should be collectively wrapped and sealed, and clearly labeled.

Neither USTDA nor the Grantee will be responsible for premature opening of proposals not properly wrapped, sealed and labeled.

#### **2.15 AUTHORIZED SIGNATURE**

The proposal must contain the signature of a duly authorized officer or agent of the Offeror empowered with the right to bind the Offeror.

#### **2.16 EFFECTIVE PERIOD OF PROPOSAL**

The proposal shall be binding upon the Offeror for SIXTY (60) days after the proposal due date, and Offeror may withdraw or modify this proposal at any time prior to the due date upon written request, signed in the same manner and by the same person who signed the original proposal.

#### **2.17 EXCEPTIONS**

All Offerors agree by their response to this RFP announcement to abide by the procedures set forth herein. No exceptions shall be permitted.

## **2.18 OFFEROR QUALIFICATIONS**

As provided in Section 3, Offerors shall submit evidence that they have relevant past experience and have previously delivered advisory, feasibility study and/or other services similar to those required in the TOR, as applicable.

## **2.19 RIGHT TO REJECT PROPOSALS**

The Grantee reserves the right to reject any and all proposals.

## **2.20 PRIME CONTRACTOR RESPONSIBILITY**

Offerors have the option of subcontracting parts of the services they propose. The Offeror's proposal must include a description of any anticipated subcontracting arrangements, including the name, address, and qualifications of any subcontractors. USTDA nationality provisions apply to the use of subcontractors and are set forth in detail in Annex 3. The successful Offeror shall cause appropriate provisions of its contract, including all of the applicable USTDA Mandatory Contract Clauses, to be inserted in any subcontract funded or partially funded by USTDA grant funds.

## **2.21 AWARD**

The Grantee shall make an award resulting from this RFP to the best qualified Offeror, on the basis of the evaluation factors set forth herein. The Grantee reserves the right to reject any and all proposals received and, in all cases, the Grantee will be the judge as to whether a proposal has or has not satisfactorily met the requirements of this RFP.

## **2.22 COMPLETE SERVICES**

The successful Offeror shall be required to (a) provide local transportation, office space and secretarial support required to perform the TOR if such support is not provided by the Grantee; (b) provide and perform all necessary labor, supervision and services; and (c) in accordance with best technical and business practice, and in accordance with the requirements, stipulations, provisions and conditions of this RFP and the resultant contract, execute and complete the TOR to the satisfaction of the Grantee and USTDA.

## **2.23 INVOICING AND PAYMENT**

Deliverables under the contract shall be delivered on a schedule to be agreed upon in a contract with the Grantee. The Contractor may submit invoices to the designated Grantee Project Director in accordance with a schedule to be negotiated and included in the contract. After the Grantee's approval of each invoice, the Grantee will forward the invoice to USTDA. If all of the requirements of USTDA's Mandatory Contract Clauses are met, USTDA shall make its respective disbursement of the grant funds directly to the U.S. firm in the United States. All

payments by USTDA under the Grant Agreement will be made in U.S. currency. Detailed provisions with respect to invoicing and disbursement of grant funds are set forth in the USTDA Mandatory Contract Clauses attached in Annex 4.

### **Section 3: PROPOSAL FORMAT AND CONTENT**

To expedite proposal review and evaluation, and to assure that each proposal receives the same orderly review, all proposals must follow the format described in this section.

Proposal sections and pages shall be appropriately numbered and the proposal shall include a Table of Contents. Offerors are encouraged to submit concise and clear responses to the RFP. Proposals shall contain all elements of information requested without exception. Instructions regarding the required scope and content are given in this section. The Grantee reserves the right to include any part of the selected proposal in the final contract.

The proposal shall consist of a technical proposal only. A cost proposal is NOT required because the amount for the contract has been established by a USTDA grant of US\$344,422 which is a fixed amount.

Offerors shall submit one (1) original and eight (8) copies of the proposal. Proposals received by fax cannot be accepted.

Each proposal must include the following:

- Transmittal Letter,
- Cover/Title Page,
- Table of Contents,
- Executive Summary,
- Company Information,
- Organizational Structure, Management Plan, and Key Personnel,
- Technical Approach and Work Plan, and
- Experience and Qualifications.

Detailed requirements and directions for the preparation of the proposal are presented below.

#### **3.1 EXECUTIVE SUMMARY**

An Executive Summary should be prepared describing the major elements of the proposal, including any conclusions, assumptions, and general recommendations the Offeror desires to make. Offerors are requested to make every effort to limit the length of the Executive Summary to no more than five (5) pages.

## **3.2 COMPANY INFORMATION**

For convenience, the information required in this Section 3.2 may be submitted in the form attached in Annex 6 hereto.

### **3.2.1 Company Profile**

Provide the information listed below relative to the Offeror's firm. If the Offeror is proposing to subcontract some of the proposed work to another firm(s), the information below must be provided for each subcontractor.

1. Name of firm and business address (street address only), including telephone and fax numbers.
2. Year established (include predecessor companies and year(s) established, if appropriate).
3. Type of ownership (e.g. public, private or closely held).
4. If private or closely held company, provide list of shareholders and the percentage of their ownership.
5. List of directors and principal officers (President, Chief Executive Officer, Vice-President(s), Secretary and Treasurer; provide full names including first, middle and last). Please place an asterisk (\*) next to the names of those principal officers who will be involved in the Feasibility Study.
6. If Offeror is a subsidiary, indicate if Offeror is a wholly-owned or partially-owned subsidiary. Provide the information requested in items 1 through 5 above for the Offeror's parent(s).
7. Project Manager's name, address, telephone number, e-mail address and fax number .

### **3.2.2 Offeror's Authorized Negotiator**

Provide name, title, address, telephone number, e-mail address and fax number of the Offeror's authorized negotiator. The person cited shall be empowered to make binding commitments for the Offeror and its subcontractors, if any.

### **3.2.3 Negotiation Prerequisites**

1. Discuss any current or anticipated commitments which may impact the ability of the Offeror or its subcontractors to complete the Feasibility Study as proposed and reflect such impact within the project schedule.
2. Identify any specific information which is needed from the Grantee before commencing contract negotiations.

### 3.2.4 Offeror's Representations

If any of the following representations cannot be made, or if there are exceptions, the Offeror must provide an explanation.

1. Offeror is a corporation [*insert applicable type of entity if not a corporation*] duly organized, validly existing and in good standing under the laws of the State of \_\_\_\_\_. The Offeror has all the requisite corporate power and authority to conduct its business as presently conducted, to submit this proposal, and if selected, to execute and deliver a contract to the Grantee for the performance of the Feasibility Study. The Offeror is not debarred, suspended, or to the best of its knowledge or belief, proposed for debarment, or ineligible for the award of contracts by any federal or state governmental agency or authority. The Offeror has included, with this proposal, a certified copy of its Articles of Incorporation, and a certificate of good standing issued within one month of the date of its proposal by the State of \_\_\_\_\_.
2. Neither the Offeror nor any of its principal officers have, within the three-year period preceding this RFP, been convicted of or had a civil judgment rendered against them for: commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a federal, state or local government contract or subcontract; violation of federal or state antitrust statutes relating to the submission of offers; or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, tax evasion, violating federal or state criminal tax laws, or receiving stolen property.
3. Neither the Offeror, nor any of its principal officers, is presently indicted for, or otherwise criminally or civilly charged with, commission of any of the offenses enumerated in paragraph 2 above.
4. There are no federal or state tax liens pending against the assets, property or business of the Offeror. The Offeror, has not, within the three-year period preceding this RFP, been notified of any delinquent federal or state taxes in an amount that exceeds \$3,000 for which the liability remains unsatisfied. Taxes are considered delinquent if (a) the tax liability has been fully determined, with no pending administrative or judicial appeals; and (b) a taxpayer has failed to pay the tax liability when full payment is due and required.
5. The Offeror has not commenced a voluntary case or other proceeding seeking liquidation, reorganization or other relief with respect to itself or its debts under any bankruptcy, insolvency or other similar law. The Offeror has not had filed against it an involuntary petition under any bankruptcy, insolvency or similar law.

The selected Offeror shall notify the Grantee and USTDA if any of the representations included in its proposal are no longer true and correct at the time of its entry into a contract with the Grantee. USTDA retains the right to request an updated certificate of good standing from the selected Offeror.

### **3.3 ORGANIZATIONAL STRUCTURE, MANAGEMENT, AND KEY PERSONNEL**

Describe the Offeror's proposed project organizational structure. Discuss how the project will be managed including the principal and key staff assignments for this Feasibility Study. Identify the Project Manager who will be the individual responsible for this project. The Project Manager shall have the responsibility and authority to act on behalf of the Offeror in all matters related to the Feasibility Study.

Provide a listing of personnel (including subcontractors) to be engaged in the project, including both U.S. and local subcontractors, with the following information for key staff: position in the project; pertinent experience, curriculum vitae; other relevant information. If subcontractors are to be used, the Offeror shall describe the organizational relationship, if any, between the Offeror and the subcontractor.

A manpower schedule and the level of effort for the project period, by activities and tasks, as detailed under the Technical Approach and Work Plan shall be submitted. A statement confirming the availability of the proposed project manager and key staff over the duration of the project must be included in the proposal.

### **3.4 TECHNICAL APPROACH AND WORK PLAN**

Describe in detail the proposed Technical Approach and Work Plan (the "Work Plan"). Discuss the Offeror's methodology for completing the project requirements. Include a brief narrative of the Offeror's methodology for completing the tasks within each activity series. Begin with the information gathering phase and continue through delivery and approval of all required reports.

Prepare a detailed schedule of performance that describes all activities and tasks within the Work Plan, including periodic reporting or review points, incremental delivery dates, and other project milestones.

Based on the Work Plan, and previous project experience, describe any support that the Offeror will require from the Grantee. Detail the amount of staff time required by the Grantee or other participating agencies and any work space or facilities needed to complete the Feasibility Study.

### **3.5 SECTION 5: EXPERIENCE AND QUALIFICATIONS**

Provide a discussion of the Offeror's experience and qualifications that are relevant to the objectives and TOR for the Feasibility Study. If a subcontractor(s) is being used, similar information must be provided for the prime and each subcontractor firm proposed for the project. The Offeror shall provide information with respect to relevant experience and qualifications of key staff proposed. The Offeror shall include letters of commitment from the individuals proposed confirming their availability for contract performance.

As many as possible but not more than six (6) relevant and verifiable project references must be provided for the Offeror and any subcontractor, including the following information:

Project name,  
Name and address of client (indicate if joint venture),  
Client contact person (name/ position/ current phone and fax numbers),  
Period of Contract,  
Description of services provided,  
Dollar amount of Contract, and  
Status and comments.

Offerors are strongly encouraged to include in their experience summary primarily those projects that are similar to or larger in scope than the Feasibility Study as described in this RFP.

#### **Section 4: AWARD CRITERIA**

Individual proposals will be initially evaluated by a Procurement Selection Committee of representatives from the Grantee. The Committee will then conduct a final evaluation and completion of ranking of qualified Offerors. The Grantee will notify USTDA of the best qualified Offeror, and upon receipt of USTDA's no-objection letter, the Grantee shall promptly notify all Offerors of the award and negotiate a contract with the best qualified Offeror. If a satisfactory contract cannot be negotiated with the best qualified Offeror, negotiations will be formally terminated. Negotiations may then be undertaken with the second most qualified Offeror and so forth.

The selection of the Contractor will be based on the following criteria:

- Experience in developing complex management information systems [with preference given to contractors with direct experience in election management systems (EMS)], including user needs assessments, and specifications development.  
[25 points]
- Experience in national-level, e-government systems/platforms; experience in communications networks (including broadband), systems architecture, systems integration, and data-center development.  
[25 points]
- Experience in developing end-to-end security solutions (including IT network, procedural and physical security elements); experience in defining quality assurance (QA) requirements and developing QA frameworks; experience in conducting security and QA audits.  
[20 points]
- Experience in project management, implementation planning, and project financing specific to large-scale e-government and/or management information systems projects.  
[15 points]
- Experience in conducting developmental impact, legal/regulatory, and environmental impact assessments; knowledge of democratic governance issues and policy; experience in stakeholder management.  
[10 points]
- Experience in conducting similar e-government and management information system projects in the country and/or region  
[5 points]

Proposals that do not include all requested information may be considered non-responsive.

Price will not be a factor in contractor selection.

## ANNEX 1

Dr. Octavian OPRIȘ Permanent Electoral Authority 6, Stavropoleos Street, 3<sup>rd</sup> District  
030084 Bucharest, Romania

### B - ELECTRONIC ELECTION MANAGEMENT SYSTEM FEASIBILITY STUDY

POC: Nina Patel, USTDA, 1000 Wilson Boulevard, Suite 1600, Arlington, VA  
22209-3901, Tel: (703) 875-4357, Fax: (703) 875-4009. ELECTRONIC ELECTION  
MANAGEMENT SYSTEM FEASIBILITY STUDY. The Grantee invites submission  
of qualifications and proposal data (collectively referred to as the "Proposal") from  
interested U.S. firms that are qualified on the basis of experience and capability to  
develop a feasibility study for an Electronic Election Management System.

The PEA must address several deficiencies in the current Romanian electoral process.  
In particular, allegations of fraudulent or suspicious voting cases have been reported  
by the media and watchdog organizations, and have become a major political issue.  
Key issues include paper-based voting lists that do not permit the PEA to prevent  
multiple or illegitimate votes from being cast, paper-based vote counting processes  
that are not transparent or timely, and ad-hoc election planning that results in  
inefficient resource utilization.

Areas the PEA is currently examining to improve the electoral administrative process  
include:

- developing an electronic electoral register (database) of citizens with the right  
to vote and a means to effectively guard against multiple voting and other  
types of illegal voting (such a database is mandated by the European Union);
- improving the vote casting/counting process by means of electronic voting, to  
make vote counting faster and more reliable, while improving transparency;
- developing a call center for technical and administrative support of the  
electoral process;
- improving training and communication among the personnel involved in the  
electoral process, possibly by means of e-learning and portal functionalities;  
and
- developing a remote voting functionality for citizens living abroad.

The overall objective of the proposed FS is to develop a roadmap for the systematic  
deployment of a fully operational Electronic Election Management System (EEMS).  
The study will develop a high-level assessment and implementation plan combining  
technical, managerial, and institutional recommendations. At a technical level, the FS  
will help the PEA determine its national-level EEMS needs, including hardware,  
software, GIS, a Relational Database Management System, network management  
tools, security solutions, and communications equipment. The EEMS project will  
improve the technical and institutional capability of the PEA, leading to significant  
efficiency and effectiveness gains to the electoral process. It will decrease fraudulent  
and other illegal voting, create a faster and more reliable tabulation process, improve

administrative and technical capacities, and will also allow for real time monitoring of the election process. In addition, successful implementation of the EEMS will considerably improve the experience of Romanian citizens with the voting process, and build a higher level of trust in election results.

The U.S. firm selected will be paid in U.S. dollars from a \$344,422 grant to the Grantee from the U.S. Trade and Development Agency (USTDA).

A detailed Request for Proposals (RFP), which includes requirements for the Proposal, the Terms of Reference, and a background definitional mission/desk study report are available from USTDA, at 1000 Wilson Boulevard, Suite 1600, Arlington, VA 22209-3901. To request the RFP in PDF format, please go to: <https://www.ustda.gov/businessopps/rfpform.asp>. Requests for a mailed hardcopy version of the RFP may also be faxed to the IRC, USTDA at 703-875-4009. In the fax, please include your firm's name, contact person, address, and telephone number. Some firms have found that RFP materials sent by U.S. mail do not reach them in time for preparation of an adequate response. Firms that want USTDA to use an overnight delivery service should include the name of the delivery service and your firm's account number in the request for the RFP. Firms that want to send a courier to USTDA to retrieve the RFP should allow one hour after faxing the request to USTDA before scheduling a pick-up. Please note that no telephone requests for the RFP will be honored. Please check your internal fax verification receipt. Because of the large number of RFP requests, USTDA cannot respond to requests for fax verification. Requests for RFPs received before 4:00 PM will be mailed the same day. Requests received after 4:00 PM will be mailed the following day. Please check with your courier and/or mail room before calling USTDA.

Only U.S. firms and individuals may bid on this USTDA financed activity. Interested firms, their subcontractors and employees of all participants must qualify under USTDA's nationality requirements as of the due date for submission of qualifications and proposals and, if selected to carry out the USTDA-financed activity, must continue to meet such requirements throughout the duration of the USTDA-financed activity. All goods and services to be provided by the selected firm shall have their nationality, source and origin in the U.S. or host country. The U.S. firm may use subcontractors from the host country for up to 20 percent of the USTDA grant amount. Details of USTDA's nationality requirements and mandatory contract clauses are also included in the RFP.

Interested U.S. firms should submit their Proposal in English directly to the Grantee by 4PM, December 1, 2010 at the above address. Evaluation criteria for the Proposal are included in the RFP. Price will not be a factor in contractor selection, and therefore, cost proposals should NOT be submitted. The Grantee reserves the right to reject any and/or all Proposals. The Grantee also reserves the right to contract with the selected firm for subsequent work related to the project. The Grantee is not bound to pay for any costs associated with the preparation and submission of Proposals.

ANNEX 2



## **DEFINITIONAL MISSION FINAL REPORT**

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**Submitted to:  
The U.S. Trade and Development Agency**

**For the:  
Romania – Electronic Electoral Management System  
Definitional Mission**

**Submitted by:  
  
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**5 August 2010**



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## **The U.S. Trade and Development Agency**

The U.S. Trade and Development Agency (USTDA) advances economic development and U.S. commercial interests in developing and middle income countries. The agency funds various forms of technical assistance, feasibility studies, training, orientation visits and business workshops that support the development of a modern infrastructure and a fair and open trading environment.

USTDA's strategic use of foreign assistance funds to support sound investment policy and decision-making in host countries creates an enabling environment for trade, investment and sustainable economic development. Operating at the nexus of foreign policy and commerce, USTDA is uniquely positioned to work with U.S. firms and host countries in achieving the agency's trade and development goals. In carrying out its mission, USTDA gives emphasis to economic sectors that may benefit from U.S. exports of goods and services.

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## **ABBREVIATIONS**

- ACE – ACE Electoral Knowledge Network  
CoE – Council of Europe  
DEB – District Electoral Bureaus (in Romanian: Birou Electoral Judetean – BEJ)  
DLP – Democrat Liberal Party (in Romanian: Partidul Democrat Liberal – PDL)  
EAD – The Electoral Assistance Division (within the Political Affairs Department of UNDP)  
EBPS - Electoral Bureau at the Polling Station (in Romanian: Biroul Electoral la Sectia de Votare – BESV)  
EBPSA - Electoral Bureau for Polling Stations Abroad (in Romanian: Biroul Electoral pentru Sectiile de Votare din Strainatate)  
EEMS – Electronic Election Management System  
EISA – Electoral Institute for the Sustainability of democracy in Africa  
EO – Emergency Ordinance  
GOR – Government of Romania  
ICT – Information and Communications Technology  
IDEA – (International) Institute for Democracy and Electoral Assistance  
IFES – International Foundation for Electoral Systems  
IT – Information Technology  
MAI – Ministry of Administration and Interior (in Romanian: Ministerul Administratiei si Internelelor)  
MCIS – Ministry of Communications and Information Society (in Romanian: Ministerul Comunicatiilor si Societatii Informatinale – MCSI).  
MEB – Midlevel Electoral Bureau  
MoE - Ministry of Education (the complete name in Romanian is: Ministerul Educatiei, Cercetarii si Inovarii)  
NIS – National Institute of Statistics (in Romanian: Institutul National de Statistica – INS)  
OCR – Optical Character Recognition  
ODIHR – Office for Democratic Institutions and Human Rights (within OSCE)  
OPACD – Operational Program “Administrative Capacity Development” (in Romanian: Programul Operational Dezvoltarea Capacitatii Administrative).  
OSCE – Organization for Security and Co-operation in Europe  
PEA – Permanent Electoral Authority (in Romanian: Autoritatea Electorala Permanenta - AEP).  
SDP – Social Democratic Party (in Romanian: Partidul Social Democrat – PSD)  
SOPIEC – Sectoral Operational Program “Increase of Economic Competitiveness” (in Romanian: Programul Operational Sectorial “Cresterea Competitivitatii Economice” – POSCCE)  
STS – Special Telecommunications Service (in Romanian: Serviciul de Telecomunicatii Speciale – STS)  
UNDESA – United Nations Department of Economic and Social Affairs  
UNDP – United Nations Development Programme

## **I. EXECUTIVE SUMMARY**

### **A. DM BACKGROUND AND OVERVIEW**

Romania currently relies on paper ballots and hand counting to tally votes during elections. The Permanent Electoral Authority (PEA), an autonomous administrative agency with its own budget, which reports to the Parliament, is responsible for providing all the necessary logistics and systems for carrying out elections in Romania, as well as for developing strategies to improve the voting process. The PEA has requested USTDA assistance in developing and evaluating a potential IT-based integrated management system for elections. The most recent presidential election, which was very close and hampered by serious allegations of vote fraud, significantly raised the visibility of this issue within the Government of Romania (GOR) and the Romanian public. As a result, President Basescu has promised that an improved system will be in place by the time of the next presidential election in 2014.

Development of an IT-based election management system and improvement of the electoral process is also being driven by Romania's EU requirements. Under EU guidelines, the PEA is required to develop a voter registration database by 2010. The PEA must also submit detailed pre- and post-election reports to the European Commission's Elections Unit (BI), the requirements of which necessitate the development of a robust database management system. Plans are currently underway at the PEA to develop systems for electronic voting, electronic verification of voters' identification cards, and automated counting systems. These systems will require improved communications networks, particularly at rural polling stations. The PEA would also like to assess options for improving the ability of the 2.5 million Romanian citizens living abroad to participate in elections. These options include voting via mail or internet, digital phone networks, and/or early voting programs. The PEA would like a study to incorporate these issues into a single plan for an integrated management system. The system would utilize the latest technology to improve vote count accuracy and reduce the potential for fraud to occur during an election. PEA values the technological experience of U.S. firms in this area and is seeking a neutral, third party review of the system.

In a series of meetings held during May and June 2010, Pythia worked with PEA representatives to define the technical parameters of the planned Electronic Election Management System (EEMS), as well as to determine the relevant political, legal/regulatory, and institutional issues and constraints that will impact its development and deployment. During these meetings, PEA's main short and long-term objectives for the EEMS were discussed along with likely sources of implementation financing. Also during this period, Pythia met with the Romanian offices and/or representatives of U. S. companies including Fortinet, IBM, Oracle, Cisco, and Microsoft, which have expressed strong interest in the EEMS project. Several of these meetings were facilitated by the U.S. Commercial Section, with which Pythia worked closely throughout the DM. Additional meetings were held with potential providers of implementation financing and technical assistance including the World Bank, UNDP, and OSCE.

## **B. EEMS PROJECT DESCRIPTION**

While past elections in Romania have generally been considered free and fair, there have been a number of problems. Reports of vote buying, multiple voting, biased media coverage, and illegal, last minute campaigning have not been uncommon. The current procedures for processing paper ballots are slow and cumbersome. Lack of transparency in the counting and reporting of votes has also lead to considerable controversy.

In response to these issues and new EU requirements, the PEA is currently attempting to define the core parameters and components of an Electronic Electoral Management System (EEMS) capable of automating the vote authentication and vote casting/counting processes, as well as the electoral administrative processes. The PEA requires technical assistance in the development of a comprehensive roadmap that it can follow in the systematic deployment of a fully operational, national system. This technical assistance should include the development of a high-level assessment and implementation plan combining technical with managerial/institutional recommendations. At a technical level, support should be provided to the PEA in determining its national-level EEMS needs, including hardware, software, database and network management tools, security solutions, and communications equipment.

The EEMS project will contribute to improving the technical and institutional capability of the PEA, leading to significant efficiency and effectiveness gains to the electoral process. The EEMS will improve the ability to prevent multiple or other illegal voting, will create a faster more reliable vote counting and tabulation process, will improve the ability to deal with administrative and technical issues/events, and will also allow for real time monitoring of the election process and faster reaction times. Ultimately, a successful implementation of the EEMS will considerably improve the experience of Romanian citizens with the voting process, and will build a higher level of trust in election results

## **C. RECOMMENDATIONS AND KEY CONSIDERATIONS**

### **USTDA-Funded Feasibility Study**

Pythia recommends that USTDA fund a Feasibility Study (FS) on behalf of the PEA that will provide an in-depth assessment of the EEMS user needs based on a review of relevant international experiences, a review of the legal-regulatory, policy, infrastructure, and societal context, and an analysis of current administrative processes. Results of the user needs assessment would determine the core functionalities of the system. Building from this base, the FS would propose an overall architecture and functional requirements for the EEMS, determine the required operating system and database functionalities, assess system security and quality assurance requirements, evaluate communications infrastructure requirements, and develop the system design and high level specifications. The proposed FS would result in a high-level implementation and investment plan for the EEMS, which would incorporate a detailed project schedule and budget, an economic and financial analysis, and an analysis of the environmental and developmental impacts. Due to the sensitive, political nature of election management systems, stakeholder management

will be an extremely important element of the FS. The proposed budget for the feasibility study is \$344,422.

### **Key Issues and Considerations**

To respond to PEA's stated objectives and EU requirements, the EEMS must be fully integrated and should be deployed uniformly on a nation-wide basis. If, on the other hand, the EEMS is poorly conceived or implemented in an ad-hoc manner, the results will be compromised, possibly leading to election irregularities. Therefore, to avoid these pitfalls, the FS to be developed with USTDA support should address the PEA's key issues and challenges, including the need to:

- Replace several outdated, un-integrated, distributed legacy applications
- Improve hiring and training of staff to ramp up for elections
- Better serve voter demand and respond to legislative changes
- Implement real-time operational indicators
- Repair data and process quality, automate its management
- Build enhanced tools to manage, automate the election process
- Integrate pre-election, election day and post election business functions
- Automate workflows to improve accuracy and efficiencies
- Advance data collection and improve quality of the voter list
- Improve communication between candidates, parties, election operations, media and the public
- Improve control of & visibility into activities in electoral districts, and
- Improve insight into spending, ballot auditing, party finances, etc.

While the PEA's IT department has been enhanced over the past year, it needs to further develop the specialized management and technical skills necessary to run an integrated, national-scale EEMS. For this reason, a core focus of the FS will be addressing the PEA's institutional capacity, IT human resources needs, and training requirements. Another important issue to be addressed is communications infrastructure. The current state-run telecommunications network (STS) interconnects most government agencies but its backbone fiber optic network only covers major urban centers. Connections to smaller towns and rural areas are provided through a patchwork of agreements with private operators, leading to inconsistent coverage. The FS will need to assess the PEA's links to remote polling stations and propose upgrades or alternate solutions where appropriate. Currently there is no legislation covering electronic voting procedures in Romania. At the same time, there are conflicting laws covering election procedures at the local, regional, and national level. Therefore, an analysis of legal and regulatory issues will be another important component of the FS.

### **Justification**

USTDA support for the proposed feasibility study is fully justified based on the following key assessments developed during the DM:

- The PEA, the proposed Grantee, is fully committed to the project and has actively sought out USTDA involvement. Through recent pilot projects and work with international organizations, the PEA has demonstrated that it has the capacity to implement and maintain a project on the scale of the planned EEMS.
- On the basis of the USTDA-supported FS, financing for the majority of the EEMS is likely to come from the national budget. EU Structural Funds earmarked for Economic Competitiveness and Administrative Capacity Development are also available for deployment of the EEMS. Funding and/or technical support could also come from the UNDP, OSCE, and World Bank.
- The EEMS will be a major generator of US exports. The budget for implementation of the system is expected to exceed \$50 million. The EEMS will require computer hardware, communications networking equipment, database management systems, an advanced security solution, web tools, a dedicated operating system, and software applications for vote casting and counting. U.S. suppliers could potentially provide the majority of these system components.
- The EEMS will provide major development benefits for Romania in the areas of public infrastructure, human capacity building, technology transfer and productivity enhancement. In addition, significant direct and indirect gains will result in the area of democratic governance.

## **II. ELECTORAL MANAGEMENT AND TECHNOLOGY: THE EEMS PROJECT IN INTERNATIONAL CONTEXT**

### **A. ISSUES AND INTERNATIONAL DEVELOPMENTS IN ELECTORAL MANAGEMENT**

Information Technology (IT) is increasingly used around the world in various aspects of elections and electoral management, from voter registration and authentication, the management of electoral logistics to the core process of elections: vote casting and counting. While some countries have made considerably more progress than others, at least some aspects of electoral management (central tabulation and distribution of votes for example) are done by means of IT in almost all developed countries. *Electronic voting* (or *e-voting*) is part of a wider international trend of use of IT in government and administration, termed *e-government*. E-voting is often used in a broader sense, referring not just to voting and voting technology, but to other uses of technology in elections such as in electoral administration, vote counting and tabulating, etc. Our discussion will focus primarily on the *use of IT in the vote casting and communication/ transmission process*. This is not restricted to Direct Electronic Voting (DRE) in which the voter directly registers his/her vote in a computerized

machine (by means of push buttons or touch screens), but includes other methods in which vote data is digitized and tabulated.

*Electronic electoral management* (EEMS) covers the broader area of electoral administration and the various processes that it entails. An EEMS is an integrated solution for electoral management including logistics, database management, document management and other functionalities. It is not focused solely on voting technology. In other words, e-voting generally refers to the use of IT in the *front office* of the electoral process, i.e. the digitization of vote casting, communication and tabulation, while the term electronic electoral management is used to denote the use of IT in wider areas of electoral administration, including many *back office* processes. The back-office technologies used in an Electronic Election Management Systems vary widely from country to country, depending on the specific administrative processes and user needs of institutions involved. A major determinant of the system design is the degree to which elections are centralized or decentralized in a given country. Despite the differences, most EEMSs include the following core components and management solutions: personnel management, document management, project or process management solutions, financial management, and asset/inventory management, built on various technologies such as database, portal technologies, etc. In most democratic countries voting has historically been done on paper ballots using some sort of marker (pen or stamp). To protect vote secrecy, votes are cast in a voting booth (cabin) and then anonymously deposited in a ballot box. Votes are then (usually at the end of the voting period) counted and added manually. Paper-based voting is still in place in many countries including Romania and should not easily be dismissed as obsolete since it still retains some clear advantages in terms of the very intuitive "user interface" (pen and paper), and transparent functioning.

Since the 1950s in the U.S., mechanical voting by means of lever machines has been widely used. Typically, a voter enters the voting booth, pulls a lever that closes a curtain; indicates his/her choice of candidate/party/measure by means of a series of switches (designed to prevent simultaneous choice of opposite candidates); and then pulls the lever again which opens the curtain and increments a mechanical counter with the choice of the voter. The counter is read and votes recorded by a precinct officer at the end of the voting period.

The use of IT in the voting process has increased substantially since 2002. A type of electronic voting technology that has been in wide use for a number of years is that of indicating the voter's choice on a physical medium that is then digitally read. One such alternative is represented by optical recognition technologies (e.g. Optical Mark Recognition (OMR), or Optical Character Recognition (OCR)). In this case, voters still use paper ballots to indicate their choice. These are then automatically machine read and data is further digitally tabulated and counted (or transmitted further to a machine/computer/server that does the tabulating). Another technology, also involving marking votes on a physical medium that is then digitally read, has been Punch Card Voting. With this type of technology, voters indicate their choice by punching holes in a voting card (usually with a special punching device). Punched cards are then fed into a digital vote tabulating device.

More completely electronic voting systems are those in which votes are entered directly into an electronic interface. A first alternative is voting on specialized voting machines called Direct Recording Electronic systems. With a DRE system, voters

specify their choice by means of touch screens or push buttons and vote data is directly digitally registered and tabulated. DRE systems may or may not produce paper trails/receipts of the votes. Another completely electronic method is voting by means of general use digital machines such as personal computers, PDA devices, telephones etc. As these methods do not require the presence of the voter at a specially designed polling station, and the Internet is generally used as the means of communicating the votes, they are referred to as *Remote Electronic Voting* or *Internet Voting*.

International experiences with e-voting, and the use of IT systems in election management, are diverse. Unlike the case with e-government, it is not always the more economically advanced countries that have made the most progress in adopting technology in the voting process. Among economically developed countries, the U.S. has made significant steps toward the use of technology in elections. However, due to the highly decentralized electoral management (with various states or counties and districts being able to choose their own voting technology), a variety of voting technologies has been in use for decades, from 'classic' paper ballots to punch cards, mechanical machines and electronic voting.

**Table 1: Types of Voting Technologies Used in the United States, 1998**

<b>VOTING METHOD</b>	<b>DOCUMENT BALLOT</b>	<b>COMPUTER ASSISTED TABULATION</b>	<b>NUMBER OF COUNTIES</b>	<b>PERCENTAGE USING METHOD</b>	
				<b>REGISTERED VOTERS</b>	<b>PRECINCTS</b>
<b>PAPER BALLOT</b>	<b>YES</b>	<b>NO</b>	<b>410</b>	<b>1.6%</b>	<b>2.9%</b>
<b>LEVER MACHINE</b>	<b>NO</b>	<b>NO</b>	<b>480</b>	<b>18.6%</b>	<b>21.8%</b>
<b>PUNCH CARDS</b>					
<b>VOTOMATIC</b>	<b>YES</b>	<b>YES</b>	<b>578</b>	<b>31.0%</b>	<b>33.4%</b>
<b>DATAVOTE</b>	<b>YES</b>	<b>YES</b>	<b>57</b>	<b>3.3%</b>	<b>4.0%</b>
<b>MARKSENSE</b>	<b>YES</b>	<b>YES</b>	<b>1,217</b>	<b>27.3%</b>	<b>24.7%</b>
<b>DRE</b>	<b>NO</b>	<b>YES</b>	<b>257</b>	<b>9.1%</b>	<b>7.3%</b>
<b>MIXED SYSTEM</b>	<b>-</b>	<b>-</b>	<b>141</b>	<b>9.1%</b>	<b>5.9%</b>

Source: Election Data Service, "1998 Voting Equipment Study Report" cited by Fischer, Eric A. 2001. *Voting Technologies in the United States: Overview and Issues for Congress*. p. 2. Congressional Research Service. Available at: <http://digital.library.unt.edu/ark:/67531/metacrs1630/>.

Since the 1990s, voting in the U.S. has generally been carried out by some electronic means including technologies such as punch card machines, Optical Mark Recognition (OMR), and DRE. According to the U.S. Federal Elections Commission, in 2004 DRE systems were used by 28.9% of voters (up from a little over 7% in 1998). Thus, in the U.S. a clear trend towards more advanced technologies is observed while various technologies are being used including older legacy technologies.

In many Western European countries various moves have been made toward the adoption of digital technology in the election process. While in most Western European countries the digitization of the back office of election management is well advanced, there have been fewer cases of generalized introduction of e-voting. On the other hand, various pilot projects on e-voting have been introduced in many EU countries. In Austria, for example, in 2003 and 2004 a remote voting system ([www.e-voting.at](http://www.e-voting.at)) was tested (in a legally non-binding setting, i.e. electronic voting was not official) among university students for student organization elections. In Norway, parallel non-binding pilots of e-voting systems were organized in three municipalities during 2003 using touch screen DRE machines. Similarly, in Portugal, a larger pilot involving 9 municipalities was carried out in 2004. In Spain during 2003 the Government of Catalonia was ahead of the national government in organizing non-binding pilots on remote e-voting procedures (voting via the Internet) for citizens residing abroad. In 2004 the national government organized some non-binding pilots for local elections at the level of municipalities as well.

While most of the above have been non-binding pilots, in Switzerland, between 2002 and 2007 many Cantons (federal divisions) including Geneva, Neuchatel, Zurich, and Basel Stadt have organized binding pilots at a municipal level as well as remote voting for citizens residing abroad. Since then, some Cantons, particularly Geneva and Basel Stadt, have proceeded with the legalization of internet voting at the level of their Constitution and have implemented it as an alternative voting method for their citizens residing in their Canton or abroad.

In France also there has been a larger scale deployment of Internet voting, though this has been restricted to citizens residing abroad. Following a 2003 pilot for citizens residing in the U.S., and a recommendation of the Internet Rights Forum (an organization supported by the French government) that Internet voting be restricted to citizens residing abroad, the French government has made Internet voting generally available for citizens residing outside France. Since 2006 Internet voting is available as an alternative to in-person voting and mail voting. Within France itself, there have been several pilots (some of which binding). The number of municipalities testing the use of DRE machines has increased steadily and many have now acquired authorization for the full deployment of DRE machines.

Belgium made some early trials regarding e-voting in the early 1990s and used the lessons learned to adopt a legal framework for e-voting in 1994. Since then, e-voting (usually involving a hybrid DRE-optical technology using a screen, an ID card, and an optical pen) has been used increasingly at local elections in 1999, 2000, 2003. In the European and regional elections of 2004, 3.2 million voters, representing around one third of the voting population, used electronic voting.

Surprisingly, Estonia was the first European country to fully implement Internet voting on a national scale. Estonia started developing its internet voting system in 2002 and in 2005 it was available nationally for all eligible citizens for local elections. The system was used again in parliamentary elections in 2007 and European Parliament elections in 2009. At the elections in 2009, 16% of votes were cast using Internet voting.

Other large scale deployments of e-voting technologies come from developing countries. Brazil was the first country to implement the nation-wide use of polling place DRE systems. The systems were initially introduced in 1996 and, by the elections of 2000, about 30% of the precincts had DRE machines. By 2002, over 400,000 machines covered the totality of precincts in Brazil. Election results were literally tallied and communicated within minutes after polls were closed. Another significant example of a developing country with large scale use of e-voting is the Philippines where, for the first time in elections in 2010, over 80,000 OMR machines were deployed on polling stations throughout the country.

Electronic voting, and electronic electoral management more generally, has many potential advantages over paper-based systems. For this reason, an increasing number of countries are implementing e-voting and other electronic solutions for election management. The advantages sought for electronic electoral management and e-voting are usually defined in terms of efficiency and effectiveness of the voting process. More specifically these advantages may include:

- better accuracy of vote casting and counting
- improved speed of vote counting, in some cases (if all voting is electronic) almost instantaneous results,
- better (timely, more cost effective) monitoring and management of the election process;
- an improved experience of voting and trust by voters in the voting process; etc.

However, these advantages cannot be taken for granted. Electronic electoral management solutions entail certain risks and a number of possible disadvantages as well. One of the main criticisms raised is the issue of security, including the possibility of accidental failure or system malfunction as well as that of intentional corruption of the system by physical or IT means. Questions have been raised with regard to the security of electronic management or electronic voting systems throughout most countries where such projects have been underway. In some cases, security audits have confirmed the existence of security flaws, either in specific equipment or of the overall system. For example, a security audit commissioned by the California Secretary of State, Debra Bowen, in 2007 and performed by a team of security experts at the University of California at Berkley, revealed that several voting systems in California had serious security flaws that could possibly lead to the vitiation of vote results reported. In the Philippines, problems with the memory cards of OMR machines have been reported, causing public suspicion and protests over election results. In the Netherlands, after making significant progress toward deploying DRE voting systems, concerns with the security of these machines has led to a recent decision to return to paper voting.

Given these possible pitfalls, extreme care must be taken in the planning, design and implementation of electoral election management systems. The standards of security and quality assurance need to reflect the high stakes and sensitive nature of elections. A clear understanding of the country-specific election process and a thorough knowledge of what constitutes good democratic governance are also key success factors. As Romania was not among the first generation of countries to deploy electronic voting, it may now be at an advantage in implementing the proposed EEMS. Free from the burden of legacy systems, Romania will be able to more easily

adapt best practices and build on prior experiences and lessons learned of other countries.

## **B. INTERNATIONAL RESOURCES, PROGRAMS AND INITIATIVES IN E-VOTING AND ELECTORAL MANAGEMENT**

Given the importance of elections and electoral management for democracies, as well as current international evolutions in electoral management technologies, there are several international initiatives focused on monitoring elections, providing electoral assistance in order to strengthen electoral management, and gathering international expertise and experience with electoral processes. Among the more relevant initiatives and programs in the context of the EEMS project in Romania are the following:

### **The United Nations Development Program: Electoral Assistance Division**

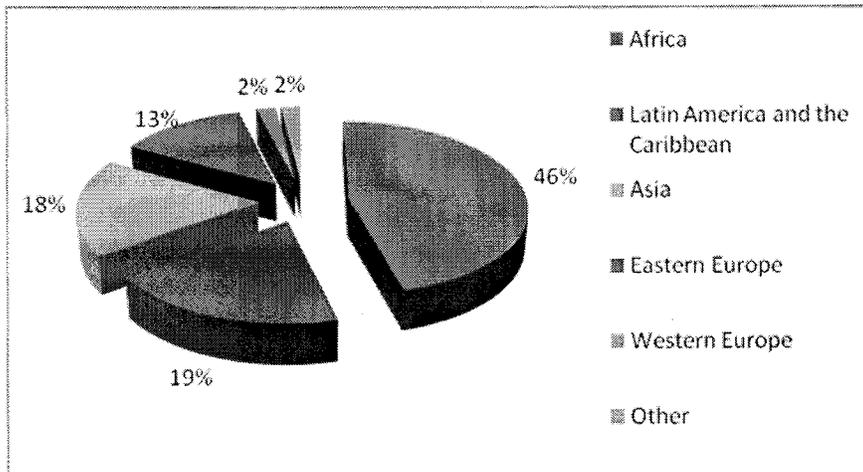
The United Nations Development Program (UNDP) has maintained an Electoral Assistance Division (EAD) since 1992 under the Department of Political Affairs. The objective of EAD is to provide electoral assistance to various democratic and democratizing countries around the world. The EAD undertakes needs assessment missions in various countries, provides technical assistance on strengthening electoral processes and democratic institutions, supports civic and voter education projects, as well as training of public administration officers in relevant institutions. The EAD also coordinates and supports the activities of international election observers, provides assistance in developing capabilities for non-partisan observation, and maintains an institutional memory of the organization's experience in electoral assistance as well as a roster of international electoral experts. Electoral assistance, granted for free at request (after an evaluation procedure) can be targeted at either the election event itself, or, increasingly, at laws, institutions and processes that govern electoral administration.

The experience of EAD is wide; since 1989<sup>1</sup> UNDP (after 1992 through EAD) has undertaken more than 260 electoral assistance missions in 96 countries. These countries cover almost all regions of the world, see Figure 1 below.

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<sup>1</sup> Note that UNDP has received requests for electoral assistance and provided it before the establishment of EAD as well.

Figure 1: Requesting Member States by Region



Source: UNDP, EAD <http://www.un.org/Depts/dpa/ead/overview.html>

While the traditional areas of electoral assistance have been related to strengthening institutional and administrative process, the EAP is increasingly active in election technology. UNDP EAP considers that the use of IT in elections and of electronic voting methods can bring many advantages, while at the same time acknowledging that IT-based systems have their own challenges and risks.

The UNDP Country Office in Bucharest, Romania, was established in 1971 and was the first UNDP country office in a Warsaw Pact member state. Other country offices in the region were only established two decades later. Since then, UNDP has been developing and running projects in Romania in three areas: democratic governance, sustainable and balanced economic growth, and responsible management of economic resources. Democratic governance projects have focused on strengthening institutional capacity of institutions such as the presidential administration or regional development agencies, supporting the fight against human trafficking, information and training projects, etc. While UNDP country offices in other new EU member states have been (or are in the process of being) dismantled following EU accession (UNDP focusing more resources on developing countries) or have lost their diplomatic representation status, Romania is the only remaining EU country where the UNDP office remains strong, maintains a diplomatic status, and is likely to continue its activities over the medium term.

The UNDP EAP may therefore be a useful resource for the PEA in Romania in providing assistance with the development of the EEMS project. The UNDP's international experience in electoral assistance, and on the issue of institutional development in particular, may be very beneficial to PEA and complementary to the more technical focus of the Contractor. PEA could take a proactive role in coordinating the assistance received from UNDP with the work performed by the Contractor on the USTDA grant.

**The Organization for Security and Co-operation in Europe, Office for Democratic Institutions and Human Rights, Elections Department**

The Organization for Security and Co-operation in Europe (OSCE), officially established in 1975, is an intergovernmental organization with a broad mandate including areas such as security cooperation, human rights, freedom of the press and fair elections. While initially established by 35 member states mainly from Europe, it currently includes 56 members in Europe, the Caucasus, Central Asia and North America. The Office for Democratic Institutions and Human Rights (ODIHR) of OSCE, through its Elections Department, has been active in deploying election observation missions to OSCE member States to assess the implementation of OSCE commitments relating to “universal, equal, fair, secret, free, transparent, and accountable” elections. After each election observation mission, OSCE issues election reports assessing the extent to which the electoral process complies with a state’s elections related commitments, and makes a set of recommendations regarding the improvement of the electoral process. Over the last decade, over 150 election observation missions were carried out involving thousands of experts and observers from all OSCE members. The ODIHR also conducts technical assistance projects and legislative reviews, focused on electoral legislation and administration.

OSCE-ODIHR has been active in Romania in monitoring elections since 1996. The last monitored election was the presidential election in 2009. The report generally assessed that “The presidential election took place in an environment characterized by respect for fundamental political freedoms and was generally conducted in conformity with OSCE commitments and international standards for democratic elections, as well as with national law”. It also noted certain shortcomings concerning some excesses of the electoral campaign and of the media, weaknesses of the electoral process, and some legislative issues. Since the election in 2009, OSCE-ODIHR has also been involved in a legislative review process assisting PEA in designing a comprehensive and coherent code of electoral legislation.

The experience of OSCE-ODIHR with electoral observation and assistance will be a valuable asset in the EEMS project. Building on the working relationship that already exists between the PEA and ODIHR, both the PEA and the Contractor will be better able to assess the system’s compliance with international democratic governance and good electoral management standards. OSCE’s assistance, focused especially on electoral process and institutions, will complement the expertise of the Contractor. Based on its presence and roll in Romania, the OSCE is also a stakeholder in the EEMS project.

### **ACE Electoral Knowledge Network**

The ACE Electoral Knowledge Network (ACE), existing since 1998, is a network organization founded as a collaborative effort of nine member organizations concerned with elections and democracy: International Institute for Democracy and Electoral Assistance (IDEA), Electoral Institute for the Sustainability of democracy in Africa (EISA), Elections Canada, Federal Electoral Institute of Mexico, International Foundation for Electoral Systems (IFES), United Nations Department of Economic and Social Affairs (UNDESA), and UNDP/EAD. ACE also has a working relationship with electoral institutes and authorities around the world. The ACE network promotes credible and transparent electoral processes with an emphasis on sustainability, professionalism and trust in the electoral process. It does so primarily by offering a repository of knowledge concerning elections, electoral systems,

electoral news etc. through its portal (<http://aceproject.org>). ACE and its member organizations may also offer electoral assistance to various soliciting countries.

PEA has a working relationship with ACE, and provides the organization with information about Romanian elections on an on-going basis. ACE may prove to be a valuable resource for the EEMS project since the ACE portal provides up to date information on issues related to election technology and modern electoral management.

### **The Council of Europe and the European Commission for Democracy through Law**

The European Commission for Democracy through Law, better known as the Venice Commission, was founded in 1990 as an advisory body to the Council of Europe (CoE), on legal and constitutional matters concerning democracy, human rights and the rule of law. It has a total of 57 members, including both CoE and non-European States. The Venice Commission issues opinions, reports and standards which are not mandatory on Member States; however, they most often come to be reflected in national constitutions and legislations due to direct voluntary compliance or through support of its opinions by the European Court of Human Rights interpreting the European Convention of Human Rights. Concerning electoral issues, the CoE has issued in 2002 a *Code of Good Practice in Electoral Matters* (Opinion no. 190/2002) proceeding from what it considers as “five principles underlying Europe's electoral heritage” which are “universal, equal, free, secret and direct suffrage.” In 2004 the Venice Commission issued a *Report on the Compatibility of Remote Voting and Electronic Voting with the Standards of the Council of Europe*. The work of the CoE and the Venice Commission on electoral institutional and legal matters are highly relevant for the EEMS project. The Grantee and the Contractor will benefit from these resources in carrying out the feasibility study, particularly in the Task 2 sections dealing with institutional, managerial, legal-regulatory, and democratic governance issues.

## **III. ELECTRONIC ELECTION MANAGEMENT SYSTEM PROJECT**

### **D. PROJECT DESCRIPTION AND BACKGROUND**

By historical standards, Romania is a young democracy; the prior communist regime was overthrown and replaced by a democratic one only 20 years ago. Although elections in past years have been generally deemed as free and fair, the democratic and electoral process has not been unproblematic. Some of the electoral issues can be connected to the overall level of democratic development of Romanian society. For instance, the general level of democratic culture and trust in the democratic process has been low; political parties and candidates have tended to use whatever means possible to attract votes, sometimes going beyond democratic and legal norms (e.g. there have been some reports of vote buying, campaigning in the last 48 hours before elections – which is prohibited by law, etc.); the media have not always been impartial in reporting on elections, candidates and parties.

Other issues and weaknesses of the electoral process have been directly related to the administration and management of elections themselves. This is more generally connected to policy effectiveness and administrative capacity in Romania, both of which are in need of considerable improvement. One outstanding issue has been the inadvertent possibility left by electoral administration (practice and law) that some citizens may vote multiple times, or that citizens without the right to vote (suspended for legal offences) may nevertheless vote. This is possible due to the fact that lists of registered voters are paper-based and local (i.e. each regular polling station has the list of voters registered in its jurisdiction). In addition, aside from the approximately 18,000 regular polling stations and their lists, the electoral law and administration has also provided for some 3,000 special polling stations (usually in each town and village) where citizens not in their regular place of residence can vote. While people voting in the special polling stations are required to provide their identification data and sign a declaration that they are voting only once, and multiple voting is considered an offence according to electoral legislation, the Permanent Electoral Authority (PEA) has had no effective means to either prevent multiple or unauthorized voting, or to comprehensively check *post facto* whether such instances have occurred. This has become a major political issue as the media and watchdog organizations have reported an increasing number of multiple or other suspicious voting cases.

An additional series of issues is related to the vote counting and reporting process. Over the past 20 years, the electoral practice in Romania has been that of casting votes on paper ballots which are manually counted in each polling station. The polling station then fills a protocol reporting the number of valid and invalid votes and the distribution of valid votes to each candidate/party (each protocol is signed by each member of a multi-partisan committee and their non-partisan president). These paper protocols are then physically transported to mid-level electoral bureaus (MEBs)<sup>2</sup> where they are scanned. An Optical Character Recognition (OCR) application reads the data in electronic format, an operator checks the OCR generated data against the original, and the data is then imported into a database. The vote counts are further communicated via secure connections to a central database and application at the Central Electoral Bureau (CEB) in Bucharest where it is tabulated, reported and mandates are distributed based on votes according to the rules of the Romanian electoral system.

One complaint with this system has been incomplete transparency, particularly at the level of MEBs. Accredited observers have had only limited access to the MEBs. By decision of the CEB, access to the processing and tabulation room is restricted to CEB and MEB personnel while observers are only allowed in specially designated areas. Another problem with this mechanism has been that it is rather slow and cumbersome. CEB is required by law to count and report the vote results within 24 hours of the official closing of elections. Partial results of elections are usually communicated the morning after elections, and an almost complete final count of votes is communicated usually sometime during the day after elections. However, the actual official final count (including voting sections abroad) is communicated within 3-4 days of the election date. While this amount of time used to be accepted as reasonable, Romania

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<sup>2</sup> This is not an official or customary name. We however are using this name and abbreviation to refer to the intermediary level of electoral bureaus in between the polling stations and the Central Electoral Bureau, including three types of bureaus with the same role: the District Electoral Bureaus (DEBs), Sectoral Electoral Bureaus (SEBs) or the Electoral Bureau for Polling Stations Abroad (EBPSA).

has faced the issue of changing public expectations with regard to what is a reasonable speed of counting and tabulating votes, especially since political parties have been able to do a faster parallel counting. (Because of the stricter rules applied in checking the official counting system, it is usually slower than parallel counting and tabulating.)

In the recent presidential elections, the early call (which later turned out to be in overall accordance with the official results) announcing the victory of incumbent President Basescu and his supporting Democrat Liberal Party (DLP) contrary to the results shown by most exit polls, and the comparatively late results published by the CEB, led to confusion, distrust in the official counting process, and contestation by his main opponent Mr. Geoana and his Social Democratic Party (SDP).

Other problems, related to logistics and election administration, have also been encountered with the election process. The complaint filling and resolution system (pre- and post-election) has generally worked well; however, there were many instances where CEB's decisions and their complete justifications were not published in a timely manner, thus reducing the level of transparency of the process. This has been partly due to the lack of administrative and technical capability of the CEB and MEB to process the requests and provide the full justifications on time.

Finally, an underlying issue of election administration in Romania has been the lack of planning and strategic vision based on a clear understanding and analysis of the electoral administrative process and its issues, resulting in an *ad hoc* style of election organization and regulation. One consequence of this style has been the frequent changes in electoral legislation, often shortly before elections and often not by means of Laws debated and voted in Parliament, but by Emergency Ordinances<sup>3</sup> (EO) adopted by the Executive. While the overuse of EOs has been a general feature of the Romanian policy and legal system often deplored by commentators, it is particularly inappropriate in the realm of electoral legislation where public debate, in which all parties represented in parliament participate, is essential. Poor planning, 'last minute' calls for elections, and late budget allocations have often lead to inefficient spending, particularly in the area of procurement of IT systems to assist electoral management. Because of the electoral law changes, the software applications developed in previous elections for tabulating and reporting votes were not reusable, thus new software had to be developed. Because of the late procurement, the cost of developing it was higher than if more time had been available.

While some election process issues are related to the wider Romanian social, political and policy context, there are important gains to be made from the improvement of the electoral administrative process, particularly if a more comprehensive strategy for technological support of this process is developed and implemented.

Among the areas PEA is currently examining in order to improve the electoral administrative process are:

- developing an electronic electoral register (database) of citizens with the right to vote and a means to effectively check against multiple and other illegal voting;

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<sup>3</sup> Emergency Ordinances are a constitutionally sanctioned way of adopting legal statutes in situations of emergency where the Government adopts the legal text, it enters force immediately, while the Parliament adopts or rejects it later.

- improving the vote casting/counting process, possibly by means of electronic voting, to make it faster and more reliable, while maintaining and improving transparency;
- developing a call center functionality for technical and administrative support of the electoral process;
- improving the training and communication with the personnel involved in the electoral process, possibly by means of e-learning and portal functionalities;
- developing a remote voting functionality for citizens living abroad.

The overall objective of the proposed Feasibility Study (FS) is to develop a comprehensive roadmap to be followed by the PEA in the systematic deployment of a fully operational Electronic Election Management System (EEMS). The USTDA-funded study will develop a high-level assessment and implementation plan combining technical with managerial/institutional recommendations. At a technical level, the FS will assist the PEA in determining its national-level EEMS needs, including hardware, software, GIS, RDMS, network management tools, security solutions, communications equipment, etc.

The EEMS project will contribute to improving the technical and institutional capability of the PEA, leading to significant efficiency and effectiveness gains to the electoral process. The EEMS will improve the ability to prevent multiple or other illegal voting, will create a faster more reliable vote counting and tabulation process, will improve the ability to deal with administrative and technical issues/events, and will also allow for real time monitoring of the election process and faster reaction times. Ultimately, a successful implementation of the EEMS, for which a feasibility study is essential, will considerably improve the experience of Romanian citizens with the voting process, and will build a higher level of trust in election results.

#### **E. PROJECT SPONSOR'S CAPABILITIES AND COMMITMENT**

The Permanent Electoral Authority (PEA) is a new institution established in 2004.<sup>4</sup> It has the status of an autonomous administrative agency (not subordinated to the executive) established by Parliament. It is established, as its name indicates, as a permanent institution in charge of electoral issues in between the elections themselves. It has multiple roles and attributions related to electoral planning and administration:

- It has an administrative role, being involved in planning and implementing various aspects of electoral infrastructure and logistics (including IT infrastructure). Although the administration of elections themselves is carried out within the three-tier system of temporary institutions CEB, MEBs and EBPSs (existing during the official electoral campaign period until the official results of the elections are communicated), with the support of central and local governmental institutions, the PEA plays a central role in election organization, control, technical and administrative support.
- It has a regulatory role in planning and proposing regulatory measures regarding the electoral process and system. (However it does not directly

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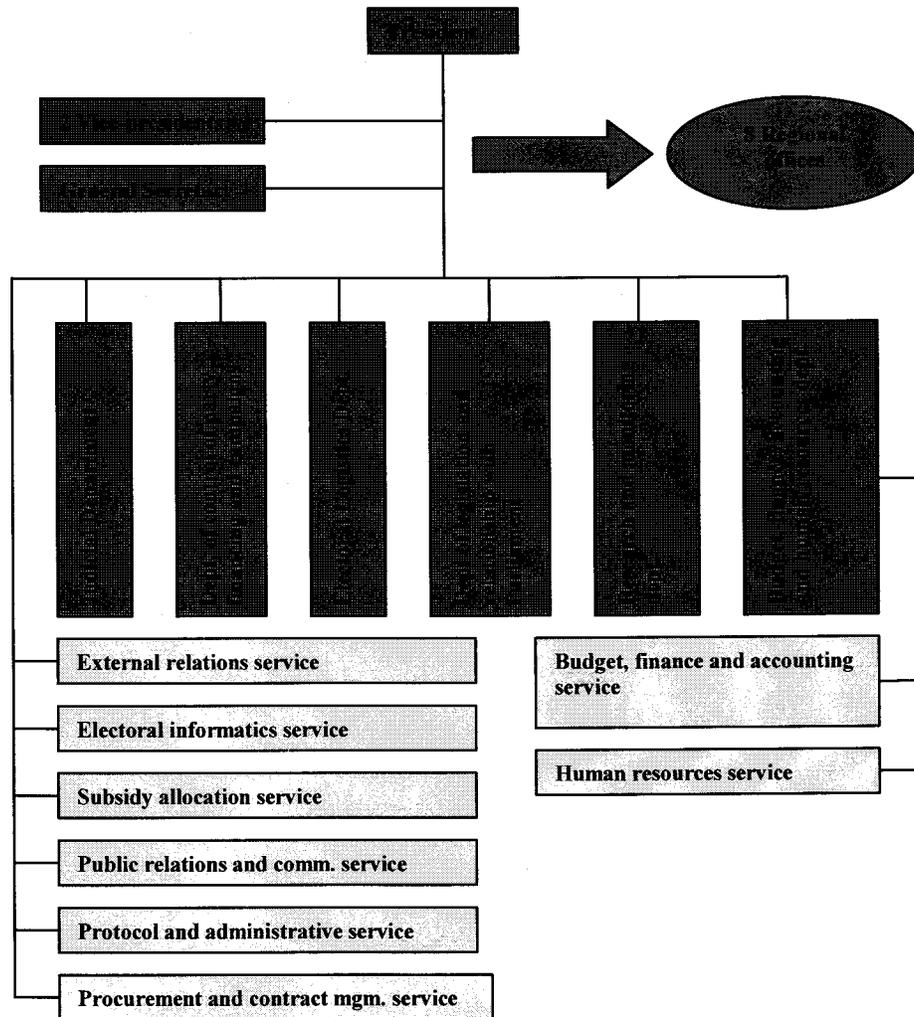
<sup>4</sup> Romania was the last country in the region to establish a permanent election institution. Until then only temporary institutions (like CEB or MEBs) were created shortly before elections, and functioned until the final result of elections was validated. Any planning, analysis and regulation of elections in between elections was undertaken by the Government.

regulate; changes in electoral legislation have usually been introduced by the Government, and have to be adopted by Parliament);

- It has a strategic and planning role, elaborating studies, strategies, reports and recommendations concerning the electoral administration and the electoral system.

The PEA employs approximately 150 permanent staff grouped in six departments/directorates and eight services. Its organizational structure is described in Figure 2.

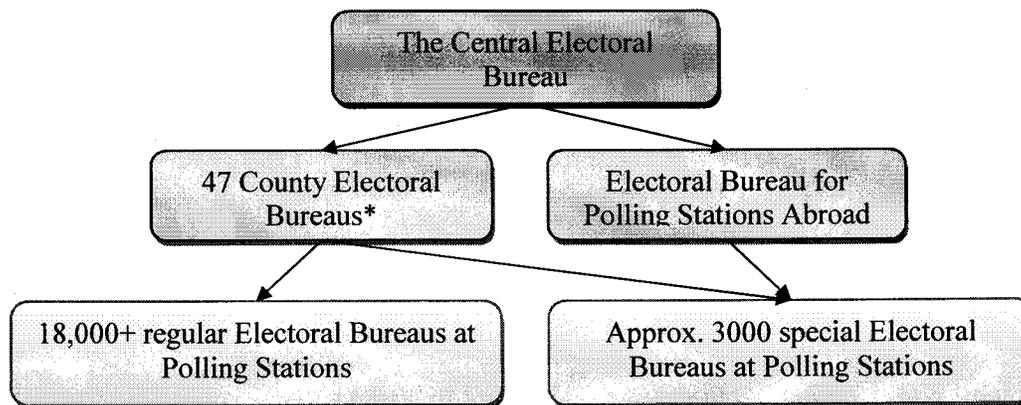
**Figure 2: The Organizational Structure of PEA**



While it is a relatively small institution (yet growing with plans to double its personnel by 2012), the PEA plans, develops and manages much of the technical and logistical infrastructure for the election process, which involves a wide array of governmental institutions and personnel.

During election times, the organization of electoral logistics and administrative decisions are taken within a temporary three tier institutional structure formed by the Central Electoral Bureau, 49 MEBs, and over 20,000 EBPSs. This temporary structure is supported by various other permanent institutions such as the PEA, the Ministry of Administration and Interior (MAI), other Ministries, Town Halls and Municipalities, NIS, etc., as well as non-governmental actors such as political parties (each having their representatives at the EBPS, MEB and CEB locations) and watchdog observer organizations. More than 150,000 people, personnel of governmental institutions and volunteers on behalf of parties and watchdog organizations are involved in the election process. The PEA has a central role in preparing the organization of elections, in populating the CEB (its president and 2 vice-presidents are members of the CEB council) and MEBs (with one member of the PEA being required to be present in each MEB)<sup>5</sup>, coordinating the other institutions involved, and in providing technical, legal and administrative support through its personnel to the CEB, MEBs and EBPSs.

**Figure 3: The Temporary Three-Tier Electoral Institutional Setup**



\* These include the Bureaus for the 41 counties plus the 6 Sectors (administrative divisions) of Bucharest.

The PEA is fully committed to the EEMS project and has demonstrated that it has the technical and administrative capacity to effectively implement it. The PEA has established an effective working relationship with international institutions including the EU, the Organization for Security and Co-operation in Europe (OSCE), and the World Bank. On a technical level, the PEA has already carried out several e-voting pilots, successfully managing the inputs of multiple organizations including the Ministry of ICT, the Special Telecommunications Service (STS), and the Ministry of Education. Through its relations at the U.S. Embassy, the PEA actively sought out USTDA support for this initiative from the outset. The view of the PEA is that USTDA involvement in development of the EEMS will go a long way towards insuring neutrality and will avoid possible allegations of rigging. In a session held with the DM consultants, PEA president, Dr. Octavian Opris, affirmed PEA's commitment to the project and its strong desire for USTDA involvement and support.

<sup>5</sup> Until now this requirement has not been fully met due to lack of personnel but it is expected that PEA will be able to satisfy it by 2012.

## F. IMPLEMENTATION FINANCING

The overall budget for implementation of the proposed election management system project is expected to reach approximately \$50 million over the next three years. The majority of the funding for the EMS implementation will come from the national budget. The PEA submits its budget request directly to the Ministry of Finance on an annual basis. Once agreed with the Ministry of Finance, the PEA's annual budget is approved by the Government and ratified by Parliament. Within the 2010 budget, approximately \$5 million has already been earmarked for expansion of the IT system and development of an electronic register.

Additional funding for the proposed Electronic Election Management System implementation could come from a variety of sources including EU structural funds, multilateral organizations, and U.S. agencies. Given that development of a voter registration database is an EU requirement and that various EEMS components will most probably qualify for funding under Structural Funds, a significant percentage of the EEMS funding could likely come from EU sources.

The EU provides cohesion funds to member states and sub-state regions whose level of development is below the EU average. As an EU member, Romania will benefit from approximately \$44 billion in structural and cohesion funds. U.S. companies can participate directly in projects funded by the EU or in partnership with a company from an EU member country. According to the Inter-Ministerial Committee for Monitoring European Structural Funds, Romania is able to absorb European funds in an amount of around \$6 billion in 2010 alone. By the end of January 2010, the total payments made by Romania from structural funds to local beneficiaries in terms of pre-finance and reimbursements reached \$880 million. However, Romania's public sector has a poor record of developing projects and the absorption rate of EU funding to date has been poor. For this reason, it will be important in the USTDA-supported feasibility study to develop an investment and financing strategy that clearly identifies available EU structural funding sources and responds to the application requirements.

The primary sources of EU funding under which various EEMS components can qualify are the Sectoral Operational Program "Increase of Economic Competitiveness" (SOPIEC) and the Operational Program "Administrative Capacity Development" (OPACD). Within the Economic Competitiveness Program, Axis 3 is dedicated to Information and Communications Technology for the Public Sector. PEA, as a central agency, qualifies for these funds. For the period 2007 – 2013, an amount of approximately \$720 million was allocated to this Axis. The OPACD is targeted at improving the capacity of central and local administration to implement and initiate public policy and at enhancing the quality of services to citizens and businesses. OPACD is focused primarily on projects to improve administrative processes and institutional structures. Specific budgets for each project are determined for ICT expenditures and training. \$317 million has been allocated to the OPACD program for the period 2007-2013. Under both the SOPIEC and OPACD programs the funds are allocated on a yearly basis. Due to lack of suitable projects and administrative delays, funding is behind schedule. This means that, for the 2007 – 2013 budgeting period, over 60% of the funds are still available. In addition to these two programs, other structural funds may be available for the implementation of some components of

EEMS. Particularly, the installation of required internet connectivity infrastructure in rural polling stations may be funded under the National Program for Rural Development.

The World Bank continues to finance important government ICT projects in Romania. The World Bank's main objective in Romania is to support the process of EU integration, improvement in the living standards of the people, and the competitiveness of the Romanian economy. According to the World Bank's Country Partnership Strategy (CPS) for Romania, modernizing the public sector, improving the quality of governance, enhancing the performance of institutions, and fighting corruption are core focus areas. Under this CPS focus area, a mix of WB instruments consisting of investment lending, risk guarantee facilities, technical assistance, and non-lending analytical and advisory activities could be employed to finance aspects of the EMS development and deployment.

U.S. Ex-Im Bank is fully operational in Romania, offering a variety of credit facilities to U.S. firms exporting to Romania, including vendor financing programs, and financing vehicles for U.S. investments. Ex-Im Bank does not have a ceiling for Romania as long as a Treasury guarantee is provided (for public sector-funded projects). OPIC is another source for project financing for U.S. companies active in Romania, providing loan guarantees, direct loans, and political risk insurance programs.

The Ministry of Public Finance issues Romanian government guarantees for projects up to \$30 million. The Ministry must submit guarantees for larger projects to an inter-ministry committee and the cabinet for approval. Government guarantees are approved on the basis of feasibility studies, which must contain a clear description of the financial package for the project.

## G. U.S. EXPORT POTENTIAL

The Electronic Election Management System project will be a major generator of U.S. exports. The overall EMS budget, if implemented by the PEA over a three year period as planned, will reach approximately \$50 million. About 80% of this budget, or \$40 million, could potentially come from U.S. suppliers.

The core of the Election Management System would require the acquisition of computer hardware, communications networking equipment, database management systems, an advanced security solution, GIS technology (for maintenance of up-to-date electoral lists and maps), web tools, a dedicated operating system, and software applications for vote casting and counting. U.S. suppliers could potentially provide the majority of the system components.

The main categories of potential U.S. exports in the EMS implementation are estimated as follows in Table 2:

Table 2: Estimated U.S. Exports Potential by Category

<u>Category</u>	<u>Amount</u>
- Poll station/District Bureau hardware	

(PCs, ballot/ID scanners, printers)	\$24.5 million
- Central Computing Facilities (database, servers, data center)	\$ 5.0 million
- Security Solution (hardware and software)	\$ 4.5 million
- Application Software & Platforms (operating system, ballot casting & counting apps., document mgmt., portal, etc.)	\$ 3.0 million
- Network Solutions (VPN, rural wireless connectivity, network monitoring & mgmt., switches, routers)	\$ 2.0 million
- Training, Implementation & Support Services	<u>\$ 1.2 million</u>
TOTAL	\$40.2 million

Among the many U.S. companies that could potentially supply equipment, technology, and services for the EMS project are the following:

- Oracle (central computing facilities, application and software platforms), IBM (central computing facilities), Fortinet (security, networking), Microsoft (central computing facilities, application and software platforms), Cisco (security, networking), ESRI (GIS-based election support systems), AVANTE (modular electronic voting solutions), HP (central computing facilities, polling station hardware), Novantis (integrated, web-based election management systems), Votenet Solutions (secure on-demand voting and nominations software and election consulting), Election Systems & Software Inc. (end-to-end election management software solutions provider)

Technical consultants including Bearing Point, Advantage Factory and others would be well placed to conduct the feasibility study as well as to participate in project implementation.

In carrying out the DM, Pythia has met with the Romanian offices and/or representatives of Fortinet, IBM, Oracle, Cisco, and Microsoft. All of these companies have expressed strong interest in the EEMS project.

IBM, in particular, is closely monitoring this project. Through its local partner, Interactive, IBM has been instrumental in obtaining support for the EEMS from the U.S. Commercial Section and USTDA. The potential IBM portal solution for the EEMS is directed primarily at the registration and authentication elements of the voting process. IBM is also interested in developing other hardware and software solutions at the central level of the PEA. Fortinet is also well aware of the EEMS project and, depending on the overall architecture recommended under the FS, has already partially developed several unified, end-to-end security options for the system.

The PEA is currently considering the purchase of an Oracle database, potentially the 11g. Representatives of Oracle Romania consider that USTDA support for the EEMS project could be helpful in influencing PEA's decision. Furthermore, if the FS calls for a dedicated data center, this would represent a major opportunity for Oracle. Microsoft has developed a specific Election Management Solutions (EMS) framework, which is particularly well adapted to web-based election management systems. Cisco is primarily interested in the network communications aspects of the system, including VPN and network monitoring solutions, switches, and routers.

## **H. FOREIGN COMPETITION AND MARKET ENTRY ISSUES**

While U.S. companies are strong players on the Romanian ICT market, they face fierce competition, primarily from major European equipment manufacturers, but increasingly from Asian manufacturers as well. SAP (DE), Fujitsu Siemens (JP/DE), Sage (UK), Exact (NL), and CEGID (FR) have a strong presence in Romania and have won, either directly or through their partner networks, a large number of public procurements for government systems and platforms.

SAP has developed a dedicated elections management solution that it is promoting aggressively to the new EU member states. In addition, leading Spanish IT provider, Indra, has specifically expressed interest in developing an electoral management system for the PEA. Often, European vendors have a comparative advantage in Eastern Europe due to lower shipping costs, preferential customs duties treatment, and ready availability of grant funding and mixed credits.

Given the magnitude of the projected capital investment and the traditionally strong competitive commercial efforts of the European community, there would definitely be foreign companies interested in participating in the EEMS. Therefore, the competitive nature of the project should be considered high. While U.S. technology enjoys a very positive image in Romania, USTDA support of the proposed Election Management System project will develop a clear business opportunity, and will provide a level competitive playing field for U.S. manufacturers, engineers, and consultants. Experience gained through the EMS will then place these companies in a strong position to compete for a wide range of e-government and ICT infrastructure projects planned by the Romanian Government over the coming years.

## **I. DEVELOPMENTAL IMPACT**

The proposed Electronic Election Management System will provide substantial benefits for Romania particularly in the areas of public infrastructure, human capacity building, technology transfer and productivity enhancement. In addition, significant direct and indirect gains will result in the area of democratic and good governance.

### **Infrastructure**

The EEMS project will contribute directly to the development of the national election infrastructure involving the endowment with electronic equipment of approximately 21,000 polling stations around the country and 48 MEBs connected to a central computing and communications facility (at the PEA and CEB). Downstream the

project will lead to further infrastructure development through the inclusion of new functionalities (e.g. a complex GIS functionality that would map in detail polling stations and their jurisdictions, a claim/filing management system to assist the work of MEBs and CEB, training/e-learning functionalities for the personnel involved in the election process, etc).

While the election infrastructure will be used as such only temporarily at elections (currently regular general parliamentary elections take place once every four years, local elections also once every four years, presidential elections once every five years, and elections for the European Parliament once every 5 years) or referenda, there are two factors that will significantly improve infrastructural capacity utilization and project sustainability: a) much of the IT and communications infrastructure will be lent to and used by (and the project designed with this in mind) other public institutions: particularly schools (where most polling stations are hosted), hospitals and local administrations; b) the resulting elections infrastructure and resulting decreased cost and increased ease of elections organization may lead to increased use of direct democracy instruments such as referenda and citizen consultation regarding various local and national policies.

### **Human Capacity Building**

The EEMS project is not solely a technical project but has an important human and institutional dimension. The feasibility study will analyze the human resources and training needs of the PEA and other personnel involved in the election process and will make appropriate recommendations and set up an action plan that would correlate technical implementation with human capacity building and other actions. The EEMS's most direct human capacity building effects will be the creation of new jobs at PEA, particularly in the areas of IT and electoral logistics. Moreover, the election process involves more than 150,000 people from various other institutions: schools (under the Ministry of Education (MoE)), Ministry of Administration and Interior (MAI), the Special Telecommunications Service (STS), the Judiciary, political parties, etc. The training and preparation for, as well as the operation of the EEMS in the election process by this large and diverse group of people will contribute to the improvement of the ICT skills and technological culture of a large body of personnel, many of which are working elsewhere in the administration. In addition, while the EEMS at this first stage will focus on the core functionalities of election management (voter authentication, vote casting/counting, technical support), downstream, PEA is considering systematizing the training activities by including an e-learning module in the EEMS.

### **Technology Transfer and Productivity Enhancement**

The EEMS project will involve a significant technological transfer for the Romanian public administration. It will endow PEA with computers, servers, scanning and OCR technology, communications equipment, database functionalities, etc. The new technology will enhance the ability of the PEA, and the three tier election institutions (CEB, MEBs and PSEBs), to effectively, reliably, and transparently manage the election process. Much of the technological infrastructure (computers, scanners, connectivity, etc.) will, in the time between elections, be available to and used by, other institutions: schools, hospitals, local administration, etc.

## **Market Oriented Reform**

The nature of the EEMS project is primarily policy and institutional development related. At this moment there are no envisioned direct market oriented reforms related to this project.

## **Democratic Institutional Development and Good Governance**

A successful implementation of EEMS will directly and positively impact democratic institutional development and good governance in Romania. In addition to increased institutional effectiveness of the PEA and the three-tier temporary elections institutions, development of the EEMS will lead to a faster and more reliable vote count and improved transparency of the electoral process, both of which will make a positive contribution to democratic institutional development in Romania. Moreover, downstream, as an indirect effect, increased reliability and transparency of the electoral process will have a positive impact on the general trust of the public in the election process.

## **J. IMPACT ON THE ENVIRONMENT**

The proposed project will have no discernable impact on the environment. To the contrary, this project, like many ICT initiatives, will have a beneficial impact on the environment by providing a network that will enable the transfer of voice, data and images electronically, thereby serving as a substitute for the human movement of information, and reducing the need for paper-based storage of information. Specifically, the EMS will eliminate the process of physically transporting paper ballots from Romania's 18,000 polling stations to the 49 District Bureau locations. In future, the EMS could eliminate paper ballots altogether.

Much of the required telecommunications infrastructure to run the EMS already exists. As no physical construction will take place, the project will have no discernable detrimental effect on waterways, ground cover, or vegetation.

## **K. IMPACT ON U.S. LABOR**

Funding for the proposed project will result in the creation of U.S. jobs if major software, hardware, communications equipment items and professional services are purchased from U.S. manufacturers in a resulting project implementation.

The project as envisioned will have no negative impact on US labor, and no adverse consequences with respect to US Foreign Operations, Export Financing and Related Programs legislation. There will be no offshore relocation of US jobs; the project does not involve any special economic or export zone in Romania; the project will not violate internationally recognized worker's rights; and the project is unrelated to the creation of foreign commodity production.

No US jobs will be lost, displaced, or relocated, and no enterprise will move offshore as a result of this project. In fact, as the intent of the project is to promote the sale and use of US-origin products and services in Romania (hardware, software, data, professional services, maintenance and training), a successful outcome of the project would have a positive impact on US employment in the engineering services and equipment sectors.

## **L. JUSTIFICATION**

This project is directly related to two sensitive and interrelated areas for Romania: democratic development and administrative/institutional development. As mentioned in this report, while Romania is formally and de facto a democratic regime, there are many areas where the functioning of democracy could be improved. One of the most direct way of addressing this issue is to improve the electoral process, making it: more effective and functional – such that the voting experience is a positive one for voters; fast and efficient – such that results are reported in a timely manner; reliable and transparent – such that the system is credible and citizens' trust in the voting process is increased. By implementing a carefully designed EEMS that answers the particular needs of the Romanian electoral process, the PEA, with the support of a USTDA-sponsored feasibility study, will simultaneously address all of these issues.

Improvement of the election management process is a clear priority of the Government of Romania and was a specific pledge of President Basescu to the Romanian public. The PEA has demonstrated its commitment to deployment of an advanced EEMS and has both the administrative and technical capacity to carry the project through. Furthermore, given the project's political importance and Romanian's EU obligations regarding election management, the EEMS is highly likely to receive the majority of its financing from the state budget.

The project will have a major developmental impact on Romania, leading to measurable benefits in the areas of public ICT infrastructure, human capacity building, and technology and productivity enhancement, as well as in institutional development and good governance. The EEMS project also has the potential to generate substantial U.S. exports of computer hardware (including PCs, optical scanners, readers, printers, black boxes, etc.), specialized software applications, telecommunications equipment, database management and operating systems, and advanced security solutions. USTDA involvement at the feasibility study stage will provide U.S. technology providers with a level playing field in an increasingly competitive environment.

## **J. TERMS OF REFERENCE**

See Annex 5.

### **Qualifications**

The selected U.S. information technology consulting company for this technical assistance contract should be able to field a team with the following key competencies:

- **Project Manager**  
Responsible for the overall relationship and deliverables on the project; provides technical direction and overall supervision and guidance to ensure

successful completion of the terms of reference; provides quality assurance/quality control; experienced in the management of national ICT systems and/or network implementations.

- **Systems Analyst**

Works with the project manager in assessing the EEMS functionality and requirements; develops specifications; performs implementation planning; acts as project lead in software applications and services assessment; experienced in developing national IT management and e-government systems (preferably with election management experience) in developing markets.

- **Communications Networking & Security Analyst**

Provides or leads efforts on network infrastructure requirements and connectivity options; acts as project lead on the security audit and defines system security requirements (physical and cyber); experienced in high-level security audits and network requirements definition.

- **Financial & Business Analyst**

Provides thorough analysis of the financial aspects of systems implementation (capital & operational expenses, cost models, financing options etc.); acts as project lead on developmental impact assessment and environmental analysis; has experience in ICT project environment.

- **Democratic Governance & Policy Advisor**

Provides advice, analysis and inputs concerning democratic governance and policy issues. Works with the project manager (and where appropriate with other team members) in reviewing relevant democratic issues and experiences applicable to EEMS projects. Insures that democratic criteria are reflected in EEMS specifications, security and quality assurance framework and audit.

- **Legal & Regulatory Advisor**

Responsible for assessing the legal and regulatory environment as it pertains to implementation of the EEMS, and for addressing potential barriers and constraints; experience working and assessing judicial systems and processes in non-U.S. environments (ideally in Romania or countries undergoing judicial reform);

Note that experience with electoral management systems is not explicitly included in the qualifications description of any one expert above. However, such experience with designing or operating electoral management systems is required from at least one of the technical experts (Systems Analysts or Communications Networking & Security Analyst). Alternatively, the Contractor may include one additional technical expert (Electoral Management Systems Expert) with such experience in the team, who may contribute and take up some of the workload of the other two technical experts.

## **K. BUDGET RECOMMENDATION**

Table 3: Overall Budget

<b>Cost Budget for:</b>		<b>USTDA Feasibility Study Budget Electronic Election Management System</b>			
<b>Project:</b>		<b>Unit Count:</b>	<b>Units</b>	<b>Unit Cost</b>	<b>Item Total</b>
<b>Labor (Loaded Rates):</b>					
Project Manager	52	days		\$1,280	\$66,560
Systems Analyst	40	days		\$1,280	\$51,200
Communications Networking & Security Analyst	41	days		\$1,280	\$52,480
Financial & Business Analyst	25	days		\$1,080	\$27,000
Democratic Governance & Policy Advisor	48	days		\$960	\$46,080
Legal & Regulatory Advisor	26	days		\$960	\$24,960
					<u>\$268,280</u>
<b>LABOR SUBTOTAL</b>	<b>232</b>			<b>0</b>	<b>\$268,280</b>
<b>Travel</b>					
Airfare U.S. - Romania	20	trips@		\$1,250	\$25,000
Per Diem (Romania)	123	days@		\$254	\$31,242
<b>TRAVEL SUBTOTAL</b>					<u>\$56,242</u>
<b>Communications</b>					<u>\$4,000</u>
<b>Other Costs (specify)</b>					
Translation services					\$6,900
Printing					\$1,500
Administrative Costs for FS					\$2,500
Bibliographic Access					\$5,000
<b>OTHER COSTS SUBTOTAL</b>					<u>\$15,900</u>
<b>TOTAL COSTS</b>					<u><u>\$344,422</u></u>

Table 4: Total Task Cost Summary

Total Task Cost Summary	Equipment and Supplies				
	Labor Total	Travel	Supplies	Communications	Other
Task 1 - Project Initiation and Initial Meetings	\$26,360	\$10,080	\$500	\$800	\$37,740
Task 2 -- EEMS User Needs Assessment	\$70,960	\$17,680	\$1,000	\$7,900	\$97,540
Task 3 -- EMS Functional Requirements Assessment	\$86,840	\$9,592	\$1,000	\$2,600	\$100,032
Task 4 -- EMS Implementation and Investment Planning	\$62,000	\$7,560	\$1,000	\$2,600	\$73,160
Task 5 -- Final Report	\$22,120	\$11,330	\$500	\$2,000	\$35,950
<b>Total</b>	<b>\$268,280</b>	<b>\$56,242</b>	<b>\$4,000</b>	<b>\$15,900</b>	<b>\$344,422</b>

Table 5: Task Summary -- Labor Days

Task Summary Labor Days	Project Manager	Systems Analyst	Communications Security Analyst	Financial & Business Analyst	Democratic Governance & Policy Advisor	Legal & Regulatory Advisor	Total
Task 1 - Project Initiation and Initial Meetings	10	3	3	1	3	2	22
Task 2 -- EEMS User Needs Assessment	13	5	5	2	25	16	66
Task 3 -- EMS Functional Requirements Assessment	14	23	24	1	7	1	70
Task 4 -- EMS Implementation and Investment Planning	8	7	7	18	10	5	55
Task 5 -- Final Report	7	2	2	3	3	2	19
<b>Total</b>	<b>52</b>	<b>40</b>	<b>41</b>	<b>25</b>	<b>48</b>	<b>26</b>	<b>232</b>
Labor Cost per Day	\$ 1,280	\$ 1,280	\$ 1,280	\$ 1,080	\$ 960	\$ 960	\$ 960

Table 6: Task Summary -- Labor Cost

<b>Task Summary Labor Cost</b>		<b>Project Manager</b>	<b>Systems Analyst</b>	<b>Communications Networking &amp; Security Analyst</b>	<b>Financial &amp; Business Analyst</b>	<b>Democratic Governance &amp; Policy Advisor</b>	<b>Legal &amp; Regulatory Advisor</b>	<b>Total</b>
Task 1 - Project Initiation and Initial Meetings	\$12,800	\$3,840	\$3,840	\$1,080	\$2,880	\$1,920	\$26,360	
Task 2 - EEMS User Needs Assessment	\$16,640	\$6,400	\$6,400	\$2,160	\$24,000	\$15,360	\$70,960	
Task 3 - EMS Functional Requirements Assessment	\$17,920	\$29,440	\$30,720	\$1,080	\$6,720	\$960	\$86,840	
Task 4 - EMS Implementation and Investment Planning	\$10,240	\$8,960	\$8,960	\$19,440	\$9,600	\$4,800	\$62,000	
Task 5 - Final Report	\$8,960	\$2,560	\$2,560	\$3,240	\$2,880	\$1,920	\$22,120	
<b>Total</b>	<b>\$66,560</b>	<b>\$51,200</b>	<b>\$52,480</b>	<b>\$27,000</b>	<b>\$46,080</b>	<b>\$24,960</b>	<b>\$268,280</b>	



#### **IV. LIST OF KEY CONTACTS**

##### **A. US GOVERNMENT CONTACTS**

###### USTDA

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###### U.S. Embassy Commercial Section

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## B. ROMANIAN GOVERNMENT CONTACTS

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President

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## C. U.S. AND ROMANIAN COMPANY CONTACTS

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## NetSafe Solutions (Fortinet Representative)

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## Fortinet

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## D. MULTILATERAL ORGANIZATIONS

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### World Bank

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### OSCE

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## ANNEX 3



### U.S. TRADE AND DEVELOPMENT AGENCY Arlington, VA 22209-2131

#### NATIONALITY, SOURCE, AND ORIGIN REQUIREMENTS

The purpose of USTDA's nationality, source, and origin requirements is to assure the maximum practicable participation of American contractors, technology, equipment and materials in the prefeasibility, feasibility, and implementation stages of a project.

#### **USTDA STANDARD RULE (GRANT AGREEMENT STANDARD LANGUAGE):**

Except as USTDA may otherwise agree, each of the following provisions shall apply to the delivery of goods and services funded by USTDA under this Grant Agreement: (a) for professional services, the Contractor must be either a U.S. firm or U.S. individual; (b) the Contractor may use U.S. subcontractors without limitation, but the use of subcontractors from host country may not exceed twenty percent (20%) of the USTDA Grant amount and may only be used for specific services from the Terms of Reference identified in the subcontract; (c) employees of U.S. Contractor or U.S. subcontractor firms responsible for professional services shall be U.S. citizens or non-U.S. citizens lawfully admitted for permanent residence in the U.S.; (d) goods purchased for implementation of the Study and associated delivery services (e.g., international transportation and insurance) must have their nationality, source and origin in the United States; and (e) goods and services incidental to Study support (e.g., local lodging, food, and transportation) in host country are not subject to the above restrictions. USTDA will make available further details concerning these standards of eligibility upon request.

#### **NATIONALITY:**

##### 1) Rule

Except as USTDA may otherwise agree, the Contractor for USTDA funded activities must be either a U.S. firm or a U.S. individual. Prime contractors may utilize U.S.

subcontractors without limitation, but the use of host country subcontractors is limited to 20% of the USTDA grant amount.

## 2) Application

Accordingly, only a U.S. firm or U.S. individual may submit proposals on USTDA funded activities. Although those proposals may include subcontracting arrangements with host country firms or individuals for up to 20% of the USTDA grant amount, they may not include subcontracts with third country entities. U.S. firms submitting proposals must ensure that the professional services funded by the USTDA grant, to the extent not subcontracted to host country entities, are supplied by employees of the firm or employees of U.S. subcontractor firms who are U.S. individuals.

Interested U.S. firms and consultants who submit proposals must meet USTDA nationality requirements as of the due date for the submission of proposals and, if selected, must continue to meet such requirements throughout the duration of the USTDA-financed activity. These nationality provisions apply to whatever portion of the Terms of Reference is funded with the USTDA grant.

## 3) Definitions

A "U.S. individual" is (a) a U.S. citizen, or (b) a non-U.S. citizen lawfully admitted for permanent residence in the U.S. (a green card holder).

A "U.S. firm" is a privately owned firm which is incorporated in the U.S., with its principal place of business in the U.S., and which is either (a) more than 50% owned by U.S. individuals, or (b) has been incorporated in the U.S. for more than three (3) years prior to the issuance date of the request for proposals; has performed similar services in the U.S. for that three (3) year period; employs U.S. citizens in more than half of its permanent full-time positions in the U.S.; and has the existing capability in the U.S. to perform the work in question.

A partnership, organized in the U.S. with its principal place of business in the U.S., may also qualify as a "U.S. firm" as would a joint venture organized or incorporated in the United States consisting entirely of U.S. firms and/or U.S. individuals.

A nonprofit organization, such as an educational institution, foundation, or association may also qualify as a "U.S. firm" if it is incorporated in the United States and managed by a governing body, a majority of whose members are U.S. individuals.

## **SOURCE AND ORIGIN:**

### 1) Rule

In addition to the nationality requirement stated above, any goods (e.g., equipment and materials) and services related to their shipment (e.g., international transportation and insurance) funded under the USTDA Grant Agreement must have their source and origin in the United States, unless USTDA otherwise agrees. However, necessary purchases of goods and project support services which are unavailable from a U.S. source (e.g., local food, housing and transportation) are eligible without specific USTDA approval.

### 2) Application

Accordingly, the prime contractor must be able to demonstrate that all goods and services purchased in the host country to carry out the Terms of Reference for a USTDA Grant Agreement that were not of U.S. source and origin were unavailable in the United States.

### 3) Definitions

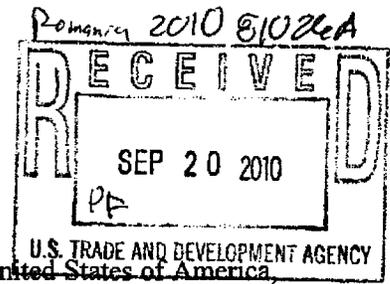
“Source” means the country from which shipment is made.

“Origin” means the place of production, through manufacturing, assembly or otherwise.

*Questions regarding these nationality, source and origin requirements may be addressed to the USTDA Office of General Counsel.*

**ANNEX 4**

## GRANT AGREEMENT



This Grant Agreement is entered into between the Government of the United States of America, acting through the U.S. Trade and Development Agency ("USTDA") and the Permanent Electoral Authority (PEA) ("Grantee"). USTDA agrees to provide the Grantee under the terms of this Agreement US \$344,422 ("USTDA Grant") to fund the cost of goods and services required for a feasibility study ("Study") on the proposed Electronic Election Management System ("Project") in Romania ("Host Country").

DH  
JM LZ  
DC PD  
JJ JN  
MB  
SS  
NP

### 1. USTDA Funding

The funding to be provided under this Grant Agreement shall be used to fund the costs of a contract between the Grantee and the U.S. firm selected by the Grantee ("Contractor") under which the Contractor will perform the Study ("Contract"). Payment to the Contractor will be made directly by USTDA on behalf of the Grantee with the USTDA Grant funds provided under this Grant Agreement.

### 2. Terms of Reference

The Terms of Reference for the Study ("Terms of Reference") are attached as Annex I and are hereby made a part of this Grant Agreement. The Study will examine the technical, financial, environmental, and other critical aspects of the proposed Project. The Terms of Reference for the Study shall also be included in the Contract.

### 3. Standards of Conduct

USTDA and the Grantee recognize the existence of standards of conduct for public officials, and commercial entities, in their respective countries. The parties to this Grant Agreement and the Contractor shall observe these standards, which include not accepting payment of money or anything of value, directly or indirectly, from any person for the purpose of illegally or improperly inducing anyone to take any action favorable to any party in connection with the Study.

### 4. Grantee Responsibilities

The Grantee shall undertake its best efforts to provide reasonable support for the Contractor, such as local transportation, office space, and secretarial support.

## **5. USTDA as Financier**

### **(A) USTDA Approval of Competitive Selection Procedures**

Selection of the U.S. Contractor shall be carried out by the Grantee according to its established procedures for the competitive selection of contractors with advance notice of the procurement published online through *Federal Business Opportunities* ([www.fedbizopps.gov](http://www.fedbizopps.gov)). Upon request, the Grantee will submit these contracting procedures and related documents to USTDA for information and/or approval.

### **(B) USTDA Approval of Contractor Selection**

The Grantee shall notify USTDA at the address of record set forth in Article 17 below upon selection of the Contractor to perform the Study. Upon approval of this selection by USTDA, the Grantee and the Contractor shall then enter into a contract for performance of the Study. The Grantee shall notify in writing the U.S. firms that submitted unsuccessful proposals to perform the Study that they were not selected.

### **(C) USTDA Approval of Contract Between Grantee and Contractor**

The Grantee and the Contractor shall enter into a contract for performance of the Study. This contract, and any amendments thereto, including assignments and changes in the Terms of Reference, must be approved by USTDA in writing. To expedite this approval, the Grantee (or the Contractor on the Grantee's behalf) shall transmit to USTDA, at the address set forth in Article 17 below, a photocopy of an English language version of the signed contract or a final negotiated draft version of the contract.

### **(D) USTDA Not a Party to the Contract**

It is understood by the parties that USTDA has reserved certain rights such as, but not limited to, the right to approve the terms of the contract and any amendments thereto, including assignments, the selection of all contractors, the Terms of Reference, the Final Report, and any and all documents related to any contract funded under the Grant Agreement. The parties hereto further understand and agree that USTDA, in reserving any or all of the foregoing approval rights, has acted solely as a financing entity to assure the proper use of United States Government funds, and that any decision by USTDA to exercise or refrain from exercising these approval rights shall be made as a financier in the course of funding the Study and shall not be construed as making USTDA a party to the contract. The parties hereto understand and agree that USTDA may, from time to time, exercise the foregoing approval rights, or discuss matters related to these rights and the Project with the parties to the contract or any subcontract, jointly or separately, without thereby incurring any responsibility or liability to such parties. Any approval or failure to approve by USTDA shall not bar the Grantee or USTDA from asserting any right they might have against the Contractor, or relieve the Contractor of any liability which the Contractor might otherwise have to the Grantee or USTDA.

**(E) Grant Agreement Controlling**

Regardless of USTDA approval, the rights and obligations of any party to the contract or subcontract thereunder must be consistent with this Grant Agreement. In the event of any inconsistency between the Grant Agreement and any contract or subcontract funded by the Grant Agreement, the Grant Agreement shall be controlling.

**6. Disbursement Procedures**

**(A) USTDA Approval of Contract Required**

USTDA will make disbursements of Grant funds directly to the Contractor only after USTDA approves the Grantee's contract with the Contractor.

**(B) Contractor Invoice Requirements**

The Grantee should request disbursement of funds by USTDA to the Contractor for performance of the Study by submitting invoices in accordance with the procedures set forth in the USTDA Mandatory Clauses in Annex II.

**7. Effective Date**

The effective date of this Grant Agreement ("Effective Date") shall be the date of signature by both parties or, if the parties sign on different dates, the date of the last signature.

**8. Study Schedule**

**(A) Study Completion Date**

The completion date for the Study, which is November 30, 2011, is the date by which the parties estimate that the Study will have been completed.

**(B) Time Limitation on Disbursement of USTDA Grant Funds**

Except as USTDA may otherwise agree, (a) no USTDA funds may be disbursed under this Grant Agreement for goods and services which are provided prior to the Effective Date of the Grant Agreement; and (b) all funds made available under the Grant Agreement must be disbursed within four (4) years from the Effective Date of the Grant Agreement.

**9. USTDA Mandatory Clauses**

All contracts funded under this Grant Agreement shall include the USTDA mandatory clauses set forth in Annex II to this Grant Agreement. All subcontracts funded or partially funded with

USTDA Grant funds shall include the USTDA mandatory clauses, except for clauses B(1), G, H, I, and J.

#### **10. Use of U.S. Carriers**

##### **(A) Air**

Transportation by air of persons or property funded under the Grant Agreement shall be on U.S. flag carriers in accordance with the Fly America Act, 49 U.S.C. 40118, to the extent service by such carriers is available, as provided under applicable U.S. Government regulations.

##### **(B) Marine**

Transportation by sea of property funded under the Grant Agreement shall be on U.S. carriers in accordance with U.S. cargo preference law.

#### **11. Nationality, Source and Origin**

Except as USTDA may otherwise agree, the following provisions shall govern the delivery of goods and services funded by USTDA under the Grant Agreement: (a) for professional services, the Contractor must be either a U.S. firm or U.S. individual; (b) the Contractor may use U.S. subcontractors without limitation, but the use of subcontractors from Host Country may not exceed twenty percent (20%) of the USTDA Grant amount and may only be used for specific services from the Terms of Reference identified in the subcontract; (c) employees of U.S. Contractor or U.S. subcontractor firms responsible for professional services shall be U.S. citizens or non-U.S. citizens lawfully admitted for permanent residence in the U.S.; (d) goods purchased for performance of the Study and associated delivery services (e.g., international transportation and insurance) must have their nationality, source and origin in the United States; and (e) goods and services incidental to Study support (e.g., local lodging, food, and transportation) in Host Country are not subject to the above restrictions. USTDA will make available further details concerning these provisions upon request.

#### **12. Taxes**

USTDA funds provided under the Grant Agreement shall not be used to pay any taxes, tariffs, duties, fees or other levies imposed under laws in effect in Host Country. Neither the Grantee nor the Contractor will seek reimbursement from USTDA for such taxes, tariffs, duties, fees or other levies.

### **13. Cooperation Between Parties and Follow-Up**

The parties will cooperate to assure that the purposes of the Grant Agreement are accomplished. For five (5) years following receipt by USTDA of the Final Report (as defined in Clause I of Annex II), the Grantee agrees to respond to any reasonable inquiries from USTDA about the status of the Project.

### **14. Implementation Letters**

To assist the Grantee in the implementation of the Study, USTDA may, from time to time, issue implementation letters that will provide additional information about matters covered by the Grant Agreement. The parties may also use jointly agreed upon implementation letters to confirm and record their mutual understanding of matters covered by the Grant Agreement.

### **15. Recordkeeping and Audit**

The Grantee agrees to maintain books, records, and other documents relating to the Study and the Grant Agreement adequate to demonstrate implementation of its responsibilities under the Grant Agreement, including the selection of contractors, receipt and approval of contract deliverables, and approval or disapproval of contractor invoices for payment by USTDA. Such books, records, and other documents shall be separately maintained for three (3) years after the date of the final disbursement by USTDA. The Grantee shall afford USTDA or its authorized representatives the opportunity at reasonable times to review books, records, and other documents relating to the Study and the Grant Agreement.

### **16. Representation of Parties**

For all purposes relevant to the Grant Agreement, the Government of the United States of America will be represented by the U. S. Ambassador to Host Country or USTDA and Grantee will be represented by the President of PEA. The parties hereto may, by written notice, designate additional representatives for all purposes under the Grant Agreement.

### **17. Addresses of Record for Parties**

Any notice, request, document, or other communication submitted by either party to the other under the Grant Agreement shall be in writing or through a wire or electronic medium which produces a tangible record of the transmission, such as a telegram, cable or facsimile, and will be deemed duly given or sent when delivered to such party at the following:

To: Dr. Octavian Opreș  
President

and

Gabriel Sauca  
IT&C Manager  
Permanent Electoral Authority  
6, Stavropoleos Street, 3rd District  
030084 Bucharest, Romania

Phone: (40) 21.310.07.76  
Fax: (021) 310.13.85

To: U.S. Trade and Development Agency  
1000 Wilson Boulevard, Suite 1600  
Arlington, Virginia 22209-3901  
USA

Phone: (703) 875-4357  
Fax: (703) 875-4009

All such communications shall be in English, unless the parties otherwise agree in writing. In addition, the Grantee shall provide the Commercial Section of the U.S. Embassy in Host Country with a copy of each communication sent to USTDA.

Any communication relating to this Grant Agreement shall include the following fiscal data:

Appropriation No.: 11 10/11 1001  
Activity No.: 2010-81026A  
Reservation No.: 2010810031  
Grant No.: GH2010810009

#### **18. Termination Clause**

Either party may terminate the Grant Agreement by giving the other party thirty (30) days advance written notice. The termination of the Grant Agreement will end any obligations of the parties to provide financial or other resources for the Study, except for payments which they are committed to make pursuant to noncancellable commitments entered into with third parties prior to the written notice of termination.

**19. Non-waiver of Rights and Remedies**

No delay in exercising any right or remedy accruing to either party in connection with the Grant Agreement shall be construed as a waiver of such right or remedy.

**20. U.S. Technology and Equipment**

By funding this Study, USTDA seeks to promote the project objectives of the Host Country through the use of U.S. technology, goods, and services. In recognition of this purpose, the Grantee agrees that it will allow U.S. suppliers to compete in the procurement of technology, goods and services needed for Project implementation.

**[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK]**

**IN WITNESS WHEREOF, the Government of the United States of America and the Permanent Electoral Authority, each acting through its duly authorized representative, have caused this Agreement to be signed in the English language in their names and delivered as of the day and year written below. In the event that this Grant Agreement is signed in more than one language, the English language version shall govern.**

**For the Government of the  
United States of America**

By: Jeri Guthrie-Corn  
Jeri Guthrie-Corn  
Deputy Chief of Mission  
Embassy of the United States  
of America

Date: 15 September, 2010

Witnessed:

By: Keith Kirkham  
Keith Kirkham  
Commercial Attaché  
Embassy of the United States  
of America

**For the Permanent Electoral Authority**

By: Octavian Opris  
Octavian Opris  
President  
Permanent Electoral Authority

Date: 15 September, 2010

Witnessed:

By: Gabriel Sauca  
Gabriel Sauca  
ITC Director  
Permanent Electoral Authority

Angela Vieriu  
Angela Vieriu  
CFO  
Permanent Electoral Authority

**Annex I -- Terms of Reference**

**Annex II -- USTDA Mandatory Clauses**

## Annex I

### **Terms of Reference**

The objective of the feasibility study is to develop a comprehensive roadmap for the PEA to develop an Electronic Electoral Management System (EEMS) capable of automating the vote authentication and vote casting/counting processes, as well as the electoral administrative processes. Within this project the Contractor shall assist the PEA with determining its user needs, the technical functionalities and specifications of the EEMS and a set of managerial/institutional recommendations for an integrated and coherent approach to EEMS implementation. In order to achieve the project objectives, the Contractor shall perform the following tasks:

#### **Task 1 – Project Initiation and Initial Meetings**

The Contractor shall lay the foundation of the feasibility study by holding initial meetings to define the needs and expectations of the PEA (the Grantee) and other stakeholders. The Contractor's study staff shall travel to Romania and meet with Grantee staff in Bucharest to discuss the objectives, responsibilities, and schedule for the completion of deliverables. The Contractor shall conduct interviews with other stakeholders and collect background information for the study.

##### ***Task 1.1 - Initial Study Meeting and Work Plan***

Under this task, the Contractor and the Grantee shall hold an initial study meeting in Bucharest that shall occur no more than three weeks following the approval of the contract between the Contractor and the Grantee. The meeting shall be held at the offices of the Grantee.

Prior to the initial study meeting, the Contractor shall prepare and distribute an agenda to ensure that the meeting accomplishes several objectives. The initial project meeting's objectives shall include, but not be limited to, the following:

- The Contractor, the Grantee, and others at the Grantee's discretion ("meeting participants"), shall discuss and reach full agreement on a detailed work plan for the feasibility study and the project schedule, including future meetings, in-country work, and project deliverables;
- The objectives of the Study shall be reviewed; and
- The meeting participants shall determine and agree upon the extent to which the Grantee and other Romanian government staff and management will be involved in the study, and what Romanian government resources shall be made available (for example, transportation, meeting translation, communications, office space in Bucharest, and possibly other locations.).

After the initial study meeting, the Contractor shall prepare a memorandum itemizing the major items discussed and agreed upon at the meeting. At a minimum, this shall include a list of all parties (organizations and individuals within those organizations) who will contribute to the study, an itemized list of Romanian government and other resources that will be provided to the Contractor, a schedule for completion of all tasks and subtasks, and detailed plans for the meetings to be held under Task 1.2.

**Task 1.2 - Stakeholder Meetings and Interviews**

Following the initial study meeting, the Contractor shall conduct meetings with the relevant stakeholders identified during the initial study meeting in Bucharest. The Grantee shall assemble in Bucharest the relevant officials from the Grantee and other stakeholders, which, at the discretion of the Grantee, could include representatives of official governmental institutions, political parties, national and international non-governmental organizations, etc.. In these meetings and interviews the Contractor shall:

- Review and confirm the EEMS project’s high level goals and objectives with key Grantee staff and other stakeholders;
- Identify and assess past issues and efforts to improve the management of the Romanian election process;
- Assess on-going efforts to create an electoral register and/or central database of the Romanian electorate;
- Review key legal/regulatory and institutional issues and constraints related to the implementation of an Election Management System;
- Review stakeholders’ main concerns and inputs with regard to the electoral process and the EEMS project in particular and their views as to what the issues or risks to be addressed by EEMS are;
- Establish, in agreement with the Grantee and the stakeholders, a working method and plan for future two way communication with stakeholders and consultation with regard to issues of interest (which may include information being sent to stakeholders at certain milestones during the project and receipt of position papers).

The Contractor shall deliver and document the following as a result of the completion of Task 1:

**Table 1: Task 1 Deliverables**

<b>Task</b>	<b>Deliv. No.</b>	<b>Deliverable</b>
1.1	1	- Conduct initial study meeting in Romania (Bucharest) - Detailed study schedule and plan
1.2	2	- Stakeholder meetings, interviews (Bucharest, and possibly other locations)

## **Task 2 – EEMS User Needs Assessment**

### ***Task 2.1 – Review International Issues and Experiences in Election Management and Electronic Voting***

The Contractor shall conduct a review of international experiences and issues in electoral management, electronic voting and e-democracy by consulting relevant practitioners and academic literature as well as governmental and non-governmental reports, studies and other documents. Thus, the contractor shall report on:

- the main democratic concepts/criteria to be concerned with when implementing electronic election management systems;
- technology options for voting (e.g. mechanical voting, optical scan voting, direct recording electronic systems, etc.) and possible democratic issues related to them;
- opportunities, challenges and risks of e-voting;
- technical or procedural solutions to reported problems;
- the above discussion of issues may be accompanied by examples of positive and negative experiences encountered in other countries.

Based on the issues discussed, the Contractor shall develop a framework of democratic governance and voting criteria to be directly or indirectly addressed during the EEMS project. These criteria/issues shall include but not necessarily be restricted to:

- the transparency and verifiability of the voting process;
- universality of the vote (all or almost all citizens are entitled to vote);
- eligibility of voters (some citizens are legally restricted from voting);
- the one person one vote principle (nobody can vote more than once);
- accuracy and integrity (votes are accurately recorded and data on votes is communicated and counted with integrity);
- secrecy of the vote;
- accessibility and simplicity of use

The Contractor shall further report on a plan as to how these criteria will be reflected in the Contractor's subsequent work particularly in the EEMS architecture and security and quality assurance framework.

### ***Task 2.2 – Review Relevant Legal-Regulatory and Policy Context Governing Romanian Elections***

The contractor shall review the relevant regulatory and policy context governing Romanian elections and electoral administration. This analysis shall consider:

- the existing laws/regulations governing the election process;
- existing studies/reports (e.g. of PEA, OSCE, Asociatia Pro-Democratie) discussing any legal electoral issues and recommendations;
- the electoral system and parliamentary distribution of seats
- laws/regulations defining PEA's authority, role and competences;

- any legal issues or possible barriers or constraints to the use of ICT in electoral management;
- the overall strategic context of policies in electoral regulation and administration (strategic vision or lack thereof, regulatory stability, budget allocations, etc.);
- any current plans of legislative change in electoral laws and regulations.

The Contractor shall outline the main legal constraints shaping the EEMS project and outline the key legal issues that need to be addressed for a successful implementation of an EEMS (detailed legal recommendations will be made in Task 5.1).

***Task 2.3. Review Infrastructural and Societal Context Issues Impacting Romanian Elections***

Based on existing information, reports and studies, the Contractor shall review any additional issues impacting the election process and/or constraining future development of an EEMS in Romania. The PEA shall support the Contractor in obtaining relevant available reports, studies, and data. These shall include but not necessarily be limited to:

- the communications infrastructure in Romania particularly the Internet backbone infrastructure and Internet access (fixed and mobile);
- other relevant non IT-infrastructure and endowment issues (e.g. ballot boxes, available rooms/buildings of Electoral Bureau for Polling Stations Abroad, etc.);
- institutional/administrative development issues in various institutions involved in the election process;
- demographic issues such as: the level of urbanization, the population living abroad, etc;
- the general level of ICT literacy of the population and the digital divide;

***Task 2.4 – Analyze the Administrative Processes of Romanian Elections and of the PEA***

Based on the regulatory analysis (Task 2.2), other official and unofficial documents, and interviews with the Grantee and other relevant stakeholder representatives, the Contractor shall analyze and describe: the process of Romanian elections and the internal processes of the Grantee, bearing in mind that an EEMS including a Document Management Solution for the Grantee will have to match those processes, or the processes will have to be altered to some extent to allow for the EEMS implementation.

The election process analysis and description shall account for:

- the three-tier temporary election institutions (formed of EBPSs, MEBs, and CEB) and their corresponding roles and competences;
- the involvement, role and competences of permanent governmental institutions (including but not necessarily limited to PEA, MAI, MoE, SST, and local authorities) in the election or election preparation/organization process;
- an overview of infrastructure used in the process;
- the flow of information, documents and decisions between the involved institutions;

- the administrative/legal means by which decisions are taken at various points in the election process;
- issues, challenges, and bottlenecks;
- differences in process between various election types (local, parliamentary, presidential, and for the European parliament).

The Grantee internal processes analysis shall account for:

- roles and activities of the Grantee's various departments and services ;
- the flow of information, documents and decisions between the departments, directorates and services of the Grantee;
- the administrative/legal means by which decisions are taken at various points along the processes;
- an overview of the infrastructure used in the flow of documents and information;
- issues, challenges, and bottlenecks;
- various functions performed by the Grantee;
- inputs and outputs to and from other institutions.

The description of processes shall be made in sufficient detail as to determine the functionalities of the EEMS (including a Document Management solution for the Grantee) and serve as the basis of a detailed security and quality assurance framework (including a detailed threat model). The narrative of the description should be accompanied by detailed process flow diagrams. Some preliminary and general recommendations as to how to address the issues encountered in order to implement the EEMS, and what processes will need alteration/optimization (before or during the EEMS implementation) shall be discussed.

***Task 2.5 – Determine Needed Functionalities***

Based on the analyses conducted in tasks 2.1 – 2.3, and interviews with Grantee staff and other stakeholders, the Contractor shall determine the main issues, problems, and risks in the Romanian electoral process, the general functionalities required to address these issues, and the justification of these functionalities (without at this stage entering technical specification details). A general description and list of these functionalities shall be provided together with a brief discussion of the level of urgency of the implementation of each functionality given: a) how necessary the functionality is for the Grantee and the electoral process; and b) the extent to which an immediate implementation of that functionality is possible (given legal, institutional, and infrastructural constraints).

**Table 2: Task 2 Deliverable**

<b>Task</b>	<b>Deliv. No.</b>	<b>Deliverable</b>
2.1 – 2.5	3	- User Needs Assessment Summary Report

### **Task 3 – EEMS Functional Requirements Assessment**

#### ***Task 3.1 - Assess Overall EMS Architecture and Functional Requirements***

In this task the Contractor shall review available options and technologies, and utilizing inputs from Task 2, propose an overall architecture and define the main functional requirements of an integrated EEMS for the Grantee. Depending on discussions with the Grantee and the user needs assessment (Task 2), the core requirements/functionalities will include, but not necessarily be limited to:

- core electoral process functionalities:
  - o voter authentication functionality. The Contractor shall build on an existing electoral register (an initiative that has already begun and will continue in parallel with the EEMS), and integrate it with the EEMS to provide full authentication functionality);
  - o vote casting, communication, counting and reporting functionality (including equipment at EBPSs, scanning technology – if this is the chosen solution –, database solutions, reporting applications).
  
- support and management functionalities, probably including:
  - o network management and monitoring;
  - o a call center at PEA dealing with technical and administrative support during elections (including probably VoIP technology, knowledge base, claim-issue registration and management);
  - o a document management solution for PEA;
  - o an issue/filing/contestation management solution for the election process (possibly using the same technology and/or platform as the document management system and the issue-claim management system within the call center);
  - o an asset management solution for equipment involved in the election process.

The EEMS will also include security solutions/equipment and a dedicated operating system for the stations at EBPSs. The various functionalities above will probably be integrated using portal technology. Depending on budgetary, institutional, or regulatory constraints, as well as level of need/priority for PEA, the Contractor might recommend an EEMS architecture for immediate deployment, and outline various technology options for future adaptation.

Due to the fact that several institutional and infrastructure requirements are not yet in place, the initial implementation phase of the EEMS will not include an application to process the votes of Romanian's residing abroad. However, integration of this functionality into the EEMS over the medium term is a priority of the PEA. Therefore, the initial EEMS architecture should be conceived to accommodate the future integration of overseas voting functionality. The Contractor shall also outline the feasibility of various options for processing overseas votes (including mail voting, internet voting,

voting via digital phones, etc.) and develop a high level action plan for implementing an overseas voting platform.

### ***Task 3.2 - Determine Required Operating System and Database Functionalities***

Working closely with the Grantee's technical staff, the Contractor shall define the parameters of a dedicated operating system and needed applications for the EEMS terminals at EBPSs.

Also in coordination with Grantee experts, the Contractor shall establish the required database functionalities and develop a database design for the EEMS. Issues of particular importance include the reporting requirements and interoperability with systems in place at other government agencies including the MAI, MFA, MoJ, and others. The Contractor shall also evaluate the possibility of developing a Grantee data center, to be based at Grantee headquarters or elsewhere.

### ***Task 3.3 - Assess System Security and Quality Assurance Requirements***

The Contractor shall conduct a detailed security audit of the proposed EEMS, define the security requirements, and propose an end-to-end security solution. Given the sensitive nature of the electoral management project and the important negative consequences of system failure or malfunction, the EEMS project shall be built with very high security and quality assurance standards in mind. The security and quality assurance requirements shall incorporate the specific goals, requirements and criteria of democratic governance and electoral management as discussed in Task 2.1. Moreover the security audit shall include both IT security and procedural and physical security of the electoral process.

In conducting the security audit the Contractor shall:

- present a clear, actionable framework of criteria to be followed in the security and quality assurance audit inspired by both democratic/electoral requirements (as discussed in Task 2.1) and technical security and reliability requirements, and explain how the technical requirements also address the broader democratic procedural objectives.
- present a revised version of the process/information flow diagrams (continuing the work in task 2.3) illustrating how the process will look after the implementation of the EEMS, discussing changes (including description and explanation as to why they are needed) compared to the diagram in 2.3.
- construct a threat model, assessing possible threats and level of risk, internal and external, IT specific or physical, at each point in the process flow. A complete list/categorization of threats will be made (including the possibility of corrupt/malicious actions of personnel of the Grantee or other involved institutions (including suppliers, employees, etc.). Threat assumptions will be made explicit for future reconsideration.

The Contractor shall further present/discuss the security and quality assurance solutions including: IT solutions, procedural and other physical infrastructural solutions. The IT solutions may include but not necessarily be limited to: encrypted communication, authentication, network security solutions, antivirus solutions, etc. The overall security approach taken could entail the installation of software on the PCs in use at the polling stations, MEBs and Grantee headquarters, or an integrated hardware and software solution with multi-functional, input-output devices ("black boxes") installed at the network edges, or a combination of the two. A key concern of the Grantee is database security and access rights; the Contractor shall present a complete list of roles, who will perform those roles, and what the access rights to the EEMS will be. Given the complexity of the EEMS and the interconnectedness of various subsystems, risks and threats arising from access of one subsystem into another shall be considered. Depending on the level of risk, redundant security solutions shall be considered as well (sometimes backing an IT solution with another IT solution or a procedural requirement or physical infrastructure elements – e.g. secure rooms, locks, etc.).

The security audit of the EEMS will not be a one-time only, pre-implementation operation; the Grantee will be in charge of future re-audits after implementation and prior to each election. The security and quality assurance audit framework and threat model used by the consultant will be made available to the Grantee for future use and re-auditing of the EEMS. In addition the consultant will make recommendations with regard to future equipment inspection, security procedures and policies (those procedures and policies that involve wider managerial/ institutional/legal changes will have to also be included in the recommendations made in Task 5.1).

#### ***Task 3.4 - Evaluate Existing Communications Infrastructure and Future Requirements***

The Contractor shall assess the communications infrastructure currently available to the Grantee and determine the requirements to run the EEMS. While the Special Telecommunications Service (STS) has the capability to take care of much of the communications infrastructure for the EEMS (via its own backbone or via agreements with regional ISPS), approximately 200 of the total 21,000 polling stations in Romania are not in an area covered by any ISP; therefore, a solution will be required for these uncovered stations. The Contractor shall review documentation and data from the Ministry of Communications and Information Society (MCIS), particularly the Broadband Strategy of Romania and its implementation documents. Moreover, the Grantee and the Contractor may discuss with MCIS and STS concerning whether it is possible to prioritize the 200 towns/villages such that they may be provided with Internet access within this strategy. In addition to the backbone infrastructure, the Contractor shall develop a network monitoring and management solution, assess the required VPN functionality, and define requirements for a web interface to communicate with the central database.

**Task 3.5 - Preliminary EEMS Design & Specifications and Technical Report**

The Contractor shall develop a Preliminary Project Design and Specifications Document that describes the recommended optimal solution for the EEMS project. In the design the Contractor shall identify any improvements in existing systems and networks that are warranted, and specify the complete, integrated system for managing the election process. At a minimum, the Project Design and Specifications document shall include the following elements:

- . Requirements analysis and design criteria;
- . Alternatives to the Project;
- . Project concept;
- . System architecture, including a data architecture;
- . Prioritization of functions;
- . Preliminary project design to the level required to develop specifications for EEMS implementation;
- . Concept of operations; and
- . EEMS specifications;
  - o The Contractor shall develop an itemized list of required equipment, supplies and services needed to implement the EEMS and operate it for five years, including all costs;
  - o The Contractor shall produce a list of proposed supplies, equipment and services for Project implementation, including a list of U.S. sources of supply with company names and contact information for each item.

The Contractor shall consolidate all the findings of the sub-tasks under Task 3, including the Preliminary Design and Specifications Document, in a Technical Analysis Report. The Contractor shall:

- . Create a draft Technical Analysis Report for the Grantee's review;
- . Revise the Technical Analysis Report based on the Grantee's comments;
- . Create a final Technical Analysis Report;
- . Create a summary electronic presentation of the final Technical Analysis Report; and
- . Present the report to the Grantee's Study Steering Committee.

**Table 3: Task 3 Deliverables**

Task	Deliv. No.	Deliverable
3.1- 3.5	4	- Preliminary Project Design and Specifications Document
	5	- Technical Analysis Report

#### **Task 4 – EEMS Implementation and Investment Planning**

In this task, the Contractor shall develop an Implementation and Investment Plan for the project that will provide a road map for deployment of the defined Election Management System. As it is foreseen that most of the funding for the EEMS implementation will come from the state budget, the Contractor shall assure that the study contains all of the elements required by the Ministry of Finance. If, based on discussions with the Grantee, it is determined that the project could potentially be funded in part by the World Bank, the EU Structural Funds, or other organizations, the Contractor shall, as and where it is applicable, adapt the feasibility study to meet the criteria of these organizations.

##### ***Task 4.1 - Institutional, Managerial, Policy and Legal and Recommendations***

Based on inputs from the preceding tasks, the Contractor shall assess the necessary institutional, managerial, policy and legal conditions necessary to implement the EEMS in an optimal manner, and, where warranted, make recommendations for changes and/or adaptations. Such recommendations may include as necessary for the EEMS implementation: changes or clarifications of basic electoral rules concerning the electoral system, changes with regard to the role or authority of the Grantee or other institutions in the election process, adjustments in resource allocation and utilization (budgetary, human resources, etc.), other (than IT) procurement, communication and stakeholder management activities by the Grantee to accompany the EEMS project. The means by which the suggested actions will be accomplished will be discussed (whether by means of laws adopted by Parliament, Government Decisions, Ministerial or PEA President Orders, or other administrative acts) as well as how these stipulations will be optimally grouped in various acts.

##### ***Task 4.2 - Financial and Economic Analysis***

The Contractor shall conduct an appropriate economic analysis for the EEMS project, evaluating its implementation costs and benefits. Potential direct benefits may include increased productivity of the Grantee and a more streamlined election process leading to fewer costs to be borne by the Romanian Government. Indirect benefits may include increased transparency, reduced likelihood of fraud, leading to greater participation in the election process and more faith in the political system. Where benefits cannot be quantified, they shall be qualitatively described. The Contractor shall develop a plan for financing the costs of implementation as estimated in the study. This shall include a review of organizational structures for developing and managing the EEMS. Potential financing agencies shall be identified and Romania's ability to secure funding from such agencies shall be reviewed. The Contractor shall:

- Review the Project's economics and compile and analyze Project's qualitative benefits. One of the key aspects of the economic analysis shall be to estimate the cost savings to the national budget and the political risk savings generated by

implementation of the EEMS. Operational and maintenance cost shall be factored into the economic analysis; and

- Perform a financial analysis of the project funding. Conduct a review of the proposed sources of financing for the EEMS. Review stipulations and requirements of financing sources where relevant, i.e. World Bank, EU, etc.

#### ***Task 4.3 - Environmental Impact Assessment***

The Contractor shall conduct a preliminary environmental analysis of the Electronic Election Management System project to ensure its consistency with applicable laws, regulations and standards in Romania, and the EU, as well as with financing institutions such as the World Bank. The analysis shall identify potential negative environmental impacts, discuss the extent to which they can be mitigated, and develop plans for a full environmental impact assessment should the project move forward to the implementation stage. Specifically, the preliminary environmental analysis shall:

- Identify potential environmental issues of project implementation;
- Identify applicable environmental legislation and standards, guidelines, and policies and evaluate how well the Project complies;
- Describe the key environment issues associated with the Project; and
- Identify the positive and negative environmental impacts of the EEMS implementation.

#### ***Task 4.4 - Developmental Impact Assessment***

The Contractor shall report on the potential developmental impacts of the EEMS project in Romania. This shall include short term benefits to increase the efficiency of managing Romanian local and national elections, as well as the longer term benefits of increased transparency, inclusion of a greater percentage of the electorate, and development of e-democracy in Romania. A section of the Final Report produced in Task 5 shall focus primarily on key developmental impacts, including infrastructure and security, human capacity building, technology transfer and productivity, and market oriented reform. Other Romanian development impacts (e.g. enhanced administrative capacity, democratic governance, improved local governance and rural development, etc.) shall be mentioned where appropriate. The Contractor should focus on what the economic development outcomes will be if the project is implemented according to the study recommendations. While specific focus shall be paid to the immediate impact of the specific project that is being considered, the Contractor shall include, where appropriate, any additional developmental benefits to the EEMS, including spin-off and demonstration effects. The Contractor's analysis of potential benefits shall be as concrete and detailed as possible. Specifically, the Contractor shall provide estimates of the project's potential impacts in the following areas:

- **Infrastructure & Security:** a statement on the infrastructure impact giving a brief synopsis. Describe how the planned EEMS will support and enhance local and

- national government services, improve social infrastructure and enhance the security of the Romanian electorate;
- Market Oriented Reform: a description of any regulation, laws, or institutional changes that are recommended and the effect they would have if passed;
  - Human Capacity Building: a description of the number and type of positions that would be needed to run the EEMS, as well as the number of people who will receive training and a brief description of the training programs. Assess the training and employment as a result of the EEMS project, both for the initial deployment and for the later phasing in of e-voting capabilities;
  - Technology Transfer and Productivity Enhancement: a description of any advanced technologies that will be implemented as a result of the project. Provide descriptions of any efficiencies that will be gained and describe any advanced technologies, such as communications networking, security, and database technologies, that will be brought into use in Romania as a result of implementing the EEMS project; and
  - Other: any other developmental benefits to the project, including enhanced good governance and information society development. Describe any other developmental impacts or benefits that will result from implementation of the EEMS project in Romania such as the potential of the system to encourage more transparent regulatory systems and institutions, or to lead to spin-off or replication projects.

#### ***Task 4.5 - EEMS Schedule and Budget***

The Contractor shall establish an implementation schedule and detailed budget for the Grantee's planned roll-out of an integrated electronic election management system (EEMS). The Contractor shall:

- Identify implementation options and analyze issues and risks;
- Evaluate the training and human resources required by the Grantee to implement the EEMS;
- Establish anticipated future steps required to implement the EEMS; and
- Develop a detailed implementation schedule, budget and investment plan.

#### ***Task 4.6 - Coordinated Implementation and Investment Action Plan Document***

In this task the Contractor shall create a Project Implementation and Investment Plan document for the EEMS project. The Plan shall include the products of the previous tasks, including a detailed project schedule and budget, the economic and financial analysis, the environmental impacts, and the developmental impacts.

The deliverable for this task shall be an Implementation and Investment Plan including a detailed EEMS implantation schedule broken down by tasks and subtasks, with estimated costs, a schedule of expenditures and task completion, and an overall project budget. The plan shall also include a final list of required hardware, software, networking equipment

and platforms for implementation of the system, a list of services required, and a list of potential U.S. sources of supply for products and services. The plan shall include separate sections for the economic analysis of the project, the financial analysis of the project, the environmental analysis of the project. A section shall be devoted to the projected host country Developmental Impact of the Study recommendations if they are implemented. The Contractor shall present a draft Project Implementation and Investment Plan for the EEMS project to the Grantee, and revise the plan based on the Grantee's comments. An electronic summary presentation shall accompany the final plan.

**Table 4: Task 4 Deliverables**

<b>Task</b>	<b>Deliv. No.</b>	<b>Deliverable</b>
4.1- 4.6	6	- Draft and Final Project Implementation and Investment Plan

**Task 5 – Final Report**

The Contractor shall prepare and deliver to the Grantee and USTDA a substantive and comprehensive Final Report of all work performed under these Terms of Reference ("Final Report"). The Final Report shall be organized according to the above tasks, and shall include all deliverables and documents that have been provided to the Grantee. The Final Report shall be prepared in accordance with Clause I of Annex II of the Grant Agreement. The Final Report shall be presented to Grantee's Steering Committee and its invitees. The Contractor shall also prepare an Executive Summary of the Study that will be included as an introduction in the Final Report.

***Task 5.1 - Formal Presentation and Discussions***

The Contractor shall facilitate a formal presentation and executive discussion forum at appropriate facilities in Bucharest where the Contractor shall deliver to the Grantee and its invitees a final oral presentation of the key findings and conclusions of the Electronic Election Management System Feasibility Study.

***Task 5.2 - Final Report***

The Final Report shall incorporate feedback and suggestions from the presentation and discussion forum, and shall include firm recommendations on strategic investments the Grantee, and possibly other Romanian organizations, will need to make in order to set the stage for any further outside investments. The Contractor shall develop the Final Report in the following manner:

- Contractor shall submit to the Grantee a Draft Final Report including final conclusions;
- Contractor shall revise the Final Report based on Grantee's comments; and

- Contractor shall produce a Final Report. The Final Report shall be delivered in English to the Grantee. Contractor shall provide the Final Report to USTDA and the U.S. Embassy in Romania pursuant to Clause I of Annex II.

**Table 5: Task 5 Deliverables**

<b>Task</b>	<b>Deliv. No.</b>	<b>Deliverable</b>
5.1	7	Formal presentation and executive discussion forum
5.2	8	Draft and Final Report Document

**Notes:**

- (1) The Contractor is responsible for compliance with U.S. export licensing requirements, if applicable, in the performance of the Terms of Reference.**
- (2) The Contractor and the Grantee shall be careful to ensure that the public version of the Final Report contains no security or confidential information.**
- (3) The Grantee and USTDA shall have an irrevocable, worldwide, royalty-free, non-exclusive right to use and distribute the Final Report and all work product that is developed under these Terms of Reference.**

## Annex II

### **USTDA Mandatory Contract Clauses**

#### **A. USTDA Mandatory Clauses Controlling**

The parties to this contract acknowledge that this contract is funded in whole or in part by the U.S. Trade and Development Agency ("USTDA") under the Grant Agreement between the Government of the United States of America acting through USTDA and the Permanent Electoral Authority (PEA) ("Client"), dated \_\_\_\_\_ ("Grant Agreement"). The Client has selected \_\_\_\_\_ ("Contractor") to perform the feasibility study ("Study") for the Electronic Election Management System project ("Project") in Romania ("Host Country"). Notwithstanding any other provisions of this contract, the following USTDA mandatory contract clauses shall govern. All subcontracts entered into by Contractor funded or partially funded with USTDA Grant funds shall include these USTDA mandatory contract clauses, except for clauses B(1), G, H, I, and J. In addition, in the event of any inconsistency between the Grant Agreement and any contract or subcontract thereunder, the Grant Agreement shall be controlling.

#### **B. USTDA as Financier**

##### **(1) USTDA Approval of Contract**

All contracts funded under the Grant Agreement, and any amendments thereto, including assignments and changes in the Terms of Reference, must be approved by USTDA in writing in order to be effective with respect to the expenditure of USTDA Grant funds. USTDA will not authorize the disbursement of USTDA Grant funds until the contract has been formally approved by USTDA or until the contract conforms to modifications required by USTDA during the contract review process.

##### **(2) USTDA Not a Party to the Contract**

It is understood by the parties that USTDA has reserved certain rights such as, but not limited to, the right to approve the terms of this contract and amendments thereto, including assignments, the selection of all contractors, the Terms of Reference, the Final Report, and any and all documents related to any contract funded under the Grant Agreement. The parties hereto further understand and agree that USTDA, in reserving any or all of the foregoing approval rights, has acted solely as a financing entity to assure the proper use of United States Government funds, and that any decision by USTDA to exercise or refrain from exercising these approval rights shall be made as a financier in the course of financing the Study and shall not be construed as making USTDA a party to the contract. The parties hereto understand and agree that USTDA may, from time to time, exercise the foregoing approval rights, or discuss matters related to these rights and the Project with the parties to the contract or any subcontract, jointly or separately, without thereby incurring any responsibility or liability to such parties. Any approval or failure to approve by USTDA shall not

bar the Client or USTDA from asserting any right they might have against the Contractor, or relieve the Contractor of any liability which the Contractor might otherwise have to the Client or USTDA.

### **C. Nationality, Source and Origin**

Except as USTDA may otherwise agree, the following provisions shall govern the delivery of goods and services funded by USTDA under the Grant Agreement: (a) for professional services, the Contractor must be either a U.S. firm or U.S. individual; (b) the Contractor may use U.S. subcontractors without limitation, but the use of subcontractors from Host Country may not exceed twenty percent (20%) of the USTDA Grant amount and may only be used for specific services from the Terms of Reference identified in the subcontract; (c) employees of U.S. Contractor or U.S. subcontractor firms responsible for professional services shall be U.S. citizens or non-U.S. citizens lawfully admitted for permanent residence in the U.S.; (d) goods purchased for performance of the Study and associated delivery services (e.g., international transportation and insurance) must have their nationality, source and origin in the United States; and (e) goods and services incidental to Study support (e.g., local lodging, food, and transportation) in Host Country are not subject to the above restrictions. USTDA will make available further details concerning these provisions upon request.

### **D. Recordkeeping and Audit**

The Contractor and subcontractors funded under the Grant Agreement shall maintain, in accordance with generally accepted accounting procedures, books, records, and other documents, sufficient to reflect properly all transactions under or in connection with the contract. These books, records, and other documents shall clearly identify and track the use and expenditure of USTDA funds, separately from other funding sources. Such books, records, and documents shall be maintained during the contract term and for a period of three (3) years after final disbursement by USTDA. The Contractor and subcontractors shall afford USTDA, or its authorized representatives, the opportunity at reasonable times for inspection and audit of such books, records, and other documentation.

### **E. U.S. Carriers**

#### **(1) Air**

Transportation by air of persons or property funded under the Grant Agreement shall be on U.S. flag carriers in accordance with the Fly America Act, 49 U.S.C. 40118, to the extent service by such carriers is available, as provided under applicable U.S. Government regulations.

**(2) Marine**

Transportation by sea of property funded under the Grant Agreement shall be on U.S. carriers in accordance with U.S. cargo preference law.

**F. Workman's Compensation Insurance**

The Contractor shall provide adequate Workman's Compensation Insurance coverage for work performed under this Contract.

**G. Reporting Requirements**

The Contractor shall advise USTDA by letter as to the status of the Project on March 1st annually for a period of two (2) years after completion of the Study. In addition, if at any time the Contractor receives follow-on work from the Client, the Contractor shall so notify USTDA and designate the Contractor's contact point including name, telephone, and fax number. Since this information may be made publicly available by USTDA, any information which is confidential shall be designated as such by the Contractor and provided separately to USTDA. USTDA will maintain the confidentiality of such information in accordance with applicable law.

**H. Disbursement Procedures**

**(1) USTDA Approval of Contract**

Disbursement of Grant funds will be made only after USTDA approval of this contract. To make this review in a timely fashion, USTDA must receive from either the Client or the Contractor a photocopy of an English language version of a signed contract or a final negotiated draft version to the attention of the General Counsel's office at USTDA's address listed in Clause M below.

**(2) Payment Schedule Requirements**

A payment schedule for disbursement of Grant funds to the Contractor shall be included in this Contract. Such payment schedule must conform to the following USTDA requirements: (1) up to twenty percent (20%) of the total USTDA Grant amount may be used as a mobilization payment; (2) all other payments, with the exception of the final payment, shall be based upon contract performance milestones; and (3) the final payment may be no less than fifteen percent (15%) of the total USTDA Grant amount, payable upon receipt by USTDA of an approved Final Report in accordance with the specifications and quantities set forth in Clause I below. Invoicing procedures for all payments are described below.

### **(3) Contractor Invoice Requirements**

USTDA will make all disbursements of USTDA Grant funds directly to the Contractor. The Contractor must provide USTDA with an ACH Vendor Enrollment Form (available from USTDA) with the first invoice. The Client shall request disbursement of funds by USTDA to the Contractor for performance of the contract by submitting the following to USTDA:

#### **(a) Contractor's Invoice**

The Contractor's invoice shall include reference to an item listed in the Contract payment schedule, the requested payment amount, and an appropriate certification by the Contractor, as follows:

##### **(i) For a mobilization payment (if any):**

"As a condition for this mobilization payment, the Contractor certifies that it will perform all work in accordance with the terms of its Contract with the Client. To the extent that the Contractor does not comply with the terms and conditions of the Contract, including the USTDA mandatory provisions contained therein, it will, upon USTDA's request, make an appropriate refund to USTDA."

##### **(ii) For contract performance milestone payments:**

"The Contractor has performed the work described in this invoice in accordance with the terms of its contract with the Client and is entitled to payment thereunder. To the extent the Contractor has not complied with the terms and conditions of the Contract, including the USTDA mandatory provisions contained therein, it will, upon USTDA's request, make an appropriate refund to USTDA."

##### **(iii) For final payment:**

"The Contractor has performed the work described in this invoice in accordance with the terms of its contract with the Client and is entitled to payment thereunder. Specifically, the Contractor has submitted the Final Report to the Client, as required by the Contract, and received the Client's approval of the Final Report. To the extent the Contractor has not complied with the terms and conditions of the Contract, including the USTDA mandatory provisions contained therein, it will, upon USTDA's request, make an appropriate refund to USTDA."

#### **(b) Client's Approval of the Contractor's Invoice**

(i) The invoice for a mobilization payment must be approved in writing by the Client.

(ii) For contract performance milestone payments, the following certification by the Client must be provided on the invoice or separately:

"The services for which disbursement is requested by the Contractor have been performed satisfactorily, in accordance with applicable Contract provisions and the terms and conditions of the USTDA Grant Agreement."

(iii) For final payment, the following certification by the Client must be provided on the invoice or separately:

"The services for which disbursement is requested by the Contractor have been performed satisfactorily, in accordance with applicable Contract provisions and terms and conditions of the USTDA Grant Agreement. The Final Report submitted by the Contractor has been reviewed and approved by the Client. "

**(c) USTDA Address for Disbursement Requests**

Requests for disbursement shall be submitted by courier or mail to the attention of the Finance Department at USTDA's address listed in Clause M below.

**(4) Termination**

In the event that the Contract is terminated prior to completion, the Contractor will be eligible, subject to USTDA approval, for reasonable and documented costs which have been incurred in performing the Terms of Reference prior to termination, as well as reasonable wind down expenses. Reimbursement for such costs shall not exceed the total amount of undisbursed Grant funds. Likewise, in the event of such termination, USTDA is entitled to receive from the Contractor all USTDA Grant funds previously disbursed to the Contractor (including but not limited to mobilization payments) which exceed the reasonable and documented costs incurred in performing the Terms of Reference prior to termination.

**I. USTDA Final Report**

**(1) Definition**

"Final Report" shall mean the Final Report described in the attached Annex I Terms of Reference or, if no such "Final Report" is described therein, "Final Report" shall mean a substantive and comprehensive report of work performed in accordance with the attached Annex I Terms of Reference, including any documents delivered to the Client.

**(2) Final Report Submission Requirements**

The Contractor shall provide the following to USTDA:

(a) One (1) complete version of the Final Report for USTDA's records. This version shall have been approved by the Client in writing and must be in the English language. It is the responsibility of the Contractor to ensure that confidential information, if any, contained in this version be clearly marked. USTDA will maintain the confidentiality of such information in accordance with applicable law.

and

(b) One (1) copy of the Final Report suitable for public distribution ("Public Version"). The Public Version shall have been approved by the Client in writing and must be in the English language. As this version will be available for public distribution, it must not contain any confidential information. If the report in (a) above contains no confidential information, it may be used as the Public Version. In any event, the Public Version must be informative and contain sufficient Project detail to be useful to prospective equipment and service providers.

and

(c) Two (2) CD-ROMs, each containing a complete copy of the Public Version of the Final Report. The electronic files on the CD-ROMs shall be submitted in a commonly accessible read-only format. As these CD-ROMs will be available for public distribution, they must not contain any confidential information. It is the responsibility of the Contractor to ensure that no confidential information is contained on the CD-ROMs.

The Contractor shall also provide one (1) copy of the Public Version of the Final Report to the Foreign Commercial Service Officer or the Economic Section of the U.S. Embassy in Host Country for informational purposes.

### **(3) Final Report Presentation**

All Final Reports submitted to USTDA must be paginated and include the following:

(a) The front cover of every Final Report shall contain the name of the Client, the name of the Contractor who prepared the report, a report title, USTDA's logo, USTDA's mailing and delivery addresses. If the complete version of the Final Report contains confidential information, the Contractor shall be responsible for labeling the front cover of that version of the Final Report with the term "Confidential Version." The Contractor shall be responsible for labeling the front cover of the Public Version of the Final Report with the term "Public Version." The front cover of every Final Report shall also contain the following disclaimer:

"This report was funded by the U.S. Trade and Development Agency (USTDA), an agency of the U. S. Government. The opinions, findings, conclusions or recommendations expressed in this document are those of the author(s) and do not necessarily represent the official position or policies of

USTDA. USTDA makes no representation about, nor does it accept responsibility for, the accuracy or completeness of the information contained in this report."

(b) The inside front cover of every Final Report shall contain USTDA's logo, USTDA's mailing and delivery addresses, and USTDA's mission statement. Camera-ready copy of USTDA Final Report specifications will be available from USTDA upon request.

(c) The Contractor shall affix to the front of the CD-ROM a label identifying the Host Country, USTDA Activity Number, the name of the Client, the name of the Contractor who prepared the report, a report title, and the following language:

"The Contractor certifies that this CD-ROM contains the Public Version of the Final Report and that all contents are suitable for public distribution."

(d) The Contractor and any subcontractors that perform work pursuant to the Grant Agreement must be clearly identified in the Final Report. Business name, point of contact, address, telephone and fax numbers shall be included for Contractor and each subcontractor.

(e) The Final Report, while aiming at optimum specifications and characteristics for the Project, shall identify the availability of prospective U.S. sources of supply. Business name, point of contact, address, telephone and fax numbers shall be included for each commercial source.

(f) The Final Report shall be accompanied by a letter or other notation by the Client which states that the Client approves the Final Report. A certification by the Client to this effect provided on or with the invoice for final payment will meet this requirement.

#### **J. Modifications**

All changes, modifications, assignments or amendments to this contract, including the appendices, shall be made only by written agreement by the parties hereto, subject to written USTDA approval.

#### **K. Study Schedule**

##### **(1) Study Completion Date**

The completion date for the Study, which is November 30, 2011, is the date by which the parties estimate that the Study will have been completed.

## **(2) Time Limitation on Disbursement of USTDA Grant Funds**

Except as USTDA may otherwise agree, (a) no USTDA funds may be disbursed under this contract for goods and services which are provided prior to the Effective Date of the Grant Agreement; and (b) all funds made available under the Grant Agreement must be disbursed within four (4) years from the Effective Date of the Grant Agreement.

## **L. Business Practices**

The Contractor agrees not to pay, promise to pay, or authorize the payment of any money or anything of value, directly or indirectly, to any person (whether a governmental official or private individual) for the purpose of illegally or improperly inducing anyone to take any action favorable to any party in connection with the Study. The Client agrees not to receive any such payment. The Contractor and the Client agree that each will require that any agent or representative hired to represent them in connection with the Study will comply with this paragraph and all laws which apply to activities and obligations of each party under this Contract, including but not limited to those laws and obligations dealing with improper payments as described above.

## **M. USTDA Address and Fiscal Data**

Any communication with USTDA regarding this Contract shall be sent to the following address and include the fiscal data listed below:

U.S. Trade and Development Agency  
1000 Wilson Boulevard, Suite 1600  
Arlington, Virginia 22209-3901  
USA

Phone: (703) 875-4357  
Fax: (703) 875-4009

### Fiscal Data:

Appropriation No.:	11 10/11 1001
Activity No.:	2010-81026A
Reservation No.:	2010810031
Grant No.:	GH2010810009

## **N. Definitions**

All capitalized terms not otherwise defined herein shall have the meaning set forth in the Grant Agreement.

## **O. Taxes**

USTDA funds provided under the Grant Agreement shall not be used to pay any taxes, tariffs, duties, fees or other levies imposed under laws in effect in Host Country. Neither the Client nor the Contractor will seek reimbursement from USTDA for such taxes, tariffs, duties, fees or other levies.

## ANNEX 5

### TERMS OF REFERENCE

The objective of the feasibility study is to develop a comprehensive roadmap for the PEA to develop an Electronic Electoral Management System (EEMS) capable of automating the vote authentication and vote casting/counting processes, as well as the electoral administrative processes. Within this project the Contractor shall assist the PEA with determining its user needs, the technical functionalities and specifications of the EEMS and a set of managerial/institutional recommendations for an integrated and coherent approach to EEMS implementation. In order to achieve the project objectives, the Contractor shall perform the following tasks:

#### Task 1 – Project Initiation and Initial Meetings

The Contractor shall lay the foundation of the feasibility study by holding initial meetings to define the needs and expectations of the PEA (the Grantee) and other stakeholders. The Contractor's study staff shall travel to Romania and meet with Grantee staff in Bucharest to discuss the objectives, responsibilities, and schedule for the completion of deliverables. The Contractor shall conduct interviews with other stakeholders and collect background information for the study.

#### **Task 1.1 - Initial Study Meeting and Work Plan**

Under this task, the Contractor and the Grantee shall hold an initial study meeting in Bucharest that shall occur no more than three weeks following the approval of the contract between the Contractor and the Grantee. The meeting shall be held at the offices of the Grantee.

Prior to the initial study meeting, the Contractor shall prepare and distribute an agenda to ensure that the meeting accomplishes several objectives. The initial project meeting's objectives shall include, but not be limited to, the following:

- The Contractor, the Grantee, and others at the Grantee's discretion ("meeting participants"), shall discuss and reach full agreement on a detailed work plan for the feasibility study and the project schedule, including future meetings, in-country work, and project deliverables;
- The objectives of the Study shall be reviewed; and
- The meeting participants shall determine and agree upon the extent to which the Grantee and other Romanian government staff and management will be involved in the study, and what Romanian government resources shall be made available (for example, transportation, meeting translation, communications, office space in Bucharest, and possibly other locations.).

After the initial study meeting, the Contractor shall prepare a memorandum itemizing the major items discussed and agreed upon at the meeting. At a minimum, this shall include a list of all parties (organizations and individuals within those organizations) who will contribute

to the study, an itemized list of Romanian government and other resources that will be provided to the Contractor, a schedule for completion of all tasks and subtasks, and detailed plans for the meetings to be held under Task 1.2.

**Task 1.2 - Stakeholder Meetings and Interviews**

Following the initial study meeting, the Contractor shall conduct meetings with the relevant stakeholders identified during the initial study meeting in Bucharest. The Grantee shall assemble in Bucharest the relevant officials from the Grantee and other stakeholders, which, at the discretion of the Grantee, could include representatives of official governmental institutions, political parties, national and international non-governmental organizations, etc.. In these meetings and interviews the Contractor shall:

- Review and confirm the EEMS project’s high level goals and objectives with key Grantee staff and other stakeholders;
- Identify and assess past issues and efforts to improve the management of the Romanian election process;
- Assess on-going efforts to create an electoral register and/or central database of the Romanian electorate;
- Review key legal/regulatory and institutional issues and constraints related to the implementation of an Election Management System;
- Review stakeholders’ main concerns and inputs with regard to the electoral process and the EEMS project in particular and their views as to what the issues or risks to be addressed by EEMS are;
- Establish, in agreement with the Grantee and the stakeholders, a working method and plan for future two way communication with stakeholders and consultation with regard to issues of interest (which may include information being sent to stakeholders at certain milestones during the project and receipt of position papers).

The Contractor shall deliver and document the following as a result of the completion of Task 1:

**Table 8: Task 1 Deliverables**

<b>Task</b>	<b>Deliv. No.</b>	<b>Deliverable</b>
1.1	1	- Conduct initial study meeting in Romania (Bucharest) - Detailed study schedule and plan
1.2	2	- Stakeholder meetings, interviews (Bucharest, and possibly other locations)

## Task 2 – EEMS User Needs Assessment

### **Task 2.1 – Review International Issues and Experiences in Election Management and Electronic Voting**

The Contractor shall conduct a review of international experiences and issues in electoral management, electronic voting and e-democracy by consulting relevant practitioners and academic literature as well as governmental and non-governmental reports, studies and other documents. Thus, the contractor shall report on:

- the main democratic concepts/criteria to be concerned with when implementing electronic election management systems;
- technology options for voting (e.g. mechanical voting, optical scan voting, direct recording electronic systems, etc.) and possible democratic issues related to them;
- opportunities, challenges and risks of e-voting;
- technical or procedural solutions to reported problems;
- the above discussion of issues may be accompanied by examples of positive and negative experiences encountered in other countries.

Based on the issues discussed, the Contractor shall develop a framework of democratic governance and voting criteria to be directly or indirectly addressed during the EEMS project. These criteria/issues shall include but not necessarily be restricted to:

- the transparency and verifiability of the voting process;
- universality of the vote (all or almost all citizens are entitled to vote);
- eligibility of voters (some citizens are legally restricted from voting);
- the one person one vote principle (nobody can vote more than once);
- accuracy and integrity (votes are accurately recorded and data on votes is communicated and counted with integrity);
- secrecy of the vote;
- accessibility and simplicity of use

The Contractor shall further report on a plan as to how these criteria will be reflected in the Contractor's subsequent work particularly in the EEMS architecture and security and quality assurance framework.

### **Task 2.2 – Review Relevant Legal-Regulatory and Policy Context Governing Romanian Elections**

The contractor shall review the relevant regulatory and policy context governing Romanian elections and electoral administration. This analysis shall consider:

- the existing laws/regulations governing the election process;
- existing studies/reports (e.g. of PEA, OSCE, Asociația Pro-Democrația) discussing any legal electoral issues and recommendations;
- the electoral system and parliamentary distribution of seats
- laws/regulations defining PEA's authority, role and competences;

- any legal issues or possible barriers or constraints to the use of ICT in electoral management;
- the overall strategic context of policies in electoral regulation and administration (strategic vision or lack thereof, regulatory stability, budget allocations, etc.);
- any current plans of legislative change in electoral laws and regulations.

The Contractor shall outline the main legal constraints shaping the EEMS project and outline the key legal issues that need to be addressed for a successful implementation of an EEMS (detailed legal recommendations will be made in Task 5.1).

**Task 2.3. Review Infrastructural and Societal Context Issues Impacting Romanian Elections**

Based on existing information, reports and studies, the Contractor shall review any additional issues impacting the election process and/or constraining future development of an EEMS in Romania. The PEA shall support the Contractor in obtaining relevant available reports, studies, and data. These shall include but not necessarily be limited to:

- the communications infrastructure in Romania particularly the Internet backbone infrastructure and Internet access (fixed and mobile);
- other relevant non IT-infrastructure and endowment issues (e.g. ballot boxes, available rooms/buildings of Electoral Bureau for Polling Stations Abroad, etc.);
- institutional/administrative development issues in various institutions involved in the election process;
- demographic issues such as: the level of urbanization, the population living abroad, etc;
- the general level of ICT literacy of the population and the digital divide;

**Task 2.4 – Analyze the Administrative Processes of Romanian Elections and of the PEA**

Based on the regulatory analysis (Task 2.2), other official and unofficial documents, and interviews with the Grantee and other relevant stakeholder representatives, the Contractor shall analyze and describe: the process of Romanian elections and the internal processes of the Grantee, bearing in mind that an EEMS including a Document Management Solution for the Grantee will have to match those processes, or the processes will have to be altered to some extent to allow for the EEMS implementation.

The election process analysis and description shall account for:

- the three-tier temporary election institutions (formed of EBPSs, MEBs, and CEB) and their corresponding roles and competences;
- the involvement, role and competences of permanent governmental institutions (including but not necessarily limited to PEA, MAI, MoE, SST, and local authorities) in the election or election preparation/organization process;
- an overview of infrastructure used in the process;
- the flow of information, documents and decisions between the involved institutions;

- the administrative/legal means by which decisions are taken at various points in the election process;
- issues, challenges, and bottlenecks;
- differences in process between various election types (local, parliamentary, presidential, and for the European parliament).

The Grantee internal processes analysis shall account for:

- roles and activities of the Grantee's various departments and services ;
- the flow of information, documents and decisions between the departments, directorates and services of the Grantee;
- the administrative/legal means by which decisions are taken at various points along the processes;
- an overview of the infrastructure used in the flow of documents and information;
- issues, challenges, and bottlenecks;
- various functions performed by the Grantee;
- inputs and outputs to and from other institutions.

The description of processes shall be made in sufficient detail as to determine the functionalities of the EEMS (including a Document Management solution for the Grantee) and serve as the basis of a detailed security and quality assurance framework (including a detailed threat model). The narrative of the description should be accompanied by detailed process flow diagrams. Some preliminary and general recommendations as to how to address the issues encountered in order to implement the EEMS, and what processes will need alteration/optimization (before or during the EEMS implementation) shall be discussed.

### **Task 2.5 – Determine Needed Functionalities**

Based on the analyses conducted in tasks 2.1 – 2.3, and interviews with Grantee staff and other stakeholders, the Contractor shall determine the main issues, problems, and risks in the Romanian electoral process, the general functionalities required to address these issues, and the justification of these functionalities (without at this stage entering technical specification details). A general description and list of these functionalities shall be provided together with a brief discussion of the level of urgency of the implementation of each functionality given: a) how necessary the functionality is for the Grantee and the electoral process; and b) the extent to which an immediate implementation of that functionality is possible (given legal, institutional, and infrastructural constraints).

**Table 9: Task 2 Deliverable**

<b>Task</b>	<b>Deliv. No.</b>	<b>Deliverable</b>
2.1 – 2.5	3	- User Needs Assessment Summary Report

### Task 3 – EEMS Functional Requirements Assessment

#### **Task 3.1 - Assess Overall EMS Architecture and Functional Requirements**

In this task the Contractor shall review available options and technologies, and utilizing inputs from Task 2, propose an overall architecture and define the main functional requirements of an integrated EEMS for the Grantee. Depending on discussions with the Grantee and the user needs assessment (Task 2), the core requirements/functionalities will include, but not necessarily be limited to:

- core electoral process functionalities:
  - o voter authentication functionality. The Contractor shall build on an existing electoral register (an initiative that has already begun and will continue in parallel with the EEMS), and integrate it with the EEMS to provide full authentication functionality);
  - o vote casting, communication, counting and reporting functionality (including equipment at EBPSs, scanning technology – if this is the chosen solution –, database solutions, reporting applications).
- support and management functionalities, probably including:
  - o network management and monitoring;
  - o a call center at PEA dealing with technical and administrative support during elections (including probably VoIP technology, knowledge base, claim-issue registration and management);
  - o a document management solution for PEA;
  - o an issue/filing/contestation management solution for the election process (possibly using the same technology and/or platform as the document management system and the issue-claim management system within the call center);
  - o an asset management solution for equipment involved in the election process.

The EEMS will also include security solutions/equipment and a dedicated operating system for the stations at EBPSs. The various functionalities above will probably be integrated using portal technology. Depending on budgetary, institutional, or regulatory constraints, as well as level of need/priority for PEA, the Contractor might recommend an EEMS architecture for immediate deployment, and outline various technology options for future adaptation.

Due to the fact that several institutional and infrastructure requirements are not yet in place, the initial implementation phase of the EEMS will not include an application to process the votes of Romanian's residing abroad. However, integration of this functionality into the EEMS over the medium term is a priority of the PEA. Therefore, the initial EEMS architecture should be conceived to accommodate the future integration of overseas voting functionality. The Contractor shall also outline the feasibility of various options for processing overseas votes (including mail voting, internet voting, voting via digital phones, etc.) and develop a high level action plan for implementing an overseas voting platform.

### **Task 3.2 - Determine Required Operating System and Database Functionalities**

Working closely with the Grantee's technical staff, the Contractor shall define the parameters of a dedicated operating system and needed applications for the EEMS terminals at EBPSs.

Also in coordination with Grantee experts, the Contractor shall establish the required database functionalities and develop a database design for the EEMS. Issues of particular importance include the reporting requirements and interoperability with systems in place at other government agencies including the MAI, MFA, MoJ, and others. The Contractor shall also evaluate the possibility of developing a Grantee data center, to be based at Grantee headquarters or elsewhere.

### **Task 3.3 - Assess System Security and Quality Assurance Requirements**

The Contractor shall conduct a detailed security audit of the proposed EEMS, define the security requirements, and propose an end-to-end security solution. Given the sensitive nature of the electoral management project and the important negative consequences of system failure or malfunction, the EEMS project shall be built with very high security and quality assurance standards in mind. The security and quality assurance requirements shall incorporate the specific goals, requirements and criteria of democratic governance and electoral management as discussed in Task 2.1. Moreover the security audit shall include both IT security and procedural and physical security of the electoral process.

In conducting the security audit the Contractor shall:

- present a clear, actionable framework of criteria to be followed in the security and quality assurance audit inspired by both democratic/electoral requirements (as discussed in Task 2.1) and technical security and reliability requirements, and explain how the technical requirements also address the broader democratic procedural objectives.
- present a revised version of the process/information flow diagrams (continuing the work in task 2.3) illustrating how the process will look after the implementation of the EEMS, discussing changes (including description and explanation as to why they are needed) compared to the diagram in 2.3.
- construct a threat model, assessing possible threats and level of risk, internal and external, IT specific or physical, at each point in the process flow. A complete list/categorization of threats will be made (including the possibility of corrupt/malicious actions of personnel of the Grantee or other involved institutions (including suppliers, employees, etc.). Threat assumptions will be made explicit for future reconsideration.

The Contractor shall further present/discuss the security and quality assurance solutions including: IT solutions, procedural and other physical infrastructural solutions. The IT solutions may include but not necessarily be limited to: encrypted communication, authentication, network security solutions, antivirus solutions, etc. The overall security approach taken could entail the installation of software on the PCs in use at the polling stations, MEBs and Grantee headquarters, or an integrated hardware and software solution with multi-functional, input-output devices ('black boxes') installed at the network edges, or a combination of the two. A key concern of the Grantee is database security and access rights; the Contractor shall present a complete list of roles, who will perform those roles, and what the access rights to the EEMS will be. Given the complexity of the EEMS and the interconnectedness of various subsystems, risks and threats arising from access of one subsystem into another shall be considered. Depending on the level of risk, redundant

security solutions shall be considered as well (sometimes backing an IT solution with another IT solution or a procedural requirement or physical infrastructure elements – e.g. secure rooms, locks, etc.).

The security audit of the EEMS will not be a one-time only, pre-implementation operation; the Grantee will be in charge of future re-audits after implementation and prior to each election. The security and quality assurance audit framework and threat model used by the consultant will be made available to the Grantee for future use and re-auditing of the EEMS. In addition the consultant will make recommendations with regard to future equipment inspection, security procedures and policies (those procedures and policies that involve wider managerial/ institutional/legal changes will have to also be included in the recommendations made in Task 5.1).

### **Task 3.4 - Evaluate Existing Communications Infrastructure and Future Requirements**

The Contractor shall assess the communications infrastructure currently available to the Grantee and determine the requirements to run the EEMS. While the Special Telecommunications Service (STS) has the capability to take care of much of the communications infrastructure for the EEMS (via its own backbone or via agreements with regional ISPS), approximately 200 of the total 21,000 polling stations in Romania are not in an area covered by any ISP; therefore, a solution will be required for these uncovered stations. The Contractor shall review documentation and data from the Ministry of Communications and Information Society (MCIS), particularly the Broadband Strategy of Romania and its implementation documents. Moreover, the Grantee and the Contractor may discuss with MCIS and STS concerning whether it is possible to prioritize the 200 towns/villages such that they may be provided with Internet access within this strategy. In addition to the backbone infrastructure, the Contractor shall develop a network monitoring and management solution, assess the required VPN functionality, and define requirements for a web interface to communicate with the central database.

### **Task 3.5 - Preliminary EEMS Design & Specifications and Technical Report**

The Contractor shall develop a Preliminary Project Design and Specifications Document that describes the recommended optimal solution for the EEMS project. In the design the Contractor shall identify any improvements in existing systems and networks that are warranted, and specify the complete, integrated system for managing the election process. At a minimum, the Project Design and Specifications document shall include the following elements:

- Requirements analysis and design criteria;
- Alternatives to the Project;
- Project concept;
- System architecture, including a data architecture;
- Prioritization of functions;
- Preliminary project design to the level required to develop specifications for EEMS implementation;

- Concept of operations; and
- EEMS specifications;
  - The Contractor shall develop an itemized list of required equipment, supplies and services needed to implement the EEMS and operate it for five years, including all costs;
  - The Contractor shall produce a list of proposed supplies, equipment and services for Project implementation, including a list of U.S. sources of supply with company names and contact information for each item.

The Contractor shall consolidate all the findings of the sub-tasks under Task 3, including the Preliminary Design and Specifications Document, in a Technical Analysis Report. The Contractor shall:

- Create a draft Technical Analysis Report for the Grantee’s review;
- Revise the Technical Analysis Report based on the Grantee’s comments;
- Create a final Technical Analysis Report;
- Create a summary electronic presentation of the final Technical Analysis Report; and
- Present the report to the Grantee’s Study Steering Committee.

**Table 3: Task 3 Deliverables**

Task	Deliv. No.	Deliverable
3.1-	4	- Preliminary Project Design and Specifications Document
3.5	5	- Technical Analysis Report

#### Task 4 – EEMS Implementation and Investment Planning

In this task, the Contractor shall develop an Implementation and Investment Plan for the project that will provide a road map for deployment of the defined Election Management System. As it is foreseen that most of the funding for the EEMS implementation will come from the state budget, the Contractor shall assure that the study contains all of the elements required by the Ministry of Finance. If, based on discussions with the Grantee, it is determined that the project could potentially be funded in part by the World Bank, the EU Structural Funds, or other organizations, the Contractor shall, as and where it is applicable, adapt the feasibility study to meet the criteria of these organizations.

##### **Task 4.1 - Institutional, Managerial, Policy and Legal and Recommendations**

Based on inputs from the preceding tasks, the Contractor shall assess the necessary institutional, managerial, policy and legal conditions necessary to implement the EEMS in an optimal manner, and, where warranted, make recommendations for changes and/or adaptations. Such recommendations may include as necessary for the EEMS implementation: changes or clarifications of basic electoral rules concerning the electoral system, changes with regard to the role or authority of the Grantee or other institutions in the election process,

adjustments in resource allocation and utilization (budgetary, human resources, etc.), other (than IT) procurement, communication and stakeholder management activities by the Grantee to accompany the EEMS project. The means by which the suggested actions will be accomplished will be discussed (whether by means of laws adopted by Parliament, Government Decisions, Ministerial or PEA President Orders, or other administrative acts) as well as how these stipulations will be optimally grouped in various acts.

#### **Task 4.2 - Financial and Economic Analysis**

The Contractor shall conduct an appropriate economic analysis for the EEMS project, evaluating its implementation costs and benefits. Potential direct benefits may include increased productivity of the Grantee and a more streamlined election process leading to fewer costs to be borne by the Romanian Government. Indirect benefits may include increased transparency, reduced likelihood of fraud, leading to greater participation in the election process and more faith in the political system. Where benefits cannot be quantified, they shall be qualitatively described. The Contractor shall develop a plan for financing the costs of implementation as estimated in the study. This shall include a review of organizational structures for developing and managing the EEMS. Potential financing agencies shall be identified and Romania's ability to secure funding from such agencies shall be reviewed. The Contractor shall:

- Review the Project's economics and compile and analyze Project's qualitative benefits. One of the key aspects of the economic analysis shall be to estimate the cost savings to the national budget and the political risk savings generated by implementation of the EEMS. Operational and maintenance cost shall be factored into the economic analysis; and
- Perform a financial analysis of the project funding. Conduct a review of the proposed sources of financing for the EEMS. Review stipulations and requirements of financing sources where relevant, i.e. World Bank, EU, etc.

#### **Task 4.3 - Environmental Impact Assessment**

The Contractor shall conduct a preliminary environmental analysis of the Electronic Election Management System project to ensure its consistency with applicable laws, regulations and standards in Romania, and the EU, as well as with financing institutions such as the World Bank. The analysis shall identify potential negative environmental impacts, discuss the extent to which they can be mitigated, and develop plans for a full environmental impact assessment should the project move forward to the implementation stage. Specifically, the preliminary environmental analysis shall:

- Identify potential environmental issues of project implementation;
- Identify applicable environmental legislation and standards, guidelines, and policies and evaluate how well the Project complies;
- Describe the key environment issues associated with the Project; and
- Identify the positive and negative environmental impacts of the EEMS implementation.

#### **Task 4.4 - Developmental Impact Assessment**

The Contractor shall report on the potential developmental impacts of the EEMS project in Romania. This shall include short term benefits to increase the efficiency of managing Romanian local and national elections, as well as the longer term benefits of increased transparency, inclusion of a greater percentage of the electorate, and development of e-democracy in Romania. A section of the Final Report produced in Task 5 shall focus primarily on key developmental impacts, including infrastructure and security, human capacity building, technology transfer and productivity, and market oriented reform. Other Romanian development impacts (e.g. enhanced administrative capacity, democratic governance, improved local governance and rural development, etc.) shall be mentioned where appropriate. The Contractor should focus on what the economic development outcomes will be if the project is implemented according to the study recommendations. While specific focus shall be paid to the immediate impact of the specific project that is being considered, the Contractor shall include, where appropriate, any additional developmental benefits to the EEMS, including spin-off and demonstration effects. The Contractor's analysis of potential benefits shall be as concrete and detailed as possible. Specifically, the Contractor shall provide estimates of the project's potential impacts in the following areas:

- Infrastructure & Security: a statement on the infrastructure impact giving a brief synopsis. Describe how the planned EEMS will support and enhance local and national government services, improve social infrastructure and enhance the security of the Romanian electorate;
- Market Oriented Reform: a description of any regulation, laws, or institutional changes that are recommended and the effect they would have if passed;
- Human Capacity Building: a description of the number and type of positions that would be needed to run the EEMS, as well as the number of people who will receive training and a brief description of the training programs. Assess the training and employment as a result of the EEMS project, both for the initial deployment and for the later phasing in of e-voting capabilities;
- Technology Transfer and Productivity Enhancement: a description of any advanced technologies that will be implemented as a result of the project. Provide descriptions of any efficiencies that will be gained and describe any advanced technologies, such as communications networking, security, and database technologies, that will be brought into use in Romania as a result of implementing the EEMS project; and
- Other: any other developmental benefits to the project, including enhanced good governance and information society development. Describe any other developmental impacts or benefits that will result from implementation of the EEMS project in Romania such as the potential of the system to encourage more transparent regulatory systems and institutions, or to lead to spin-off or replication projects.

#### **Task 4.5 - EEMS Schedule and Budget**

The Contractor shall establish an implementation schedule and detailed budget for the Grantee's planned roll-out of an integrated electronic election management system (EEMS). The Contractor shall:

- Identify implementation options and analyze issues and risks;
- Evaluate the training and human resources required by the Grantee to implement the EEMS;

- Establish anticipated future steps required to implement the EEMS; and
- Develop a detailed implementation schedule, budget and investment plan.

**Task 4.6 - Coordinated Implementation and Investment Action Plan Document**

In this task the Contractor shall create a Project Implementation and Investment Plan document for the EEMS project. The Plan shall include the products of the previous tasks, including a detailed project schedule and budget, the economic and financial analysis, the environmental impacts, and the developmental impacts.

The deliverable for this task shall be an Implementation and Investment Plan including a detailed EEMS implantation schedule broken down by tasks and subtasks, with estimated costs, a schedule of expenditures and task completion, and an overall project budget. The plan shall also include a final list of required hardware, software, networking equipment and platforms for implementation of the system, a list of services required, and a list of potential U.S. sources of supply for products and services. The plan shall include separate sections for the economic analysis of the project, the financial analysis of the project, the environmental analysis of the project. A section shall be devoted to the projected host country Developmental Impact of the Study recommendations if they are implemented. The Contractor shall present a draft Project Implementation and Investment Plan for the EEMS project to the Grantee, and revise the plan based on the Grantee’s comments. An electronic summary presentation shall accompany the final plan.

**Table 4: Task 4 Deliverables**

<b>Task</b>	<b>Deliv. No.</b>	<b>Deliverable</b>
4.1- 4.6	6	- Draft and Final Project Implementation and Investment Plan

**Task 5 – Final Report**

The Contractor shall prepare and deliver to the Grantee and USTDA a substantive and comprehensive Final Report of all work performed under these Terms of Reference (“Final Report”). The Final Report shall be organized according to the above tasks, and shall include all deliverables and documents that have been provided to the Grantee. The Final Report shall be prepared in accordance with Clause I of Annex II of the Grant Agreement. The Final Report shall be presented to Grantee’s Steering Committee and its invitees. The Contractor shall also prepare an Executive Summary of the Study that will be included as an introduction in the Final Report.

**Task 5.1 - Formal Presentation and Discussions**

The Contractor shall facilitate a formal presentation and executive discussion forum at appropriate facilities in Bucharest where the Contractor shall deliver to the Grantee and its invitees a final oral presentation of the key findings and conclusions of the Electronic Election Management System Feasibility Study.

**Task 5.2 - Final Report**

The Final Report shall incorporate feedback and suggestions from the presentation and discussion forum, and shall include firm recommendations on strategic investments the Grantee, and possibly other Romanian organizations, will need to make in order to set the stage for any further outside investments. The Contractor shall develop the Final Report in the following manner:

- Contractor shall submit to the Grantee a Draft Final Report including final conclusions;
- Contractor shall revise the Final Report based on Grantee's comments; and
- Contractor shall produce a Final Report. The Final Report shall be delivered in English to the Grantee. Contractor shall provide the Final Report to USTDA and the U.S. Embassy in Romania pursuant to Clause I of Annex II.

**Table 5: Task 5 Deliverables**

<b>Task</b>	<b>Deliv. No.</b>	<b>Deliverable</b>
5.1	7	Formal presentation and executive discussion forum
5.2	8	Draft and Final Report Document

**Notes:**

- (1) The Contractor is responsible for compliance with U.S. export licensing requirements, if applicable, in the performance of the Terms of Reference.**
- (2) The Contractor and the Grantee shall be careful to ensure that the public version of the Final Report contains no security or confidential information.**
- (3) The Grantee and USTDA shall have an irrevocable, worldwide, royalty-free, non-exclusive right to use and distribute the Final Report and all work product that is developed under these Terms of Reference.**



6. If Offeror is a subsidiary, indicate if Offeror is a wholly-owned or partially-owned subsidiary. Provide the information requested in items 1 through 5 above for the Offeror's parent(s).
  
7. Project Manager's name, address, telephone number, e-mail address and fax number .

**B. Offeror's Authorized Negotiator**

Provide name, title, address, telephone number, e-mail address and fax number of the Offeror's authorized negotiator. The person cited shall be empowered to make binding commitments for the Offeror and its subcontractors, if any.

**C. Negotiation Prerequisites**

1. Discuss any current or anticipated commitments which may impact the ability of the Offeror or its subcontractors to complete the Feasibility Study as proposed and reflect such impact within the project schedule.
  
2. Identify any specific information which is needed from the Grantee before commencing contract negotiations.

**D. Offeror's Representations**

Please provide exceptions and/or explanations in the event that any of the following representations cannot be made:

1. Offeror is a corporation [*insert applicable type of entity if not a corporation*] duly organized, validly existing and in good standing under the laws of the State of \_\_\_\_\_ . The Offeror has all the requisite corporate power and authority to conduct its business as presently conducted, to submit this proposal, and if selected, to execute and deliver a contract to the Grantee for the performance of the Feasibility

Study. The Offeror is not debarred, suspended, or to the best of its knowledge or belief, proposed for debarment, or ineligible for the award of contracts by any federal or state governmental agency or authority. The Offeror has included, with this proposal, a certified copy of its Articles of Incorporation, and a certificate of good standing issued within one month of the date of its proposal by the State of \_\_\_\_\_.

2. Neither the Offeror nor any of its principal officers have, within the three-year period preceding this RFP, been convicted of or had a civil judgment rendered against them for: commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a federal, state or local government contract or subcontract; violation of federal or state antitrust statutes relating to the submission of offers; or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, tax evasion, violating federal or state criminal tax laws, or receiving stolen property.
3. Neither the Offeror, nor any of its principal officers, is presently indicted for, or otherwise criminally or civilly charged with, commission of any of the offenses enumerated in paragraph 2 above.
4. There are no federal or state tax liens pending against the assets, property or business of the Offeror. The Offeror, has not, within the three-year period preceding this RFP, been notified of any delinquent federal or state taxes in an amount that exceeds \$3,000 for which the liability remains unsatisfied. Taxes are considered delinquent if (a) the tax liability has been fully determined, with no pending administrative or judicial appeals; and (b) a taxpayer has failed to pay the tax liability when full payment is due and required.
5. The Offeror has not commenced a voluntary case or other proceeding seeking liquidation, reorganization or other relief with respect to itself or its debts under any bankruptcy, insolvency or other similar law. The Offeror has not had filed against it an involuntary petition under any bankruptcy, insolvency or similar law.

The selected Offeror shall notify the Grantee and USTDA if any of the representations included in its proposal are no longer true and correct at the time of its entry into a contract with the Grantee. USTDA retains the right to request an updated certificate of good standing from the selected Offeror.

Signed: \_\_\_\_\_  
(Authorized Representative)

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_