

I. INTRODUCTION

This report is the result of a World Bank project implemented jointly by Applied Research and Communications (ARC) Fund and Vitosha Research in the period July 2001 through January 2002. ARC Fund (www.arc.online.bg) is a leading Bulgarian NGO working in the areas of Information Society and innovation. The organization has a considerable track record of projects related to ICT's application in democracy, local government reform, NGO empowerment, technology transfer, among others. Vitosha Research (www.online.bg/vr) specializes in social and opinion research, and marketing surveys in a variety of areas, including information technologies (IT). Vitosha Research regularly monitors Internet usage in Bulgaria since 1998.

The main goals of this report have been to

- *assess the current state of ICT infrastructure and availability of Internet and ICT-related services in Bulgarian society, for the purpose of identifying*
- *the key barriers that currently constrain a faster uptake of these technologies, and*
- *opportunities upon which it is possible to capitalize.*

The document thus provides a **snap-shop of Bulgaria's state of e-readiness**, as well as a **benchmarking instrument** against which progress could be monitored in time. As such it can assist government, international donors and private sector organizations in the country in designing and evaluating the impact of national ICT strategies and policy agendas.

The assessment is based on a **methodology** developed by the project team. It uses a combination of existing e-readiness methods, including the CSPP¹ Readiness Guide for Living in the Networked World, APEC² "E-commerce Readiness Assessment", and "Readiness for the Networked World: A Guide for Developing Countries"³. The methodology adapts certain aspects of these models while it takes into account the specificities of the local environment and the local ICT sector in the country. At the same time, it enables international comparative assessment of Bulgaria's e-readiness. A detailed questionnaire has been developed in an attempt to provide quantitative assessment of the extent to which Bulgaria approaches the ideal state of "e-readiness".

The **definition** of e-readiness is mostly based on the concepts promoted by the Center for International Development (CID) at Harvard University. Similar to the CID matrix, the structure of the Bulgarian assessment focuses on five categories of e-readiness: access, society, education, economy (incl. government) and policy, comprised of total 92 e-readiness variables. A detailed qualitative assessment in each category is followed by quantitative measures (e-readiness indices). The method for computation of these indices is elaborated below. The methodology is unique of its kind; it is still being tested and may require further development and refinement.

¹Computer Systems Policy Project www.cspp.org

²Asian Pacific Economic Cooperation Electronic Commerce Steering Group, www.ecommerce.gov/apec

³www.readinessguide.org

Many people have contributed to the development of this report or have been consulted in the assessment process. These include representatives from the Ministry of Transport and Communications, Ministry of Education, Ministry of Economy, Bulgarian Telecommunications Company (BTC), local NGOs (Bulgarian Association of Information Technologies, Center for the Study of Democracy, Center for Economic Development, Bulgarian Internet Association), foreign donors (United Nations Development Program and World Bank), representatives from the business community and academics.