



MINISTERUL CERCETĂRII,
INOVĂRII ȘI DIGITALIZĂRII



AUTORITATEA
PENTRU
DIGITALIZAREA
ROMÂNIEI



Finanțat de
Uniunea Europeană
NextGenerationEU



Planul Național
de Redresare și Reziliență

Migration Services of IT applications or systems
to the Governmental Cloud of Romania

Report on Market Consultation

June, 2024



MINISTERUL CERCETĂRII,
INOVARII ȘI DIGITALIZĂRII



AUTORITATEA
PENTRU
DIGITALIZAREA
ROMÂNIEI

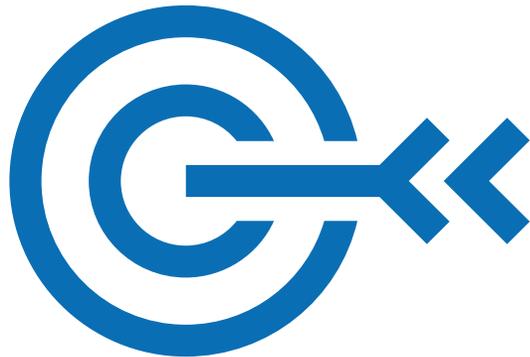


Finanțat de
Uniunea Europeană
NextGenerationEU



Planul Național
de Redresare și Reziliență

Objectives of this document



This document aims to provide an overview of the **Market Consultation that was carried out by the Authority for the Digitalisation of Romania (ADR) from January to March 2024.**

The Consultation aimed to investigate market capabilities and companies' interest to support ADR in the migration of several IT systems/applications, in the Governmental Cloud, one of Romania's largest public digital initiatives.

The objectives of this document are to:

- Summarize the context of the Market Consultation in support of the Governmental Cloud initiative
- Describe the 4-stage process that was followed during the Market Consultation
- Summarize the main outcomes of the Market Consultation

The full Market Consultation Report, on which this document is based, will be made available by ADR on its website and in the Romanian Electronic Public Procurement System (SEAP).



MINISTERUL CERCETĂRII,
INOVARII ȘI DIGITALIZĂRII



AUTORITATEA
PENTRU
DIGITALIZAREA
ROMÂNIEI



Finanțat de
Uniunea Europeană
NextGenerationEU



Planul Național
de Redresare și Reziliență

Context of the Market Consultation

The Authority for the Digitalisation of Romania (ADR) is launching procurement procedures in 2024 for Cloud Migration services in support of implementing the Governmental Cloud The Romanian Governmental Cloud Initiative

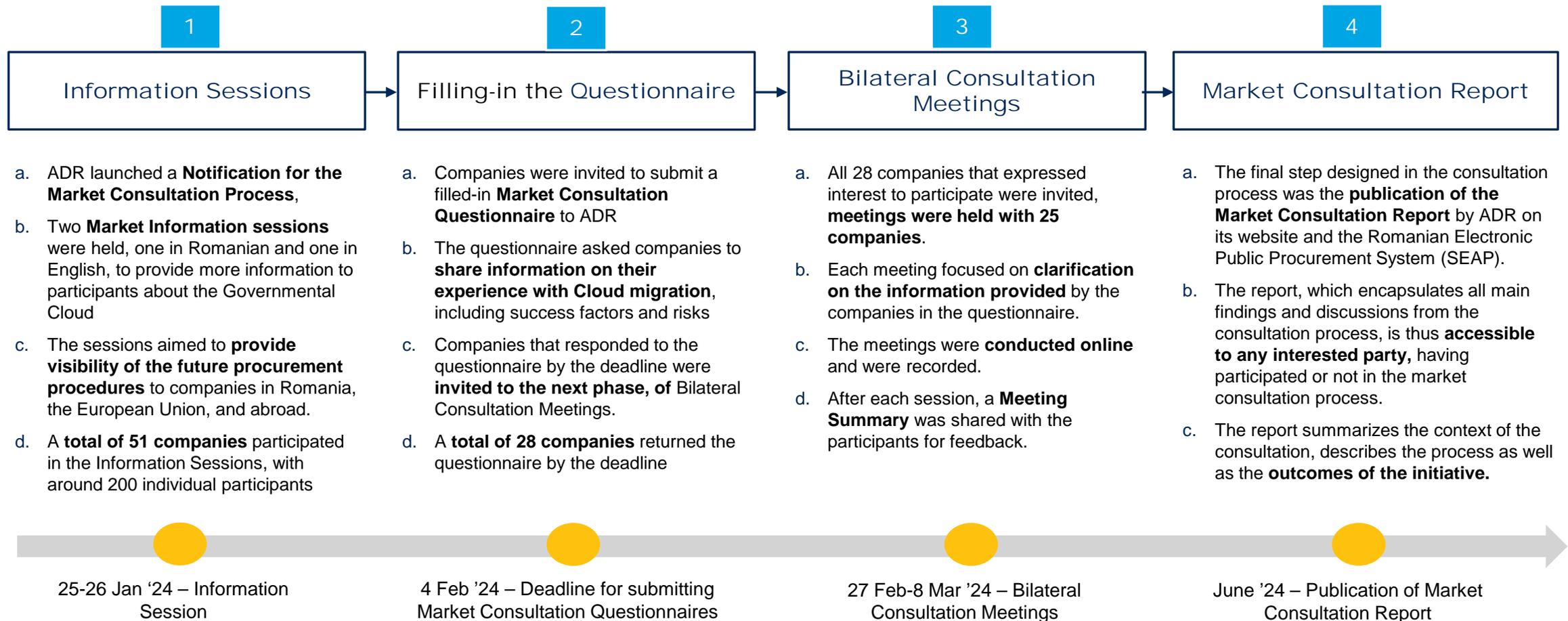
- The **Governmental Cloud is the most significant public digital investment in Romania** aimed at improving the development and delivery of digital public services. The investment is supported by Romania's National Recovery and Resilience Plan (NRRP).
- Within the Governmental Cloud initiative, the **Authority for Digitalization of Romania (ADR) is responsible for the migration of at least 30 IT systems and applications** to the Governmental Cloud infrastructure. The investment has a budget of approximately EUR 180 million.
- ADR will launch **public procurement procedures during 2024 to procure Cloud migration services**. The procurement procedures support the objectives defined in the NRRP, specifically the migration of government IT systems and applications to the government cloud.
- The **Market Consultation has been conducted by ADR from January to March 2024** to investigate the market's capabilities and gather information for better planning and designing of future procurement procedures.

Objectives and Expected Results of the Market Consultation:

- **Better plan and design the future procurement procedures** for cloud migration services.
- Define the **general profile of economic operators** relevant for the migration of applications and IT systems to the Governmental Cloud.
- Gather opinions on key elements of cloud migration, such as **costs, duration, risks, and critical success factors**.
- Identify **information that should be included in the public procurement documentation** and understand the attractiveness of cloud migration contracts for economic operators.

Overview of the Market Consultation Process

The Market Consultation was structured into four phases to ensure effective participation from economic operators. It involved 51 companies and led to the publication of the Market Consultation Report.





Outcome of the Market Consultation Process

The Market Consultation Questionnaire included 23 questions on company's profile, market operations, experience with Cloud migration projects, risks, success factors and budget considerations.

Key takeaways from the answers given by economic operators during the Market Consultation:

1. A significant number of organizations from Romania or with an entity in Romania are offering cloud migration services, with most participating companies having been established between 1990 and 2020 and indicating a high potential for continued growth in cloud technology services in the region.
2. **The market has the necessary capability and capacity to handle cloud migration projects, by leveraging in-house expertise and partnerships with other vendors**, also providing complementary services such as development and maintenance of applications and infrastructure.
3. The companies also indicated a wide range of technology tools and strategies employed for migration, with a clear preference for tools that offer automation, flexibility and are compatible with a range of programming languages and cloud environments.
4. There is a **high level of interest among companies to participate and bid** for cloud migration projects in Romania, indicating that the future tender will attract significant attention from the market. Companies on average rated the opportunity 9.3 - on a scale of 1-10 indicating their interest to bid in the future.
5. **Migration projects carried out by companies vary widely** when it comes to the number of applications migrated, their contract value, their technical complexity and project duration, **with most companies having carried out significant projects over the past five years.**





Outcome of the Market Consultation Process *(cont'd)*

The Market Consultation Questionnaire included 23 questions on company's profile, market operations, experience with Cloud migration projects, risks, success factors and budget considerations.

Key takeaways from the answers given by economic operators during the Market Consultation:

6. Companies in general recommend to ADR to group the applications to be migrated into homogenous contracts, based mainly on their dependencies, technologies or migration approach. Also, contracts should be of sufficient size and economic value to make it attractive for companies to bid.
7. There are **different approaches to Cloud migration, from less complex re-hosting to approaches that require re-architecting the application** to make it adapt to the cloud target environment.
8. The different skillsets required from market operators, include, among others: infrastructure management, data migration, code change management, cloud service integration, applications development, serverless computing, advanced data analytics, and security, alongside project management skills
9. To mitigate cloud migration risks, critical success factors highlighted include careful cloud migration planning, technical preparation including documentation, security and compliance assurance, effective collaboration and communication among project stakeholders, comprehensive training and support in the adoption of new technologies and processes, robust cloud migration process governance and monitoring, robust training, change management and efficient resource management.





Outcome of the Market Consultation Process *(cont'd)*

The Market Consultation Questionnaire included 23 questions on company's profile, market operations, experience with Cloud migration projects, risks, success factors and budget considerations.

Key takeaways from the answers given by economic operators during the Market Consultation:

10. Typical **cloud migration duration** is influenced by the complexity of applications' architecture, volume and complexity of data, interdependencies with other systems and is dependent on the type of migration strategy.

11. Companies indicate that the main **cost components in cloud migration projects** are related to labor costs and licenses, other cost areas being cloud infrastructure and platform services, consulting, licenses, security, training, tools, testing, and post-migration support. Cost estimates vary according to migration strategy and IT system particularities and suffer adjustments mainly in the cases of application complexity, security issues, integration and interoperability with other systems.

