

Training workshop on the software for the calculation of
costs, tariffs and rates for telephone services
(COSITU) for Latin American Countries

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FINAL REPORT

1. PURPOSE OF MISSION

The training was for regulators and operators from Latin American countries and included the participation of Suriname. The objective was to give to these countries the opportunity to learn how to operate the ITU software for the calculation of costs, tariffs and rates for telephone services, COSITU. As a common tool for operators, regulators and policy makers, COSITU is gaining international recognition for facilitating reaching consensus on costs and tariffs. The workshop was conducted by Mr Pape Touré, Chief, Policies, Strategies and Financing Department.

This workshop was jointly organized by the Telecommunication Development Bureau (BDT) of the International Telecommunication Union (ITU) and the Subsecretaria de Telecomunicaciones de Chile (SUBTEL). SUBTEL provided their very well-equipped Centre of Excellence for this workshop.

2. PARTICIPATION

Twenty-one participants from nine countries attended the workshop, the list of participants is attached as Annex 2. There was a mix of regulators and operators from both fixed-line and mobile operator companies.

3. MAIN ACTIVITIES

The workshop was divided into three parts: one day was devoted to theory, where participants were taken through the theoretical aspects of COSITU, i.e. the definition of services for which COSITU calculates costs, the calculation methods that are relevant, data to be collected for the effective use of the software, etc. A description of the real situation of the Chilean telecommunication environment was presented by the representative of SUBTEL, so that this information could be used as an example of network complexity. The second part of the workshop was focused on the use of the software, and the explanation of the different applications and tools, including formulas and interpretation of results. In the final part, participants had the opportunity to participate in hands-on exercises on how to use COSITU. A practical case study on mobile network GSM was used in order to facilitate the understanding of the use of the software. A quiz on the calculation of endogenous tariffs and interconnection rates and the calculation of retail prices based on the data provided in

the case study, was put to the participants. It included simulation of competition, Universal Services Obligation, imposition of a cap on the monthly rental fee, calculation of inbound settlement rates, etc.

Group work was carried out in an endeavour to encourage the exchange of experiences between regulators and operators. Each group presented its results and a discussion took place so that different approaches in the region could be made known. Participants agreed that this software facilitated the discussion between operators and regulators in the delicate matter of tariffs.

4. FOLLOW-UP ACTIONS

In order to develop a team of experts for the Latin America region, some participants were identified as possible trainers, according to requirements for COSITU trainers. These persons will be contacted by BDT and the Centre of Excellence (CoE).

The second phase of this action will be undertaken at the beginning of 2005, when a 'Train the Trainers' session will be held in Geneva, and the third phase will be carried out with the organization of a second workshop for the region. The experts will then have the opportunity to teach and to put into practice the knowledge gained at the training session.

Participants expressed their interest in the execution of this second workshop on COSITU, during which the practical part will be more important as the theoretical part has been already presented, and they will be able to apply the software by using their real data.

Venezuela requested that the calculation of access deficit be made more flexible. The model presently uses a formula for the determination of access deficit, for example for interurban traffic, that includes some factors that are not considered in some countries. A more complex report will be presented by Venezuela.

*Attachment: Workshop Agenda
List of Participants*
