

On August 25, 2011, ITU and Advisia Management Consulting signed, in the framework of a Technical Cooperation Project signed between ITU and the Brazilian Regulatory Body, Anatel, an eight-million-

dollar-Contract to support the Brazilian Regulatory Agency, in the development of cost modeling for telecommunication services.

The development of this service is one of the main priorities of the Brazilian telecommunication sector. The development of cost modeling will allow Anatel to access managerial info on



costs of the different business areas and line products of telecommunications service providers, which will contribute to the improved regulation of the sector.

The Contract was a result of a long term process involving Anatel and ITU professionals in the preparation of very complex Terms of Reference (TOR) that was used by ITU to issue the Invitation to Tender PROC-AB-6083-10-BDT for the selection of the best possible technical solution for the Brazilian Administration.

Following United Nations Procurement rules, on 16 September 2010, ITU issued and published the Invitation to Tender in the United Nations Global Market (UNGM): <u>http://www.ungm.org/Notices/Item.aspx?</u> Id=12131.

Among the bidders that complied with all the requirements established by the bid, seven companies and consortiums presented their offers and they were technically and commercially evaluated by an Evaluation Group (EG) conformed by ITU and Anatel technicians.

The TOR requested technical solutions and the methodological description for its achievement through twenty-four (24) products. Apart from the solution proposed by bidders the Human Resources assignment, the proposed length of implementation, area of expertise and experience of the professional team were also evaluated.

The development of the services by the selected consulting company started after the signature of the Contract and the implementation is going smoothly.

Considering the well execution of the contract Anatel has decided to enlarge the scope of the work being developed to include the main telecom service providers working in the Brazilian market and to accelerate the results and their application in benefit of the Brazilian society.

As a result, an Addendum to the original Contract on Cost Modeling was prepared by ITU considering the inclusion of several other operators of the Brazilian market and was approved by Anatel.

ITU and Advisia as the Parties involved signed the Addendum and, on May 28 2013, Anatel signed the Addendum in acknowledgment of agreement with its terms and conditions.





With the approval and signature of Addendum 1 to the Contract on Cost Modeling, its total price was raised to ten million dollars, which reflect the trust of Anatel in ITU.