



Regional Workshop on Costs, Tariffs and Universal Service for CEE and CIS Countries

Moscow (Russia), 14-18 April 2003

The workshop is aimed at building capacity among national regulatory authorities, policy makers and information and communication technology (ICT) operators/service providers with respect to cost and tariff methodologies and universal service regulatory issues. The workshop is divided into two sessions: the universal access/service sessions held on Monday and Tuesday, and the cost and tariff sessions held on Wednesday and Thursday.

The first session on universal service is based on a three-part universal access model, covering Universal Service/Access Policies, Regulations and Procedures, developed jointly by ITU and the Commonwealth Telecommunications Organisation (CTO) in 2002. The two experts who designed the models will conduct sessions on guidelines for developing a universal access/service policy, the creation and operation of universal service funds, universal access project funding through minimum subsidy auction mechanisms, tariff/interconnection regulation for the promotion of universal access/service, and telecentre options and strategies. Expansion of the model to include further innovative universal service approaches based on best practices will be presented.

The universal service sessions will be conducted in an interactive fashion with comments and questions from the participants directed both to the experts and to other participants. I therefore urge you to read the models before attending the workshop and to prepare your questions and comments in advance of the workshop.

The second session will focus on the application of the ITU cost model (COSITU) to estimate costs and tariffs of telecommunication services delivered over different types of networks. The prime objective is to expose participants to the theory behind COSITU and provide them with hands-on training on the manipulation of the user-friendly software which can be used to estimate parameters including:

- *Per minute costs and tariffs for international calls terminated on fixed and mobile networks;*
- *Per minute costs and tariffs for transiting and terminating calls on the domestic network;*
- *Per minute costs and tariffs of services delivered over the local access network;*
- *Per minute interconnection costs on fixed and mobile networks;*
- *Access deficit;*
- *Cost of universal service obligation.*

This second session will address the issues and needs faced by regulators/policy makers in respect of:

- *Evaluation of global cost of USO policies;*
- *Setting cost-oriented interconnect tariffs (tariffs based on costs incurred);*
- *How USO policies can impact the attractiveness of domestic markets to potential investors;*
- *Equitable sharing of USO costs among all the service providers in the market;*
- *Treating with the regulation VoIP services;*
- *Analysis as to whether competition rules are biased by regulatory arbitrages;*
- *Evaluation of state of readiness to supervise a liberalized market.*

All the documents regarding this workshop, including the Universal Access/service models and more information about COSITU, are available on the website: <http://www.itu.int/ITU-D/finance/>.
