



ITU Workshop on advances in regulatory costing and pricing strategies for digital services for the Caribbean Countries

Online training, 9 -13 November 2020

Sessions to be held on Zoom. Participants will be expected to work in break-out groups during the workshop. Timings given are for Barbados.

DRAFT AGENDA

Day 1 – Traditional price regulation is under pressure

09:00-09:30

OPENING SESSION

Welcome & introductions.

SESSION 1: COSTING AND PRICING REGULATION

Objective: to examine the history of telecom price regulation, the circumstances under which regulators seek to determine cost-based prices for services in telecommunications/ICT markets and the basis on which they do so, with a particular emphasis on interconnection and wholesale access. To provide a high-level overview of the various approaches that may be applied to costing digital services. Consideration of the various cost standards including FDC, LRIC, LRAIC, marginal costs, etc.

09:30-10:30

BREAK

SESSION 2: GOOD PRACTICE IN REGULATORY COSTING AND PRICING

Objective: to identify situations in which regulatory cost models are helpful and how they can be used effectively and to consider alternative forms of price regulation that do not require cost modelling, identify circumstances in which they might be appropriate. The session will incorporate a number of real and hypothetical but realistic case studies.

11:00–12:30

Day 2 – New regulatory approaches for changing times

SESSION 3: THE FUTURE OF SERVICE PRICING AND REGULATION IN A DIGITAL ENVIRONMENT

Objective: to examine the extent to which regulation of digital services and prices is necessary and sufficient to achieve national broadband policy goals. How can price regulation be compatible with incentives for investment in fibre and 5G mobile technology and IoT? The main issues will be examined through a review of international experience and practice.

09:00-10:30

BREAK

SESSION 4: PRACTICAL EXERCISES IN CONSTRUCTING REGULATORY COST MODELS

11:00–12:30

Objective: to experience how regulatory cost models can be constructed to meet the current and emerging regulatory issues of the digital economy. A new cost model, established by ITU for this training course, will be developed as part of a realistic but hypothetical case study. The case will cover fixed and mobile networks and the convergence of voice, data and TV services. Participants will work in groups to build a customised version of the cost model through four practical exercises covering key cost parameters: subscribers and coverage; traffic forecasting; network routing; determining equipment costs.

Day 3 – Practical exercises in cost and price regulation

SESSION 5: FURTHER PRACTICAL EXERCISES IN CONSTRUCTING REGULATORY COST MODELS

09:00–10:30

Continuing the work from Session 4.

BREAK

SESSION 6: REGULATION OF DIGITAL PLATFORMS

11:00–12:30

Objective: Online content providers are provoking intense pressure on network operators by challenging the established industry value chain, redefining the rules of market competition and shifting traditional key success factors. This session will analyze the new business models (IoT, digital services, new applications, etc.) that create new services and allow innovation of commercial offers, with particular emphasis on the new and powerful role of digital service platform providers. Should these platforms be regulated and, if so, how can it be done to protect users and foster competition without jeopardizing growth of the digital economy.

Day 4 – Practical exercises in cost and price regulation

SESSION 7: PRACTICAL EXERCISES IN USING REGULATORY COST MODELS

09:00–10:30

Objective: to experience the usefulness and the limitations of regulatory cost models in a realistic but hypothetical case study. Participants will work in groups using the customised cost model to address a number of realistic but hypothetical regulatory scenarios. The session will draw out the implications and challenges for regulation, especially price regulation, such as

- Is cost-based regulation still necessary? If so, in what form?
- How can cost models best be used, and what are their limits?
- How to regulate the price of retail service bundles?

BREAK

SESSION 8: FURTHER PRACTICAL EXERCISES IN USING REGULATORY COST MODELS

11:00–12:30

Continuing the work from Session 7.

Day 5 – Plenary session

SESSION 9: QUESTIONS, ANSWERS AND DISCUSSION

09:00–10:00

Objective: At the end of Day 4 participants will be invited to contribute questions or topics for discussion relevant to their national circumstances, based on their experience and building on issues raised in the workshop. These topics will be addressed in plenary forum during this session.

10:00–10:30

WRAP-UP AND CLOSE OF THE WORKSHOP
