



**Telecommunication
Development Bureau (BDT)**

Ref. BDT/IEE/RME/DM/207

Geneva, 9 July 2012

ITU Member States
National Regulatory Authorities and
Operators in Arab States Region

Subject: Expert Level Training on Telecom Network Cost Modeling for Regulators in Arab States Region, Giza, Egypt, 2-6 September 2012

Dear Sir/Madam,

In today's converged digital environment, pricing and cost modeling practices are central to ensuring a fair and healthy competitive environment. In addition, resolving related disputes expeditiously has emerged as a major challenge for regulators. Striking the right balance between different interests requires Heads of Regulatory Authorities to be well informed on current costing and pricing strategies, their impact and implications on the national competitive landscape and the related skills required by staff. In addition, because of rapid technological development, it is necessary to provide technical staff with sufficient cost Modeling tools and knowledge to enable them to understand how to develop their own cost models or to adapt existing cost models to the changing environment.

It is with great pleasure that I invite you to participate in this Expert-Level Training that will be held in Sheraton Dreamland, Giza (Egypt) from 2 to 6 September 2012, at the kind invitation of the National Telecom Regulatory Authority (NTRA) of Egypt.

The Expert-Level Training will be conducted by Professor Heinrich Otruba from the University of Economics and Business Administration of Vienna (Wirtschaftsuniversität Wien), former Head of the Austrian Regulatory Authority for Telecommunication (RTR) and Advisor of the Director General for the Information Society, European Commission, together with Mr. Mark Spracklen, Project Manager/Adviser in CVA Istanbul office, with experience on several major financial, regulatory cost and profitability projects implementation which include extracting data from the Network (CDR's), billing and revenue reconciliation.

The focus of this training is to provide participants with concrete exercises and hands-on practice so that they can develop their own cost models. This training will:

1. Analyze and describe in detail the different costing methodologies applicable to telecommunications/ICT (e.g. LRIC, LRAIC, FDC, ABC, etc.) and showcase alternative methods of price regulation (such as benchmarking, price cap, accounting separation, etc.);
2. Provide a detailed presentation of existing cost models;
3. Provide participants with a concrete step-by-step check list to determine which method and methodology to apply in accordance with their national context;
4. Explain the importance of the data collection process: how to collect the data;
5. Explain development of a cost model, including a step-by-step approach (definition of the

telecommunication services; traffic estimation; cost elements: calculation of network costs);

6. Offer a look forward in adapting cost models to NGN – overview

Discussion sessions will also be conducted to promote dialogue and exchange of experiences among participants. Participation of experts from regulatory authorities in charge of costing issues is greatly encouraged as the training is at advanced level. Please find enclosed the Provisional Agenda (Annex 1).

The training course will be conducted in English Language. Registration will be carried out exclusively online on the following Website at:

http://www.itu.int/online/regsys/ITU-D/workshop/edrs.registration.form?_eventid=4000128.

ITU will provide a limited number of partial fellowships to one participant per eligible country within the available budget. Priority will be given to representatives from the governments in Least Developed Countries and Low income countries. Participants requiring a fellowship are requested to complete the attached Fellowship Request Form in Annex 4 and return it to the ITU by fax to +41 22 730 5778 no later than 20 August 2012.

Hotel reservations should be made directly with your chosen hotel using the hotel reservation form (Annex 3). For practical reasons relating to logistics, the number of participants will need to be limited to 25. In case of more than two participants registering from the same country, we would place them on the waiting list that would be cleared on a first come first served basis after the last date for registration, with the aim of including as many participating countries as possible.

Information concerning hotel reservations, visa requests, as well as practical information is attached (Annex 2), and is also available at event website at: <http://www.itu.int/ITU-D/finance/>. Those participants requiring an entry visa to Egypt are requested to contact their local Embassy for information well in advance.

Please note that there are no training fees applicable to this course. However, participants should cover their own travel and accommodation expenses and arrangements.

For further information please do not hesitate to contact: Mrs Nefertiti Ali, Tel: +202 35 37 1777, Fax: +202 35 371888 and E-mail: Nefertiti.ali@itu.int.

I look forward to active participation from your organization.

Yours faithfully,

[Original signed]

Brahima Sanou
Director

Annex 1: – Provisional Programme

Annex 2: – Useful information for participants

Annex 3: – Hotel Reservation Form

Annex 4: – Fellowship Request Form