



**Telecommunication
Development Bureau (BDT)**

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Geneva, 8 April 2013

Ministries of ICTs,
Regulators,
Regional Organizations and
Operators of Communication services

Subject: **Invitation to the Capacity Building Workshop on Regulatory Auditing and Cost Modelling in Sub-Saharan Africa for Portuguese Speaking Countries, 6-10 May 2013, Praia, Cape Verde**

Dear Sir/Madam,

The International Telecommunication Union (ITU), in collaboration with Agência Nacional das Comunicações (ANAC), is pleased to invite you to the workshop on **“Regulatory Auditing and Cost Modeling in Sub-Saharan Africa”** organised under the ITU/HIPSSA Project and hosted by the regulatory body of Cape Verde.

The objective of this workshop is to train relevant people on regulatory auditing and cost modelling in delivery of services in communications by ensuring the understanding of price regulation and market analysis in the context of the competitive provision of electronic communications services. Due to the importance of this workshop, the participants are requested to have decision making position in their respective organisations and have the knowhow of cost modelling in their day to day work.

In order to ensure that participants are able to benefit fully from the materials developed this workshop will be held in Portuguese only.

Information on registration, draft agenda and work program, fellowship form and the documents of the workshop can be found on the following HIPSSA website:

http://www.itu.int/ITU-D/projects/ITU_EC_ACP/hipssa/events/2013/Costing/CapeVerde.html

Ms. Marise F. Lima, ANAC, E-mail: Marise.Lima@anac.cv; Tel: +238 2604400 and Ms. Ida Jallow, Senior HIPSSA Project Coordinator, E-mails: hipssa@itu.int, ida.jallow@itu.int, Tel: +251 11 551 49 77, are at your entire disposal should you need any additional information.

I sincerely hope that you will be able to participate in this important event which will be crucial for the region.

Yours faithfully,

[Original signed]

Brahima Sanou
Director

Cc: Mr. David Gomes, President, ANAC

Mr. Andrew Rugege, Regional Director, ITU Regional Office for Africa Region

Annex: - Draft agenda and work program (Annex I)

Annex I



Draft Agenda and Work Program
Capacity Building Workshop on Regulatory
Auditing and cost Modeling in Sub-Saharan Africa
for Portuguese speaking African countries

6 - 10 May 2013

(Praia, Cape Verde)



Day 1: Goal: Introduction to the appropriate use of cost controls as a strategic regulatory tool	
08.30-09.00	Delegate registration
09.00-10.30	Session 1: <ul style="list-style-type: none"> Welcome, introduction, expectations, team building
10.30-10.45	Coffee Break
10.45-12.30	Session 2: <ul style="list-style-type: none"> Understanding the process of liberalisation and regulation and the place of regulatory accounting and cost modelling within it Presentation by: Mr. Pedro Seixas
12.30-14.00	Lunch Break
14.00-15.15	Session 3: <ul style="list-style-type: none"> Regional case studies: A review and critique of policy and regulatory approaches to regulatory costing Presentation by: Mr. Pedro Seixas
15.15-15.30	Coffee Break

15.30-17.00	Session 4: <ul style="list-style-type: none"> Overcoming barriers and bottlenecks: Practical approaches to cost-based price regulation Presentation by: Mr. Pedro Seixas
Day 2: Goal: Understanding the regulatory process for cost accounting and cost modeling	
09.00-10.30	Session 5: <ul style="list-style-type: none"> Costing concepts (FAC, LRIC, top-down, bottom-up etc.) and their regulatory function Presentation by: Mr. Pedro Seixas
10.30-10.45	Coffee Break
10.45-12.30	Session 6: <ul style="list-style-type: none"> Practical exercise 1: Calculation of call termination costs using different cost concepts. Establishing the background; preparing the calculations in working groups Presentation by: Mr. Pedro Seixas
12.30-14.00	Lunch break
14.00-15.15	Session 7: <ul style="list-style-type: none"> Practical exercise 1: Calculation of call termination costs using different cost concepts. Presenting and discussing the findings. Presentation by: Mr. Pedro Seixas
15.15-15.30	Coffee Break
15.30-16.30	Session 8: <ul style="list-style-type: none"> The seven habits of effective cost-based regulation. Presentation by: Mr. Pedro Seixas
16.30-17.00	Session 9: <ul style="list-style-type: none"> Introduction to Practical exercise 2: including bedtime reading! Presentation by: Mr. Pedro Seixas

Day 3: Goal: Understanding how to manipulate input assumptions and obtain appropriate results from cost models	
09.00-10.30	Session 9 (continued): <ul style="list-style-type: none"> Practical exercise 2: manipulating input data and assumptions to obtain the desired results from a cost model. Establishing the background, preparing the calculations in working groups. Presentation by: Mr. Pedro Seixas
10.30-10.45	Coffee Break
10.45-12.30	Session 10: <ul style="list-style-type: none"> Practical exercise 2: manipulating input data and assumptions to obtain the desired results from a cost model. Presenting and discussing the findings. Presentation by: Mr. Pedro Seixas
12.30-14.00	Lunch Break
14.00-15.15	Session 11: <ul style="list-style-type: none"> The regulatory process for cost accounting and cost modeling - What is involved and how should it to be addressed? Presentation by: Mr. Pedro Seixas
15.15-15.30	Coffee Break
15.30-16.30	Session 11 (continued): <ul style="list-style-type: none"> Common pitfalls in regulatory cost modeling - Regional and international case study examples. Presentation by: Mr. Pedro Seixas
16.30-17.00	Session 12: <ul style="list-style-type: none"> Introduction to the ITU training cost model and to Practical Exercise 3 - including bedtime reading! Presentation by: Mr. Pedro Seixas
Day 4: Goal: Adapting the ITU training cost model for use in HIPSSA Member States	
09.00-10.30	Session 13: <ul style="list-style-type: none"> Practical exercise 3: Using the training cost model as part of a hypothetical regulatory procedure to establish costs and prices for wholesale and retail mobile services. Establishing the background, preparing the calculations in working groups. Presentation by: Mr. Pedro Seixas
10.30-10.45	Coffee Break

10.45-12.30	Session 14: <ul style="list-style-type: none"> Practical exercise 3: Using the training cost model as part of a hypothetical regulatory procedure to establish costs and prices for wholesale and retail mobile services. Presenting and discussing the findings. Presentation by: Mr. Pedro Seixas
12.30-14.00	Lunch Break
14.00-15.15	Session 15: Country-by-country analysis for each member state attending the workshop: <ul style="list-style-type: none"> Description of current situation, successes and challenges (by local representative and regional experts). Presentation by: Mr. Pedro Seixas Critique if current situation, identification of gaps and how to fill them (by international and regional experts) Presentation by: Mr. Pedro Seixas
15.15-15.30	Coffee Break
15.30-16.45	Session 16: <ul style="list-style-type: none"> Country-by-country analysis (continuation of Session 15 for any remaining countries). Presentation by: Mr. Pedro Seixas
16.45-17.00	Session 16 (continued): <ul style="list-style-type: none"> Introduction to Practical exercise 4: Including bedtime reading! Presentation by: Mr. Pedro Seixas
<p style="text-align: center;">Day 5:</p> <p>Goal: Consolidate learning outcomes, effective use of cost models in price regulation</p>	
09.00-10.30	Session 17: <ul style="list-style-type: none"> Practical exercise 4: Using the ITU training model as a basis to develop cost estimates for member states in the HIPSSA region Presentation by: Mr. Pedro Seixas
10.30-10.45	Coffee Break
10.45-12.15	Session 18: <ul style="list-style-type: none"> Practical exercise 4: Using the ITU training model as a basis to develop cost estimates for member states in the HIPSSA region (Cont'd) Presentation by: Mr. Pedro Seixas

12.15-14.00	Lunch Break
14.00-15.30	Session 19: <ul style="list-style-type: none">• Plenary session: Summary of learning points; open discussion Presentation by: Mr. Pedro Seixas• Conclusion of workshop and delivery of Certificates