



**Telecommunication
Development Bureau (BDT)**

Ref.: BDT/PKM/DM-316

Geneva, 10 June 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, 15-19 July 2013, Arusha, Tanzania**

Dear Sir/Madam,

The International Telecommunication Union (ITU) is pleased to invite you to the workshop on **“Regulatory Auditing and Cost Modeling in Sub-Saharan Africa”**, kindly organised under the ITU\HIPSSA Project¹.

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 the know-how of cost modelling in their day to day work.

The workshop will be held in English. 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/Arusha.html

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¹ The full title of the HIPSSA Project, funded by the European Commission and the ITU, in collaboration with the African Union Commission, the Regional Economic Communities including SADC and regional associations of regulators including CRASA - is “Support to Harmonization of ICT Policies in Sub-Sahara Africa”. HIPSSA is part of a global ITU-EC project encompassing Africa, the Caribbean and the Pacific Islands (ACP); see http://www.itu.int/ITU-D/projects/ITU_EC_ACP/hipssa/index.html

Please note that the venue of the workshop will shortly be posted on the website.

Ms Ida Jallow, HIPSSA Senior Project Coordinator, E-mail: hipssa@itu.int and ida.jallow@itu.int , Tel: +251 11 551 49 77 is 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 Andrew Rugege Regional Director, ITU Regional Office for Africa Region
Mr Robert Achieng, Senior Communication Engineer, the East African Community (EAC)

Annex : Draft Agenda and Work Program



Annex



Draft Agenda and Work Program

Capacity Building Workshop on Regulatory Auditing and cost Modeling in Sub-Saharan Africa



15-19 July 2013
(Arusha, Tanzania)



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">• Opening ceremony.• 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
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
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
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
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
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
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
16.30-17.00	Session 9: <ul style="list-style-type: none"> Introduction to Practical exercise 2: Including bedtime reading!
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
10.30-10.45	Coffee Break

10.45-12.30	<p>Session 10:</p> <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
12.30-14.00	Lunch Break
14.00-15.15	<p>Session 11:</p> <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?
15.15-15.30	Coffee Break
15.30-16.30	<p>Session 11 (continued):</p> <ul style="list-style-type: none"> Common pitfalls in regulatory cost modeling - Regional and international case study examples
16.30-17.00	<p>Session 12:</p> <ul style="list-style-type: none"> Introduction to the ITU training cost model and to Practical Exercise 3: Including bedtime reading!
<p>Day 4:</p> <p>Goal: Adapting the ITU training cost model for use in HIPSSA Member States</p>	
09.00-10.30	<p>Session 13:</p> <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
10.30-10.45	Coffee Break
10.45-12.30	<p>Session 14:</p> <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
12.30-14.00	Lunch Break

14.00-15.15	<p>Session 15:</p> <p>Country-by-country analysis for each member state attending the workshop:</p> <ul style="list-style-type: none"> • Description of current situation, successes and challenges (by local representative and regional experts) • Critique if current situation, identification of gaps and how to fill them (by international and regional experts)
15.15-15.30	Coffee Break
15.30-16.45	<p>Session 16:</p> <ul style="list-style-type: none"> • Country-by-country analysis (continuation of Session 15 for any remaining countries)
16.45-17.00	<p>Session 16 (continued):</p> <ul style="list-style-type: none"> • Introduction to Practical exercise 4: Including bedtime reading!
<p>Day 5:</p> <p>Goal: Consolidate learning outcomes, effective use of cost models in price regulation</p>	
09.00-10.30	<p>Session 17:</p> <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
10.30-10.45	Coffee Break
10.45-12.15	<p>Session 18:</p> <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
12.15-14.00	Lunch Break
14.00-15.30	<p>Session 19:</p> <ul style="list-style-type: none"> • Plenary session: Summary of learning points; open discussion • Conclusion of workshop and delivery of certificates