

Seminar on ITU Pricing Models

Tbilisi, Georgia, 14 – 15 November 2002

1. Purpose of Mission

To conduct a workshop designed to expose CIS countries to various cost methodologies/models in order to assist the Administrations in developing cost oriented pricing procedures in the delivery of telecommunications Services.

2. General

The workshop was opened by the Deputy Minister with responsibility for telecommunications in Georgia. He stressed the importance of establishing competitive telecommunication markets in CIS countries. He thanked the BDT for initiating the workshop to deal with important issues of developing costing and pricing modules that can be adapted to the circumstances of CIS countries.

The BDT representative assured the Deputy Minister that: the BDT under its current Director Mr. Hamadoun Touré is committed to working in partnership with CIS countries to rationalize their pricing structure for telecommunication services. He indicated that the BDT has already developed COSITU which can be adjusted to serve as a comprehensive costing and pricing model for CIS countries.

3. Main Activities and Results

Presentations and discussions re:

- (i) Progress report on the work of Study Group 3 Rapporteurs group on cost Models (J. Prince & C. Thomas).
- (ii) Application of cost models in price determination (C. Thomas).
- (iii) Application of quantitative tools to determine prices of telecommunication services (J. Prince).
- (iv) Application of COSITU in determining costs and prices of telecommunication services (J. Prince).

There was consensus on the need for adaptation of COSITU to meet the circumstances of CIS countries in order to have confidence in its applicability.

A number of companies expressed interest in becoming sector members of the BDT. These companies were referred to the appropriate website where the necessary information can be retrieved.

The meeting expressed strong interest in having the BDT conduct additional workshops designed to provide hands-on experience in using cost models to determine prices of telecommunication services.