



**Telecommunication
Development Bureau (BDT)**

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Subject: **ITU Executive-level training for Heads of Regulatory Authorities: Strategic impact of cost modeling and dispute resolution mechanisms**
Geneva, Switzerland, 27 - 28 June 2011

Dear Sir/Madam,

It is with great pleasure that I invite you to participate in an **ITU Executive-level training for Heads of Regulatory Authorities on the strategic impact of cost modeling and dispute resolution mechanisms**. This Executive-level training, reserved for Directors-General, Chairmen, CEOs and Commissioners of Regulatory Authorities, will be held at ITU headquarters in **Geneva, Switzerland**, from **27 to 28 June 2011**, immediately prior the 2011 Telecommunication Development Advisory Group (TDAG) meeting.

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. Similarly, the nature and complexity of ICT dispute issues has significantly evolved and requires timely and efficient resolution mechanisms.

The purpose of this Executive-level training is twofold. The first objective is for Heads of Regulatory Authorities to understand the need to develop new cost models reflecting changes in the digital world and make informed strategic decisions that promote investment and development in the sector. The second objective is to understand various aspects, implications, mechanisms and possible outcomes of a dispute, focusing in particular on dispute resolution in the area of interconnection, access to wholesale services and essential facilities. Interactive role-playing exercises will be conducted in which each participant will be encouraged to take an active part.

This Executive-level training will be led 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 and Mr. Rory Macmillan, Founding Partner of Macmillan Keck, and Accredited Mediator by the Centre for Effective Dispute Resolution (CEDR); WIPO listed arbitrator, member of the

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Chartered Institute of Arbitrators and; member of the Electronic Media Panel of the Communications Providers Independent Alternative Dispute Resolution Service.

This two-day Executive-level training would be of particular benefit to newly appointed chief executives. The training is designed to offer practical solutions to real-world challenges and it will include at least two presentations from Regulatory Authorities identifying current challenges they face in developing cost modeling strategies and addressing disputes in a digital world. Participants are kindly requested to indicate their interest by contacting Ms Prado-Wagner and Ms Sundberg by 30 May 2011.

INTERPRETATION

The training will be conducted in English. Interpretation will be provided based on the requests of participants and the constraints of the rooms. You are therefore invited to indicate on the registration form whether you require languages other than English by **10 May 2011**. Based on the requests made by this deadline and provided there is at least five requests for a given language, interpretation will be provided in the requested languages. However, please note that training material will be made available in English only.

REGISTRATION

Pre-registration will exclusively be online using TIES log-in at www.itu.int/online/regsys/TIES/auth/ITU-D/specialgroup/edrs.registration.form?_eventid=4000084.

If a delegate does not have a TIES account or experience difficulty in registering, please contact the BDT Registration service at bdtmeetingsregistration@itu.int.

On-site registration will begin at the entrance of the Montbrillant Building on Monday, 27 June 2011 at 08h30.

Please note that there is **no training fee** for participating in this training. However, all expenses concerning travel, accommodation, meals and insurance of participants should be borne by your organization.

PRACTICAL INFORMATION

Further information can be found on the ITU TREG website at www.itu.int/ITU-D/treg/Events/Seminars/. A list of Geneva hotels offering preferential ITU rates can be found on the website at www.itu.int/travel/.

A strict procedure for visas is in force in Switzerland. Participants are urged to read carefully the procedure available at www.itu.int/ITU-D/treg/Events/Seminars/visa-info.html. Please note that the processing of a request for Schengen visas can take up to **three weeks**.

I look forward with great anticipation to your participation in this event.

Yours faithfully,

[Original signed]

Brahima Sanou
Director

Annex 1: Provisional Programme



ITU EXECUTIVE-LEVEL TRAINING FOR HEADS OF REGULATORY AUTHORITIES: STRATEGIC IMPACT OF COST MODELING AND DISPUTE RESOLUTION MECHANISMS

ITU Headquarters Geneva, Switzerland, Room H
27 - 28 June 2011

PROVISIONAL PROGRAMME

Monday, 27 June 2011	
STRATEGIC IMPACT OF COST MODELING	
09.00 – 09.30	<i>Delegate registration</i>
09.30 – 09.45	Opening Ceremony
09.45 – 10.45	Session 1: Introduction to the economics of competition, competition law and regulation <ul style="list-style-type: none"> • Why does competition create benefits for the economy and citizens alike? • Methods to determine static and dynamic welfare effects of competition • How to ensure a competitive environment? • General concepts of competition law and merger control (abuse of market power, cartels)
10.45 – 11.00 Coffee break	
11.00 – 12.00	Session 2: Defining markets correctly - Structure and purpose of market reviews <ul style="list-style-type: none"> • Market definition: services, geographical extension, segmentation • Analyze the structure of markets, Significant Market Power (SMP), instruments to designate SMP • Description of possible remedies for certain types of imperfect competition: transparency, non discrimination, regulatory accounting, access obligations, price controls • Introduction to the role play exercise
12.00 – 12.30	Role play exercise
12.30 – 14.00 Lunch	
14.00 -15.30	Session 3: Defining a regulatory accounting and cost modeling strategy - Selecting the best approach in accordance with the national context <ul style="list-style-type: none"> • Principles of regulatory accounting and accounting separation; strategic role of regulatory accounts for monitoring pricing • Cost modeling strategic approach: from FDHC (fully distributed historic costs) to FLRIC (forward looking long run incremental costs) • Overcoming data collection challenges - its importance and the key role of the regulator • Establishment of a "Costing Team" in charge of implementing the costing strategy
15.30 – 15.45 Coffee break	
15.45 – 16.45	Session 4: Price controls and its relation to cost modeling, accounting and regulation <ul style="list-style-type: none"> • Types of price controls, price controls and creation of competition • Price controls and investment incentives • How to use regulatory accounts to determine regulated prices • Which information is critical for the calculation of correct price ceilings? • Impact of convergence and NGN on price controls: is it time to refocus?
16.45 – 17.30	Role play exercise

Tuesday, 28 June 2011 DISPUTE RESOLUTION MECHANISMS	
09.30 – 10.45	<p>Session 5: Dispute resolution mechanisms in the current ICT environment, current practices, public/private roles and the role of regulators</p> <ul style="list-style-type: none"> • Main trends in ICT dispute resolution • The importance of a robust dispute resolution scheme to ensure a fair and competitive environment • Roles and responsibilities in dispute resolution <ul style="list-style-type: none"> ○ Courts and Tribunal ○ The telecom/ICT regulator ○ Arbitration panel ○ Expert determination ○ Mediators ○ Dispute resolution bodies- private actors • Setting the legal and regulatory framework for dispute resolution (Communications law, licensing agreements, commercial agreements, reference interconnection offer, etc.)
10.45 – 11.00 Coffee break	
11.00 – 12.30	<p>Session 6: Mechanisms applied to resolve disputes</p> <ul style="list-style-type: none"> • Overview of the different dispute resolution mechanisms • When and how to use alternative dispute resolution (ADR) mechanisms • Understanding the processes (facts findings, timeframe, appointment procedures for arbitrators, mediators and experts, rules of evidence, investigation powers, decision making, confidentiality and public consultation, enforcement and appeals) <ul style="list-style-type: none"> ○ Mediation/conciliation ○ Arbitration ○ Hybrid dispute resolution techniques
12.30 – 14.00 Lunch	
14.30 -15.30	<p>Session 7: Role play exercise</p> <ul style="list-style-type: none"> • Practical example of an interconnection dispute
15.30 – 15.45 Coffee break	
15.45 – 16.15	<p>Presentation and discussion of results from the Role play exercise</p>
16.15 – 16.45	<p>Session 8: Resourcing Dispute resolution in ICTs</p> <ul style="list-style-type: none"> • Institutions and service providers available to regulators • ITU tools available
16.45 – 17.00	<p>Concluding remarks</p>