



Radiocommunication Bureau

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Circular Letter
CR/225

2 December 2004

To Administrations of Member States of the ITU

Subject: Administrative arrangements for the implementation of cost recovery for satellite network filings in accordance with Decision 482 (modified, 2004)

Reference: BR Circular Letter CR/179 of 6 June 2002

To the Director General

Dear Sir/Madam

1. Council at its 2004 session approved modifications to Decision 482 for the implementation of cost recovery for satellite network filings. The purpose of this Circular Letter is to provide details of the revised arrangements. Accordingly this Circular Letter replaces Circular Letter CR/179 of 6 June 2002.

2. Cost recovery applies to satellite network filings received by the Radiocommunication Bureau after 7 November 1998 for the production of the special sections of the Bureau's International Frequency Information Circular BRIFIC (Space Services) in the following cases:

- advance publication of information (API) for satellite networks or satellite systems not subject to coordination procedure under Article 9 of the Radio Regulations;
- API for satellite networks or satellite systems subject to coordination procedure, and associated requests for coordination or agreement under Article 9 of the Radio Regulations;
- requests for modification of space service Plans and Lists in Appendix 30, 30A or 30B to the Radio Regulations.

3. Decision 482 (modified, 2004) will enter into force on 31 December 2004 (**Attachment 1**). Information on the implementation of the provisions of this Decision by the Radiocommunication Bureau is provided in **Attachment 2**.

4. The contact person in the Radiocommunication Bureau is Mr. Hasan Köker, telephone: +41 22 7305540, e-mail: brmail@itu.int.

Yours faithfully,

Valery Timofeev
Director, Radiocommunication Bureau

Attachments:

Distribution:

- Secretary-General and Deputy Secretary-General
- Administrations of Member States of the ITU
- Members of the Radio Regulations Board
- Chairmen and Vice-Chairmen of Radiocommunication Study Groups and the Special Committee on Regulatory Procedural Matters

ATTACHMENT 1

Decision 482 (Modified 2004)

(approved at the Eleventh Plenary Meeting)

Implementation of cost recovery for satellite network filings

The Council,

considering

- a) Resolution 88 of the Plenipotentiary Conference (Rev. Marrakesh, 2002), on the implementation of cost recovery for satellite network filings;
- b) Resolution 91 of the Plenipotentiary Conference (Minneapolis, 1998), on cost recovery for some products and services of ITU;
- c) Council Resolution 1113, on cost recovery for the processing by the Radiocommunication Bureau of space notifications;
- d) Document C99/68 reporting on the Council Working Group on implementation of cost recovery for satellite network filings;
- e) Document C99/47 on cost recovery for some ITU products and services;
- f) that WRC-03 adopted provisions under which a satellite network filing is cancelled if payment is not received in accordance with the provisions of this decision,

recognizing

that Resolution 88 (Rev. Marrakesh, 2002), resolved:

- that cost recovery for satellite network filings shall be implemented as soon as possible consistent with the general principles for cost recovery adopted in Resolution 91 (Minneapolis, 1998), in particular *resolves 4* and the need to ensure that no more than the actual costs of providing products and services are recovered;
- that all filings in accordance with Council Decision 482, as modified, for the production of the special sections of the BR IFIC for space radiocommunication services concerning advance publication, and their associated requests for coordination or agreement (former Articles 11 and 14 plus Resolutions 33 (Rev. WRC-97) and former Resolution 46 (WRC-97), or Article 9 of the Radio Regulations)* and requests for modification of the space service plans and Lists contained in Appendices 30/S30, 30A/S30A and 30B/S30B to the Radio Regulations, received by BR after 7 November 1998, shall be subject to the application of cost recovery,

* NOTE — At WRC-03 Resolution 33 was modified and Resolution 46 was abrogated.

further recognizing

the practical experience of the Radiocommunication Bureau in implementing cost recovery filing charges and the methodology as reported to Councils 2001-2003 in accordance with Decision 482 as revised by Council,

decides

- 1 that satellite network filings identified under *recognizing* above shall be subject to cost recovery charges;
- 2 that for each satellite network¹ filing communicated to the Radiocommunication Bureau, the following charges^{2,3,4,5} shall apply:
 - a) for filings received up to and including 29 June 2001, Decision 482 (C99) applies; these filings are charged at publication in accordance with the fee schedule in force at the date of publication;
 - b) for filings received on or after 30 June 2001, but before 1 January 2002, Decision 482 (C2001) applies; these filings are charged at publication with a flat fee in accordance with the fee schedule in force at the date of receipt, and an additional fee (if any) according to the fee schedule in force at the date of publication;
 - c) for filings received on or after 1 January 2002, but before 4 May 2002, Decision 482 (C2001) applies; the flat fee, calculated in accordance with the fee schedule in force at the date of receipt, is payable after receipt of the notice, and the additional fee (if any), calculated in accordance with the fee schedule in force at the date of publication, is payable after publication of the notice;
 - d) for filings received on or after 4 May 2002, but before 31 December 2004, Decision 482 (C2002) applies; the flat fee, calculated in accordance with the fee schedule in force at the date of receipt, is payable after receipt of the notice, and the additional fee (if any), calculated in accordance with the fee schedule in force at the date of receipt, is payable after publication of the notice;
 - e) for filings received on or after 31 December 2004, Decision 482 (C2004) applies; the flat fee, calculated in accordance with the fee schedule in force at the date of receipt, is payable after receipt of the notice, and the additional fee (if any), calculated in accordance with the fee schedule in force at the date of receipt, is payable after publication of the notice.

¹ In this decision, the term “satellite network” refers to any space system in accordance with No. 1.110 of the Radio Regulations.

² The methodology for the calculation of the flat fee and the additional charge is described in Annex B.

³ The fee per “unit” (see definition in Annex A) shall not be understood as a tax imposed on spectrum users. It is used here as a driver for the calculation of cost recovery relating to publication of satellite systems.

⁴ In the case of a filing involving more than one category of charge (see Annex A), the flat fee shall be the highest flat fee of the categories involved in the filing. The additional charge, if any, is the difference between the charge for all “units”, priced as additional “units” in their respective categories, and the charge for the number of “units” covered by the flat fee, priced as additional units in the category associated to this flat fee, if this difference is greater than zero.

⁵ The Radiocommunication Bureau’s electronic notice form software (SpaceCap) needs to be enhanced in order to enable the calculation of the best estimated total costs associated with a satellite network filing of any type prior to its being submitted to ITU.

3 that the flat fee shall be regarded as a basic charge for a satellite network filing.⁶ For modifications to a notice in Category 1 of Annex A, the additional charge will apply but no additional flat fee component will be charged.

4 that each Member State shall be entitled to the publication of special sections for one satellite network each year without the charges referred to above. Each Member State⁷ may determine which network shall benefit from the free entitlement. Modifications to the publications of that network will be published with no charge up to the limit established for excess charges indicated in Annex A, that was in force at the time of the original publication;

5 that nomination of the free entitlement for the calendar year of publication by the Bureau of the satellite network filing shall be made by the Member State no later than the end of the period for payment of the invoice in *decides* 10⁸;

6 that for any satellite network for which the advance publication information (API) was received prior to 8 November 1998, there will be no cost-recovery charges for the first coordination request referring to that API, regardless as to when the Radiocommunication Bureau receives it. However, modifications to these networks received by the Radiocommunication Bureau after 7 November 1998, but before 31 December 2004, shall be subject to a charge if their cumulative sum of modified “units” exceeds three times the limit established for additional charges in Annex A to Decision 482 (C1999), Decision 482 (modified) (C2001) or Decision 482 (modified) (C2002), as appropriate. Any modifications received on or after 31 December 2004 shall be subject to a charge in accordance with *decides* 2 above;

7 that there will be no cost recovery charges for any submission involving the application of Article 4 of Appendices 30/30A received prior to 8 November 1998. Any request for publication in either Part A submitted under § 4.3.5 up to 2 June 2000 and then § 4.1.3 or § 4.2.6 of Appendix 30/30A and/or Part B submitted under § 4.3.14 up to 2 June 2000 and then § 4.1.12 or § 4.2.16 of Appendix 30/30A after 7 November 1998 shall be subject to a charge in accordance with *decides* 2 above⁹;

8 that there will be no cost recovery charges for any submission relating to the application of Sections IB and II of Article 6 of Appendix 30B received prior to 8 November 1998;

9 that Annex A (Schedule of processing charges) and B (Methodology) to this decision should be reviewed periodically by the Council;

10 that the payment of charges shall be made on the basis of an invoice sent to the notifying administration or, at the request of that administration, to the satellite network operator in question within a period of a maximum of six months after issue of the invoice. An invoice for any flat fee component shall be issued upon receipt of the filing by the Radiocommunication Bureau and, for

6 The charge for a modification, where applicable, is based on “units” in respect of those elements affected by the modification submitted. There will be no charge for modifications which do not result in further technical or regulatory examination by the Radiocommunication Bureau including but not limited to the name of the satellite/earth station and its associated satellite name, name of the beam, responsible administration, operating agency, date of bringing into use, period of validity, associated satellite (and beam) or earth station name.

7 In its role as the notifying administration.

8 The free entitlement cannot be applied to a filing previously cancelled for non-payment.

9 No invoices shall be issued for Part B filings submitted under Article 4 of Appendix 30/30A cancelled by the notifying administrations or considered as cancelled in application of the relevant regulatory provisions before the entry into force of Decision 482 as modified by Council 2004.

the additional charge (if any), after the publication of the relevant special section. In the event a satellite network filing is cancelled after payment of the flat fee component, this flat fee component is not refundable;

11 that, when an administration chooses to cancel, in its entirety, a satellite network filing awaiting or under processing by the Radiocommunication Bureau, in the case of a satellite network filings received prior to 1 January 2002, if the cancellation is received before the date of publication, no charges shall apply. In the case of satellite network filings received as of 1 January 2002, subsequent cancellation (if received more than 7 days after the date of submission of the filing) will not remove the obligation to pay the flat fee component; however, no charges will apply for the variable component (if any) providing the cancellation is received before the date of the publication of the related special section;

12 that publication of special sections for the amateur-satellite service shall be exempt from any charges;

13 that the date of entry into force of Decision 482 (Rev 2004) will be 31 December 2004;

14 that the provisions of this decision need to be revised when data from time recording is available,

encourages Member States

to develop domestic policies that will minimize the occurrence of non-payment and consequential revenue loss to the ITU,

instructs the Director of the Radiocommunication Bureau

1 to submit an annual report to the Council on the implementation of this decision, including analyses of:

- a) the cost of the different steps of the procedures;
- b) the impact of the electronic submission of information;
- c) enhancement in quality of service, including, among others, reduction of the backlog
- d) the costs of validating filings and requesting corrective action thereto; and
- e) difficulties encountered in applying the provisions of this decision;

2 to inform the Member States of any practice used by the Radiocommunication Bureau to implement the provisions of this Decision and the rationale for that practice;

invites the External Auditor

to prepare, in accordance with Article 31 of the Financial Regulations, and to submit to the Council an annual¹⁰ report containing a financial and management audit of the processing costs incurred by ITU in the selected cost categories identified in Annex B and, the charges collected.

¹⁰ In the years that the financial accounts have not been formally closed, the audit is to be limited to the management and procedural aspects.

ANNEX A

**Schedule of processing charges to be applied to satellite network filings
received by the Radiocommunication Bureau on or after 31 December 2004**

	Brief description of category	Detailed description of category	Flat fee per filing (in CHF)	No. of “units” in category covered by flat fee	Additional charge per excess “units” for filings with more than the number of “units” indicated in the preceding column (in CHF)	Calculation of Number of “Units” for the category
1	Advance publication	Advance publication of a non-geostationary-satellite network not subject to coordination under Section II of Article 9	1 300	6	147	Number of frequency bands summed up for all frequency assignment groups
2	Coordination request under Article 9 (excluding 9.11A) and Articles 2 and 7 of AP30/30A	Publication of a coordination request for a geostationary-satellite network in accordance with No. 9.6 along with one or more of Nos. 9.7, 9.11, 9.14 ¹ and 9.21 of Section II of Article 9, and §2.2 of Article 2 and § 7.1 of Article 7 of Appendix 30, §2.2 of Article 2 and § 7.1 of Article 7 of Appendix 30A where the network filed for is in the fixed-satellite, the mobile-satellite or the broadcasting-satellite service	5 600	1 103	5	Product of the number of frequency assignments, number of classes of station and the number of emissions, summed up for all frequency assignment groups
3	Joint coordination requests under Article 9, including 9.11A (GSO case)	Publication of a coordination request for a geostationary-satellite network in accordance with No. 9.6 along with one or more of Nos. 9.7, 9.11 and 9.21 as well as Nos. 9.11A, 9.13 and 9.14 ² of Section II of Article 9 and §2.2 of Article 2 and § 7.1 of Article 7 of Appendix 30, §2.2 of Article 2 and § 7.1 of Article 7 of Appendix 30A	21 000	1 170	16	Product of the number of frequency assignments, number of classes of station and the number of emissions, summed up for all frequency assignment groups

¹ Category 2 applies when this provision is directly cited in the Radio Regulations, and not when reference to No. 9.11A is cited.

² Category 3 applies when No. 9.14 is applied through reference to No. 9.11A

	Brief description of category	Detailed description of category	Flat fee per filing (in CHF)	No. of “units” in category covered by flat fee	Additional charge per excess “units” for filings with more than the number of “units” indicated in the preceding column (in CHF)	Calculation of Number of “Units” for the category
4	Coordination request under 9.11A alone (non-GSO case)	Publication of a coordination request for a non-geostationary-satellite network in accordance with one or more of No. 9.6 along with Nos. 9.11A , 9.12 , 9.12A and 9.14 of Section II of Article 9	7 100	137	62	Product of the number of frequency assignments, number of classes of station and the number of emissions, summed up for all frequency assignment groups
5	"Small" coordination requests	Publication of a coordination request for a geostationary-satellite network in accordance with No. 9.6 along with one or more of Nos. 9.7 and 9.21 of Section II of Article 9 , where the network filed for is not in the fixed-satellite, the mobile-satellite or the broadcasting-satellite service	5 900	12	288	Product of the number of frequency assignments, number of classes of station and the number of emissions, summed up for all frequency assignment groups
6	Non-GSO coordination (9.21 only)	Publication of a coordination request (request for agreement) for a non-geostationary-satellite network in accordance with No. 9.6 along with No. 9.21 of Section II of Article 9	4 900	10	115	Product of the number of frequency assignments, number of classes of station and the number of emissions, summed up for all frequency assignment groups
7	AP30/E, AP30A/E, AP30-30A/E Part A Special Section publication	Publication of a Part A Special Section for a proposed new or modified assignment in the Regions 1 and 3 List or feeder-link Lists of additional uses or a modification to the Region 2 Plans under §4.1.5 or 4.2.8 of Appendices 30 or 30A.				Product of the number of associated earth stations (specific or typical, recorded in the database) and number of emissions, summed up for all channels, type of polarizations and beams*
		7.1 AP30	15 800	875	11	
		7.2 AP30A	15 800	648	11	

	Brief description of category	Detailed description of category	Flat fee per filing (in CHF)	No. of “units” in category covered by flat fee	Additional charge per excess “units” for filings with more than the number of “units” indicated in the preceding column (in CHF)	Calculation of Number of “Units” for the category
8	AP30/E, AP30A/E, AP30-30A/E Part B Special Section publication	Publication of a Part B Special Section for a proposed new or modified assignment in the Regions 1 and 3 List or feeder-link Lists of additional uses or a modification to the Region 2 Plans under §4.1.5 or 4.2.8 of Appendices 30 or 30A. 8.1 AP30 8.2 AP30A	6 600 6 200	129 126	71 69	Product of the number of associated earth stations (specific or typical, recorded in the database) and number of emissions, summed up for all channels, type of polarizations and beams*
9	AP 30B	Publication associated with the update of the list of existing systems in Part B of the Plan in accordance with the procedure of Section IB of Article 6 of Appendix 30B or Publication associated with the update of the list of subregional systems in accordance with the procedure of Section II of Article 6 of Appendix 30B	9 900	1	855	Product of the number of bands and number of beams

* Further clarification of this item is required.

ANNEX B

Methodology

1 The schedule of processing charges shall be established to recover the selected processing costs for all filings for the production of special sections of the BR IFIC for space radiocommunication services concerning advance publication, and their associated requests for coordination or agreement under Article 9 of the Radio Regulations (former Article 11, Article 14 plus Resolutions 33 and 46) and requests for modification of the space service plans or lists contained in Appendices 30, 30A and 30B to the Radio Regulations, received by the Radiocommunication Bureau after 7 November 1998, in line with Resolution 88 (Minneapolis, 1998).

2 The Council is requested to review the charges whenever it considers appropriate, and at least every two years, for:

- advance publication for those networks not subject to coordination;
- requests for coordination or agreement;
- requests for modification of space service plans or lists,

or for subsets of the above.

3 The charges cover the following costs:

- costs of the Space Services Department associated with production of the content of satellite special sections;
- costs of the Informatics, Administration and Publications Department associated with the production of satellite special sections;
- a proportionate share of centralised administrative services costs of the General Secretariat;
- a proportionate share of centralized support services costs of the General Secretariat.

4 The flat fee for each category is adjusted proportionately to the change in the total costs of processing satellite network filings in the preceding three years.

5 The number of “units” covered by the flat fee is calculated by dividing the flat fee by the average costs per “unit” of all notices under that category published in the preceding three years.

6 The charges per excess “unit” is then calculated in such a way that, based on the preceding three-year period, the flat fee charges plus the additional charges per excess “unit” are equal to the total cost for that category.

7 With reference to Resolution 91 (Minneapolis, 1998) and the Financial Regulations, the related income and expenditure relating to the publication of special sections shall be segregated but included in the budget of the Union and subject to external audit. Expenditure shall be split between cost of publications exempted from cost recovery and those subject to cost recovery and included in the budget of the Union. Income and expenditure shall be subject to external audit.

ATTACHMENT 2

1 Categories

Satellite network filings received by the Radiocommunication Bureau are grouped, for the purpose of cost recovery, into different categories depending on the regulatory provisions that apply to them. The categories are described in Annex A to Decision 482 (modified). In this connection, the Bureau would like to draw the attention of all administrations to categories 2 and 3, column “Detailed description of category”, where the reference to §2.2 of Article 2 of Appendix 30 should be read as Article 2A of Appendix 30, and the reference to §2.2 of Article 2 of Appendix 30A should be read as Article 2A of Appendix 30A. This is because WRC-03 suppressed §2.2 of Article 2 of Appendices 30 and 30A and transferred and extended its contents in a new Article 2A in both appendices, which entered into force on 5 July 2003.

2 Charges

Each filing that is subject to cost recovery will be subject to a processing charge consisting of two components, a flat fee and a variable fee. The schedule of charges is shown in Annex A to Decision 482 (modified).

The variable fee component depends on the number of “units” (see definition in Annex A to the Decision) that comprise the filing. If the number of “units” is equal to or less than the number of “units” specified, then the variable fee component does not apply. Otherwise, the variable fee component specified for the particular category is charged.

As indicated in footnote 4 to *decides* 2 in Decision 482, “in the case of a filing involving more than one category (see Annex A), the flat fee shall be the highest flat fee of the categories involved in the filing. The additional charge, if any, is the difference between the charge for all “units”, priced as additional “units” in their respective categories, and the charge for the number of “units” covered by the flat fee, priced as additional “units” in the category associated to this flat fee, if this difference is greater than zero”. A sample fee calculation is shown in Attachment 3.

The calculation of the number of “units” for each category is provided in the last column of the Table in Annex A to Decision 482. For categories 7 and 8, the “number of associated earth stations (specific or typical recorded in the database)” used to calculate the number of “units” is understood to refer to test points and feeder-link specific associated earth stations recorded in the database, as this has been the case in the application by the Radiocommunication Bureau of Decision 482 (modified, 2002).

Invoices are payable within six months of their issue (*decides* 10 of Decision 482). Detailed information on invoices and payment conditions is provided in section 5 below.

3 Nomination of free entitlement

The Member State must inform the Bureau if it wishes to make use of entitlement to a free publication under the provisions of *decides* 4 and 5 of Decision 482, otherwise it will be assumed that the Member State does not wish to avail itself of the entitlement.

4 SpaceCap Software

The Bureau is working on a modification to the SpaceCap software that will allow users to calculate the best estimated total costs associated with a satellite network filing before submitting it to the ITU. Administrations will be informed of the release of the software in a forthcoming BR IFIC.

5 Payment conditions

Processing charges are invoiced as soon as practicable after receipt of the initial filing or publication of the notice, as appropriate.

The invoice is sent from the ITU Finance Department to the notifying administration (payer) or, if the administration so wishes¹, to the satellite network operator (with a copy for the notifying Administration).

Processing charges are established in Swiss francs, which is the ITU account currency.

Payment can be made in Swiss francs, by bank transfer to the ITU bank account indicated below or by cheque. Payment is considered to have been received when it is credited to the ITU bank account. If the payer has a deposit with the ITU, payment is considered to have been received when the Finance Department receives instructions to use the deposited funds for payment.

Payments can also be made in currencies other than Swiss francs, provided that these are convertible into Swiss francs. In such cases, payments will be converted and entered in the accounts at the current clearing rate.

If the amount credited to the ITU bank account does not fully cover the processing charges, the invoice is considered as partially settled, and the payer is promptly informed accordingly by the ITU Finance Department. Any overpayment will be cleared with the payer by the ITU Finance Department.

6 Internal banking and payment arrangements

A bank account in Swiss francs has been set up with the Union Bank of Switzerland (UBS SA, B.P. 2600, 1211 Geneva) to receive payment for processing of filings. The account number is **CH17 0024 0240 C810 1664 6**, Swift number UBSWCHZH80A. The purpose of having a separate bank account is to facilitate the recording and verification of payments received.

¹ The request must be made to the Bureau before filing, otherwise the invoice will be sent to the Administration. While the ITU can subsequently re-issue an invoice to the operator, the original invoice date cannot be changed.

ATTACHMENT 3

SAMPLE FEE CALCULATION FOR FILINGS INVOLVING MORE THAN ONE CATEGORY

Footnote 4 to *decides* 2 of Decision 482 (modified 2004) indicates that:

“In the case of a filing involving more than one category of charge (see Annex A), the flat fee shall be the highest flat fee of the categories involved in the filing. The additional charge, if any, is the difference between the charge for all “units”, priced as additional “units” in their respective categories, and the charge for the number of “units” covered by the flat fee, priced as additional “units” in the category associated to this flat fee, if this difference is greater than zero.”

The following examples illustrate the method described above.

Example 1:

A request for coordination (CR/C/xxx1) that involves both category 2 and 3:

Total number of “units” in CR/C/xxx1: 1400

Number of “units” in Category 2: 500

Number of “units” in Category 3: 900

Calculation of the flat fee

Flat fee for category 2: 5 600 CHF

Flat fee for category 3: 21 000 CHF

Flat fee for CR/C/xxx1: **21 000 CHF** (highest flat fee)

Calculation of the additional charge

(A) Charge for all “units” priced as additional “units” in their respective categories:

Charge for “units” in category 2: $500 \times 5 = 2\,500$ CHF

Charge for “units” in category 3: $900 \times 16 = 14\,400$ CHF

Subtotal: 16 900 CHF

(B) Charge for the number of “units” covered by the flat fee, priced as additional “units” in the category associated to this flat fee:

$1\,170 \times 16 = 18\,720$ CHF

Additional fee: Difference between A and B, if greater than zero

(A) – (B) = (-1 820 CHF which is less than zero)

Additional fee for CR/C/xxx1: **0 CHF**

Total fee for the filing CR/C/xxx1: **21 000 CHF**

Example 2:

A request for coordination (CR/C/xxx2) that involves both category 2 and 3:

Total number of “units” in CR/C/xxx2: 2300

Number of “units” in Category 2: 1500

Number of “units” in Category 3: 800

Calculation of the flat fee

Flat fee for category 2: 5 600 CHF

Flat fee for category 3: 21 000 CHF

Flat fee for CR/C/xxx2: **21 000 CHF** (highest flat fee)

Calculation of the additional charge

(A) Charge for all units priced as additional units in their respective categories:

Charge for “units” in category 2: $1500 \times 5 = 7\,500$ CHF

Charge for “units” in category 3: $800 \times 16 = 12\,800$ CHF

Subtotal: 20 300 CHF

(B) Charge for the number of “units” covered by the flat fee, priced as additional “units” in the category associated to this flat fee:

$1\,170 \times 16 = 18\,720$ CHF

Additional fee: Difference between A and B, if greater than zero

(A) – (B) = (1 580 CHF which is greater than zero)

Additional fee for CR/C/xxx2: **1 580 CHF**

Total fee for the filing CR/C/xxx2: **22 580 CHF**
