|  |  |
| --- | --- |
|  | **Document EG-DEC482-1/3** |
| **10 January 2024** |
| **English only** |
|  |  |
| Contribution from the Russian Federation | |
| COST RECOVERY | |
| **Purpose**  The 2023 Council adopted Decision 632 creates an Expert Group on Decision 482 (EG-DEC482) with the Terms of Reference shown in Annex to Document [C23/126](https://www.itu.int/md/S23-CL-C-0126/en).  The Administration of the Russian Federation submits its comments and proposals regarding the study of issues set in the EG-DEC482 Terms of Reference.  **Action required**  The Expert Group on Decision 482 is invited **to consider** proposals in this document and **take appropriate actions** for preparation an interim report containing recommendations for the possible revision of Decision 482 for submission to the 2024 session of the ITU Council.  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  **References**  [*Resolution 91 (Rev. Guadalajara, 2010)*](https://www.itu.int/en/council/Documents/basic-texts/RES-091-E.pdf) *of the Plenipotentiary Conference;* [*Council Decision 482 (C01, last amended C20)*](https://www.itu.int/md/S20-CL-C-0070/en)*;* [*C22/16*](https://www.itu.int/md/S22-CL-C-0016/en)*,* [*C23/16*](https://www.itu.int/md/S23-CL-C-0016/en), [C23/19](https://www.itu.int/md/S23-CL-C-0019/en), [C23/126](https://www.itu.int/md/S23-CL-C-0126/en) | |

**Introduction**

The 2023 Council adopted Decision 632 on creation of an Expert Group on Decision 482 (EG-DEC482) with the Terms of Reference shown in Annex to Document [C23/126](https://www.itu.int/md/S23-CL-C-0126/en).

The Administration of the Russian Federation submits its comments and proposals regarding the study of issues set in the EG-DEC482Terms of Reference.

**Discussion**

Cost recovery for processing fillings for frequency assignments to space and terrestrial services, including filings for satellite networks or systems, should be carried out through contributions of the Union’s Member States.

Funds received from the cost recovery for satellite network/system fillings should not substitute funds contributed by Member States for the operational activities of the Union and should only be used by BR for satellite network/system fillings’ processing including software upgrade and temporarily increase staff to speed up filings processing.

Initially, when introducing the cost recovery for satellite network fillings, it was not intended to directly pay all the costs of the BR for such activities, since such activities are the functional responsibility of the staff of the BR in accordance with the requirements of the instruments of the Union. For example, there is no cost recovery for processing fillings for frequency assignments to terrestrial services, and in addition, administrations are entitled to free publication of one filing for a satellite network each year.

Cost recovery for satellite network fillings, inter alia, was introduced to prevent the submission of applications for satellite networks for reservation of frequency-orbital resource without its actual use. For this reason such cost recovery fees was assigned empirically, with a requirement not to impose excessive restrictions on operators of real satellite networks, but to put a barrier for the so-called “paper” satellite networks. This measure made it possible to reduce the flow of filings from administrations and thereby reduce the backlog and costs of the Radiocommunication Bureau for processing satellite network filings.

The chosen threshold fees met the interests of all parties and, together with the application of No. 13.6 RR, the notification of “paper” GSO satellite networks was practically excluded. These funds should cover the costs of the BR for development and improvement the satellite system examination software and cover the costs of additional staffing depending on workload.

Currently, the situation has changed radically due to the emergence of constellations with a large number of satellites in different orbits. Operators of such non-GSO systems do not almost experience financial restrictions (thresholds) provided by Council Decision 482 and repeatedly notify complex constellations in various orbits for a particular non-GSO system.

Thus, from 20 to 30 filings are submitted to the BR for the same physical non-GSO FSS system, this leads to work overload of the BR, and the lack of appropriate software creates problems, including temporary ones, in processing filings. The issue of revising the methodology for determining the amount of fees for processing filings for non-GSO systems should be considered to take into account the number of filings submitted to the BR for a specific non-GSO system and the threshold cost for such applications should be increased after submission of a subsequent filing.

Therefore, when considering the issue of cost recovery when examining filings for satellite systems, the following fundamental principles should be taken into account:

* effective and equitable access of all ITU Member States to the limited resources of satellite orbits and associated radio frequency spectrum;
* absence of excessive restrictions on administrations and operators implementing satellite systems/networks;
* funds received from cost recovery for satellite network/system fillings should not be considered as a regular part of Union budget, but should cover the costs of the BR for the development and improvement of satellite network examination software and the costs of attracting additional staff depending on from work loading;
* the amount of the fee for cost recovery for non-GSO system fillings should depend on the number of filings to the BR for a specific non-GSO system and the threshold cost for such applications should be increased after submission of a subsequent filings;
* avoiding violation when notifying a specific non-GSO system on behalf of different administrations or on behalf of an administration that does not have the ability to regulate the operational aspects of the non-GSO system.

Cost recovery for satellite network fillings should be used to cover the direct costs of the BR for the tasks associated with filings’ processing, and should not be a burden to Administrations to cover indirect costs associated with ITU operating activities, the construction of a new ITU Headquarters building, or any expenses of the Union not related to the filings’ processing.

We propose to analyze the expenditure of funds received from cost recovery for satellite network/system fillings during last 8 years.

Further comments by this Administration on the issues reflected in the Terms of Reference of the EG-DEC482 *marked by italic style* (Annex to Document [C23/126](https://www.itu.int/md/S23-CL-C-0126/en)) are given below.

*a. In the case of non-receivable filings, the appropriateness or otherwise of charging a fraction of the amount of an equivalent receivable filing for such cases, taking into account the needs of developing countries.*

This Administration is of the view that, for non-receivable filings, the appropriateness or otherwise of charging a fraction of the amount of an equivalent for receivable filing for such cases should be determined depending on the man-hours spent by the BR. For example, if a usual filing for a GSO network or non-GSO satellite system is submitted, the cost of expenses should be covered by annual contributions from Member States to the ITU budget.

For non-receivable filings for GSO networks or non-GSO satellite systems with a large number of units or large number of filings for one physical non-GSO satellite system , it is necessary to determine the fee and the number of units above which the cost recovery are begins to applied.

*b. Whether there are categories of filings for non-GSO satellite systems that, due to their complexity, should not be eligible to free entitlement.*

Non GSO filings for registration, having number of units that exceed a defined limit set by the Council should not be eligible for annual free publication.

*c. Whether specific fees should be paid for processing submissions related to earth stations in motion, while avoiding double invoicing.*

The charge of specific fees for processing submissions related to earth stations in motion should depend on the BR’s workload for such filings’ processing. No fees should be taken for submissions for specific earth stations, as this will lead to additional difficulties for administrations, operators and the BR in implementing cost recovery.

*d. The cost of processing resubmissions of notification requests.*

Detailed information from the BR on such cases and determination of the BR’s staff workload is required.

*e. The costs associated with the BR’s implementation of additional provisions: Resolutions* ***4*** *and* ***49****, Nos.* ***11.32A*** *(see footnote a),* ***11.41****,* ***11.47****,* ***11.49****, Subsection IID of Article* ***9****, Sections 1 and 2 of Article* ***13****, Article* ***14****. The Bureau is invited to provide information on the cases already submitted.*

Detailed information from the BR on such cases and determination of the BR’s staff workload is required.

*f. The costs of processing non-GSO filings having more than 75 000 units or, alternatively, whether the formula to compute units for such non-GSO satellite systems should take into account the impact of the number of different orbital altitudes, number of satellites, number of earth stations, or other characteristics affecting workload associated with the processing of non-GSO systems.*

Processing of non-GSO filings having more than 75 000 units or, alternatively, whether the formula to compute units for such non-GSO satellite systems should take into account the impact of the number of different orbital altitudes, number of satellites, number of earth stations, or other characteristics, including those that require to update software, affecting workload associated with the processing of non-GSO systems, should be carry out in proportion to the workload costs of the BR.

*g. Consider the introduction of units in categories A1 and N4, with a different fee being charged for more complex or larger systems, depending on the number of units.*

Detailed information from the BR on such cases and determination of the BR’s workloads is required.

*h. An additional fee for recovering the costs of epfd examination of coordination requests and notifications.*

Taking into account that epfd calculations for large constellations of non-GSO satellite systems is time-consuming, it is necessary to consider this issue on the basis of statistics provided by BR.

*i. Consequences of modifications introduced by any WRC after WRC-2000, if any, to regulatory provisions governing the Space Plans.*

Taking into account the objectives of the introduction of the Space Plans, a more detailed study of this issue is needed to meet the provisions of Article 44 of the ITU Constitution, taking into account the need to ensure equitable and rational access to the radio-frequency spectrum and its associated orbits.

*j. The cost of dedicated resources needed to continually update and modernize the Bureau software applications used for satellite filings. However, satellite cost recovery should not be used to fund development of software tools for processing terrestrial filings.*

Satellite cost recovery should not be used to fund development of software tools for processing terrestrial filings.

**Proposals**

The Expert Group on Decision 482 is invited to consider proposals set in this document and take appropriate actions for preparation an interim report containing recommendations for the possible revision of Decision 482 for submission to the 2024 session of the ITU Council.

The BR is invited to provide addition information required for Expert Group on Decision 482 in order to complete its Terms of Reference.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_