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| **Council 2019Geneva, 10-20 June 2019** |  |
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| **Agenda item: ADM 2** | **Document C19/64-E** |
| **24 May 2019** |
| **Original: English** |
| Note by the Secretary-General |
| CONTRIBUTION FROM australiaCost Recovery for the processing of Non-GSO Satellite Network Filings: Views on Procedure B and Proposal to Establish A Working Group to Consider Modification of the Methodology for Calculation of Units for Non-GSO systems |

I have the honour to transmit to the Member States of the Council a contribution submitted by Australia.

 Houlin ZHAO

 Secretary-General

Contribution from Australia

Cost Recovery for the processing of Non-GSO Satellite Network Filings:
 Views on Procedure B and Proposal to Establish A Working Group to Consider Modification of the Methodology for Calculation of Units for Non-GSO systems

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| SummaryAustralia supports adoption of Procedure B as described in Document EGD482‑2/3 with collection of additional statistical information by the Radiocommunication Bureau (BR) and review at Council 2021.Australia is of the view that changes to the methodology for calculation of units for non-GSO systems in Council Decision 482 also requires further examination. Australia therefore proposes the establishment of a Council Working Group to review Procedure B’s effectiveness and examine options to modify the methodology. The Council Working Group should report to Council 2021.Action requiredThe Council is invited to **consider** the views of Australia presented in this document, **adopt** Procedure B in Document EGD482-2/3 with collection of additional statistics to enable review of Procedure B by Council 2021, and **adopt** a decision to establish a Council Working Group to review Procedure B’s effectiveness and examine options to modify the methodology for calculation of units for non-GSO systems.\_\_\_\_\_\_\_\_\_\_\_\_References[*Resolution 91 (Rev. Guadalajara, 2010)*](https://www.itu.int/en/council/Documents/basic-texts/RES-091-E.pdf) *of the Plenipotentiary Conference, Documents* [*EGD482-2/3*](https://www.itu.int/md/S19-EGD482-C-0003/en)*,* [*Council Decision 482 (modified 2018)*](https://www.itu.int/md/S18-CL-C-0114/en)*,* [*RRB17‑3/2(Add.8)*](https://www.itu.int/md/R17-RRB17.3-C-0002/en) |

1. Introduction

This contribution sets out the views of Australia on the introduction of specific provisions for cost recovery for the processing of non-GSO satellite system filings.

In assessing possible changes to these cost recovery arrangements, Australia is guided by the following principles:

* The cost recovery fee for each satellite network or system filing should align as closely as possible with the actual costs incurred in processing that filing.
* Subsidisation of filing processing costs by other ITU members or from cost recovery fees for other filings should be avoided to the extent possible.
* The BR should have sufficient resourcing to perform its work to a high standard within regulatory timeframes.

Australia considers these principles consistent with those defined in Resolution 91 (Rev. Guadalajara, 2010) of the Plenipotentiary Conference to guide Council’s implementation of cost recovery.

2. Adoption of Procedure B with review by Council 2021

Australia supports modification of Council Decision 482 to add new cost recovery arrangements for non-GSO system filings as proposed by the BR in the conclusion of Document EGD482-2/3, with review by Council 2021.

We consider this review important as the statistics currently available on time spent and costs incurred by the BR in processing filings are not sufficient to determine how closely the cost recovery fees collected through Procedure B will align with actual costs incurred in processing filings.

To support this review, the BR should be instructed to record specific additional information for all satellite filings (both GSO and non-GSO) during the initial two-year period, including:

* date of commencement of receivability processing
* date of commencement of regulatory and technical examination
* date satellite filing is ready for publication
* amount of time spent establishing each submission as receivable, at each staff grade
* amount of time spent performing the required regulatory and technical examinations for each submission, at each staff grade
* amount of time spent preparing notices for publication for each submission, at each staff grade
* any additional costs incurred in processing each filing.

3. Possible changes to the methodology for calculating units for non-GSO systems

Australia notes that the BR proposed changes to the methodology in Decision 482 for calculating units for a satellite system (see e.g. Document RRB17‑3/2(Add.8)). The changes proposed would apply to non-GSO systems only. This matter was raised at meetings of the Council Expert Group on Decision 482 but was considered out of scope of the Expert Group’s terms of reference.

In comparison to GSO satellite networks, non-GSO satellite systems have additional data elements (specified in Appendix 4 of the Radio Regulations) that must be taken into consideration when processing satellite filings. These additional data elements add to the complexity of the BR’s examination. Two data elements highlighted by the BR as particularly affecting the treatment of notices are the number of orbital altitudes and the number of inclinations involved in the non-GSO satellite system. Other data elements may also have an effect.

The current cost recovery fee structure of Council Decision 482 is the same for both GSO and non-GSO satellite networks and systems. It does not take account of the increased work involved in examining non-GSO system filings generated from the additional data elements.

**4. Proposal to establish a Council Working Group on Satellite Cost Recovery**

Australia therefore proposes that Council 2019 establish a Council Working Group with terms of reference including review of Procedure B’s effectiveness and examination of options for modifying the methodology for calculating units.

The Working Group should report to Council 2021 with recommendations for changes to Council Decision 482, including adjustments to Procedure B (if required) and modification of the methodology for calculating units. The Group should formally seek the views of relevant ITU-R Working Parties.

Australia considers that a Council Working Group is the most appropriate structure for this work to ensure consideration is given not only to the impact of any changes on satellite services but also to impacts on the ITU’s budget and allocation of resources.