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| **Council Expert Group onCouncil Decision 482****Second meeting – Geneva, 28 February – 1 March 2019** |  |
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|  | **Document EG-D482-2/8-E** |
| **1 April 2019** |
| **English only** |
| FINAL REPORT OF THE second MEETING of theCouncil Expert Group on Council Decision 482 |

1. **Opening remarks and approval of the Agenda**

On behalf of the Secretary-General, the Director of the Radiocommunication Bureau (BR) Mr. Mario Maniewicz welcomed the participants to the second meeting of the Council Expert Group on Council Decision 482. He stressed the importance of the work of this Group and mentioned that the cost recovery mechanism for satellite filings contained in Decision 482 relies on a balance between appropriate recovery of the costs borne by the Bureau in processing the satellite filings submitted by Member States and predictability regarding the invoice to be issued to satellite operators. He added that the work of this Council Expert Group is focusing on “exceptional” satellite filings for which the amount of resources spent by the Bureau to process them greatly exceeds the average situation. In preparation for the 2019 session of Council, he said that it is essential that a solution is found to prevent a situation where a few filings use most of the resources of the BR, while paying the same fees as other usual satellite filings, because this situation is to the detriment of a timely processing of other satellite filings.

The Chairman thanked the BR Director for his support. The Chairman stressed the need for the Group to work together in the spirit of consensus.

The Chairman welcomed the nominated Vice-Chairmen **Mr. Yuansheng Xie** (China), **Mr. Rizat Nurshabekov** (Kazakhstan) and **Mr. Mustapha Mousse** (Egypt).

The draft agenda, Document [EG-D482-2/1](https://www.itu.int/md/S19-EGD482-C-0001/en), was presented and approved.

**2 Terms of reference**

The terms of referenceof the Council Expert Group on Decision 482, Annex to Document [EG-D482-2/1](https://www.itu.int/md/S19-EGD482-C-0001/en), was presented. No comments were provided.

**3 Review of Procedure B for complex non-GSO satellite filings**

**Document** [**EG-D482-2/2**](https://www.itu.int/md/S19-EGD482-C-0002/en) **from the Secretariat - Impact of Procedure A on statistics for Procedure B**

In reply to a request from the first meeting of the Council Expert Group on Council Decision 482, the document provides an assessment of the impact of Procedure A in dealing with Procedure B, notably by including the effects of Procedure A in the statistics for Procedure B, and information on statistics/data on the implementation of Procedure A.

**Document** [**EG-D482-2/3**](https://www.itu.int/md/S19-EGD482-C-0003/en) **from the Secretariat - Updated statistics for Procedure B**

In reply to a request from the first meeting of the Council Expert Group on Council Decision 482, the document provides the percentages of the overall treatment time spent by various categories of staff in processing non-GSO satellite filings and explains how these percentages may be affected by the complexity and size of these filings. It also provides information on the processing time of non-geostationary satellite networks. The combination of both information gives a realistic indication of the time spent by various categories of staff in processing non-GSO satellite filings. On this basis, some figures for implementation of Procedure B are proposed in the document.

**Document** [**EG-D482-2/4**](https://www.itu.int/md/S19-EGD482-C-0004/en) **from China (People's Republic of) - Cost recovery application to non-GSO satellite systems fillings**

The document provides the Chinese administration’s view that the precise modelling of the complexity of a non-GSO satellite filing should be done by this Council Expert Group on Council Decision 482 as there are a few parameters which have strong correlations with the workload of the BR, including: the number of different orbital altitudes within the filing that affects the number of pfd examinations to be performed, and the number of different orbit inclinations within the filing.

**Document** [**EG-D482-2/5**](https://www.itu.int/md/S19-EGD482-C-0005/en) **from the United States of America - Comments and questions for clarification on data provided by the Radiocommunication Bureau**

Based on a review of the information contained in Documents EG-D482-2/2 and EG-D482-2/3, the document provides comments or seeks clarification from the Bureau regarding the data provided. In particular, with respect to the statistics for Procedure B, the document seeks clarification on: the definition of “complexity”, complex filing types, receivability statistics, correlating the cost of the Procedure A filings with the Procedure B costs, and “simple” vs. “complex” constellations.

During the discussions following the presentation of the above four documents, it was mentioned that:

* It is true that the number of different orbital altitudes and different orbit inclinations, which affects the number of pfd examinations to be performed, have strong correlations with the workload of the BR.
* In order to take the above into account, the equations/formula in Decision 482 would have to be changed. This may imply a change in the overall “units” methodology, which was initially developed by focusing on GSO filings and not on non-GSO filings.
* However, administrations may have some difficulties with different equations/formula and a purely mathematical approach is also considered not appropriate. Indeed, a review/revision of the entire cost recovery methodology is not within the mandate of the Group. Therefore, consideration of possible improvements to Decision 482 based on an empirical approach and updated statistical information, as contained in Document EG-D482-2/3, is preferable.
* The definition of “complexity” with respect to non-GSO satellite filings is related to a precise definition of the orbital parameters.
* The proposed new/revised data items in RR Appendix **4** as contained in new issue H (combining previous issues H, I and L) under WRC-19 agenda item 7 will probably reduce the duration of receivability for non-GSO filings subject to epfd limits.
* The BR resources for processing satellite filings are based on the objectives of processing a given average number of submissions within their associated regulatory deadlines. In order to reduce the increased waiting time of later filings due to a large number of filings or filings whose complexity slows down the BR’s processing pace, an increase in the BR resources would be required, but administrations may have to balance this requirement with the overall available budget.
* The distinction between mutually and non-mutually exclusive configurations is currently made in a note provided by the responsible administration together with the submission of the filing. In that regard, the related proposed new data items in RR Appendix **4**, as mentioned above, would help to clarify the information provided.
* The values of 25 000 and 75 000 units for implementation of Procedure B correspond to 96% and 98%, respectively, of non-GSO submissions according to the statistics provided in Document EG-D482-2/3. Therefore, the proposed amendments to Procedure B, as contained in section 4 of Document EG-D482-2/3, would affect only 4% of non-GSO submissions.
* The second breakpoint (ceiling) is needed to avoid invoices of very high amount and the value for the second flat fee, which would be twice the flat fee currently contained in Decision 482, is chosen because the overall processing time of the remaining 2% of non-GSO submissions may extend up to 106% of the average time spent for 96% of the filings.
* The trend in non-GSO submissions may start to decrease, at least would probably not further increase up to WRC-19 but could increase again after the Conference. The trend is also dependent on the date of implementation of decisions, including WRC-19 decisions. Therefore, the proposed amendments should be developed independently of the trend.
* Continuous improvement of the tools used to process filings would reduce/avoid manual interventions and harmonize the processing time of simple and complex filings.
* In fact, the tools are being continuously improved and automation continues to evolve, but this has a cost. Tools need to be developed and maintained.

Based on these discussions, the group concluded that:

* The values of 25 000 and 75 000 units as well as the value for the second flat fee, which would be twice the flat fee currently contained in Decision 482, are good suggestions to start.
* These values could be thus used for a trial period of 2-3 years during which the related information/statistics could be collected and processed in order to have a better understanding and help establishing correlation between complexity and time/resources spent. After the trial period, the above mentioned values could be reviewed.
* The establishment of flat fees benefit complex/large non-GSO satellite filings, but the proposed amendments to Procedure B, as mentioned above, represent a good compromise to start, thus helping the BR and providing a provisional solution for the issue, as the current scheme does not reflect the real workload of the BR.
* The proposed amendments to Procedure B should be included in the report from the Group to the Council, asking the Council to decide on the date of implementation together with a suggestion/advice that the amendments should not be applied retroactively. The BR could also provide further reports to the Council on the implementation of the above amendments in order to evaluate their impact.

**4 Review of Procedure C**

During the discussions, it was mentioned that:

* Decision 482 should not be reviewed/revised to implement Procedure C (related to epfd examination) at this point in time in view of possible related decisions to be taken at WRC-19. The Council could perhaps be asked to secure the necessary budget for software development. In that regard, there is a need to clarify the amount of increase and the way it would be included in the budget.
* The current software maintenance project does not include items such as new/revised RR Appendix **4** data items. Implementation of new/revised RR Appendix **4** data items as contained in new Issue H (combining previous Issues H, I and L) under WRC-19 agenda item 7 would require additional software development. The outcome of WRC-19 agenda item 1.6 could also require software development.
* Considering the above, resources for a multi-year software development have already been included in the draft budget proposed at PP-18 and sent to the Council. In view of that, there is no need to review/revise Decision 482 for Procedure C.

**5 Draft progress report containing recommendations about the possible revision of Decision 482 with regard to complex/large non-GSO satellite filings**

**Document** [**EG-D482-2/6**](https://www.itu.int/md/S19-EGD482-C-0006/en) **from the Chairman - Draft progress report containing recommendations about the possible revision of Decision 482 with regard to complex/large non-GSO satellite filings**

Based on the preliminary draft structure for a progress report containing recommendations about the possible revision of Decision 482 with regard to complex/large non-GSO satellite filings, agreed at the first meeting of the Group, the document provides some draft text for the introduction and background sections of the progress report.

During the discussions it was mentioned that the missing parts should be completed after the meeting so that the draft progress report could be finalized and published for comments in order to be refined during the next meeting of the Group to be held just before the Council.

**6 Information on exceptionally complex GSO satellite filings**

During the discussions it was mentioned that:

* No GSO satellite filing above 100 000 units has been recently received by the BR. Given that there is no additional information received with regard to exceptionally complex GSO satellite filings, specific/exceptional cases should not be generalized.
* Those exceptionally complex GSO satellite filings require a significant amount of BR resources, slow down the processing pace and may require update of software thus implying financial impact and time delays.
* Consequently, the processing time of subsequent filings is increased which creates difficulties for the coordination of those subsequent networks submitted by other administrations.
* The same information provided by the BR on the processing time of complex non-GSO satellite filings could be also provided for complex GSO satellite filings.
* In principle, there are 3 options to treat those exceptionally complex GSO satellite filings:
- on an exceptional basis (including BR consultation with the responsible administration);
- apply the same approach of Procedure B (two break points);
- consider a third break point.
* Concerning the first option above, the BR could describe the difficulties mentioned above to the submitting administration and encourage/urge it to review and revise the submission in order to remove difficulties and facilitate the processing, indicating that the initial date of receipt would be maintained. Concerning the second and third options above, the BR could provide further information and/or proposals.

**7 Date of next meeting**

The meeting agreed that the third meeting of the Council Expert Group on Council Decision 482 will take place on 6 - 7 June 2019, in Geneva.

**8 Any other business**

In closing, the Chairman thanked all the ITU Member States and Sector Members who made contributions and participated in the meeting of the Expert Group (including those who participated remotely), the BR Director and the Secretariat for their efficient assistance during the meeting.

The Group thanked the Chairman and Secretariat for their effective organization and management of the Group. The Group also thanked the remote moderator.

**Chairman: Mr. Nikolay Varlamov**