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| **Council Working Group on  Financial and Human Resources**  **Eleventh meeting – Geneva, 3 and 4 February 2020** |  |
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|  | **Document CWG-FHR-11/5** |
| **13 December 2019** |
| **English only** |

**Contribution by the Secretariat**

OUTCOME OF WRC-19 WITH FINANCIAL IMPLICATIONS

Attached is a report of the Budget Control Committee which was submitted to the Plenary meeting of WRC-19.

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| **World Radiocommunication Conference (WRC-19) Sharm el-Sheikh, Egypt, 28 October – 22 November 2019** |  |
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| PLENARY MEETING | **Revision 2 to**  **Document 337-E** |
|  | **19 November 2019** |
|  | **Original: English** |
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| Budget Control Committee | |
| REPORT oF THE BUDGET CONTROL COMMITTEE TO THE PLENARY MEETING | |
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# 1 The Budget Control Committee held two meetings during the 2019 World Radiocommunication Conference (WRC-19) and considered the following issues:

1.1 Terms of reference COM 3, Conference structure

1.2 Host Country Agreement

1.3 Financial responsibilities of conferences

1.4 Contributions of organizations of an international character and Sector Members to the expenses of the Conference (WRC-19)

1.5 Budget and expenditure of the World Radiocommunication Conference (WRC-19)

1.6 Financial implications

# 2 Host Country Agreement (Document 5)

2.1 The Agreement between the Government of the Arab Republic of Egypt and the International Telecommunication Union relating to the holding, organization and financing of the Radiocommunication Assembly, the World Radiocommunication Conference and the Conference Preparatory Meeting of the International Telecommunication Union in Sharm el-Sheikh, Egypt. The Committee expressed its profound gratitude to the government of the Arab Republic of Egypt for its generosity and immense hospitality. The Committee noted that the commitment demonstrated by the Government of the Arab Republic of Egypt to the Union by its hosting of this Conference in an unprecedented style which will be remembered by many in decades to come.

# 3 Terms of reference COM 3 - Conference Structure (Document DT/2)

3.1 To determine the organization and the facilities available to delegates, to examine and approve the accounts for expenditure incurred throughout the duration of the Conference, and to report to the Plenary Meeting the estimated total expenditure of the Conference, as well as an estimate of the financial implications (No. 488 of the Convention) that may be entailed by the execution of the decisions taken by the Conference (Nos. 71 to 74 of the General Rules).

# 4 Financial responsibilities of Conferences (Document 8)

4.1 The attention of the Conference is drawn to No. 92 (Article 13) of the Constitution of the International Telecommunication Union, which stipulates that:

“The decisions of a world radiocommunication conference, of a radiocommunication assembly and of a regional radiocommunication conference shall in all circumstances be in conformity with this Constitution and the Convention. The decisions of a radiocommunication assembly or of a regional radiocommunication conference shall also in all circumstances be in conformity with the Radio Regulations. When adopting resolutions and decisions, the conferences shall take into account the foreseeable financial implications and should avoid adopting resolutions and decisions which might give rise to expenditure in excess of the financial limits laid down by the Plenipotentiary Conference.”

The attention of the Conference is also drawn to Article 34 of the Convention of the International Telecommunication Union, Nos. 488 and 489 which stipulates that:

“Before adopting proposals or taking decisions with financial implications, the conferences of the Union shall take account of all the Union’s budgetary provisions with a view to ensuring that they will not result in expenses beyond the credits which the Council is empowered to authorize.

No decision of a conference shall be put into effect if it will result in a direct or indirect increase in expenses beyond the credits that the Council is empowered to authorize.”

# 5 Contribution of organizations of an international character and Sector Members to the expenses of the Conference (Document 7)

5.1 No. 476 of the Convention of the International Telecommunication Union provides that:

“The organizations referred to in Nos. 269A to 269E of this Convention and other organizations also specified in Chapter II thereof (unless they have been exempted by the Council, subject to reciprocity) and Sector Members referred to in No. 230 of this Convention which participate, in accordance with the provisions of this Convention, in a plenipotentiary conference, in a conference, assembly or meeting of a Sector of the Union, or in a world conference on international telecommunications, shall share in defraying the expenses of the conferences, assemblies and meetings in which they participate on the basis of the cost of these conferences and meetings and in accordance with the Financial Regulations. Nevertheless, Sector Members will not be charged separately for their attendance at a conference, assembly or meeting of their respective Sectors, except in the case of regional radiocommunication conferences.”

Article 7.5 of the Financial Regulations stipulates that:

“a) Subject to the provisions of paragraph b) below, the contributions mentioned in No. 476 of the Convention shall be based on the free choice of a class of contribution from the scale given in No. 468 of the Convention.

b) The amount of the contribution per unit payable towards defraying the expenses of a conference or assembly shall be set by dividing the direct budgeted cost of the conference or assembly in question by the total number of units contributed by Member States as their share of Union expenses. The contributions shall be considered as Union income. They shall bear interest from the sixtieth day following the day on which accounts are sent out, at the rates set in No. 474 of the Convention. Non-exempted international organizations and Sector Members shall contribute at a minimum level of one unit.”

The budget of the World Radiocommunication Conference (WRC-19) amounts to CHF 6 684 000, including the cost of documentation. The total number of Member States’ contributory units being 344 1/2, the contributory unit for non-exempted international organizations and Sector Members (other than ITU-R Sector Members) to defraying the expenses of the Conference amounts to CHF 19 402.

A list of these organizations and Sector Members will be published later in the report of this Committee to the Plenary.

5.2 As of 14 November 2019, no organization or Sector Member which must share in defraying the expenses of the conference have been registered.

# 6 Budget and expenditure of the 2019 World Radiocommunication Conference (Documents 6, 358 and Annex)

6.1 The budget of the World Radiocommunication Conference (WRC-19) for the 2019 edition, as approved by Council at its 2017 session by its Resolution 1387, is in the amount of CHF 2 638 000 for direct costs, plus documentation costs of CHF 4 046 000. Details are given in Document 6.

The table in the Annex provides details and a projected financial statement as at 14 November 2019 for the 2019 World Radiocommunication Conference. The total estimated cost for the management of the Conference, including documentation, is in the amount of CHF 5 350 000 (Document 358 and Annex for details).

# 7 Financial implications of decisions or resolutions of the Conference (Document 493)

The Committee received and considered two draft new Resolutions as well as modifications to RR Nos. 9.36, 9.53A, Appendices 30, 30A and 30B and evaluated the financial implications as follows:

7.1 Draft Resolution [7(A)-NGSO-MILESTONES] (WRC‑19) - A milestone-based approach for the implementation of frequency assignments to space stations in a non-geostationary-orbit satellite system in specific frequency bands and services

7.1.1 The financial implications relating to the implementation of this draft new Resolution is estimated at CHF 340 000. The estimates relate to software development with the assistance of external resources (details in Document 453 and Table 1 below).

7.2 Draft Resolution [COM5/6] (WRC-19) - Use of the frequency bands 17.7-19.7 GHz and 27.5-29.5 GHz by earth stations in motion communicating with geostationary space stations in the fixed-satellite service

7.2.1 The financial implications relating to the implementation of this draft new Resolution is estimated at CHF 85 000 (details in Document 463 and Table 1 below). The estimates relate to software development costs.

7.3 Modifications to RR Nos. 9.36, 9.53A, Appendices 30, 30A and 30B

7.3.1 The financial implications relating to the modifications to RR Nos. 9.36, 9.53A,Appendices **30**, **30A** and **30B** is estimated at CHF 200 000 (details in Documents 325, 190, 332, 491, 492 and Table 1 below).

**7.4 Draft new Resolution [AHGPL6/IMT-WRC-23] (WRC-19) – Studies on frequency-related matters for the terrestrial component of International Mobile Telecommunications (IMT) identification in the frequency bands 3 300-3 400 MHz, 3 600-3 800 MHz, 6 425-7 025 MHz, 7 025-7 125 MHz, and 10.0-10.5 GHz**

7.4.1 The financial implications relating to the implementation of this draft new Resolution is estimated at CHF 456 000. The estimates cover organizational and meeting support costs (details in Document [522](https://www.itu.int/md/R16-WRC19-C-0522/en) and Table 1 below).

**7.5 Resolution 235 in agenda item 1.5 for WRC‑23 - Review of the spectrum use of the frequency band 470-960 MHz in Region 1**

7.5.1 The financial implications relating to the implementation of this Resolution is estimated at CHF 340 000. The estimates cover organizational and meeting support costs (details in Document 522 and Table 1 below).

7.6 **New provisions 5.A16, 5.B16, 22.5L, 22.5M and new Resolutions [A16-SINGLE.ENTRY] (WRC‑19) and [A16- AGG.SHARING] (WRC‑19) for agenda item 1.6, and also new Resolutions COM4/3 (WRC‑19), COM4/4 (WRC‑19), COM4/5 (WRC‑19), [38/39.5 GHz] (WRC‑19) for agenda item 1.14**

7.6.1 The financial implications relating to the implementation of regulatory provisions in response to WRC‑19 agenda items 1.6 and 1.14 is estimated at CHF 300 000. The costs relate to software development (details in Documents [450](https://www.itu.int/md/R16-WRC19-C-0450/en) and [493](https://www.itu.int/md/R16-WRC19-C-0493/en) and Table 1 below).

TABLE 1

Estimated costs

|  |  |
| --- | --- |
|  | Amount CHF |
| Resolution [7(A)-NGSO-MILESTONES] (WRC-19) | 340 000 |
| Resolution [COM5/6] (WRC-19) | 85 000 |
| Modifications to RR Nos. 9.36, 9.53A, Appendices 30, 30A and 30B | 200 000 |
| Resolution [AHGPL6/IMT-WRC-23] (WRC-19) | 456 000 |
| Resolution 235 in agenda item 1.5 for WRC‑23 | 340 000 |
| Agenda items 1.6 and 1.14 Software development | 300 000 |
| **Total** | **1 721 000** |

# 8 Conclusions

8.1 A number of questions were raised by administrations on the application of ITU’s paperless policy as contained in Decision 5, Annex 2 (PP-18) of which the Secretariat clarified the points raised, indicating that the results are shown on the financial statement in the annex of this document. The results of this policy are primarily illustrated in the documentation section with emphasis on reprography.

Based on the above analysis of the financial consequences resulting from the various decisions and resolutions, the total amount is estimated at CHF 1 721 000. The implementation of these activities will at the initial stages be covered from savings to the extent possible within the allocated budget; however, in the event that the Bureau is not able to accommodate these activities within its current allocation, other funding sources may be envisaged. The Council will be requested to identify alternative sources of funding to address these demands resulting from these new resolutions, revisions to Resolution 235 and RR Nos. **9.36**, **9.53A**, Appendices **30**, **30A** and **30B**.

8.2 The Conference is requested to consider and approve this report which will thereafter be forwarded to the Secretary-General, including but not limited to comments and minutes of the Plenary meeting, if and when required, and for submission to Council at its forthcoming session of 2020.

8.3 The Committee expressed their appreciation to the Secretary-General, the Director of the Radiocommunication Bureau and to the staff of the Secretariat for their support and excellent preparatory work for Committee 3.

ANNEX



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