

MEMORANDUM CIRCULAR

No. 05-06-2004

SUBJECT: Guidelines for the Grant of Authorization of Accounting Authorities in the Maritime Mobile Service

Pursuant to Act 3846, as amended, Executive Order No. 546, and the International Telecommunications Regulations specifically ITU-T Recommendation D.90 for the charging and billing of maritime accounts of Philippine Registered Ships, the Commission hereby promulgates the following guidelines in the grant of authorization of accounting authorities in the maritime mobile service.

A. Scope

These guidelines are intended to define the general duties and responsibilities of accounting authorities. This is to ensure that accounting authorities operate in accordance with the International Radio Regulations, taking into account the applicable ITU – T Recommendations, specifically Recommendation D.90.

B. Definition of Terms

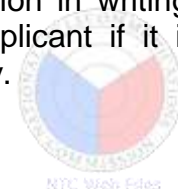
1. Accounting Authority (AA) – refers to any organization designated by the Administration who acts as a billing intermediary between the maritime mobile stations and service providers.
2. Maritime Mobile Service – a mobile service which covers the maritime mobile satellite service as well as the MF, HF and VHF radio media, unless specifically stated otherwise.
3. Maritime Mobile Satellite Service – a mobile satellite service which covers the mobile earth stations located on board ships. Survival craft stations; emergency position – indicating radio beacon stations; and Inmarsat communications equipment are included in this service.



4. Service Provider – a recognized operating agency which provides communication service to and from the maritime mobile stations.
5. Maritime Bill – the bill issued by the service provider with respect to collection of charges for the maritime mobile traffic that originated from a maritime mobile station.
6. Administration – refers to any government organization who is responsible for discharging the obligations undertaken in the Convention of the International Telecommunications Union. For purposes of these guidelines, “Administration” refers to the National Telecommunications Commission.
7. ITU-T – refers to the organization of the International Telecommunications Union responsible for developing international telecommunications recommendations relating to standardization of international telecommunications services and facilities, including matters related to international charging and accounting principles and the settlement of international telecommunications accounts.
8. ITU Recommendation D.90 – refers to the principles for charging, billing, international accounting and settlement for the maritime mobile service.

C. GENERAL PROVISIONS

1. Accounting Authorities must be registered with the Commission. Registration must be subject to periodic review and inspection to determine compliance with the provisions of this Circular.
 - i. If a registered Accounting Authority is planning to relinquish its Authority, the Commission must be notified in writing at least six (6) months in advance of such plan.
 - ii. If a registered Accounting Authority changed ownership, merged, or sold, it shall inform the Commission in writing. The new owner shall be treated as new applicant if it is interested in becoming an Accounting Authority.



2. Each Accounting Authority will be allocated a distinct Accounting Authority Identification Code (AAIC). The AAIC consists of two parts; the first part will be two letters denoting the country in which the accounting authority is based (for example: Philippines is PH); and the second part will be numeric with a maximum of two characters, denoting the particular Accounting Authority.
3. Accounting Authorities are responsible for remitting, in a timely manner, all valid amounts due to foreign administrations or their agents.
4. Accounting Authorities must cooperate fully with the Commission in all respects concerning international maritime settlement issues, including the resolution of questions of fact or other issues arising as a result of settlement operations.
5. Accounting Authorities must maintain all accounting records for a period of at least five (5) years.
6. All names, addresses, and identification codes of Accounting Authorities shall be submitted to the Radiocommunications Bureau for inclusion in the List of Ship Stations.

D. Qualifications of Accounting Authority

1. Organized under Philippine Laws to engage in the business of maritime accounting, billing and collection, and other related services.
2. Have skill and expertise in the field of maritime accounting, billing and collection, or other related endeavor such as general commercial accounting in the international shipping industry.
3. Paid up capitalization of One Million (PHP 1, 000, 000.00) Pesos.
4. Capable in providing full accounting facilities for all maritime services including maritime mobile satellite by means of an electronic media for transmission and reception of bills and software needed in the accounting and billing operation.



E. Requirements for the processing of Authorization

The application for Authorization shall be filed with the Commission together with the following requirements:

1. Letter of Intent
2. Duly accomplished application form
3. Duly certified true copy of SEC Registration Certificate and Articles of Incorporation; or DTI Registration Certificate; or business permit (optional for new).
4. Latest Audited Financial Statement, if applicable.
5. List of personnel complement or organizational structure
6. List of equipment or office facilities
7. Procedure in the collection and billing of customers/clients.
8. Flowchart in the collection and billing of customers/clients.
9. Economic viability and financial feasibility study

F. Role of Accounting Authority

1. Provides customers with a clear statement of accounts on time indicating, among others, the period, date, time, and amount as a basis of which charges will be levied for the services provided.
2. Obtains applicable tariff information from the service provider and making this information available to its customers.
3. Guarantees payment of the collection charges to the communication service providers for traffic that originated from Philippine registered maritime mobile stations.
4. Maintains up-to-date and accurate records of the ship stations for which it has full responsibility. Any change in status, ownership, termination or commencement of contract must be notified immediately to the ITU thru the Commission. The report must contain the following information:
 - i. Inmarsat Mobile Number (IMN)
 - ii. Ship call sign
 - iii. Maritime Mobile Service Identity Number (MMSI)
 - iv. Commencement/termination date
 - v. Previous agent or new agent, if applicable.
 - vi. Previous owner, if applicable.



5. Submits to the Commission, on a quarterly basis, an updated list of shipping companies with their corresponding status of accounts.
6. Issues Certification to shipping companies with updated payments of maritime/satellite accounts for purposes of licensing with the Commission.
7. Submits any requirement that may be determined by the Commission from time to time.

G. Grant of Authorization

An Authorization shall be granted to Accounting Authority after complying with the provisions of this Circular.

1. New Authorization shall be issued on temporary basis which shall be valid for a period of six (6) months.
2. Renewal of Authorization shall be issued for a period of one (1) year.

H. Grounds for denial, disapproval, suspension or revocation of Authorization

The Commission, in its sole discretion, may refuse to grant an application to become an Accounting Authority for any of the following reasons:

1. Incomplete application.
2. Applicant fails to provide necessary information as requested by the Commission; or the applicant indicates that it cannot meet a particular provision of this Circular.
3. Failure to submit required reports to the Commission.
4. Non-payment of necessary fees and charges.



I. Fees and Charges

1. Filing Fee	-	PHP 500.00
2. Registration Fee	Temporary Permit -	PHP 2,500.00
	Regular Permit -	PHP 5,000.00 per year
3. Inspection Fee	-	PHP 1,200.00 per year

J. Sanctions

The following penalties shall apply for each and every offense of any applicable rules and regulations violated.

1. For Corporation - PHP 5,000.00
2. For Individual - PHP 2,500.00

K. Effectivity

This Circular shall take effect fifteen (15) days after publication in a newspaper of general circulation and three (3) certified true copies furnished the UP Law Center.

Quezon City, Philippines, _____.

RONALD OLIVAR SOLIS
Commissioner

KATHLEEN G. HECETA
Deputy Commissioner

JORGE V. SARMIENTO
Deputy Commissioner

