

EU LRIT DC Conditions of Use and Financial Issues

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Summary

1. Status on financial agreements with other DCs
2. Amendments to be made on the Conditions of Use for Using the EU LRIT DC

Update on financial agreements

- Agreements concluded with 55 LRIT DCs in production
- Three umbrella Agreements with Pole Star, Fulcrum and CLS covering 45 DCs
 - Pole Star: 31 DCs including Canada, Kenya, Liberia, Nigeria, Philippines, Singapore, South Africa, Faroe Islands and Bermuda
 - Fulcrum: 7 DCs
 - CLS: 6 DCs: new comer is Japan
- 11 individual agreements: Argentina, Brazil, India, Iran, Pacific, Russia, South Korea, Turkey, Ukraine, USA and Panama
- New Agreement with Ukraine due to reorganisation of Administration in April 2013

Update on financial agreements

- In absence of agreement with a DC, EMSA sells at the cost recommended by IMO: 0.19pos/0.38poll/2.28prc/0.38arc
- Pole Star : € 23,334 due by Nigeria in October 2012 has been settled by Nigeria through direct payments and offsetting. The outstanding debt of Pole Star has been reduced to EUR 2,200.

Conditions of Use-Background

- June 2009 - CoU started when EU LRIT CDC was put in operation
- Nov 2011 - prices in Annex I to CoU updated following signing of new 3 yr contract with CLS for ASP/CSP Services for EU LRIT CDC
- During 6th LRIT NCA mtg (17 Oct 2012), 3 amendments approved:
 - change in frequency of invoicing from monthly to quarterly
 - increase in threshold for invoicing from 100 to 1000 euros
 - decommissioning of the User Web Interface of Invoicing and Billing system.

Conditions of Use - EMSA Proposal (1)

- Based on these recent changes & further comments from MSs, a full review of CoU was made and sent to MS on 17 April 2013.
- Proposed amendments:
 - not substantial
 - update, complete or rephrase provisions to better reflect current situation of EU DC
 - One major change on financial side

Conditions of Use - EMSA Proposal (2)

- Financial provisions of Article 9
 - 9.1 introduces that EMSA pays ship integration costs which was not clearly stated before.
 - 9.4 states more clearly that the prices of the EU ASP and the agreements between EU DC and other DCs are the basis for of the price list in Annex 1.

Conditions of Use-EMSA Proposal (3)

- Annex 1 new price list:
 - a fixed price for position reports received: €0.11 for EU Reports and €0.19 for Non-EU Reports
 - 6 hr. mandatory EU reports, ship integration, and SAR costs paid by EMSA
 - Messages already in EU DC DB are distributed free according to DDP rules
 - Request messages are no longer charged
- Simplifies billing system reducing costs of maintenance & on-going operations of the system.
- will be clearer and easier for MS when checking invoices.

Conditions of Use-EMSA Proposal (4)

Applicable from 1 January 2014

| Billable Item Code in Invoice | Description | Price |
|-------------------------------|---------------|-------|
| [CoU_EU_Rpt] | EU Report | €0.11 |
| [CoU_NEU_Rpt] | Non-EU Report | €0.19 |

1. 6 hour Mandatory EU Reports from own fleet and Ship Integration are paid by EMSA for MSs and EEA Countries.
2. Messages already in the EU DC database are distributed for FREE following DDP rules (includes Archived position reports).
3. SAR costs are paid by EMSA.
4. Prices may be revised upwards or downwards each year. Revision of prices shall be determined by the Monetary Union Index of Consumer Prices (MUICP) published by the Office Publications of the European Communities in the Eurostat monthly bulletin. Revision may occur if the MUICP records a price level evolution of 3% or more for a consecutive period of 12 months.
5. In addition, the Non-EU Report price may be revised yearly depending on the exchange rate between the dollar and the euro.

Conditions of Use-EMSA Proposal (5)

Applicable until end of 2013

| Type of report | Communication Network | EU/EFTA MS (€) |
|---|-----------------------|-------------------------|
| Poll | all | 0.21 |
| Report | all | 0.11 |
| Archived position report | all | 0 |
| Integration | Communication Network | EU/EFTA MS |
| Vessel Integration Costs (first ship integration) | all | Paid for by EMSA (€ 31) |

Questions

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