

FORMULA FOR THE APPORTIONMENT OF LRIT AUDIT FEES AMONG LRIT DATA CENTRES

1 The International Maritime Organization (IMO) has appointed the International Mobile Satellite Organization (IMSO) as the LRIT Coordinator and delegated the function of auditing the performance of LRIT Data Centres and of the International LRIT Data Exchange to IMSO, acting on behalf of all SOLAS Contracting Governments. (Resolution MSC 275(85))

2 IMO has, in addition, adopted resolution MSC.263(84): Revised Performance Standards and Functional Requirements for the Long-Range Identification and Tracking of Ships (LRIT) which provides, *inter alia*, that:

“The LRIT Coordinator should establish ... the charges it would be levying in order to recover the expenditure it incurs for providing the services specified ... “. (MSC.263(84) paragraph 14.7).

3 Paragraph 14.8 of resolution MSC.263(84) also provides detailed guidance on who is liable to pay for which services.

4 The IMSO Assembly, at its Twenty-First Session (London, 12 - 16 July 2010), approved the IMSO LRIT Business Plan for 2011 to 2013 which also features a formula for calculating the fee for the audit review of LRIT Data Centres.

5 The Assembly decided that it is premature to finalise the formula until further data is available after April 2011 and requested the Advisory Committee to continue its efforts to develop and agree a revised formula after such data has been received, for consideration at the next regular session of the Assembly in 2012. The formula as set out in the approved IMSO Business Plan will remain in use for 2011 and 2012 audits.

6 In accordance with the decision of the Assembly, the fee for annual audit and review is established and apportioned as follows:

- (a) the level of fee will be set according to the following formula:

$$\text{Unit fee} = \frac{\text{total IMSO Annual LRIT Budget}}{\text{total number of units;}}$$

- (b) the number of units payable by any LRIT Data Centre will be as follows:

DCs with less than 10 flags and:

	<u>Payable Unit</u>
• 20 or less vessels	0.5 unit
• more than 20 and less than 1000 vessels	1 unit
• 1000 or more vessels	1 unit

DCs with 10 or more flags, and:

	<u>Payable Unit</u>
• 20 or less vessels	1 unit
• more than 20 and less than 1000 vessels	1 unit
• 1000 or more vessels	5 units

- (c) the number of unit(s) payable by each LRIT Data Centre is also illustrated as follows:

NUMBER OF VESSELS

		20 or less	21 to 999	1000 or more
NUMBER OF FLAGS	Less than 10	0.5 unit	1 unit	1 unit
	10 and more	1 unit	1 unit	5 units

- (d) the “total number of units” is the sum of unit(s) payable by all LRIT Data Centres calculated according to (b) and (c).

8 In line with the IMSO 2011 LRIT budget as agreed by the Twenty-Eight Session of the IMSO Advisory Committee, the per unit LRIT audit fee for 2011 is set at **£8,000** during the period from **1 January to 31 December 2011**.

9 The formula for the apportionment of LRIT fees will be reviewed and may be amended by the IMSO Assembly at its Twenty-Second Session in 2012. If the formula is changed, a further Circular will be issued.
