# GUIDELINES ON ACCOUNTING AUTHORITY IDENTIFICATION CODE (AAIC)

#### 25 AUGUST 2004

#### Notice:

The information contained in this document is intended as a guide only. For this reason it should not be relied on as legal advice or regarded as a substitute for legal advice in individual cases. Parties should still refer to the legislative provisions contained in the law.

The MCMC reserves the right to change and/or amend this document without giving prior notice.

Malaysian Communications and Multimedia Commission 63000 CYBERJAYA

Selangor Darul Ehsan Tel: +60 3-8688 8000 Fax: +60 3-8688 1000 Website: <u>www.mcmc.gov.my</u>

### MALAYSIAN COMMUNICATIONS AND MULTIMEDIA COMMISSION

# GUIDELINES ON ACCOUNTING AUTRORITY IDENTIFICATION CODE (AAIC)

## **CONTENTS**

1.	INTENT	3
2.	BACKGROUND	3
3.	WHAT IS AAIC?	4
4.	ROLE OF AN ACCOUNTING AUTHORITY	4
5.	ELIGIBILITY	7
6.	IDENTIFICATION OF AN ACCOUNTING AUTHORITY	7
7.	ALLOCATION OF AAIC	8
8.	APPLICATION FOR AAIC	8
9.	RECOGNITION OF FOREIGN ACCOUNTING AUTHORITY	9
10.	NOTIFICATION TO THE ITU	.10
11.	ADMINISTRATION	.10

#### 1. INTENT

The intent of this document is to outline the procedures regarding the treatment of an application for an Accounting Authority Identification Code (AAIC) by an Accounting Authority in Malaysia and provide guidelines on the procedures and principles of granting recognition to foreign AAIC holders serving ship with apparatus assignment issued by Malaysia.

#### 2. BACKGROUND

- 2.1 Accounting transaction for maritime mobile traffic between a maritime mobile station (commonly called a ship station) and a land station may be dealt with by the owner or operator of the ship station and the owner or the operator of the land station. On the other hand for convenient, the owner or the operator of the ship station may appoint its administration or another third party to act as an accounting authority responsible for the payment of any call charges when calling the land stations in their country or the territory of other countries.
- 2.2 International accounting for maritime mobile traffic arises when maritime mobile communications involve the use of a land station in a country other than the one in which either the called or calling party is located, or where two land stations in different countries are involved in the call. The Recommendation ITU-T D.90 issued by the International Telecommunications Union sets out the principles for charging, billing, international accounting and settlement for the maritime mobile services.

#### 3. WHAT IS AAIC?

AAIC stands for **A**ccounting **A**uthority **I**dentification **C**ode. It is allocated to an Accounting Authority by the national administration in which it is geographically based for the purpose of acting as billing intermediary between maritime mobile stations and service providers. The role of an Accounting Authority may be undertaken by:

- a) an Administration;
- b) a Recognized Operating Agency (ROA);<sup>1</sup>
- c) Any other entity or entities designated for this purpose by the Administration referred to in a) above.

#### 4. ROLE OF AN ACCOUNTING AUTHORITY

An Accounting Authority acts as a billing intermediary between maritime mobile station and service providers. Its existence will reduce the number of bills; both issued by service providers and received by ship owners that require extensive administrative effort to process such as identify calls, convert call charges in various currencies and reconcile charges. When acting on behalf of a maritime mobile station for which it has accepted responsibility, an accounting authority shall be responsible for:

- obtaining payment of the collection charges for maritime mobile communications from the maritime mobile station
- ii) Guaranteeing payment of the collection charges to the service providers for traffic originated by the maritime mobile station, ensuring that these payments are made in accordance with the ITU Regulations and Recommendation ITU-D.90.

<sup>&</sup>lt;sup>1</sup> Celcom, Digi, Maxis International, Telekom Malaysia and Time Dotcom are the listed ROAs in the ITU list of sector members

- Maintaining up-to-date and accurate records of the maritime mobile stations for which it has responsibility. Any change in status, ownership, termination or commencement of contract must be notified immediately to interested and regularly used service providers and to the Administration that licensed the maritime mobile station. Where changes have occurred, a new and updated list of maritime mobile stations should be issued by the Accounting Authority at least every 90 days to interested and regularly used service providers and to the Administration who licensed the maritime mobile station, with changes to the previously issued information clearly indicated. Alternatively, a "no change" notification may be issued. The updated information should consist of:
  - satellite identity number/ ships call sign;
  - ship/ mobile name;
  - commencement date;
  - termination date;
  - previous Agent or new Agent;
  - Ship owner
- iv) Ensuring that its Accounting Authority Identification Code (AAIC) is known by all Administrations recognising it and all maritime mobile stations for which it is responsible.
- v) Notifying service providers and the Administration which has licensed the maritime mobile station concerned, as soon as it has been established that it is unable to collect payment from that maritime mobile station. This information will enable the service providers to cease accepting calls from that maritime mobile station in order to prevent the uncollectible debt from further

increasing.

5. **ELIGIBILITY** 

5.1 Applicants must meet the requirements and conditions contained in this

guideline in order to be authorize as an accounting authority. No individual

or other entity, including accounting authorities approved by other

administrations, may act as a Malaysian accounting authority and settle

accounts of Malaysian licensed vessels in the maritime mobile or

maritime mobile satellite services without approval from the Malaysian

Communications and Multimedia Commission (MCMC).

5.2 The company must be familiar with ship's radio traffic operational

procedures.

5.3 Prior experience in maritime accounting, general commercial accounting,

international shipping or any other related endeavor will be taken into

consideration by the MCMC in certifying accounting authorities. The lack

of such expertise, however, will not automatically disqualify an individual,

partnership, corporation or other entity from becoming an accounting

authority.

5.4 Applicants must provide formal documents as per described in this

guideline.

6. IDENTIFICATION OF AN ACCOUNTING AUTHORITY

An Accounting Authority is identified by its allocated AAIC; a unique four (4)

character code. The code is prefixed by two letters of the alphabet denoting the

country in which the Accounting Authority is based followed by a two digit

numeral denoting the particular Accounting Authority. For Malaysia, the AAIC will

take the following format:

 $MAX_1X_2$ 

Where: X<sub>1</sub> and X<sub>2</sub> is any digit 0 to 9

For example: MA01, MA02... MA99

The two letter country prefix is listed in Table 1 as attached.

7

#### 7. ALLOCATION OF AAIC

An AAIC will be allocated by the Administration of the country in which the accounting authority is based, regardless of whether or not the Accounting Authority concerned is responsible for maritime mobile stations licensed by that Administration. Thus, MCMC will consider the allocation of Malaysian AAIC (with MA prefix) to Accounting Authorities which are based in Malaysia only.

#### 8. APPLICATION FOR AAIC

- 8.1 Applicants shall submit the following information in writing to the Malaysian Communications and Multimedia Commission:
  - name and address of the applicant
  - a copy of company registration document
  - contact details (telephone, facsimile, email)
  - A sample contract document with a ship station.
  - a financial statement, including a statement from the company's auditor
  - a guarantee or insurance covering any liability that might originate from the accounting activities
  - an outline of the proposed business activities
- 8.2 Upon approval by the MCMC, the applicant will be allocated with an AAIC and registered on the MCMC website.
- 8.3 Accounting Authority shall submit all reports as stipulated in .4(iii), (IV) and (v) to the MCMC. MCMC reserves the right to cancel the registration and revoke the allocation of an AAIC to an Accounting Authority who fails to comply with this requirement.

8.4 An Accounting Authority who wishes to cancel its registration shall also apply in writing to the MCMC giving its reasons for doing so.

#### 9. RECOGNITION OF FOREIGN ACCOUNTING AUTHORITY

- 9.1 MCMC will give due consideration to the recognition of foreign Accounting Authorities who are interested in providing services to Malaysian registered ships. The recognition will be granted on a country reciprocal basis and subject to the limitation of not more than 25 Accounting Authorities (Malaysian and foreign) providing services to Malaysian registered ships at any one time. MCMC may also reject any application without giving any particular reason.
- 9.2 Applicants shall submit the following information in writing to the Malaysian Communications and Multimedia Commission:
  - name and address of the applicant
  - a copy of company registration document
  - contact details (telephone, facsimile, email)
  - a sample contract document with a ship station.
  - a financial statement, including a statement from the company's auditor
  - a guarantee or insurance covering any liability that might originate from the accounting activities
  - an outline of the proposed business activities
  - a sample of contract document with a ship station.
- 9.3 MCMC will notify the registering administration of the applicant and may ask for the confirmation of its AAIC and details.
- 9.4 Upon approval by the MCMC, the applicant will be published on the MCMC website.

9.5 A recognised foreign Accounting Authority shall submit all reports as

stipulated in .4(iii), (IV) and (v) to the MCMC. MCMC reserves the right to

cancel the recognition of a foreign Accounting Authority who fails to

comply with this requirement.

9.6 A recognised foreign Accounting Authority who wishes to cancel the

recognition shall also apply in writing to the MCMC giving its reasons for

doing so.

10. NOTIFICATION TO THE ITU

MCMC will notify the International Telecommunication Union of the allocated

AAIC and the recognised foreign Accounting Authorities to be published in the

ITU Maritime mobile Access and Retrieval System (MARS) website.

11. ADMINISTRATION

All applications, submissions and reports must be submitted to the following

address:

Head of Assignment Department,

Regulatory Division

Malaysian Communications and Multimedia Commission

63000 CYBERJAYA

Selangor Darul Ehsan

Tel No

: +60 3-8688 8000

Fax No

: +60 3-8688 1000

10