Declaration of ECRT (ICT and Electronic Communications Related Turnover)

The ECRT declaration aims at:
Step 1: determining to which class of contribution a Member belongs within the ETSI defined bands
Step 2: based on this class of contribution, calculating a Member’s annual financial contribution to the ETSI budget.

When declaring their ECRT, ETSI Members must take into account the entire worldwide turnover of their organization or Corporate Group related to the sale of products and services in the following fields:
- Technical standards and other deliverables produced by ETSI,
- Information and Communication Technologies (ICT),
- Electronic communications products, components and services, regardless of technology or standard used, wireless or wired.
- Other electronic communications networks and services, and related areas,

REFER TO THE ETSI DIRECTIVES FOR ALL RULES RELATED TO THE FINANCIAL CONTRIBUTION TO THE ETSI BUDGET: https://portal.etsi.org/Resources/ETSI-Directives (see also ANNEX on page 2)

- **Main principles to calculate ECRT:**
  - Gross turnover or revenue should be considered, not net income.
  - When a product combines ICT and non-ICT equipment, only the relevant percentage of these product sales should be considered in the ECRT declared to ETSI.
  - The same applies for service provision.
  - All other revenue shall be excluded.

When a Corporate Groups declares its ECRT:

- The total revenue to be considered shall exclude Inter-company transactions.
- Where more than one company from a corporate group is an ETSI Member, the sum of ECRTs declared by these companies shall be equal to or greater than the ECRT calculated based on the entire corporate group.

In case a member’s ECRT cannot be determined from publicly available information, the member will agree with the Director-General on the appropriate class of contribution which should apply and if no consensus is achieved it shall be assigned the highest class of contribution.
ANNEX: Useful extracts of ETSI Directives

Article 2 and Article 3 in the ETSI Statutes related to ECRT

Article 2: Purpose

The objective of the Institute is to produce and perform the maintenance of the technical standards and other deliverables which are required by its members.

As a recognized European Standards Organization, an important task shall be to produce and perform the maintenance of the technical standards which are necessary to achieve a large unified European market for telecommunications, ICT, other electronic communications networks and services and related areas.

At the international level, the Institute shall aim to contribute to world-wide standardization in the fields described above.

The objective of the Institute may be achieved by any means. The Institute may carry out any action relating directly or indirectly, wholly or in part, to its objective or which may develop or facilitate the achievement of its objective.

Article 3: Scope of activities

The principal role of the Institute shall be technical pre-standardization and standardization in Information and Communication Technology (ICT) at the European level including in the following fields:

- telecommunications, ICT, and other electronic communications networks and services;
- areas common to telecommunications, ICT, and other electronic communications networks and services, and information technology in co-ordination with CEN and CENELEC;
- areas common to telecommunications, ICT, and other electronic communications networks and services, and broadcasting (especially audio-visual and multi-media matters) in co-ordination with CEN, CENELEC and the EBU.

At the global level, the Institute shall contribute to world-wide standardization in the fields described above to produce and perform the maintenance of the technical standards and other deliverables which are required by its members.

In addition, the Institute shall be open to co-operation with other organizations when appropriate.

The activities of the Institute shall contribute to the production and the promotion of new harmonised world-wide standards and furthermore shall build upon world-wide standards, existing or in preparation.

RULES OF PROCEDURE ANNEX 2: Contributions to the ETSI budget

Corporate Group

General Principles

Any ETSI Full or Associate member being part of a Group of Companies shall declare it to the Director-General and shall consequently be assigned to the corresponding Corporate Group (see definitions in Clause 3 of Annex 1).

The sum of UoCs [Units of Contribution] contributed by all the members of a Corporate Group shall be equal to or greater than the number of UoCs determined using the worldwide ECRT generated by the entire Group of Companies excluding the ECRT relating to transactions between companies of the same group (sometimes known as intra-company trading).

Each ETSI Full or Associate member belonging to a Corporate Group shall contribute at least one (1) UoC.

A Corporate Group may be composed of a unique or a multiple membership as specified in Clauses 2.2.2.2 and 2.2.2.3 below.

Unique membership

When a Corporate Group is composed of one (1) unique membership, that ETSI Full or Associate member shall determine its contribution to the ETSI budget according to the worldwide ECRT generated by its Group of Companies excluding the ECRT relating to transactions between companies of the same group (sometimes known as intra-company trading).

Multiple membership

When a declared Corporate Group is composed of a multiple membership, it is the responsibility of the Corporate Group to decide the number of UoC that shall be annually paid by each of the entities of the Corporate Group, in respect of the general principles stated in Clause 2.2.2.1 above.

This distribution, and any change to it, shall be communicated by the Corporate Group to the Director-General as specified in Article 10.3.1 of the ETSI Rules of Procedure.