



INTERNATIONAL TELECOMMUNICATION UNION

ITU-T

D.307 R

TELECOMMUNICATION
STANDARDIZATION SECTOR
OF ITU

(03/95)

**RECOMMENDATIONS FOR REGIONAL APPLICATION
STANDARDS RATES APPLICABLE
IN THE INTERNATIONAL
TELECOMMUNICATION SERVICES**

**REMUNERATION OF DIGITAL
SYSTEMS AND CHANNELS USED
IN TELECOMMUNICATION RELATIONS
BETWEEN THE COUNTRIES OF EUROPE
AND THE MEDITERRANEAN BASIN**

ITU-T Recommendation D.307 R

(Previously "CCITT Recommendation")

FOREWORD

The ITU-T (Telecommunication Standardization Sector) is a permanent organ of the International Telecommunication Union (ITU). The ITU-T is responsible for studying technical, operating and tariff questions and issuing Recommendations on them with a view to standardizing telecommunications on a worldwide basis.

The World Telecommunication Standardization Conference (WTSC), which meets every four years, establishes the topics for study by the ITU-T Study Groups which, in their turn, produce Recommendations on these topics.

The approval of Recommendations by the Members of the ITU-T is covered by the procedure laid down in WTSC Resolution No. 1 (Helsinki, March 1-12, 1993).

ITU-T Recommendation D.307 R was revised by ITU-T Study Group 3 (1993-1996) and was approved under the WTSC Resolution No. 1 procedure on the 20th of March 1995.

NOTE

In this Recommendation, the expression "Administration" is used for conciseness to indicate both a telecommunication administration and a recognized operating agency.

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Recommendation D.307 R

**REMUNERATION OF DIGITAL SYSTEMS AND CHANNELS
USED IN TELECOMMUNICATION RELATIONS
BETWEEN THE COUNTRIES OF EUROPE
AND THE MEDITERRANEAN BASIN¹⁾**

(Melbourne, 1988; revised in 1991 and in 1995)

The ITU-T,

considering

- (a) that increasing use is being made of digital systems and channels in land and submarine transmission media, either to make international private telecommunication circuits available to clients, or to extend established digital systems by transoceanic fibre-optic cables or by satellite;
- (b) that basic financial data relating to digital transmission are needed in order to solve the tariff problems of digital telecommunication services and particularly those of the Integrated Services Digital Network (ISDN);
- (c) that in 1990 the TEUREM Group carried out a cost analysis on digital systems and channels used in telecommunication relations between countries in Europe and the Mediterranean Basin, the results of which due to the limited number of input supplied are to be considered as indicative only, (see Table 1 and Table 2);
- (d) no further cost analysis was feasible,

recommends

- that in the absence of special agreements between Administrations, the flat-rate remuneration given in Tables 1 and 2 be applied;
- that special charging conditions for the extension of submarine cables be applied (see Annex A).

1 Transmission facilities (“line” part, component “A”)

Table 1 gives the remuneration per year and per equipment for component A.

¹⁾ The standard rates given in this Recommendation are expressed in the monetary unit of the International Monetary Fund (IMF), the Special Drawing Right (SDR). In accordance with the International Telecommunication Regulations, the gold franc is equivalent to 1/3.061 SDR.

TABLE 1/D.307 R

System	Component A ^{a)} Remuneration per year and per equipment	
	From 1 January 1992	From 1 January 1993
	SDR	SDR
565 Mbit/s systems	15 000	10 000
140 Mbit/s systems	9 300	4 600
34 Mbit/s systems	3 500	1 700
8 Mbit/s systems	1 400	700
2 Mbit/s systems	680	360
64 kbit/s channels	140	75

^{a)} Component "A" comprises line terminal equipment and multiplex equipment, including the proportion of this equipment used in higher hierarchical systems.

2 Transmission facilities ("line" part, component "B")

Table 2 gives the remuneration per year per 100 km crowflight distance for the component B.

TABLE 2/D.307 R

System	Component B ^{a)} per year and per 100 km crowflight distance
	SDR
<i>As from 1 January 1992</i>	
565 Mbit/s systems	762 510
140 Mbit/s systems	242 900
34 Mbit/s systems	75 200
8 Mbit/s systems	23 800
2 Mbit/s systems	7 500
64 kbit/s channels	375
<i>As from 1 January 1993</i>	
565 Mbit/s systems	615 000
140 Mbit/s systems	205 300
34 Mbit/s systems	59 500
8 Mbit/s systems	17 250
2 Mbit/s systems	5 000
64 kbit/s channels	250

^{a)} Remuneration of component "B" takes into account the average costs dependent on distance in a network composed of various transmission facilities (coaxial or fibre-optic land and submarine cables, radio-relay systems). It includes the cost of intermediate repeaters and transfer equipment in the transition from one digital system to another.

Annex A

Special charging conditions for the extension of submarine cables

(This annex forms an integral part of this Recommendation)

A.1 For the extension of submarine cables through their national territory, Administrations may offer to countries using such submarine cables special charging conditions in the form of special transit charges called Rights of Way (ROW). One specific “ROW” charging method is described in the example below, but it is recognized that other “ROW” charging methods, the composition and method of application of which shall be determined by bilateral agreement, could be offered by direct transit countries.

A.2 Example of an agreement on the purchase of Rights of Way

A bilateral agreement between Administrations for the purchase of Rights of Way may, for example, be concluded on the following basis:

a) *Contract aspects*

Under such an agreement, the Administrations or operating agencies concerned would be granted Rights of Way across a national territory on the basis of a contract concluded for a fixed period, such as for 15 years, and renewable on expiry. In the event of withdrawal of the cable from service, an option for repurchase of the Rights of Way could be included.

The Rights of Way could be granted in accordance with needs expressed, and the timetable for granting them need not be linked to that for the purchase of circuits in the submarine cable.

NOTE – The contract would not cover dedicated facilities; the Administration or agency granting Rights of Way could, if necessary, use all the facilities of its network to provide for the extension of submarine cable circuits on its territory.

b) *Financial aspects*

Purchase of Rights of Way through a national network would be calculated, for each terminal Administration, in relation to half the crowflight distance between the submarine cable landing point and the border crossing point of the transit Administration.

Payment for Rights of Way by each terminal country could consist of:

- a flat-rate price for the initial assignment per circuit and per kilometre, determined on the basis of the average cost per kilometre of the telecommunication arteries of the national network concerned;
- an annual maintenance and operation charge fixed on a flat-rate basis at a percentage of the initial assignment rate corresponding to the level of maintenance and operation costs incurred by the Administration concerned.

Tariff rebates could be granted for higher-order systems purchased at the same time.

Annex B

(This annex forms an integral part of this Recommendation)

For the purposes of this Recommendation, the following abbreviations are used:

ISND	Integrated Services Digital Network
ROW	Rights of Way