INTERNATIONAL TELECOMMUNICATION UNION

CCITT

D.67

THE INTERNATIONAL
TELEGRAPH AND TELEPHONE
CONSULTATIVE COMMITTEE

GENERAL TARIFF PRINCIPLES

CHARGING AND ACCOUNTING IN INTERNATIONAL TELECOMMUNICATIONS SERVICES

CHARGING AND ACCOUNTING IN THE INTERNATIONAL TELEX SERVICE

Recommendation D.67

Geneva, 1991

FOREWORD

The CCITT (the International Telegraph and Telephone Consultative Committee) is a permanent organ of the International Telecommunication Union (ITU). CCITT 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 Plenary Assembly of CCITT which meets every four years, establishes the topics for study and approves Recommendations prepared by its Study Groups. The approval of Recommendations by the members of CCITT between Plenary Assemblies is covered by the procedure laid down in CCITT Resolution No. 2 (Melbourne, 1988).

Recommendation D.67 was prepared by Study Group III and was approved under the Resolution No. 2 procedure on the 15th of July 1991.

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CCITT NOTE

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

Recommendation D.67

CHARGING AND ACCOUNTING IN THE INTERNATIONAL TELEX SERVICE

(Geneva, 1976; amended at Melbourne, 1988; revised 1991)

Preamble

An explanation of some of the terms or of some of the expressions used in this Recommendation is given in Recommendation D.000.

DIVISION A

COLLECTION CHARGES

1 Fixing of collection charges

1.1 Each Administration shall, subject to the applicable provisions of national law, fix the charges to be collected from its customers. The level of charges is a national matter; however, in establishing them, Administrations should try to avoid too great a dissymmetry between the charges applicable in each direction of the same relation.

1.2 Where, in accordance with national law, a fiscal tax is levied on collection charges for international telecommunication services, this tax shall be collected only in respect of international telecommunication services, billed to customers in that country.

1.3 The charge levied by an Administration on the customer for a particular communication should in principle be the same, in a given relation, regardless of the route chosen by that Administration.

1.4 In considering the collection charges for a relation in which automatic and semi-automatic working both exist, each Administration should decide to fix its charges either:

a) by establishing different charges for each method of operation; or

b) by establishing a single collection charge weighted according to the volume of each type of traffic.

1.5 Safety of life and Government telex calls shall be charged as ordinary private telex calls.

1.6 Charges for telex calls exchanged over emergency routes shall be the same as when the normal route is used.

DIVISION B

INTERNATIONAL ACCOUNTING

1 General

1.1 Procedures relating to remuneration of Administrations of destination and transit countries are as follows:

1.2 Destination Administrations will be remunerated by a procedure whereby the origin Administration keeps its revenue and remunerates the destination Administration for the facilities made available, including the international circuit, the international exchange and the national extension[1)] either:

a) on the basis of a flat-rate price per circuit (called the *flat-rate price procedure*); or

b) on the basis of traffic units carried (called the *traffic-unit price procedure*);

In either case, the price will be fixed by the destination Administration; or

c) by a procedure whereby accounting revenue is shared between terminal Administrations (called the *accounting revenue division procedure*).

1.3 Transit Administrations will be remunerated for facilities made available, either:

1.3.1 by the *flat-rate price procedure* relating in the main to direct transit operations; or

1.3.2 by the *traffic-unit price procedure* relating in the main to switched transit operations.

In either case, the price will be fixed by the transit Administration.

1.4 Application of the flat-rate price procedure should be in accordance with the principles in Recommendation D.160. In fixing flat rate prices, Administrations of countries within the same region should follow the principles in the appropriate Regional CCITT Recommendations.

1.5 In fixing traffic-unit prices, Administrations of countries within the same region should follow the principles in the appropriate Regional CCITT Recommendations. For intercontinental telex relations, Administrations should follow the principles in Recommendation D.60.

1.6 In the spirit of the International Telecommunication Regulations (§ 1.1 of Appendix 1), when setting or revising telex accounting rates, Administrations should take costs of providing service into consideration.

1.7 *Traffic unit*

1.7.1 For the purpose of the establishment of accounting rates, the traffic unit of one minute shall be used.

1.6.2 The traffic unit for use in the traffic unit pricing procedure for the measurement of total traffic exchanged is determined by the method of measuring call duration agreed between Administrations for the establishment of their international accounts as provided for in Recommendation F.61.

[1)] Bearing in mind, as concerns this element, the location of the international exchange and the distribution of the international traffic within the destination country.

2 Remuneration of the destination Administration

2.1 *Flat-rate price procedure*

Under this procedure the destination Administration receives payment for the facilities made available by a flat-rate price fixed by it as a price per circuit. The price per circuit would cover:

a) the international circuit section provided by the destination Administration;

b) the use of its international exchange;

c) the national extension[2].

2.2 *Traffic-unit price procedure*

Under this procedure, the destination Administration receives payment on the basis of the price fixed by it per traffic unit. This price will be related to the facilities made available and will take account of:

a) the international circuit section provided by the destination Administration;

b) the use of its international exchange;

c) the national extension[2].

2.3 *Accounting revenue division*

Administrations may agree to divide the total accounting rate into terminal shares payable to the terminal Administrations (and, where appropriate, into transit shares payable to the transit Administrations) in accordance with the principles in Recommendation D.60.

2.4 *Simplification of accounts and use of traffic sampling*

2.4.1 In certain conditions, terminal Administrations may agree not to exchange international accounts when, for example:

a) the balance of settlement of their accounts is normally negligible;

b) the *terminal countries'* traffic levels in both directions are more or less equal;

c) there is approximate equivalence as regards their national extension[2].

2.4.2 Traffic sampling may be used for the establishment of international accounts when the countries involved in a given traffic relation so agree. This sampling may then avoid the necessity for continuous traffic measurements. For example, the samples could cover five working days and could be taken at regular intervals, such as once a year or four times a year, or they could be taken on the occasion of any significant change in the number of circuits in the given relation. Sampling is particularly useful when traffic in any international relationship is reasonably stable.

3 Remuneration of transit Administrations

3.1 *Flat-rate price procedure*

3.1.1 It is recommended that in the case of direct transit via other countries, the Administrations of these direct transit countries should be remunerated for the exclusive use of the facilities made available on the basis of a flat-rate price per circuit.

3.1.2 Under the flat-rate price procedure, the terminal Administrations will ensure that the best possible use is made of the circuits because, if those Administrations provide too few circuits, they pay the penalty in the form of the lower quality of service they offer to their subscribers. If they provide too many circuits, they will have to pay more in remuneration and will be penalized financially.

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[2] Bearing in mind, as concerns this element, the location of the international exchange and the distribution of the international traffic within the destination country.

3.2 *Traffic-unit price procedure*

3.2.1 When transit traffic is not handled on direct circuits, the remuneration for the transit routing in the case of traffic passing by switched transit through one or more countries should be made to the Administration of the first transit exchange used, which fixes a price per unit of handled traffic. This price should also include the remuneration to the other transit Administrations, if any, and to the destination Administration, where appropriate.

3.2.2 The procedure of remuneration to the first transit Administration for the entire routing of the traffic (remuneration of the first transit exchange) is necessary to meet the situation where traffic may be routed through subsequent transit exchanges, each of which, under automatic operation, will be unable to identify the origin country of the traffic. This procedure makes the source of the traffic irrelevant for the establishment of accounts. Depending on the accounting methods in force between Administrations, the remuneration of the first transit centre may or may not include payments for use of the facilities of the destination country.

3.3 *Establishment of a switched-transit relation*

3.3.1 Before switching traffic via a transit exchange, the origin Administration will request the country in which the first switching transit exchange is situated for a price quotation per transit traffic unit to the destination country.

3.3.2 The Administration of the country to which the first transit exchange belongs advises the price per traffic unit for handling the traffic from the transit exchange to the destination country, including remuneration of the latter country where appropriate. This price may be set by the Administration to which the transit exchange belongs on the basis either of a special study or of a price already fixed for the transit routing to the same terminal country of traffic originating in other countries.

3.3.3 The Administration of any country with traffic to be routed in transit may, of course, find it advisable to consult the Administrations of several countries to ascertain which transit routing is the most economical.

3.3.4 The consultations by the origin Administration regarding the transit routing (by switching) of its traffic should be in accordance with the principles of the international routing plan described in Recommendation F.68.

3.4 *Calculation of the remuneration to the first transit Administration on the basis of traffic units*

3.4.1 Remuneration to the Administration of the switched-transit country depends on the number of traffic units handled by its transit exchange.

3.4.2 For the establishment of international accounts, the origin Administration should determine the volume of traffic in minutes of call duration routed each month towards each destination country through this transit exchange.

3.4.3 An alternative version of this system can be contemplated when the traffic to the destination country routed via a given international transit centre is sufficiently stable; the origin Administrations and the first transit exchange might then agree to settlement on the basis of an estimated number of traffic units determined by means of traffic sampling and subject to periodic revision (such as once a year or four times a year).

3.5 *Use of emergency/overflow transit routes*

Where use is made of emergency or overflow transit routes, Administrations should follow the provisions of Recommendation D.60.

4 Examples of the various procedures

Examples of the various procedures are given in Recommendation D.150, Annex B.

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