INTERNATIONAL TELECOMMUNICATION UNION

CCITT D.1

THE INTERNATIONAL
TELEGRAPH AND TELEPHONE
CONSULTATIVE COMMITTEE

GENERAL TARIFF PRINCIPLES

CHARGING AND ACCOUNTING IN INTERNATIONAL TELECOMMUNICATIONS SERVICES

GENERAL PRINCIPLES FOR THE LEASE OF INTERNATIONAL (CONTINENTAL AND INTERCONTINENTAL) PRIVATE TELECOMMUNICATION CIRCUITS AND NETWORKS

Recommendation D.1

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

CCITT NOTE

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

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Recommendation D.1

GENERAL PRINCIPLES FOR THE LEASE OF INTERNATIONAL (CONTINENTAL AND INTERCONTINENTAL) PRIVATE TELECOMMUNICATION CIRCUITS AND NETWORKS

(revised 1991)

Preamble

This Recommendation sets out the general principles and conditions applicable to international (continental and intercontinental) private leased telecommunication circuits and networks, taking into account opportunities available to Administrations, or other organizations or persons to enter into special arrangements, subject to national laws[1)], for the establishment, operations, and use of international private leased telecommunication circuits. The diagram included as Annex A to this Recommendation, extracted from Recommendation M.1010 [1] relating to the constitution and nomenclature of international private leased telecommunication circuits and supplemented for tariff requirements, indicates what is to be understood by the terms international private leased telecommunication circuits and national extensions.

1 General principles

1.1 The international private leased telecommunication circuit service consists of making dedicated international telecommunication circuits available to a customer[2)] for use on the terms and conditions which may be set out in a lease agreement between the customer and the Administration of the country at each end of the circuit. Customers may also combine a series of such circuits to establish international private leased telecommunication circuit networks.

1.2 In providing an international private leased telecommunication circuit service, account should be taken of:

a) national laws;

b) the provisions of this Recommendation;

c) such other terms and conditions as may be mutually agreed upon between the Administrations participating in the provision of the particular service arrangement;

d) the desirability of facilitating the advance of technology and the use of modern methods of operation and management;

e) the need to meet the long-term and specific requirements of customers.

1.3 When an Administration or one of its subsidiaries provides a telecommunication service that may also be provided by others under its national laws, Members should ensure that the Administration or its subsidiary does not enjoy unfair advantage over other international private leased telecommunication circuit customers offering the same type of service.

1.4 When international private leased telecommunication circuits and networks are used to provide telecommunication services to the public, the Member concerned shall, as appropriate, encourage the application of relevant CCITT Recommendations.

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1) National laws include national regulations.

2) The customer is the individual or entity who, or which, leases an international private leased telecommunication circuit from an Administration and is responsible for payment of all charges and rentals due.

1.5 The international private leased telecommunication circuit service is important in international relations and Administrations should recognize the requirements for international private leased telecommunication circuits in their planning.

2 Conditions of lease

2.1 The customer using an international private leased telecommunication circuit or establishing an international private leased telecommunication circuit network may be requested by the Administrations concerned to provide technical information as required to prevent technical harm to the public network or to network personnel or information of a kind that will assist the Administration in providing the customer with a more timely and efficient service.

2.2 Recognizing the requirements of preventing technical harm to the network and protecting the safety of network personnel, equipment connected to an international private leased telecommunication circuit must meet the technical conditions laid down by each of the Administrations concerned. Administrations should consult with each other whenever consultation would assist in expediting type-approval of such apparatus and equipment.

2.3 When an international private leased telecommunication circuit or international private leased telecommunication circuit network has been established, the connection between the terminal stations is set up for the period of the lease in such a way that the international centres at the ends of the international private leased telecommunication circuit or international private leased telecommunication circuit network do not need to intervene. However, arrangements must be such as to enable the appropriate staff at these centres to perform necessary supervision and maintenance.

2.4 Administrations are not obliged to accept any responsibility for the end-to-end quality of transmission over connected circuits which comprise an international private leased telecommunication circuit network. Administrations which otherwise accept responsibility for the quality of transmission over connected circuits which comprise an international private leased telecommunication circuit network need not do so for portions of the network which they do not provide or which are not operated within the applicable technical requirements for such connected use.

2.5 Administrations may temporarily withdraw an international private leased telecommunication circuit from operation in order to perform such tests, adjustments and routine maintenance as is necessary to ensure that the circuit is kept in proper working condition. Administrations shall endeavour to make such a withdrawal only after consultation with the customer and at a time mutually agreeable to all parties.

2.6 Under extraordinary circumstances (for example, because of force majeure or threat of imminent technical harm from the continued operation of the international private leased telecommunication circuit involved), Administrations may temporarily withdraw an international private leased telecommunication circuit if this is required in the public interest. Under such conditions, withdrawal should be made with as much notice as feasible under the circumstances and restored in the shortest practicable time.

2.7 Administrations shall take all steps, appropriate in the circumstances, to ensure that the provisions governing the lease of international private leased telecommunication circuits are respected.

2.8 In the event of a violation of these provisions, Administrations reserve the right to cancel the lease of the international private leased telecommunication circuit concerned; they must, however, give the customer immediate and adequate notice of their intention to take such action and sufficient opportunity to respond thereto.

2.9 In the event that questions arise concerning the applicability or interpretation of the provisions herein, the Administration shall confer with the customer to seek a mutually acceptable solution.

3 Conditions of use

3.1 Subject to national laws, the customer may:

3.1.1 Subdivide an international private leased telecommunication circuit into telecommunication channels. These channels, or some of them, may be extended by means of other circuits leased by the same customer;

3.1.2 Sublease;

3.1.3 Provide international telecommunication services using an international private leased telecommunication circuit or an international private leased telecommunication circuit network. Members of the ITU reserve the right to designate certain telecommunication services[3] for special or exclusive provision by specified entities or to submit them to special authorizing conditions.

3.2 Customers should notify Administrations if they plan substantial changes in the configuration or technical specifications of their international private leased telecommunication circuit network.

3.3 Communications between customers and users[4] and amongst users via international private leased telecommunication circuits may be allowed by Administrations subject to conditions provided for in national laws applied in the countries concerned.

4 Access to public networks

4.1 The interconnection of an international private leased telecommunication circuit or international private leased telecommunication circuit networks with public networks at only one end of the circuit or the network should be permitted subject to national laws.

The interconnection of an international private leased telecommunication circuit or international private leased telecommunication circuit networks with public networks may be permitted simultaneously at both ends of the circuit or the network if agreed between the Members concerned in conformity with their national laws to be applied regarding the exclusive provision of certain services. Such interconnection should in principle be made on the customer's premises.

4.2 Administrations are not obliged to guarantee the quality of the transmission of calls to or from users on the public network over an international private leased telecommunication circuit.

5 Duration of the lease, charging, cancellation

5.1 Except as provided in § 5.5 below for temporary services, the lease shall last for a minimum of one month.

5.2 The lease shall be continued thereafter by tacit agreement until cancelled by either party. Notice of cancellation should normally be given seven days in advance of the effective date of cancellation. However, an Administration and a customer may agree on a different period of notice. The charges for fractional parts of a month beyond the first month should be in accordance with §§ 5.4.1 and 5.4.2 below.

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3) In particular the public telephone service.

4) The user is the individual or entity designated by the customer, individually or by class, as having access to the international private leased telecommunication circuit.

5.3 The lease should normally be payable one month in advance.

5.4 In calculating the duration of the lease, one month shall mean one calendar month. Moreover, the day on which the circuit is made available for service to the customer, shall not be reckoned. The day on which the circuit is withdrawn shall be reckoned as a full day. However, in cases where customer provided equipment is necessary for operation of the circuit and the customer equipment is not ready for use, Administrations should take into consideration particular circumstances in determining the date of start of service. Thus, a period of lease covering one month or more is calculated as follows:

a) count the number of days beginning on the following day on which the circuit was made available until the end of the month;

b) thereafter count the number of full calendar months, if any; and

c) count the number of service days in the last month, including the day on which the circuit was withdrawn.

5.4.1 As regards charging:

– full calendar months are subject to the monthly rental;

– fractions of a month shall be subject to a daily charge equal to 1/30th of the monthly rental.

5.4.2 Examples: see Table 1/D.1.

TABLE 1/D.1

Life of a lease from the day of availability until the day of withdrawal	Chargeable time	Charge
30 October-15 December 30 October not counted 31 October = 1 day November = 1 month 1-15 December = 15 days	1 month 16 days	1 monthly rental + 16/30th of this rental
30 November-15 January 30 October not counted December = 1 month 1-15 January = 15 days	1 month 15 days	1 monthly rental + 15/30th of this rental
4 January-10 February 4 January not counted 5 January-31 January = 27 days 1 February-10 February = 10 days	37 days	37/30th of monthly rental

5.5 A temporary lease service may be granted for a period of less than one month.

5.5.1 In calculating the life of a temporary lease, one day shall mean a period of 24 consecutive hours.

The life of a lease should be calculated in multiples of 24 hours, the period starting from the time at which the circuit is made available until the time at which it is withdrawn. If the number of days thus obtained contains a fraction of 24 hours, it should be rounded up to the next whole number.

Examples:

Circuit made available on 1 June at 09.00 hours, cleared on 5 June at 09.00 hours:

4×24 hours, i.e. 4 chargeable days.

Circuit made available on 1 June at 09.00 hours, cleared on 5 June at 11.00 hours:

(4 days + 2/24 days), i.e. 5 chargeable days.

5.5.2 In this case (temporary lease), the charges shall be calculated as follows:

a) for the first day of lease: 20% of the monthly rental;

b) for each subsequent day from the second day: 3.33% (1/30) of the monthly rental, the total amount per month paid by the customer in no case being more than the monthly rental.

5.6 The leases considered in §§ 5.1 and 5.5 above are full-time leases, i.e. for 24 hours per day.

However, the Administrations concerned may in some cases permit part-time leases.

6 Charging principles

6.1 Charges for international private leased telecommunication circuits are recognized as a national matter of the country at each end of the circuit. However, charges levied for international private leased telecommunication circuits should generally be cost-oriented and established on a flat-rate basis.

6.2 The charging in the terminal countries for the national extensions of an international private leased telecommunication circuit is subject to any regulations that may be applied by the Administrations of those countries.

6.3 When an international private leased telecommunication circuit is connected to public networks, in addition to the private leased circuit charges, the Administration may levy the normal charge for the use of the public network service. If interconnection to public networks by international private leased telecommunication circuits gives rise to additional costs for the Administration concerned, an additional cost-related charge may be levied.

6.4 When the international private leased telecommunication circuit does not pass through a transit country, two methods are generally recognized:

6.4.1 Each Administration of the two terminal countries collects its own share of the international private leased telecommunication circuit rental from the customer resident in its own country.

6.4.2 Subject to mutual agreement by Administrations concerned, either terminal Administration may collect the rental for the international private leased telecommunication circuit; in this case, the collecting Administration credits the other terminal Administration through the international accounts with the share due to it.

6.5 An international private leased telecommunication circuit transiting one or more countries shall be charged for as if it were one circuit, if no intermediate station exists in any transit country to which a customer or user may have access. If, however, a customer or user station is connected to the circuit in any transit country, normally the circuit shall be divided into separate sections for charging purposes, each station being charged for as a separate circuit. Exceptionally, Administrations may agree among themselves to apply a different basis of charging taking into account the provisions of § 6.6 below.

6.6 If the international private leased telecommunication circuit passes through one or more transit countries, the terminal Administrations shall agree with the transit Administration(s) on the method to be adopted for collecting and international accounting of the charges due to it (them).

6.7 When leasing a series of circuits forming an international private leased telecommunication circuit network, the terminal and transit Administrations involved may agree upon an equitable division of revenues for the international private leased telecommunication circuits and should endeavour to grant the best possible charging conditions to the customer.

7 Additional charge for special routings

If a customer requests the Administrations to provide an international private leased telecommunication circuit by means of a specific routing other than that planned by them, these Administrations may levy an additional charge which takes into consideration the additional costs involved. An additional charge would be applicable where the request was made for diversity or security reasons, but not where an existing international private leased telecommunication circuit fails to meet specifications according to relevant CCITT Recommendations.

8 Allowances for interruptions

8.1 In the event of an interruption of an international private leased telecommunication circuit for which a customer or user is not responsible, an allowance shall normally be made to the customer if there has been an initial period of interruption of:

– a continental circuit for not less than 180 consecutive minutes[5), 6)];

– an intercontinental circuit for not less than 60 consecutive minutes[6)].

a) Any interruption or operating trouble shall be promptly reported by the customer or user. However, in cases of facility failures known to the Administration such reports may not be required.

b) Any requirement that customers specifically request allowances should be in accordance with the practices of each Administration concerned.

c) For the calculation of the allowance, the reporting time shall normally be the starting time for the duration of the interruption. If, however, a report is not required because the facility failure is known to the Administration, the time of the failure is taken as starting time for calculating the allowance.

8.2 For each hour of the initial period of interruption mentioned in § 8.1 above and for each subsequent consecutive hourly period or fraction of at least 30 minutes, the amount of the allowance should be equivalent to 1/24th of a day's rental for a full-time circuit.

In the case of international private leased telecommunication circuits leased on a part-time basis as described in § 5.6 above, the allowance for interruption shall be *pro rata* to the number of hours of the lease per day.

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5) In cases where the rental charges for continental circuits are roughly at the same level as charges for intercontinental circuits, Administrations may apply the initial time limit of 60 minutes in determining the interruption periods on continental circuits for which an allowance should be made.

6) As far as digital leased circuits are concerned, the Administrations may apply initial periods of interruption lower than those under § 8 for the determination of the allowances for interruption of such circuit, to be made to the customer.

8.3 For the purpose of computing allowances for interruptions, a month is considered to be 30 days. When the lease is for less than one month, the charge for a day's lease shall be calculated by dividing the total rental by the number of days reckoned in the lease.

8.4 Administrations need not consider requests for allowances for interruptions resulting from unfavourable propagation conditions on HF radio circuits.

8.5 In principle, an allowance should be given for all components of the through international private leased telecommunication circuit between the customers' operating terminals regardless of where the interruption occurs, except as provided for in § 8.7 below. Where the interrupted circuit forms part of an international private leased telecommunication circuit network, the allowances would apply only to the affected circuit.

Note – It is recognized that some Administrations are in a position to make allowances only in respect of failures in the intercontinental portion of international private leased telecommunication circuits.

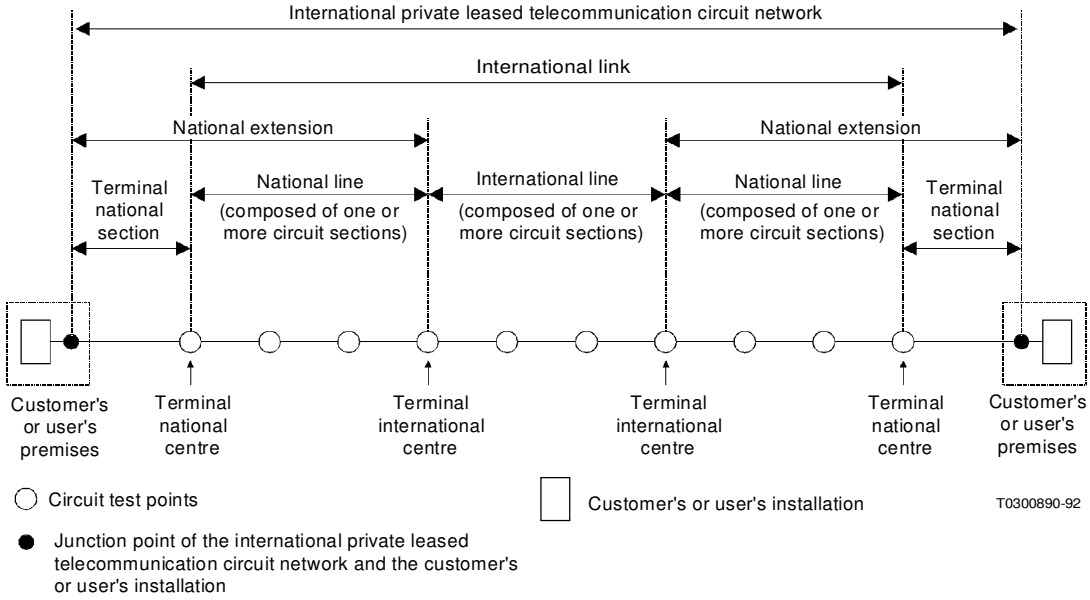
8.6 Requests for refund of charges for the use of public telecommunication services during the period when the international private leased telecommunication circuit is not available shall not be considered.

8.7 No allowance shall be granted when an interruption (regardless of its duration) or non-operation of the international private leased telecommunication circuit, is due to the negligence of the customer or to a fault of equipment provided by the customer or user for which the Administration is not responsible.

8.8 Normally, no allowance shall be granted when an international private leased telecommunication circuit is withdrawn in order for Administrations to perform tests, adjustments and routine maintenance as provided in § 2.5 above.

8.9 Administrations will not consider requests for interruption allowances for non-operation of an international private leased telecommunication circuit or international private leased telecommunication circuit network resulting from failures in public network facilities to which the international private leased telecommunication circuit has access.

ANNEX A
(to Recommendation D.1)



Note – Figure taken from Recommendation M.1010 [1], with the addition of the term *national extension* for purposes of charging.

FIGURE A-1/D.1

Constitution of international private telecommunication circuits

Reference

[1] CCITT Recommendation *Constitution and nomenclature of international leased circuits*, Rec. M.1010.