INTERNATIONAL TELECOMMUNICATION UNION

CCITT D.196

THE INTERNATIONAL
TELEGRAPH AND TELEPHONE
CONSULTATIVE COMMITTEE

GENERAL TARIFF PRINCIPLES

CHARGING AND ACCOUNTING IN INTERNATIONAL TELECOMMUNICATIONS SERVICES

CLEARING OF INTERNATIONAL TELECOMMUNICATION BALANCES OF ACCOUNTS

Recommendation D.196

Geneva, 1992

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.196 was prepared by Study Group III and was approved under the Resolution No. 2 procedure on the 16th of June 1992.

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.196

CLEARING OF INTERNATIONAL TELECOMMUNICATIONS BALANCES OF ACCOUNTS

Preamble

This Recommendation establishes one possible procedure that could be used on an exceptional basis for the clearing of international telecommunication balances of accounts among telecommunication Administrations.

The CCITT,

considering

(a) that subject to conditions covered in Appendix 1 of the International Telecommunication Regulations, Administrations may settle their balances of accounts through clearing;

(b) that the compensation of balances of telecommunication accounts should contribute to reduce the number of pending accounts;

(c) that some telecommunication Administrations are not able to settle their debts, due to economic-financial difficulties or restrictions occasionally imposed on remittances by their national exchange authorities,

considering further

that Administrations may look for guidelines in order to settle their balances of accounts by offsetting debits and credits in their relations with other Administrations,

taking into account

that data for separate services will not be used in order to maintain confidentiality among Administrations concerned,

recommends

when an Administration decides to use this procedure:

1 General principles

1.1 Whenever a debtor Administration anticipates problems in effecting the settlements of its telecommunication accounts in a given relation, it should seek agreement from the Administrations concerned in order to effect the settlement of its balances of accounts through clearing, using credit(s) from other Administration(s) where appropriate.

1.2 Notification to the creditor Administration should be made in time to still meet the deadlines for payment prescribed in Appendix 1 of the Regulations. Appropriate information will be provided to the creditor Administration by telex or facsimile.

2 Procedures

2.1 When a debtor Administration cannot effect its settlement using the normal procedures, it should review its records in order to find credits in its favour from other Administrations.

2.1.1 For this purpose, the balances of accounts corresponding to the same quarter, different quarters or even several quarters may be cleared according to the arrangements agreed among the Administrations concerned.

2.2 The debtor Administration should then select a third Administration whose balance can be used for settlement or reduction of the balance maintained with the creditor Administration.

2.3 The debtor Administration should then consult with the selected third Administration on the possibility of the latter to effect payment of its debt to another Administration through balance clearing.

2.4 If the selected Administration is in agreement with the balance clearance, it shall send a reply by telex or facsimile to the Administration that made the consultation and one copy thereof to the Administration that will receive the payment.

2.5 The payment of balance of account to be settled through compensation should be effected by the Administration that committed itself to do so, taking into account the date required for effecting the payment which should not exceed the delays prescribed in the Regulations. The creditor Administration should notify the debtor Administration on the effective settlement of the debt.

2.6 If the payment is not effected within that period, the original debtor will assume responsibility for settlement of balances of accounts being due in accordance with § 3.3.1 of Appendix 1 to the International Telecommunications Regulations.

2.7 The balance clearance can involve more than one intervening Administration if the credit involved in clearing is not sufficient for settlement of the original debt. In that case, the same procedure established in §§ 2.3, 2.4 and 2.5 above shall be adopted.