INTERNATIONAL TELECOMMUNICATION UNION

CCITT D.307 R

THE INTERNATIONAL
TELEGRAPH AND TELEPHONE
CONSULTATIVE COMMITTEE

GENERAL TARIFF PRINCIPLES

CHARGING AND ACCOUNTING IN INTERNATIONAL TELECOMMUNICATIONS SERVICES

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

Recommendation D.307 R

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

CCITT NOTES

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

2) A list of abbreviations used in this Recommendation can be found in Annex B.

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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 BASIN

(Melbourne, 1988; revised, 1991)

The CCITT,

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) the result of the cost study carried out by the TEUREM Group on international digital systems and channels used in telecommunication relations between countries in Europe and the Mediterranean Basin,

recommends

– that in the absence of special agreements between Administrations, the flat-rate remuneration given in Tables 1/D.307 R and 2/D.307 R be applied;

– that special charging conditions for the extension of submarine cables be applied (see Annex A).

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

Table 1/D.307 R gives the remuneration per year and per 100 km crowflight distance for the component B.

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

Table 2/D.307 R gives the remuneration per year per equipment for component A.

TABLE 1/D.307 R

System	Component B[a] per year and per 100 km crowflight distance	
	SDR	G.Fr.
As from 1 January 1990		
565 Mbit/s systems	1 000 080	3 061 245
140 Mbit/s systems	308 358	943 884
34 Mbit/s systems	100 008	306 124
8 Mbit/s systems	33 336	102 041
2 Mbit/s systems	11 000	33 671
64 kbit/s channels	550	1 684
As from 1 January 1990		
565 Mbit/s systems	909 120	2 782 816
140 Mbit/s systems	280 312	858 035
34 Mbit/s systems	90 912	278 282
8 Mbit/s systems	30 304	92 761
2 Mbit/s systems	10 000	30 610
64 kbit/s channels	500	1 531
As from 1 January 1992		
565 Mbit/s systems	762 510	2 334 043
140 Mbit/s systems	242 900	742 211
34 Mbit/s systems	75 200	230 187
8 Mbit/s systems	23 800	72 852
2 Mbit/s systems	7 500	22 958
64 kbit/s channels	375	1 148
As from 1 January 1993		
565 Mbit/s systems	615 000	1 885 270
140 Mbit/s systems	205 300	628 423
34 Mbit/s systems	59 500	182 130
8 Mbit/s systems	17 250	52 802
2 Mbit/s systems	5 000	15 305
64 kbit/s channels	250	765

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.

TABLE 2/D.307 R

System	Component A[a]: Remuneration per year and per equiment			
	From 1 January 1992		From 1 January 1992	
	SDR	G. Fr.	SDR	G. Fr.
565 Mbit/s systems	15 000	45 915	10 000	30 610
140 Mbit/s systems	9 300	28 467	4 600	14 081
34 Mbit/s systems	3 500	10 714	1 700	5 204
8 Mbit/s systems	1 400	4 285	700	2 143
2 Mbit/s systems	680	2 081	360	1 102
64 kbit/s channels	140	429	75	230

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

ANNEX A

(to Recommendation D.307 R)

Special charging conditions for the extension of submarine cables

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 included 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

(to Recommendation D.307 R)

Alphabetical list of abbreviations used in this Recommendation

ISND Integrated services digital network

ROW Rights of way