



PUBLIC NOTICE

Federal Communications Commission
445 12th Street, S. W.
Washington, D.C. 20554

News media information 202 / 418-0500
Fax-On-Demand 202 / 418-2830
Internet: <http://www.fcc.gov>
<ftp.fcc.gov>

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FURTHER CLARIFICATION OF SECTION 43.61 INTERNATIONAL TRAFFIC DATA REPORTING REQUIREMENTS

Carriers are reminded that Section 43.61 of the Commission's rules requires each common carrier that provided international telecommunications services in 1998 to file a report of their international traffic data for calendar year 1998 by July 31, 1999. The detailed filing requirements are contained in the "Manual for Filing Section 43.61 Data" (Manual), June 1995 (file name MANUAL95.ZIP located at <http://www.fcc.gov/ccb/stats>). This Public Notice provides first a brief overview of the Section 43.61 annual filing requirement. In addition, this Public Notice: (1) provides carriers the option of reporting international telex and international telegraph services as miscellaneous international switched services; (2) establishes an additional billing code for the terminating leg of certain reoriginated calls; (3) provides additional guidance to carriers with respect to reporting international private line services -- including international frame relay and international packet switched services; and (4) explains how carriers should distinguish between annual and quarterly traffic reports in the data files. Attached to this Public Notice is a revised table of billing codes for facilities-based and facilities-resale services. The Commission does not foresee carriers having problems meeting the Section 43.61 filing requirements. However, carriers that anticipate problems in filing their 1998 data in accordance with Commission guidelines should obtain a waiver prior to July 31.

Overview

All common carriers that provided international service in 1998, including pre-paid calling card and international call-back service, must file Section 43.61 international traffic data by July 31, 1999. Some carriers include on their bills to customers international service charges clearly identified as the charges of other carriers. The carrier that is identified on the bill as the carrier actually providing the international service is required to file Section 43.61 international traffic data.

Section 43.61 filing requirements depend on both the type of service provided and how carriers provide the service. The simplest filing requirements are for "pure switched resale" services. Carriers provide "pure switched resale" services by reselling the switched services of other U.S.-authorized carriers. The Manual contains simplified filing requirements for such "pure switched resale" services. For example, carriers report their pure switched resale services on a world total (rather than a country specific) basis, and they have the option of filing their data on paper only (rather than also filing on diskette). This Public Notice does not change any of the instructions in Public Notice DA 98-1369 for pure switched resale reporting. See Clarification of Section 43.61 International Traffic Data Reporting Requirements, released July 9, 1998.

Carriers that provided international services over international circuits that they own or lease must provide significantly more information for these services than they provide for "pure switched resale" services. Carriers file annual data on a country-by-country basis for their facilities-based and facilities-resale services and must include information on international settlement payments and receipts, including "settlement-like" payments and receipts. The Manual defines "facilities-based" service as a service provided using channels of communication that the carrier owns; a service provided using channels of communications in which the carrier has an ownership interest, such as an indefeasible right of use (IRU); or a service provided using channels of communications that the carrier leases from an entity that is not required to report those circuits in its own Section 43.61 reports. The Manual defines "facilities-resale" service as a service provided over non-switched international circuits leased from other reporting international carriers. In the Section 214 authorization process, the Commission refers to this method of providing international service as "private line resale." The routing of switched traffic over facilities-based or resold private lines between the United States and a foreign country has been referred to as "International Simple Resale (ISR)." The rules governing the provision of ISR are set forth in Section 63.16, 47 C.F.R. § 63.16, effective May 19, 1999. These rules previously were published at 47 C.F.R. § 63.21 (a). Carriers should also review the rules adopted in Report and Order and Order on Reconsideration, IB Docket No. 98-148, CC Docket No. 90-337 (Phase II) and IB Docket No. 95-22, FCC 99-73, released May 6, 1999. This Report and Order amends Sections 63.22(e) & 63.23(d) with respect to the offering of ISR by U.S.-authorized carriers. The Commission will issue a Public Notice advising the public of the effective date of the rules adopted in this Report and Order.

(1) Reporting Switched International Telex and Telegraph Services

Currently, international carriers file switched international telex and telegraph services in accordance with the instructions in the 1995 Manual. The Manual requires U.S.-authorized carriers to file detailed country-by-country statistics for these services. Carriers may request a waiver of this requirement to allow them to submit international telex and telegraph services as miscellaneous or other international services. Under the waiver, carriers are not required to submit detailed country-by-country statistics for these international switched services. Instead, carriers may use the instructions in the Manual under Section 2 (I) - Description Field for submitting miscellaneous and other international services. Carriers requesting a waiver to report international telex and telegraph services using the miscellaneous code should submit only region and world totals. The appropriate service code is service code 99. Section 2 (I) of the Manual also instructs carriers to include, in the description field, the type of miscellaneous or other international service. The appropriate service types for the indicated services are: "Exchange Telex Service" and "Message Telegraph Service."

(2) Reorigination Services

The manual requires U.S. carriers to report reorigination traffic using billing code 3 (transiting traffic). However, U.S. carriers typically owe settlements on the terminating leg of reorigination traffic but do not owe settlements on the terminating leg of transiting traffic. Recognizing that reorigination traffic resembles other U.S. billed traffic, Public Notice DA 98-1369 suggested that U.S.-authorized carriers may request a waiver of the Manual so that carriers could use alternate billing codes. Specifically, the notice advised that carriers could request a waiver to use billing codes 1, 11, and 21, as appropriate, in their public filing. Under this reporting method, total receipts from foreign carriers for these calls are reported for the terminating leg of the call. In the proprietary version of the data, the carriers were instructed to separate the terminating leg of reorigination traffic from other traffic reported by using billing codes 5, 15, and 25. This reporting creates a potential problem, however, where the carrier terminates reorigination traffic via pure switched resale. Accordingly, carriers seeking a waiver of the Manual should

report the terminating leg of such calls in the world totals of pure switched resale traffic in the public filing. Such traffic should also be reported in the proprietary filing using new billing code 35 on a world total basis.

Consistent with Public Notice DA 98-1369, carriers seeking a waiver of the Manual should not report the originating leg of reorigination traffic in their public filings. Carriers should, however, report in their proprietary filing the originating leg of reorigination traffic using billing codes 6, 16 or 26, as appropriate, based on the arrangement for the originating leg of the traffic.

(3) Reporting of Private Line Services/Clarification of Reporting Frame Relay and Packet Switched Services

Carriers that provide international private line services are currently instructed to use Section 1 (C) of the 1995 Manual for filing purposes. Included are six categories of private line services for reporting purposes. Although the Commission is not, at this time, prepared to change the six categories, it is willing to entertain waivers similar to the waiver granted on July 3, 1997 to Sprint Communications Company L.P. Sprint received a partial waiver of the Manual to use in its Section 43.61 data reports the Section 43.82 private line service categories. Letter from Peyton L. Wynns, Chief, Industry Analysis Division, FCC, to Marybeth M. Banks, Director, Federal Regulatory Affairs, Sprint (July 3, 1997). As indicated above, the Commission will entertain similar waivers to permit U.S.-authorized carriers to report their Section 43.61 international private line traffic data using two service codes, 10 and 11. These service codes are described below and correspond generally to service codes 10 and 11 from the "Circuit Status Manual" (file names CSMANUAL.TXT or CSMANUAL.WP located at <http://www.fcc.gov/ib/td/pf/csmanual.html>). Carriers requesting a waiver to use service codes 10 and 11 in their Section 43.61 report would report their private line circuits as follows:

Service Code 10: Video
(converted to 64 kbps equivalent circuits)*

Service Code 11: All other private line circuits
(converted to 64 kbps equivalent circuits)

This Public Notice also clarifies that private line service includes the provision of a fixed amount of capacity between two points even if the capacity is based on frame relay or packet switching technology. This is the case where the capacity provided constitutes the provision of a dedicated channel of communication. As explained above, carriers must report such service on a country-by-country basis using service codes 4 through 9 or, after receiving a waiver, using service codes 10 or 11 as described above. Carriers that provide frame relay or packet switching services where frames or packets are delivered to multiple locations of the customer's choosing should continue to report such service as miscellaneous service.

(4) Reporting Quarterly or Annual Section 43.61 Data

Carriers report their annual Section 43.61 international traffic data using the data format specified in the Manual. This format is also used by those carriers that are required to file quarterly reports under Section

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- * An 18 MegaHertz video channel should be reported as 240 64 Kbps circuits.
 - A 24 MegaHertz video channel should be reported as 288 64 Kbps circuits.
 - A 36 MegaHertz video channel should be reported as 630 64 Kbps circuits.

43.61(b). In the 1995 Manual, carriers are instructed in Section 2 - Diskette Format and Coding Instructions, to use the first 3 to 15 characters of the 15 character filing carrier name field. This format does not distinguish quarterly reports from annual reports. Carriers are now instructed to use only the first 3 to 14 characters of the filing carrier name field. This reserves position 15 to identify the report as a quarterly or an annual filing. The following convention should be used in position 15: "Y" or "y" (the carrier may also leave this field blank) for annual data; "A" or "a" for first calendar quarter; "B" or "b" for the second calendar quarter; "C" or "c" for the third calendar quarter; and "D" or "d" for the fourth calendar quarter.

The publications identified above may be obtained from the Federal Communications Commission's Reference Information Center, Courtyard Level, 445 12th Street SW, Washington, D.C. 20554 (202) 418-0270. They may also be purchased by calling International Transcription Service, Inc. (ITS) at (202) 857-3800.

By the Acting Chief, International Bureau

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For additional information, contact Linda Blake or Jim Lande of the Common Carrier Bureau's Industry Analysis Division, (202) 418-0940, or Susan O'Connell of the International Bureau's Telecommunications Division, (202) 418-1470.

Table of Billing Codes
Billing Codes for Facilities-based and Facilities-Resale Services *

Switched Services	Traditional Settlement & Proportionate Return		International Simple Resale and Hubbed Traffic		Alternative Settlement Arrangements	
	public	proprietary	public	proprietary	public	proprietary
<u>Service Originates from the U.S. point served</u> Billed by U.S. Carrier Settled with (or settlement-like payment to) carrier in destination point; or exchanged with an affiliate in destination point Private line routing: traffic routed over private lines directly to country of termination Direct routing, traditional/alternative settlement: carried over U.S. carrier half circuits to destination point (including circuits that are hard patched through an international point) Indirect routing: switched transit through another international point. (U.S. carrier owes settlement to carrier in destination market and transit fee to intermediate carrier.) Hubbed by a carrier in another international point ** Billed by Foreign Carrier Collect Call Subscriber toll free (800, 888, etc) Calling card or other billing arrangement	n.a.	n.a.	11	11	n.a.	n.a.
	1	1	n.a.	n.a.	21	21
	1	1	n.a.	n.a.	21	21
	n.a.	n.a.	11	11	n.a.	n.a.
	2	2	12	12	22	22
	2	2	12	12	22	22
	2	2	12	12	22	22
<u>Service Originates from international point</u> <u>And terminates in the U.S. point served</u> Billed by Foreign Carrier Billed by U.S. Carrier Collect Call Subscriber toll free (800, 888, etc) Calling card or other billing arrangement (Country-Beyond or Country-Direct) <u>And transits the U.S. point served</u> Billed by U.S. Carrier: Calling card or other billing arrangement (Country-Beyond or Country-Direct) Billed by Foreign Carrier Foreign carrier settles with country of termination directly or through cascade arrangement Reoriginated by U.S. Carrier and treated as U.S. carrier traffic for settlement purposes originating leg (regardless of how terminated) terminating leg - terminated via facilities-based or facilities-resale circuits terminating leg - terminated via pure resale of another carrier's switched service	2	2	12	12	22	22
	1	1	11	11	21	21
	1	1	11	11	21	21
	1	4	11	14	21	24
	1	4	11	14	21	24
	3	3	n.a.	n.a.	n.a.	n.a.
	exclude	6	exclude	16	exclude	26
	1	5	11	15	21	25
	The terminating leg of this traffic is included with the carrier's other pure resale traffic in the public version of the data. Minutes, messages and receipts from the foreign carrier must be reported on a world total basis in the carrier's proprietary filing using billing code 35.					

Private Line Services	Facilities-based		Facilities-resale	
	public	proprietary	public	proprietary
All circuits from U.S. point to theoretical midpoint of circuit	1	1	11	11

* Facilities-based services are provided using international transmission facilities owned in whole or in part by the carrier providing service. Facilities-resale services are provided by a carrier using non-switched international circuits leased from other reporting carriers. These are distinct from Pure Resale services, which are switched services that are provided by reselling the international switched services of other carriers.

** The US carrier does not make a settlement or settlement like payment directly to the carrier in the country of termination. The US carrier reports as settlement payments for the country of termination any amounts owed to the carrier(s) in the intermediate point. This amount should include any amounts paid by affiliates to the terminating carrier associated with this traffic.