

PLENIPOTENTIARY CONFERENCE ON DEFINITIVE ARRANGEMENTS FOR
THE INTERNATIONAL TELECOMMUNICATIONS SATELLITE CONSORTIUM

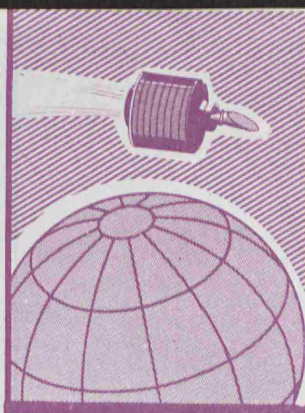
Washington, D.C., February - March 1969

Com. I/1(Rev.1)(Corr.2)
March 10, 1969

COMMITTEE I - STRUCTURE AND FUNCTIONS

Following deletion of Item VI, leave the numbers of the following items unchanged, instead of renumbering them as had been indicated should be done in document Com. I/1(Rev.1)(Corr.1)

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PLENIPOTENTIARY CONFERENCE ON DEFINITIVE ARRANGEMENTS FOR
THE INTERNATIONAL TELECOMMUNICATIONS SATELLITE CONSORTIUM

Washington, D.C., February - March 1969

Com. I/1 (Rev.1) (Corr. 1)
March 6, 1969

COMMITTEE I - STRUCTURE AND FUNCTIONS

Please delete the following item from the "Suggested Work Program"
and remember the subsequent items accordingly:

VI. Number of agreements constituting the definitive
arrangements

568-571

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PLENIPOTENTIARY CONFERENCE ON DEFINITIVE ARRANGEMENTS FOR THE INTERNATIONAL TELECOMMUNICATIONS SATELLITE CONSORTIUM

Washington, D.C., February - March 1969

Com. I/1 (Rev. 1)
February 26, 1969

COMMITTEE I - STRUCTURE AND FUNCTIONS

Terms of Reference

Structure and Functions of INTELSAT Consortium, with particular regard to questions of membership, scope of services, organizational structure including structure of major organs, their functions and voting.

Suggested Work Program

The Working Group (Algeria, India, Mexico, Nigeria, Switzerland, the United Kingdom and the United States) met and reorganized the suggested work program as outlined below. The Group recommended that the question as to whether Item VI should be transferred to the work program of Committee II, as had been suggested in the Committee by the Representative of the Federal Republic of Germany, should be referred to the Steering Committee of the Conference.

	<u>Relevant References in the ICSC Report*</u>
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II. Scope of INTELSAT's activities	188-227
(a) International public telecommunications services	193-195
(b) International specialized telecommunications services	196-202
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III. Eligibility for INTELSAT membership	228-230
IV. Structure of the Organization	237-488
(a) Organs of the Organization and their Inter-relationship	243-261, 478-488

*These references are intended for guidance only and are in no way exhaustive or restrictive.

	<u>Relevant References in the ICSC Report*</u>
(b) The Assembly	262-343
(c) The Governing Body	344-430
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V. Relationships with non-member States	550-556
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(c) In relation to satellites providing domestic services	215-225 609-611
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X. Relationship with the ITU	216-217, 559, 561, 563, 565, 607, 610, 614, 615

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* These references are intended for guidance only and are in no way exhaustive or restrictive.



PLENIPOTENTIARY CONFERENCE ON DEFINITIVE ARRANGEMENTS FOR
THE INTERNATIONAL TELECOMMUNICATIONS SATELLITE CONSORTIUM

Washington, D.C., February - March 1969

Com. I/1 (Corr. 1)
February 25, 1969

COMMITTEE I - STRUCTURE AND FUNCTIONS

Under "IX. Structure of the Organization, (a) The Governing Body,"
add the following ICSC Report Par. after "3. Voting:" 391-423, 481.

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PLENIPOTENTIARY CONFERENCE ON DEFINITIVE ARRANGEMENTS FOR
THE INTERNATIONAL TELECOMMUNICATIONS SATELLITE CONSORTIUM

Washington, D.C., February - March 1969

Com. I/2
February 26, 1969

STATEMENT BY THE REPRESENTATIVE OF CANADA IN COMMITTEE I
WEDNESDAY, FEBRUARY 26, 1969

SUBJECT: OBJECTIVES AND PURPOSES OF INTELSAT

At this time I should like to state in concise terms what the Canadian Delegation would like to see emerge from the Definitive Arrangements relating to the Organizational structure of INTELSAT. It might be useful at this opening meeting to provide this birds-eye view of what should be the objectives of the Organization and how these can, in our opinion, be effectively realized.

Canada, as a founding member of the Organization, and as a country keenly interested in space telecommunications, would like to see emerge a strong international telecommunications Satellite Organization which is genuinely international in scope and character and designed to attract membership from as many members of the I.T.U. as possible. The growth of the Organization has been impressive. The structures of the Organization should ensure that the widest possible participation can be achieved. Such an Organization should serve the interest of all the members regardless of the stage of their economic development. It should provide for the participation of all countries in sharing in the technological benefits of the Organization. It should be designed, as I have said, to permit the realization of a world-wide, non-discriminating System to which all interested countries could participate. We believe that in this manner the Organization will achieve a secure base, for years to come, for providing vital communications links between all parts of the globe and thus contribute to peace and international understanding.

It would follow that the policy-making processes of the Organization should take into account in an equitable manner the aspirations of all the members. We believe that this principle should be reflected in all the organs of the Organization. We realize that a transitional period may be required in respect of certain functions of the Organization, depending on the nature of the new arrangements, and that this period may be of some length.

In our view it would be appropriate for the Organization, in order best to achieve these general objectives, to consist of three Bodies. First - an Assembly consisting of all Governments party to the Agreement; second - a Governing Body of limited size, and, third - a Management Body. To be most efficient, we believe the Organization should have the legal personality of

a Partnership in corporate form and the juridical capacity which is necessary to its functions and objectives. The Management Body should, in our view, be an integral part of the Organization.

The Canadian Delegation believes that the Conference should approach a discussion of these basic structural elements of the Organization on the basis of principles which would take account both of the need to give appropriate recognition to the role of the member states of the Organization in its various processes and to the need to ensure at the same time the provision of efficient and economical telecommunications services on as universal a basis as possible.

In fostering global cooperation in exploiting in an equitable manner a new method of utilizing our environment for peaceful ends, this Conference will, we believe, be able to take a significant step in helping the international community to develop new structures to meet the challenges of technological change.

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PLENIPOTENTIARY CONFERENCE ON DEFINITIVE ARRANGEMENTS FOR
THE INTERNATIONAL TELECOMMUNICATIONS SATELLITE CONSORTIUM

Washington, D.C., February - March 1969

Com. I/3
February 26, 1969

STATEMENT BY THE REPRESENTATIVE OF MALAYSIA IN COMMITTEE I
WEDNESDAY, FEBRUARY 26, 1969

OBJECTIVE AND PURPOSE OF INTELSAT

Malaysia strongly supports the principles stated in the first four paragraphs of the Preamble of the Interim Agreement, and it is Malaysia's view that these be reiterated in the Preamble of the Intergovernmental Agreement. In particular, Malaysia strongly subscribes to the concept of a single global commercial communications satellite system, without any fragmentation into pockets of regional systems. We recognize the need of sovereign nations to do what they deem proper to provide communications for their domestic needs, including communication by satellites. However, when it comes to international communications, it would not be right, in Malaysia's view, for a few rich nations to band together and launch regional satellite systems to serve only their needs. These regional systems would take away from the global system which serves the large number of developing nations in Asia, Africa, Europe and Latin America, the rich and profitable streams of traffic, leaving the poor nations of the world to shoulder the burden of the global system. Satellite communications technology belongs to all mankind, and the benefits of this technology should be shared equally by all mankind, rich or poor. I plead to all nations, particularly the developing nations, to fully support the principles of a single global system as enunciated in the present Interim Agreement, and to reject the concept of regional satellite systems in any form or shape.

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PLENIPOTENTIARY CONFERENCE ON DEFINITIVE ARRANGEMENTS FOR THE INTERNATIONAL TELECOMMUNICATIONS SATELLITE CONSORTIUM

Washington, D.C., February - March 1969

Com. I/4
February 26, 1969

STATEMENT BY THE REPRESENTATIVE OF SWITZERLAND IN COMMITTEE I
WEDNESDAY, FEBRUARY 26, 1969

OBJECTIVES AND PURPOSES OF INTELSAT

In 1964 a small number of industrialized countries formed a consortium with the objective of proving the operational feasibility of long-range communications via satellites and aiming at a global system open to all nations.

The technological success of this endeavour led to a rapidly growing membership during the ensuing years with the result that INTELSAT today has 67 members, among them a large number of lesser industrialized countries.

Switzerland, as a founding member, has actively followed the development of this new concept of international cooperation. While fully acknowledging and appreciating the rapid growth and the technological success of the interim organization, we nevertheless are aware of the fact that about half of the ITU member countries have not found it possible to join under the existing arrangements.

Therefore, ways and means should be found to attract this other large group of nations in order to make this venture truly universal. This must surely be one of the principal objectives underlying the definitive arrangements.

Since the conclusion of the 1964 Agreements the treaty on peaceful uses of outer space has come into force. This treaty clearly defines the rights and obligations of states in the exploration and use of outer space. These added new responsibilities of governments must be taken into account fully in the formulation of the new agreements and in the structuring of the new international organization. This must be another principal objective of the definitive arrangements.

Already in 1964 it was foreseen that the type of commercial consortium established might perhaps not be the most suitable long-term solution for truly universal cooperation in this field. Indeed, Article IX of the Interim Agreement requests the Interim Committee to consider specifically, in making its recommendations to this conference, whether the interim arrangements should be continued on a permanent basis or whether a permanent international organization with a general conference and an international administrative and technical staff should be established.

An analysis of the recommendations contained in the report rendered by the Interim Committee to this conference indicates that the present arrangement should not be continued but superseded by a permanent international organization with its own legal personality. In addition, the Interim Committee has unanimously recommended that this organization consist of an Assembly, a Governing Body, and a Management Body.

The Swiss delegation confirms its full support of these views. A new INTELSAT established along these lines will not only be a significant step forward in promoting more effective international cooperation in this important new area but, at the same time, will ensure a more equitable sharing, by developed and developing countries alike, in all the benefits deriving from this common, world-wide activity in outer space.

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PLENIPOTENTIARY CONFERENCE ON DEFINITIVE ARRANGEMENTS FOR
THE INTERNATIONAL TELECOMMUNICATIONS SATELLITE CONSORTIUM

Washington, D.C., February - March 1969

Com. I/5
February 27, 1969

STATEMENT BY MR. M. MILI, SECRETARY-GENERAL OF THE
INTERNATIONAL TELECOMMUNICATION UNION IN COMMITTEE I
WEDNESDAY, FEBRUARY 26, 1969

Mr. Chairman, Excellencies, Ladies and Gentlemen:

In the name of the International Telecommunication Union, I should like first of all to tender my sincere thanks to the organizers of this Conference, and especially to the Government of the United States, for inviting us to participate as observers of your deliberations.

We appreciate this courtesy all the more since the Conference is being held in the United States, the country that has worked, for more than a century, for the development of science and better understanding among peoples.

We cannot forget that the United States had to fight for its independence some 200 years ago, which means that it is better able to understand the many problems facing all these new and developing countries which have suddenly entered the international scene, creating new obligations for the international community.

As far back as 1919, at the Paris Peace Conference, President Wilson put forward the famous fourteen points which led to the creation of the League of Nations.

Twenty-five years later, on June 26, 1945, it was at San Francisco that the Charter of the United Nations was signed and brought into being this great United Nations family whose activity on behalf of peace and human betterment is so significant.

In the field of science, the United States, which has just fulfilled one of man's dreams with the magnificent success of APOLLO 8, and which is now preparing to achieve, two days from now, another just as brilliant success thanks to APOLLO 9--the United States has always worked for the progress and development of science and thus symbolizes the prodigious advance of technology today. Since it acceded to the International Telecommunication Convention, it has given the I.T.U. its fullest and effective support.

This devotion to progress is best illustrated by the fact that the purpose of this assembly is to prepare definitive arrangements for a world-wide international system of satellite communications, barely ten years after the launching in this country of SCORE, which was the first communication satellite.

But Washington represents even more than this for the International Telecommunication Union. It was in this city that, on the invitation of the United States Government, more than 80 countries attended the Administrative Radio Conference of 1927 which was to set up the International Radio Consultative Committee (C.C.I.R.). The establishment of the C.C.I.R. came shortly after the creation of the International Telephone Consultative Committee (C.C.I.F.) in 1924 and of the International Telegraph Consultative Committee (C.C.I.T.), at the Paris Conference, in 1925; all these consultative committees forming an integral part of the I.T.U.

It was that very Washington Conference which drew up the first Table of Frequency Allocations and proposed that the Telegraph Convention and the Radiotelegraph Convention be merged in a single Convention, as was done five years later in 1932 at the Madrid Conference.

In 1946, the Government of the United States again extended an invitation to the Members of the I.T.U. asking them to attend the two conferences at Atlantic City, conferences which are milestones in the history of the Union. It was at Atlantic City in 1947, that the Administrative Council, of which the United States has always been, and still is, one of the most active members, and the International Frequency Registration Board (I.F.R.B.), were set up.

Later, in 1959, at the invitation of the United States Government, a consultative committee of the I.T.U., the C.C.I.R., held its IXth Plenary Assembly in Los Angeles, where a Study Group was created to investigate the systems used in space communication and radioastronomy. The importance of this Study Group is evident from the fact that its first meeting, held in Washington in 1962, was opened, in this same room, by Vice-President Johnson himself.

The work accomplished at this meeting served as the basis for the texts on space radiocommunications which the C.C.I.R. adopted at its Xth Plenary Assembly in 1963. Most of these documents were afterwards transmitted to the Extraordinary Administrative Radio Conference which, in 1963, adopted the first I.T.U. Regulations on space radiocommunications.

In brief, it is no exaggeration to say that this beautiful city of Washington has already been the scene of several important turning points in I.T.U. activity, which augurs well for the future of your work.

Two days ago, the opening session of this conference was honored by the presence of the Honorable Elliot Richardson, who was good enough to act as Chairman in the name of His Excellency the Secretary of State, now in Europe with President Richard Nixon.

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Once again, the host country has demonstrated wholehearted interest in scientific progress in general and in the harmonious development of telecommunication, in particular, and this, for the benefit of all mankind.

Impressive progress has been made throughout the world, however, since 1962. The SYNCOM satellites, the first geostationary communication satellites ever built, were launched in 1963. Then there was EARLY BIRD and the MOLNYA satellites, and finally the INTELSAT series which, with INTELSAT III, today give us the possibility of having 1200 telephone channels simultaneously at our disposal. Tomorrow this capacity will be quadrupled, thanks to INTELSAT IV. Before such figures further comment becomes superfluous.

Naturally, the media which we now call "conventional" are as valuable as ever and they are developing too, for experience has shown that new telecommunication media do not oust existing ones; they merely add to and supplement them, thus contributing to the improvement of the general telecommunication network. But will they develop as rapidly as satellites for the purpose of intercontinental connections? That is a question which is well worth asking although it must be pointed out that since the frequency spectrum and orbital space are both limited, space telecommunication systems, despite their proven economic advantages, cannot expand indefinitely. The development of each and every telecommunication medium must therefore go hand in hand to ensure the best possible economy of the frequency spectrum and orbital space.

The International Telecommunication Union, which soon will be 104 years old, has already witnessed the coming into being and development of a number of telecommunication media and has dealt with them with its competence acknowledged. Some of these media were regarded at the time as revolutionary--radiocommunications, submarine cables, large-capacity underground cables and radio-relay systems, for example. In every case the I.T.U. proved equal to the challenge and was able fully to achieve its objectives, which it might be well to recall here:

"The purposes of the Union", states Article 4 of the Convention, are:

- "1) to maintain and extend international cooperation for the improvement and rational use of telecommunications of all kinds;
- "2) to promote the development of technical facilities and their most efficient operation with a view to improving the efficiency of telecommunication services, increasing their usefulness and making them, so far as possible, generally available to the public;

"3) to harmonize the actions of nations in the attainment of those common ends."

All of these objectives have been fully realized, as is evident from the existence of the various Regulations and technical and operational Recommendations, whose universal authority is by now unquestionable.

As the United Nations specialized agency for telecommunication of all kinds, in accordance with an agreement signed at Lake Success in 1947, the I.T.U. must thus ensure international cooperation at world level in connection with every new telecommunication medium, as it does to the general satisfaction for existing media.

Today, therefore, the I.T.U. is faced with a new means of transmission made available to mankind by artificial satellites. What are the similarities and what are the differences in relation to the situations with which the I.T.U. has been confronted during the past century--for example, when submarine cables were introduced?

Is there a fundamental difference in technical conception? Certainly not; the I.T.U. has its two Consultative Committees, which since the beginning of the space era have been engaged in the necessary studies concerning their respective fields of competence.

Is there a difference in the Regulations to be applied? Certainly not, for in 1963 space radiocommunication regulations were put into effect by the I.T.U.

Nor should any difference arise because of the status of INTELSAT which, in its relations with the I.T.U., could in many respects be considered as a private operating agency recognized by its Member States.

More than in the enormous possibilities of routing communications of every kind, the great difference lies in the large number of Member States composing it. Until now, most of the I.T.U. recognized private operating agencies generally set up and operated telecommunication services in just a few countries. Now, all of a sudden the number of countries concerned has jumped to nearly 70, fairly evenly distributed over the globe.

Impressive as this number may be, it is nonetheless, for the time being, barely one-half the 135 countries Members of our Union. This is a fact which, as Secretary-General of the I.T.U., I must always bear in mind, even though the volume of international traffic of all the countries that are not members of one consortium constitutes only a relatively small share of all world traffic.

However, it is quite natural that the simultaneous existence of an International Telecommunications Satellite Consortium and an International Telecommunication Union (whose purpose you all know and which is profoundly different from that of the Consortium), it is quite natural that this should

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give rise to problems of cooperation, problems which are certainly not new, but are of greater importance than ever owing to the very size of the Consortium.

Thus any coordination problem which in the past might have been of only minor importance in many cases, will in future be very significant for our mutual relationship. This is one of the reasons for the presence of an I.T.U. delegation, which will be at your disposal during the discussions to give any information you might like to request. Despite this, it may be useful to bring out certain elements which may clarify future relations between the two organizations to their mutual benefit.

We will take as a basis the texts as present in force, in the certainty that--in the light of experience acquired and taking into account the fact that the I.T.U. has always adapted itself to the circumstances--later conferences will certainly make the necessary amendments to the I.T.U. texts to enable it to continue to play its traditional role with success.

Promoting the development, improvement and rational use of telecommunications of all kinds, including satellite systems, which now form an important part of the world network is the very purpose of our Union. However, it is essential for me to recall first of all that there are some matters that lie outside its competence: it is not the purpose of the I.T.U. to set up and manage one or more telecommunication systems via satellites or any other media. But that does not exclude the possibility for the I.T.U. of drawing up appropriate regulations and recommendations on technical and operational questions and of ensuring beneficial coordination between the existing operating agencies. In short, there has never been any question of the I.T.U. being concerned with operation in the commercial sense and no change in its functions is to be envisaged in this respect.

Having cleared up this question, let us now consider the points in which the role of the I.T.U. appears essential. For the sake of clarity, the review will be divided into several sections. Such a division, though somewhat too hard and fast, should nonetheless simplify our examination of the problems.

The first task of the I.T.U. is without question a regulatory one. In the case under consideration it is the Radio Regulations with which we are concerned; they are drawn up by administrative radio conferences which are held every few years. The regulations laid down in 1959 already included clauses on space and allocated certain frequency bands; but it was in 1963, as I have already mentioned, that a set of more detailed regulations on space communications was prepared and those provisions are still in force today.

However, technique is making rapid advances and that is why the I.T.U. Administrative Council at its session in May 1968 recommended to Administrations

the convening of a world administrative radio conference for the end of 1970 or beginning of 1971. No-one can say exactly what decisions that conference will take but it can be confidently affirmed that the Member Governments will confirm and define more specifically the role of the I.T.U. in the management of the frequency spectrum and also in the use of orbital space.

Indeed, the frequency spectrum and orbital space constitute two natural resources that belong to all countries. Interconnected as they are, these two natural resources are unfortunately limited, and it devolves upon the I.T.U. to provide for their rational use, as dictated by its age-old role.

To be more precise, let us recall that the frequency spectrum is an indivisible whole. To maintain that separate management of certain frequency bands in the spectrum would be rational is to ignore deliberately the well-known interactions between the different frequency bands through intermodulation or harmonics.

To the foregoing must be added the logical and legal impossibility of accepting management by different parties of a single frequency band, especially in the case of a band shared by several services with equal rights.

Apart from the technical aspects of the problem, it is difficult to conceive of the radio frequency spectrum being treated other than as a whole for the purpose of regulation. The I.T.U. has always managed the spectrum as an integral whole and must continue to do so.

New radio services have made their appearance throughout the years. The table of frequency allocations, which constitutes the first stage in the management of the spectrum, has been extended and developed over the years to take account of technical progress, but there has never been any question of dividing the responsibility for its management.

When the need for more systematic management of the spectrum on a sounder legal basis was recognized in 1947, the task was entrusted to a single body, the International Frequency Registration Board (I.F.R.B.), a permanent organ of the Union, whose primary role is to define, on purely technical bases, the reciprocal rights and obligations which the use of a particular frequency for a particular purpose entails for the various countries.

While the regulatory role of the I.T.U. is essential for space communication, the work of standardization carried out by the Consultative Committees is also very important. Their recommendations, though they do not have actual mandatory force for Administrations, carry authority the world over--an authority which is only enhanced by the elaborate care with which they are drafted.

The International Telegraph and Telephone Consultative Committee (C.C.I.T.T.) deals, inter alia, with questions connected with the routing and quality of telegraph and telephone communications and data transmissions.

The International Radio Consultative Committee (C.C.I.R.) has been concerned with space radiocommunications since 1959 and has made very thorough studies on the subject. The specifications it has drawn up concern certain parts of the equipment, insofar as they affect the overall characteristics of international systems. As elsewhere, the I.T.U. is only conforming to its purposes which are to promote technical development with a view to improving the efficiency of telecommunication services, and to harmonize the actions of nations to that end. The C.C.I.R., which is also responsible for propagation questions, has issued Recommendations on the coordination required between the earth stations of a space system and terrestrial systems. These Recommendations form the basis of the technical standards applied by the International Frequency Registration Board (I.F.R.B.) in the course of its work of managing the frequency spectrum.

Another field in which the I.T.U. must play a part particularly calculated to promote international cooperation is that of planning. So far as space is concerned, this planning has two distinct aspects: the first is that put into concrete form recently in the "General development plan for the inter-regional telecommunication network". This world routing plan, which has been prepared by a Joint Committee of the two Consultative Committees, takes the introduction of satellite links fully into account.

In the sphere of frequency planning, which constitutes another stage in the management of the frequency spectrum, numerous I.T.U. conferences have been held and have dealt with these questions on a world-wide basis for a particular service or more often on a continental scale. Thus, in recent years, world-wide plans have been drawn up for the HF bands used by the aeronautical and maritime services. Moreover, frequency assignment plans for the VHF and UHF bands used for broadcasting have been established for the European Broadcasting Area and for Africa. The problem is of the same kind with satellites, but planning will have to be on a world-wide scale and will be concerned with the position not only of land stations on the Earth but also of space stations on the geostationary orbit. This is a new factor in the management of the frequency spectrum. In this connection, let us point out that direct broadcasting by satellite could play a very great role in future in the dissemination of information and culture, an area where it would doubtless prove to be a very useful element for the promotion of the new developing countries. Judicious planning in this field would thus unquestionably be of the greatest importance.

The texts of the C.C.I.R. could serve as a basis for the technical standards to be used, as they have for the other conferences devoted to frequency planning. In this connection, the new C.C.I.R. International Working Party on the efficient use of the geostationary satellite orbit is of particular importance. This question is closely bound up with the

problems of the management of the frequency spectrum to which I referred above. In all this we are merely complying with the International Telecommunication Convention which stipulates that the I.T.U. shall coordinate everyone's efforts to eliminate harmful interference.

The last sphere in which the I.T.U. has an important role to play in extending international cooperation with a view to the rational use of telecommunications is that of coordination. INTELSAT is without a doubt the first and also the most important satellite communication corporation, now grouping 63 countries. However, there is every reason to believe that other satellite communication systems will be put into operation. They will perhaps be world-wide systems and there will certainly be some regional systems or even some domestic systems in very large countries. It is essential that there should be coordination between all these systems, for obvious reasons. Apart from the management of the frequency spectrum which includes the use of orbital space referred to above, mention may be made of all the problems of routing, tariffs and quality of service--including transmission time.

In accordance with its Convention, the I.T.U. is called upon to harmonize the actions of nations to promote the development of technical facilities and their most efficient operation. Since the I.T.U. has a membership of no less than 135 countries, it is difficult to see what other organization, existing or future, could ensure coordination in a better manner than the I.T.U. has done so competently for over 100 years.

To sum up, it may be said that the most important role of the I.T.U. is that which it fulfills by defending the interests of the users of telecommunication circuits. Many of the activities of the I.T.U. stem from this fundamental principle.

To illustrate this statement, let us rapidly examine the activities of the various organs of the Union from this angle:

1. The C.C.I.R. is responsible for all the technical studies on space radiocommunications, the final purpose of which is to obtain the greatest possible number of circuits having the required quality;
2. The C.C.I.T.T. is entrusted by the International Telecommunication Convention with the study of tariff questions. Now this study is aimed at establishing the lowest possible tariffs compatible with the requirements of circuit quality;
3. The C.C.I.T.T., in cooperation with the C.C.I.R., lays down the transmission standards which ensure the satisfactory and uniform quality of a telephone circuit, regardless of the transmission

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medium used. It is for this purpose that the hypothetical reference circuit was conceived: it enables uniform standards of quality to be established for any usable telephone circuit, regardless of whether the circuit is routed via coaxial cable, radio-relay link, or a communication satellite system. To ensure that the user will have constant circuit quality, it is of vital importance that there should be close cooperation internationally to fix the quality standards acceptable to the organizations which use the circuits and pay for that use;

4. Lastly, the I.F.R.B., by virtue of the functions entrusted to it by the Radio Regulations, ensures the efficient and impartial management of the frequency spectrum and with its system of technical examinations of new notifications, it gives frequency users the necessary legal basis for settling problems of harmful interference caused by other users.

This outline of I.T.U. responsibilities in the field which interests you would be incomplete without some reference to the problems of assistance to countries which need it. Once again I shall quote the Convention:

"(The Union shall) foster the creation, development and improvement of telecommunication equipment and networks in new or developing countries by every means at its disposal, especially its participation in the appropriate programmes of the United Nations."

The I.T.U. has been dealing with this problem for several years already, chiefly in the field of space radio communication. Thanks to the assistance of the United Nations Development Programme it has taken part in important achievements, such as the Ahmedabad space station in India. In the future we shall see to it that our work in this field develops rapidly and becomes diversified in order to meet the legitimate needs of all the member countries of our Union.

Mr. Chairman, I trust I have not been too long.

The subject is a very complex one and an attempt to outline--even in summary fashion--certain spheres of responsibility is not without its value. What is at stake justifies the attempt, since all the participants in this Assembly have as their ultimate aim the improvement of the world telecommunication network.

The I.T.U. is conscious of the crushing responsibilities assigned to it by its Members. It is likewise aware of the fact that your Consortium is the greatest commercial international telecommunication agency that has ever been set up in the course of its long history. For this reason it is convinced that through your activities you are about to contribute decisively

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to this development of telecommunications throughout the world, which is our common goal.

Therefore, I sincerely wish you every success in your work.

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PLENIPOTENTIARY CONFERENCE ON DEFINITIVE ARRANGEMENTS FOR
THE INTERNATIONAL TELECOMMUNICATIONS SATELLITE CONSORTIUM

Washington, D.C., February - March 1969

Com. I/6
February 26, 1969

STATEMENT BY THE REPRESENTATIVE OF AUSTRIA IN COMMITTEE I
WEDNESDAY, FEBRUARY 26, 1969

Mr. Chairman:

This Committee is about to enter into the discussion of a multitude of specific questions concerning the definitive arrangements for an International Global Communication Satellite System. We believe that it might be useful at the outset to reflect upon certain general principles which should guide us in this work and which we may want to recall from time to time in our deliberations of the more detailed aspects of these problems.

In this context the Austrian delegation would like to make the following observations:

(1) We believe that it should be the objective of this Conference to create the basis for a truly universal communication satellite system available to all nations on a global and non-discriminatory basis. As we understand this principle it would imply not only that all nations would have the possibility of making use of the technical facilities of this system but also that all nations wishing to do so would find it possible to participate in the organization and in the determination of its activities.

Austria, Mr. Chairman, has welcomed all initiatives in this respect. In the General Assembly in the United Nations and in its Committee on the Peaceful Uses of Outer Space the Austrian delegation has given its full and active support to resolutions of the General Assembly urging that communication by means of satellite should be available to the nations of the world as soon as practicable on a global and non-discriminatory basis and that states parties to negotiations regarding international arrangements in the field of Satellite Communication should bear this principle in mind so that its ultimate realization should not be impaired. We also recall the keen interest which this problem aroused at the United National Conference on the Exploration and Peaceful Uses of Outer Space held last year in Vienna and at which great importance was attached to this particular question.

We are therefore of the opinion that this present Conference in the elaboration of the definitive arrangements should not only give due consideration to the legitimate interests and aspirations of the present members of INTELSAT but should also endeavor to find a solution which would open the way

to an eventual participation of those countries which for various reasons have so far hesitated to join.

(2) We believe that this Conference should establish a clear, consistent and universally acceptable legal framework for the organization and structure of the International Telecommunication Satellite System. We are fully aware that we are dealing here with an undertaking without precedent in international cooperation which in some respects might call for a new approach in legal and organizational concepts. In spite of this fact, however, we do feel that the established and proved rules and principles of international cooperation should to the greatest extent possible be respected and maintained.

(3) We believe that it will also be of great importance in setting up the definitive structure and organization of the system to insure its maximum efficiency.

Mr. Chairman, the Austrian delegation has thought it useful to put on record these general principles which will guide us in determining our position in the discussion of the more detailed aspects of our work.

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PLENIPOTENTIARY CONFERENCE ON DEFINITIVE ARRANGEMENTS FOR
THE INTERNATIONAL TELECOMMUNICATIONS SATELLITE CONSORTIUM

Washington, D.C., February - March 1969

Com. I/8
February 27, 1969

STATEMENT BY THE REPRESENTATIVE OF INDONESIA IN COMMITTEE I
THURSDAY, FEBRUARY 27, 1969

Mr. Chairman,

The Indonesian Delegation shares with most of the members of this conference the view regarding the desirability of a single universal system. We are, however, also conscious of the difficulties that stand in the way of this vision. We therefore feel that in the course of our deliberations we should make a deliberate effort to solicit the views of the nations which have sent observers to this conference and consider them seriously. A universal system such as we envisage should, of course, provide adequate protection for the interests of all its members and in this respect the Indonesian Delegation wants to associate itself with the view expressed in paragraph 176. This paragraph also points to the necessity of keeping open the possibility to create domestic or regional systems. This proviso is of great importance to my country. Our communications system will have to cover an area of more than 3,000 islands, extending from east to west over a distance of more than 5,000 kilometers. The rapidly increasing demands for education, the urgent need for the development of all our resources are national goals which no government in my country can afford to ignore. A domestic communications satellite would be a significant step in the direction of meeting these demands. My government is also committed to the establishment of a system of Southeast Asian regional cooperation. In my government's view such a system of regional cooperation is an essential precondition for the stability and security of the Southeast Asian area as a whole. The fragmentation of the Southeast Asian area in the period of colonialism has led to a considerable ignorance among the Southeast Asian nations regarding each other and the exchange of educational and cultural, as well as technological information, would be an important means in forging the social and cultural conditions on the basis of which such regional cooperation could grow. Here, too, a satellite communications system constitutes an essential element of the infrastructure for such a regional development and it is in this light that we view the necessity of keeping open the option of a regional satellite.

This leads us to the question of ownership. In general, our view tends towards the concept of universal ownership of the international satellite communications system. However, I think it would be premature at this stage to reject out of hand the possibility of regional or individual ownership of satellites within the system. It might be desirable to work some degree of flexibility into the language governing this point.

There are a number of other points which my delegation would like to raise. At this stage, however, we would like to limit our intervention to these very brief remarks.

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PLENIPOTENTIARY CONFERENCE ON DEFINITIVE ARRANGEMENTS FOR
THE INTERNATIONAL TELECOMMUNICATIONS SATELLITE CONSORTIUM

Washington, D.C., February - March 1969

Com. I/9
February 26, 1969

AGREEMENT ESTABLISHING DEFINITIVE ARRANGEMENTS
FOR A GLOBAL COMMERCIAL COMMUNICATIONS SATELLITE SYSTEM
(Submitted by the United States Delegation)

1/
PREAMBLE

The Governments party to this Agreement

Noting that pursuant to the Agreement Establishing
Interim Arrangements for a Global Commercial Communications
Satellite System and the related Special Agreement, both of
which entered into force on August 20, 1964, an operational
global commercial communications satellite system (hereinafter
referred to as the "global satellite system") has been
established by the International Telecommunications Satellite
Consortium (INTELSAT); 2/

Desiring to continue the development and improvement of
the single global satellite system as part of an improved
global communications network which will provide expanded
communications services to all areas of the world and which

1/ The Preamble is primarily a restatement of the principles con-
tained in the preamble to the Interim Agreement. Two new
paragraphs have been added.

2/ New

- 2 -

will contribute to world peace and understanding; ^{3/}

Determined, to this end to provide, for the benefit of all nations and areas of the world, through the most advanced technology available, the most efficient and economical facilities possible consistent with the best and most equitable use of the radio spectrum and of orbital space; ^{4/}

Believing that satellite communications should be organized in such a way as to permit all nations and areas of the world to have access to the global satellite system and those States so wishing to invest in the system with consequent participation in the design, development, construction, provision of equipment, establishment, operation, maintenance and ownership of the system; ^{5/}

Recalling the principle set forth in Resolution No. 1721 (XVI) of the General Assembly of the United Nations that communications by means of satellites should be available to the nations of the world as soon as practicable on a global and non-discriminatory basis; ^{6/}

^{3/} Restatement of Interim Agreement preambular paragraph 2.
See also: ICSC-36-58E, paragraphs 181 and 183.

^{4/} Restatement of Interim Agreement preambular paragraph 3.
See also: ICSC-36-58E, paragraphs 181, 183, 168, and 175.

^{5/} Restatement of Interim Agreement preambular paragraph 4.
See also: ICSC-36-58E, paragraphs 181 and 174.

- 3 -

Recalling the provisions of the Treaty on Principles
Governing the Activities of States in the Exploration and
Use of Outer Space, Including the Moon and Other Celestial
Bodies; ^{7/}

Agree as follows:

* * *

6/ Interim Agreement preambular paragraph 1. See also: ICSC-36-
58E; paragraph 181.

7/ New



PLENIPOTENTIARY CONFERENCE ON DEFINITIVE ARRANGEMENTS FOR
THE INTERNATIONAL TELECOMMUNICATIONS SATELLITE CONSORTIUM

Washington, D.C., February - March 1969

Com. I/10
February 27, 1969

STATEMENT BY THE OBSERVER OF THE UNION OF SOVIET SOCIALIST REPUBLICS
IN COMMITTEE I
THURSDAY, FEBRUARY 27, 1969

Mr. Chairman:

Great importance in the Soviet Union is being attached to the use of artificial earth satellites for providing space telecommunications.

We have created a network of "Orbita" earth stations built in the regions of the Deep North, Far East, Siberia and Middle Asia. At present 28 stations of this type are in operation which provide services to more than 20 million people, living in the most remote areas of the USSR. Ten more earth stations are under construction now.

Further improvement of space communication facilities will open even greater perspectives. Our task now is to use the opportunities, given by this new type of communication, for the benefit of the whole world on the basis of a wide international cooperation, of respecting the sovereign rights of states and mutual assistance and interests.

We believe, this task could be solved by means of establishment of international satellite communication systems which would be able to satisfy the needs of all the countries which require such a type of communication.

If all countries desire to cooperate in the field of space communications one could think about the possibility to create a global satellite communication system. Besides of global communication systems there may be created regional and national communication systems. Coordination of technical questions in operating the international communication systems should be carried out on international basis through the International Telecommunication Union.

Under the condition that these satellites would be of high capacity, a global system in principle could in certain cases meet also the national communication requirements of individual countries.

Recognizing the need of strengthening and developing close economical, cultural and other relations, the Soviet Union is ready to carry out extensive international cooperation in this field.

To our mind, international satellite communication systems should be based upon the following basic principles:

1. Every country has the right to be a participant in an international communication system. Every country, irrespective of its territory and population, should be given the possibility to use space communication facilities, which it considers to be most suitable and economically beneficial.

2. Each country-member of an international communication system should have the right to be represented in its governing body and should have equal rights with other members.

When deciding upon questions dealing with creation and operation of the communication system, the countries represented in the governing body should have equal rights and obligations.

These principles rest upon generally accepted norms of international cooperation, based on equality, respect of independence of the countries, mutual assistance and benefits.

3. The principle of commercial interest might find its expression in the following: all countries bear expenses and receive profits in proportion to the extent of their use of the circuits in the communications system.

We would like to stress that the above principles which are already laid down in the draft agreement for the creation of the "Intersputnik" space communication system put forward by a number of socialist countries and well known to the delegates, attending this conference, are just, democratic and do correspond to the UN General Assembly Resolutions N 1721 (XVI) and N 2453 (XXIII) which state that communications by means of satellites should be available to the nations of the world on a global and non-discriminatory basis.

The above-mentioned principles could serve as a basis for creation of a world-wide satellite communication system.

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PLENIPOTENTIARY CONFERENCE ON DEFINITIVE ARRANGEMENTS FOR
THE INTERNATIONAL TELECOMMUNICATIONS SATELLITE CONSORTIUM

Washington, D.C., February - March 1969

Com.I/12
February 27, 1969

STATEMENT BY THE OBSERVER OF THE POLISH PEOPLE'S REPUBLIC IN COMMITTEE I
THURSDAY, FEBRUARY 27, 1969

Mr. Chairman
Distinguished Delegates
Ladies and Gentlemen,

Preparing ourselves for the journey to Washington, we have carefully studied the Report of the Interim Communications Satellite Committee, and yesterday with great attention we listened to the discussion on the aims of the future International Telecommunications Satellite Consortium.

I must say we were much impressed by the remarks of the distinguished delegates of France, of India, and of the Arabic countries.

We admit that, for the full and best profit of this most modern telecommunications system, and particularly of the multiple access system, the best solution would be to create a unified global satellite telecommunications system.

The distinguished Secretary General of the ITU, Mr. Mili, gave us yesterday a clear indication of how to reach such unification. It is the task of the International Telecommunication Union, her specialized committees - particularly CCIR and its study commission No. IV - to elaborate in the near future the technical principles of such unification.

It will be the task of the World Administrative Space Radiocommunications Conference, planned for 1970-71, to undertake the appropriate measures ensuring the operation of a satellite communications system or systems without harmful interferences between them and between other space and terrestrial services.

But on what principles should such a system be founded?

These principles are clearly stated in the Preamble of the International Telecommunications Convention (Montreux 1965), in the United Nations General Assembly Resolution No. 1721 (XVI) and in the Treaty on Principles Governing the Activities of States in Exploration and Use of Outer Space of January 1962.

On these principles is based the proposal of eight countries: Bulgaria, Cuba, Czechoslovakia, Mongolia, Poland, Romania and the Soviet Union, included in document A/AC 105/06 of 9 August 1968 presented to the General Assembly of the United Nations, concerning the draft Agreement on the Establishment of an International Communications Satellite System using artificial earth satellites.

I don't want to abuse your time, distinguished delegates, and I will only touch on the problems now under consideration under number I of the agenda of Committee I - the problem of the objectives and purposes of the future satellite communications system.

I think, and I hope, that this opinion is very close to the opinions expressed here by several delegations, that if the best solution would be to create a unified global satellite telecommunications system - really accessible to every state of the world, without any exceptions - such a system should not be a monopoly and that the future agreement should not deprive the participants of their sovereign rights to regulate their own telecommunications according to their needs and to participate in other systems, especially regional or national.

I want to thank you, Mr. Chairman, for letting me present our opinion concerning the problems now under consideration and to ask you for permission to present our point of view to the other problems being considered here on the following sessions of this Committee.

Thank you for your attention.
Thank you, Mr. Chairman.

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PLENIPOTENTIARY CONFERENCE ON DEFINITIVE ARRANGEMENTS FOR
THE INTERNATIONAL TELECOMMUNICATIONS SATELLITE CONSORTIUM

Washington, D.C., February - March 1969

Com.I/13
February 27, 1969

STATEMENT BY THE REPRESENTATIVE OF TURKEY IN COMMITTEE I
THURSDAY, FEBRUARY 27, 1969

Mr. Chairman:

We are gathered here to draw definitive arrangements for this organization and one Committee is now deliberating the broad subject of what our objectives should be.

It must be kept in mind that Turkey is among the developing countries. The advantages of a global telecommunications system for Turkey and countries in similar stage of economic development need no elaboration.

In principle we find ourselves in agreement with the views already expressed by the distinguished delegates of Switzerland, Austria, Canada and the United States of America that parallel to the needs for universality, non-discrimination and legal consistency, the problem of efficiency should command equal weight in our deliberations. Indeed, it is this aspect of efficient management and operation that concerns us most.

Turkey, at present, lacks the sophisticated technology and more important the required number of specialized personnel. Our proposed means cannot cope with this problem in a speedy manner. I believe this is equally true with regards to several countries that are represented in this forum.

Some may consider this problem too specific to be dealt with while discussing our objectives. However, we consider it of crucial importance.

To underline this concern I would like to point out that, apart from the initial cost of construction, Turkey would have to face an annual drain of approximately one million dollars in order to secure the services of foreign specialists to maintain and operate a single station on her soil.

Mr. Chairman, I wish, therefore, to call to the attention of this Committee that consideration be accorded to the training needs of developing countries through some sort of mechanism for technical assistance within the framework of our future organization. It is our belief that a true global system should involve participation of all concerned at all levels and that this should be viewed as one of our immediate objectives.

Thank you, Mr. Chairman.

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PLENIPOTENTIARY CONFERENCE ON DEFINITIVE ARRANGEMENTS FOR
THE INTERNATIONAL TELECOMMUNICATIONS SATELLITE CONSORTIUM

Washington, D.C., February - March 1969

Com. I/14
February 27, 1969

STATEMENT BY THE REPRESENTATIVE OF NEW ZEALAND IN COMMITTEE I,
THURSDAY, FEBRUARY 27, 1969

OBJECTIVES AND PURPOSES OF INTELSAT

Mr. Chairman:

I believe it would be appropriate to preface my remarks on the agenda item before us by commenting how privileged I feel to participate in this distinguished gathering. New Zealand was an early member of INTELSAT, and as a member of the Asia-Pacific grouping has participated in the deliberations of the Interim Communications Satellite Committee. We are keenly aware of the importance of communications in our troubled world, and see this meeting as a significant stage in the evolution of modern communications systems. The New Zealand delegation naturally desires to do everything it can, Mr. Chairman, to assist with the deliberations of this important committee, and of this Conference.

New Zealand also, I should like to say, looks back on the four years of growth of INTELSAT with great pride. As other speakers have noted, it has grown remarkably in that short time from 11 members to 67. It has seen the first communications satellites launched, and following them the greatly successful INTELSAT II and III series. It has recently made the important decision to proceed with INTELSAT IV, a spectacular undertaking reflecting the most advanced uses of modern technology. The number of ground stations has grown from a few early and experimental ones to some 25 now, with the firm prospect of nearly 70 by the end of 1970. I should like to take this opportunity to congratulate those persons, States and organisations whose imagination, resources and talent brought INTELSAT into being, and nurtured its growth from its conception to its present stage.

Some representatives have referred to membership in terms which reflect disappointment that it is only 67. But there are many reasons why a particular nation might not be a member, and many of these reasons do not in any way reflect on the adequacy of the system that is being developed, or on the general suitability of the interim arrangements. Satellites are one among a number of telecommunications media and for this reason nations may develop a close interest in satellites at different times. Nations whose external ties are mainly with near neighbours have different requirements from those with strong ties with others at a great distance. Again, external traffic demand is only now arising in some parts of the world. Financial considerations also are important. Most

countries have capital finance problems, and in the scale of priorities adopted by a Government it is not necessarily to be supposed that telecommunications stands at the top of the list. Certainly we want arrangements which help and encourage growth in membership; but we may reasonably conclude that a membership of 67 today is a mark of great success, not of relative failure, and we expect that others will join as their developing circumstances make this appropriate for them.

I would like to suggest to the distinguished representatives and observers that it is in the success of INTELSAT to this date that we may find the germs of the organisation which we are gathered to create. We all share the goal of forming the best organisational and legal structure we can to keep the satellite system working and expanding for our common good. How can we achieve this? Does the past hold some lessons for the future?

It is New Zealand's first suggestion to this Conference that two simple factors underlie the great success of INTELSAT, and that these two factors should guide our search for permanent institutions. One is that it has been international, permitting the full participation of every country that has wished to participate; the other is that it has been efficient, meeting the requirements of nations effectively and cheaply. When New Zealand looks ahead, it sees a system growing in its international composition, and growing in its efficiency. We must develop the one, without impairing the other. Our system has become truly international in a remarkably short time because it is efficient; and thus attractive; it is efficient because, under our international control it is meeting our joint needs.

When we look at the report of the ICSC--Document 6 before us--and consider the comments of the distinguished delegates made before this Committee yesterday, we note that two broad concerns emerge. The first relates to the space segment--whether it should be organised and financed on a unified or a regional basis--and the second is about the nature and structure of the organisation we are seeking to establish. We know that many other issues will emerge, but they are less closely related to the particular agenda item before us.

On the question of the utilisation of the space segment, New Zealand believes that the system we have developed has established a pre-eminent claim to be continued. The unified network of satellites, centrally controlled, is meeting the needs of member nations. We cannot imagine any other system which could have done this as well, as quickly, and as cheaply; nor do we now foresee an alternative system which in the years ahead will be able to do better. To fragment and diffuse the network would only, in our view, defeat our two prime objectives. It would make it less attractive to the many countries, primarily in the developing areas of our globe, which are not represented and which we are seeking to attract; and it would, for the majority of our members, increase costs--again to the detriment to our goal of broader international participation. New Zealand rather regrets the use yesterday by some delegations of that very emotional word "monopoly" to describe what might happen if the unified system is preserved.

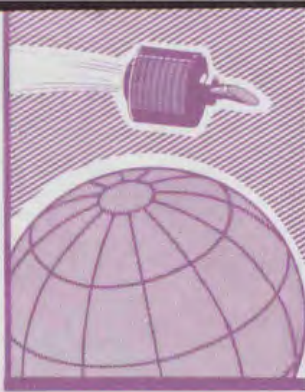
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Some delegates have argued that there are alternative ways of meeting regional needs. These, however, have to be considered in terms of operational coordination and financial implications. It seems to us that coordination can most effectively be achieved by a single world organization. Financially also, it is apparent to us that a break-up of the world system into regionalized segments must have the effect of increasing the cost of circuits to many users and make the system less attractive to many nations whom we would like to have join us. New Zealand, therefore, Mr. Chairman, supports the thrust of the arguments put forward on this subject yesterday, in favour of continuing a single global system, operating on the basis of undivided ownership by delegates of both the developed and the developing world--the United States, Malaysia, and Nigeria among others.

On the second concern which has emerged, Mr. Chairman--that of the nature and composition of the organization--New Zealand again thinks that both our objectives, of internationalization and efficiency, can be nourished without necessarily departing radically from the type of organization which we have already built up. New Zealand supports the concept adopted by most ICSC members of a three-tier structure. We would welcome the establishment of an Assembly which provides for the full participation of all member states. We agree there should be a smaller governing body, again international and representative in character, guiding in more detail the management of the satellite system. By such a hierarchy we can truly provide for the full expression of the views of every country, and attract additional membership on the widest of bases. The establishment of an Assembly, in particular, would be a most significant step in expanding the international character of our organisation. The third proposed body is that of manager. It is here, in New Zealand's view, that this committee should pay very special attention to the second basis of our success so far--economy and efficiency. The role of the manager is to develop and operate the system--and to do this so well that others will see advantage in joining us. I do not think it would be inappropriate if I were to say at this point that we in New Zealand see little evidence that the present management has not largely met these requirements. New Zealand will, of course, with other delegations explore all alternatives, but subject to the guiding thought that fully efficient management is essential to the continuing success of our partnership.

In conclusion, Mr. Chairman, I should like to comment that we find in the preambulatory paragraphs of the existing interim agreement endorsement for the views I have just outlined. The first paragraph refers us to the United Nations, and enjoins us, in effect, to make satellite services available to the whole world; the second paragraph looks to a single global system; the emphasis in the third is on efficiency and economical operation. New Zealand supports the adoption by this Conference of similar fundamental objectives.

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PLENIPOTENTIARY CONFERENCE ON DEFINITIVE ARRANGEMENTS FOR
THE INTERNATIONAL TELECOMMUNICATIONS SATELLITE CONSORTIUM

Washington, D.C., February - March 1969

Com. I/15
February 27, 1969

STATEMENT BY THE REPRESENTATIVE OF CANADA IN COMMITTEE I,
THURSDAY, FEBRUARY 27, 1969

Mr. Chairman:

In my opening comments yesterday, I had the opportunity to refer to the objectives that Canada supports for an international commercial telecommunications system, and in particular referred to the need to take into account, in an equitable manner, the interests and aspirations of all members in providing, efficiently and effectively, communications links on a world-wide basis.

A number of the other Delegations subsequently referred to certain other questions, in particular the matter of domestic services and regional and other international services, and the relationship between the provision of such services and the world-wide Organization. I would, therefore, like to supplement my earlier remarks by referring very briefly to our general views about these subjects.

As the distinguished Representatives may be aware, Canada has decided to construct a domestic telecommunications satellite service to meet the domestic needs of our country. Our geography makes such a system particularly applicable to Canada's needs. We believe that the new INTELSAT arrangements should recognize the right of members to establish their own domestic system for domestic purposes.

With regard to the provision of international services, the starting point of my Delegation is, as I have said, the need to provide, economically and efficiently, telecommunications services throughout the world. We think this can best be done through an integrated and comprehensive world system. We believe that a regional commercial service can be established by members provided this is done in such a way as is compatible with the existence of a viable global commercial system.

It might be useful, Mr. Chairman, for the members of the Conference--if they are prepared to agree to regional systems that are compatible with the global system--to study, at the appropriate time, general principles designed to reduce the potential conflict of interests between the Global and regional systems.

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PLENIPOTENTIARY CONFERENCE ON DEFINITIVE ARRANGEMENTS FOR
THE INTERNATIONAL TELECOMMUNICATIONS SATELLITE CONSORTIUM

Washington, D.C., February - March 1969

Com. I/16
February 27, 1969

STATEMENT BY THE REPRESENTATIVE OF THE UNITED KINGDOM
IN COMMITTEE I
THURSDAY, FEBRUARY 27, 1969

Objectives and Purposes of INTELSAT

I have listened with the greatest interest to the course of the debate so far. This morning I was perhaps most struck by the thoughtful and dispassionate speech of the distinguished Representative of New Zealand, which I am sure will merit re-reading.

It seems to me that there is no dispute about our broad objectives and purposes as set out in paragraphs 166-169 of the I.C.S.C. Report. The significance and implications of our joint enterprise in terms of international relations, understanding between peoples and the general advancement of the cause of peace have been referred to by many earlier speeches. My Government fully endorse and share this interpretation of our underlying aim.

But when it comes to the reaffirmation of the Preamble to the Interim Agreement of 1964, the debate so far has revealed what appears to be a fundamental disagreement over the continuation of a single global satellite system.

My own Government have thought carefully about this and their position is essentially that this is the right and indeed the only basis for the Definitive Arrangements on which we must now strive to reach agreement, if we are to succeed in our objectives. This is in no way to exclude the possibility of establishing independent regional, still less domestic, systems, but this is a point for later discussion.

When we look at what INTELSAT has achieved over the past 4-1/2 years, both in terms of the development of communications facilities and in enlargement of membership, it seems to me that we should ask ourselves very seriously why, and in what respects, the Organization must be changed before embarking on change. An Organization which now comprises countries who generate some 95% of the world's traffic and whose membership has expanded from 19 original signatories to the present 67, cannot be without merit and cannot be fundamentally unsound. On this question of the size of membership I agree very much with the New Zealand Representative's remarks. Indeed the presence here

of so many observers, who we sincerely hope are seriously interested in becoming parties to the Definitive Arrangements, only underlines my point.

Of course there are important and far-reaching alterations which seem to us to be necessary and desirable. These we shall come to later.

For the moment we are focussing upon the context of what will become the preambular paragraphs of the Definitive Agreement and the question is why we should not confirm the principle of a single global system. All of us at this table either felt able to do so in 1964 or have since found it acceptable. We have done so not just in the preambular paragraphs themselves but in Article IX (b) (i) of the Interim Agreement in which we committed ourselves to the proposition that the aims of the Definitive Arrangements should be consonant with the principles set forth in the preambular paragraphs.

What has occurred meanwhile to cause us to go back on this? Reference has been made to the need to avoid the danger of a monopoly situation, but if there is this danger now it surely also existed then. It has been suggested that we cannot legitimately claim or purport to be establishing a single global system when events may prove the claim unfounded. Regardless of whether the latter possibility is a real one, I would point out that in the Interim Agreement, which we should like to see reaffirmed in this respect we set forth only our desire to establish a single system. We cannot control the actions and policies of States which do not adhere to our Agreement. But we can commit ourselves to the common aim of a single system and ourselves act accordingly.

I suggest to the Committee that we must be very careful not to confuse the concepts of monopoly and universality. My understanding of the meaning of monopoly would be a situation in which for example one single country were to establish an exclusive degree of control over a commodity or a facility--in this case satellite communications--to an extent such that it could impose its own system, its own conditions, its own tariffs upon others; in short such that it could exploit them. Let us be under no illusion about this--the United States was in 1964, and for all I know still is, in a position to do this.

But of its own free will it elected not to, and its reasons for this decision were set out as early as 1962 in the preamble of the Communications Satellite Act of that year. Against that background, and against the background of the preamble to the Interim Agreement of 1964, it is surely clear that what we are seeking is not monopoly but universality.

In the world in which we live today we have to realize that there are undertakings whose magnitude and future potential is such that we can only realistically embark on them on the very broadest co-operative basis. This is more than just a matter of commercial viability, essential though that is.

- 3 -

And if we approach such undertakings by means of an organization which seeks universality of membership with fair and equitable rights and participation for all members, it cannot by definition be other than a single organization. Yet it equally cannot by definition be a monopoly in any real sense of the word, and nobody seeks to exclude regional or domestic systems which are compatible with it.

If we believed otherwise as regards INTELSAT we would never have embarked on our common enterprise in the first place; we would not be encouraging others to join us in it; and we would certainly not have recorded the remarkable achievements set out in Parts I and II of the Report of the Interim Committee. It should be a matter of national interest to us all, as well as a matter of the common good, to continue on the same basis.

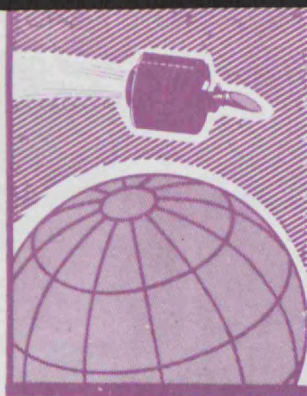
In sum and to return to Item I of our Agenda, I believe that the objectives and purposes of the Definitive Arrangements should be defined in a Preamble closely similar to the Preamble to the Interim Agreement, taking into account paragraphs 166-169 of the Report of the Interim Committee, and also taking note in suitable terms of the achievement of INTELSAT since 1964.

In conclusion, Mr. Chairman, I have listened with particular interest to the remarks of the distinguished Observers from Poland and the Soviet Union. At this stage I would like to make just two comments upon them. Both have referred to the need to pay due attention to the principles of relevant United Nations resolutions and the provisions of the Outer Space Treaty. In this they are, of course, pushing at an open door. Reference both to these resolutions and to the Treaty was made in the Preamble to the Interim Agreement of 1964 and will certainly feature in the Preamble to the Definitive Arrangements which we are now discussing. This is not just a matter of lip service--we really mean what we say.

Secondly, both made reference to the I.T.U. I am not sure if I am right in wondering whether the implication of their remarks was to call in question the legitimacy of this Conference and indeed of the INTELSAT Organization on the grounds that we ought only to be discussing a global satellite communications system under the aegis, or the authority, of the I.T.U. On this point, Mr. Chairman, I would say that so far as I am aware, there has never been any suggestion of a conflict of interest between the I.T.U. and the INTELSAT Organization. Indeed the presence here yesterday at our Conference of the distinguished Representative of the I.T.U., Mr. Mili, demonstrates the attitude of the I.T.U. towards our work. I note furthermore that in his address to the Conference, Mr. Mili underlined that the actual establishment and operation of a telecommunications system was outside the domain of the I.T.U. We fully recognize the responsibility and competence of the I.T.U. and of the need for co-ordination with them, and indeed this very question features as Item X on our Agenda.

I believe, therefore, that there is no reason to foresee any fundamental problem on this score.

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PLENIPOTENTIARY CONFERENCE ON DEFINITIVE ARRANGEMENTS FOR
THE INTERNATIONAL TELECOMMUNICATIONS SATELLITE CONSORTIUM

Washington, D.C., February - March 1969

Com. I/17
February 28, 1969

STATEMENT BY THE REPRESENTATIVE OF THE STATE OF ISRAEL IN COMMITTEE I,
THURSDAY, FEBRUARY 27, 1969

The State of Israel was the first country to join INTELSAT, following the signatures of the various Agreements by the 19 Member States which were the founders of the Interim Organization in 1964. We are indeed very proud of this fact.

We have watched closely the tremendous development of INTELSAT in the last four years, in parallel to the development of our own Domestic and International Telecommunications Systems. We have doubled our inland telephone network during this period, and have now reached a telephone density of 14%. We are today 100% automatic; namely, we have a full subscribers' trunk dialing system, and are linked by a submarine telephone cable to the World Telecommunication Network.

The Israeli Delegation wishes to make its viewpoints known with reference to items I and II of document Com. I/1, Rev. 1, i.e. the Objectives and Purposes of INTELSAT and the Scope of INTELSAT's Activities.

It is our opinion that there should be a single global communications satellite system accessible to all countries of the world and as an important part of a global communication network comprising also other media of transmission.

This single global satellite system should provide primarily International Public Telecommunication Services on a commercial basis.

The INTELSAT organization in its future definitive form should be authorized to provide any other telecommunication services subject to the condition that the provision of such additional services will not adversely affect the primary objective, namely, the provision of International Public Telecommunication Services.

It is felt that the adoption of these views outlined very broadly will lead to a more effective utilization of the two most valuable and limited international resources: the frequency spectrum and the so-called geostationary orbital space. We believe, moreover, that this is also in the spirit of the I.T.U. Convention and Radio Regulations.

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PLENIPOTENTIARY CONFERENCE ON DEFINITIVE ARRANGEMENTS FOR
THE INTERNATIONAL TELECOMMUNICATIONS SATELLITE CONSORTIUM

Washington, D.C., February - March 1969

Com. I/18
February 28, 1969

STATEMENT BY THE REPRESENTATIVE OF JAPAN IN COMMITTEE I
THURSDAY, FEBRUARY 27, 1969

My delegation is of the view that the definitive arrangement of INTELSAT should establish a world organization with global coverage whose principal aim shall be to render an effective international public telecommunication service. In that sense my delegation supports the objective of the definitive arrangement which appears in Paragraph 166 through 169 of ICSC report. As to the number of present membership we do not feel the present number of 67, which is half of the states of the world, is too small for creating a single global system. However, my delegation also concurs with the view of many previous speakers that the countries which are at present outside the INTELSAT will join the organization as soon as possible.

A number of delegations made reference to the question of regional system. I fully understand that question has some relevance with the principle of establishment of a single global system and the need of discussing this problem at some stage of our deliberation. However, I think it is not proper to discuss this principle without entering into various problems and the conditions which should be considered in connection with the compatibility of such regional system with a global system.

For example, the need of regional system might be different according to the service to be rendered by such system. We might also have to consider the procedure as to which organ shall be responsible for expressing its view on behalf of INTELSAT as to the compatibility of the regional system with global system. Therefore, this question shall be dealt with in more detail in connection with a scope of activities of this organization, structure of organization and right and obligation of members. Although my delegation likes to reserve its right to speak at the later stage on this question, it might be proper to make some reference to the principle of space treaty which should not be disregarded in this connection. It is the principle appearing in Article I of that treaty which says inter alia that Outer Space, including the moon and outer celestial bodies, shall be free for exploration and use by all states without discrimination of any kind, on a basis of equality and in accordance with international law and there shall be free access to all areas of celestial bodies. This might lead to the interpretation that if a total denial of regional system is done under the definitive arrangement, it will be contrary to the principle of freedom of space activity under the outer space treaty.



PLENIPOTENTIARY CONFERENCE ON DEFINITIVE ARRANGEMENTS FOR
THE INTERNATIONAL TELECOMMUNICATIONS SATELLITE CONSORTIUM

Washington, D.C., February - March 1969

Com. I/19
March 1, 1969

STATEMENT BY THE REPRESENTATIVE OF THAILAND IN COMMITTEE I
SATURDAY, MARCH 1, 1969

Mr. Chairman,

With your permission I would like to take this opportunity to express the views of the Thai Delegation as regard to the objectives and purposes of INTELSAT, which is the subject of our discussion today. We are of the opinion that the new organization which will be established under the definitive arrangement, in whatever form it will be, should be an international organization which has its objectives and purposes for the development and operation of a global communications satellite system, available to all nations who have the desire to join, on a non-discriminatory and equitable basis. This organization should also have the main objectives to render international public telecommunication services to all parts of the world, whether they are members or non-members of the organization. However, taking into consideration of the commercial functions and the universal character of the system, this new organization should also, whenever possible, serve the domestic and regional needs, and also serve the specialized telecommunications services. With this provision, we feel that there will be no need for the separate domestic or regional system in the future, as those needs could be accommodated by the global system.

Therefore, Mr. Chairman, the preamble of our definitive agreement establishing definitive arrangements for a global commercial communications satellite system, should contain very broad objectives and purposes, which will allow all nations to join the system if they so desire, and which will open the utilization of the system to all countries and to all services on a commercial basis. These objectives and purposes will be our guide line for further consideration on the next items of our agenda, such as the scope of activities, the structure of the organization, etc, and the Thai Delegation will be happy to express their views again when we come to that subject.

Thank you.

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PLENIPOTENTIARY CONFERENCE ON DEFINITIVE ARRANGEMENTS FOR
THE INTERNATIONAL TELECOMMUNICATIONS SATELLITE CONSORTIUM

Washington, D.C., February - March 1969

Com. I/20
March 1, 1969

STATEMENT BY THE REPRESENTATIVE OF THE PHILIPPINES IN COMMITTEE I
THURSDAY, FEBRUARY 27, 1969

Thank you, Mr. Chairman.

Permit me, Sir, first of all, to congratulate you on behalf of the Philippine Delegation, on your election to the post of Chairman of this Committee.

I intend to speak very briefly, Mr. Chairman, on Item I of our Work Program - Objective and Purposes of INTELSAT.

The Philippine Delegation firmly believes that the Definitive Arrangements should establish an international organization, with membership open to all countries, which would provide a single global communications satellite system on the basis of undivided ownership. This was the basic concept of the Interim Arrangements, and this is the concept which the Definitive Arrangements must seek to preserve. For if nothing else, Mr. Chairman, our very presence in this hall today, this gathering of members of an interim organization which has grown from its original eleven members to sixty-seven, is indeed proof of the validity of such a concept.

My delegation also subscribes to the view that such international organization should provide, as its primary objective, high quality and reliable international public telecommunication services on a most economic basis. This need not preclude, however, the provision of specialized telecommunication services, i.e. services of any kind which now, or in the future, are capable of being provided by satellites, provided that such specialized services are found feasible from the technical and economic points of view and do not significantly impair the provision of public international telecommunication services.

Toward these ends, therefore, the organization should control and direct the design, development, construction, establishment, maintenance and operation of the space segment of such a global communications satellite system.

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Under the foregoing concept to which we subscribe, we see no room for regional satellite systems if owned and operated outside the INTELSAT system.

Finally, my delegation favors the view that domestic satellite systems integrated with INTELSAT may be established, and that the organization could provide, upon request, the space segment for domestic public telecommunication services when this is justified by economic and technical considerations, and without impairment to the organization's international obligations.

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PLENIPOTENTIARY CONFERENCE ON DEFINITIVE ARRANGEMENTS FOR
THE INTERNATIONAL TELECOMMUNICATIONS SATELLITE CONSORTIUM

Washington, D.C., February - March 1969

Com. I/21
March 1, 1969

STATEMENT BY THE REPRESENTATIVE OF ITALY IN COMMITTEE I
SATURDAY, MARCH 1, 1969

Mr. Chairman:

It is a pleasure and a privilege for me to speak for the first time in this Committee in behalf of my country, which is one of the original founders of INTELSAT and which, even if its quota is relatively small, is the third in the world in regard to the utilization of the INTELSAT system.

I wish to add that I share with other colleagues who have preceded me, the pride in the progress that has been accomplished in five short years and that yesterday has achieved a further step with the link between our Fucino ground station and the new ground terminal of the great Brazilian nation, through the INTELSAT III satellite.

We have to recognize the fact that the present organizational arrangements of the INTELSAT system, which Italy helped to produce in 1964 have given pretty good results and, while we are here gathered in order to improve them--and there is always room for improvement in any organization--we should not forget the practical success they have achieved for us so far.

I wish now to conform to the request of the Chair and confine my brief remarks to the topic of the objectives of INTELSAT, as envisaged in the first point of the approved agenda.

The advantage of taking the floor on this subject at this late date is apparent, in considering the important contributions made in these past days to the clarification of the matter under discussion by many distinguished colleagues.

My delegation has listened with the utmost interest to the various proposals offered to this Committee and has taken into consideration the arguments very skillfully presented in favor of each one of them.

To state here that the problem is a very complex one would be a naive understatement; on the other hand, to offer a solution at this stage, it would be for me premature.

For this reason I shall try, with your permission, Mr. Chairman, and asking the indulgence of this Committee, to analyze and summarize the main trends that have emerged up to now, as seen by the Italian Delegation.

First of all, there seems to be a general consensus among the delegates, and even shared by the Observers who have spoken on this subject, that the communications satellite system we are here to create on a permanent basis, must be global in character, must be centrally coordinated, and must observe the principles set forth by Resolution 1721 (XV) of the United Nations General Assembly and by the Treaty regulating the activities of states in the exploration and uses of space for peaceful purposes. In a nutshell, the system must serve the interest and benefit all the nations of the world, irrespective of their state of development, geographic location or political affiliation.

Thus, we must have a global system, centrally coordinated, operated with such principles. But as soon as we try and interpret these words, the opinions are almost as many as the delegates in this room and the only thing I could say is that I refuse to believe that a common position cannot be established after a careful analysis and consideration of some facts of life and of the interests of the great majority of all of us.

The characterizations we have heard in the past few days about the permanent system have been expressed with several adjectives, namely, that it must be a "single" or an "integrated" or a "compatible" system. To the word "single" the connotation of "monopolistic" has been attached, while for the words "integrated" or "compatible" or "centrally coordinated", opinions clearly differ about who should have to decide about the "central coordination", or the "integrating" or judge about the "compatibility."

Allow me first to philosophize a little on the word "monopolistic", which no one (us included), likes, but which has been used by some colleagues and therefore requires some analyzing. It has been used to define the concept of the "single" system and, in a strict sense, rightly so.

But, by the same token, whatever system, which is set up by the people for the people is also monopolistic in a large sense. Take for example the meteorologic system: everybody agrees that it must be a single service in order to serve best the interests of the peoples of the world and nobody would dare to accuse it of being a monopoly.

On the other hand, some delegates who label the "single" system as monopolistic, are themselves proposing another kind of monopoly at the regional or domestic level, when they propose a "coordinated" or "integrated" system, made by regional or domestic systems each one of which is free to set the service on a monopolistic basis in its own region or territory.

However, we might have misunderstood them, if the idea behind their proposals was that each regional system should not be a monopoly, but admit competition by other systems which are part of the global one. We are all in favor of free competition, but, in this case, we do not see how we could speak of "central coordination" or "integration" or "compatibility." Any kind of policy, which, in fact, means a restraint of use, is antithetic with competition and leads to a form or other of monopoly.

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So much for the word "monopoly", of which we do not want to hear about, but which is clearly behind our deliberations.

In order to clarify our ideas, we believe we have to return to the basic concept of a system which is open to everyone: efficient and economic. to operate, capable of supplying the public services sought for by the overwhelming majority of the people of the world, without discriminations of any kind.

In order to achieve this aim, we need an agreement that can meet the requests and expectations of our Governments; and we think that the Interim Agreements offer a good starting point. Of course, as we stated before, any text can be improved and the contributions of all the delegations present here, will help us in our joint endeavor.

The Italian Delegation, on its part, will raise some specific points such as on the structure of the organization, voting rights, the nature of domestic and regional systems, the procurement and patent's policy and so forth, at the proper stage of our deliberations.

Returning to our analysis of the terms used in the discussion of the objectives of the permanent system, a solution might perhaps be found in the use of the word "compatible" so aptly suggested by the distinguished representative of India, in order to define systems other than the global one, provided that the meaning of "compatibility" be clearly defined and understood.

In the opinion of the Italian Delegation, there should, therefore, be a single global communication satellite system, which will be able to provide efficient and economical basic or public satellite telecommunication services to all the nations of the world and "compatible" domestic and regional systems performing specialized services in their areas of activity, whereby the word "specialized" will also have to be very clearly defined and understood, in order to integrate the meaning of the word "compatible."

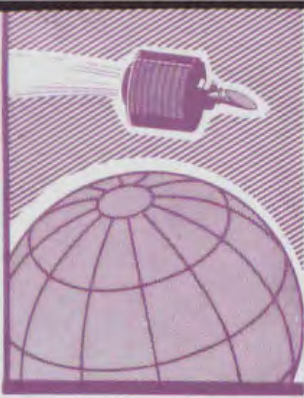
My delegation suggests, thus that this Committee adopt as an approved solution for the objectives we are seeking, the wording of "Single Global Communication Satellite System with Compatible Regional and Domestic Systems."

As far as the "central coordination" concept is concerned, of course the responsibility of the coordination in the area of frequency allocation and, perhaps, of orbit positions rests with the International Telecommunication Union. But the coordination of the services will derive directly from the definition of the word "compatible" coupled with that of "specialized" as stated before.

Since this refers itself to services, which is the subject of the second item of our agenda, I reserve the right of expressing the ideas of the Italian Delegation on such matters when the second item will be open for discussion.

Thank you, Mr. Chairman.

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PLENIPOTENTIARY CONFERENCE ON DEFINITIVE ARRANGEMENTS FOR
THE INTERNATIONAL TELECOMMUNICATIONS SATELLITE CONSORTIUM

Washington, D.C., February - March 1969

Com. I/22
March 3, 1969

STATEMENT BY THE REPRESENTATIVE OF THE NETHERLANDS IN COMMITTEE I
SATURDAY, MARCH 1, 1969

Mr. Chairman, as I am taking the floor at a rather advanced stage in the discussion, I will refrain from general remarks and try to be as concrete as possible on the issue which we discuss under the first point of the agenda. I would, however, like to make one exception and associate myself with those distinguished speakers who have expressed the hope that many observers who assist at our meeting and many other ITU countries will join the worldwide organisation which we all hope will be established as a result of this conference.

Mr. Chairman, I have listened with very great interest to the various distinguished speakers, who have taken the floor on the first subject of our agenda and it seems to me that I could agree with most of what has been said. This implies that we are perhaps not as divided as it may seem at first sight. In some cases I believe the division to be more a question of wording than of substance. For instance, when the distinguished leader of the French delegation states that he cannot accept "un système global unique" but that he is in a position to agree to "un seul système global", I understand that he does accept the expression "single global satellite system" and that therefore one should replace the word "unique" in French for a better translation of the word "single". It also implies that all delegations are in agreement to accept in the English language the expression proposed in document I/9 that we want a "single global satellite system", that is that members of INTELSAT commit themselves not to embark on or allow private enterprise to establish another worldwide system in competition with the INTELSAT system. But it also implies that while one accepts a single global satellite system, nothing is yet settled about non-worldwide domestic or regional systems.

The Netherlands delegation would prefer to maintain the word "commercial" mentioned in document I/9 simply because although we want this system to be the only worldwide system to which we contribute, we believe that general economic principles should be observed as far as possible. After all, any national PTT administrations endeavours to run its services on a commercial basis. And we should not forget either that telecommunications by satellite are only part of the international communications services and that INTELSAT will have to meet strong competition of international submarine cables, now as well as in the future.

Now, I would like to refer very briefly to the question in how far member countries of INTELSAT will have the right to establish domestic systems independent of the worldwide system. But before doing so, I would just like to make one observation, which occurred to me while listening to previous speakers. When we speak about rights, we are always inclined to think of our own rights and when we speak about obligations, we usually think of those of other parties. I would strongly advise all delegations to consider that all the rights they claim for themselves also belong to the other parties and that all the commitments they ask from the other parties will also have to be accepted by them.

Now coming back to the question of domestic satellites, I have listened with very great interest and comprehension to what has been said amongst others by the distinguished delegates of Indonesia, India and Canada. There is no doubt that the larger countries in the world, such as the United States, Indonesia, India and Canada may have a legitimate interest in freedom to establish domestic satellite systems, for public and specialised telecommunication services. My delegation believes that a certain technical coordination of such domestic systems with INTELSAT would be necessary, especially about the orbital position of the space segment, the frequencies to be used and the danger of interference.

Slightly more complicated is the question of regional satellites. My delegation is of the opinion that, if we allow the larger countries in the world to establish satellite systems for domestic use, any geographical compact group of smaller countries which taken together are of comparable size should have the same opportunity. This means that such a geographically compact group would have exactly the same rights to establish a satellites communications system which renders regionally the same services as INTELSAT does globally, always of course with technical coordination with INTELSAT.

There are, however, cases in which a more extensive interpretation of the word "regional" would not impair the interests of the global system. I am thinking of services other than the traditional telecommunications services (public international) and also of services which for technical or commercial reasons INTELSAT cannot provide. It seems to us that in these latter cases there is no reason to limit member countries geographically in their freedom to establish satellite services, except of course here again that all these systems should be technically coordinated with the INTELSAT, just as I mentioned with regard to traditional domestic and regional systems.

To resume, Mr. Chairman, I have tried to make a difference between the freedom which member countries of INTELSAT can claim with regard to traditional telecommunication services where it seems to me that only a geographical compact group of countries should be allowed the same freedom as the larger countries would have with regard to a domestic system, but that the definition of regional can be wider in those cases where INTELSAT cannot or will not provide the services required. It seems to me that at a certain stage in our discussion it might be useful to ask a small working party to pursue the question and try to make proposals to the Committee which would be agreeable to all.



PLENIPOTENTIARY CONFERENCE ON DEFINITIVE ARRANGEMENTS FOR
THE INTERNATIONAL TELECOMMUNICATIONS SATELLITE CONSORTIUM

Washington, D.C., February - March 1969

Com. I/23
March 3, 1969

STATEMENT BY THE REPRESENTATIVE OF ITALY IN COMMITTEE I
MONDAY, MARCH 3, 1969

Mr. Chairman:

I wish to join my distinguished colleagues, who have expressed their views on point 2 of our Agenda and follow up my statement of last Saturday, when I promised the Committee to present the point of view of the Italian Delegation on the subject of scope and activities of the permanent INTELSAT organization.

Before I do that, I wish to touch briefly the matter of the possible formation of a working group having the purpose of reviewing and summarizing the opinions put forward by Delegates on Items 1 and 2 of the Committee's Agenda. The Italian Delegation supports the Working Group idea and it is ready to give its full cooperation, by participating in its activity whenever it will be decided to initiate it.

On the substance of point 2 of our Agenda, I have listened with a great attention and interest to the statements made by many distinguished colleagues, especially to the thought-provoking considerations expressed by the distinguished representatives of the United States, India, Thailand, Australia and Belgium, and it seems to me, that, no matter how any proposal is presented, it still comes down ultimately to the task of giving a clear meaning to the words of "compatibility" and "specialized services" in order to establish exactly our intentions in regard to the scope and type of services to be performed by the organization.

As an ingenious way to avoid, for the time being this problem, the distinguished Representative of the United States has suggested that our discussion should be focused first on the services that INTELSAT should be authorized to provide, without entering now in the matter of exclusivity. This could be considered later, when we will have to decide "who else can do what."

He also suggested that INTELSAT should be provided with the broadest possible charter, which should include, in addition to the traditional long range public communications service by the use of satellites, also regional, domestic and specialized services, if and when requested by signatories or groups of signatories.

The Italian Delegation sees a lot of merit in such an approach and wishes, on this subject, to state the official position of the Italian Government, namely the support of the majority recommendations contained in the ICSC Report, in particular in points 209: from 211 to 213 and from 216 to 219.

Thank you, Mr. Chairman.

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PLENIPOTENTIARY CONFERENCE ON DEFINITIVE ARRANGEMENTS FOR
THE INTERNATIONAL TELECOMMUNICATIONS SATELLITE CONSORTIUM

Washington, D.C., February - March 1969

Com. I/24
March 3, 1969

STATEMENT BY THE REPRESENTATIVE OF NIGERIA IN COMMITTEE I
MONDAY, MARCH 3, 1969

Mr. Chairman:

It is gratifying to the Nigerian delegation to note from the proceedings of the past week in this Conference Room, that there has been a considerable measure of understanding of the numerous problems facing this international gathering in the formulation of the objectives and purposes of INTELSAT. My delegation notes, however, that the same measure of agreement does not yet exist in the expression of feelings on how best these problems may be commonly solved.

I cannot agree more with the views expressed by many delegations that the various items of this Committee's Agenda are inter-related, and as we now propose to address ourselves to the questions posed by Agenda Item II, this Committee may wish to recognize that the consensus so far lacking in Item I (namely: Objectives and Purposes of INTELSAT) may very well find its foundation in any agreements reached on Item II (namely: Scope of INTELSAT Activities).

However, Mr. Chairman, before I proceed to speak on Item II, kindly permit me to review briefly the understanding of the Nigerian delegation of the Objectives and Purposes of INTELSAT.

When in 1965 my Government agreed to become signatory to the 1964 Interim Agreement, it did so in the satisfaction that the Preambles adequately embraced the aspirations of all nations, and of the developing nations in particular under the conditions which, as ably noted in the statement by the distinguished delegate of New Zealand, call for requirements arising from strong ties with other nations at great distances.

My delegation, therefore, still strongly supports the preambles to the Interim Agreement, with particular reference to the concept of Doc. 3, Page 2, viz "to establish a single global commercial communications satellite system as part of an improved global communications network." The document submitted by the U. S. Delegation, Doc. Com. I/9, may well form the basis of an acceptable preamble to the new Agreement.

In this respect, I am fully in support of the United Kingdom statement that nothing serious so far has occurred in the past 4 1/2 years to cause us to go back on this concept. And may I add, if there are any, we have the opportunity now to rectify such deficiencies in the Interim Agreement that would permit a truly workable single global system to be evolved.

The distinguished delegate of Netherlands was very correct when he said that the differences existing in reaching a consensus are simply a matter of vocabularies and interpretations. Experienced members of the ICSC are here to correct me if I am wrong in stating that the single global communications satellite system we are talking about can only be built on the "notional" basis of Regional Systems, all of which, using the words of the distinguished delegate of India, are "integrated" into one global system.

Even now, the single global system concept is being maintained in the form of 3 Regions, namely the Atlantic Region, the Indian Ocean Region, and the Pacific Region.

Doc. 6, Page 13-a is a pictorial representation of what we will have in 1969, and maybe also in the future. The coverage beams of the new satellites called INTELSAT III, will provide access to almost all countries of the world via at least one synchronous satellite, and in some cases via two satellites simultaneously but not in tandem.

It is the understanding of the Nigerian delegation that the next generation of satellites, namely INTELSAT IV, will possess a far greater traffic capability than INTELSAT III to such extent that the international telecommunications needs (including special services) of nations in the Indian Ocean and Pacific Regions would be adequately met for many years to come, while the needs of the Atlantic Region may be met by one INTELSAT IV up to 1975.

This, to a large extent, as I see it, removes the need for the so-called separate regional satellites, and may we therefore not in fact interpret the needs of countries who desire additional satellites as being purely for domestic requirements.

If we do, then indeed, the concept of a single global system is still intact, and the mechanics of establishing and maintaining such a single system of "Integrated" regional networks within the global concept becomes a matter of details.

INTELSAT would be empowered to place in orbit more satellites when necessary to meet the additional needs within existing regions or any new regions that it may deem necessary to create within the single global system, having regard, of course, to the statement by the distinguished delegate of New Zealand that such a system, while growing in its international composition should also grow in its efficiency. "We must develop the one, without impairing the other" the distinguished delegate of New Zealand said.

- 3 -

Within this foregoing concept of the single global system, we see no room nor the anxieties for monopoly. Like the word "Region" the word "Monopoly" has created its own grounds of differences in the minds of delegates. Perhaps it was intended by the user to express the anxieties of distinguished delegates who would wish to see that no single member within INTELSAT is more powerful than all the others put together. Should this be the interpretation of "Monopoly", my delegation fully endorses the view that this should not exist. Seen from any other perspective, my delegation finds great difficulties in accepting that the creation of a single global system by a world organization, open to all nations of the world for participation on terms which should be equitable, can be labelled as creating a monopoly. It certainly would be inaccurate to do so.

Thus Mr. Chairman, I wish to re-affirm the short statement earlier made by me when giving support to the statement by the distinguished delegate of Malaysia, which is that my delegation supports the creation of a single global communications satellite system but also recognizes the need for domestic requirements so long as they do not jeopardize the efficiency of the global system.

I now wish briefly to give the view of my delegation on Agenda Item II.

AGENDA ITEM II

It is the view of my delegation, Mr. Chairman, and in agreement with the comments of the U. K. delegate on Saturday, that the scope of activities of INTELSAT are already adequately captured in the various ICSC recommendations contained in Document 6, and I therefore wish to give the support of my delegation to the following:

- i) ICSC unanimous recommendation in Paragraph 190, that the Organization be limited to the provision of the space segment only.

The Interim Agreement, Document 3, Article I (b) defines the space segment.

- ii) In respect of Agenda Item II, Part (a), we agree with the ICSC unanimous recommendation in Paragraphs 194 and 195 on Public Telecommunication Services.
- iii) In respect of Part (b) of the Agenda, we agree with ICSC majority recommendation in Paragraphs 196 and 197 on Specialized Telecommunication Services subject to the provision contained therein, and having in view such requirements as the various Organs of the United Nations may from time to time indicate. Also there are the special requirements of individual signatories to the definitive agreement on conditions that such requirements are for

the advancement of science, of technology, and of research, in the interest of peace and the advancement of mankind. Even then, we must not lose sight of the need to maintain a commercial attitude in meeting some of these requests.

- iv) We also agree with ICSC majority recommendation in Paragraphs 204 and 205 in respect of provision of Domestic Services of any kind to a Signatory or a group of Signatories subject, however, to the provisions contained in Paragraph 197.
- v) In the event that the request of a Signatory or group of Signatories cannot be met within existing space segment under the conditions of "modified" Paragraph 205, the ICSC substantial majority recommendation in Paragraphs 210, 211 and 212 may be effected under the prior conditions recommended in the ICSC Report Paragraphs 216, 217, 218 and 219.

Mr. Chairman, it is the view of my delegation that all the materials for our discussions of Agenda Item II parts (a), (b), and (c) are contained in the recommendations of the ICSC, and I plead that they are speedily considered for early adoption.

- vi) With respect to part (d) of the Agenda, and reference ICSC Report Paragraphs 226 and 227 the provision by the Organization of facilities for meeting the needs of a national security nature of any Signatory or Signatories, does not meet with the ready approval of my delegation although I should confess that the implications of that recommendation are far too reaching for my delegation to comprehend.

Finally, I thank you very much, Mr. Chairman, for giving me the opportunity to speak.

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PLENIPOTENTIARY CONFERENCE ON DEFINITIVE ARRANGEMENTS FOR
THE INTERNATIONAL TELECOMMUNICATIONS SATELLITE CONSORTIUM

Washington, D.C., February - March 1969

Com. I/25
March 3, 1969

STATEMENT BY THE REPRESENTATIVE OF THAILAND IN COMMITTEE I
MONDAY, MARCH 3, 1969

Mr. Chairman,

As regard to the scope of activities of the new organization, it seems to me that the majority of us here are of the same opinion that, the organization should have a primary objective to provide space segments for international public telecommunications services. However, it is a question to what extent this principle will be applied. Whether the application of the principle will be strict or not, this is a very important point for Thailand on which the Thai delegation would like to make a remark.

Mr. Chairman, it might happen that one day in the near future, the space segments of 1,200 channels in the INTELSAT III will not be available anymore, due to heavy traffic of different kinds of services, such as domestic, regional, international, or even even traffic of a national or regional security nature. When such time arrives, and some countries demand more channels for increasing their international public services, do they have the possibility or the right to claim the suspension of all other services in favor of the international public telecommunication services with the pretext that these services affect adversely the organization's ability to provide channels for international public telecommunications services. If this could happen, we all will be in an awkward situation. Many countries might have the necessity to have a military tie on a bilateral or regional basis and might use the space segments for their military defensive purposes. It is therefore unacceptable to suspend such domestic or regional or specialized services, if they have been using the space segments before.

Furthermore, I could say that it will be not easy to determine which circuits are for international public telecommunication services and which circuits are for other services. The two signatories who have applied for and got the circuits will make their own decision whether today they will use it for this purpose and tomorrow to other purposes.

Mr. Chairman, to remedy this delicate situation, I think that the commercial management of the system is very necessary and this has a very close relation to the scope of activities of the organization. With comprehensive commercial management of the system, we could accept the principle that the main objective of the organization is for public international telecommunication services, but it must be understood that this principle must not be strictly applied and no one could suspend any previous utilization of the space segments whether that utilization is domestic or regional or defensive.

Thank you.

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PLENIPOTENTIARY CONFERENCE ON DEFINITIVE ARRANGEMENTS FOR THE INTERNATIONAL TELECOMMUNICATIONS SATELLITE CONSORTIUM

Washington, D.C., February - March 1969

Com. I/26 (Add. 1)
March 8, 1969

STRUCTURE OF THE ORGANIZATION

(Submitted by the Delegations of Canada, the Federal Republic
of Germany and India)

The following statement, which was prepared jointly by the Delegations of Canada, the Federal Republic of Germany and India for delivery before Committee I, was not completed in time for delivery during the general debate on Item IV of the Committee's Agenda; since it answers the requests for clarification of Com. I/26 of March 3, 1969, made by a number of Distinguished Representatives, it is submitted as a document which it is thought will be of assistance to Working Party II of Committee I.

Mr. Chairman,

Since Document Com. I/26 of March 3 was submitted by the delegations of Canada, the Federal Republic of Germany and India, a number of questions have been asked by various distinguished Representatives seeking clarification of some of the principles enunciated in it--or more precisely--clarification of how some of these principles would be implemented. This is not surprising. The paper attempts to present in concise terms a blueprint for the solution of some of the major issues before this Conference. The three delegations drafting the paper were conscious of two things. First, to draw attention to the basic premises contained in the paper, it was essential that it did not contain too much detail. Second, the three delegations were interested more in clarifying the principles involved than in providing detailed information on how these principles could be implemented, since there are a number of ways in which some of them could be implemented, and the delegations concerned claim no special insight into which of the paths would prove most productive. After consultation with the other two delegations, the following clarification of our thinking is placed before the Committee, and particularly, before those distinguished Representatives who posed specific questions.

A number of questions related to the authority which would vest in the various organizational levels, or bodies, of the Organization. This is particularly true of the relationship between the Assembly and the Governing Body, and the authority assigned to each Body. In some respects, this is not a proper equation. In the traditional form of international organization such a division is not only natural, but necessary. As the sponsors of this paper have already pointed out, INTELSAT is not an ordinary international organization, and in

many respects the traditional approach will not suffice. In a number of areas, it is impossible to say that this responsibility lies with the Assembly, or that responsibility with the Governing Body. In a number of key areas, we believe that the responsibility must be equally shared, or, to put it another way, the concurrence of both bodies must be obtained.

The division of responsibility must take cognizance, among other things, of the timing of decisions which direct the operations of the Organization as a whole, and the degree of familiarity and expertise which each of the bodies may draw upon in evaluating the alternatives, a process which leads to decision-making. A careful balance must be drawn between the legitimate desire of all members represented in the Assembly to participate in the decision-making process, and the need to protect the investment in the Organization, the access to adequate facilities, etc., common to all members of the Organization, through adequate reliance on the expertise which is represented in the Governing and Management Bodies. The element of timing dictates that insofar as decision-making in the short term is concerned, the role of the Governing Body is paramount. The element of expertise seems to indicate that decision-making in the long term must rely heavily on the Governing Body as well, although here the Assembly must have a role which will enable it to assist in charting the course.

The distinguished Representatives of Sweden and Greece sought clarification of the powers of the Assembly, particularly relating to the approval of the five-year program for the Organization on the recommendation of the Governing Body (page 2, paragraph 4 (a) of Document Com. I/26). The phrase "five-year" was chosen to describe the forward-planning function of the Organization, a function common to any organization, particularly if it is commercially-oriented. We do not envisage a plan which would be promulgated on a five-year basis, to be replaced subsequently by another five-year plan. Rather we envisage a continuous process of forward-planning based on an evaluation of international circuit requirements, plus domestic and other needs, which would rely heavily on future traffic projections. It appears obvious that the primary responsibility for developing such forward-planning must lie with the Governing Body, backed up by the Management Body. It appears reasonable that the Governing Body, because of its limited membership, would wish to place its general program before all members of the Organization at meetings of the Assembly for their deliberation and concurrence. It is conceivable that the Governing Body, despite its expertise, may have overlooked a trend of development affecting an individual member or a geographic region, and before the plan is finalized all members of the Organization should have an opportunity to make their views known. If the Governing Body and the Management Body are fully effective, it seems unlikely that Assembly discussion of the forward projections would result in any large scale alterations in the plan. This view is supported by the knowledge that the Organization will be working within approved financial limits. Since forward-planning would be a continuous process, the Assembly would have an opportunity to review and approve changes and alterations made by the Governing Body in its proposals at each Assembly meeting, and not just once every five years. The

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same would apply to approval of investment quotas as modified from time to time by the Governing Body, and to the review of the activities and decisions taken by the Governing Body between sessions of the Assembly.

A distinguished representative raised the question of the appointment of the General Manager upon the recommendation of the Governing Body. This responsibility, we believe, is another which must be shared. The Governing Body, as the organ with expertise and the organ to which the General Manager will be directly responsible, must be responsible in the first instance for choosing the General Manager. However, if the latter is to carry out his most important functions successfully, he should receive the full support and confidence of all levels of the Organization.

A question was also raised relating to the provision in paragraph 4 (c) on page 2 that the Assembly confirm the accession of new members as approved by the Governing Body. It is expected that conditions of accession would be clearly spelled out in the Agreement and that accession would be the basic right of any country fulfilling all conditions.

The next paragraph, 4 (d), provides that the Assembly approve the investment quotas as modified from time to time by the Governing Body. While it is expected that the statistical basis of the quotas will narrow the area of possible disagreement, we believe that all members should have an opportunity to seek clarification of the quotas arrived at, and this could be done in the Assembly. Again, it is possible that "confirmation" rather than "approval" would be a more accurate term.

Paragraph 4 (e) on page 2 provides that certain members be appointed to the Governing Body in accordance with the terms of the Definitive Arrangements. While the joint paper proposes that a number of members of the Governing Body would be members as of right by virtue of their level of investment in the Organization, the provision for geographical representation, which has been proposed to ensure that effect is given to the global character of the Organization, should be made at the highest, or Assembly level.

The distinguished Representative of the United Kingdom sought clarification of paragraph 3, on page 2, which states that decisions would be taken by a simple majority except as otherwise provided and paragraph 4 (g) which provides that the Assembly could amend the agreement by a two-thirds majority vote through the reconstitution of the Assembly as a Plenipotentiary Conference.

To deal with paragraph 3 first, it is the view of the three co-sponsors that decisions would normally be taken by a simple majority. However, it is realized that a number of issues of particular importance should be decided by a two-thirds majority. Amendment of the agreement would be one example. Another would be any decision relating to the provision of specialized services by the Organization. There will undoubtedly be other issues which should require a two-thirds majority. However, the number would be relatively small and to avoid possible dispute in the future over interpretation of the word

"substantive", each issue to be resolved by a two-thirds majority vote should have this stipulation attached to it in the agreement.

With specific reference to paragraph 4 (g), on page 2, it would not be expected that the Assembly would be required normally to amend the agreement. The wording "reconstitution of the Assembly as a Plenipotentiary Conference" implies this and, in addition, would ensure that proposals for amendment were not submitted at or immediately prior to a meeting of the Assembly. Should the Governing Body decide to recommend amendment of the agreement to the Assembly or should a number of the members of the Organization seek amendment to the agreement, it seems reasonable that such proposals, which would be fully documented and in the case of the Governing Body supported by a recommendation, would be submitted to all Governments members of the Organization well before the Assembly at which they would be considered. Normally, such amendments would be dealt with at a normal meeting of the Assembly, the only differences being that representatives would come complete with Plenipotentiary powers and the duration of the Assembly might possibly need to be lengthened. Conversely, if amendment were required urgently between sessions, an Extraordinary Assembly might be required. These concepts were contracted into the word "re-constitution."

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PLENIPOTENTIARY CONFERENCE ON DEFINITIVE ARRANGEMENTS FOR THE INTERNATIONAL TELECOMMUNICATIONS SATELLITE CONSORTIUM

Washington, D.C., February - March 1969

Com. I/26
March 3, 1969

STRUCTURE OF THE ORGANIZATION (Submitted by the Delegations of Canada, the Federal Republic of Germany and India)

The following proposals are put forward by the Delegations of Canada, the Federal Republic of Germany and India for consideration by Committee I relating to the proposed structure of the Organization under the Definitive Arrangements.

The Organization should consist of the following:

1. An Assembly
2. A Governing Body
3. A Management Body.

Their structure should reflect the following general principles:

- (a) The Organization would be genuinely international in scope and character and should be so designed as to attract membership from as many members of the I.T.U. as possible;
- (b) The composition of the Assembly would ensure that each member Government should have periodic say in overall policy;
- (c) The Governing Body should be responsible for directing the implementation of the policies of the Organization and the Management Body, under the direction of the Governing Body, would be responsible for the management, operation and maintenance of the system;
- (d) There would be full internationalization of the Manager as soon as practicable, consistent with the maintenance of a high level of competence;
- (e) The Management Body would be an integral part of the Organization;
- (f) The Organization would have legal personality and juridical capacity necessary to its functions and objectives.

The Assembly

1. Each Government, party to the Agreement, would be represented in the Assembly where it would have one vote.
2. The Assembly would normally meet once a year.
3. Decisions would be taken by a simple majority, except as otherwise provided.
4. The Assembly would have the following responsibilities:
 - (a) to approve the five-year program for the Organization on the recommendation of the Governing Body;
 - (b) to review the activities of and decisions taken by the Governing Body;
 - (c) to confirm the accession of new members as approved by the Governing Body;
 - (d) to approve the investment quotas as modified from time to time by the Governing Body;
 - (e) to appoint certain members to the Governing Body in accordance with the terms of the Definitive Arrangements;
 - (f) to appoint the General Manager (Director General) upon recommendation of the Governing Body and, upon recommendation of the Governing Body, dismiss the General Manager for cause;
 - (g) to amend the Agreement by a two-thirds majority vote, through the reconstitution of the Assembly as a Plenipotentiary Conference.

Governing Body

1. The Governing Body would be composed of representatives and advisers of the states concerned, bearing in mind the commercial character of the Organization and the need to ensure the participation of operating entities with experience and responsibilities in this field.

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2. The Governing Body would have no more than 22 members who would be:
 - (i) 18 members representing the largest investors, either individually or collectively;
 - (ii) not more than 4 members representing geographic areas inadequately represented under (i).
3. Decisions would be taken by the Governing Body on the basis of weighted voting.
4. The Governing Body would be responsible for the establishment of the satellite system and for supervision of its operations.
5. The Governing Body would have the following principal responsibilities:
 - (a) the power of decision concerning the design, development, procurement, operation and maintenance of the Space Segment, and the entering into of the necessary contractual arrangements;
 - (b) to prepare and recommend to the Assembly for approval the five-year program for the Organization;
 - (c) to approve the annual budget;
 - (d) to determine the accession of new members to the Organization and seek the confirmation of the Assembly;
 - (e) to determine investment quotas for signatories;
 - (f) to recommend to the Assembly the appointment, and for cause, the dismissal, of the General Manager (Director General);
 - (g) to appoint the Senior Officials of the Management Body, other than the General Manager (Director General), and dismiss for cause;
 - (h) to recommend to the Assembly amendment of the Agreement;
 - (i) to carry out such other functions as may be necessary to the efficient operation of the system.

Management Body

The Management Body, under the direction of the Governing Body, would carry out the management functions of the Organization and provide administrative support to the Assembly and the Governing Body.

(The procedure for internationalization with respect to the Manager will be treated separately.)

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PLENIPOTENTIARY CONFERENCE ON DEFINITIVE ARRANGEMENTS FOR
THE INTERNATIONAL TELECOMMUNICATIONS SATELLITE CONSORTIUM

Washington, D.C., February - March 1969

Com. I/27
March 3, 1969

STATEMENT BY THE REPRESENTATIVE OF KUWAIT IN COMMITTEE I
MONDAY, MARCH 3, 1969

Mr. Chairman,

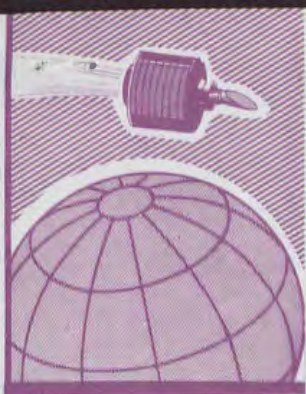
I am taking the floor to address myself on behalf of the Kuwait delegation concerning the first item in our agenda "The Objective and Purposes of INTELSAT". We would like in this respect to endorse fully the statement made by the distinguished delegate of Algeria on Saturday, March 1. It is in our belief, Mr. Chairman, that this organization should be based on democratic and non-discriminatory principles. We would like to see INTELSAT having truly an international global system based on undivided ownership. This international organization due to its nature and setup will be based on commercial and economic aspects in its activities. By having the above principles, we hope to see that all nations would have the possibility to take active participation in it, and to use its facilities in order to serve our globe with better telecommunication.

The Kuwait delegation, Mr. Chairman, favours the insertion in the definitive arrangements of the ideas contained in the Preamble of the Interim Agreement, and clauses 166 to 169, clauses 172, 173, 175, 178, and 180 mentioned in document 6. Concerning clause 171, we would like to change the word "competence" to "rules" as is mentioned in clause 186 so that this clause may be included also. With regard to clause 176, we hope that the working party of this committee to be formed will look to it in order to have a better wording and definition to its meaning.

Mr. Chairman, the Kuwait delegation has already given its views regarding Item II of our agenda by supporting clauses 190, 195, 197, 209, 212, 213 and fully oppose clause 227 in document 6.

Thank you, Mr. Chairman.

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PLENIPOTENTIARY CONFERENCE ON DEFINITIVE ARRANGEMENTS FOR
THE INTERNATIONAL TELECOMMUNICATIONS SATELLITE CONSORTIUM

Washington, D.C., February - March 1969

Com. I/28
March 3, 1969

STATEMENT BY THE REPRESENTATIVE OF CANADA IN COMMITTEE I
MONDAY, MARCH 3, 1969

Mr. Chairman,

I would like to make some general remarks about Part II of our work--
Scope of INTELSAT's Activities.

The primary objective of the Organization should be the provision of the space segment for international public telecommunication services. In this respect, we believe in the establishment of a single global commercial satellite system; the use of the word "commercial", or some suitable equivalent, would be consistent in our view with the fact that such services are normally provided to users on a leased and, therefore, commercial basis. We think that the use of the word "commercial"--or an equivalent--is helpful in signifying that the main objective of the Organization is to achieve a worldwide public telecommunication service, and that this is to be done on a commercial basis.

I would now like to comment on the provision by satellites of specialized telecommunications, for example, for aeronautical, maritime, radio-navigation, meteorological, direct broadcasting satellites and other purposes. My Delegation considers that the Organization should, in principle, be authorized to provide the space segment for such specialized services in response to requests for such services by one or more members. We agree with the recommendation of the ICSC, contained in Paragraph 197 of its report, that the provision of such services should be subject to a decision by the Organization as to the technical and economic compatibility between the providing of such services by INTELSAT and the Organization's ability to meet its prime objectives. We believe that a decision to provide such services could have important economic, and possibly structural and other consequences for the Organization as a whole and, therefore, both the Governing Body and Assembly of all states members should have the right to approve such decisions including the modalities for offering such services. It would also seem appropriate that the introduction of such services be the subject of separate accounts and not enter into the determination of basic investment quotas.

With regard to the provision of domestic telecommunication services by the Organization, we agree with the recommendation in Paragraph 205 of

the ICSC Report that the Organization be authorized to provide these services at the request of a signatory or a group of signatories. In our view, similar questions to those raised with regard to specialized services can arise. The applicable conditions for providing such services would, in our opinion, be the same as those applicable to specialized services--and we believe that both the Governing Body and Assembly might appropriately have authority in this respect.

Mr. Chairman--the ICSC Report as well as the statements of members in this Conference indicate that a number of countries believe that the Organization should have a role in relation to certain aspects of the establishment of the space segment of separate telecommunication satellite systems by members. I should like briefly to comment on this topic.

With regard to regional public telecommunications systems, my Delegation recognizes that such regional systems which provide commercial services between countries in a compact geographic area, are international systems. We think that it follows that where States that are Members of the Organization wish to provide such public telecommunications services of this international character--as between themselves within a region--they should be allowed to do so provided that the establishment of the regional commercial international system is determined by the Organization to be compatible with the economic viability of the INTELSAT system. However, where specialized services, regional or otherwise, are concerned, we believe that the question of economic compatibility is not relevant.

As to domestic systems, it is in our view important to recognize that the purpose of a domestic system established by any Member of INTELSAT would be to provide domestic, and not international, traffic. The word "domestic" is defined in the Report of the ICSC as a service among and between places within the territory of a single State. We agree with that definition. Certainly, if INTELSAT provides a domestic service to a Member State, it will, as we have said earlier, wish to consider the conditions for providing such services. But if a Member decides to finance and construct the system itself, solely for internal purposes, we believe that it must have the full right to do so. In Canada, for example, satellite transmissions are of vital importance for reaching our far northern regions and in certain areas are the only practical method. We believe that the matter of a State meeting such priorities and needs by satellites is, from other than a purely technical point of view, entirely of domestic concern and the question of economic compatibility of a domestic system with the global system does not arise. We do, of course, recognize that domestic satellite systems, along with regional and other satellite systems, utilize an international facility--the radio-frequency spectrum, and related orbital locations. It follows, in our view, that States that wish to establish systems of their own must comply with their international obligations with regard to the ITU in the technical coordination of the use of the radio-frequency spectrum. So far as INTELSAT is concerned, we believe that a valuable role may be played by

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INTELSAT in facilitating coordination of this nature as it applies to separate public telecommunications systems and their relationship to the facilities of INTELSAT.

In summary, Mr. Chairman, both domestic and regional public telecommunications facilities would be coordinated technically with those of INTELSAT; however, while regional systems provide international traffic which may compete with the global system and may therefore raise the question of economic compatibility, domestic systems do not.

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PLENIPOTENTIARY CONFERENCE ON DEFINITIVE ARRANGEMENTS FOR
THE INTERNATIONAL TELECOMMUNICATIONS SATELLITE CONSORTIUM

Washington, D.C., February - March 1969

Com. I/29
March 3, 1969

EXTRACT FROM REMARKS BY THE REPRESENTATIVE OF THE UNITED KINGDOM
IN COMMITTEE I
MONDAY, MARCH 3, 1969

SCOPE OF INTELSAT'S ACTIVITIES

In this connection (the provision of international and domestic telecommunications services) there is one point of very great importance to my Government to which I now wish to draw attention. In the Interim Agreement of 1964, no formal distinction was drawn between international and domestic traffic, and to the best of my knowledge the system has carried both impartially and to the general satisfaction. In drafting the Definitive Agreement, however, we are now confronting the need--for example in the "Definitions" clauses--to make formal distinctions and shall be discussing the objectives and powers of the INTELSAT Organisation in respect of both separately. The problem for the United Kingdom arises in respect of a territory such as Hong Kong, which although "domestic" in the sense of being within the jurisdiction of Her Majesty's Government in the United Kingdom is geographically separated to a degree which might seem to warrant its being treated as "international" for practical telecommunications purposes. It will be essential for us to ensure, in the course of drafting, that the Definitive Agreement will make it possible, as at present, to treat such traffic on a basis of equal standing with international traffic. I would hope that the Conference will show understanding for this problem, which is one which will no doubt arise for other countries as well.

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PLENIPOTENTIARY CONFERENCE ON DEFINITIVE ARRANGEMENTS FOR
THE INTERNATIONAL TELECOMMUNICATIONS SATELLITE CONSORTIUM

Washington, D.C., February - March 1969

Com. I/30
March 3, 1969

STATEMENT BY THE REPRESENTATIVE OF IRAN IN COMMITTEE I
MONDAY, MARCH 3, 1969

The delegation of Iran would like to express its views on item II of the program of work in connection with the scope of INTELSAT'S activities and particularly dealing with the specialized telecommunications services.

In the opinion of my delegation and with due regard to paragraph 195 of the ICSC report connected with the priority accorded to the International Public Telecommunication services, the definitive arrangements shall authorize the Intelsat organization to provide the space segment, also for international specialized telecommunications services. This is naturally subject to the decision of the organization after the technical and economic study of the request concerned.

In fact, Mr. Chairman, the majority of the developing countries may need to use to the best the investment made for the construction of their earth stations and make these stations the most profitable. Furthermore, these countries may not have other similarly reliable means of transmissions, such as intercontinental microwave systems or submarine cables at their disposal to accommodate separate circuits for specialized telecommunications services of need to them.

Forgetting particularly the accommodation in the space segment of international or regional military telecommunications requirements, which to the opinion of a good number of Telecommunication Administrations, may adversely affect the organization's ability to provide the space segment for international public telecommunications services.

Your committee and the present conference shall to the interest of developing nations adopt to give them, through the most up-to-date technique of space communications, access to the scientific and technological resources of developed countries. My country, for example, would like to transmit and receive in the future data for the purpose of using computer facilities in other countries, transmit and receive meteorological, radio-navigational information etc., via our available earth station.

Consequently, Mr. Chairman, my delegation supports the provision by the space segment of international specialized telecommunication services subject to the approval by the organization both for the benefit of the earth station owners and for greater economic profitability of the space segment itself.



PLENIPOTENTIARY CONFERENCE ON DEFINITIVE ARRANGEMENTS FOR
THE INTERNATIONAL TELECOMMUNICATIONS SATELLITE CONSORTIUM

Washington, D.C., February - March 1969

Com. I/31
March 4, 1969

UTILIZATION OF THE INTELSAT SYSTEM BY THE UNITED NATIONS

(submitted on behalf of the Secretary-General of the United Nations)

- I. Introduction
- II. UN Operational and Informational Activities
- III. Present UN Operational and Informational Communications Facilities
- IV. Quantitative Estimates of UN Satellite Communications Requirements
- V. Practical Arrangements for UN Utilization of Communications Satellites
- VI. Conclusion

I. INTRODUCTION

1. Article IX of the 1964 INTELSAT Interim Agreement provides that the aims of the INTELSAT Definitive Arrangements shall be consonant with the principles set forth in the Preamble to the Interim Agreement. Among the basic rules contained in the Preamble is the principle that the communications satellite system to be established shall "contribute to world peace and understanding".

2. This presentation addresses itself to one important aspect of the employment of communications satellites in the service of world peace and understanding, namely, the utilization of the INTELSAT system by the United Nations for UN operational and informational requirements.

3. Such utilization is envisaged in Resolution 1721 (XVI) of the UN General Assembly of 20 December 1961, to which reference is made in the Preamble to the Interim Agreement. In addition to setting forth the principle "that communication by means of satellites should be available to the nations of the world as soon as practicable on a global and non-discriminatory basis", UN General Assembly Resolution 1721 (XVI) also notes, in a separate operative paragraph, "the potential importance of communication satellites for use by the United Nations and its principal organs ... for both operational and informational requirements".

4. This presentation first contains a brief account of UN operational and informational activities (paras. 5-11) as well as of the communications facilities which are presently at the disposal of the United Nations (paras. 12-27). The presentation then considers questions related to the utilization of the INTELSAT system by the UN. It outlines a phase-by-phase plan of implementation and provides quantitative estimates of the UN requirements during Phase One (paras. 28-42); in addition, it discusses various alternative practical arrangements to enable the UN to utilize the INTELSAT system (paras. 43-57). Finally, certain conclusions are stated (paras. 58-60).

II. UN OPERATIONAL AND INFORMATIONAL ACTIVITIES

5. Over the past 23 years, the United Nations has taken a large number of steps in the fulfilment of the Purposes of the Organization. These Purposes are defined in Article 1 of the UN Charter as follows:

- (1) To maintain international peace and security, and to that end: to take effective collective measures for the prevention and removal of threats to the peace, and for the suppression of acts of aggression or other breaches of the peace, and to bring about by peaceful means, and in conformity with the principles of justice and international law, adjustment or settlement of international disputes or situations which might lead to a breach of the peace;
- (2) To develop friendly relations among nations based on respect for the principle of equal rights and self-determination of peoples, and to take other appropriate measures to strengthen universal peace;
- (3) To achieve international cooperation in solving international problems of an economic, social, cultural, or humanitarian character, and in promoting and encouraging respect for human rights and for fundamental freedoms for all without distinction as to race, sex, language, or religion; and
- (4) To be a center for harmonizing the actions of nations in the attainment of these common ends.

6. Action undertaken by the United Nations in the fulfilment of these Purposes has two distinct but closely related aspects: operational and informational.

7. Operationally, action taken under the mandates contained in the UN Charter frequently necessitates the physical presence of the Organization outside UN Headquarters in New York. This presence takes various forms and includes UN missions of conciliation, mediation or observation, UN peace-keeping operations, short-term missions of subsidiary organs of the General Assembly and the Security Council, visiting missions of the Trusteeship Council, representatives of the Secretary-General, UN regional Economic Commissions, technical assistance missions of various kinds, and Resident Representatives of the United Nations Development Programme (UNDP).

8. Some of the present major UN offices outside New York are listed in para. 36 below.

9. With regard to the informational aspect of the work of the United Nations, the UN General Assembly recognized as early as 1946 that "the

United Nations cannot achieve the purposes for which it has been created unless the peoples of the world are fully informed of its aims and activities" (General Assembly Resolution 13 (I) of 13 February 1946). Accordingly, throughout the history of the United Nations there has been strong emphasis on the close relationship between UN operational and informational activities, in recognition of the fact that, as recently stated by the UN Secretary-General, "the ultimate strength of the Organization and its capacity to promote and achieve the objectives for which it has been established lie in the degree to which its aims and activities are understood and supported by the peoples of the world" and that therefore "a purposeful and universal programme of public information is, in fact, a programme of implementation - an essential counterpart of the substantive activities of the Organization".

10. A fundamental principle enunciated by the UN General Assembly with regard to UN public information activities is the principle that the UN Office of Public Information "should primarily assist and rely upon the cooperation of the established governmental and non-governmental agencies of information to provide the public with information about the United Nations" (General Assembly Resolution 13 (I) of 13 February 1946). Since only a small number of governmental and non-governmental information agencies find it possible to be represented at UN Headquarters in New York on a full-time basis, 50 UN Information Centres have been established in various parts of the world to serve local and regional information requirements.

11. In the field of radio and television, the UN Office of Public Information provides national broadcasting organizations in some 130 countries and territories with a variety of audio-visual information material about the UN in over 30 languages. This material either is included in national and local news and feature programmes on a selective basis or is broadcast in full. The UN Office of Public Information also broadcasts and telecasts live the proceedings of the General Assembly and the Security Council as well as other major UN events.

III. PRESENT UN OPERATIONAL AND INFORMATIONAL COMMUNICATIONS FACILITIES

12. At its First Session in 1946, the UN General Assembly recognized that the Organization, in order to be able to fulfil its global mandates, "should have its own radio broadcasting station or stations with the necessary wave lengths, both for communication with Members and with branch offices, and for the origination of United Nations programmes" (General Assembly Resolution 13 (I) of 13 February 1946). Similarly, during the discussions of requirements for a Headquarters site for the United Nations, great emphasis was placed on the importance of the possession by the Organization of its own means of telecommunication so that, in the words of the Secretary-General, "Headquarters could at all times be in a position to maintain contact with any Member nation, and especially at times of great emergency".

13. The importance of adequate telecommunications for the United Nations was also recognized in the 1946 Convention on the Privileges and Immunities of the United Nations which states, in Article III, Section 9: "The United Nations shall enjoy in the territory of each Member for its official communications treatment not less favorable than that accorded by the Government of that Member to any other Government, including its diplomatic mission, in the matter of priorities, rates and taxes on mails, cables, telegrams, radiograms, telephotos, telephone and other communications; and press rates for information to the press and radio". In addition, express provisions permitting the United Nations to establish its own broadcasting installations in its Headquarters District were incorporated into the United Nations Headquarters Agreement, concluded between the United States and the United Nations in 1947.

14. Furthermore, the Agreement concluded in 1947 between the United Nations and the International Telecommunication Union provides: (1) "The Union recognizes that it is important that the United Nations shall benefit by the same rights as the Members of the Union for operating telecommunication services", and (2) "The United Nations undertakes to operate the telecommunication services under its control in accordance with the terms of the International Telecommunication Convention and the regulations annexed thereto". In accordance with the provisions, the International

Telecommunication Convention (Montreux, 1965) states: "The telecommunication operating services of the United Nations shall be entitled to the rights and bound by the obligations of this Convention and of the Administrative Regulations annexed thereto. Accordingly, they shall be entitled to attend all conferences of the Union, including meetings of the International Consultative Committee, in a consultative capacity".

15. Also in 1947, an Advisory Committee on United Nations Telecommunications, composed of national telecommunications experts and headed by General Frank E. Stoner, prepared a detailed technical plan to provide for the requirements of the Organization in the matter of operational and informational broadcasting. The plan strongly recommended the establishment of a UN network of short wave transmitters operated by the United Nations under its own jurisdiction and control.

16. In response to this plan, the UN General Assembly approved "in principle the establishment of a United Nations telecommunications system", reaffirmed "the United Nations position as an operating agency in the field of international telecommunications", and called upon "all Member Governments to support at all international telecommunications conferences the requirements of the United Nations for frequencies and services" (General Assembly Resolution 240 (III) of 18 November 1948). The Assembly also instructed the Secretary-General to proceed with the implementation of modified proposals for a UN telecommunications system, "provided that the capital expenditure involved does not constitute a net addition to the budget of the United Nations", and authorized the Secretary-General to accept voluntary contributions and donations for this purpose (General Assembly Resolution 460 (V) of 12 December 1950).

17. The urgent need for a United Nations operational communications network continued to be emphasized by the Secretary-General. In 1948, he stated to the General Assembly that "the ability of United Nations Headquarters to communicate directly with any Member, or with any of the subsidiary organs of the United Nations in the field, is politically and economically advisable at all times, and appears as absolutely essential in the case of urgent critical issues". In 1950, the Secretary-General again insisted on the urgency of "the need for point-to-point facilities for written record and

telephone traffic between United Nations Headquarters, overseas offices and missions in the field". In the sphere of informational communications, the General Assembly reiterated in 1952 that the United Nations "should have at its disposal, for the origination of United Nations programmes, broadcasting facilities under its own control and capable of reaching all Member States, as approved in principle by the General Assembly" (General Assembly Resolution 595 (VI) of 4 February 1952).

18. But although the need for appropriate United Nations operational and informational communications facilities has thus been repeatedly and explicitly recognized, it has not been possible, up to the present, to establish these facilities. Instead, the Organization had to fall back on improvised stopgap arrangements which, over the years, have proven to be clearly and dangerously inadequate.

19. For UN operational communications, a makeshift East-West connexion was established, utilizing short wave and running from New York to Geneva, and on to a few points in the Middle East, in Asia and in Africa. This arrangement is extremely limited in its geographic coverage; it does not provide for any North-South communications, and it fails to meet the minimum requirements resulting from the great expansion of the UN membership.

20. Furthermore, it is evident that the operational communications network of an Organization whose Purposes include the maintenance of international peace and security should possess a very high degree of reliability and should be capable of ensuring, at any moment, close contact with any part of the world. This essential requirement is not met by the present provisional operational communications arrangement of the UN. In fact, there have been several instances in the history of the United Nations where, during periods of grave international emergency, contact between UN Headquarters and the field was lost for twenty-four hours or longer. In effect, under the present arrangements the United Nations is taking risks which for long have been regarded as unacceptable by Governments for their own national communications needs.

21. It must further be considered that, in addition to operational communications requirements which flow from the very fact of UN activities

outside UN Headquarters in New York, there also exist a number of instances where the Secretary-General has been charged by the international community with specific urgent communications functions. This is the case, for example, under the Agreement on the Rescue of Astronauts, the Return of Astronauts and the Return of Objects Launched into Outer Space, which provides that the UN Secretary-General shall be notified of any space accident or emergency and that he "should disseminate the information without delay by all appropriate means of communication at his disposal" (Article 1 of the Agreement). The effectiveness of such action by the Secretary-General will naturally depend on the quality of the UN operational communications network.

22. In the sphere of UN public information, the lack of adequate communications facilities is equally acute. For example, most of the 50 United Nations Information Centres in various parts of the world receive their information material from UN Headquarters almost exclusively by diplomatic pouch, and therefore are severely inhibited in their efforts to fulfill their primary obligation of providing up-to-date material concerning UN events and activities to national and local information media.

23. As far as radio broadcasting is concerned, and despite the existence of the General Assembly Resolutions referred to in paras. 12-17 above, the United Nations has to rely on short wave transmitters leased under preferential arrangements from the United States, Switzerland, France, and Italy. Here, too, the result is far from satisfactory, and a considerable number of UN Member States are placed in a position of distinct inequality as far as access to UN information is concerned. There are entire regions where reception of UN short wave transmissions is extremely poor or nonexistent. Short wave broadcasts of UN news and of the proceedings of the General Assembly and the Security Council are available for national monitoring and/or rebroadcast only in the Americas, in the larger part of Europe, in parts of the Middle East, and in North, West and Central Africa. Even in these areas, reception quality is subject to considerable fluctuations due to ionospheric disturbances and frequently does not meet minimum rebroadcast standards.

24. The UN Office of Public Information therefore has to supplement its short wave transmissions with air shipments of recorded programme material on tape or disc, particularly to those areas which cannot be reached directly by short wave. Currently more than 1,000 radio stations in some 130 countries and territories regularly broadcast such programmes. On the other hand, while recorded programme material has the merit of reliable rebroadcast quality, such material reaches requesting radio organizations and stations in various parts of the world only after an unavoidable delay, extending from several days to one week.

25. Even greater limitations apply to television in which the United Nations has been active since 1949 and which provides an increasingly important medium for the Organization's public information efforts. With terrestrial transmission facilities, live television coverage of United Nations events is possible only in North America, while other regions must depend on air freight shipments for UN film and kinescope material. Thus, the overwhelming majority of the UN membership once more is placed in a position of inequality as far as their access to UN information is concerned.

26. The inadequacy of the present UN informational communications facilities is further brought into sharp focus by the increasing number of requests addressed to the Secretary-General by various UN organs to the effect that special publicity be given to certain issues of major concern to the Organization. The extent to which the Secretary-General can respond to such requests is again determined largely by the communications facilities at the disposal of the UN.

27. In summary, therefore, UN operational and informational activities today are characterized by, on the one hand, far-reaching demands and obligations emanating from the provisions of the UN Charter and from decisions by UN organs, and, on the other hand, inadequate communications means and facilities. The Organization has been entrusted by the international community with tasks of overriding importance, such as the maintenance of international peace and security and the achievement of global economic and social development. At the same time, it has been repeatedly and explicitly recognized that these tasks cannot be successfully

accomplished without reliable communications between UN Headquarters and the various UN missions and offices in the field; nor can they be accomplished without the continuous support of a well-informed world public opinion. However, neither in the operational nor in the informational communications sphere does the United Nations today possess anything even remotely approaching adequate facilities for meeting these obvious basic requirements, and UN Member States have far outdistanced their international organization in the utilization of modern communications technology.

IV. QUANTITATIVE ESTIMATES OF UN SATELLITE COMMUNICATIONS REQUIREMENTS

28. The solution to these serious problems is indicated in the unanimously adopted UN General Assembly Resolution 1721 (XVI) of 20 December 1961, already referred to in para. 3 above. The concept endorsed in that Resolution, namely, the utilization of communications satellites by the United Nations for operational and informational requirements, has been reaffirmed by the Assembly on subsequent occasions. Thus, in Resolution 1802 (XVII) of 14 December 1962, the General Assembly unanimously expressed the belief "that communication by satellite offers great benefits to mankind, as it will permit the expansion of radio, telephone and television transmissions, including the broadcast of United Nations activities". And in Resolution 1963 (XVIII) of 13 December 1963, the Assembly, again unanimously, recognized "the potential contribution of communication satellites in the expansion of global telecommunications facilities and the possibilities this offers for increasing the flow of information and for furthering the objectives of the United Nations".

29. The advent of the communications satellite does, indeed, provide the technical means for overcoming the limitations which are characteristic of present UN operational and informational communications. In the operational sphere, utilization of communications satellites will provide close and reliable contact between the deliberative and executive organs of the United Nations, on the one hand, and United Nations representatives in the field, on the other. In the informational sphere, utilization of communications

satellites will make it possible to communicate instantaneously - and, for the first time ever, on terms of equality for all Member States regardless of their geographic location - the full story of the United Nations to information media the world over, thus creating equal opportunities for national organizations everywhere to provide information about UN events and activities.

30. Turning specifically to United Nations utilization of the INTELSAT system for the purpose of meeting UN operational and informational communications requirements, it is proposed that UN access to the system be implemented progressively over a number of years and be correlated with the INTELSAT launch schedule and the consequent increase in available satellite capacity. Accordingly, three Phases are envisaged, covering the periods 1969-1971, 1972-1974, and from 1975 onwards, respectively.

31. In each of the Phases, there are three different categories of United Nations communications requirements: (a) voice/teleprinter communications, (b) radio transmission circuits, (c) television transmissions.

32. The following the projections and quantitative estimates of UN satellite communications requirements in PHASE I (1969-1971).

Voice/teleprinter communications

33. The designations are based on the following bandwidth requirements:

- | | |
|-------------------------------|-----------------------|
| 1 one-way teleprinter channel | 120 Hz |
| 1 two-way telephone circuit | 4 kHz (CCIR quality). |

34. The provision for a 4 kHz CCIR quality voice circuit between an earth station through the satellite to a corresponding earth station includes 2 one-way teleprinter circuits involving " $s+s_x$ " or " $s+d_x$ " circuits. In the event that this requirement cannot be met, the alternative arrangements would entail the provision of two 4 kHz voice circuits, the first for voice traffic and the second for VFTG from which the teleprinter can be derived.

35. These circuits should be available on a full-time basis unless at a later stage a time-sharing system can be devised.

36. Phase I would require provision for voice/teleprinter communications between UN Headquarters in New York and three different categories of UN locations overseas:

(i) Major UN regional offices:Geneva, Switzerland

UN Economic Commission for Europe (ECE)
 UN Information Service (UNIS)
 UN High Commissioner for Refugees (UNHCR)
 UN Conference on Trade and Development (UNCTAD)
 Conference of the Eighteen-Nation Committee on
 Disarmament (ENDC)
 International Labour Organization (ILO)
 International Telecommunication Union (ITU)
 World Health Organization (WHO)
 World Meteorological Organization (WMO)

Bangkok, Thailand

UN Economic Commission for Asia and the
 Far East (ECAFE)
 UN Information Service (UNIS)
 UN Secretary-General's Representative to
 Cambodia and Thailand (CAM/THAI)

Santiago, Chile

UN Economic Commission for Latin America (ECLA)
 UN Information Service (UNIS)

Addis Ababa, Ethiopia

UN Economic Commission for Africa (ECA)
 UN Information Service (UNIS)

Beirut, Lebanon

UN Economic and Social Office (UNESOB)
 UN Relief and Works Agency for Palestine
 Refugees (UNRWA)
 UN Information Centre (UNIC)

The following services are required:

UN New York / UN Geneva	two 4 kHz CCIR quality voice circuits
UN New York / UN Bangkok	one 4 kHz CCIR quality voice circuit
UN New York / UN Santiago	one 4 kHz CCIR quality voice circuit
UN New York / UN Addis Ababa	one 4 kHz CCIR quality voice circuit
UN New York / UN Beirut	one 4 kHz CCIR quality voice circuit

(ii) UN peace-keeping operations. It should be noted that variations may occur in this category due to the establishment of new peace-keeping operations by the competent UN organs. The following operations are currently in existence:

Jerusalem

UN Truce Supervision Organization (UNTSO)

Rawalpindi, Pakistan

UN Military Observer Group in India and
 Pakistan (UNMOGIP)

Nicosia, Cyprus

UN Force in Cyprus (UNFICYP)
 UN Middle East Mission (UNMEM)

- 13 -

The following services are required:

UN New York / UN Jerusalem	one 4 kHz CCIR quality voice circuit
UN New York / UN Rawalpindi	one 4 kHz CCIR quality voice circuit
UN New York / UN Nicosia	one 4 kHz CCIR quality voice circuit

Until such time as earth station availability will permit the establishment of direct communications it is proposed to feed points listed under (ii) via the United Nations Office in Geneva.

(iii) Additional major UN offices:

Paris, France

UN Information Centre (UNIC)
United Nations Educational, Scientific and
Cultural Organization (UNESCO)

London, United Kingdom

UN Information Centre (UNIC)
Inter-Governmental Maritime Consultative
Organization (IMCO)

Rome, Italy

UN Information Centre (UNIC)
Food and Agriculture Organization (FAO)

Vienna, Austria

UN Industrial Development Organization (UNIDO)
International Atomic Energy Agency (IAEA)

The following services are required:

UN New York / UN Paris	one 4 kHz CCIR quality voice circuit
UN New York / UN London	one 4 kHz CCIR quality voice circuit
UN New York / UN Rome	one 4 kHz CCIR quality voice circuit
UN New York / UN Vienna	one 4 kHz CCIR quality voice circuit

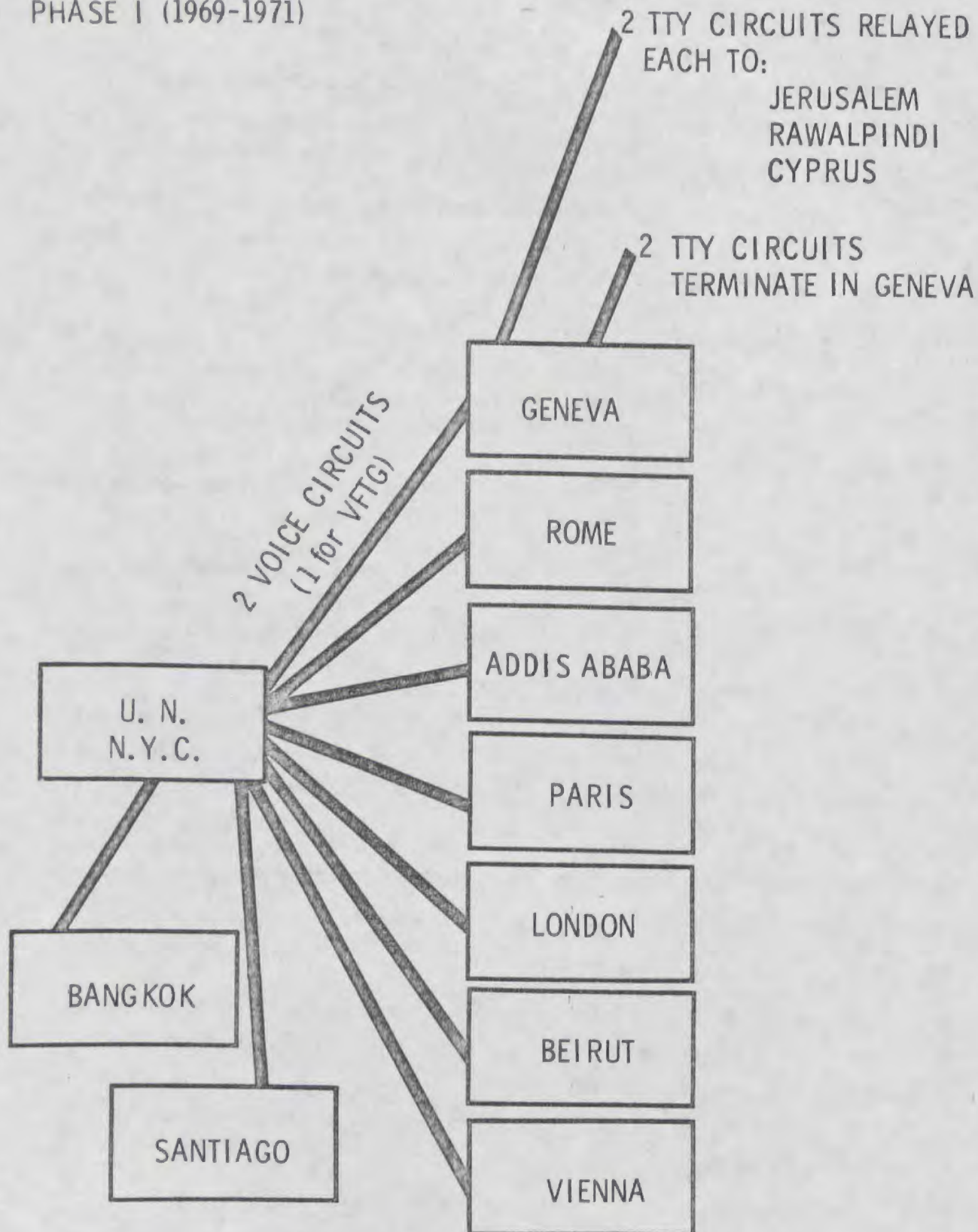
37. A schematic representation of the voice/teleprinter communications requirements during Phase I is given on the next page.

Radio transmission circuits

38. It is proposed to utilize one-way radio circuits of 12 kHz bandwidth for dissemination of United Nations news material to information media in UN Member States. It is understood that, at the present time, there are no provisions in the INTELSAT system for radio services disassociated from TV video, but that the offering of such services would raise no difficulties of principle.

39. During Phase I, the following types of UN radio transmissions via satellite are envisaged:

PHASE I (1969-1971)



ALL LINKS EXCEPT NYC/GENEVA
SHOULD PROVIDE FOR 1 TWO-WAY
VOICE CIRCUIT EQUIPPED FOR
SIMULTANEOUS TWO-WAY TELEGRAPHY

- (i) Continuous transmission of United Nations news bulletins and news programmes in the five UN official languages (English, French, Spanish, Russian, Chinese) as well as in certain other languages which are used in more than one country (such as Arabic, German, Swahili) for random selection by national broadcasters and not subject to point-to-point arrangements. The news bulletins would be continuously updated and would be available on an around-the-clock basis. The news programmes would be replaced by new editions at regular intervals. The purpose of this service would be to provide national broadcasters with up-to-date United Nations news bulletins for selective use in their own news broadcasts, as well as with complete United Nations news programmes for rebroadcast in their entirety.
- (ii) The basic service outlined above would be supplemented, on the same radio channel, by the transmission of prescheduled point-to-point United Nations news bulletins and news programmes, primarily in languages not available on a continuous basis. This more individualized service would be scheduled in close liaison between the UN and the national broadcasters concerned, to ensure that specific national requirements, for example with regard to transmission time, are met as far as possible. The purpose of the service would be identical with the purpose of the basic service described under (i) above.
- (iii) Transmission in full of major United Nations meetings (such as those of the Security Council and of the General Assembly) and of other United Nations events (for instance, commemorative sessions, major press conferences), either live or delayed, for random selection by national broadcasters and not subject to point-to-point arrangements. The floor sound would be transmitted on the main 12 kHz radio channel and certain language translations would be transmitted on additional 4 kHz lines. The purpose of this service would be to provide national broadcasters with the possibility of monitoring the meetings and events transmitted, for immediate coverage in national news programmes, as well as with the possibility of obtaining the pertinent actuality material on a virtually instantaneous basis. The transmissions could also be rebroadcast in full.

- (iv) On an experimental basis, the transmissions described under (ii) above, as well as the VFTG circuits allocated to the United Nations operational communications, would be used for simultaneous teletype transmission of United Nations news material, to be made available to national public information media. In the case of radio stations and networks, this material would be voiced by local talent for broadcast.

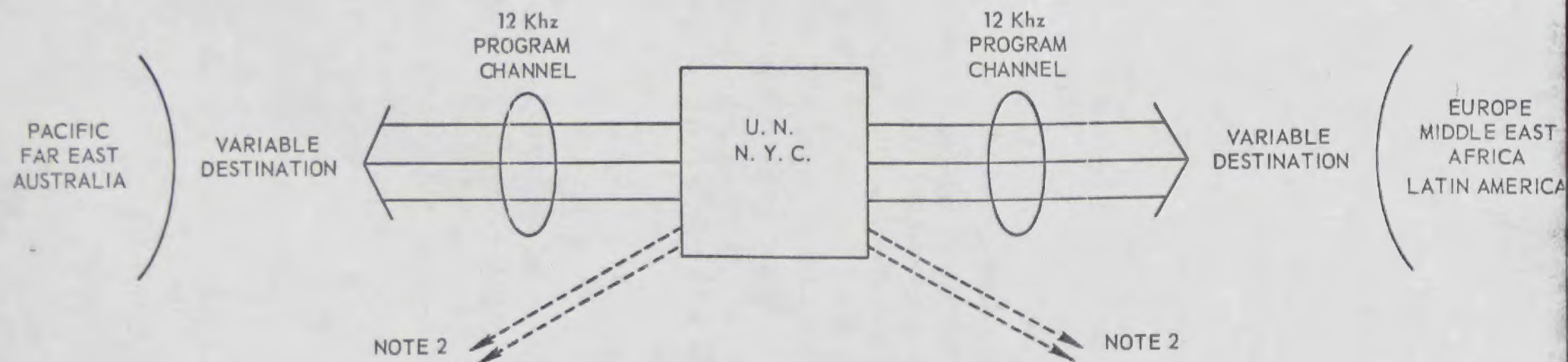
40. A schematic representation of the radio broadcast channel requirements during Phase I is given on the next page.

Television transmissions

41. It is proposed that certain TV space segments be placed at the disposal of the United Nations for occasional TV originations, with emphasis on service to developing nations which cannot under present circumstances receive feeds of General Assembly sessions, Security Council meetings, press conferences by the Secretary-General, and other major UN events. It would also be desirable for the United Nations to obtain, once a week, a regularly scheduled UN TV service feed. Every attempt should be made to schedule the feed at a time when the TV channel on the satellite is not being used by any other organization. This service would not become operational before mid-1970.

42. PHASE II (1972-1974) and PHASE III (1975-) are projected to be implemented from 1972 onwards in conjunction with the INTELSAT IV series of satellites. With regard to voice/teleprinter communications, Phases II and III will extend the services provided for in Phase I to include further United Nations offices as well as the Resident Representatives of the United Nations Development Programme (UNDP); high-speed message traffic, experimental computer inter-changes and information retrieval would be added. Radio and television services also would be extended.

RADIO BROADCAST



NOTE 1 - ABOVE SERVICE WOULD BE PROVIDED FROM AUDIO PORTION OF TV BAND ON NON-INTERFERENCE BASIS WITH COMMERCIAL SERVICE.

NOTE 2 - DURING MAJOR U.N. SESSIONS, ADDITIONAL 4 Khz CHANNELS WOULD BE REQUESTED

V. PRACTICAL ARRANGEMENTS FOR UN UTILIZATION OF COMMUNICATIONS SATELLITES

43. In principle, there exist at least three possible alternative arrangements for placing communications satellites at the disposal of the United Nations for the fulfilment of the Organization's operational and informational communications requirements.

44. The first possibility consists in the establishment of a separate global communications satellite system for exclusive use by the United Nations. An arrangement of this kind could base itself, inter alia, on the decision by the UN General Assembly to approve "in principle the establishment of a United Nations telecommunications system" and to reaffirm "the United Nations position as an operating agency in the field of international telecommunications" (General Assembly Resolution 240 (III) of 18 November 1948). On the other hand, a project of such dimensions is likely to encounter considerable financial and other objections from the UN membership, particularly in view of the relatively high cost of establishing and operating satellite systems. Moreover, the UN operational and informational satellite communications requirements, as outlined in paras. 30-42 above, are far too limited to justify the establishment of a separate global communications satellite system. In fact, the number of channels required amounts to a mere fraction of the total capacity of a system such as INTELSAT at the conclusion of the launch schedule of the INTELSAT III series of satellites.

45. There exist convincing arguments also against a second possibility - that of leasing by the United Nations of satellite transmission time from a system such as INTELSAT on commercial terms. In addition to representing a further strain on the limited budgetary resources of the United Nations, such an arrangement would also largely amount to a "wash" operation for the owners of the satellite system: while they would receive from the United Nations payments for satellite utilization, they would return these payments to the Organization in the form of higher contributions to the UN budget to cover the UN satellite communications expenses. This argument applies particularly to INTELSAT in view of the wide coincidence of the memberships of INTELSAT and of the United Nations.

46. A third possibility is indicated in UN General Assembly Resolution 460 (V) of 12 December 1950 (referred to in para. 16 above) in which the Assembly instructed the Secretary-General to proceed with the establishment of a United Nations telecommunications network "provided that the capital expenditure involved does not constitute a net addition to the budget of the United Nations", and authorized the Secretary-General to accept voluntary contributions for this purpose. Translated into present-day terms, and bearing in mind the arguments against a separate UN communications satellite system, this General Assembly Resolution points towards the conclusion of agreements making communications satellite systems, under conditions and within limits to be specified, freely and permanently accessible to the United Nations, without cost to the Organization, as a service to the international community by the owners of communications satellite systems.

47. There exist numerous precedents for the provision of free services to the United Nations. In the operational sphere, the concept that Member States will make available "facilities ... necessary for the purpose of maintaining international peace and security" is contained in the UN Charter (Article 43). In the field of information, premises for two-thirds of the 50 UN Information Centres in various parts of the world are provided free of charge by the host Governments. Seen in national terms, free-of-charge United Nations utilization of communications satellites would merely confer on the Organization, with regard to satellites owned by Member States, a privilege similar to that enjoyed by numerous national legislators and government officials vis-a-vis their own postal administrations.

48. The concept of free services is also well known to the International Telecommunication Convention and to the annexed Administrative Regulations which specify various cases in which free services should be accorded; these exceptional cases are invariably justified, explicitly or implicitly, as serving a higher interest. That such a higher interest is represented for all States by the Purposes of the United Nations cannot be doubted. Every State, including every owner or co-owner of communications satellite systems, has an overriding stake in the successful accomplishment of these Purposes.

49. The desirability of granting privileged treatment to the United Nations, going beyond treatment accorded to Governments, has already been formally

recognized on at least one occasion by the membership of the International Telecommunication Union. That recognition is contained in the Recommendation of the Ordinary Administrative Telegraph and Telephone Conference held in Geneva in 1958, to the effect that, in certain circumstances, the Members and Associate Members of the Union grant preferential treatment, over Government calls, for calls between specified United Nations officials as well as from and to such officials. While the preferential treatment relates only to the order of establishment of the communications requested and to the length of calls, the Recommendation nevertheless is an explicit recognition of the principle that the United Nations, in order to be able to fulfill the mandates entrusted to it under the UN Charter, requires special treatment of its communications needs not accorded to any other entity.

50. Furthermore, it should be noted that neither the operational nor the informational use of the INTELSAT system by the United Nations can be considered as in any manner commercial or competitive with the regular communications traffic over the same system for which the owners of the system are reimbursed by the users.

51. In the case of United Nations operational communications, this point is too obvious to require further elaboration.

52. In the case of the United Nations informational communications, none of the services for which the utilization of the system is envisaged reflects a national point of view. Moreover, all of these services have already been provided by the United Nations for a number of years - by short wave and air freight, rather than by satellite. Consequently, no innovation in the content and scope of the UN public information output is proposed. What is envisaged is solely the placing of existing services on a more effective and reliable technical basis and making them available, on terms of full equality, to information media in every part of the world.

53. Accordingly, the arrangements proposed in this presentation would neither duplicate nor compete with coverage of UN events by news agencies and national correspondents - any more than, for example, present UN short wave broadcasts of Security Council meetings constitute such duplication or competition.

54. Similarly, there exists no prospect that the arrangements proposed might deprive INTELSAT of revenues which the system otherwise would be receiving. Quite likely, the contrary might be the case.

55. As far as most of the world's developing nations are concerned, of course, the question of an INTELSAT loss of revenues does not arise. These nations today simply are not in a position to incur expenditures for regular satellite transmissions from the United Nations, although they are entitled, as members of the world community, to receive UN information on a basis of equality with the more privileged nations. In fact, it would be ironical if developing countries, having at last been provided by the communications satellite with a way of overcoming the technological inequality which for long prevented them from having adequate access to UN information, should now be barred from such information as result of inadequate financial arrangements, thus perpetuating a clearly unacceptable state of inequality among UN Members with regard to access to information about UN events and activities.

56. With regard to the more affluent nations which today can and do pay for reports via satellite from the UN, it should be noted that these reports for the most part represent dispatches and commentaries by national correspondents. Such dispatches and commentaries from a national point of view cannot be replaced by programme material produced by the UN Secretariat. Quite on the contrary, due to the increased interest in UN events as result of more effective UN public information transmissions, the number of fully paid national dispatches and commentaries may well grow. Viewed in this perspective, free-of-charge UN utilization of the INTELSAT system represents an investment by INTELSAT in sales promotion - an investment from which everybody stands to benefit.

57. Finally, free-of-charge UN utilization of communications satellites would be particularly appropriate in view of the nature and legal status of outer space. Such utilization would give concrete practical expression to the injunction contained in the 1967 Outer Space Treaty that this international resource shall be used "in the interest of maintaining international peace and security and promoting international cooperation and understanding" (Article III), as well as to the hope repeatedly expressed by the UN General Assembly that outer space would be used "for the betterment of mankind" and in "the common interest of all mankind".

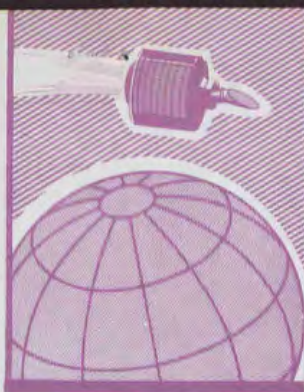
VI. CONCLUSION

58. It is fully recognized that the cost of the utilization of the space segment represents only part of the total cost of a given satellite transmission and that, if the United Nations is to make full and effective use of the INTELSAT system, the question of utilization of earth stations and of access lines thereto has to be faced as well. However, it is also understood that this matter is not within the competence of the INTELSAT Conference and therefore will have to be pursued separately.

59. Nor are the technical details included in this presentation intended for similarly detailed discussion by the Conference. They have been listed solely for the purpose of indicating the very limited dimensions of the UN satellite communications requirements. On the other hand, by meeting these limited requirements, the members of INTELSAT will be making an important and conceivably even decisive contribution to the ultimate success of the efforts which their own Governments are undertaking through the United Nations.

60. Therefore, the Conference may wish to recognize, in the Preamble to the Definitive Agreement, the importance of communications satellites for use by the United Nations for both operational and informational requirements, as noted in UN General Assembly Resolution 1721 (XVI) of 20 December 1961. The Conference may further wish to endorse, in the operative part of the Definitive Agreement, the principle that the United Nations should enjoy permanent free-of-charge multiple access to the INTELSAT system for both operational and informational requirements, while leaving the necessary supplementary agreements to be concluded between the appropriate organ of INTELSAT and the Secretary-General of the United Nations.

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PLENIPOTENTIARY CONFERENCE ON DEFINITIVE ARRANGEMENTS FOR
THE INTERNATIONAL TELECOMMUNICATIONS SATELLITE CONSORTIUM

Washington, D.C., February - March 1969

Com. I/32
March 4, 1969

STATEMENT OF THE REPRESENTATIVE OF THE FEDERAL REPUBLIC OF GERMANY
IN COMMITTEE I
MONDAY, MARCH 3, 1969

1. There seems to be no difference of opinion about the fact that it will be the task of the organization to provide the space segment for world-wide public telecommunication services.

Apart from these world-wide services, there will be various regions in which particular requirements for national and regional services will arise. Some delegations have already pointed that out. It might still be too early to give an accurate assessment of the manifold interests and wishes of the countries concerned; these will probably vary from one country to another.

During the discussions in this Committee there has been repeated reference to the question of the "single global system" and of regional or domestic systems. My delegation is under the impression that, to a certain extent, a difficulty of terminology is involved in this matter and we welcome the efforts for clarification that have been made in this connection.

2. One question of relevance in this context is, however, whether and to what extent the members of this organization should undertake to organize their telecommunication traffic via the INTELSAT system, so as to ensure the economic efficiency of the system for all members and especially also for those regions which still have a small traffic volume.

As the distinguished delegate of France has rightly pointed out, there is no doubt that the member countries must be free to decide which telecommunication medium they want to use, whether it should be cables, radio transmission, or satellites, although their choice will undoubtedly be of considerable significance for the economic rentability of INTELSAT. At the same time the countries desire to decide freely on how to meet their domestic requirements; this can have repercussions on INTELSAT'S rentability as well.

The same holds true in the event that a regional system were to be established. For the full use of a satellite system it is not decisive whether the communication established crosses a national boundary or not, and whether the distance between the two relevant earth stations is longer or shorter. If special requirements arise in some limited region of the world for a limited number of States--such as those to which some

of the delegations have already referred--the States concerned will seek such a solution as they think best, whether through the organization or on their own initiative. This could, e.g., be envisaged even within the framework of a national or multilateral development aid program. As the distinguished delegates of Japan and of the Netherlands have pointed out, this freedom of action is based on the provisions of the Outer Space Treaty and can therefore not be basically restricted. Non-discriminatory use of outer space means in this connection that smaller States are entitled to pooling their efforts regionally in the same degree as States with large or even continental-size territory are free to deploy their efforts in the domestic field.

The economic efficiency of the world-wide INTELSAT system will therefore have to be assured, as in the past, by intelligent planning and by the harmonization of all interests within the framework of the ITU. A detailed system of consultation between the organization and those members planning the establishment of separate public telecommunication systems is therefore of the utmost importance. This would ensure an equitable solution to the problems of compatibility of any kind.

3. The so-called "specialized services" are equally varying. They comprise the most different services such as meteorology, navigation, the prospecting of earth resources, the observation of the land and the seas in the interests of agriculture, forestry and fishery, television for educational purposes, and the so-called direct television. Many other possibilities of applying the satellite technique are likely to be discovered as time goes on. We here are still at the very beginning of a development that will be of great importance especially also to the developing countries. The United Nations Conference on the Exploration and Peaceful Use of Outer Space, convened in Vienna in 1968, has given evidence of this. A working group in the United Nations has been instructed to study the technical, commercial, cultural, political, and social aspects of direct television.

Whilst the classical public telecommunication services can look back on a more than century-old tradition in technical, operational and financial respects, these aspects are partially still unexplored as far as the various specialized services are concerned. Appropriate rules and procedures will still have to be developed and tried out. A number of national and international organizations whose competencies are affected will be able to contribute a great deal to this. Additional international organizations may emerge to be responsible for other fields.

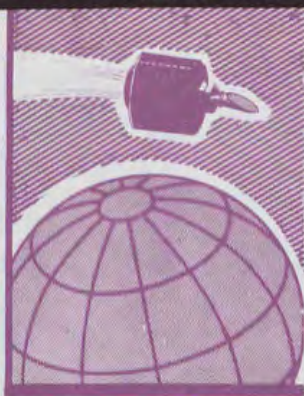
Under these circumstances it would appear too early at this stage to include in the Agreement detailed arrangements on the activities of the organization regarding special projects in respect of regional, national and specialized services. The terms and conditions for such special projects would be laid down in each individual case, after consultation with all competent agencies, between INTELSAT and the States or organizations interested. Member States of INTELSAT not interested in the special

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project may not be made to incur any liability either financially or otherwise, e.g., as regards the liability clause under Article VI of the Treaty on Principles Governing the Activities of States in the Exploration and Use of Outer Space.

The provision of world-wide specialized services by INTELSAT as a proper activity of that organization might so strongly influence its financial principles and hence its inner structure that the extension of its scope of activities should be made subject to a Review of the Agreements by a Conference of Governments, as the distinguished delegate of the United Kingdom has rightly pointed out.

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PLENIPOTENTIARY CONFERENCE ON DEFINITIVE ARRANGEMENTS FOR
THE INTERNATIONAL TELECOMMUNICATIONS SATELLITE CONSORTIUM

Washington, D.C., February - March 1969

Com. I/33
March 4, 1969

STATEMENT BY THE REPRESENTATIVE OF THE FEDERAL REPUBLIC OF GERMANY
IN COMMITTEE I
THURSDAY, FEBRUARY 27, 1969

My delegation feels that yesterday's and today's discussions in this Committee have been very useful. The debate on one single item has already shown a broad spectrum of various opinions. This kind of discussion can greatly facilitate the work of this conference with respect to other items as well. My delegation therefore welcomes the statements of yesterday's and today's meetings. We share many of the views that have been put forward.

Let me supplement the opinions expressed as follows:

1. We would like to see as the result of our deliberations the creation of a genuinely international organization open to all ITU members on an equal and non-discriminatory basis as the distinguished delegate of Canada has suggested. This organization should help to satisfy the requirements of member States for long-distance public telecommunication services.
2. The organization should consist of three main organs: an Assembly, a Governing Body and a Management Body.

Recently, the United Nations have adopted some important international conventions, such as the Treaty on Principles governing the Activities of States in the Exploration and Use of Outer Space, the Treaty on Recovery of Astronauts and the Liability Treaty which is at present being negotiated. All these Treaties are based on the principle of responsibility of governments for outer space or for developments in outer space as clearly expressed in Article 6 of the Outer Space Treaty. This must be our first point of reference and it is in this legal framework that the conference will have to work out this first and important arrangement for the utilization of outer space. We will, therefore, have to establish an organ within the organization, namely the Assembly, in which member governments may exercise the supervision required and safeguard their legitimate interests.

Another important organ would be the Governing Body. It would be responsible for all major operations and decisions and thus ensure the smooth functioning of the system. The responsibility for these

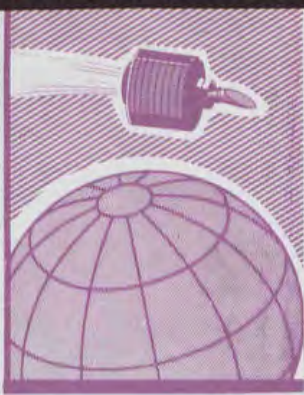
decisions would primarily fall within the competence of telecommunication entities whether governmental or not.

The third organ of the organization, the Management Body, requires for the fulfilment of its tasks a wide degree of international confidence and support. It should therefore neither be subject to the national legislation or supervision of any State, nor exposed to potential conflicts of interest. The Management Body has to be constituted in such a way as to make the daily operations transparent and should be organized upon principles of efficient business management.

The question of regional and domestic satellite systems has been mentioned in this Committee. I should like, however, to say at this stage that I share the views expressed yesterday by the distinguished delegate of India on this point.

The aim of the present negotiations and of the organization to which its creation may lead is to find an equitable conciliation of the interests of all participants. It is with this aim in mind that we neither favor a monopoly situation within the organization nor an unjustifiable privileged position of the industrialized countries including my own. We believe that the interests of all can best be served by a free and dynamic competition with full regard to the particular requirements of the developing countries.

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PLENIPOTENTIARY CONFERENCE ON DEFINITIVE ARRANGEMENTS FOR
THE INTERNATIONAL TELECOMMUNICATIONS SATELLITE CONSORTIUM

Washington, D.C., February - March 1969

Com. I/35
March 4, 1969

STATEMENT BY THE REPRESENTATIVE OF JAPAN IN COMMITTEE I
MONDAY, MARCH 3, 1969

Regarding item II of the agenda, my delegation associates itself with the views expressed by most of the previous speakers that the primary objective of INTELSAT should be to provide on a commercial basis the space segment for international public telecommunication services as envisaged in paragraph 195 of the ICSC Report. Therefore, in our view, the domestic public telecommunication services and the specialized services shall be, in principle, left to the domain to be organized and operated by the participating states.

We are, however, not opposed to the idea that INTELSAT may be authorized to provide specialized telecommunication services to the participating states and international organizations requesting such services, if they do not entail any disadvantage to basic activities of INTELSAT, that is, the public telecommunication services. However, the introduction of space segment for this type of services is quite a new feature, requiring further examination and study by internal authorities of various states. Therefore, except the general principle, it seems to be premature at this stage to enter into discussion of further concrete conditions under which INTELSAT should be authorized to render services in this field.

As to the domestic telecommunication system it will be desirable to leave the development in this field to the initiative of respective states, since the development and administration of domestic telecommunication shall be regarded as a matter belonging to the jurisdiction of the states concerned. However, we do not deny the need of consultation by the states concerned with the competent organ of INTELSAT with respect to technical compatibility such as orbital position of the satellite.

As to the regional telecommunication system, we have to consider the two possibilities. Firstly, regarding regional telecommunication system in the field of specialized services, the right of launching and the use of satellite for such purpose shall be entirely open to the member states. Secondly, the question of regional system in the field of public telecommunication is more complex.

As I stated in my previous intervention, any total denial of regional satellite system may be interpreted as being contrary to the spirit of freedom

of use of outerspace by all nations as provided for in the Outerspace Treaty. However, we have to recognize, as already mentioned by a number of speakers, that the emergence of many regional systems in the field of public telecommunication services will hamper the direct telecommunication between such regions and be contrary to the objective of global telecommunication system as envisaged in the INTELSAT organization.

Taking into consideration of these two conflicting factors, my delegation is of the view that the regional systems in the field of public telecommunication shall also be permitted insofar as they do not compete with the global INTELSAT system. Therefore, the establishment of such regional system in the field of public telecommunication may require the prior consultation with the competent organ of INTELSAT and, upon such consultation, the following three general principles will have to be kept in mind by both the INTELSAT organ and the states intending to establish such system.

1. Such regional system should be supported by the countries of such region, having common communication interests.
2. There shall not be technical interference with the INTELSAT satellite by the regional satellite with respect to, in particular, orbital position and frequency spectrum.
3. Such system should not prevent the direct communication by the member states of such region with the states of other regions through INTELSAT global system.

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PLENIPOTENTIARY CONFERENCE ON DEFINITIVE ARRANGEMENTS FOR THE INTERNATIONAL TELECOMMUNICATIONS SATELLITE CONSORTIUM

Washington, D.C., February - March 1969

Com. I/36
March 5, 1969

OBSERVATIONS BY THE FRENCH DELEGATION ON THE CONCEPT OF A SINGLE SYSTEM

1. Ambiguity of the expression and drawbacks noted during the interim period.

The French delegation has stressed the ambiguity of the expression "single global commercial system," appearing in the preamble to the Interim Agreement of 1964. The problem is not merely an academic or philosophical one. The expression can be a source of very real difficulties, as has already become apparent on several occasions in the Interim Committee. The Committee, as well as an ad hoc legal group set up by it, has been deeply divided over the legal interpretation of the preamble to the 1964 Agreement, particularly as regards the question whether the expression "single system" does, or does not, prohibit signatories from participating in any other commercial communications satellite system. In practice, this has prevented the Committee from defining the rights of signatories with respect to the utilization of patents and data arising from contracts executed by INTELSAT (and that problem will probably constrain the French delegation to apply to the arbitral tribunal, so that those rights may be recognized). It has also led to the inclusion in contracts of extremely restrictive industrial property clauses, which have aroused much protest from contractors, and have caused certain contracts to be rejected by the companies submitting the best bids from the technical and financial standpoints.

Another consequence has been that the organization has derived no financial profit from the patents and data of which it has acquired ownership, owing to the practical impossibility, for signatories, of exercising their rights to inventions, even upon payment of fees, except in the case of military systems, for which these rights have been granted against payment of a nominal fee of one dollar.

Such difficulties in interpretation must, therefore, be avoided entirely in the definitive arrangements.

2. Practical impossibility and disadvantages of the expression

The global system could be a single system only if its singleness were accepted by all the countries of the world and the INTELSAT definitive arrangements could be accepted by all. However keenly we may desire these

things, we may, regretfully, doubt their possibility, considering that one-half of these countries do not yet belong to INTELSAT. The principle of a single system is already obsolete, owing to the existence of the ORBITA system, which links at least three member States of the ITU (U.S.S.R., Byelorussia, Ukraine), and of various plans for domestic or regional systems now under development.*

In the circumstances, affirming the principle of a single system threatens to run counter to the stated goal by blocking the admission of certain States to INTELSAT, or even by leading some present members to withdraw from it.

It may also be noted that the principal argument advanced in favor of a single system is the search for the most efficient and economical service possible, referred to in the Preamble to the Interim Agreement. It is doubtful, however, that the INTELSAT system, at least with its present structure, is always in keeping with these objectives as regards countries other than those with very heavy traffic, widely dispersed in many directions.

Since the cost to the user of a satellite connection includes a share which is virtually independent of traffic (earth station) and a share proportional to traffic (space sector), it is clearly in the interest of countries with heavy traffic to reduce the cost of the space sector, even if a more costly earth station is thus required; the result has been the adoption of earth station standards that are very costly for countries with light traffic. It can easily be shown, in the present state of technology, that for countries--doubtless the greater number--with light traffic, principally intended for certain well defined areas of the world, the use of satellites with more limited coverage, not INTELSAT satellites, would provide much more economical communications, particularly by making possible the use of smaller and far less costly earth stations.

3. Suggestions

Very many, if not all, of the acknowledged advantages of a single system can, however, be obtained by recognizing the existence of several systems while seeking to "unify" or "integrate" them, as the representative of India has proposed, within a global coordination agency.

The International Telecommunication Union could be assigned this work of coordination, which would also ensure coordination with other methods of transmission (cable and radio), and thus the optimalization of the global communications system.

*/ The principle is also challenged by the recommendations contained in the Report of the Interim Committee providing for the establishment of national or regional systems (paragraphs 176, 607, 610).

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A majority in the Interim Committee has taken this view with respect to technical coordination (paragraph 561 of the Committee Report). It would be desirable, owing to the interdependence of technical and economic factors, for commercial coordination also to be carried out within, or under the aegis of, the ITU. The ITU's activities have long included economic or commercial studies, for example in the fields of planning, rate-setting, and cost prices. There would be no major difficulty in extending these activities to meet every need.

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PLENIPOTENTIARY CONFERENCE ON DEFINITIVE ARRANGEMENTS FOR
THE INTERNATIONAL TELECOMMUNICATIONS SATELLITE CONSORTIUM

Washington, D.C., February - March 1969

Com. I/38
March 4, 1969

STATEMENT BY THE OBSERVER OF THE POLISH PEOPLE'S REPUBLIC
IN COMMITTEE I
TUESDAY, MARCH 4, 1969

Mr. Chairman, Distinguished Delegates, Ladies and Gentlemen:

With great attention, we have heard here the speech of the distinguished President of our Conference, Mr. Marks, delivered at the end of our introductory session, and with great pleasure and satisfaction we have heard his statement that the future global satellite telecommunications system should be accessible to all nations, small and big, poor and rich.

The same idea is expressed in the Preamble of the Interim Agreement on INTELSAT where we read:

"Recalling the principle set forth in Resolution No. 1721 (XVI) of the General Assembly of the United Nations, that communications by means of satellites should be accessible to the nations of the world as soon as practicable on a global and non-discriminatory basis. . ."

That idea was also reflected in the Report of the ICSC to this Conference where we can read that there was substantial support in the Committee for the proposal that all States be eligible to become participating States.

Unfortunately there is some contradiction between these statements and the further clauses in the proposals for the definitive arrangements on international satellite telecommunications consortium where the right to participate in the future organization is restricted to the members of the ITU. So, several sovereign States which against their will are deprived of the right to become members of the United Nations organization and her specialized agencies are a priori deprived of the right to profit in the full extent of the benefits given by the possibility of using this most modern system of communications.

We hope, that in the interest of all humanity, in the interest of the development of the worldwide telecommunications, in the interest of the approach and mutual understanding between the nations of the whole world, that common sense will prevail and the future satellite telecommunications organization will be really universal and accessible to every State of the world as it is in the case of the draft agreement of "Intersputnik" presented by 8 socialist countries as a document of the United Nations organization.

Thank you, Mr. Chairman, for the permission to present our opinion on this matter here.

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PLENIPOTENTIARY CONFERENCE ON DEFINITIVE ARRANGEMENTS FOR
THE INTERNATIONAL TELECOMMUNICATIONS SATELLITE CONSORTIUM

Washington, D.C., February - March 1969

Com. I/39
March 4, 1969

STATEMENT BY THE OBSERVER OF ROMANIA IN COMMITTEE I
TUESDAY, MARCH 4, 1969

Mr. Chairman:

The economic and cultural development of Romania requires a permanent extension of its communication channels with an ever increasing number of countries all over the world.

That is why my Government is keenly interested in space communications.

The Romanian delegation wishes to express its gratitude for the opportunity given to it, to attend this Conference which is called to consider and to decide matters of utmost importance for all countries.

In the Preamble of the Interim Agreement the reference is made to the United Nations General Assembly Resolution No. 1721 which states that:
". . . communications by means of satellites should be available to the nations of the world as soon as practicable on a global and non-discriminatory basis."

But, under Article XII of the same Interim Agreement, this basis is narrowed by the provision that the signature of the Agreement is open to members of the International Telecommunication Union only.

Mr. Chairman, it is our opinion that the outstanding successes of INTELSAT no longer justify the reluctance to extend the membership to all countries of the world.

The opening for signature of the "Definitive Agreement" by all countries on a non-discriminatory basis, would make the system more useful for all nations and also would increase its economic efficiency.

It is worthwhile to mention that this very principle of non-discriminatory access is provided for in the "Intersputnik" draft agreement.

The views so far expressed by distinguished delegates have shown the desire to concentrate all efforts in the direction of creating a single global system capable to meet the needs of all nations. I wonder Mr. Chairman, how

could this goal be reached if INTELSAT is not open for all countries which are ready to join this organization on the basis of principles that govern the relations among states: respect for independence and national sovereignty, non-interference in internal affairs, equality and mutual benefit.

INTELSAT practical experience in international cooperation has proved that occasional political disagreements among member states, did not jeopardize the successful cooperation in INTELSAT framework, of the very members. That is why I think, Mr. Chairman, that an enlargement of the INTELSAT family will constitute a stimulating factor that will speed up the achievement of objectives set forth in the Preamble of the Agreement and will contribute to a better understanding among all nations of the world.

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PLENIPOIENTIARY CONFERENCE ON DEFINITIVE ARRANGEMENTS FOR THE INTERNATIONAL TELECOMMUNICATIONS SATELLITE CONSORTIUM

Washington, D.C., February - March 1969

Comm. I/40
March 4, 1969

MANAGEMENT ARRANGEMENTS UNDER THE DEFINITIVE ARRANGEMENTS (Submitted by the United Kingdom Delegation)

1. The purpose of this paper is to outline the principal considerations which the Committee should take into account in determining the future management arrangements, in the light of the main recommendations of the Interim Committee's Report to Governments; these latter can be summarised as follows:

- the Organization should have a permanent international Management Body (para. 434).
- The Management Body should be under the authority of a Director General; certain functions could be transferred to other institutions; personnel should be selected on an international basis (paras. 434, etc.).
- the Management Body should be subordinate to the Governing Body (paras. 255, 256).
- careful transitional arrangements should be established (para. 628, etc.).

2. In addressing itself to these matters, the United Kingdom believes that it is essential to adopt a practical attitude which realistically balances the desire for early internationalisation of management against the need to preserve existing managerial experience and skill until it can effectively be replaced. The effective management of a global commercial communications satellite system is a major undertaking requiring highly specialised skills and experience; international telecommunications will depend to an ever increasing extent on the system and no risks should be run which might reduce its efficiency or imperil the momentum of its growth.

Functions

3. The Appendix to Part III of the Report lists six functions of the Manager under the interim arrangements. These functions will continue to be necessary under the Definitive Arrangements. Some 400 staff--mostly highly qualified professionals--would appear to be involved at present and similar numbers may eventually be needed in the new body.

4. Three functions--financial, legal services and information services appear prima facie to be the kind of functions which could be readily performed by an international Management Body early in its life. To these three functions could be added a fourth, that of the secretariat of the Governing Body, at present entrusted to COMSAT on an agency basis rather than as an attribute of the Manager.

5. The operations function covers (i) system operational and maintenance planning; (ii) coordination between the space segment and the earth stations; and (iii) operational control of the TT&C and system monitoring functions. This too is a function which the new body could assume at a relatively early stage in its life.

6. The technical and procurement functions may conveniently be considered together. They cover (i) technical studies; (ii) research and development; (iii) preparation of specifications and evaluation of tenders; (iv) placing and monitoring of contracts; (v) arrangements for launches, and (vi) technical control of spacecraft in orbit. Even if the research and development task were to be entrusted under contract to other institutions, this is still a formidable list of tasks for a new Management Body to perform early in its life, and a substantial interval - probably of several years - may have to elapse before it can be taken over.

Staffing

7. The Director General and the Heads of the main functional departments must be persons of the highest calibre. They must also have directly relevant recent experience; they will take over responsibility for a working operational system and will either have to have had substantial direct experience or, like the COMSAT management in 1964, will have to be given an opportunity of "growing with the job".

8. Of equal importance will be the quality and experience of the professional staff subordinate to the Heads of the main functional departments. They must possess the full range of professional knowledge needed in an expanding communications satellite operational organization; they must either start with up-to-date experience of the best practices in their respective fields, and be given opportunities to keep up to date, or be given adequate time to grow with the job.

Scope for Entrusting Tasks to other Institutions

9. The extent to which the research and development task can be entrusted under contract to other institutions depends partly on the extent to which 'in house' work is needed to provide a base for coordinating 'out of house' work, and partly on the extent to which research and development is a means of attracting the best professional people to work for the Management Body. Subject to this, it might be agreed in principle to

- 3 -

entrust all possible research and development tasks to other institutions whilst retaining in the Management Body the responsibility for its direction and oversight.

10. There might also be scope for some technical studies to be entrusted to other institutions, but this seems unlikely to reduce significantly the size of the Management Body's staff.

Transitional Arrangements

11. The technical and operational management of the system must be maintained at the highest standards if its momentum of development is to be maintained. The new international Management Body must not take over any function before it is fully capable of performing it; COMSAT must not be rendered incapable of performing any function before it is due to hand it over. This argues for a period of duality of management bodies allowing for the phasing in of the new and phasing out of the existing at a rate which may be different for each of the principal functions, as listed in paragraphs 3 to 6 above.

Provisions in the Definitive Agreements

12. If the Management Body is to be an integral part of the future Organization, it will have to be provided for in the Definitive Agreements in somewhat more detail than in Article VIII of the Interim Agreement. The provisions will probably have to cover the following matters:

Status. The Management Body should be directly subordinate to the Governing Body.

Functions. These should be the management of the design development, construction, establishment, operation and maintenance of the space segment, subject to the general policies and specific determinations and directives of the Governing Body.

Staffing. The Management Body should be headed by a Director General who should be appointed by and directly answerable to the Governing Body. Posts should be open to all signatories and filled with the aim of securing the highest degree of efficiency.

Transitional Arrangements. These should (a) provide for COMSAT to act as Manager, under contract, for an initial period; (b) provide for the appointment of a Director General by the Governing Body within a specified period; (c) make the Governing Body, in consultation with COMSAT and the Director General, responsible for determining the structure and establishment of the Management Body and organizing the transfer of functions, at appropriate intervals, to it from COMSAT in such a way as to complete the transfer in the shortest practicable period.

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PLENIPOTENTIARY CONFERENCE ON DEFINITIVE ARRANGEMENTS FOR
THE INTERNATIONAL TELECOMMUNICATIONS SATELLITE CONSORTIUM

Washington, D.C., February - March 1969

Com. I/41
March 4, 1969

COMMENTS ON THE STRUCTURE OF THE ORGANIZATION
UNDER THE DEFINITIVE ARRANGEMENTS

(Submitted by the Delegation of the United States)

1. The United States Delegation offers the following views and proposals for consideration by Committee I relating to the proposed structure of the organization under the definitive arrangements.

2. In considering in 1964 the structure of the organization to be charged with responsibility for the establishment of the single global commercial communications satellite system, it was necessary to weigh carefully a variety of factors. The framers of the interim arrangements had to be both practical and innovative in order to create an organization capable of exploiting a new and dynamic technology. The organization would not only be required to establish and operate a communication system in outer space to be available to all nations of the world on a non-discriminatory basis but also to provide services on an economic, efficient, and high-quality basis. It was also expected that the organization would invite the widest participation from among nations of the world in a truly international cooperative venture. After a careful balancing of these factors, the present INTELSAT organization was established. It has proved both capable and successful in achieving the purposes for which it was established. As has been noted in this Conference, while the present INTELSAT organization has proved to be effective, it can be improved. Hopefully, it can be made even more effective. As many delegations have suggested, we should profit from this experience. In so doing, proper weight must be given to the fact that the INTELSAT organization is not only an international partnership but, most important in the view of the United States, an operating venture providing an essential service among nations.

3. The organization should consist of the following:

- a. An Assembly
- b. A Board of Governors
- c. A Manager

These organs are more fully described in Articles IV, V, VI and VII of Document 10.

4. An Assembly While all of us are justifiably proud of the tremendous growth of INTELSAT membership over the past four and one-half years, there appears to be agreement in this Committee that it is necessary to provide for greater participation in the affairs of INTELSAT by each and every participant. In the view of the United States Delegation, an Assembly, meeting perhaps annually or biennially, and composed of all Parties to the Inter-governmental Agreement of their Signatories to the Operating Agreement, as appropriate, would provide a useful means of ensuring such broad participation in the affairs of the organization. With this in mind, the United States first proposed in October 1967 that an Assembly be created.

The United States has suggested the functions for this Assembly and, in this regard, has submitted Article IV on pp. 8-10 of Document 10. The concepts upon which these suggestions are based are found in the Report of the Interim Communications Satellite Committee, paragraphs 295, 296, 300, 301, 304, 305, 307, and 461. The United States Delegation does not believe that the Assembly is the appropriate organ for deliberating and deciding those matters with which an operating organization must deal, in a business-like manner, in a field involving a rapidly advancing technology. Article IV of Document 10 suggests that decisions in the Assembly be taken by a majority of the representatives present and voting, which would include representatives of Signatories which, or Parties the Signatories of which, have investment shares in INTELSAT equal to 2/3 of the investment shares of all Signatories and Parties whose representatives are present and voting!

5. A Board of Governors The United States delegation is of the view that a decision-making organ, similar to and, hopefully as successful as, the Interim Communications Satellite Committee is required as the executive body of the future INTELSAT organization. In Articles V and VI on pp. 11-15 of Document 10 the United States sets forth suggested functions, representation arrangements and voting provisions for this organ, called the Board of Governors.

In constituting this executive organ, it is necessary to balance the desire to achieve broad representation with the need to establish an organ sufficiently compact to be capable of taking, in a timely fashion, the multitudeness decisions necessary to operate the system in existence at the time the definitive arrangements enter into force and to improve and

expand this system in the years to come. Article VI(a) of Document 10 suggests methods for determining representation in and the composition of the Board of Governors. These suggestions are based on the views expressed in paragraphs 346, 357, 358 and 361 of the Report of the Interim Communications Satellite Committee.

The United States Delegation also suggests the following voting arrangements for the Board of Governors:

- (a) It shall endeavor to act unanimously;
- (b) Failing unanimity, it shall take decisions by:
 - (i) a majority of the investment shares of Signatories entitled to be represented in the Board of Governors in the case of procedural questions; and
 - (ii) a two-thirds majority of the investment shares of Signatories entitled to be represented in the Board of Governors in the case of substantive questions.
- (c) When any Signatory or group of Signatories entitled to be represented on the Board of Governors has a vote which is equal to more than 50 percent of the vote of all Signatories entitled to be represented on the Board of Governors, such Signatory or group of Signatories shall cast no more than the vote which is equal to 50 percent of the total vote of all Signatories and groups of Signatories entitled to be represented on the Board of Governors.

These suggestions are based upon concepts contained in the Report of the Interim Communications Satellite Committee, paragraphs 403, 410, 419, and 423. Article VI of Document 10 deals with voting matters in detail

6. A Manager In considering the management body for the future organization, in the view of the United States Delegation, it is also necessary to examine and weigh carefully the myriad of practical, technical problems involved in the planning, establishment, and daily operation, control and maintenance of the global communications satellite system. At the outset, it should be made clear that the management body is seen by the United States as functioning not only pursuant to general policies but also

in accordance with specific determinations of the Board of Governors. The management body would be subordinate to and controlled by the Board of Governors. This relationship would be clearly stated in a contract between the Board of Governors and the Manager that would define the duties and responsibilities of the Manager. This concept is expressed in paragraph 255 of the Report of the Interim Communications Satellite Committee. The United States Delegation has offered in Article VI of Document 10 an indication of the general functions to be performed by the Manager, based upon concepts set forth in the Interim Communications Satellite Committee Report, paragraphs, 465-474.

The United States Delegation has listened carefully to the views expressed by others, including statements by the distinguished delegates of New Zealand and Australia on these same points. The United States has also listened with great interest to the views of other Delegations concluding that a management body should function on the basis of broad international direction provided within the organization. The United States Delegation, recognizing the importance of this consideration, has considered carefully various means of achieving this goal consistent with the need to maintain high efficient and economical management services. Accordingly, Article V of Document 10 contains the suggestion that the organization have the right, through its Board of Governors and Assembly, to designate at an appropriate time another entity to replace the present Manager. This suggestion is based on the view expressed in paragraph 462 of the Interim Communications Satellite Committee Report.

The United States has for some time advocated the widest international participation of qualified personnel from all INTELSAT member countries in the management function. It can be stated categorically that the assignment of all such nominees to the present Manager's staff has been welcomed; indeed the basic problem has been a dearth of nominees rather than the willingness of the present Manager to place them on its staff.

7. The United States Delegation offers these general observations at this time and will be prepared to discuss more fully the various organs and structure of the organization to be established. It wishes, however, to recall for the consideration of this Committee, the significant success of the INTELSAT organization to date and to stress the need to take cognizance of the purposes of the organization to be established by the definitive arrangements. It is hoped that this approach will assist the Conference to develop an organization equal to the challenges of the future and tailored specifically to meet the demands of an evolving system and technology in an efficient and economical manner responsive to the needs of all.



PLENIPOTENTIARY CONFERENCE ON DEFINITIVE ARRANGEMENTS FOR THE INTERNATIONAL TELECOMMUNICATIONS SATELLITE CONSORTIUM

Washington, D.C., February - March 1969

Com. I/42
March 5, 1969

STATEMENT BY THE REPRESENTATIVE OF CANADA IN COMMITTEE I
WEDNESDAY, MARCH 5, 1969

STRUCTURE OF THE ORGANIZATION

Mr. Chairman:

Yesterday the Canadian delegation, when introducing document Com. I/26 on behalf of the joint sponsors, the Delegations of Canada, the Federal Republic of Germany and India, spoke very briefly and did not go into any detail on the document, which had only just reached Delegations, and had not been studied by them. By now I imagine that most delegations have had an opportunity to study this document, which, to the gratification of the three original sponsors, received an excellent reception yesterday and was recommended by one delegation as being a working document of the Conference. Consequently, I should like to dwell on the document in more detail today, to expound in more depth its philosophy, and to encourage a general debate which I hope may result in the adoption of the principles contained in it in a form which would attract additional sponsors and its general acceptance by this Committee. It is not in the sense of an apology that I admit that the document was drafted as a middle position, and as such, capable of achieving a consensus with minor alterations. As one of those who participated during the past year in the preparation of the ICSC Report, I am convinced that the success which I both hope and believe this Conference will achieve in agreeing on the Definitive Arrangements, will be in no small part attributable to the months of thoughtful consideration and debate which went into the ICSC Report. The document sponsored jointly by our three delegations reflects in great measure some of the key majority recommendations contained in that Report.

The document starts by stating that the Organization should consist of:

- An Assembly
- A Governing Body
- A Management Body.

As the distinguished Representative of Venezuela pointed out yesterday, this proposal reflects the unanimous recommendation of the ICSC as contained in paragraph 244 of Document 6. Yesterday the distinguished Representative of Australia suggested a different format, a four-tier structure, and he was supported by the distinguished Representative of Chile. I personally believe that a four-tier structure is both cumbersome and unnecessary, but nevertheless

I believe also that I can devine the reasoning behind this proposal. The primary and entirely legitimate responsibility of any telecommunicator is to ensure that the organization of which he is a member will provide adequate telecommunications facilities in the most efficient and economic manner. One way of ensuring this is to make provision for telecommunicators to have a major voice in the policy decisions and the management of the organization. The Australian proposal would have this desired result. But so would the tri-partite paper which I am supporting. The Governing Body, which would be the organ, under our joint proposal, responsible for the establishment of the satellite system and for the supervision of its operations, including the power of decision concerning the design, development, procurement, operation and maintenance of the Space Segment, and the vital question of the entering into of the necessary contractual arrangements, as well as for the supervision of the day-to-day management of the system undertaken by the Management Body (to mention only two of its main functions) would, in our view, be composed mainly of telecommunicators in the form of telecommunications entities. I say mainly, since this decision would be individually up to the Governments which, either singly or collectively, would qualify for appointing representatives to the Governing Body. The attention of the Committee is drawn to the last sentence on page 2 of the document, which draws attention to the commercial character of the organization and the need to ensure the participation of operating entities with experience and responsibilities in this field.

In addition, of course, there is nothing in the joint proposal to prevent telecommunicators from having representation in the Assembly. The joint document states, "Each Government, party to the Agreement, would be represented in the Assembly where it would have one vote." It would be up to each Government to decide on its representation, on whether it had a telecommunicator either as representative or adviser. In the view of my delegation, the proposals contained in this document would provide both for the participation by Governments and by entities in what is surely a unique organization, and one which may well set a pattern for future international cooperation in areas which are of equal interest and concern to Governments and to industry, and for commercial and technological expertise which is essential to the success of such an organization.

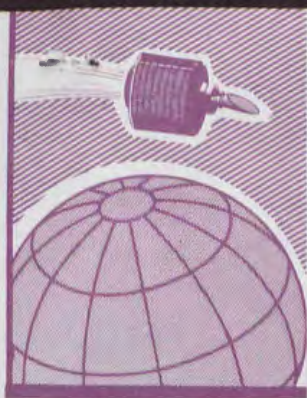
Page 1 of the document lists six general principles which we believe should be fully reflected in the Organization. The first of these is that it should be genuinely international in scope and character. It is true that under the Interim Arrangements the Organization has grown from 19 to 67 Members, and that it accounts for a very large percentage of the world's international telecommunications traffic. Nevertheless, and I hasten to add through no fault of the founding fathers, the Organization at the present time is not genuinely international. For reasons which are fully known to all the distinguished representatives gathered here today, this ideal situation--ideal for an international organization with global aspirations and capabilities--was incapable of achievement in 1964. Indeed, had it been attempted in 1964, the Organization would undoubtedly have foundered. But

This delegation, and in this regard
Representative of Mexico and
Mr. Chairman,

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PLENIPOTENTIARY CONFERENCE ON DEFINITIVE ARRANGEMENTS FOR
THE INTERNATIONAL TELECOMMUNICATIONS SATELLITE CONSORTIUM

Washington, D.C., February - March 1969

Com. I/43
March 5, 1969

STATEMENT BY THE REPRESENTATIVE OF THE PHILIPPINES IN COMMITTEE I
WEDNESDAY, MARCH 5, 1969

Mr. Chairman:

The views of the Philippine delegation on Item IV of our Work Program--Structure of the Organization--are predicated on a number of considerations. First, we believe that the structure must reflect the international character of the organization. We likewise believe that it must accord recognition to the principle of equality of sovereign states, giving due regard, however, to the private (i.e. commercial) nature of the purposes of the organization. Finally, we believe that the structure must be fully adapted to efficient and business-like management of the activities of the organization.

These considerations, in our opinion, are met by a structure consisting of an Assembly, a Governing Body, and a Management Body.

The Assembly

The Assembly, primarily composed of Parties to the inter-governmental agreement constituting the Definitive Arrangements, should be the supreme organ of the organization. Its functions should include the establishment of general policies of the organization, and the review of programs and activities of the other organs. It could consider and approve amendments to the Agreements constituting the Definitive Arrangements. In general, the Philippine delegation substantially agrees with the functions enumerated in paragraphs 266 through 274 of the Report of the ICSC.

Telecommunication entities signatories to the operating agreement of the Definitive Arrangements may, or even should be represented in the Assembly, but as members of their respective national delegations.

Each member of the Assembly shall have one vote, and its decisions shall be adopted by a simple majority, except where it involves an important matter in which case a two-thirds majority shall be required. A simple majority of the members of the Assembly shall be required to determine whether a matter at issue is important.

The Assembly shall meet annually, but may be convened, if necessary, for an extraordinary session by a majority of its members.

The Governing Body

The Governing Body, in the opinion of the Philippine delegation, should be composed of representatives of signatories, and should be of limited size in order to ensure that it functions in an efficient and effective manner. My delegation feels that the ideal size of the Governing Body would be a maximum of twenty (20) representatives.

My delegation, likewise, is of the opinion that representation in the Governing Body should be related to a minimum proportion of investment shares, possessed by an individual signatory or by a group of signatories. My delegation favors the view that the minimum proportion of investment shares required for representation in the Governing Body be set at 1.5%, although we are flexible in this regard recognizing that such minimum proportion of investment shares may have to be set a higher or lower level in order to limit the size of the Governing Body.

In general, my delegation is of the view that the Governing Body should exercise all the functions normally required to direct the business and carry out the purposes of the Organization, as well as such others as are not expressly vested in the Assembly. In this regard, the Philippine delegation perceives no difficulty in accepting the recommendations contained in paragraphs 369 through 382; paragraph 384; and paragraphs 386 through 389 of the Report of the ICSC.

On the question of the voting arrangements in the Governing Body, my delegation can accept the recommendation in paragraph 393 of the ICSC Report that voting shares be determined by directly relating these shares to the investment shares held by a signatory or group of signatories. The Governing Body should endeavor, however, to adopt decisions unanimously.

On the question of the voting arrangements in the Governing Body, my delegation can accept the recommendation in paragraph 393 of the ICSC Report that voting shares be determined by directly relating these shares to the investment shares held by a signatory or group of signatories, subject, however, to the proviso that, with respect to the manner of voting in the Governing Body for purposes of taking a decision, the Definitive Arrangements must contain provisions to ensure that no single representative, by virtue of its large voting power, should be able to block a decision, or prevent the taking of one by means of its abstention from the vote. My delegation, Mr. Chairman, reserves its right to go into more detail on this subject at a later stage of our discussion of this item.

Management Body

The Definitive Arrangements must provide for the eventual establishment of a permanent international Management Body within the organization responsible for the coordination and management of the operations and activities of the organization.

- 3 -

All posts in such Management Body should be open to qualified personnel of the participating States, the overriding consideration for their employment being to ensure the highest degree of competence and efficiency of the Management Body. Whenever possible, without violating the overriding criteria already mentioned, due regard should be given to the principle of equitable geographical distribution in staffing the Management Body.

The Management Body shall be directly subordinate to the Governing Body, implementing the policies and decisions adopted by the Governing Body and the Assembly. This relationship, as well as the functions of the Management Body, should be fully spelled out in the Definitive Arrangements.

Pending the completion of the establishment of such Management Body, the Definitive Arrangements should provide for a period of transition of say two years, during which time a phased, orderly and smooth transfer of the management functions from the present Manager under the Interim Arrangements to the Management Body of the organization shall be effected, with all possible cooperation and support of the existing management.

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PLENIPOTENTIARY CONFERENCE ON DEFINITIVE ARRANGEMENTS FOR
THE INTERNATIONAL TELECOMMUNICATIONS SATELLITE CONSORTIUM

Washington, D.C., February - March 1969

Com. I/44
March 5, 1969

STATEMENT BY THE REPRESENTATIVE OF ITALY IN COMMITTEE I
WEDNESDAY, MARCH 5, 1969

Mr. Chairman:

I believe it was a very wise decision the one you took of discussing jointly items 3 and 4 of our Agenda since they are so closely interrelated, and I compliment you for it.

My Delegation has considered with the utmost attention, the statements made yesterday by many distinguished delegates on the subjects of the eligibility for INTELSAT membership and on the structure of the organization.

I wish to concur immediately with the point of view expressed with the traditional English common sense, by the distinguished delegate of the United Kingdom and supported with cartesian logic by our French colleague, that in the matter of eligibility for INTELSAT membership, this latter must not be confused with the access to the use of the system.

Therefore, whilst the Italian Delegation is in full agreement with the principle that eligibility to INTELSAT membership has to be intended for members of the International Telecommunication Union only, this would and could not represent a discrimination in the use of the system which will be open for use to everybody.

On the subject of the structure and organization of INTELSAT, my Delegation wishes to repeat that the aim of this Conference should not be to propose radical changes in the existing organization, which has given such excellent results as unanimously recognized, but to improve it in the areas which, itself needs improvement, in order to cope with the expanded activities and scope of INTELSAT.

In this respect, the Italian Delegation has studied carefully the pertinent part of the document introduced by the United States Delegation, as well as the one tabled by the Delegations of Canada, Germany and India.

In particular, I wish to compliment the distinguished representatives of Canada, West Germany and India for their initiative which represents a welcome alternative to the United States document, in the sense that only by discussing alternative points of view a unified and unanimous decision can emerge from our deliberations.

I am pleased to note that in document I/26, the question of the 4-tier organization raised yesterday by the distinguished representatives of Australia and Chile has been solved in an elegant fashion by the combination of Article 1 and 4(g) in page 2.

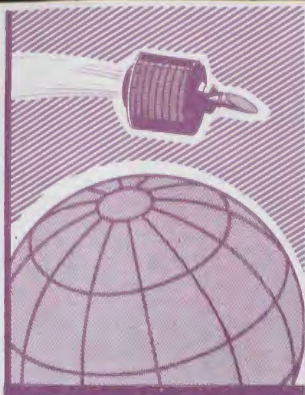
This allows each Government to choose between the 3-tier and the 4-tier structure by designating at its discretion to the Assembly either governmental or telecommunication entities.

Coming to the substance of the matter, it is evident that the structures proposed in documents 6 and I/26 consisting in an Assembly, a Governing Body or Board of Governors and a Manager or Management Body are almost identical shells, containing quite different sets of responsibilities.

The Italian Delegation sees, however, that both documents have merits and that both contain provisions of similar nature which should be compared since they are formulated in different language.

We think, therefore, that it might be very useful if the authors of the two documents could get together and try to put the two texts on a common language in order to better identify the basic issues.

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PLENIPOTENTIARY CONFERENCE ON DEFINITIVE ARRANGEMENTS FOR THE INTERNATIONAL TELECOMMUNICATIONS SATELLITE CONSORTIUM

Washington, D.C., February - March 1969

Com. I/45
March 5, 1969

STATEMENT BY THE REPRESENTATIVE OF THE UNITED KINGDOM IN COMMITTEE I
TUESDAY, MARCH 4, 1969

STRUCTURE OF THE ORGANIZATION

Introduction

We come now to what I have all along seen as being the heart of our discussions. We have already established a broad measure of consensus as regards the fundamental aims and the scope and objectives of the Definitive Arrangements for INTELSAT.

The important word here is "Definitive." Of course, the Agreement we aim to reach will be subject to amendment--if necessary and desirable--in the light of experience, but obviously we must seek to avoid all but minor amendments to our Constitution early in the life of the Definitive Arrangements, both as a matter of principle and because of the sheer administrative and physical difficulties of organizing a review Conference. We are now aiming at something which will be lasting and solid. Having, as it were, lived in a very desirable but compact residence since 1964, we are embarking on extending it. And we shall be building something of unique character, for which there are few, if any, appropriate models to copy or borrow from. It is nothing short of vital that we should be both good architects and sound builders. Our plans must be based on expansion, without at the same time destroying or undermining the building which we constructed in 1964.

At that time, we based our plans on the fact that there were only 19 founder members of our Organization. The family has now grown much bigger and there is a clear need for extra accommodation. We are all agreed that we need to add another storey to our house in order to accommodate our wider membership, while bearing in mind that the whole family will not be able to come to stay more than once a year at the most and cannot be permanently in residence. At the same time, on the ground floor, or even in the basement, if you like, we need accommodation for the management, for which we are at the moment only renting outside.

I must not flog this metaphor to death but what I am saying in essence is that we in this Delegation accept the need for the totality of membership of INTELSAT to be given the opportunity of playing an appropriately increased role in running its affairs. At the same time we see the need to make the management an integral part of the Organization as a whole. In both respects, we have a number of factors to take into account, which are inevitably conflicting in their effects on our decisions.

As I said yesterday, paper Com. I/26 submitted by the Delegation of Canada, the Federal Republic of Germany and India, seems to us to be pointing in all essentials in the right direction. The remarks this morning of the distinguished representative of Canada have only confirmed this view, and we are grateful to him for his position. As I deal with the various elements of the problem in turn, I shall comment on one or two points of detail in that paper.

What these conflicting factors to which I have referred boil down to in essence is that it is psychologically and politically, for want of better words, necessary that all participants in INTELSAT should have a sense of being, to a greater or lesser extent, masters in the house which we all own. That is why we accept that there should be an assembly based on equal voting rights, where all can have their say. That is why we also accept that as a matter of practical politics, we should accept the internationalization of the Management Body as our firm goal.

At the same time, we have a going concern which must remain business-like and efficient and we must not take any decisions which would prejudice its continued effective operation if we are to achieve the broader aims upon which we have already agreed.

Against the background of these broad considerations, I should like now to examine the three elements in the proposed structure individually.

The Assembly

However much one might wish it to be otherwise, we are forced to the conclusion that the functions of an Assembly which will meet perhaps once a year at most must inevitably be somewhat circumscribed. The day to day control and direction of the Organization can rest nowhere else than with the Governing Body. But we believe that there is considerable scope for an Assembly to exercise a role which will be a valuable and indeed essential element in the organizational structure.

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Its functions might include the following:

--To receive and consider an annual report by the Governing Body concerning its activities and, in broad outline, its future programs;

--To receive and consider a report by the Governing Body on the financial results of the organization;

--To receive and consider any other report furnished by the Governing Body and to act on any other matters referred to it by the Governing Body;

--To consider, following upon discussion in the Governing Body, complaints made by users of the system;

--To determine that a Signatory should be deemed to have withdrawn from the Organization for failure to comply with the obligations of membership;

--To appoint members of the Governing Body to represent regions of the world which would not otherwise be adequately represented;

--To make proposals to a Review Conference of Signatories, with regard to amendments to the Definitive Arrangements.

It will be clear that these ideas are closely similar to those in the Canadian/German/Indian paper. The points in that paper which will no doubt need further discussion are the use of the terms "approve" and "review" used in its paragraphs 4(a) and (b). We have ourselves preferred the word "consider." Secondly, as regards paragraph 4(f) we feel, not least on practical grounds, that the Assembly can only confirm the appointment or dismissal of the Director-General by the Governing Body, to which the Director-General will be directly subordinate. If this were not to be the position, the appointment of a Director-General, which we would expect to be one of the first necessary acts under the Definitive Arrangements, would have to await the first Session of the Assembly. Subject to clarification of these points, it seems to us that an amalgam of the Canadian/German/Indian suggestions and our own would be a good basis to work on.

In the view of the United Kingdom, there should be one Assembly composed of parties to the Intergovernmental Agreement. Governments would of course be free to designate representatives of telecommunications entities to attend meetings of the Assembly if they so desired. I recognize that a four-tier structure with two Assemblies has been advocated. In particular, as regards the remarks this morning by the distinguished representative of Jamaica, I am bound to say that I would see considerable practical difficulty in separating the agendas for the two. It seems to us that the problem would best be met in the Definitive Arrangements by simply providing that Governments should appoint representatives to the Assembly. The choice could then be left to them, and could be made appropriate to the matters to be discussed by the Assembly.

We believe that the Assembly should in principle meet once a year. It would also no doubt be prudent to make provision for extraordinary meetings of the Assembly which could be called should a majority of members so wish.

On voting, we accept the proposition that in an Assembly with the sort of functions I have outlined, each government represented should have one vote. Procedural questions would be determined by a simple majority and substantive positions by at least a two-thirds majority. Here again, I feel that some clarification of paragraph 3 of the Canadian/German/Indian draft is perhaps called for; as well, perhaps, as paragraph 4(g), which I take to mean that it would be a reconvened Plenipotentiary Conference which would amend the Definitive Agreement.

The Governing Body

It is the view of my Delegation that responsibility for determining the working policy of the Organization should be vested in the Governing Body, taking into account the views expressed by the Assembly on the Organization's activities and broad future programs. What is involved here, as at present, is the responsibility for the design, development, construction, establishment, maintenance and operation of the Space Segment. This is more than just management and it was indeed a unanimous recommendation of the ICSC. The Governing Body would be charged with issuing instructions to the Manager, whose Director-General should be subordinated to it. The implication can only be that policy decisions are involved, and they cannot by their nature await annual, or less frequent, meetings of the Assembly. In this context, we have some difficulty with the third principle in paper No. 26.

My Delegation does not consider it either desirable, or essential, that the functions of the Governing Body be listed in great detail in the Agreements. It would be practically impossible to do this on a truly comprehensive or extensive basis, and we therefore support paragraph 5(i) in paper No. 26. It will of course be necessary, however, when listing the functions of the Governing Body, to take account of the functions to be attributed to the Assembly. Thus where it is agreed, for example, that the Assembly should receive reports from the Governing Body, provision should be made in the Agreement for the Governing Body to furnish such reports.

In considering the size and composition of the Governing Body, it is well first to consider what it is to be asked to perform. Essentially, its duties will be to take decisions of a commercial nature on the activities of the Organization. If it is to reach decisions in a timely and efficient manner, it must be of a size which will enable it to function effectively. We believe that the Governing Body should be of a limited size and that the present membership is about right.

- 5 -

This Committee has not yet discussed whether there shall be one or two Agreements and who will be Signatories to the second Agreement. We favor the existing pattern, and it is our view that in this case the members of the Governing Body should be Representatives of Signatories of the second Agreement, whether they be telecommunications entities or Governments.

Membership of the Governing Body is a delicate question on which Delegations to this Conference rightly have strong views. Not every member of the Organization can be directly represented. We think it only right that those countries which make the greatest use of the system and make the largest investment to it, should have a seat on the Governing Body. This means that there must be some form of qualification and in our view a qualifying level of quota figure should be retained as the standard. But we see great merit in the suggestion that countries making less use of the system, and whose individual investment in the system is less than the required level, should join together and achieve Group representation by virtue of the sum of their quotas. We recognize however that there may be some parts of the world, which because their present use of the system is small, may still remain inadequately represented in the Governing Body. We think it should be possible to take account of the interests of those countries and at the same time ensure that the Governing Body is not increased to a size which would impair its efficiency. We think it appropriate that the Governing Body should appoint its own Chairman from among its Representatives.

As regards the difficult question of voting, we were grateful for the statement made yesterday by the distinguished Chairman of Committee III in which he indicated that that Committee was discussing the problem of investment shares without reference to voting rights. The two questions are, as he rightly said, linked, and I think we must await the report of that Committee before we can pursue the question in detail.

Meanwhile, however, I ought to say that in our view, voting rights should in essence continue to be based on investment shares, themselves related to use.

Mr. Chairman, I have already spoken at considerable length and I believe it would be of convenience to the Committee if I deal in these remarks only quite briefly with the internationalization of the Management.

To this end, this Delegation has circulated a paper (Com. I/40) analyzing the practical problems involved in this sphere. I should be happy, of course, to expand, on this later in our discussion if I may. On the question of principle involved, while I acknowledge the remarks made by the United

States yesterday, in drawing attention to the provision in the United States draft in paragraph V(b) I am bound to say that it is my feeling that this provision does not go by any means far enough to meet what I sense to be the general feeling of this Conference. The same is true of the paper (Com. I/41) submitted today by the U.S. delegation. Although I have not had time to study this paper in detail, I note that it refers to the "myriad" of problems involved in the question of management. Of course, there are many problems, but I am not sure that "myriad" is the right word. The U.K. paper (Com. I/40) seeks to put the problem in perspective and to bring out, in a sort of dual approach, that some of the difficulties of transition to internationalization are great while others are relatively simple. This is not just a question of psychology, important though this is. We have to recognize that there is already widespread feeling that there is something perhaps improper in perpetuating what amounts to the employment of a national Corporation on an agency basis in the Definitive Arrangements. You will see from the paper which we have circulated that the continuation of this agency situation will undoubtedly be necessary, though to a diminishing degree, for a transitional period and for good practical reasons. I ought also to say that we fully acknowledge the services which the United States Communications Satellite Corporation has rendered to us all. But they are after all a United States National Corporation set up under United States law and liable in the last analysis to the penalties of the United States law as well as being bound by the obligations towards the United States Government as set out in the relevant U.S. legislation. This is not a question of Comsat's having behaved improperly nor of a suspicion on our part that they are liable to do so in the future. It is simply that the Management of our affairs must not only be impartial and an integral part of our own Organization but must demonstrably be in a constitutional position in which no suspicion of bias or partiality could arise.

Mr. Chairman, I apologize for speaking at such length. My only excuse is that this is a measure of the importance I attach to this part of our discussion.

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PLENIPOTENTIARY CONFERENCE ON DEFINITIVE ARRANGEMENTS FOR
THE INTERNATIONAL TELECOMMUNICATIONS SATELLITE CONSORTIUM

Washington, D.C., February - March 1969

Com. I/46
March 5, 1969

STATEMENT BY THE REPRESENTATIVE OF PAKISTAN IN COMMITTEE I
WEDNESDAY, MARCH 5, 1969

Thank you, Mr. Chairman:

My delegation would like to express its views on Item IV Structure of the Organization.

My delegation supports the recommendations in paragraph 244 of Doc. 6, that there be a three-tier organization and the recommendation in paragraph 246 that the Assembly should be composed of all Parties. My delegation supports fully the proposal in paragraph 261 of Doc. 6, that the Assembly be the supreme organ of the Organization.

As to the functions, etc., of the Assembly of Parties, my delegation supports the following paragraphs of Doc. 6:

Functions as detailed in paragraphs 267 to 281.

Voting as per paragraphs 283 and 284.

Frequency of meetings as paragraph 289.

My delegation does not support the proposals in paragraphs 286 and 287.

So far as the Governing Body is concerned, my delegation supports the recommendations in paragraph 346 of Doc. 6, that the Governing Body be composed of representatives of Signatories. As to the size of the Body, my delegation supports the recommendation in paragraph 352 of Doc. 6, that the size of the Governing Body is to be around 25 individuals.

In regard to paragraph 357 of Doc. 6, my delegation would support the proposal that a Signatory or group of Signatories with a minimum quota, which might be less than 1.5% depending upon circumstances, be entitled to seats in the Governing Body.

My delegation supports generally the functions of the Governing Body as proposed in paragraphs 369 to 389 of Doc. 6, keeping in view the recommendations in paragraph 261 regarding the Supremacy of the Assembly.

My delegation supports the principle of unweighted 2/3 majority vote in the Governing Body as contained in paragraph 421 of Doc. 6. My delegation supports paragraph 423 relating to simple majority in case of procedural questions.

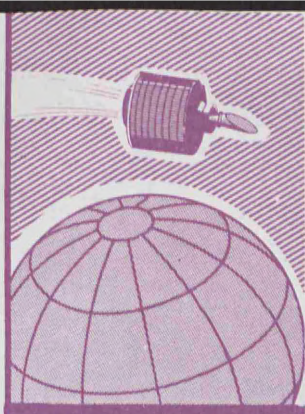
My delegation is unable to subscribe to the proposal in paragraph 396 of Doc. 6, that voting shares be in proportion to the volume of international public telecommunication traffic only and urges that the voting shares should be related to total usage of Organization-owned facilities. My delegation is unable to support the proposal in paragraph 414 that decision-making power be delegated by the Governing Body to regional or specialized groups.

My delegation supports the recommendations in paragraphs 405, 406 and 409 of Doc. 6 limiting the voting power in some cases. My delegation also supports paragraphs 425-430 of Doc. 6, about the Chairman of the Governing Body who should be appointed by the Governing Body from among the representatives on the Body.

In respect of Management Body, my delegation supports paragraphs 434 and 435. In regard to employment of key personnel my delegation favors appointments by the Assembly to the extent practicable. The functions of the Management Body detailed in paragraphs 466 to 474 have the support of my delegation with the additional stipulation that in case of paragraph 468, the representatives of the member or members requesting establishment of an Organization-financed Satellite be also associated with the examination.

My delegation would support proposals in Doc. 8, Doc. 10 and Com. I/26 to the extent these conform to the above views.

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PLENIPOTENTIARY CONFERENCE ON DEFINITIVE ARRANGEMENTS FOR
THE INTERNATIONAL TELECOMMUNICATIONS SATELLITE CONSORTIUM

Washington, D.C., February - March 1969

Com. I/48
March 6, 1969

STATEMENT BY THE REPRESENTATIVE OF JAPAN IN COMMITTEE I
WEDNESDAY, MARCH 5, 1969

It is quite obvious that the organizational structure of INTELSAT should take a form which is most suitable for the purpose of carrying out its task. In this sense, our delegation supports the unanimous recommendation of paragraph 244 of the ICSC Report to the effect that the organization should have three-tier-structure, that is to say, the Assembly, the Governing Body and the Management Body.

In this connection, reserving the right to speak at a later stage on the question of respective organs in detail, I would like to present now our preliminary comments on the general nature of these three bodies of the organization.

As to the Assembly, to start with, it is our view that the Assembly should be formed by the participating governments. This means that the Assembly be the organ of the highest rank in the hierarchy of INTELSAT, an international organization on a permanent basis. The task of the Assembly should be, in general terms, to supervise, on the recommendations of the Governing Body, the overall activities of the organization. However, our delegation feels that the function of approving long-range programs for the organization or that of appointing the General Manager as proposed in the document Com. I/26 need a careful examination in the global context of the functions to be attributed to the Assembly. In this connection, I would appreciate it if any of the delegations who made the proposal in Doc. Com. I/26 would explain as to the nature and possible frame of five years plan referred to in paragraph 4; such as, (a) why five years period was chosen, (b) whether and to what extent the program include financial aspect, etc.

Also, the question as to whether the power of amending the Agreement should be vested on the Assembly or on the Conference of the Parties to be convened independently, should be further studied from a legal point of view.

As to the question of voting mechanism in the Assembly, our delegation is convinced that the one-member-one-vote formula is widely supported here and we strongly support it. With regard to the majority rule, my delegation considers that, although a simple majority is sufficient for a procedural matter, a substantive matter requires a two-thirds majority.

Next, I would like to say a few words about the Governing Body which is to consist of the Signatories to the Second Agreement. In our view, there shall be three categories of members entitled to sit there.

First category: a group of members with its respective investment-share exceeding a given percentage.

Second category: a group of members, each representing a group of members whose combined investment-shares exceeding the given percentage, and,

Third category: a group of members to be elected by the Assembly on the basis other than that of investment-share such as the principle of equitable geographical distribution. At the same time, I wish to adhere to the remarks made by the previous speakers that the Governing Body should be as compact as possible in view of the necessity of the efficient discharge of its tasks.

Finally, as to the Management Body, we have three points to comment at this stage.

First, I would like to put a strong emphasis on the fact that the maintenance of the high level of competence of the Manager is a vital interest for participants. Secondly, I think it is desirable that Management Body should possess such an international character as required to carry out an international enterprise. Thirdly, the Management Body should always be subject to the proper guidance and effective control of the Governing Body. My delegation strongly hopes that, in considering the question of constituting the Management Body, the three points I have stated now shall be well borne in mind.

Having said this, the Japanese delegation wishes to add that, for the purpose of maintaining the high level of competence of the Management Body, our delegation would not raise objection if the organization, at the start of the definitive arrangements, entrust its work, for the time being, to a single national entity insofar as it is subject to replacement by the decision of the Governing Body in case of necessity.

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PLENIPOTENTIARY CONFERENCE ON DEFINITIVE ARRANGEMENTS FOR
THE INTERNATIONAL TELECOMMUNICATIONS SATELLITE CONSORTIUM

Washington, D.C., February - March 1969

Com. I/49
March 6, 1969

STATEMENT BY THE REPRESENTATIVE OF THAILAND IN COMMITTEE I
THURSDAY, MARCH 6, 1969

Mr. Chairman:

The Thai Delegation would like to express its views very briefly. First of all from the discussion yesterday we feel that, although there are some proposals for a four-tier structure, the majority of us here is of the opinion that a three-tier structure will be more suitable. The Thai Delegation also subscribe to the three-tier structure.

Secondly, we feel that although some delegations are of the opinion that the new organization should run in an international joint venture basis, the majority of countries here found necessary to give a legal personality and juridical capacity to the organization.

Thirdly, as far as the Assembly is concerned, we have studied carefully Document Com. I/26 and would like to associate our views with the United States and the Swedish delegations that the Assembly's functions should be limited to general supervision of the organization and to general policies, but not to enter into detailed responsibilities such as approving five years program and other which should be the function of the governing body, according to commercial management pattern. On the other hand, we agree with Doc. Com. I/26 and all other documents that in the Assembly, each government will have one vote.

Fourthly, as regard to the governing body itself, the Thai Delegation would like to support the composition of its members, as appeared in the United States Doc. No. 10, Article VI, which provides four kinds of seats in the governing body, coming from investment shares alone, or combined investment shares, or combined five signatories or by election. The Thai Delegation also support the voting procedure of the governing body as appeared in Art. VI of Doc. 10, which stated that a simple majority of investment shares is required for procedural matters and two-third majority of investment shares is necessary for substantive question.

Fifthly, although so many delegations have expressed their wishes to see a fully international management body, it is not yet very clear how this international management body could function. Doc. Com. I/26 leaves this matter open by stating that it will be treated separately later, while Doc. Com. I/40 of the United Kingdom tried to show something realizable,

but not yet very clear. Therefore, we feel that more discussion is necessary as regard to this internationalization of the management body, before all of us here could decide.

In conclusion, Mr. Chairman, the Thai Delegation feel that after all consensus made in this Com. I many principles have been accepted by the majority of delegations here. These principles are:- the three-tier structure, legal responsibility, Assembly of equal vote with broad function, composition and voting procedure of the governing body. As regard to the management body, we feel that more discussion on this subject by all distinguished delegates will be very useful.

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PLENIPOTENTIARY CONFERENCE ON DEFINITIVE ARRANGEMENTS FOR THE INTERNATIONAL TELECOMMUNICATIONS SATELLITE CONSORTIUM

Washington, D.C., February - March 1969

Com. I/50
March 6, 1969

STATEMENT BY THE REPRESENTATIVE OF NEW ZEALAND IN COMMITTEE I THURSDAY, MARCH 6, 1969

Mr. Chairman:

New Zealand supports the idea of a three-tier structure for the organization to be adopted in the definitive arrangements, consisting of an Assembly, a Governing Body, and a Manager.

As regards the Assembly and the Governing Body, the points which we would regard as important for this Committee have already been made by other speakers, and at this stage I wish only to indicate briefly where our thinking has taken us in regard to these organs.

The Assembly we visualize as an annual or biennial meeting of the parties to the agreement setting up the definitive arrangements with the function of reviewing the activities of the organization and laying down broad policy directives for the other organs. Voting in the Assembly would be on the basis of one party—one vote, with decisions being taken by simple majority, perhaps also coupled with a requirement for say a two-thirds majority of votes weighted in some manner related to investment shares.

The Governing Body would be constituted rather similarly to the present ICSC. The function of the Governing Body would be to adopt policies and procedures, and give general and specific directions to the Manager, as appropriate, over the full range of questions arising in connection with financing, establishing, developing and maintaining, and exploiting the system. Provision should be made for the Governing Body to be fully international in character, and to include the major investors in, and users of, the system, and representatives of groups of smaller investors as at present. The idea of rounding out the membership if necessary to secure satisfactory regional representation also has appeal. A most important consideration will however be to secure a Governing Body sufficiently limited in size for it to be fully effective. We would have difficulty in seeing anything beyond about 20 members as likely to give satisfactory results from this point of view. Voting in the Governing Body would be on a basis related to investment shares, but this relation should not be so direct that any one or two members could impose, or on the other hand block, a decision by the Governing Body. Various possible ways of security such a limitation have been suggested.

The organization would also have a Manager carrying out the kind of functions which under the interim arrangements have been discharged for the

consortium by COMSAT. In relation to the Manager I have to confess that New Zealand thoughts have not been running along lines altogether parallel to those of many who have preceded me in speaking to this agenda item.

Speaking broadly, the function of the Manager will be to execute the policies and implement the decisions of the Governing Body, with of course a flow of information, comment, and so on, to the Governing Body as requested. This involves day to day action in relation to very numerous and complex matters. Those of us who are deeply immersed in satellite operations will know directly the kinds of things that are involved. Others of us who like myself do not have this close personal knowledge will undoubtedly benefit from re-reading and reflecting on the description of the functions of the present manager contained in paper 40 of the thirty-third meeting of the ICSC last July. Some part of that paper has been reproduced as an appendix to the ICSC report in Conference document 6. The list is impressive in the range of functions revealed; their technical character in many fields; their great number; their interdependence; and their critical importance for the proper functioning of the system.

In the discharge of these functions the basic requirements are that the Manager must be fully responsive to international control, and that the management must be fully efficient in operation.

Speaking first about this matter of responsiveness to international control, I am very conscious that both in the ICSC and in our Committee there has already been a wide expression of view in favor of setting up a management organ which is itself directly international in character. I find this desire very understandable, but I cannot help thinking that this approach runs great danger of missing the wood for the trees.

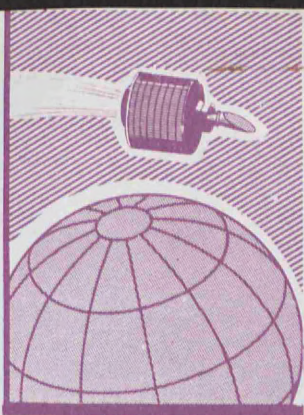
Proposals for an international manager have not indeed, in the main, been so far supported by argument, but have been put forward more or less as an article of faith; along the lines that it is fitting that all the organs of the definitive arrangements should have a constitutional structure reflecting directly the international character of our enterprise.

There is, however, another approach embodied in the interim arrangements, which we have not really discussed so far. The alternative, and our practice to date, is that the international organization should employ a manager. Under this concept we would have our fully international Assembly and Governing Body, and our paid servant to carry out our will in respect of details of system management. It has not been urged that the existing management concept has given us a manager unresponsive to the INTELSAT membership or has hampered the growth in membership; or that the present form of management is uneconomic or inefficient. It has not been argued that an internationalized manager would be cheaper for us, or more competent. It has only been said that an international manager would be better, and it has been assumed that this is self-evident. To the New Zealand delegation it is not really self-evident that an international secretariat must be more responsive to international control than a unitary paid servant.

- 3 -

In addition to the concept of responsiveness, there is the other basic concept to be considered. I refer again to efficiency in operation. The primary consideration here is to secure competence of a very high order in an advanced technological sphere, handling on a day to day basis the operational and long-term development aspects of a fast moving business. This kind of competence can most readily be assembled in a tightly knit commercial enterprise. A fully international secretariat could not be assembled quickly with the necessary technical skills, and indeed the proposals put before us along these lines have included transitional arrangements. In the New Zealand view, however, this approach does not hold out to us such prospects of efficiency and responsiveness to international control as to make it preferable to continuing to use the services of a unitary manager. We are encouraged to know that some others are thinking along similar lines. In this connection we were particularly interested in the comments of the Representative of Japan concerning the acceptability of a single national entity, in the role of Manager, and in the proposals of the United States which involve a fixed term contract subject to periodic review by the Assembly.

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PLENIPOTENTIARY CONFERENCE ON DEFINITIVE ARRANGEMENTS FOR
THE INTERNATIONAL TELECOMMUNICATIONS SATELLITE CONSORTIUM

Washington, D.C., February - March 1969

Com. I/51
March 6, 1969

STATEMENT BY THE REPRESENTATIVE OF THE STATE OF KUWAIT IN COMMITTEE I
THURSDAY, MARCH 6, 1969

Mr. Chairman:

The Kuwait delegation listened with great interest yesterday and today to the statements made by many distinguished delegates here dealing with the "Structure of the Organization". My delegation fully supports and associates itself with ideas and paragraphs mentioned in the statement made by the distinguished delegate of Algeria yesterday. We however would like to amend paragraph 357 in Document 6, by adding to the first part of it, with which we agree up to "or exceeding a requisite level...", the whole statement in paragraph 359, Document 6, in order to read as "...exceeding a requisite level, and that the minimum qualifying number of ..." and so on to the end of the paragraph. By amending this, we feel that the number of members in the governing body can conceivably be more than 20 and not to exceed 25 members which is fixed according to previous paragraphs in Document 6 on the size of the Governing Body.

With regard to paragraph 401 we would like to amend "shall not differ" to "may not differ".

Mr. Chairman, the distinguished delegate from Greece was of the opinion that document Com. III/3 which outlines the financial aspect of this organization has a great bearing in our deliberation here, if Committee III is taking the principle of the financial aspect in the mentioned document. We believe this will no doubt be the solution of the important issue of voting either in the Assembly or the Governing Body.

Looking to the future of the organization our belief, Distinguished Delegates, is that by adopting these principles a worldwide organization will be created in which all members play their rightful role in its structure.

Thank you.

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PLENIPOTENTIARY CONFERENCE ON DEFINITIVE ARRANGEMENTS FOR
THE INTERNATIONAL TELECOMMUNICATIONS SATELLITE CONSORTIUM

Washington, D.C., February - March 1969

Com. I/52
March 6, 1969

STATEMENT BY THE OBSERVER FROM THE POLISH PEOPLE'S REPUBLIC
IN COMMITTEE I
THURSDAY, MARCH 6, 1969

Mr. Chairman, Distinguished Delegates, Ladies and Gentlemen:

Let me avail myself once again of the occasion to present the opinion of one of the observer countries in regard to the problem now being under consideration--as one of the most important problems of the agenda of Committee I.

The proper solution of the problem of the structure of the Organisation and its legal personality can have a great influence on the future activity and success of the Organisation.

It would be dangerous to transfer directly the experiences of the primary period of activity of INTELSAT under the Interim Agreements to the future structure of the Organisation, when it should develop and operate the global satellite telecommunications system.

There is a substantial difference between the period, when only about 20 earth stations are in operation which represents only one-half of the earth stations used actually for public telecommunications purposes in the world, and the period, when the earth stations will be installed in all areas of the world and the space segment will be forced to fulfill the requirements of all telecommunications administrations of the world.

The structure and legal personality of the Organisation should ensure to every participating country its right to establish and develop its international telecommunications according to its needs. This will be possible only if in all organs of the Organisation all countries will have equal rights and representation.

It seems that this general line was reflected in several documents and proposals presented to this committee. But it seems, that for fulfilling this idea to the full extent the following remarks should be taken into account:

1. It should be clearly stated, that the Assembly is the supreme power in the Organisation and its decisions are obligatory for both: the Governing and Management Bodies. The Assembly should be composed of the representatives of all participating countries, each representative having one vote.

2. The Governing Body should be composed from the equitable representation of all geographical areas and should be appointed by the Assembly. Each member of the Body should have one vote.

3. The Management Body should be an international organ--with General Secretary (or Manager) appointed by the Assembly on the recommendation of the Governing Body and with the personnel composed from citizens of different participating countries taking into account the best competence and qualifications, and equitable geographical representation.

Thank you, Mr. Chairman.

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PLENIPOTENTIARY CONFERENCE ON DEFINITIVE ARRANGEMENTS FOR
THE INTERNATIONAL TELECOMMUNICATIONS SATELLITE CONSORTIUM

Washington, D.C., February - March 1969

Com. I/53
March 6, 1969

STATEMENT BY THE OBSERVER FROM THE MONGOLIAN PEOPLE'S REPUBLIC IN COMMITTEE I
TUESDAY, MARCH 4, 1969

Mr. Chairman:

Our attitude to the problem of international cooperation in the field of communications satellite systems is essentially the same as contained in the Draft Agreement on the establishment of an international communications system using artificial earth satellites, which was jointly proposed last August by the socialist states, including my own country. As that proposal is well-known to the distinguished representatives in this Committee, I shall not go into details.

However, being the first observer from Mongolia to the INTELSAT Conference, I would like to briefly state in rather broad terms our views on the issue under consideration.

We have listened with great interest to the debate that has taken place so far in this Committee on the objectives and purposes of the Definitive Arrangements and the scope of activities of the future organization--INTELSAT. We find both the Interim Committee's Report and the discussions on it in this Committee, and indeed in the other Committees as well, interesting and helpful for us to better understand the substance of the matter under consideration and the task the Conference sets forth before it. We admit that we were very much impressed by the viewpoints expressed by the distinguished delegates from India, France and some other states. We were particularly impressed by the Swedish proposals which, in our opinion, deserve a careful and close consideration. I ought to mention here also the remarkable statement made by Mr. M. Mili, Secretary General of the International Telecommunication Union, which clearly shows how and on what basis can best be arranged the relationship between the ITU and an international communications satellite system.

Mr. Chairman, we in Mongolia, like many other nations represented here in the Conference, attach a substantial significance to the problem of the use of communications satellites; and this is quite understandable because satellite communications opens up wide and new possibilities for the development of culture, education, economy and other fields of activity. The fact that we have an earth station of the ORBIT type now under construction, with Soviet assistance, indicates our interest in this matter. When completed, the station will enable over 20 percent of the country's population to see and hear programs put out by the television stations in Europe.

The system of satellite communications is, as I said, an object of great attention on the part of other countries in the world. In this connection, we welcome the idea of establishing a global satellite communications system. There may also be set up regional communication systems. At the same time we strongly support the view that the international communications systems should technically be coordinated through the corresponding specialized agency of the United Nations, namely, through the International Telecommunication Union.

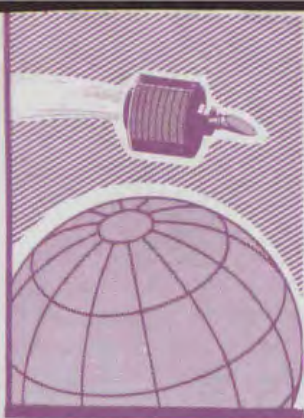
As to the basic principle that should, in our view, guide international cooperation in this field, satellite communications must be made available to all countries of the world on a global basis without any discrimination at all levels, with complete equality of all its participants. This and other relevant principles were already laid down in United Nations General Assembly Resolution 1721 (XVI) and in the Treaty on Principles Governing the Activities of States in Exploration and Use of Outer Space, including the Moon and Other Celestial Bodies, of January 27, 1967.

We support these principles because it is from these principles that the socialist countries, including my own, set out in the concrete field of space activities and in their negotiations with other states in space communications. In fact, these principles are fully reflected in the Draft Agreement proposed by the socialist countries on the establishment of an international communications system using artificial earth satellites, to which I have referred.

Finally, sir, I have the pleasant duty of thanking you, Mr. Chairman, and the host country, the United States, for giving us an opportunity to attend this Conference on Definitive Arrangements for the INTELSAT and to listen to the participants' viewpoints and express our opinion on the issues under discussion.

I thank you, Mr. Chairman.

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PLENIPOTENTIARY CONFERENCE ON DEFINITIVE ARRANGEMENTS FOR
THE INTERNATIONAL TELECOMMUNICATIONS SATELLITE CONSORTIUM

Washington, D.C., February - March 1969

Com. I/54
March 6, 1969

STATEMENT BY THE REPRESENTATIVE OF AUSTRIA IN COMMITTEE I
TUESDAY, MARCH 4, 1969

SCOPE OF INTELSAT's ACTIVITIES

Mr. Chairman:

The Austrian delegation would like to comment briefly on item II of the agenda of this Committee:

The discussion of item II has shown general agreement that the primary objective of the Organization for which this Conference is elaborating definitive arrangements should be to provide on a commercial basis the space segment for international public telecommunication services. As to specialized telecommunication services, the discussion has revealed, however, that a majority of the delegations participating in the debate seem to have serious preoccupations to authorize the Organization already at present to provide such services.

The Austrian delegation, Mr. Chairman, shares this concern. A number of studies undertaken recently in several fields which would fall under the heading of specialized services have shown not only the complexity of the technical problems involved but also the manifold and complex implications in the political, legal, social, economic and other fields. Let me recall, Mr. Chairman, the studies undertaken in 1967 within the framework of the United Nations by the Working Group of the Committee on the Peaceful Uses of Outer Space on a Navigation Services Satellite System. Let me mention the meeting held only 3 weeks ago of the Working Group of the Committee on the Peaceful Uses of Outer Space to study the technical problems of communication by direct broadcasts from Satellites; as you are aware this Working Group has decided to hold a second meeting later this year to consider the implications of this problem in the social, cultural, legal and other areas.

All these studies, Mr. Chairman, have demonstrated that we are indeed only at the beginning of the exploration of these new activities. It is for this reason that my delegation feels it would be premature at this moment to give this organization authority to provide services the nature and implications of which are still largely unknown to us today. This does not mean that we want in any way to exclude such services from the future scope of INTELSAT's activities. What we do want is that member governments should have the opportunity to make their decisions at the appropriate moment and in full knowledge of all pertinent facts.

Specialized telecommunication services may also raise problems of another nature. In some countries these matters may not fall under the competence of the Telecommunication Entities but as for instance in the case of the navigation services satellites under the jurisdiction of civil aviation authorities. This is perhaps an additional reason why governments may not wish at this moment to give the organization sweeping authority regarding Specialized Telecommunication Services.

Mr. Chairman, as regards the question of satellites for the purpose of meeting needs of a national security nature a number of delegates have pointed out that they would find it very difficult or even impossible to subscribe to activities such as those mentioned in Paragraph 227 of the Report of the Interim Committee. We understand their preoccupations. In our earlier statement we have underlined the desirability of a truly universal INTELSAT-System. We are therefore of the opinion that this organization should not engage in any activity which might cause difficulties for present member countries to continue their participation in the organization or which might discourage interested non-member countries from joining the organization.

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PLENIPOTENTIARY CONFERENCE ON DEFINITIVE ARRANGEMENTS FOR THE INTERNATIONAL TELECOMMUNICATIONS SATELLITE CONSORTIUM

Washington, D.C., February - March 1969

Com.I/55
March 6, 1969

STATEMENT BY THE REPRESENTATIVE OF AUSTRIA IN COMMITTEE I
THURSDAY, MARCH 6, 1969

STRUCTURE OF THE ORGANIZATION

The Austrian Delegation would like to make a few brief comments on some aspects of the structure of the organization which are of particular interest to us and which have already been touched upon by other delegations in our debate so far. This committee has already received a number of proposals in which we can discern with certain variations the common element of a three-tier structure for the future organization consisting of an Assembly, a Governing Body and a Management Body. We find the same approach reflected in the Report of the Interim Committee, and the Austrian Delegation associates itself with this concept. While there seems to be basic agreement therefore on the general principles of the structure, it appears that considerable difference still exists as to the specific function of these organs, their respective mandates and their inter-relationship.

Mr. Chairman, there is a very wise principle which governs the inter-relationship between the principal organs of government in a democratic society and which is usually referred to as the principle of checks and balances. Irrespective of the ultimate outcome of our deliberations on the details of the structural set-up of the organization and the mandates of its organs we believe that the same principle should be applied in determining the relative weight and the inter-relationship of these organs.

Our discussions so far have already revealed that the International Telecommunications Satellite System is not only a joint commercial undertaking but that it affects and will continue to affect important interests of the governments of all member countries.

There is reason to believe that the area of activities directly affecting the interests of member governments will even increase as the scope of INTELSAT's activities will expand in the future and in particular when member governments decide that INTELSAT should venture into the new field of Specialized Telecommunications Services.

It is obvious therefore that all member governments will wish to participate in the general policy making process of the Organization. This is true for all countries irrespective of their contributions to and their use of the system.

But it may be particularly true for small countries like my own, whose influence in the governing body will necessarily be modest. Small countries will therefore attach particular importance to the role of the Assembly. We for our part believe that an appropriate and substantive mandate for the Assembly together with a recognition of the principle of one equal vote for each member country would establish an adequate balance between the Assembly and the other organs of the Organization in accordance with the principle of checks and balances that I referred to earlier in my statement.

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PLENIPOTENTIARY CONFERENCE ON DEFINITIVE ARRANGEMENTS FOR
THE INTERNATIONAL TELECOMMUNICATIONS SATELLITE CONSORTIUM

Washington, D.C., February - March 1969

Com. I/57
March 7, 1969

STATEMENT BY THE REPRESENTATIVE OF THE REPUBLIC OF KENYA IN COMMITTEE I
THURSDAY, MARCH 6, 1969

Mr. Chairman,

I wish to thank you for giving me the opportunity to express my Delegation's views concerning the organisational set-up of INTELSAT. In the opinion of my Delegation we feel that there are a number of things and experiences gained from other International bodies, for instance the International Civil Aviation Organisation and the United Nations, that INTELSAT could greatly benefit from. In these two organisations I have just mentioned, as most of the distinguished Delegates know, the voting rights are distributed according to the principle of equitable geographical distribution rather than on the basis of amount of investment. Consequently, it is my Delegation's view that the principle of equitable geographical distribution of the seats in the Governing Body of INTELSAT which has now expanded to consist of sixty-three Members is highly recommended, and, in particular, if the Management Body would be put on an international basis as some of the distinguished Delegates have recommended. If the principle of contribution is given sufficient weight, my Delegation is in favour of allowing several categories of elections of States in the Governing Body. Thus, the States which have big shares could be elected first, followed by the middle States and then other States be elected according to geography in order to ensure equitable geographical distribution of the seats in the Governing Body. For instance, if we choose that there are going to be eighteen seats in the Governing Body, we would recommend that they are distributed as follows:-

six seats for big States;
six seats for middle States;
six seats according to geography and all the States of the Governing Body having the same voting rights.

Mr. Chairman, my Delegation feels very strongly that it is very important for the developing countries to have a say in the general running of the satellite. Membership in the Governing Body would therefore be essential. My Delegation feels that the organisation of INTELSAT should consist of the following component parts:-

- (i) the General Assembly;
- (ii) the Governing Body;
- (iii) the Secretary General assisted by staff.

Furthermore, my Delegation favours that the General Assembly would meet every three years for the purpose of outlining the policy and approving appointments. The Governing Body will be responsible for all operations, developments, running of the organisation (INTELSAT) and implementing the policy as laid down by the General Assembly. Furthermore, the Governing Body will be the Executive and the Secretary General will be responsible to the Executive Body for the normal operations of the organisation.

Mr. Chairman, in consideration of the foregoing, the following are my Delegation's recommendations:-

- (a) that the principle of equitable geographical distribution of the seats in the Governing Body be established. If, however, the principle of contributions is to give sufficient weight, then we could allow several categories of elections of States in the Governing Body. Thus, the States who have big shares could be elected first, followed by middle States and other States according to geography in order to ensure equitable geographical distribution, that is, if we are going to have eighteen seats in the Governing Body, six seats should go to big shareholders, six to middle shareholders and six according to geography, and all having the same voting rights.
- (b) that the organisational set-up consist of the following:-
 - (i) General Assembly;
 - (ii) Governing Body;
 - (iii) Secretary General.

My Delegation supports the views expressed by some of the distinguished Delegates in this Committee that more equitable distribution of power within the organisation which has now expanded to embrace sixty-three Members will come about. We also support that the Management Body should be put on an international basis. However, Mr. Chairman, if the principle of contribution should prevail, my Delegation will not support the idea unless it is based on several categories in the elections of the States of the Governing Body. My Delegation has also considered the proposals that have been expressed by some of the distinguished Delegates of dividing the total investment shares into two parts of 40% and 60% respectively. This, Mr. Chairman, my Delegation does not support, unless it goes along with the idea of having a Secretary General instead of a Manager as some of the distinguished Delegates have proposed.

Thank you, Mr. Chairman.

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PLENIPOTENTIARY CONFERENCE ON DEFINITIVE ARRANGEMENTS FOR THE INTERNATIONAL TELECOMMUNICATIONS SATELLITE CONSORTIUM

Washington, D.C., February - March 1969

Com. I/58 (Rev. 1)
March 12, 1969

THE MANAGEMENT BODY

(Submitted by the delegations of Canada, the Federal
Republic of Germany and India.)

A. ORGANIZATIONAL PROVISIONS

1. Main Agreement Article

- (a) The Management Body, pursuant to the general policies of the Organization and in accordance with specific directives of the Governing Body, shall manage the design, development, procurement, construction, operation and maintenance of the Space Segment or of such other services that the Organization may undertake pursuant to this Agreement. The Management Body shall provide secretarial and other support services for the Organization and shall perform such other duties as prescribed by the Governing Body.
- (b) There will be a Director General who shall be the chief executive officer of the Management Body. In carrying out his duties he shall be responsible to the Governing Body and shall act on behalf of the Organization. The Director General shall be supported by senior officers and a staff of experts. In carrying out his duties the Director General and his staff shall not receive instructions from or be influenced by other than the Governing Body.

(Note: In preparing this article it has been assumed that the Governing Body will determine the detailed responsibilities of the Management Body and therefore these need not appear in the Agreement. Also, it has been assumed that the means of selecting the Director General and his senior officers together with their terms will be provided in the articles dealing with the Assembly and Governing Body.)

2. Main Agreement Article

All posts in the Management Body, including that of Director General, shall be open to qualified personnel of the Participating States and it shall be the objective in selecting these personnel to achieve for the Management Body the highest degree of efficiency. In making appointments the primary consideration shall be professional competence but due regard will also be given to the principle of equitable geographical distribution as far as possible. The Director General and his staff shall be independent of any national entity.

(Note: In drafting this article it has been assumed that the authority of the Director General in the matter of staff appointments will be for the Governing Body to determine.)

B. PROVISIONAL AND TRANSITIONAL ARRANGEMENTS

1. Main Agreement Article

The Organization shall enter into an agreement with the Communications Satellite Corporation, incorporated under the laws of the District of Columbia, which shall provide for the orderly and efficient transfer of management functions from the Communications Satellite Corporation to the Management Body. The transfer of such functions shall take place as rapidly as shall be consistent with the maintenance of a highly efficient and effective Space Segment and shall be completed within five years from the date this Agreement enters into force. To facilitate this process the Director General shall be selected as soon as possible following the entry into force of this Agreement.

2. Main Agreement Article

- (a) All contracts for the procurement of Satellites provided pursuant to the Interim Agreements, which are in effect on the day this Agreement enters into force, between the Communications Satellite Corporation, as Manager pursuant to the Interim Agreements, and other parties shall be deemed to be contracts authorized by the Governing Body and the duties and obligations of the Communications Satellite Corporation pursuant to such contracts shall not be changed.
- (b) All other contracts which the Communications Satellite Corporation has entered into as Manager pursuant to the Interim Agreements and which are in force on the day this Agreement comes into force shall be deemed to be contracts authorized by the Governing Body and may be subject to review by the Governing Body.

3. Protocol Provision

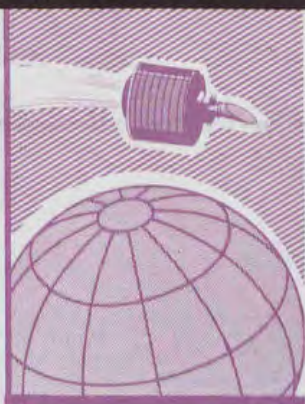
(a) In determining the progressive transfer of management functions from the Communications Satellite Corporation to the Organization, within the five year limit laid in B.1., the Governing Body shall be guided by the order of priority set forth below:

- i) Financial, legal, information services and secretarial functions,
- ii) Operational functions such as: system operational and maintenance planning, coordination between the space segment and the earth stations,
- iii) Technical and procurement functions such as: technical studies, research and development, preparation of specifications and evaluation of tenders, placing and monitoring of contracts, technical control of spacecraft in orbit.

(b) While the responsibility for the foregoing functions rests with the new Organization, it is recognized that in many cases the execution will be effected by means of contracts between the Organization and competent national entities, such as the Communications Satellite Corporation, in the Participating States.

(Note: It is expected that the functions in para. 3 (a)(i) could be taken over by the Organization almost immediately after the date of entry into force of the new Agreement, allowing only for time for appointment of the Director General and Senior Officers. The functions in para. 3(a)(ii) could be taken over fairly soon thereafter. The Governing Body could draw up the programme envisaged in para. B.1 accordingly.)

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PLENIPOTENTIARY CONFERENCE ON DEFINITIVE ARRANGEMENTS FOR THE INTERNATIONAL TELECOMMUNICATIONS SATELLITE CONSORTIUM

Washington, D.C., February - March 1969

Com. I/58 (Rev. 2)
March 14, 1969

THE MANAGEMENT BODY

(Submitted by the delegations of Canada, the Federal
Republic of Germany and India.)

For the purposes of this document it is assumed that the Organization to be created pursuant to the Definitive Arrangements will be unitary in nature and will have legal personality and the juridical capacity necessary to exercise its functions and reach its objectives. It is further assumed that the Organization will have three elements: an Assembly, a Governing Body and a Management Body.

A. ORGANIZATIONAL PROVISIONS

1. Main Agreement Article

- (a) The Management Body, pursuant to the general policies of the Organization and in accordance with specific directives of the Governing Body, shall manage the design, development, procurement, construction, operation and maintenance of the Space Segment or of such other services that the Organization may undertake pursuant to this Agreement. The Management Body shall provide secretarial and other support services for the Organization and shall perform such other duties as prescribed by the Governing Body.
- (b) There will be a Director General who shall be the chief executive officer of the Management Body. In carrying out his duties he shall be responsible to the Governing Body and shall act on behalf of the Organization. The Director General shall be supported by senior officers and a staff of experts. In carrying out his duties the Director General and his staff shall not receive instructions from or be influenced by other than the Governing Body.

(Note: In preparing this article it has been assumed that the Governing Body will determine the detailed responsibilities of the Management Body and therefore these need not appear in the Agreement. Also, it has been assumed that the means of selecting the Director General and his senior officers together with their terms will be provided in the articles dealing with the Assembly and Governing Body.)

2. Main Agreement Article

All posts in the Management Body, including that of Director General, shall be open to qualified personnel of the Participating States and it shall be the objective in selecting these personnel to achieve for the Management Body the highest degree of efficiency. In making appointments the primary consideration shall be professional competence but due regard will also be given to the principle of equitable geographical distribution as far as possible. The Director General and his staff shall be independent of any national entity.

(Note: In drafting this article it has been assumed that the authority of the Director General in the matter of staff appointments will be for the Governing Body to determine.)

B. PROVISIONAL AND TRANSITIONAL ARRANGEMENTS

1. Main Agreement Article

The Organization shall enter into an agreement with the Communications Satellite Corporation, incorporated under the laws of the District of Columbia, which shall provide for the orderly and efficient transfer of management functions from the Communications Satellite Corporation to the Management Body. The transfer of such functions shall take place as rapidly as shall be consistent with the maintenance of a highly efficient and effective Space Segment and shall be completed within five years from the date this Agreement enters into force. To facilitate this process the Director General shall be selected as soon as possible following the entry into force of this Agreement.

2. Main Agreement Article

- (a) All contracts for the procurement of Satellites provided pursuant to the Interim Agreements, which are in effect on the day this Agreement enters into force, between the Communications Satellite Corporation, as Manager pursuant to the Interim Agreements, and other parties shall be deemed to be contracts authorized by the Governing Body and the duties and obligations of the Communications Satellite Corporation pursuant to such contracts shall not be changed.
- (b) All other contracts which the Communications Satellite Corporation has entered into as Manager pursuant to the Interim Agreements and which are in force on the day this Agreement comes into force shall be deemed to be contracts authorized by the Governing Body and may be subject to review by the Governing Body.

3. Protocol Provision

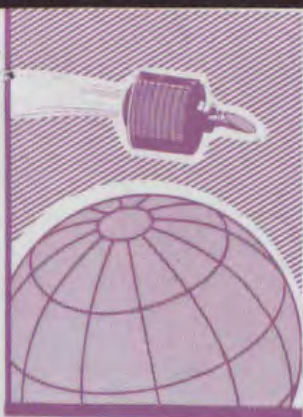
(a) In determining the progressive transfer of management functions from the Communications Satellite Corporation to the Organization, within the five year limit laid in B.1., the Governing Body shall be guided by the order of priority set forth below:

- i) Financial, legal, information services and secretarial functions,
- ii) Operational functions such as: system operational and maintenance planning, coordination between the space segment and the earth stations,
- iii) Technical and procurement functions such as: technical studies, research and development, preparation of specifications and evaluation of tenders, placing and monitoring of contracts, technical control of spacecraft in orbit.

(b) While the responsibility for the foregoing functions rests with the new Organization, it is recognized that in many cases the execution will be effected by means of contracts between the Organization and competent national entities, such as the Communications Satellite Corporation, in the Participating States.

(Note: It is expected that the functions in para. 3 (a)(i) could be taken over by the Organization almost immediately after the date of entry into force of the new Agreement, allowing only for time for appointment of the Director General and Senior Officers. The functions in para. 3(a)(ii) could be taken over fairly soon thereafter. The Governing Body could draw up the programme envisaged in para. B.1 accordingly.)

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PLENIPOTENTIARY CONFERENCE ON DEFINITIVE ARRANGEMENTS FOR THE INTERNATIONAL TELECOMMUNICATIONS SATELLITE CONSORTIUM

Washington, D.C., February - March 1969

Com. I/58

March 10, 1969

THE MANAGEMENT BODY

(The following proposed provisions, prepared in the form of treaty language, are submitted by Canada, the Federal Republic of Germany and India.)

For the purposes of this document it is assumed that the Organization to be created pursuant to the Definitive Arrangements will be unitary in nature and will have legal personality and the juridical capacity necessary to exercise its functions and reach its objectives. It is further assumed that the Organization will have three elements: an Assembly, a Governing Body and a Management Body.

A. ORGANIZATIONAL PROVISIONS

1. Main Agreement Article

- (a) The Management Body, pursuant to the general policies of the Organization and in accordance with specific directives of the Governing Body, shall manage the design, development, procurement, construction, operation and maintenance of the Space Segment or of such other services that the Organization may undertake pursuant to this Agreement. The Management Body shall provide secretarial and other support services for the Organization and shall perform such other duties as prescribed by the Governing Body.
- (b) There will be a Director General who shall be the chief executive officer of the Management Body. In carrying out his duties he shall be responsible to the Governing Body and shall act on behalf of the Organization. The Director General shall be supported by senior officers and a staff of experts. In carrying out his duties the Director General and his staff shall not receive instructions from or be influenced by other than the Governing Body.

(Note: In preparing this article it has been assumed that the Governing Body will determine the detailed responsibilities of the Management Body and therefore these need not appear in the Agreement. Also, it has been assumed that the means of selecting the Director General and his senior officers together with their terms will be provided in the articles dealing with the Assembly and Governing Body.)

2. Main Agreement Article

All posts in the Management Body, including that of Director General, shall be open to qualified personnel of the Participating States and it shall be the objective in selecting these personnel to achieve for the Management Body the highest degree of efficiency. In making appointments the primary consideration shall be professional competence but due regard will also be given to the principle of equitable geographical distribution as far as possible. The Director General and his staff shall be independent of any national entity.

(Note: In drafting this article it has been assumed that the authority of the Director General in the matter of staff appointments will be for the Governing Body to determine.)

B. PROVISIONAL AND TRANSITIONAL ARRANGEMENTS

1. Main Agreement Article

The Organization shall enter into an agreement with the Communications Satellite Corporation, incorporated under the laws of the District of Columbia, which shall provide for the orderly and efficient transfer of management functions from the Communications Satellite Corporation to the Management Body. The transfer of such functions shall take place as rapidly as shall be consistent with the maintenance of a highly efficient and effective Space Segment and shall be completed within five years from the date this Agreement enters into force. To facilitate this process the Director General shall be selected as soon as possible following the entry into force of this Agreement.

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3. Protocol Provision

- (a) In determining the transfer of management functions from the Communications Satellite Corporation to the Organization, the Governing Body shall be guided by the order of priority and timing set forth below:
- i) Financial, legal, information services and secretarial functions, within six months.
 - ii) Operational functions such as: system operational and maintenance planning, coordination between the space segment and the earth stations, within one year.
 - iii) Technical and procurement functions such as: technical studies, research and development, preparation of specifications and evaluation of tenders, placing and monitoring of contracts, technical control of spacecraft in orbit. Timing within the five year limit should be on a case-by-case basis.
- (b) While the responsibility for the foregoing functions rests with the new Organization, it is recognized that in many cases the execution will be effected by means of contracts between the Organization and competent national entities, such as the Communications Satellite Corporation, in the Participating States.

4. Conference Resolution

The Plenipotentiary Conference on Definitive Arrangements for INTELSAT,

Considering that it will be desirable for the new Organization to become effective as soon as possible following the entry into force of the new Agreement;

Considering that the Director General should be selected at the earliest practicable date;

Considering that the high efficiency and effectiveness of the Space Segment must be maintained at all times;

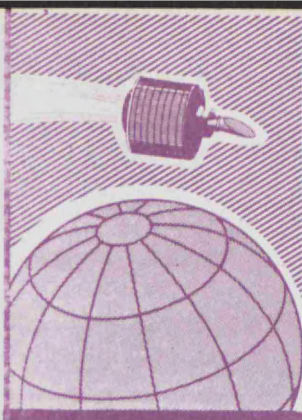
Believing that these objectives can be achieved only if certain work of a preparatory nature is carried out in advance of the coming into force of the new Agreement;

Resolves that the Members of the I.C.S.C. be asked by this Conference to prepare for the consideration of the Governing Body at its first meeting:

- 4 -

- i) a short list of suitable candidates for the post of Director General,
- ii) detailed recommendations regarding the transfer of management functions from the Communications Satellite Corporation to the Organization,
- iii) a draft contract covering the services required from the Communications Satellite Corporation during the first six months, and
- iv) propose to the Organization, in accordance with Article ____ of the Definitive Agreement, the composition of the initial Governing Body other than those members who will be elected by the Assembly.

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PLENIPOTENTIARY CONFERENCE ON DEFINITIVE ARRANGEMENTS FOR
THE INTERNATIONAL TELECOMMUNICATIONS SATELLITE CONSORTIUM

Washington, D.C., February - March 1969

C.I/59
March 10, 1969

STATEMENT BY THE REPRESENTATIVE OF ITALY IN COMMITTEE I
THURSDAY, MARCH 6, 1969

Mr. Chairman:

I have listened with much interest to the statement of the representative from New Zealand. There is a specific issue on which my Delegation wishes to express a precise position.

The issue is that of the status of the Management Body, or Manager of INTELSAT, which has been the object of several proposals and discussions, both here and in the preparation of the ICC Report.

Mr. Chairman, I wish to be explicit. The Italian Delegation considers it extremely dangerous to deal lightly with solutions which would affect radically and abruptly the composition of the highly skilled technical and operational team, which, in only four years has achieved the remarkable success enjoined by INTELSAT's space segment. I refer to the COMSAT team and, let's not forget it for a moment, to the NASA booster and launching team, which have been put at the disposal of INTELSAT with no charge for the untold billion dollars spent in order to develop it.

I have listened from many distinguished Colleagues, very interesting and learned dissertations about the need for a Director General, Secretary General, a General Staff and so forth, in order to carry on the operational functions of the Management Body.

We have to confess that our past experience with elaborate structures of this kind has been not exactly encouraging and our position on this matter is very simple.

First, we shouldn't touch in any way the team--namely, COMSAT--NASA, which is today operating the INTELSAT system, until another team of comparable skill and experience has been found and is available.

After all, we have a tremendous operational complex at work, with satellites in orbit and ground stations busily carrying an ever growing loaded

telecommunications traffic and we cannot jeopardize its benefits to the users for the sake of changes which might represent only hypothetical improvements.

Second, we do not have anything in particular against COMSAT, which has performed an excellent job under the circumstances, but we should like to see in the definitive agreement a sharp separation between the role of the Manager and that of Signatory. The fact that today COMSAT performs both roles has caused some inconveniences and misunderstandings within the ICC.

Third, the principle of the possibility of changing the Manager must be confirmed in the definitive agreement by means of a contract between INTELSAT and the Manager, or Managing Body, which will have to be well defined both in terms of duration and responsibility.

Fourth, all Signatories or groups of Signatories shall have the possibility to develop management teams which could, at the proper time, be chosen by INTELSAT to manage the system if and when the Governing body should choose to replace COMSAT.

To this effect the provisions to form international managing cadres, contained in Article VII of the draft Agreement DOC. 10, tabled by the United States Delegation seems to us inadequate, and we believe that they should be integrated by some of the very constructive proposals set forth in the excellent document COM.I/40 presented yesterday by the Delegation of the United Kingdom.

Thank you, Mr. Chairman.

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PLENIPOTENTIARY CONFERENCE ON DEFINITIVE ARRANGEMENTS FOR
THE INTERNATIONAL TELECOMMUNICATIONS SATELLITE CONSORTIUM

Washington, D.C., February - March 1969

Com.I/61
March 10, 1969

STATEMENT BY THE REPRESENTATIVE OF THE UNITED STATES
IN COMMITTEE I
THURSDAY, MARCH 6, 1969

For the past two days we have heard an extremely informative and I think very high-level discussion of this very basic problem that faces us. I have been to quite a few international meetings and I must admit frankly I cannot recall any other where the discussions were as much on the point and as clear as they have been in the last two days. We have had some rather strong views on some of the issues and I would like to present those to the conference.

The first is in a sense rather fundamental, and that has to do with the concept of INTELSAT as an international organization. Most of the delegations have quite properly noted that that is a key characteristic of this organization, and there have been from time to time suggestions that various changes must be made to make it truly international. Now we, in our view, believe that some changes should be made in this organization and I will get to those in a moment; but I would like to note that this already is, in my opinion, a truly international organization in at least two senses of that word. First, it has 67 members, and that seems to us to be a remarkable achievement for an organization of the age of INTELSAT, and even more remarkable since only a portion of the membership now can in fact take advantage of the system we are in the process of establishing. Second, it is international in the sense that we have 48 countries represented in the body that today is the Interim Committee. It is not an exclusive body. And it has operated in a way that international bodies do, it has debated, sometimes at length; it has found consensus in almost all questions; and it has found unanimity on most questions. So I think we ought to lay at rest the notion that, somehow or other, unless we turn things topsy-turvy we won't have an international organization.

One thing about this organization that strikes me as uniquely different from almost all other international organizations I can think of is that we have a different relationship between the developing and the developed countries, different from the relationship that exists in many of our traditional international organizations. Because of the geography of the world and because of the immense need of many of the developing nations, they will be, within the next few years, some of the most important elements of this organization. I would guess, and I guess our projections would show, that by 1970 perhaps half of the top 20 users of the system would be nations that are traditionally considered developing nations. So, in an important sense our interests in this organization are more common than they are in many. This is not an organization where we have exporters of raw materials and exporters of industrial goods. This is an organization where we have a uniquely common need, which is to establish a facility we can both use and to do so in an efficient manner. And I think we ought to not let that very natural cement of common, truly common interest, be lost in our deliberations by creating any kind of false dichotomy between various groups of nations.

In connection with the question to what extent this is an international organization, we have listened with a good deal of interest to discussions about the introduction of political matters into the new organization. It has been suggested that in various ways the Assembly or a fourth tier or something like that would have to deal with political matters -- as opposed to matters of the design and development of the system. Now, quite frankly, it is our belief that the political issues that this organization must deal with are relatively few, and it is our hope that very many of these will be resolved by this plenipotentiary conference. Among these political issues, I would say, the important ones may be the question of who gets to be a member, who gets access to the system, and some basic setting down of concepts of non-discrimination. But, we do not see this organization as having a continuing series of political questions to deal with. On the contrary, we hope that it won't, because it is our most sincere desire that this organization provide a service which, like the scales of justice, is blind; which does not consider the content of the messages flowing through; which does not consider the internal workings of its members or its users, but seeks to provide a service that everyone needs, free of the political considerations that are such a heavy burden on so many of our other international organizations.

Now, to be somewhat more specific, there has been a considerable discussion of the powers of the Assembly and of the kind of Assembly we want to have. The United States, which has indicated its support for what we call a three tier system, has listened with a good deal of interest to the comments of the distinguished representatives of Australia, Chile and some others who found some merit in the four tier system, and we believe that this is a matter that merits further consideration. Certainly there is some meritorious consideration that could be given to a periodic meeting not unlike this one that perhaps could re-consider some of the political issues that we must deal with, and perhaps re-consider whether this conference has done its work well. We take no firm position on this other than the one we have taken so far, except to say that if that kind of change in fact would help, it is one that we believe could be considered more.

The powers of the Assembly are a matter of some concern to us, rather great concern. It is not clear to me to what extent the views here differ. We do have a document introduced by Canada, the Federal Republic of Germany and India which suggests that the Assembly should have the power of "over-all policy", and it makes certain suggestions, which the distinguished representative of India has explained somewhat further today, about the approval of a five-year program and the appointment of a general manager.

Now our feeling is that practicality as well as a conceptual approach requires that an assembly of 67 members, which might meet once a year or once every two years, should have powers which are suitable to a body of that size that meets that often, and we, from our experience in various organization and from our experience in this organization, feel quite strongly that it cannot have, and cannot exercise, the power to determine what the system will look like in the sense of designing the system, in the sense of dealing with the acquisition of the physical facilities, and in the sense of planning for the future. We have been rather specific in our Document 10, on pages 9 and 10, as to the kind of powers we think the Assembly might usefully exercise. And, in answer to the very thought-provoking remarks of the representative of Chile, we do not believe that this should be a body that cannot discuss commercial issues. In fact, we think that commercial issues ought to be the bulk of its discussion. We think the views of all of the members on these various issues should be expressed in that body, but it cannot be the body that has the ability and authority to operate and to direct the work of this organization.

One more word on the Assembly. Should it be the "supreme organ" of our structure? I suggest that perhaps that is a semantic question, and I'm not sure whether we have a difference. But certainly if the term "supreme organ" means, in effect, that the Assembly is the body which directs the work of this organization, then I think we rather firmly believe that it cannot work.

Now with respect to the Governing Body, which in our draft we call the Board of Governors, I think there is unanimity that it must be relatively compact and I think there is at least almost unanimity that it must play the central role in running this organization. The suggestion has been made by the distinguished representative of Algeria and by other countries that it must be broadened so that not only those that have the largest investment at stake but also other kinds of participants are able to have a voice in that body. We have made in our draft document suggestions that, in our opinion, not only provide some opportunity but a great deal of opportunity for many countries to be represented on such a body. And we believe that it is very important for the present organization that its Governing Board, the Interim Committee, which has 18 or 19 people sitting around the table, in fact represents almost 50 countries. We have suggested that the Governing Board require a two-thirds majority to act and that means that you must have the support of a very broadly based portion of the organization, and we believe that that kind of a voting structure in fact assures that the decisions of the Governing Board have broad appeal.

I come to the issue of the manager. That is an issue on which a number of views have been given and a number of them have been to the effect that there must be some internationalization of the manager. I have listened with a great deal of interest to the statement of the representative of Italy, and I recognize that he has differed in a number of respects with the views of the United States. I also recognize that he has said something that is the kind of thing I was going to say, which is that we do have a rather unusual situation where we have had experience that cannot be lightly disregarded, and that we would not permit lightly to be disregarded.

With respect to the question of the internationalization of the manager, let me say first of all that I believe we have an international organization and that the body that is the determining body on the policies and operation of this organization, that is the governing board, is in our view and in everybody's view quite international. In a conceptual sense we do not see either the theoretical merit or the necessity of internationalizing every aspect of this organization. Our job ought to be to have an international determination of what we

ought to do, and a competent, efficient way of doing it; and whether the latter is accomplished by an international manager or not is a question quite valid for discussion. But, to put it quite bluntly, the idea that as a fundamental conceptual point the manager must be internationalized in order to make this organization truly international is one that we cannot intellectually accept and that we feel carries with it the seeds of some danger.

We are considering the future of an organization that is engaged in a very complex job, and it is an organization which, under a set of interim arrangements, has had, in an incredibly brief span of four years, success beyond our fondest dreams. Now there has been a suggestion that the way we go about this be changed and that this successful organization should be in some respects scrapped and that we start over again. That is a hard suggestion for us to take without a great deal of concern. So I say we cannot accept the intellectual notion that the only way this organization can be truly international is to have an internationalized manager when all other parts are by definition international.

Furthermore, the notion that this internationalization should be done comes at a curious time. In many areas in the United States and in other countries the trend in management is in the opposite direction, that is, to a corporate form or to a form of a management organization which is a single body. Some of the organizations participating in this conference are themselves presently in the process of adopting or considering a change of form for greater management efficiency in certain areas, including some in the space field where we have had international management. I think it is not only our view but the view of many other participants that international management has been the single most difficult and most retarding factor in the progress of some of these enterprises, and, as I said, some of those enterprises are in the field of space.

And let me just say one last word about the management of international enterprises we have today. I speak now of cables. It's not an analogy that I care to press too far because there are a number of differences. But I do point out that in those cooperative enterprises and in this one the job and the function are the same; that is, to provide good international communications. There, many countries are involved, sometimes only two, sometimes three, four, seven. The question hasn't been whether to have an international manager; the question has been how do we get the job done. And, as far as I know, those cooperative enterprises have not utilized the concept of international manager, and the reason has not been a political reason; it has been one of determination of how to get the job done.

Now there are several papers that have been submitted on the question of manager. One of them is a paper submitted by the distinguished representative of the United Kingdom, I/40, in which he says "the effective management of a global commercial satellite system requires a manager with highly specialized skills and experience. International telecommunications will depend on an ever-increasing extent on the system and no course should be run which might reduce its efficiency or imperil the momentum of its growth." We agree with that and we urge a fairly hard look as to how that may be accomplished.

Let me say a word about the --in some respects-- peculiar and particular role of the United States. First with respect to COMSAT as manager. We do not say that either by some divine right or by some extraordinary luck that only COMSAT is able in perpetuity to provide the technical and operational planning function of this organization. Our draft document does not suggest this. It specifically suggests that the possibility of a change in the manager ought to be left open, and that this organization would be in a position to consider it. We do think that when we look at the situation today the alternatives that we have heard are very hard for us to accept as realistic or workable.

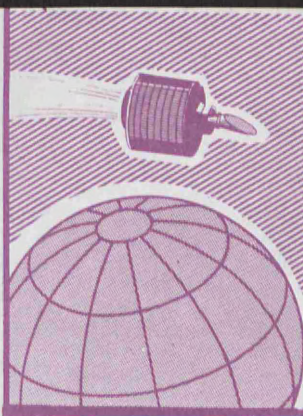
In that connection, I might say that one of the issues that has been introduced is transition. I suppose our paper also would contemplate the possibility of change providing for a transition. But if we are talking about a transition in a way that was suggested --where slowly COMSAT's personnel would be taken from the edges, sort of like the fish being attacked by a piranha fish, and slowly it becomes a different organization-- I ask all of you who have been in an enterprise which relies on the loyalty, devotion, and the continued performances of its employees, whether that is really a workable transition. And I submit that it is not.

Mr. Chairman, let me sum up by saying this. The distinguished representative of the United Kingdom yesterday has perhaps set the figure of speech for this conference when he introduced the concept of building a house. My thought on that is let us build a house that is suitable for us, and let us not look at other people living in another house, doing other things, and see whether we can't make ours look more like theirs. Our job is not to take this organization and make it look more like another international organization; our job is to take this organization, change it, and make it more international, if you please, by adding as we have suggested (and as we suggested first), an assembly, in which each member has the ability to contribute his views on commercial matters and other matters. But let us build our house and not copy somebody else's. And let us, to

continue the figure of speech, make sure we give keys to that house to everyone. I believe that was the amendment to the architectural plan suggested by the representative of Algeria; and we agree with that; and we believe that the structure of the Governing Board, both in terms of members and in terms of voting, would do that. Let us remember, in thinking about this house, that our function is different from that of a lot of our neighbors. I won't say that our function is "commercial," because I realize that that is a word that has connotation which not everybody seems happy with. It is, however, to provide a very specific service, and it is to provide it efficiently. It is very hard to analogize that to a number of the international organizations that persons have referred to.

And lastly --and I say this with some diffidence because it sounds like a plea for the status quo, and that is not what I am saying-- let us not throw out the parts of the house that have worked to date; let us not make changes for some political science reason that has no relevance to our function. By all means let us make this organization better; let us make certain that the members get a real voice in considering how this organization works. But let us do it (again I use a word that may not be as popular every place as it is in the United States), let us do it in a pragmatic way; a way that sees the problem and sees to solve it, rather than a way in which our effort to move forward is blocked by various conceptions of how to build an international organization, conceptions which really do not fit the serious work that we are engaged in.

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PLENIPOTENTIARY CONFERENCE ON DEFINITIVE ARRANGEMENTS FOR
THE INTERNATIONAL TELECOMMUNICATIONS SATELLITE CONSORTIUM

Washington, D.C., February - March 1969

Com.I/61
March 10, 1969

STATEMENT BY THE REPRESENTATIVE OF THE UNITED STATES
IN COMMITTEE I
THURSDAY, MARCH 6, 1969

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The first is in a sense rather fundamental, and that has to do with the concept of INTELSAT as an international organization. Most of the delegations have quite properly noted that that is a key characteristic of this organization, and there have been from time to time suggestions that various changes must be made to make it truly international. Now we, in our view, believe that some changes should be made in this organization and I will get to those in a moment; but I would like to note that this already is, in my opinion, a truly international organization in at least two senses of that word. First, it has 67 members, and that seems to us to be a remarkable achievement for an organization of the age of INTELSAT, and even more remarkable since only a portion of the membership now can in fact take advantage of the system we are in the process of establishing. Second, it is international in the sense that we have 48 countries represented in the body that today is the Interim Committee. It is not an exclusive body. And it has operated in a way that international bodies do; it has debated, sometimes at length; it has found consensus in almost all questions; and it has found unanimity on most questions. So I think we ought to lay at rest the notion that, somehow or other, unless we turn things topsy-turvy we won't have an international organization.

One thing about this organization that strikes me as uniquely different from almost all other international organizations I can think of is that we have a different relationship between the developing and the developed countries, different from the relationship that exists in many of our traditional international organizations. Because of the geography of the world and because of the immense need of many of the developing nations, they will be, within the next few years, some of the most important elements of this organization. I would guess, and I guess our projections would show, that by 1970 perhaps half of the top 20 users of the system would be nations that are traditionally considered developing nations. So, in an important sense our interests in this organization are more common than they are in many. This is not an organization where we have exporters of raw materials and exporters of industrial goods. This is an organization where we have a uniquely common need, which is to establish a facility we can both use and to do so in an efficient manner. And I think we ought to not let that very natural cement of common, truly common interest, be lost in our deliberations by creating any kind of false dichotomy between various groups of nations.

In connection with the question to what extent this is an international organization, we have listened with a good deal of interest to discussions about the introduction of political matters into the new organization. It has been suggested that in various ways the Assembly or a fourth tier or something like that would have to deal with political matters -- as opposed to matters of the design and development of the system. Now, quite frankly, it is our belief that the political issues that this organization must deal with are relatively few, and it is our hope that very many of these will be resolved by this plenipotentiary conference. Among these political issues, I would say, the important ones may be the question of who gets to be a member, who gets access to the system, and some basic setting down of concepts of non-discrimination. But, we do not see this organization as having a continuing series of political questions to deal with. On the contrary, we hope that it won't, because it is our most sincere desire that this organization provide a service which, like the scales of justice, is blind; which does not consider the content of the messages flowing through; which does not consider the internal workings of its members or its users, but seeks to provide a service that everyone needs, free of the political considerations that are such a heavy burden on so many of our other international organizations.

Now, to be somewhat more specific, there has been a considerable discussion of the powers of the Assembly and of the kind of Assembly we want to have. The United States, which has indicated its support for what we call a three tier system, has listened with a good deal of interest to the comments of the distinguished representatives of Australia, Chile and some others who found some merit in the four tier system, and we believe that this is a matter that merits further consideration. Certainly there is some meritorious consideration that could be given to a periodic meeting not unlike this one that perhaps could re-consider some of the political issues that we must deal with, and perhaps re-consider whether this conference has done its work well. We take no firm position on this other than the one we have taken so far, except to say that if that kind of change in fact would help, it is one that we believe could be considered more.

The powers of the Assembly are a matter of some concern to us, rather great concern. It is not clear to me to what extent the views here differ. We do have a document introduced by Canada, the Federal Republic of Germany and India which suggests that the Assembly should have the power of "over-all policy", and it makes certain suggestions, which the distinguished representative of India has explained somewhat further today, about the approval of a five-year program and the appointment of a general manager.

Now our feeling is that practicality as well as a conceptual approach requires that an assembly of 67 members, which might meet once a year or once every two years, should have powers which are suitable to a body of that size that meets that often, and we, from our experience in various organization and from our experience in this organization, feel quite strongly that it cannot have, and cannot exercise, the power to determine what the system will look like in the sense of designing the system, in the sense of dealing with the acquisition of the physical facilities, and in the sense of planning for the future. We have been rather specific in our Document 10, on pages 9 and 10, as to the kind of powers we think the Assembly might usefully exercise. And, in answer to the very thought-provoking remarks of the representative of Chile, we do not believe that this should be a body that cannot discuss commercial issues. In fact, we think that commercial issues ought to be the bulk of its discussion. We think the views of all of the members on these various issues should be expressed in that body, but it cannot be the body that has the ability and authority to operate and to direct the work of this organization.

One more word on the Assembly. Should it be the "supreme organ" of our structure? I suggest that perhaps that is a semantic question, and I'm not sure whether we have a difference. But certainly if the term "supreme organ" means, in effect, that the Assembly is the body which directs the work of this organization, then I think we rather firmly believe that it cannot work.

Now with respect to the Governing Body, which in our draft we call the Board of Governors, I think there is unanimity that it must be relatively compact and I think there is at least almost unanimity that it must play the central role in running this organization. The suggestion has been made by the distinguished representative of Algeria and by other countries that it must be broadened so that not only those that have the largest investment at stake but also other kinds of participants are able to have a voice in that body. We have made in our draft document suggestions that, in our opinion, not only provide some opportunity but a great deal of opportunity for many countries to be represented on such a body. And we believe that it is very important for the present organization that its Governing Board, the Interim Committee, which has 18 or 19 people sitting around the table, in fact represents almost 50 countries. We have suggested that the Governing Board require a two-thirds majority to act and that means that you must have the support of a very broadly based portion of the organization, and we believe that that kind of a voting structure in fact assures that the decisions of the Governing Board have broad appeal.

I come to the issue of the manager. That is an issue on which a number of views have been given and a number of them have been to the effect that there must be some internationalization of the manager. I have listened with a great deal of interest to the statement of the representative of Italy, and I recognize that he has differed in a number of respects with the views of the United States. I also recognize that he has said something that is the kind of thing I was going to say, which is that we do have a rather unusual situation where we have had experience that cannot be lightly disregarded, and that we could not permit lightly to be disregarded.

With respect to the question of the internationalization of the manager, let me say first of all that I believe we have an international organization and that the body that is the determining body on the policies and operation of this organization, that is the governing board, is in our view and in everybody's view quite international. In a conceptual sense we do not see either the theoretical merit or the necessity of internationalizing every aspect of this organization. Our job ought to be to have an international determination of what we

ought to do, and a competent, efficient way of doing it; and whether the latter is accomplished by an international manager or not is a question quite valid for discussion. But, to put it quite bluntly, the idea that as a fundamental conceptual point the manager must be internationalized in order to make this organization truly international is one that we cannot intellectually accept and that we feel carries with it the seeds of some danger.

We are considering the future of an organization that is engaged in a very complex job, and it is an organization which, under a set of interim arrangements, has had, in an incredibly brief span of four years, success beyond our fondest dreams. Now there has been a suggestion that the way we go about this be changed and that this successful organization should be in some respects scrapped and that we start over again. That is a hard suggestion for us to take without a great deal of concern. So I say we cannot accept the intellectual notion that the only way this organization can be truly international is to have an internationalized manager when all other parts are by definition international.

Furthermore, the notion that this internationalization should be done comes at a curious time. In many areas in the United States and in other countries the trend in management is in the opposite direction, that is, to a corporate form or to a form of a management organization which is a single body. Some of the organizations participating in this conference are themselves presently in the process of adopting or considering a change of form for greater management efficiency in certain areas, including some in the space field where we have had international management. I think it is not only our view but the view of many other participants that international management has been the single most difficult and most retarding factor in the progress of some of these enterprises, and, as I said, some of those enterprises are in the field of space.

And let me just say one last word about the management of international enterprises we have today. I speak now of cables. It's not an analogy that I care to press too far because there are a number of differences. But I do point out that in those cooperative enterprises and in this one the job and the function are the same; that is, to provide good international communications. There, many countries are involved, sometimes only two, sometimes three, four, seven. The question hasn't been whether to have an international manager; the question has been how do we get the job done. And, as far as I know, those cooperative enterprises have not utilized the concept of international manager, and the reason has not been a political reason; it has been one of determination of how to get the job done.

Now there are several papers that have been submitted on the question of manager. One of them is a paper submitted by the distinguished representative of the United Kingdom, I/40, in which he says "the effective management of a global commercial satellite system requires a manager with highly specialized skills and experience. International telecommunications will depend on an ever-increasing extent on the system and no course should be run which might reduce its efficiency or imperil the momentum of its growth." We agree with that and we urge a fairly hard look as to how that may be accomplished.

Let me say a word about the --in some respects-- peculiar and particular role of the United States. First with respect to COMSAT as manager. We do not say that either by some divine right or by some extraordinary luck that only COMSAT is able in perpetuity to provide the technical and operational planning function of this organization. Our draft document does not suggest this. It specifically suggests that the possibility of a change in the manager ought to be left open, and that this organization would be in a position to consider it. We do think that when we look at the situation today the alternatives that we have heard are very hard for us to accept as realistic or workable.

In that connection, I might say that one of the issues that has been introduced is transition. I suppose our paper also would contemplate the possibility of change providing for a transition. But if we are talking about a transition in a way that was suggested --where slowly COMSAT's personnel would be taken from the edges, sort of like the fish being attacked by a piranha fish, and slowly it becomes a different organization-- I ask all of you who have been in an enterprise which relies on the loyalty, devotion, and the continued performances of its employees, whether that is really a workable transition. And I submit that it is not.

Mr. Chairman, let me sum up by saying this. The distinguished representative of the United Kingdom yesterday has perhaps set the figure of speech for this conference when he introduced the concept of building a house. My thought on that is let us build a house that is suitable for us, and let us not look at other people living in another house, doing other things, and see whether we can't make ours look more like theirs. Our job is not to take this organization and make it look more like another international organization; our job is to take this organization, change it, and make it more international, if you please, by adding as we have suggested (and as we suggested first), an assembly, in which each member has the ability to contribute his views on commercial matters and other matters. But let us build our house and not copy somebody else's. And let us, to

continue the figure of speech, make sure we give keys to that house to everyone. I believe that was the amendment to the architectural plan suggested by the representative of Algeria; and we agree with that; and we believe that the structure of the Governing Board, both in terms of members and in terms of voting, would do that. Let us remember, in thinking about this house, that our function is different from that of a lot of our neighbors. I won't say that our function is "commercial," because I realize that that is a word that has connotation which not everybody seems happy with. It is, however, to provide a very specific service, and it is to provide it efficiently. It is very hard to analogize that to a number of the international organizations that persons have referred to.

And lastly --and I say this with some diffidence because it sounds like a plea for the status quo, and that is not what I am saying-- let us not throw out the parts of the house that have worked to date; let us not make changes for some political science reason that has no relevance to our function. By all means let us make this organization better; let us make certain that the members get a real voice in considering how this organization works. But let us do it (again I use a word that may not be as popular every place as it is in the United States), let us do it in a pragmatic way; a way that sees the problem and sees to solve it, rather than a way in which our effort to move forward is blocked by various conceptions of how to build an international organization, conceptions which really do not fit the serious work that we are engaged in.

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PLENIPOTENTIARY CONFERENCE ON DEFINITIVE ARRANGEMENTS FOR THE INTERNATIONAL TELECOMMUNICATIONS SATELLITE CONSORTIUM

Washington, D.C., February - March 1969

Com. I/62

March 11, 1969

FUNCTIONS OF THE INTERNATIONAL MANAGEMENT BODY (Submitted by the Swiss Delegation)

1. The question of the Management Body to be established under the Definitive Arrangements is one which requires most careful and thorough consideration and planning. Various aspects of this matter are dealt with in different parts of the report of the Interim Committee (Doc. 6) which contains a set of relevant and coherent majority recommendations. During the past four years, the Interim Committee has gathered wide and varying experience in supervising the activity of the Manager. Therefore its competence in this field is unique and well recognized.

Furthermore, in Doc. I/40, the United Kingdom submitted a valuable study for the purpose of outlining the principal considerations which should be taken into account in the implementation of the Interim Committee recommendations.

It might be useful, at this stage, to consider the establishment of the future Organization's own Management Body from the point of view of separating the management functions into those which have to be performed within the Organization and those which can be performed under contract on the outside.

2. Para. 465 of Doc. 6 indicates the two component parts of the Manager's functions by describing the Management Body as "the executing and implementing agent for the policy organs of the Organization". Para. 434 and 438 establish that all executive authority is to be vested in the Director General of the Organization who in turn will also be responsible to the Governing Body for the performance of all management functions.

The Director General, in order to exercise his authority and to assume his responsibilities, will of necessity have to be assisted by an executive staff of key personnel who would be in charge of all executive aspects of the Management's functions. The three main tasks of this Directorate General thus are:

-) transformation of policy decisions taken by the respective organs into directives which form the basis for their implementation.
-) control of the implementation.

-) preparing proposals for submission to the policy organs.

The actual implementation of the directives must not of necessity be carried out "in house", i.e. by the Directorate General's own staff, but can also be performed "out of house", i.e. under contract between the Director General and national and international entities. The implementing functions constitute the bulk of the present Manager's activities, such as system operation, technical evaluations and studies, data compilation and processing, accounting, etc.

3. The question of what proportion of the implementing work should be performed "in house" will have to be decided by the Governing Body, taking into account the advice of the Director General. It may well be advantageous always to contract a major part of these services out to firms or organizations which are able to perform these functions on a competitive basis. This would at the same time permit international participation in management and avoid the creation of a very large staff within the Organization.

4. An analysis of the seven major areas into which the present INTELSAT Management activities fall (see Appendix to Part III of Doc. 6) reveals the following:

a) In the technical area, there are relatively few executive functions. Almost all the work could be performed under contract because it is either research and development or of a consulting engineering nature.

b) Operations also permits such a sub-division. The necessary executive functions can be handled by a relatively small staff. Functions such as preparing network plans, operational guides and instructions, maintaining a data base on system operations and records of performance, supporting regional meetings of operators, etc. are of implementing character. Also, the operation of TT and C stations can be contracted out as experience with Telespazio and OTCA has shown.

c) Procurement, on the other hand, is an area which by its very nature is an executive function, implying direct negotiations of the Organization with contractors to reach agreement on or to amend an already awarded contract. Consequently, all procurement must be handled at the earliest possible stage by the International Management Body. Fortunately, a relatively small number of personnel is involved here, and furthermore the transition falls into a relatively quiet procurement period, the initial INTELSAT IV programme having been negotiated. It is to be noted that such aspects of procurement as the drawing up of technical specifications, evaluation of proposals, technical advice during the negotiations of contracts and technical contract monitoring are functions which would be assigned, as at present, to technical experts whose services can be obtained under contract.

d) In the financial area, all necessary executive functions can be taken up without difficulty.

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e) In the legal field, the requirements for the new Management Body are quite small, particularly since legal advice can be obtained on the outside.

f) Information and Public Relations activities probably present the least difficulty and involve a few people only.

g) The core of the future administrative secretariat is already in existence serving the Interim Committee. It should be possible to transfer all its present activities at almost any time.

5. As to the size of the Management Body, the following data may be useful. If one deducts personnel employed in COMSAT Laboratories for INTELSAT Research and Development work and in the ICSC Secretariat (not truly management functions), about 300 employees are presently engaged full time in INTELSAT management. An analysis of the six major areas of activity with respect to executive and implementing functions reveals that, to form the initial international Management Body of the Organization, i.e. the Directorate General, a staff of about 60 will be needed, consisting mostly of professionals of high calibre.

The remaining staff, about 240, would be outside personnel performing clearly defined functions under contract. At least in the beginning, most of these outside services would presumably be performed by COMSAT on the basis of contracts to be concluded between the Director General and COMSAT.

6. It is to be hoped and expected that the core of 60 will also comprise experienced executives who have been recruited from among COMSAT personnel actually engaged in INTELSAT tasks. It should be kept in mind, too, that the tax-free status which would be part of the "privileges and immunities" of the future Organization would not only result in very substantial savings for the Organization, particularly with respect to salaries, but would also generally facilitate recruiting and employment of a highly qualified international staff.

7. The detailed planning and progressive establishment of the entire new Management Body can only be undertaken when several additional important factors have been resolved, such as manpower availability generally, employment conditions, employee status, job security, etc. It is particularly in these areas where a competent management consulting firm, preferably of American origin, could be extremely helpful in setting up appropriate and detailed guide lines.

8. Conclusions

a) It is suggested that an important key to the solution of the problems associated with the establishment of the Management Body of the future Organization is the separation of the management functions into their two component parts:

- the truly executive functions (with authority delegated from and responsibility to the Governing Body), all to be carried out by the Director General and his staff of key personnel at an early stage.
- the associated functions either of implementing or consulting or other, largely non-executive nature. These, at least initially, could be assigned, under contract, to COMSAT and later possibly to other national and international entities.

b) This separation of functions would permit implementation of all recommendations made by the ICSC in this area (633, 434) with a minimum of manpower duplication and administrative complexities, in controllable progressive steps and with maximum efficiency. It would also allow the establishment of a properly functioning Management Body at an early stage, together with a clear division of authority and responsibility within the future Organization.

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PLENIPOTENTIARY CONFERENCE ON DEFINITIVE ARRANGEMENTS FOR THE INTERNATIONAL TELECOMMUNICATIONS SATELLITE CONSORTIUM

Washington, D.C., February - March 1969

Com. I/63
March 11, 1969

PAPER

(Submitted by the Delegation of India)

THE PREAMBLE

(As Drafted by the Working Group)

THE PURPOSES AND OBJECTIVES

1. The principal aim is to create a world organisation entrusted with the design, development, construction, establishment, maintenance, and operation of a space segment consisting of a network of satellites with global coverage for international public telecommunication services.

2. The organisation and the system created thereby should render possible, in full and harmonious cooperation;

- i) the provision of economical, high quality and reliable telecommunication services
- ii) the availability of facilities to meet domestic and international requirements for satellite telecommunications.

The Scope of Activities of the Organisation

3. The Organisation should be limited to the provision of the space segment only.

4. The Organisation should provide on a commercial basis the space segment for international public telecommunication services.

5. The Organisation is authorized to provide the space segment for international specialized telecommunication services, subject to decision by the competent authority in the Organisation that the provision of such services was acceptable from both the technical and the economic points of view and that the Organisation's ability to provide the space segment for international public telecommunication services could not be adversely affected by the provision of such specialized services.

6. The Organization is further authorized to provide, at the request of a Signatory or a group of Signatories, and in accordance with terms



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Washington, D.C., February - March 1969

Com. I/64
March 11, 1969

STATEMENT BY THE REPRESENTATIVE OF THE STATE OF KUWAIT IN COMMITTEE I
TUESDAY, MARCH 11, 1969

Eligibility for Membership in the Organization

Mr. Chairman:

Addressing ourselves to Item III in our Agenda, the Kuwait Delegation supports the statement of Document/1 60 made by the distinguished delegate of the Syrian Arab Republic. It is the opinion of my delegation that all states should be eligible to become members in the organization if they agree to adhere to the recommendations, regulations, international obligations and conditions set by the International Telecommunication Union (ITU) and the future organization of INTELSAT.

I am grateful, Mr. Chairman, to the Secretary for furnishing the information regarding the eligibility of ITU membership in Com. I/SR/9 as requested by me yesterday.

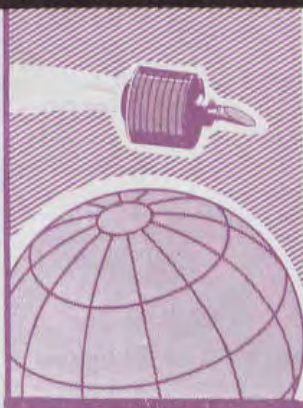
My Delegation feels that some comments on these principles may be included in the Definitive Arrangements of the organization.

* * *

and conditions established for such requests, the space segment for domestic services by means of global satellites.

7. The Organisation is also authorized to provide, at the request of a Signatory or group of signatories and in accordance with terms and conditions to be established in each particular case, separate satellites intended specifically to serve the domestic needs of a Signatory, or of each country of the group of countries, subject to certain conditions. Such satellites may be financed either by the Organisation, or by the Signatory or group of Signatories concerned, or partly by the Organisation and partly by the Signatory or group of Signatories.

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PLENIPOTENTIARY CONFERENCE ON DEFINITIVE ARRANGEMENTS FOR
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Washington, D.C., February - March 1969

COM. I/65
March 11, 1969

STATEMENT BY THE REPRESENTATIVE OF THE CZECHOSLOVAK SOCIALIST REPUBLIC
IN COMMITTEE I
TUESDAY, MARCH 11, 1969

Thank you Mr. Chairman,

The sincere interest on dialogue among the nations which could contribute to the mutual understanding, the interest on progress in the field of technology, on the increase of the quality of the telecommunications as well as economic interests have lead the Czechoslovak Socialist Republic into the commonwealth of countries, that are very serious in dealing with the questions of the space communications.

The interest on the international cooperation in this field has been expressed by the Czechoslovak initiation in the United Nations organization when the questions of the Peaceful uses of outer space were discussed. The Resolutions Number 1721 (XVI) and Number 2453 (XXIII) of the General Assembly of the United Nations organization have still full support of my Government.

Some principles of the international cooperation in the field of the space communications were expressed by my country together with seven other socialist countries in the document A/AC105/06 submitted to the United Nations on August 9, 1968.

The thoughts contained in this document, I regard, as a realistic base for the future discussions in this field. Therefore my Government has accepted with thanks the kind invitation of the Government of the United States of America to participate at this Conference as an observer.

It is the opinion of my delegation that for the establishment and use of the world-wide satellite system giving the possibility for the utilization of the common communications of the nations, the cooperation of all countries based on the principles of the universality and equality is a necessity.

For those reasons, my delegation was listening with the great sympathies to the opinions of those delegations having supported yesterday, namely, the principles of the universality.

My delegation did not hear any arguments which would support propositions of some delegations on direct bounding of the membership in the I.T.U. with the rights on membership in the proposed organization for space communications.

It is the opinion of my delegation, that the countries which would have decided to join in cooperating in the field of space communications should fully recognize the role of the I.T.U. to regulate the international communications.

Of course, this decision is a sovereign right of each country and it is quite independent on the circumstances which hampered their membership in the I.T.U. or which did not lead them into this organization.

This Conference does not have to, on the questions of the universality, be pioneers. There are some examples in the history of the international cooperation how to solve this question. In this aspect my delegation would like to recall the possible analogy of the membership in the International Atomic Energy Agency as a suitable basis for the negotiation in this question.

As it is well known, the membership of the States which are not members of the United Nations organization, or of any of the specialized agencies, is not refused by the Article 4 of the Statute of the International Atomic Energy Agency.

During the past years, in any other vitally important questions for all mankind, there has been found such solution which permits the universal participation of all countries without any discrimination. One example among them is the Treaty on Principles Governing the Activities of States in the Exploration and Use of Outer Space, Including the Moon and other Celestial Bodies.

Such attitude to the solution of the questions of the membership in the international organizations for cooperation in the field of space communications, my delegation consider compatible with the main aims of the organization which wants to achieve the unity of a world-wide satellite communications system.

My delegation considers such approach to membership question better than just declaration of the single global communications satellite system, and on the other hand, to undermine this unity by the limitation of the universality of the membership.

Permit me, Mr. Chairman, at this occasion to say some remarks concerning the discussed structure of the organization. The opinion of my delegation is, that the Assembly should be the top level institution, directing the general policy of the organization to fulfill its main tasks.

Each Government, Party to the Agreement, should be represented in the Assembly where it would have one vote. In this connection my delegation fully supports the principles contained in document Com. I/26 of March 3, 1969.

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The Governing Body should be responsible, for creation of communications satellite system, for its development and economy, and for supervision of its operation according to the direction of the general policy of the Organization decided by the Assembly.

The Governing Body should be composed on the basis of the equitable representation of all geographical regions with regard to the use of space segment for public telecommunication services. The countries represented in the Governing Body should have equal vote.

The Executive Body should be responsible for smooth operation of the system according to the direction of the Governing Body. The Executive Body should be composed by the international staff headed by the Director General. The staff should be chosen according to the qualification and the equitable geographic representation of all member-countries.

In this connection the opinion of my delegation is that the principles contained in the document Com. I/58 of March 10, 1969, may be acceptable.

Thank you, Mr. Chairman, for giving me the opportunity to acquaint the Conference with the position of my delegation to some serious questions which were just discussed.

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PLENIPOTENTIARY CONFERENCE ON DEFINITIVE ARRANGEMENTS FOR THE INTERNATIONAL TELECOMMUNICATIONS SATELLITE CONSORTIUM

Washington, D.C., February - March 1969

Com. I/66
March 11, 1969

STATEMENT BY THE REPRESENTATIVE OF MALAYSIA IN COMMITTEE I TUESDAY, MARCH 11, 1969

In regard to Item IV of the agenda of Committee I, "Structure of the Organization," Malaysia can accept either a 4-tier structure comprising

- (a) Conference of Governments
- (b) Assembly of Parties or Signatories
- (c) Governing Body
- (d) Management Body

or a 3-tier structure comprising

- (a) Assembly of Parties or Signatories, with possibility of reconstitution as a Plenipotentiary Conference where necessary
- (b) Government Body
- (c) Management Body

Malaysia's preference, however, is inclined toward a 3-tier structure.

In regard to the inter-relationship between the various organs of the Organization, Malaysia generally shares the views expressed in paper Com. I/26 and paper Com. I/26 (Add. 1), as submitted by the Delegations of Canada, Federal Republic of Germany and India.

In regard to the Manager, Malaysia has no strong views as to whether it should be an international body or an entity acting as Manager. Our main concern, however, is that the present efficiency of COMSAT as Manager, shall in no way be jeopardized under the Definitive Arrangement. It must also not be overlooked that whoever is the new manager, it is of vital importance that the relationship of the Manager with NASA which can be expected to continue to provide the launch facilities, shall remain at the present excellent level.

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PLENIPOTENTIARY CONFERENCE ON DEFINITIVE ARRANGEMENTS FOR
THE INTERNATIONAL TELECOMMUNICATIONS SATELLITE CONSORTIUM

Washington, D.C., February - March 1969

Com. I/67
March 11, 1969

ELEMENTS OF A FOUR-TIER STRUCTURE
(Submitted by the Delegations of
Australia, Belgium and Chile)

Mr. Chairman:

I have the honour to make a statement on behalf of the Delegations of Australia, Belgium and my own delegation, in support of the concept of a 4-tier organisational structure under the Definitive Arrangements made up as follows:

- a) A Conference of Governments
- b) An Assembly of Signatories
- c) A Governing Body
- d) A Management Body

It is not intended here to discuss the two lower tiers, as there appears to be unanimous agreement that such tiers are required within the organisational structure to be covered by the Definitive Arrangements. The views put forward are, therefore, confined to statements concerning the two top tiers.

Firstly, Mr. Chairman, we should like to comment on paragraph 244 of the Interim Committee's report, recording the Committee's unanimous recommendation that the Organisation consist of:

- An Assembly
- A Governing Body
- A Management Body

We must note, however, that certain qualifying paragraphs follow, particularly paragraphs 247 and 248. In regard to these two paragraphs, the observation in paragraph 249 is that neither of the compositions of the Assembly would preclude the convening of Conferences of Parties. This observation is further clarified with the example given in the substantial majority recommendation in paragraph 583 which defines different functions for the Assembly and a Conference of Parties.

We support the substantial majority recommendation (paragraph 570) that the Definitive Arrangements shall be contained in two related agreements

and note and agree with the unanimous recommendation that, if this be the case, the second agreement should be signed either by Governments or by telecommunications entities, public or private, designated by Governments.

If we now look at the 3-tier structure proposed by some Delegations, we see that the telecommunications interests of certain countries could indeed be served, to the extent desired, through an Assembly of Parties. Such countries would be ones where the telecommunications entity is also a Government authority. In addition, those 20 or so countries with membership on the Governing Body would also be afforded ample opportunity to participate in the telecommunications business aspects of the enterprise.

This would still leave some countries without a forum at which their designated telecommunications entity could directly participate. To some extent, therefore, a 3-tier structure could be construed as discriminating against those countries.

In making this point, we have noted, in paragraph 247 of the Interim Committee report, that the Assembly could be composed either of Parties or of designated telecommunications entities as may be decided by the Parties prior to each meeting of the Assembly. It is our view that this would result in situations of uncertainty and, in practical effect, two kinds of Assembly are likely to evolve, depending on the agenda. It would be better to avoid such uncertainty and this could be done by making more specific arrangements right from the start.

One way of looking at our proposed 4-tier structure is that it merely clarifies this situation and provides a more equitable avenue for participation by all countries. An Assembly of Signatories to the Second Agreement would promote a better understanding of the global system, enabling telecommunications entities to adapt their plans accordingly, thus resulting in increased use and benefits for all.

The 4-tier structure also produces a clear forum for discussions at Government level. The Conference of Parties would have the necessary powers to define the main policy of the organisation and to take decisions of a governmental nature and on those aspects not specifically within the scope of the organisation as may be defined at the current Conference.

We would, therefore, point out that the difference between the 4-tier and 3-tier concept is functional rather than fundamental. It is not intended that the Assembly of Signatories would perform any of those functions proper to the Conference of Governments. On the other hand, we recognize the need for the Governing Body to have the requisite powers to conduct the

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affairs of the global system in a businesslike way. Therefore, we do not see the Assembly of Signatories possessing powers which would prevent or defer the Governing Body from exercising these functions. In brief, we can summarize our proposal on the top two tiers of a 4-tier structure as follows:

a) Conference of Governments

The Agreements should provide for a Conference of Governments to convene at stated intervals and, in addition, at the request of a stated number of Parties. Voting would be based on the principle of one country, one vote.

b) Assembly of Signatories

A General Assembly of the signatories to the Second Agreement to perform functions broadly similar to those of a general meeting of shareholders or stockholders. Voting on the Assembly would take one of two forms, depending on the final definition of functions:

- i) if specific actions of the Governing Body require approval, voting should be on an investment share basis;
- ii) if items of a more general nature are involved, voting might be on a one signatory, one vote basis.

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PLENIPOTENTIARY CONFERENCE ON DEFINITIVE ARRANGEMENTS FOR THE INTERNATIONAL TELECOMMUNICATIONS SATELLITE CONSORTIUM

Washington, D.C., February - March 1969

Com. I/68
March 11, 1969

SCOPE OF INTELSAT'S ACTIVITIES (Paper submitted by Pakistan)

1. The Delegation of Pakistan has already expressed its views in this respect in the Committee meeting of March 3, 1969 as briefly reported in Com. I/SR/5. The Delegation of Pakistan feels that the point about scope of INTELSAT's activities should be further elaborated for consideration of the Committee.

2. No discrimination between the different types of public telecommunication services had so far been made in connection with the working of INTELSAT in accordance with the following:

(a) Interim Agreement of 1964 which made no distinction between (i) international public telecommunication traffic and (ii) national or domestic public telecommunication traffic.

(b) Resolution No. 1721 (XVI) of the General Assembly of the United Nations which provided that communications by means of satellites should be available to the nations on a global and non-discriminatory basis. Thus, no discrimination can be made between international and domestic public telecommunication services.

(c) The technical requirements of the space segment for providing public telecommunication services are the same irrespective of the fact whether these are international or domestic services.

3. It is clear that if a change is now made at this stage of the working of the INTELSAT to relegate domestic public telecommunications to a secondary or disadvantageous position as compared to the public international telecommunications traffic, this would amount to clear discrimination contrary to the provisions of not only the Interim Agreement but the United Nations Resolution. Under the United Nations Resolution, all the public telecommunication traffic throughout the globe must be accorded the same treatment regardless of the fact whether it is national or international.

4. In this connection it is also necessary to state that apart from the domestic or national traffic as is commonly conceived, there is also the

special case of traffic between two parts of the same country which crosses international frontiers. It would be a denial of the right conferred by Resolution 1721 of the U.N. General Assembly if our nationals in East or West Pakistan cannot use the space segment on a non-discriminatory basis for communication with each other. In that context the public telecommunication traffic between East and West Pakistan is also clearly and undoubtedly of the nature of international traffic since it crosses international boundaries.

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PLENIPOTENTIARY CONFERENCE ON DEFINITIVE ARRANGEMENTS FOR
THE INTERNATIONAL TELECOMMUNICATIONS SATELLITE CONSORTIUM

Washington, D.C., February - March 1969

Com. I/69
March 12, 1969

STATEMENT BY THE REPRESENTATIVE OF TURKEY IN COMMITTEE I
THURSDAY, MARCH 6, 1969

Mr. Chairman,

The Turkish Delegation has no strong views regarding a three- or four-tier structure. If a four-tier structure conforms to the particular needs of certain countries we will have no difficulty in agreeing to it.

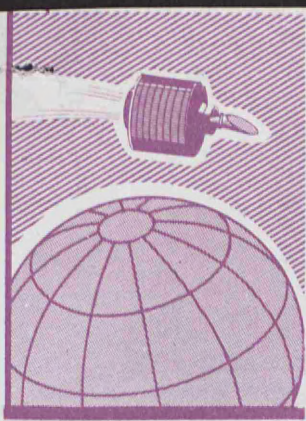
Our primary concern is the degree of real participation that is to be accorded to nations with modest contribution to the organization. It must not be forgotten that present day contributions may, in fact will, change and that any structure should contain principles that would safeguard projected interests, that would permit structural changes.

Mr. Chairman, we have noted with pleasure that this concern for real participation is shared and in fact has been ably defended by a great number of delegations and therefore it cannot be ignored in the final decision this forum will take.

I wish therefore to inform this Committee, without unduly taking its time and indulging in details, that Turkey can associate itself, perhaps with minor amendments, with document Com. I/26 submitted by the delegations of Canada, the Federal Republic of Germany and India, specially with the additional complimentary remarks made this morning by the distinguished delegate from India.

Thank you, Mr. Chairman.

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PLENIPOTENTIARY CONFERENCE ON DEFINITIVE ARRANGEMENTS FOR THE INTERNATIONAL TELECOMMUNICATIONS SATELLITE CONSORTIUM

Washington, D.C., February - March 1969

Com I/70
March 12, 1969

VOTING ARRANGEMENTS - GOVERNING BODY (THE FOLLOWING PROPOSALS ARE SUBMITTED BY CANADA, THE FEDERAL REPUBLIC OF GERMANY AND INDIA)

It is generally envisaged that investment should be related to use, and that voting power should be related to investment. However, the pattern of usage of satellite capacity which has emerged to date, or which can be envisaged in the future, indicates that voting power related directly to investment would result in a single country, or a group of two or three countries, being in the position to cause decisions to be taken contrary to the wishes of the remainder of the Governing Body, or to prevent action being taken supported by the remainder.

There is a general consensus reflected in the I.C.S.C. Report that such a situation would not be in the best interests of the Organization. It seems necessary, therefore, that an equalizing factor be introduced into the voting structure which would preserve the maximum relationship between voting power and investment while at the same time ensuring that no such power would be vested in a group of less than 4 countries.

An equalizing factor could be introduced by providing each member of the Governing Body with a basic bloc of votes to which would be added an increment proportional to a member's actual investment. The simple addition of a constant value to each individual member's "user vote" has the effect of reducing the disparity between the voting power of individual members, the reduction in disparity rising with each increase in the basic bloc. Thus, an appropriate basic bloc can be selected so as to ensure that voting power is spread more evenly in the Governing Body.

Annex "A" describes in tabular form the effect of a choice of a basic bloc of a value of 1 to 12. This basic example assumes a total membership of 18, as presently exists in the I.C.S.C., and shows what effect the application of this formula would have on the voting influence of some members of the I.C.S.C. in the present context.

Annex "B" portrays the same effect in the context of a Governing Body having 22 members, which has been proposed in Document Com. I/26 in order to provide an element of geographical representation.

While the formula proposed in this document, and described in the Annexes, provides for great flexibility in its application, it would be premature to propose a specific choice of basic bloc value until such time as certain closely related aspects, such as majority voting requirements and expected investment levels, have been clarified. However, assuming for illustrative purposes only, a two-thirds majority requirement on substantive issues, and investment levels of the order of 52, 13 and 4%, for a total of 69% for the three largest investors, a basic bloc of 9 would reduce the respective voting levels to 20.4, 7.36 and 4.37%, resulting in a group total of 32.1%. (Cf. Annex "B" for the case of a numerical membership of 22).

* * *

Attachments:

Annexes A and B.

Basic Bloc value	1	2	3	4	5	6	7	8	9	10	11	12
Total Basic votes	18	36	54	72	90	108	126	144	162	180	198	216
TOTAL, all votes	116	136	154	172	190	208	226	244	262	280	298	316
<u>Country with 80% ownership</u>												
80 plus basic	81	82	83	84	85	86	87	88	89	90	91	92
% of TOTAL	69%	60%	54%	49%	45%	41%	38%	36%	34%	32%	30%	29%
<u>Country with 52% ownership</u>												
52 plus basic	53	54	55	56	57	58	59	60	61	62	63	64
% of TOTAL	45%	40%	36%	32.5%	30%	28%	26%	24%	23%	22%	21%	20%
<u>Country with 13% ownership</u>												
13 plus basic	14	15	16	17	18	19	20	21	22	23	24	25
% of TOTAL	11.9%	11.0%	10.4%	9.9%	9.5%	9.1%	8.8%	8.6%	8.4%	8.2%	8.0%	7.8%
<u>Country with 4% ownership</u>												
4 plus basic	5	6	7	8	9	10	11	12	13	14	15	16
% of TOTAL	4.23%	4.39%	4.45%	4.65%	4.74%	4.81%	4.87%	4.92%	4.96%	5.0%	5.03%	5.06%
<u>Country with 2% ownership</u>												
2 plus basic	3	4	5	6	7	8	9	10	11	12	13	14
% of Total	2.64%	2.94%	3.24%	3.49%	3.68%	3.85%	3.98%	4.09%	4.19%	4.28%	4.36%	4.43%

NOTE: The large investors are affected the most, as would be expected.

By changing the basic bloc from 1 to 12, the vote of the largest investors decreases from 69% to 29%.

In contrast, the votes of the smaller investors rise slightly.

In between investors, at 6% would be relatively unaffected by changes in basic bloc votes.

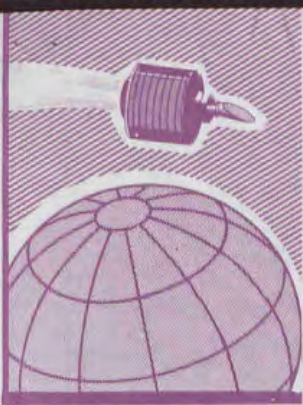
Basic Bloc value	1	2	3	4	5	6	7	8	9	10	11	12
Total Basic votes	22	44	66	88	110	132	154	176	198	220	242	264
TOTAL, all votes	122	144	166	188	210	232	254	276	298	320	342	364
 <u>Country with 80% ownership</u>												
80 plus basic	81	82	83	84	85	86	87	88	89	90	91	92
% of TOTAL	66%	57%	50%	44%	40%	37%	34%	32%	30%	28%	26%	24%
 <u>Country with 52% ownership</u>												
52 plus basic	53	54	55	56	57	58	59	60	61	62	63	64
% of TOTAL	43%	37%	33%	30%	27%	25%	23.6%	21.7%	20.4%	19.4%	18.4%	17.6%
 <u>Country with 13% ownership</u>												
13 plus basic	14	15	16	17	18	19	20	21	22	23	24	25
% of TOTAL	11.5%	10.4%	9.6%	9.0%	8.6%	8.2%	7.9%	7.6%	7.36%	7.1%	7.0%	6.84%
 <u>Country with 4% ownership</u>												
4 plus basic	5	6	7	8	9	10	11	12	13	14	15	16
% of TOTAL	4.09%	4.16%	4.21%	4.25%	4.28%	4.31%	4.33%	4.35%	4.37%	4.38%	4.39%	4.40%
 <u>Country with 2% ownership</u>												
2 plus basic	3	4	5	6	7	8	9	10	11	12	13	14
% of TOTAL	2.46%	2.77%	3.01%	3.14%	3.33%	3.45%	3.55%	3.62%	3.70%	3.75%	3.80%	3.85%

NOTE: The large investors are affected the most, as would be expected.

By changing the basic bloc from 1 to 12, the vote of the largest investor decreases from 66% to 24%.

In contrast, the votes of the smaller investors rise slightly.

In between investors, at 6% would be relatively unaffected by changes in basic bloc votes.



PLENIPOTENTIARY CONFERENCE ON DEFINITIVE ARRANGEMENTS FOR
THE INTERNATIONAL TELECOMMUNICATIONS SATELLITE CONSORTIUM

Washington, D.C., February - March 1969

Com. I/71
March 13, 1969

STATEMENTS BY THE REPRESENTATIVE OF TURKEY IN COMMITTEE I

Scope of Activities

The Turkish delegation associated itself with the views expressed by the delegate of Iran and some other delegations to the effect that scope of INTELSAT activities should be as large as possible because the means available to developing nations would make it difficult for them to subscribe to more than one system. They agreed that developing nations should be able to draw the most benefit from the already operating INTELSAT system. The Turkish delegation believed that if there was to be a limitation, this should not be in the scope of activities but in the degree of control to be accorded to any simple member government in the future Organization.

Duration

The Turkish delegation stated that they would support an agreement or agreements with no duration as proposed in paragraph 279 of the Interim Committee Report, and also the provision of articles in this agreement to make possible future changes as proposed in paragraph 283 of the Interim Committee Report.

* * *



PLENIPOTENTIARY CONFERENCE ON DEFINITIVE ARRANGEMENTS FOR
THE INTERNATIONAL TELECOMMUNICATIONS SATELLITE CONSORTIUM

Washington, D.C., February - March 1969

Com. I/73
March 13, 1969

STATEMENT BY THE REPRESENTATIVE OF ITALY IN COMMITTEE I
THURSDAY, MARCH 13, 1969

Mr. Chairman:

I wish first to go back for a moment and amplify, if I may, my last brief statement on the subject of the relationship of INTELSAT with non-member states.

I stated that the position of my Delegation is in favor of membership open only to I.T.U. members, but with the access to the system free to everyone, with no discrimination of any kind.

Within the principle of undiscriminated access, I listened with interest to the discussion about direct or indirect access and my Delegation believes that both concepts have merits but also that a combined solution can be adopted, which would embody those merits, and eliminate all the difficulties.

Our solution is that a non-Member should have access to the system in any way it wishes, either direct or indirect, provided that, in the first instance his access be made less attractive than that of a Member, and, in the indirect case he will be free to choose the member through whose ground station he will have access on a non-discriminatory basis.

Now I should like to present the point of view of my Delegation on Item IX of our Agenda, that is, the rights and obligations of Members.

First of all, we support the majority recommendation par. 600 contained in the ICSC Report, namely that each participating State obligate itself not to establish or join in the establishment of a space segment in competition of the space segment of the Organization.

We believe that this restrictive recommendation is in the interest of all Members of INTELSAT and we deem it only natural that we should want to protect the efficiency and the economy of our system which are inherent to a high volume of traffic, by avoiding any dispersion of such a traffic to other systems using competitive routes.

We have to keep in mind that INTELSAT is our global system and it would be illogical for any of us to compete with ourselves by participating in another system offering the same services, whatever the reasons might be for doing so.

Once we have accepted the principle that there should not be more than one global system. The significance of the word "single" in the preamble of the Definitive Agreement becomes implicit in the expression "Global Satellite Communication System" so that the use of such a word becomes inconsequential, and the problems that some Delegations have with it could be eliminated.

Having stated our support of paragraph 600 of the ICSC Report, I wish to add that my Delegation takes it as a matter of course that we interpret paragraph 600 as referring solely to international public satellite communication services.

Furthermore, it is the opinion of my Delegation that, while maintaining the basic restrictive nature of paragraph 600, some flexibility should be allowed to the Governing Body of the Organization in the enforcement of it in relation to regional systems.

In fact, it might well be that regional systems (which, in effect, and in a regional sense are international specialized satellite communication systems) could not avoid in some cases a limited overlapping of their services with those offered by our global system.

In such cases the best interest of INTELSAT could be not to put the Governing Body in the position of flatly rejecting the cooperation with a regional system only on the basis of a slight economical incompatibility which might be more than balanced by benefits of other nature.

In this spirit, my Delegation supports also recommendation 606 of the ICSC Report, which envisages the compliance of regional systems with ITU and other international regulations and their consultation with the Governing Body as recommended in paragraphs 216, 217, 218 and 219 of the same document, applicable to regional systems.

As far as domestic communications satellite systems are concerned, my Delegation's position is that each member State, capable to do so, has the sovereign right to establish any domestic satellite system in order to satisfy its domestic needs, with the only provisions that such a system must comply with I.T.U. regulations with regard to frequency utilization and be consistent with the international rules which will be adopted on the matter of orbital positions.

Finally, my Delegation believes that it would not be wise, at this time, to try and specify regulations for specialized services, since in this area technical progress and development makes it very difficult to foresee the shape and characteristics of some expected, and many unexpected special services of the future.

We suggest, therefore, that the handling of specialized satellite communications services should be considered by INTELSAT on a case-by-case basis, whenever the need arises for such a determination.

Thank you, Mr. Chairman.



PLENIPOTENTIARY CONFERENCE ON DEFINITIVE ARRANGEMENTS FOR
THE INTERNATIONAL TELECOMMUNICATIONS SATELLITE CONSORTIUM

Washington, D.C., February - March 1969

Com. I/74
March 13, 1969

STATEMENT BY THE REPRESENTATIVE OF JAPAN IN COMMITTEE I
THURSDAY, MARCH 13, 1969

Mr. Chairman:

1. Regarding the Item IX of this Committee, "Rights and Obligations of Members", I would like to speak on the three questions, namely, (1) specialized telecommunications satellite, (2) domestic telecommunications satellite and (3) regional public telecommunications satellite.

2. Before entering into details on these three questions I have just mentioned, I would like to remind once again the members of this Committee of the provisions of the Space Treaty of 1967. As I already pointed out in my previous interventions, the Space Treaty stipulates that the outer space including the moon and other celestial bodies, shall be free for exploration and use by all states without discrimination of any kind, on a basis of equality and in accordance with international law, and there shall be free access to all areas of celestial bodies. Telecommunication via satellite is no doubt a form of the use of outer space to be governed by the aforementioned principle.

Undue restriction on the activities of the member countries in the domain of satellite telecommunications should be regarded, therefore, as a breach of this principle. I venture to restate this, because this principle is truly fundamental for space activities of the nations of the world.

On the other hand, I wish to emphasize that I am no less eager than anybody else here in recognizing the importance of international cooperation to be established within the framework of INTELSAT. In the spirit of this cooperation, it goes without saying that the member countries shall obligate itself to refrain from any action which may obstruct the activities of INTELSAT.

3. Having said this, Mr. Chairman, I wish to go into the main part of my statement. My delegation is of the view that the questions related to the rights and obligations of members concerning specialized telecommunications satellite, domestic public telecommunications satellite and regional public telecommunications satellite are to be examined carefully, taking into account those two fundamental factors which I have just mentioned.

4. Specialized Telecommunications Satellite.

In the first place, Mr. Chairman, I would like to speak on the question of the launching of the specialized telecommunications satellite. As far as I can see, there seems to be no difficulty in this conference room in admitting that the principal aim of INTELSAT is to render the international public telecommunications services. Indeed, INTELSAT is expected to play a prominent role in the field of the international public telecommunications and this implies that the INTELSAT activities in the field of specialized telecommunications which may be authorized pursuant to the terms and conditions determined for this purpose are of a merely supplementary nature. This brings me to say that the specialized telecommunications are to be entirely open for the operation by nations who so wish. However, in this connection, we consider that some kind of coordination would be necessary to avoid possible technical interference with the INTELSAT satellite system. Therefore, we propose that the country or countries concerned be requested to furnish all the relevant information to INTELSAT before the launching of such specialized telecommunications satellite.

5. Domestic Public Telecommunications Satellite

I shall now move on to the question of the domestic satellite. In our view, Mr. Chairman, INTELSAT, being an organization primarily engaged in the international public telecommunications services, the Definitive Arrangements should not obstruct the establishment by member countries of a separate public telecommunications satellite system for the domestic need. However, on the similar reason as in the case of the specialized satellite, we consider that it is appropriate that such state shall be made subject to the prior consultation with INTELSAT. Upon such consultation, the competent organ of INTELSAT should, in our view, consider and report to the Assembly on various points including whether such satellite will be consistent with the use of the radio spectrum and orbital space by the existing or planned INTELSAT space segment and whether the radiation emitted from such space segment facilities will not cause harmful interference. Upon recommendations of the competent organ of INTELSAT, the Assembly may express its opinion on these points.

6. Regional Satellite

Finally, Mr. Chairman, I would like to refer to the question of the regional satellite. It is our sincere hope that the space segment to be provided by INTELSAT will be able to meet the entire requirements of members for the international public telecommunications services. We believe this hope is shared by all of us present here at this Conference. However, Mr. Chairman, notwithstanding such expectation, in the opinion of our delegation, there might arise circumstances where a group of countries having common interests, may desire to establish a separate satellite to meet their regional public telecommunications requirements.

No doubt, the regional telecommunications services are one type of the international public telecommunications services for which members of the Definitive Arrangements are required to cooperate within the framework of INTELSAT. Nevertheless, the establishment of such regional system might also be justified from such viewpoints other than telecommunications services, as for example, the enhancement of the regional tie or of the technological development, etc. Therefore, a group of states so wishing should be able to establish a regional public telecommunications satellite system, after a careful coordination by the competent organ of the INTELSAT, with a view to avoiding incompatibility with the global system of INTELSAT. In this connection, our delegation wishes to point out that there should be four factors to be taken into account. The first two factors are the two technical considerations which I stated in connection with the domestic satellite, namely; let me repeat, Mr. Chairman, as to whether such satellite will be consistent with the use of the radio spectrum and orbital space by the existing or planned INTELSAT space segment and as to whether the radiation emitted from such space segment facilities will not cause harmful interference. The remaining two factors shall be, in the view of our delegation, that the provision of such satellite shall,

- i) not prevent the establishment of the direct communication link through the INTELSAT space segment among all the participants, and,
- ii) be supported by the Parties having a common regional communication interest.

7. Mr. Chairman, these are the three points our delegation wishes to raise under the agenda Item IX of this Committee. Bearing these three points in mind, and endeavoring to harmonize the two fundamental factors which I mentioned at the beginning of this intervention, namely; the principle of freedom of use of outer space assured in the Outer Space Treaty, and the spirit of the international cooperation within the framework of INTELSAT, our delegation has drafted a proposal to amend the Article VIII (a) and (b) of the U.S. draft contained in Doc. I/10. The proposal will be distributed in due course as a working document among the delegates. It is the sincere hope of our delegation Mr. Chairman that this Committee will consider our proposal during its deliberations of Item IX.

Thank you.

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PLENIPOTENTIARY CONFERENCE ON DEFINITIVE ARRANGEMENTS FOR
THE INTERNATIONAL TELECOMMUNICATIONS SATELLITE CONSORTIUM

Washington, D.C., February - March 1969

Com. I/75
March 13, 1969

STATEMENT BY THE REPRESENTATIVE OF CANADA IN COMMITTEE I
THURSDAY, MARCH 13, 1969

Mr. Chairman:

I should like to refer first to domestic satellite services and, in particular, to the comments this delegation made in this Committee on March 3rd contained in document Com. I/28. I will then refer to regional satellites and those providing specialized services.

It is in our view important to recognize that the purpose of a domestic system established by any Member of INTELSAT would be to provide a domestic, and not an international, service. Certainly, if INTELSAT provides a domestic service to a Member State, it will, as we have said earlier, wish to consider the conditions of providing such services. But if a Member decides to finance and construct or arrange for the construction of the system itself, solely for internal purposes, we believe that it must have the full right to do so. The matter of a State meeting its domestic needs by satellite is, from other than a technical point of view, entirely of domestic concern as the representative of Italy has pointed out. We do, of course, recognize that domestic satellite systems, along with regional and other satellite systems, utilize an international facility--the radio-frequency spectrum, and related orbital locations. Canada is very conscious of the importance of maintaining the effective and efficient use of the radio spectrum. Currently throughout the world the introduction of new techniques and the large expansion in the use of radio, in our view, makes it ever more important that all nations ensure that the systems they introduce are technically compatible. We believe that technical compatibility should include both avoiding radio interference and ensuring that the new system's use of radio frequencies represents an efficient use. In the case of earth orbiting satellites placed in the equatorial plane at synchronous altitude, we believe that these principles should be observed with great care in view of the benefits that such satellites can bring to all nations.

In coordinating the use of frequencies in the "synchronous orbit", account must be taken of the location of the satellite in the same way as location is an essential parameter, along with others, for the technical coordination of any other radio frequency use. We regard this matter to be one of radio frequency coordination and therefore one that falls within the ambit of our obligations pursuant to the I.T.U. Agreements.

It has long been the practice for I.T.U. member countries to use all possible bi-lateral or multi-lateral mechanisms, regional or otherwise, for consultation on the question of radio frequency coordination so that the ultimate notification and registration process pursuant to the procedures of the Union may be facilitated. We believe that INTELSAT represents such a mechanism and that when States, parties to INTELSAT Agreements, participate in separate public telecommunication satellite systems, they should bind themselves to bring to the Organization their technical plans for discussion, as they relate to the facilities and plans of the Organization. We believe that such consultation would be most helpful to all parties concerned and would facilitate the ultimate I.T.U. registration process. We also believe that such technical discussions in INTELSAT would facilitate the work being carried out in the I.T.U. Consultative Committees which have the responsibility for arriving at world-wide agreed system standards governing the rational use of telecommunications.

Perhaps it would be appropriate for the Definitive Arrangements to contain provisions along the following lines:

Article _____

"When a State, party to this Agreement, is planning to establish or participate in the establishment of satellites for domestic public telecommunications services, independently of the Organization, it shall consult the Organization with regard to the technical compatibility between such proposed satellites and the Space Segment, existing and proposed, of the Organization. The consultation shall be such as to facilitate the later coordination, through the I.T.U. of radio frequencies and orbit positions. For the purpose of this consultation, the State shall provide to the Director General, for the consideration of the Governing Body, technical details in the manner prescribed by the Governing Body. The Governing Body, in reviewing the plans, shall take into account the proposed use of the radio spectrum and orbital space and the proposed mechanisms and techniques for control of the satellites and, the Governing Body may make such recommendations as it sees fit."

.....

- 3 -

Turning to the subject of regional satellites providing international services, my Delegation has little to add to what we said on March 3rd. We recognize that such regional systems which provide commercial services among countries in a compact geographic area, are international systems. We think that it follows that where States, Members of the Organization, wish to provide commercial public telecommunications services of this international character - as between themselves within such a region - they should be able to do so. The establishment of the regional commercial international systems should not, however, be incompatible with the viability of the INTELSAT System. They, of course, would be subject to the same technical consultation requirements as would apply to domestic systems.

Finally, Mr. Chairman, I should like to refer to the matter of satellites providing specialized services. We believe that the Organization should in principle be authorized to provide such services provided that the Governing Body and Assembly approve decisions with respect to the modalities for offering such services and that their introduction should not enter into the determination of basic investment quotas and perhaps should be the subject of separate accounts. We also believe members should be entirely free to enter into whatever arrangements they wish or as a part of an international organization to obtain such specialized telecommunication services and we do not consider that the INTELSAT arrangements should restrict this right.

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PLENIPOTENTIARY CONFERENCE ON DEFINITIVE ARRANGEMENTS FOR THE INTERNATIONAL TELECOMMUNICATIONS SATELLITE CONSORTIUM

Washington, D.C., February - March 1969

Com. I/76
March 13, 1969

STRUCTURE OF THE ORGANIZATION GOVERNING BODY

(Submitted by the Delegations of Canada, Federal Republic
of Germany, and India)

1. Draft Article

- (1) The Governing Body shall consist of 22 members.
- (2) The 18 member States or groups of member States having the largest investment shares shall be represented in the Governing Body, each having one seat, on the basis of an annual determination. The Assembly shall fill 4 additional seats by electing representatives of such regions or groups of member States as would otherwise not be adequately represented on the Governing Body.

[A new election of regional representatives shall take place
every years.]

2. Draft Article

- (1) The Governing Body shall meet as often as is necessary, but at least three times a year. It shall normally meet at the seat of the Organization.
- (2) The Governing Body shall adopt its own rules of procedure and shall set up such committees and working groups as it deems advisable.

3. Draft Article

- (1) The Governing Body shall **direct** and supervise the design, development, construction, establishment, maintenance and operation of the Organization's space segment. Subject to the provisions of the present Agreement, it shall **take** all decisions which it **may** deem necessary to achieve this purpose.

- 3 -

16. administer the provisions of Article . . . regarding withdrawal of members;
17. make recommendations in accordance with Article . . . regarding the coordination of the Organization's space segment with separate satellite systems of member States;
18. report annually to the Assembly on the activities of the Organization;
19. review the present Agreement when necessary and propose to the Assembly amendments to it.

4. Draft Article

- (1) The Governing Body shall form a quorum if at least 15 of its members representing two-thirds of the total voting shares are present.
- (2) The Governing Body shall decide:
 1. on all substantive questions with a vote in favor representing
 - either 19 of its members
 - or at least 4 members possessing two-thirds of the voting shares;
 2. on procedural questions with a simple majority of its members present and voting.
- (3) The voting share of each member of the Governing Body shall be equal to its investment share [as established in Article . . .] plus a basic bloc of . . . votes.

* * *

(2) The Governing Body shall

1. appoint the Director-General subject to approval of the Assembly, and recommend his dismissal for cause;
2. appoint the deputy Director-General and the senior officers on the recommendation of the Director-General, and dismiss them for cause;
3. adopt staff regulations for the Organization's staff;
4. recommend annually for adoption by the Assembly an outline of the policies, the future program and financial framework of the Organization for the following five years;
5. approve the programs and the annual work plans of the Organization and adopt the annual budget within the outline adopted by the Assembly;
6. review the expenditures and approve and publish audited accounts of the Organization;
7. determine the investment shares of members of the Organization;
8. determine the technical requirements and conditions for access of earth stations and establish the procedures governing such access of earth stations to the space segment;
9. fix the charges for utilization of the space segment;
10. issue under the provisions of Articles . . . financial and procurement regulations and lay down general conditions for contracts including the dissemination of know-how and data used or acquired in executing contracts awarded by the Organization;
11. approve the conclusion of contracts with a value of over 125.000 \$ and of any other contracts the approval of which it has reserved to itself;
12. take any decisions regarding special projects or other cooperation with member States or other organizations or institutions;
13. verify the fulfillment of conditions of accessions to the present Agreement in accordance with Article . . .;
14. establish the conditions for access to the space segment of non-signatories;
15. decide upon measures to be taken in respect of members or users of the space segment not fulfilling their respective obligations;

PLEASE REPLACE THE ATTACHED
PAGES 4 AND 5 IN Com. I/84 (Rev. 1).
THERE IS AN ADDITION ON PAGE 5.

- 4 -

ARTICLE _____

OBJECTIVES AND PURPOSES

- (a) In accordance with the principles set forth in the preamble of the Agreement, the Parties agree to create a Global Organization whose principal function shall be to continue and promote further the design, development, construction, establishment, maintenance, and operation of the Space Segment of the Single 1/ Global Commercial Communications Satellite System (hereinafter referred to as "the global system") established pursuant to the Interim Agreement and the Special Agreement.
- (b) The Global System is intended primarily to provide international public telecommunications services on a commercial basis of high quality and reliability, and sufficient to provide such services to all areas of the world.

1/ The same reservation of France, for the Preamble, appears in Appendix B.

ARTICLE _____

SCOPE OF ACTIVITIES

- (a) The Organization shall provide, on a commercial basis, the Space Segment for international public telecommunications services.
- (b) The Space Segment of the Global System for international public telecommunications services shall also be made available at the request of a Signatory for domestic public telecommunications services 1/ on a non-discriminatory basis, to the degree that these services do not adversely affect the capacity of the Organization to achieve its primary purpose.
- (c) The Organization may provide the facilities from the Space Segment of the Global System for specialized telecommunications services 2/ in accordance with the terms and conditions established to meet requests for such facilities, and pursuant to the authority granted _____ 3/ in Article _____ 4/ of the Agreement, subject to the decision of the _____ that the provision of the Space Segment for said services is acceptable from the technical and economic points, and that the Organization's ability to provide the Space Segment for public telecommunications services will not be adversely affected as a result of the provision of the Space Segment for specialized services.

1/ Statements of the Delegations of Pakistan and India on this point are attached as Appendix C; those of the Delegations of the United Kingdom and Denmark are contained in Documents Com. I/95 and Com. I/99 respectively; also pertinent are the comments of the Delegation of Pakistan in Document Com. II/13.

2/ To be defined in the Agreements. In this draft Article, this term has been used as defined in paragraph 160 of the ICSC Report. The Delegation of France expressed reservations with respect to this terminology.

3/ In this draft Article, blanks such as this should be filled in with name of the organ, for such matters, when this has been decided.

4/ The relevant Article number should be inserted.



PLENIPOTENTIARY CONFERENCE ON DEFINITIVE ARRANGEMENTS FOR THE INTERNATIONAL TELECOMMUNICATIONS SATELLITE CONSORTIUM

Washington, D.C., February - March 1969

Com. I/77
March 13, 1969

RIGHTS AND OBLIGATIONS OF MEMBERS (Submitted by the Delegation of Japan)

The Delegation of Japan believes that the principal aim or the primary purpose of the definitive arrangements shall be to create a mechanism in order to provide the design, development, construction, establishment, maintenance and operation of the space segment of the global satellite system for the international public telecommunications services.

On the other hand, INTELSAT, within the scope of its activities, may also be authorized to provide other telecommunications services than the international public telecommunications services.

Yet it is the fundamental understanding of the Delegation of Japan that INTELSAT shall be an organization primarily engaged in the international public telecommunications services.

Specialized services

Accordingly, in the view of the Delegation of Japan, the definitive arrangements shall in no way prejudice the right of member states to launch any specialized telecommunications satellite. In such a case, however, such state or states shall be duly requested to furnish all the relevant information to the competent organ of INTELSAT, prior to the launch of such specialized telecommunications satellite, with a view to avoiding any possible technical interference with the INTELSAT system.

Domestic satellite

Furthermore, INTELSAT being an organization primarily engaged in the international public telecommunications services, the definitive arrangements should not obstruct the establishment by member countries of a separate public telecommunications satellite system for the domestic need. However, any Party or Signatory to the definitive arrangements desiring to launch such telecommunications satellite for the domestic need, should rightly be made subject to a prior consultation with INTELSAT. When such consultation is requested, the competent organ of INTELSAT shall consider and report to the Assembly on various points

including those which are indicated in subparagraphs (i) and (ii) of (a) in the proposed amendment below. Upon recommendations of the competent organ of INTELSAT the Assembly may express its opinion.

Regional satellite

It may rightly be expected that the space segment to be provided by INTELSAT will be able to meet the entire requirements of members for the international public telecommunications services. Notwithstanding such expectation, however, in the opinion of the Delegation of Japan, there might arise circumstances where a group of countries having common interests, may desire to establish or use a separate satellite to meet their regional public telecommunications requirements.

No doubt, the regional telecommunications services are one type of the international public telecommunications services for which members of the definitive arrangements are required to cooperate within the framework of INTELSAT. Nevertheless, the establishment of such regional system might also be justified from such viewpoints other than telecommunications services, as, for example, the enhancement of the regional tie or of the technological development, etc. Therefore, a group of states so wishing should be able to establish a regional public telecommunications satellite system, after a careful coordination by the competent organ of the INTELSAT, with a view to avoiding incompatibility with the global system of INTELSAT. Those factors which are to be taken into account in addition to the points mentioned above in connection with the domestic satellite are enumerated in (i) and (ii) of paragraph (b) of the proposed amendment.

In view of the above, the Delegation of Japan introduces the amendments to the paragraphs (a) and (b) of Article VIII of the draft of the Intergovernmental Agreement contained in Doc. 10 submitted by the United States delegation, to read as follows:

ARTICLE VIII

(a) To the extent any party or entity within the jurisdiction of a Party establishes or acquires space segment facilities separate from the INTELSAT space segment to meet its domestic public telecommunications services requirements, such Party, prior to the establishment, acquisition and operation of any such facilities, shall consult through the [Governing Body] with the [Assembly] which may express its opinion, upon recommendations of the [Governing Body] in particular regarding that:

- 3 -

- (i) They will be consistent with the use of the radio spectrum and orbital space by the existing or planned INTELSAT space segment.
 - (ii) The radiation emitted from such space segment facilities will not cause harmful interference.
- (b) To the extent any Party or any entity within the jurisdiction of a Party establishes or joins the establishment of or the use of, any space segment facilities other than the INTELSAT space segment to meet regional public telecommunications services requirements, such Party shall consult with the [Assembly] through the [Governing Body] with a view to avoiding incompatibility with the global system of INTELSAT.

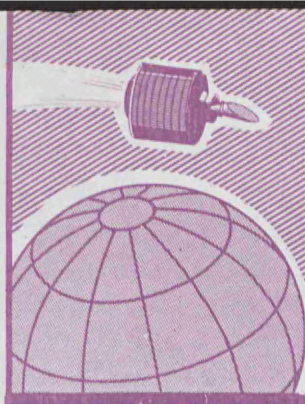
Upon such consultation, the [Assembly], on the recommendations of the [Governing Body], shall confirm, in addition to the considerations as provided for in (a) above that the provisions of such space segment facilities shall

- (i) not prevent the establishment of the direct communication link through the INTELSAT space segment among all the participants, and
 - (ii) be supported by the Parties having a common regional communication interests.
- (c) To the extent any Party or any entity within the jurisdiction of a Party establishes or otherwise acquires space segment facilities separate from the INTELSAT space segment facilities to meet its specialized telecommunications services, domestic or international, such Party shall in advance furnish the relevant information through the [Government Body] to the [Assembly] so that the [Assembly] may express its opinion regarding (i) and (ii) under (a) of this Article.

Note:

- 1) The respective organs of INTELSAT put under the bracket are subject to the decision of the Conference.
- 2) The proposed amendment has been drafted with the consideration that the objective of the Agreement which appears in the Para. (a) of the U.S. draft might be better dealt with under a separate Article.

* * *



PLENIPOTENTIARY CONFERENCE ON DEFINITIVE ARRANGEMENTS FOR THE INTERNATIONAL TELECOMMUNICATIONS SATELLITE CONSORTIUM

Washington, D.C., February - March 1969

Com. I/78
March 13, 1969

STATEMENT BY THE REPRESENTATIVE OF CANADA IN COMMITTEE I
THURSDAY, MARCH 13, 1969

Mr. Chairman:

My Delegation is in agreement with the viewpoint expressed by several Delegations at our meeting earlier this week that the question of the duration of the Agreements cannot be divorced from review procedures. We must clearly bear in mind the need for a substantial degree of stability. We are now well past the earlier experimental period and are experiencing the benefits of sophisticated operational systems. A large number of countries are making extensive investments in earth stations and will wish to protect such investments into the future. On the other hand, as the Representative of India pointed out the technology of course is not standing still and there will be need to assess the impact of research and development on the framework of a permanent Organization. On balance my Delegation finds to be reasonable the ICSC majority recommendation appearing in paragraph 579 to the effect that the agreements should have no fixed duration.

But the question of review procedures is closely related. On the specific matter of amending the Agreements I would like to refer to Conference Document Com. I/26 in which we, along with the Delegations of the Federal Republic of Germany and India, have suggested that proposed amendments could be dealt with at a meeting of the Assembly, constituted in Plenipotentiary form. We recognize that doubts have been expressed about the propriety of entrusting to an Assembly that might be composed of Government Representatives in some cases and operating entity representatives in others, the ability to carry this responsibility. However, I would draw Distinguished Delegates attention to the fact it would be our intention that Governments would determine the representation at a given Assembly meeting. We would expect that due regard would be had for the nature of the items to be discussed and that there would not be a problem in determining suitable representation. We therefore believe that the procedures set out in Com. I/26 is reasonable for handling the amendments likely to be needed in the early years of the new Organization.

However, because of the factors I have outlined earlier, we believe also that the Agreements should provide for review conferences periodically, but at rather lengthy intervals. These review conferences, which would be intergovernmental in character, would take the broad look at the manner in which the Organization had fulfilled the mission assigned to it.



PLENIPOTENTIARY CONFERENCE ON DEFINITIVE ARRANGEMENTS FOR
THE INTERNATIONAL TELECOMMUNICATIONS SATELLITE CONSORTIUM

Washington, D.C., February - March 1969

Com. I/79

March 13, 1969

STATEMENT BY THE REPRESENTATIVE OF THE NETHERLANDS IN COMMITTEE I
THURSDAY, MARCH 13, 1969

Mr. Chairman, when we discussed the objectives and purposes of INTELSAT and the scope of INTELSAT's activities, my delegation made a statement which you will find in Doc. I/22, in which we already touched upon the questions of rights and obligations of Members in connection with the possibility of domestic and regional satellites, because in our view these questions are inter-related.

The Netherlands delegation, Mr. Chairman, is prepared to accept a general obligation for the participating States not to establish, nor to join in the establishment of a space segment in competition with the space segment of the Organization, as recommended in Para. 600 of the ICSC report, on the understanding, however, that this obligation does not exclude domestic or regional satellites. There may of course be cases where these satellites could be considered to be in competition with the space segment of the Organization, but the main thing is that we do not want duplication of global facilities provided by the Organization.

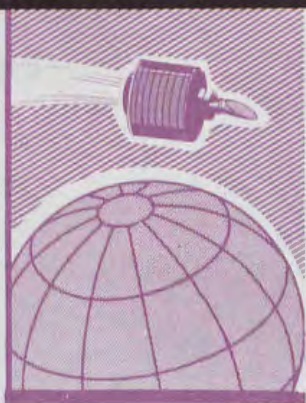
The Netherlands delegation is also prepared to accept Para. 610 of the ICSC report, stating that each participating State have the right to establish, independently of the Organization, by itself or in conjunction with other participating States, communications satellites for domestic purposes, subject to prior consultation with the Governing Body and subject to compliance with pertinent international regulations, particularly those of the I.T.U. This prior consultation with the Governing Body should particularly involve the subjects mentioned in Paras. 217 and 218 of the ICSC report, namely the proposed use of the frequency spectrum and orbital space and the proposed mechanism for control of the domestic satellites.

The Netherlands delegation has stated previously that it is of the opinion that, if we allow larger countries of the world to establish satellites for domestic use, any geographically compact group of smaller countries which, taken together are of comparable size, should have the same opportunity. This means that such a

geographically compact group would have exactly the same rights to establish a satellite communications system which renders regionally the same services as the new Organization does globally, again subject to prior consultation with the Governing Body and subject to compliance with international regulations. Our delegation supports, therefore, para. 607 of the ICSC report.

Finally, Mr. Chairman, the Netherlands delegation agrees with the proposal in Article VIII (e) of Doc. 10 from the U.S. delegation that nothing in the Agreement shall affect the right of a Party to establish satellites solely for national security purposes.

* * *



PLENIPOTENTIARY CONFERENCE ON DEFINITIVE ARRANGEMENTS FOR THE INTERNATIONAL TELECOMMUNICATIONS SATELLITE CONSORTIUM

Washington, D.C., February - March 1969

Com. I/84
March 14, 1969

REPORT OF THE WORKING GROUP A - COMMITTEE I

The Working Group A was formed on Monday, March 3, 1969, in pursuance of the decision taken in the Fifth Session of Committee I. The Working Group consisted of representatives of Canada, Chile, Ethiopia, France, India, Japan, Lebanon, the Netherlands, New Zealand, and the United States. Mr. O.H. Mohammad, Vice Chairman of Committee I, presided over this Working Group.

Terms of Reference

To consider the various proposals and points of view expressed during the meetings of Committee I on Agenda Items I and II of Com. I/1 (Rev. 1) of February 26, 1969.

The copy of the terms of reference as laid down by the Chairman of Committee I is attached as Appendix A.

The Working Group held seven sessions which were held on March 4, 5, 7, 8, 11, 13, and one to be held on the 17th. These sessions were held under the Chairmanship of Mr. O.H. Mohammad and took into consideration the Preamble, the Objectives and Purposes, and Scope of Activities of the organization.

The ICSC Report, Doc. 6, along with Docs. 8 and 10, were taken as basic working documents for the purposes of deliberations. A number of other documents which were presented in Committee I were also taken into consideration. Some working papers were also submitted during the deliberations of the Working Group. Sessions of the Working Group were open to Observers, some of whom expressed their views and participated in the discussions.

Conclusion

The draft Articles for the Preamble, Objectives and Purposes and Scope of Activities have been adopted unanimously by Working Group A except for certain reservations or observations which are reflected in footnotes to the adopted draft.

The draft Articles should be reviewed in the light of other decisions of the Conference.

- 2 -

PREAMBLE 1/

The Governments Signatory to this Agreement,

Recalling the principle set forth in Resolution No. 1721 (XVI) of the General Assembly of the United Nations that communications by means of satellites should be available to the nations of the world as soon as practicable on a global and non-discriminatory basis;

Recalling the relevant provisions of the Treaty on Principles Governing the Activities of States in the Exploration and Use of Outer Space, Including the Moon and Other Celestial Bodies, and in particular Article I, which states that outer space shall be used for the benefit and in the interests of all countries;

Noting that pursuant to the Agreement Establishing Interim Arrangements for a Global Commercial Communications Satellite System and the related Special Agreement, opened at Washington, D. C. for signature on August 20, 1964, a single 2/ global commercial communications satellite system (hereinafter referred to as the "global satellite system") has been established.

Desiring to continue the development of this global satellite system as part of an improved global communications network which will provide expanded communications services to all areas of the world and which will contribute to world peace and understanding;

Determined, to this end to provide, for the benefit of all nations 3/ and areas 3/ of the world, through the most advanced technology available, the most efficient and economic facilities possible consistent with the best and most equitable use of the radio spectrum and of orbital space.

1/ This Preamble may have to be adopted in the light of the provisions of the article on the rights and obligations and other relevant articles.

2/ A reservation of the French delegation appears in Appendix B.

3/ The delegation of Canada suggests that this terminology be referred to the Drafting Committee.

Believing that satellite communications should be organized in such a way as to permit all states 4/, countries 4/, and areas 4/ of the world to have access to the global satellite system and those states so wishing to invest in the system with consequent participation in the design, development, construction, provision of equipment, establishment, operation, maintenance and ownership of the system;

(In case Committee I decides to accept the concept of an organization on the basis of Doc. 8 then suitable paragraphs segregating public and commercial functions have to be introduced in the Preamble.)

Agree as follows: 5/

4/ This should be consistent with the Article on access to the system.

5/ The Working Group felt that the attention of Committee II should be invited to the question whether it is desirable to make a reference only to Article IX of the Agreement establishing Interim Arrangements or alternatively to the Agreement as a whole in order to insure continuity of the rights and obligations. The following language has been suggested: "In compliance with Article IX of the Agreement Establishing Interim Arrangements for a Global Commercial Communications Satellite System opened at Washington, D. C. for signature on August 20, 1964, agree as follows:"

- 4 -

ARTICLE _____

OBJECTIVES AND PURPOSES

- (a) In accordance with the principles set forth in the preamble of the Agreement, the Parties agree to create a Global Organization whose principal function shall be to continue and promote further the design, development, construction, establishment, maintenance, and operation of the Space Segment of the Single 1/ Global Commercial Communications Satellite System (hereinafter referred to as "the global system") established pursuant to the Interim Agreement and the Special Agreement.
- (b) The Global System is intended primarily to provide international public telecommunications services on a commercial basis of high quality and reliability, and sufficient to provide such services to all areas of the world.

1/ The same reservation of France, for the Preamble, appears in Appendix B.

ARTICLE _____

SCOPE OF ACTIVITIES

- (a) The Organization shall provide, on a commercial basis, the Space Segment for international public telecommunications services.
- (b) The Space Segment of the Global System for international public telecommunications services shall also be made available at the request of a Signatory for domestic public telecommunications services 1/ on a non-discriminatory basis, to the degree that these services do not adversely affect the capacity of the Organization to achieve its primary purpose.
- (c) The Organization may provide the facilities from the Space Segment of the Global System for specialized telecommunications services 2/ in accordance with the terms and conditions established to meet requests for such facilities, and pursuant to the authority granted _____ 3/ in Article _____ 4/ of the Agreement, subject to the decision of the _____ that the provision of the Space Segment for said services is acceptable from the technical and economic points, and that the Organization's ability to provide the Space Segment for public telecommunications services will not be adversely affected as a result of the provision of the Space Segment for specialized services.

1/ A statement of the Delegation of Pakistan is attached as Appendix C.

2/ To be defined in the Agreements. In this draft Article, this term has been used as defined in paragraph 160 of the ICSC Report. The Delegation of France expressed reservations with respect to this terminology.

3/ In this draft Article, blanks such as this should be filled in with name of the organ, for such matters, when this has been decided.

4/ The relevant Article number should be inserted.

- 6 -

- (d) The Organization may provide, when requested by a Signatory, or group of Signatories, separate satellites, and in addition, the related space segment facilities and equipment, if requested, for the domestic public telecommunications services of a Signatory, or each country in the group of Signatories, in accordance with the terms and conditions to be established in each particular case pursuant to the authority granted _____ 3/in Article _____ 4/ of this Agreement.
- (e) The Organization may provide separate satellites, and in addition, the related space segment facilities and equipment, if requested, for specialized telecommunications services, in accordance with the terms and conditions to be established in each particular case, pursuant to the authority granted in Article _____ 4/of the Agreement and subject to the decision of the _____ 3/that the provision of said separate satellites and related space segment facilities and equipment is acceptable from both the technical and economic points of view and that the Organization's ability to provide the Space Segment for public telecommunications services will not be adversely affected as a result of the provision of the satellites and related space segment facilities and equipment for specialized services.
- (f) The Satellites and related space segment facilities and equipment, if requested to be provided pursuant to paragraphs (d) and (e) may be

3/ In this draft Article, blanks such as this should be filled in with name of the organ, for such matters, when this has been decided.

4/ The relevant Article number should be inserted.

- 7 -

financed and owned by the entity or entities concerned and in this case may be designed, developed and constructed in accordance with specifications developed by such entity or entities, and which are acceptable to the _____. 3/ If such entity or entities desire to have them financed by or through the Organization . . . 5/ (Attention of Committee I is called to the desirability of bringing to the notice of Committee III the need to provide appropriate texts specifying whether the Organization shall finance them, and if so, through what financial arrangements. 6/

* * *

- 3/ In this draft Article, blanks such as this should be filled in with name of the organ, for such matters, when this has been decided.
- 5/ The Delegation of France has several reservations concerning paragraphs c, d, e, and f. See Appendix D.
- 6/ The Delegation of the United States suggests the following language to replace the last and incomplete sentence of paragraph (f): "If such entity or entities desire to have such satellites and space segment facilities financed by or through the Organization, they shall be financed and owned in the same manner as the space segment to be provided pursuant to paragraph (a) of this Article, subject to a decision by the _____ pursuant to Article _____."

TERMS OF REFERENCE

WORKING GROUP I

COMMITTEE I

The Working Group shall prepare Reports with respect to the Objectives and Purposes of INTELSAT and with respect to the Scope of INTELSAT's Activities, taking into account paragraphs 163-187 and 188-227 of the ICSC Report (Conference Document 6), relevant portions of the Working Document submitted by the Delegation of Sweden (Document 8) and of the Working Document submitted by the United States (Document 10), as well as the views expressed in the Committee discussions.

The Working Party shall strive to prepare agreed upon texts, suitable for inclusion in the Agreement on Definitive Arrangements on each of the two subjects (Objectives and Purposes, and Scope of Activities), but may submit alternative paragraphs if, after mature consideration, agreed upon texts cannot be formulated. If alternative paragraphs are prepared, the reports should indicate the extent of the support given each of the alternatives.

* * *

RESERVATION BY THE DELEGATE OF FRANCE

The France Delegation opposed the adoption by the Working Group of paragraph 3, which states that a single global commercial satellite telecommunications system has been established. It is a well-known fact that there is another system already in operation, which covers a very large part of Europe and Asia, connects several countries members of the ITU, and is now the only one that could establish communications with those countries.

The Delegation of France, as well as several other delegations, also thinks that it is convenient in the text of an intergovernmental agreement to avoid the use of ambiguous terms which could be given several interpretations. The term "single" is evidently a term of this kind. It would be desirable to eliminate it.

* * *

STATEMENT BY PAKISTAN

The Pakistani delegation has represented that the public telecommunication traffic between the two wings of Pakistan should be treated as international traffic and that there should be no discrimination between this traffic and any other international traffic.

* * *

DECLARATION OF THE FRENCH DELEGATION

The French Delegation believes that, in the text of the agreements, there should be one or more articles which specify the procedures for the provision of these services as well as the financial arrangements. A possible example would be as follows:

- (a) In case of a request of one or more parties or of an inter-governmental organization regarding the provision of domestic and specialized services, the Governing Body shall advise the Assembly as to what action shall be taken with respect to this request. This opinion shall indicate if the provision of such services is acceptable from the technical and economic stand-points, and if said provision would be compatible with the faultless provision of international public telecommunication services.
- (b) If the specialized service lies within the competence of an intergovernmental organization, the opinion of this organization shall be requested by the Governing Body.
- (c) In the event of a favorable opinion by the Governing Body and, in appropriate cases, of the competent intergovernmental organization, the Assembly will adopt a decision by a consensus of all the Members of the Organization.
- (d) The design and the implementation of the necessary facilities as well as their maintenance shall be the responsibility of the interested parties, groups of parties or intergovernmental organizations.
- (e) A protocol between the Organization and the applicant or the applicants, in accordance with the decision of the Assembly, shall determine the purpose, the financing, etc. of the services so authorized.

* * *



PLENIPOTENTIARY CONFERENCE ON DEFINITIVE ARRANGEMENTS FOR THE INTERNATIONAL TELECOMMUNICATIONS SATELLITE CONSORTIUM

Washington, D.C., February - March 1969

Com. I/84 (Rev. 1)
March 15, 1969

REPORT OF THE WORKING GROUP A - COMMITTEE I

The Working Group A was formed on Monday, March 3, 1969, in pursuance of the decision taken in the Fifth Session of Committee I. The Working Group consisted of representatives of Canada, Chile, Ethiopia, France, India, Japan, Lebanon, the Netherlands, New Zealand, and the United States. Mr. O.H. Mohammad, Vice Chairman of Committee I, presided over this Working Group.

Terms of Reference

To consider the various proposals and points of view expressed during the meetings of Committee I on Agenda Items I and II of Com. I/1 (Rev. 1) of February 26, 1969.

The copy of the terms of reference as laid down by the Chairman of Committee I is attached as Appendix A.

Procedure

The Working Group held seven sessions which were held on March 4, 5, 7, 8, 11, 13, and 15. These sessions were held under the Chairmanship of Mr. O. H. Mohammad and took into consideration the Preamble, the Objectives and Purposes, and Scope of Activities of the organization.

The ICSC Report, Doc. 6, along with Docs. 8 and 10, were taken as basic working documents for the purposes of deliberations. A number of other documents which were presented in Committee I were also taken into consideration. Some working papers were also submitted during the deliberations of the Working Group. Sessions of the Working Group were open to Observers, some of whom expressed their views and participated in the discussions.

Conclusion

The draft Articles for the Preamble, Objectives and Purposes and Scope of Activities have been adopted unanimously by Working Group A except for certain reservations or observations which are reflected in footnotes to the adopted draft.

The draft Articles should be reviewed in the light of other decisions of the Conference.

- 2 -

PREAMBLE 1/

The Governments Signatory to this Agreement,

Recalling the principle set forth in Resolution No. 1721 (XVI) of the General Assembly of the United Nations that communications by means of satellites should be available to the nations of the world as soon as practicable on a global and non-discriminatory basis;

Recalling the relevant provisions of the Treaty on Principles Governing the Activities of States in the Exploration and Use of Outer Space, Including the Moon and Other Celestial Bodies, and in particular Article I, which states that outer space shall be used for the benefit and in the interests of all countries;

Noting that pursuant to the Agreement Establishing Interim Arrangements for a Global Commercial Communications Satellite System and the related Special Agreement, opened at Washington, D. C. for signature on August 20, 1964, a single 2/ global commercial communications satellite system (hereinafter referred to as the "global satellite system") has been established.

Desiring to continue the development of this global satellite system as part of an improved global communications network which will provide expanded communications services to all areas of the world and which will contribute to world peace and understanding;

Determined, to this end to provide, for the benefit of all nations 3/ and areas 3/ of the world, through the most advanced technology available, the most efficient and economic facilities possible consistent with the best and most equitable use of the radio spectrum and of orbital space.

1/ This Preamble may have to be adapted in the light of the provisions of the article on the rights and obligations and other relevant articles.

2/ A reservation of the French delegation appears in Appendix B.

3/ The delegation of Canada suggests that this terminology, as well as the words "states, countries, and areas," appearing on the second line of the next paragraph, be referred to the Drafting Committee.

Believing that satellite communications should be organized in such a way as to permit all states 4/, countries 4/, and areas 4/ of the world to have access to the global satellite system and those states so wishing to invest in the system with consequent participation in the design, development, construction, provision of equipment, establishment, operation, maintenance and ownership of the system;

(In case Committee I decides to accept the concept of an organization on the basis of Doc. 8 then suitable paragraphs segregating public and commercial functions have to be introduced in the Preamble.)

Agree as follows: 5/

4/ This should be consistent with the Article on access to the system.

5/ The Working Group felt that the attention of Committee II should be invited to the question whether it is desirable to make a reference only to Article IX of the Agreement establishing Interim Arrangements or alternatively to the Agreement as a whole in order to insure continuity of the rights and obligations. The following language has been suggested: "In compliance with Article IX of the Agreement Establishing Interim Arrangements for a Global Commercial Communications Satellite System opened at Washington, D. C. for signature on August 20, 1964, agree as follows:"

ARTICLE _____

OBJECTIVES AND PURPOSES

- (a) In accordance with the principles set forth in the preamble of the Agreement, the Parties agree to create a Global Organization whose principal function shall be to continue and promote further the design, development, construction, establishment, maintenance, and operation of the Space Segment of the Single 1/ Global Commercial Communications Satellite System (hereinafter referred to as "the global system") established pursuant to the Interim Agreement and the Special Agreement.
- (b) The Global System is intended primarily to provide international public telecommunications services on a commercial basis of high quality and reliability, and sufficient to provide such services to all areas of the world.

1/ The same reservation of France, for the Preamble, appears in Appendix B.

ARTICLE _____

SCOPE OF ACTIVITIES

- (a) The Organization shall provide, on a commercial basis, the Space Segment for international public telecommunications services.
- (b) The Space Segment of the Global System for international public telecommunications services shall also be made available at the request of a Signatory for domestic public telecommunications services 1/ on a non-discriminatory basis, to the degree that these services do not adversely affect the capacity of the Organization to achieve its primary purpose.
- (c) The Organization may provide the facilities from the Space Segment of the Global System for specialized telecommunications services 2/ in accordance with the terms and conditions established to meet requests for such facilities, and pursuant to the authority granted _____ 3/ in Article _____ 4/ of the Agreement, subject to the decision of the _____ that the provision of the Space Segment for said services is acceptable from the technical and economic points, and that the Organization's ability to provide the Space Segment for public telecommunications services will not be adversely affected as a result of the provision of the Space Segment for specialized services.

1/ Statements of the Delegations of Pakistan and India on this point are attached as Appendix C.

2/ To be defined in the Agreements. In this draft Article, this term has been used as defined in paragraph 160 of the ICSC Report. The Delegation of France expressed reservations with respect to this terminology.

3/ In this draft Article, blanks such as this should be filled in with name of the organ, for such matters, when this has been decided.

4/ The relevant Article number should be inserted.

- 6 -

- (d) The Organization may provide, when requested by a Signatory, or group of Signatories, separate satellites, and in addition, the related space segment facilities and equipment, if requested, for the domestic public telecommunications services of a Signatory, or each country in the group of Signatories, in accordance with the terms and conditions to be established in each particular case pursuant to the authority granted _____ 3/in Article. _____ 4/ of this Agreement.
- (e) The Organization may provide separate satellites, and in addition, the related space segment facilities and equipment, if requested, for specialized telecommunications services, in accordance with the terms and conditions to be established in each particular case, pursuant to the authority granted in Article _____ 4/of the Agreement and subject to the decision of the _____ 3/that the provision of said separate satellites and related space segment facilities and equipment is acceptable from both the technical and economic points of view and that the Organization's ability to provide the Space Segment for public telecommunications services will not be adversely affected as a result of the provision of the satellites and related space segment facilities and equipment for specialized services.
- (f) The Satellites and related space segment facilities and equipment, if requested to be provided pursuant to paragraphs (d) and (e) may be

3/ In this draft Article, blanks such as this should be filled in with name of the organ, for such matters, when this has been decided.

4/ The relevant Article number should be inserted.

- 7 -

financed and owned by the entity or entities concerned and in this case may be designed, developed and constructed in accordance with specifications developed by such entity or entities, and which are acceptable to the _____. 3/ If such entity or entities desire to have them financed by or through the Organization . . . 5/ (Attention of Committee I is called to the desirability of bringing to the notice of Committee III the need to provide appropriate texts specifying whether the Organization shall finance them, and if so, through what financial arrangements. 6/

* * *

- 3/ In this draft Article, blanks such as this should be filled in with name of the organ, for such matters, when this has been decided.
- 5/ The Delegation of France has several reservations concerning paragraphs c, d, e, and f. See Appendix D.
- 6/ The Delegation of the United States suggests the following language to replace the last and incomplete sentence of paragraph (f): "If such entity or entities desire to have such satellites and space segment facilities financed by or through the Organization, they shall be financed and owned in the same manner as the space segment to be provided pursuant to paragraph (a) of this Article, subject to a decision by the _____ pursuant to Article _____."

TERMS OF REFERENCE

WORKING GROUP I

COMMITTEE I

The Working Group shall prepare Reports with respect to the Objectives and Purposes of INTELSAT and with respect to the Scope of INTELSAT's Activities, taking into account paragraphs 163-187 and 188-227 of the ICSC Report (Conference Document 6), relevant portions of the Working Document submitted by the Delegation of Sweden (Document 8) and of the Working Document submitted by the United States (Document 10), as well as the views expressed in the Committee discussions.

The Working Party shall strive to prepare agreed upon texts, suitable for inclusion in the Agreement on Definitive Arrangements on each of the two subjects (Objectives and Purposes, and Scope of Activities), but may submit alternative paragraphs if, after mature consideration, agreed upon texts cannot be formulated. If alternative paragraphs are prepared, the reports should indicate the extent of the support given each of the alternatives.

* * *

DECLARATION OF THE FRENCH DELEGATION

The French Delegation believes that, in the text of the agreements, there should be one or more articles which specify the procedures for the provision of these services as well as the financial arrangements. A possible example would be as follows:

- (a) In case of a request of one or more parties or of an inter-governmental organization regarding the provision of domestic and specialized services, the Governing Body shall advise the Assembly as to what action shall be taken with respect to this request. This opinion shall indicate if the provision of such services is acceptable from the technical and economic stand-points, and if said provision would be compatible with the faultless provision of international public telecommunication services.
- (b) If the specialized service lies within the competence of an intergovernmental organization, the opinion of this organization shall be requested by the Governing Body.
- (c) In the event of a favorable opinion by the Governing Body and, in appropriate cases, of the competent intergovernmental organization, the Assembly will adopt a decision by a consensus of all the Members of the Organization.
- (d) The design and the implementation of the necessary facilities as well as their maintenance shall be the responsibility of the interested parties, groups of parties or intergovernmental organizations.
- (e) A protocol between the Organization and the applicant or the applicants, in accordance with the decision of the Assembly, shall determine the purpose, the financing, etc. of the services so authorized.

* * *

RESERVATION BY THE DELEGATE OF FRANCE

The French Delegation opposed the adoption by the Working Group of paragraph 3, which states that a single global commercial satellite telecommunications system has been established. It is a well-known fact that there is another system already in operation, which covers a very large part of Europe and Asia, connects several countries members of the ITU, and is now the only one that could establish communications with those countries.

The Delegation of France, as well as several other delegations, also thinks that it is convenient in the text of an intergovernmental agreement to avoid the use of ambiguous terms which could be given several interpretations. The term "single" is evidently a term of this kind. It would be desirable to eliminate it.

* * *

STATEMENT BY PAKISTAN TO WORKING GROUP A OF COMMITTEE I

The Pakistani delegation has represented that the public telecommunication traffic between the two wings of Pakistan should be treated as international traffic and that there should be no discrimination between this traffic and any other international traffic.

* * *

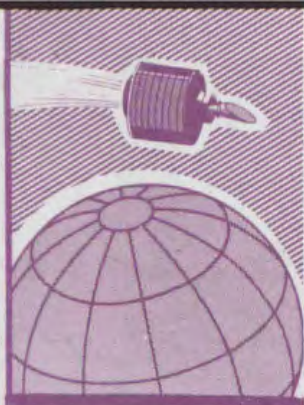
STATEMENT BY INDIA REGARDING ABOVE STATEMENT

In regard to the above statement by the Delegation of Pakistan, the Indian Delegation made the following statement:

"The Indian Delegation calls attention to the fact that the statement quoted above is not an exact reproduction of the language in Com. I/68 dated March 11, 1969, submitted by Pakistan and circulated as a committee paper.

"The Indian Delegation further expressed the view that the word 'domestic' in relation to telecommunication services has been defined in para 161 of the ICSC Report. Either this or some other definition would be adopted by the conference in due course. Such a definition will have to be applied to all parties and signatories without discrimination. It would not be appropriate to classify traffic as domestic or otherwise on a case-by-case basis, without first establishing a proper definition, which may be universally applicable."

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PLENIPOTENTIARY CONFERENCE ON DEFINITIVE ARRANGEMENTS FOR THE INTERNATIONAL TELECOMMUNICATIONS SATELLITE CONSORTIUM

Washington, D.C., February - March 1969

Com. I/85
March 15, 1969

RIGHTS AND OBLIGATIONS OF MEMBERSHIP (Statement by India on paragraph 600 of the ICSC Report)

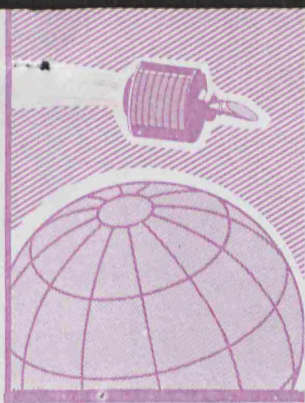
India appreciates that rights and obligations arising out of participation in the international venture need to be defined.

India reiterates the hope that the Organization being evolved out of this Conference would be truly global, with conditions of membership such as to widen the membership to cover as many countries of the world as possible. Universality of membership is a necessary feature to ensure maximum use of expensive earth station facilities being set up by many members.

The management of the Organization should also be truly international, acting on the principles of non-discrimination.

India hopes it would be possible to reach agreement on these aspects of the Organization. The universality of membership, the international character of the Organization, and its various organs, together with clear implementation of the principle of non-discrimination are essential features, before members may be expected to consider obligations mentioned in paragraph 600 of the ICSC Report.

* * *



PLENIPOTENTIARY CONFERENCE ON DEFINITIVE ARRANGEMENTS FOR
THE INTERNATIONAL TELECOMMUNICATIONS SATELLITE CONSORTIUM

Washington, D.C., February - March 1969

Com. I/88
March 15, 1969

STATEMENT OF THE REPRESENTATIVE OF THE PHILIPPINES IN COMMITTEE I
SATURDAY, MARCH 15, 1969

Mr. Chairman:

In expressing the views of the Philippine delegation on Item IX of our Work Programme - Rights and Obligations of Members - I recall the sage observation made by a distinguished representative early in our deliberations who said that all too often, in discussing this subject, we tend to emphasize our "rights" and to diminish our "obligations."

Thus, on a number of occasions, we have heard invoked, in support of the "right" to act in a certain manner, the Treaty on the Exploration and Use of Outer Space, particularly the oft-quoted paragraph two of Article I of that Treaty which preserves outer space "free for exploration and use by all States without discrimination of any kind."

Let us pause a while to consider this Treaty in the context of our present deliberations. How many of the States represented in this Conference, alone and by their own efforts, could have exercised this so-called "right" to use outer space for communications? Certainly, none among the developing countries. And even among the developed States, save for a small number among them, the answer must likewise be in the negative. For nearly all of us individually then, this "right" to use outer space now enshrined in the Space Treaty, would have amounted to nothing more but grandiose phrases in an international agreement.

We are, in this respect, however, singularly fortunate. For the first time in man's history, the power to use outer space for communications has been placed within the grasp of all countries in the world today, developing and developed alike. What has made this possible is this epic enterprise in international cooperation, this consortium of states we call INTELSAT. Only by pooling our wealth and our knowledge to establish one global system of satellite communications, have we overcome the awesome barriers of costs and technology that would have put satellite communications far beyond the reach of most of us.

And if in the act of doing this, the totality of our rights to the free use of outer space must needs be diminished, it is, to our mind, a price well paid.

We, therefore, take this occasion, Mr. Chairman, to humbly shape a plea that we all view, in this light, the totality of our rights and obligations under the Definitive Arrangements.

Mr. Chairman: Permit me now to restate the position of my delegation on the matter at hand. Central to our views on this subject is the principle enunciated in paragraph 600 of the ICSC Report that "each participating state obligate itself not to establish, or join in the establishment of, a space segment in competition with the space segment of the Organization."

Domestic satellites

We recognize, however, the right of a participating State, alone or jointly with other participating States, to establish and operate a satellite or satellites to provide domestic public telecommunications services. We perceive this right as unlimited, subject only to appropriate prior consultations with the Governing Body of the Organization concerning, among others, the use of the frequency spectrum and orbital space.

Nonetheless, the Organization should endeavor to maintain adequate capacity in the global system to provide domestic public telecommunications services on request of a participating State or States, in accordance with terms and conditions to be determined by the Governing Body.

On request of a participating State or States, the Organization should also be authorized, in accordance with terms and conditions to be determined by the Governing Body, to design, establish, and operate, either at the expense of the Organization, or partly or wholly of the requesting State or States, satellites to provide domestic public telecommunications services.

Regional Satellites

The Philippine delegation cannot accept the view that participating States should be free to establish and operate satellites that would provide, on a regional basis, public telecommunications services. We have earnestly tried to keep an open mind on this subject, but up to the present moment we remain unconvinced by any argument we have heard thus far, that such a regional system, independent of, and outside the Organization's system, can be economically compatible with the Organization's own system, or, for that matter, that such regional system would redound to the benefit of all the members of the Organization.

We dimly see the merit in the argument either, that in the same manner that large countries would be allowed to establish a domestic public telecommunications system, a geographically compact group of smaller countries should be afforded the same opportunity. To our mind, domestic traffic cannot be less domestic because of the great distance involved, in the same manner that international traffic is not less international because it involves only a couple of a hundred miles.

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We have, likewise, heard the argument advanced that regional systems could provide cheaper communications for the smaller countries, particularly those with light communications traffic. There would probably be merit in such an argument if one were inclined to take a static view of the communications field. In reality, however, growth seems to be the by-word in the contemporary world of communications, and the country with light communications traffic today, may be a heavy user of communications capacity tomorrow.

Specialized Services

My delegation supports the view that the Definitive Arrangements should not inhibit the Organization from providing specialized telecommunications services. The type and manner these services are to be provided ought to be the proper concern of the Governing Body of the Organization.

Participating States, alone or jointly with other States, should be free to establish and operate satellite systems, on a domestic or regional basis, to provide specialized telecommunications services if the services required are not already being provided, or cannot be feasibly provided by the Organization. The participating State or States concerned should consult with the Organization prior to the establishment of such a specialized satellite system.

Needs of National Security Nature

My delegation is of the view that each participating State should have the right to establish satellites intended solely for the purpose of meeting needs of a national security nature, subject to consultation with the Governing Body.

However, we believe that the provision and establishment of separate satellites of the type mentioned ought not to be the proper concern of the Organization itself, although the Organization may be authorized to provide channels and/or circuits in its system to meet the national security requirements of a Participating State or States.

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PLENIPOTENTIARY CONFERENCE ON DEFINITIVE ARRANGEMENTS FOR
THE INTERNATIONAL TELECOMMUNICATIONS SATELLITE CONSORTIUM

Washington, D.C., February - March 1969

Com. I/89
March 15, 1969

STATEMENT BY THE REPRESENTATIVE OF TURKEY IN COMMITTEE I
SATURDAY, MARCH 15, 1969

After having listened to and in fact profited from the views of delegations that have taken the floor before me on this item of rights and obligations. I wish to inform the Committee about the feeling Turkey, a developing country with modest contribution to INTELSAT.

It has been stated that the principle aim of the definitive arrangements should be to establish the space segment of a global satellite system for international public telecommunications services.

With the limited national means available to use, we would find it preferable that this aim, that this definition of scope be enlarged, that it include international specialized telecommunications services. Hence we would find ourselves in considerable difficulty in agreeing to any attempt to limit the scope of services of the future INTELSAT system. We have, in fact, can have no objection to the right of member states to launch satellites for specialized services as long as this right will not interfere with our right to seek such specialized services within INTELSAT.

With regard to domestic telecommunications satellites, in principle we agree with the contention that domestic services should not concern our organization and that any nation desirous of availing itself of such satellites should have the right and bear the cost.

However, Mr. Chairman, I should like to qualify this principle to which we have just subscribed. There are special circumstances governing the life of certain member countries. The most readily understandable and legitimate being the difficulty of telecommunications between East and West Pakistan. In this particular case in which political boundaries have separated the legitimate territories of a nation, and bearing in mind that Pakistan is also a developing country and therefore should not be put in a position of having to bear the whole cost of launching a satellite, while there will in fact be available an abundance of channels on INTELSAT 3 to be launched later this year, we would find no difficulty in agreeing that our system should provide Pakistan with the right to channels for domestic traffic.

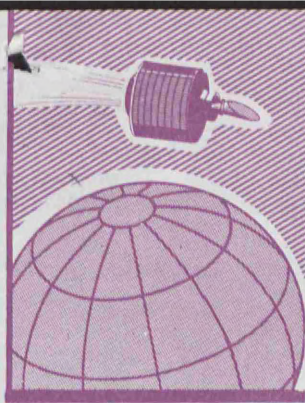
With regard to regional public telecommunications services, though we do not and cannot dispute the right of any group of member states to establish and subscribe to such facilities, I should like to point out that they in turn should carefully consider their obligations towards the rest of the members.

The initial information given to this conference indicates that the space segment to be provided by INTELSAT is expected to meet the entire requirements of all members for international public telecommunications services, be it regional or inter-continental. It is also our understanding that heavier traffic through our satellites will in fact help diminish costs. And this last factor is of importance for our developing economy.

Naturally, Mr. Chairman, our views on regional systems constitute only an expression of hope that competition between states capable and industrialized enough to launch similar systems will not result in heavier costs for developing countries desirous and needy of these services, that true cooperation among those present in this forum will not give way to competition.

Mr. Chairman, in concluding our remarks I should like to point out the paper submitted by the very able delegate from Japan (Com. I/77) echoes what Turkey would like to see in the future agreement, with perhaps the omission of what we have indicated with respect to Pakistan. We therefore support it.

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PLENIPOTENTIARY CONFERENCE ON DEFINITIVE ARRANGEMENTS FOR THE INTERNATIONAL TELECOMMUNICATIONS SATELLITE CONSORTIUM

Washington, D.C., February - March 1969

Com. I/90
March 15, 1969

STATEMENT BY THE OBSERVER OF THE INTERNATIONAL TELECOMMUNICATION UNION IN COMMITTEE I SATURDAY, MARCH 15, 1969

I appreciate the interest which has been shown in the ITU--first of all by the comments on the invitation issued to the Union's Headquarters and then by the expressions of various delegations.

The Secretary-General outlined the general role of the Union. Indeed as some one half of the Union's Membership is represented here there is little need for me to add to Mr. Mili's general comments.

You are meeting here as Plenipotentiaries within the framework of your Interim Agreements and, of course, in accordance with your rights under the International Telecommunication Convention agreed by Plenipotentiaries of your Governments in another place. I know that you will take decisions not inconsistent with your obligations under that Convention and to the Membership of the Union as a whole.

But, I would like to turn specifically to the question of coordination. It is a word which has been used in a number of paragraphs in your Interim Committee's Report and in many proposals. It may be useful to reflect on how and where this coordination occurs. In reality, in the ITU sense, it is really a form of persuasive consultation in accordance with clearly defined obligations, responsibilities and procedures.

These are provided for under the International Telecommunication Convention and the associated Regulations, whether they be the Telegraph, Telephone or Radio Regulations under which certain steps in coordination have been authorized. They cover actions:

- (a) between individual members directly, i.e., bi-laterally or multi-laterally;
- (b) between members through the intermediary of the Union's Headquarter Secretariat;
- (c) through the analysis, examination of certain matters, and the issue of findings and advice of a persuasive legal character, through the Union Permanent Organs, i.e., the General Secretariat, the Consultative Committees of the Members, and especially the International Frequency Registration Board.

The emphasis has, so far, been on Administrations performing preliminary consultations between members to facilitate broader coordination and the work of the Union.

The coordination is natural. The principles have evolved over many years, in which practices, procedures and responsibilities have been modified in the Convention and Regulations--on the one hand they detail the obligations for the Members between each other, and on the other, through the Union's Organs and Secretariats. These arrangements have ensured the proper interface and compatibility between communication systems and techniques and the orderly development of services. Thus, regularly, Members have found it convenient to come to the Unions Headquarters after local, regional or other internal or in-house partnership consultation.

Realizing that the impact of the rapid application of space technology to various communication needs, the Union Members have accepted the need for the Second World Administrative Radiocommunication Conference. This Conference will take place in 1971, and the detailed technical standards to be used for the Conference's decisions are being entirely developed in the Union's Radio Consultative Committee. The Conference will prescribe the amended regulatory procedures and operational requirements and responsibilities to ensure, in particular, the achievement of interference free operations between space systems and with conventional radio systems. These decisions will cover not only public and the specialized services that you are considering, but other space services, for example those of the meteorologists and the space researchers for which your partnership does not accept responsibilities.

Within the Union's regulatory framework, therefore, procedures exist and will be developed further for the coordination requirements for all services.

You are, of course, at liberty to organize as you desire, any initial or preliminary coordination, or persuasive consultation or discussions which will facilitate the necessary considerations in the ITU organs. We realize that internal partnership consultation is natural seeing that a country concerned could have interests and investments in two directions, for example, one as part of its membership in INTELSAT, the other for its specialized or domestic service. The extent to which you bind yourself to consultations or decisions of the Governing Board is again one for your decision.

Nevertheless, I would add that irrespective of how you provide for the machinery of this consultation or coordination in your Agreements there would still be broader ITU coordination within the context of the normal ITU authority to ensure proper technical relationship:

- (a) between services which INTELSAT is planning either for the general partnership use or for other ventures;
- (b) the other types of services of individual Members of the consortium may be contemplating as a separate venture, and
- (c) services of other Members of the Union not partners to your venture.

- 3 -

In conclusion, as Deputy Secretary General, I thank you for the interest shown in the ITU. I can appreciate the ramifications of the negotiations to balance on the one hand the political, industrial and financial aspects with the other practical international requirement of efficient and low cost circuits for the flow of communications and information--the cornerstone of international and public cooperation.

However, in view of the discussions, I considered that it was desirable to make some explanation on the coordination and involvement in the ITU sense, without wishing to influence the in-house options that you may decide upon, in the knowledge, of course, that the broader coordination will take place in the ITU and its Organs.

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PLENIPOTENTIARY CONFERENCE ON DEFINITIVE ARRANGEMENTS FOR
THE INTERNATIONAL TELECOMMUNICATIONS SATELLITE CONSORTIUM

Washington, D.C., February - March 1969

Com. I/92
March 15, 1969

STATEMENT BY THE REPRESENTATIVE OF INDONESIA IN COMMITTEE I
SATURDAY, MARCH 15, 1969

Mr. Chairman:

The Indonesian Delegation would like to clarify its position contained in Doc. Com. I/8 regarding regional satellite and domestic satellite. As for regional satellites my delegation will associate itself with the views expressed by the majority of the ICSC member contained in Doc. 6, paragraph 607. The establishment of regional system will enable a group of countries to have regional public telecommunications facilities as an essential element of the infrastructure for a regional development. Therefore my delegation subscribes with the views of the distinguished delegate from Japan in this connection.

With regard to domestic satellites my delegation feels that the definitive arrangements should open the possibility of establishing domestic public telecommunications satellite system by a member state, with prior conditions as set forth in paragraph 216 through 219 of the ICSC Report.

As for specialized services my delegation fully endorse the proposals made by the distinguished delegate from Japan contained in Doc. Com. I/77.

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PLENIPOTENTIARY CONFERENCE ON DEFINITIVE ARRANGEMENTS FOR
THE INTERNATIONAL TELECOMMUNICATIONS SATELLITE CONSORTIUM

Washington, D.C., February - March 1969

Com. I/93
March 15, 1969

STATEMENT BY THE REPRESENTATIVE OF AUSTRALIA IN COMMITTEE I
SATURDAY, MARCH 15, 1969

The majority recommendation set out in paragraph 600 of the I.C.S.C. Report accords generally with the Australian views. We agree that, as a condition of membership, signatories should undertake not to establish, or join in the establishment of, a competitive space segment catering for public international communications services.

However, other needs may arise for domestic, regional and/or specialised services. We believe that a signatory should have the right to establish satellites for such purposes either independently or in conjunction with other signatories, subject to compliance with International Regulations and appropriate consultation with the Governing Body.

In this regard, we support paragraphs 607, 610, 614 and 615 of the I.C.S.C. Report, consultation with the Organization being in accordance with paragraphs 216, 217 and 219.

Finally we endorse the concept that each participating state be free to establish satellites intended solely for the purpose of meeting needs of a national security nature.

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PLENIPOTENTIARY CONFERENCE ON DEFINITIVE ARRANGEMENTS FOR
THE INTERNATIONAL TELECOMMUNICATIONS SATELLITE CONSORTIUM

Washington, D.C., February - March 1969

Com. I/91
March 19, 1969

STATEMENT BY THE OBSERVER FROM THE UNITED NATIONS IN COMMITTEE I
SATURDAY, MARCH 15, 1969*

Mr. Chairman,

Permit me at the outset to express our appreciation to you as well as to the Steering Committee for having given the floor to the United Nations. I also wish to thank the Government of the United States for having invited us to participate in the Conference as Observers.

It is true that the issue about which I want to speak briefly, on behalf of the Secretary-General of the United Nations, does not specifically appear on your agenda. This is understandable, since it was brought to the attention of the Interim Committee only on 30 January, after the Committee had issued its report. However, the issue is dealt with in Conference document Com. I/31 circulated by the Secretariat yesterday; for that, too, I want to thank you.

We have followed your debates since the beginning of the Conference with the greatest of interest. We have not intervened in these debates up to now because the question of space telecommunications as such, while it is on the agenda of the UN Committee on the Peaceful Uses of Outer Space, has not yet been discussed in detail in the United Nations. Apart from the basic principles which have been established, particularly as result of UN General Assembly Resolution 1721 (XVI) to which reference is made in the Preamble of your Interim Agreement, no general doctrine of the utilization of space telecommunications has as yet been enunciated by the Assembly. I am certain that such a doctrine will be elaborated one day since we deal here with a matter which greatly affects the future of all mankind as well as of Member States. I have no doubt that your present work and your remarkable technical successes constitute an important contribution in that direction, and that the day is near when the General Assembly will endeavor to legislate in this field for the community of nations.

We have taken the floor today because we do not see any forum other than this Plenipotentiary Conference for the adoption of an essentially political decision such as the one we are urging.

*Document presented in three languages

By three successive unanimous resolutions binding the States which you represent - Resolutions 1721 (XVI), 1802 (XVII) and 1963 (XVIII) - the General Assembly had advocated the utilization of space communications by the United Nations for the purpose of meeting the Organization's operational and informational communication requirements. Finally, during the discussions at the 23rd Session of the Assembly, as well as during the Vienna Conference on the Exploration and Peaceful Uses of Outer Space, a number of delegations suggested that the time had come for us to embark on an examination of this problem. The results of our study are before you now.

First, you will find in our written presentation an outline of our present operational and informational communications tasks, according to the various resolutions of the General Assembly. This is followed by a description of our present communications network with all the imperfections which are characteristic of it. Space communications, which are considered next, offer an obvious solution to our difficulties, enabling us to achieve instantaneous and reliable global coverage and, at last, placing all States, regardless of their distance from UN Headquarters, on a footing of equality. Then we present a technical phase-by-phase outline of our space communications needs; this outline was prepared by us in collaboration with COMSAT to which I am pleased to express our appreciation. We conclude with an examination of the various solutions that can be envisaged for making space communications available to the United Nations.

As you are already aware from the conversations which we have been able to have with the various regional groups of your Conference, the solution at which we are forced to arrive consists in the free-of-charge use by the United Nations of a limited number of space segment circuits. We are aware that this solution will appear, at first glance, to be both startling and facile. Nevertheless, it is the only solution which, in the last analysis, we can reasonably envisage.

We know perfectly well that the time has not yet come for your Conference to take a decision on this matter. In agreement with the Chairman, we therefore do not wish to open up a debate. On the other hand, we thought it our duty to place this problem before you at this stage, to enable your Governments to consider, and to take position on, a decision which is essentially political in nature. As a matter of fact, given the capacity of present and future satellites, the problem is not technical. It has financial aspects only on the national level between the various government departments concerned, and not on the international level. Essentially, the problem is one of principle and therefore of a political nature.

We consider that only this gathering is competent to decide on the utilization of the space segment which it owns, and that no other forum - be it political such as the UN General Assembly, or technical such as an ITU Conference (and we have worked in close collaboration with the ITU on our problem) - should impose on a sovereign assembly such as yours any decision of whatever kind affecting your domain.

-3-

In the concluding part of our written presentation we indicate that it would be desirable to have our case included in the Definitive Agreement to be worked out by you. Such inclusion, basing itself on the fact that only the United Nations itself has been recognized by the ITU as an operating telecommunications agency with the same capacity as your Governments, would have the advantage, since it would appear in your constituent document, of not appearing as a precedent which might open the door to further exceptional cases. Finally, from our point of view, inclusion of the UN case in the Definitive Agreement would symbolize for the future the universal character which you are endeavoring to give to your consortium as well as the public service obligations which you wish your system to assume. On the other hand, we understand perfectly well that you might conceivably hold different views as to the best way of dealing with the problem.

Permit me only to say in conclusion that for us the issue is serious and urgent, and that there exists at the present time a clear contradiction between our mandate of maintaining international peace and security and the inadequate communications facilities at our disposal. If from time to time one hears occasional complaints about a certain ineffectiveness of the United Nations - while, as is normal, the clear successes which the Organization has achieved in the spheres of peaceful settlement and of development are rapidly forgotten - it would be well to bear in mind that the reason for this state of affairs might also lie in the inadequate means placed at our disposal.

Last week, we had here as a member of our delegation to your Conference one of our colleagues with whom a number of you are acquainted. Last Sunday he left urgently for Equatorial Guinea as Representative of the UN Secretary-General, at the request of the parties concerned. We received his first report only on Wednesday, after a transmission delay of more than fourteen hours. Similar delays could be noted in numerous peace-keeping operations, such as those in the Middle East, in the Congo, in the Dominican Republic, where we realized that the interested parties and those demanding UN intervention were informed about events well before us or where information agencies themselves had already sent their dispatches. Such a relic of an era when communications were infrequent and difficult has today been ruled out as unacceptable for your States for their own security; nor should it be permitted to exist any longer for an Organization which they have entrusted with the task of resolving their conflicts.

Turning now to the sphere of information, I want to emphasize that we have never sought to impose our informational material on anyone, nor will we ever seek to do so. This would be contrary to our mandate, established at the 1st Session of the General Assembly in Resolution 13, which limits our role to that of placing our information material at the disposal of national information media which require such material. However, it is not by coincidence that our information output is recorded and broadcast in more than 130 States and territories, although unfortunately with delays of up to one

week in certain developing countries which we cannot easily reach at the present time in spite of the fact that it is precisely these countries which rely most on the United Nations. It is not by pressure from the United Nations that television stations in Europe and Asia have already paid for more than 250 satellite transmissions in order to receive the debates in the UN Security Council and other information material of interest to their viewers. Again it is precisely the countries which turn most towards the United Nations, namely, the developing countries, which cannot pay for transmissions from the United Nations as the industrialized countries of Europe and Asia do; these developing countries are placed in unfavorable conditions of inequality as a result of their distance from New York.

A recent inquiry of the UN Institute for Training and Research (UNITAR) shows that, on a world-wide basis, the ratio of information items carried about the United Nations is 1 for the press, 7 for radio, and already 0.6 for television. It is through the electronic media that mankind today, and even more so tomorrow, informs itself and will inform itself. Let us organize the use of these means appropriately.

In conclusion, I wish to make the following remark which parallels another remark made at the outset of our work by Mr. Loy of the United States delegation in one of the memorable statements which we have grown accustomed to hear from him. We are legislating here for the future, for an era of abundance in which the means of communication at the disposal of everyone will be beyond comparison with our means today. On the other hand, our psychology and our patterns of thought are still those of the era of scarce communications which we are now leaving after thousands of years in which men and communities existed in isolation from each other. We are proceeding towards an era in which communications will be abundant, diversified, inexpensive, and will more and more envelope and unify the globe. However, we are still thinking as was appropriate in an era in which communications were scarce, expensive and therefore had to be monopolized.

I believe that we should examine our problem in this light. I believe that our point of reference in examining the request which you have kindly permitted the United Nations to present to your Conference today should be the increasingly unified universe towards which we are proceeding as well as the community of nations which all of us are building together step by step, whether or not we are members of INTELSAT whether or not we are members of the United Nations.

Thank you, Mr. Chairman.

* * *

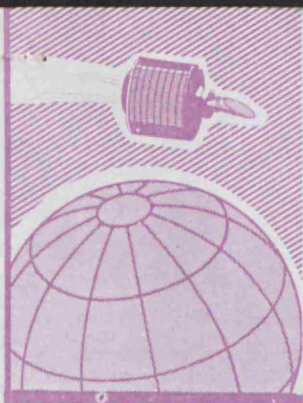
ELIGIBILITY FOR MEMBERSHIP OF INTELSAT

Working Group C of Committee I unanimously recommends that membership of INTELSAT be open to all member States of the International Telecommunication Union.

NOTE: The Representative of Tunisia, in agreeing to join in the majority view wishes to place on record that:

- (i) The requirement of ITU membership for admission to membership of INTELSAT does not guarantee that Parties to the Agreement accept all recommendations, resolutions and regulations of the International Telecommunication Union; provisions should be made in the Agreement making compliance with such recommendations, resolutions, and regulations mandatory for all signatories.
- (ii) The possibility should not be excluded of admitting States, countries or areas not member States of the International Telecommunication Union to membership of INTELSAT, if the Assembly were so to decide, by an appropriate majority to be specified.

The Representative of Chile was unable to participate in this part of the Working Group's deliberations.



PLENIPOTENTIARY CONFERENCE ON DEFINITIVE ARRANGEMENTS FOR THE INTERNATIONAL TELECOMMUNICATIONS SATELLITE CONSORTIUM

Washington, D.C., February - March 1969

Com. I/94
March 15, 1969

REPORT OF WORKING GROUP C - COMMITTEE I

Eligibility for INTELSAT Membership: Relationships with Non-Member States

At its Tenth Session on March 11, 1969, Committee I established a Working Group consisting of Representatives of Austria, Belgium, Chile, Denmark, France, Federal Republic of Germany, India, Japan, Peru, Spain, Thailand, Tunisia, United Kingdom and United States. Mr. F. B. Wheeler was elected Chairman.

Terms of Reference

Working Group C was instructed to consider and to submit draft articles or proposals on two items of the agenda of Committee I: Eligibility for INTELSAT Membership and Relationships with Non-Member States. Conference Documents 6, 8, and 10 were taken as basic working documents together with the summary records and the texts of speeches made in the debates on these items in Committee I.

Meetings of Working Group C were held on March 13, 14 and 15, at which observers were also present. Some observers expressed their views and participated in the discussion.

Conclusion

The Working Group reached unanimous agreement on the text of draft articles on both eligibility for INTELSAT membership and relationships with non-member states. The text of these draft articles, together with the observations of a member of the Working Group, are attached. Reference is also made to the fact that these draft articles should be reviewed in the light of other decisions of the Conference.

* * *

Attachments:

Annex 1 - Eligibility for Membership
of INTELSAT

Annex 2 - Relationships with Non-Member
States

ELIGIBILITY FOR MEMBERSHIP OF INTELSAT

Working Group C of Committee I unanimously recommends that membership of INTELSAT be open to all member States of the International Telecommunication Union.

NOTE: The Representative of Tunisia, in accepting the unanimous recommendation above, wishes to place on record that:

- (i) membership of INTELSAT in no way implies that Parties to the Agreement accept all recommendations, resolutions and regulations of the International Telecommunication Union;
- (ii) the possibility should not be excluded of admitting States, countries or areas not member States of the International Telecommunication Union to membership of INTELSAT, if the Assembly were so to decide.

The Representative of Chile was unable to participate in this part of the Working Group's deliberations.

RELATIONSHIPS WITH NON-MEMBER STATES

Working Group C of Committee I has unanimously agreed upon the text of the following draft Article.

Relationships with Non-Member States

Principles of Access to the System

Access to the INTELSAT space segment should be available directly and indirectly to all Signatories, this access to be used by them or by other telecommunications entities within the jurisdiction of States Parties to the Agreement, under such terms and conditions as the appropriate body ^{1/} shall establish, and, in the case of indirect access pursuant to equitable arrangements with the owners of earth stations using the system.

The appropriate body ^{1/} should be authorized to provide direct access to the INTELSAT space segment, for use by telecommunications entities in states, countries, and areas not members of the Organization, pursuant to appropriate equitable arrangements ^{2/} with the appropriate body ^{1/}.

States, countries, and areas not members of the Organization may be afforded indirect access to the INTELSAT space segment through any earth station using the system, for use by their telecommunications entities, pursuant to appropriate arrangements made with the owner of such an earth station. Subject to the approval of the appropriate body ^{1/}, such arrangements may envisage the separate allocation of capacity to non-members.

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^{1/} This term is employed here since the determination of the functions of the Organization and their allocation to the various organs is under consideration in another Working Group.

^{2/} The technical and financial aspects of these arrangements will be a matter for consideration by other Committees of this Conference.

The scope of activities of the Organization, and in particular whether the Organization is to be authorized to provide specialized services, is under consideration in another Working Group. If the Definitive Arrangements provide that the Organization be empowered to authorize the provision of facilities for specialized services, the references in the above Article to "telecommunications entities" should not be taken to exclude other entities responsible for specialized services.

The Representatives of Chile and Peru were unable to be present during the discussion of the text of this Article.

* * *



PLENIPOTENTIARY CONFERENCE ON DEFINITIVE ARRANGEMENTS FOR
THE INTERNATIONAL TELECOMMUNICATIONS SATELLITE CONSORTIUM

Washington, D.C., February - March 1969

Com. I/95
March 17, 1969

SCOPE OF ACTIVITIES
Paper by the United Kingdom Delegation

The United Kingdom Delegation proposes that a sentence should be added to paragraph (a) of the draft Article concerning the scope of activities on page 5 of the report of Working Group A - Committee I (Com. I/84). The paragraph would then read as follows:

- "(a) The Organisation shall provide, on a commercial basis, the Space Segment for international public telecommunications services. Domestic public telecommunications services between geographically separated areas under the jurisdiction of a Party designating a Signatory in accordance with Article _____ shall be treated as if they were international public telecommunications services."

As a consequence of the above, the following words should be added after the word "services" in line 4 of paragraph (b): "other than those specified in (a)".

* * *



PLENIPOTENTIARY CONFERENCE ON DEFINITIVE ARRANGEMENTS FOR
THE INTERNATIONAL TELECOMMUNICATIONS SATELLITE CONSORTIUM

Washington, D.C., February - March 1969

Com. I/96
March 18, 1969

PAPER SUBMITTED BY THE FRENCH DELEGATION BASED ON THE
STATEMENT BY THE REPRESENTATIVE OF FRANCE IN COMMITTEE I,
SATURDAY, MARCH 15, 1969

I should like, at the outset, to express the agreement of the French delegation with the two principles stated by the Representative of Japan at our meeting on March 13.

First, it is our view that the Agreement that we are preparing should provide for limitations on the exercise of the rights that States are recognized to have by the Space Treaty of 1967 only to the extent that such limitations are really necessary in order for the Organization to carry on its activities under satisfactory conditions.

Secondly, it is our view that the member States of INTELSAT should refrain from any action which might adversely affect the Organization.

In this connection, I have already drawn the attention of the Committee to the diversions of traffic that might result from decisions taken by certain member States of the Organization concerning the use of submarine cables. I confirm that the French delegation is prepared to accept the insertion in the Agreement of a provision whereby member States would undertake to set aside for the INTELSAT system a reasonable share of their traffic.

Having said that, I wish to draw the attention of the Committee to the approach taken to the problems of rights and obligations by a number of delegations, an approach which, it seems to me, is based on an idea difficult for the sovereign States represented at this Conference to accept.

The idea, though it is not expressly stated, is that a monopoly would be set up in INTELSAT's favor, and that our task would thus simply be to provide exceptions to the monopoly rule. In other words, it would be tacitly understood that no member State could exercise the rights that it is recognized to have by the Space Treaty in the field of satellite telecommunications, except in the specific instances restrictively enumerated in the Agreement. Hence, anything not expressly authorized would be prohibited.

In our view, on the contrary, it should be clearly established that the rights of the member States of the Organization can be restricted only by express provisions of the Agreement. Anything not expressly prohibited will remain authorized.

That is why we cannot understand how anyone can consider inserting in the Agreement a provision "giving the right" to member States, or "authorizing" them, to place in orbit satellites intended solely to meet needs affecting their national security, since the telecommunications transmitted by these satellites differ in kind from public or commercial telecommunications.

We must not allow any confusion to remain, either in words or in ideas.

If the intention is to establish a monopoly in favor of INTELSAT, therefore, it must be explicitly stated. It is not admissible that member States should implicitly and tacitly give over to the Organization their sovereign rights in a field as vast as that of satellite telecommunications.

I now come to regional systems. We do not see why the members of INTELSAT should be placed under the obligation to use only the Organization's network, since, contrary to one of the most important objectives of the Preamble to the 1964 Agreement, it would not provide all countries, large and small, with the most economical, and thus the most attractive, services. If an independent regional system can offer better conditions, nothing should stand in the way of its establishment, on the understanding that INTELSAT could and should make every effort to conclude an agreement with it to enable all the members of the Organization to benefit.

Now it is an established fact that, at present, regional systems covering a limited area would make possible the use of small stations, and thus would be considerably more economical than the INTELSAT system for countries with light traffic, particularly if the traffic of such countries is, for the most part, to and from countries within that area (see Annex). This fact is clearly evident from studies prepared by official American organizations, for which I can provide exact references to any of our colleagues who may wish them.* It has also been pointed out by the Observer of Ivory Coast, in his statement of March 10, which concurs in the statement of the Arab countries annexed to the report of the Interim Committee. That statement stresses that "at the present time, access to the space segment is conditional on the possession of very costly and very complicated earth stations."

With such stations, the total cost price per telephone circuit (space segment plus earth segment) may be estimated, for a small country operating

*See, for example, Useful Applications of Earth-Oriented Satellites, Section 9: Point-to-Point Communications (particularly Section 2.3.28), National Academy of Sciences, Washington, D.C., 1969.

- 3 -

about twelve circuits, at roughly ten times the cost price for a country with heavy traffic. In the circumstances, it is difficult to see how small countries could be prohibited, for the moment, from preferring a system which would enable them to use small stations and thus make considerable savings.

The option of participating in regional systems would, in any case, be the best stimulus for inducing INTELSAT to meet every need under the most economic conditions for all, which would, no doubt, some day lead to the spontaneous disappearance of the regional systems. The situation in the field of satellite communications is no different from the situation in the industrial field, where, theoretically, more advantageous prices can be obtained by regrouping all manufacturing in the same sector into a single company, but where, in practice, competition (as became evident at the time of the INTELSAT IV contract) is a decisive factor in obtaining the lowest prices.

It may therefore be assumed that the establishment of regional systems would, apart from their practical usefulness, have the effect of inducing INTELSAT to satisfy not only the interests of a majority, based on traffic, but in fact those of all the countries of the world.

Lastly, I should like to draw your attention to the fact that, though we all hope that there will some day be a single truly global satellite telecommunications organization--that is, one serving all the great regions of the world without exception--we know that that is not the case now, and we cannot dismiss the hypothesis that another system, serving most of the socialist countries of the world, will be established.

If it is, we do not think that anyone could wish the two systems to be mutually exclusive. We think that links should be established between them and that the member States of INTELSAT will come to use the services of the other system, as the member States of the other system would use the services of the INTELSAT system. That is doubtless how the path will one day be opened towards a single global satellite communications organization.

So, in the Agreement that we are to sign, there must be no provisions that might hinder it.

We do not want the situation to arise on a planetary scale that, as our Chairman, Mr. Marks, recently recalled in an address given before a number of us, prevailed in Pennsylvania during the last century, when there were two telephone systems with no communication possible between their respective subscribers. Therefore, if the Agreement is to include a provision (paragraph 602 of the Report of the Interim Committee) whereby the participating States would undertake not to establish or participate in the launching of a space segment competing with the space segment of the Organization, it would be well to correct what is excessive and even obscure in such a formula by specifying, as provided in paragraphs 603 and 604, on the one hand, and in

paragraph 605, on the other hand, that this commitment would not apply in the event that the Organization did not satisfy the needs of certain States on the best possible terms, and that it would not prevent member States from participating in satellite systems making it possible to establish communications links with States which had not requested, or did not consider requesting within a short time, access to the space segment placed in orbit by the Organization.

* * *

Attachment:
Annex

ECONOMIC CONSIDERATIONS RELATING TO REGIONAL SYSTEMS

1. Introduction

The attached table summarizes the conclusions of an economic study carried out in order to determine the characteristics of a regional system designed to carry long-distance traffic within Africa and intercontinental traffic between Europe and Africa.

It gives an estimate of the total expenditure to be borne by an African country in order to handle, during the operating period 1971-1975 inclusive, a volume of traffic requiring 24 telephonic half circuits by the end of 1975. This estimate was made on the following two hypotheses:

- Use of the global system;
- Use of the regional system described below.

A comparison of the results obtained in both instances, after adjustment to current prices, shows that use of the regional system would enable the country in question to make a relative saving of nearly 40 per cent. This figure would, moreover, not be substantially modified if a different capacity were considered.

2. Characteristics of an African Regional System

a. Capacity of the System

The proposed system would make possible 600 telephonic half circuits simultaneously (300 two-way circuits) and one unidirectional television channel.

It will be noted, however, that no account was taken of the financial contribution that might be made by user television organizations.

b. Earth Segment

The earth segment would include from 15 to 20 "non-standard" stations with a quality factor of 31.7 db. In determining the cost of these stations, account was taken of simplifications that might be made in their design through the use of a reduced-diameter antenna, particularly in the infrastructure and in methods of orientation.

c. Space Segment

The projected satellite would be placed in a stationary orbit. Its design would be similar to that of the INTELSAT III satellites, but it would have a more highly directional antenna, concentrating energy within a band about 10° wide. One of the two repeaters would be set aside for television transmission. The weight in orbit would be approximately 190 kgs.

d. Organization of the System

The earth stations would be set up, on their own responsibility, by the telecommunications administrations or bodies in the countries concerned.

The space segment would be the property of a consortium composed of these administrations or entities. Each of the members of the consortium would, from the outset, subscribe a share corresponding to the number of circuits that it expected to be using by the end of 1975 and would be granted an irrevocable right to use that capacity. It would contribute to investment expenditure and maintenance expenditure in proportion to that share.

3. Conclusion

The regional system described above would make it possible to meet the most pressing needs of most of the African countries in the field of international telecommunications, on their heaviest-traffic links, at considerably lower cost than the global system. The benefit of satellite telecommunications could thus be extended to a much greater number of countries. Furthermore, it would make possible the establishment of an indirect television distribution system, serving the participating countries at a marginal cost.

Total expenditure for the handling of traffic (24 half circuits by 1975)

GLOBAL SYSTEM

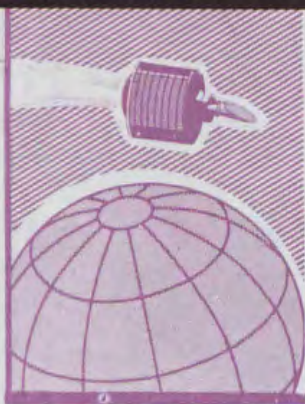
(in thousands of U.S. \$)

	1970	1971	1972	1973	1974	1975	1976	Total
"Standard" earth station								
Investment	3000						(1500)	1500
Recurrent expenditure		400	400	400	400	400		2000
Space Segment								
Charges for use (1) (2)		140	144	144	147	144		719
Annual total	3000	540	544	544	547	544	(1500)	4219
Annual total, adjusted to current prices (6%)	3000	509	486	457	434	406	(1056)	4130
(1) Number of half circuits		14	16	18	21	24		93
(2) Rate of charge (\$103)		10	9	8	7	6		

REGIONAL SYSTEM

(in thousands of U.S. \$)

	1970	1971	1972	1973	1974	1975	1976	Total
"Non-standard" earth station								
Investment	1500						(750)	750
Recurrent expenditure		250	250	250	250	250		1250
Space segment (1) (24 half circuits)								
Investment	484							484
Recurrent expenditure		16	16	16	16	16		80
Annual total	1984	266	266	266	266	266	(750)	2564
Annual total, adjusted to current prices (6%)	1984	251	237	224	211	198	(528)	2577
(1) Complete system (600 half circuits)								
Investment								
Satellite	6000							
Launching	5000							
Provision for launch failure (10%)	1100							
Recurrent expenditure		400	400	400	400	400		



PLENIPOTENTIARY CONFERENCE ON DEFINITIVE ARRANGEMENTS FOR
THE INTERNATIONAL TELECOMMUNICATIONS SATELLITE CONSORTIUM

Washington, D.C., February - March 1969

Com. I/97
March 17, 1969

STATEMENT BY THE REPRESENTATIVE OF NIGERIA IN COMMITTEE I
MONDAY, MARCH 17, 1969

Rights and Obligations of Participating States in INTELSAT
(paragraph 600 of the ICSC Report)

Mr. Chairman:

My delegation has expressed its views earlier in the discussions on the subject of rights and obligations of members of the Organization, particularly with respect to the questions of satellites for Regional, Domestic and Specialized Telecommunications Services.

Regional Satellites

Whilst my delegation accepts in principle recommendation 600, we feel that a clearer definition of this paragraph is necessary. We honestly consider that the way whereby members of this Organization can meet their obligations under paragraph 600 is for INTELSAT to accommodate the establishment of regional satellites within its framework. As a result, INTELSAT will have to examine the need for the establishment of every regional satellite on its own merit. Care will also need to be exercised to ensure that should a regional satellite be so established to provide public Telecommunications Services, it will be specifically for users in a clearly defined geographical boundary.

Domestic Satellites

There will be cases, due to the size of a country, or national needs for such a country to require the establishment of a Domestic Satellite. We consider that members of this Organization should have a right to establish such a service so long as there is no conflict with the element of competition expressed in 600.

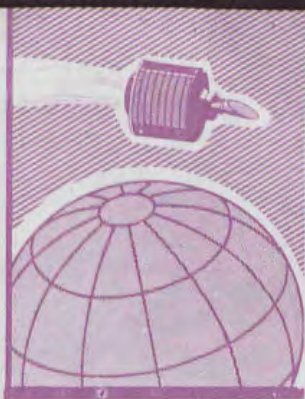
Satellites for Specialized Services

We also feel that a member of the Organization should have the right to establish a satellite system for specialized services so long as the establishment of such a system does not conflict with provisions of paragraph 600.

Whilst we recognize the rights of members of this Organization as far as satellites for Regional, Domestic and Specialized Services are concerned, the Organization should, as far as possible be in an effective position to satisfy the various requirements of members except in those cases where the needs for the establishment of a satellite system are for reasons of national security.

Finally, we wish to state that we are conscious of the obligations of a member of the Organization. However, this Organization should also carefully re-examine its own obligations to members especially in regard to their needs for satellite systems for Regional, Domestic and Specialized Services.

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PLENIPOTENTIARY CONFERENCE ON DEFINITIVE ARRANGEMENTS FOR
THE INTERNATIONAL TELECOMMUNICATIONS SATELLITE CONSORTIUM

Washington, D.C., February - March 1969

Com. I/98
March 17, 1969

STATEMENT BY THE REPRESENTATIVE OF THE SYRIAN ARAB REPUBLIC
IN COMMITTEE I
MONDAY, MARCH 17, 1969

Rights and Obligations of Members

Referring to the statement made by the distinguished delegate from Algeria in the previous session of this Committee, the Syrian delegation believes that this statement reflects honestly not only the opinion of my delegation, but the opinion of quite a number of small countries represented in this conference. However, my delegation would like to stress the following points.

Concerning the right of members to join other organizations, and in full awareness of the commercial nature of the organization, we think that paragraph 600 of the ICSC report is not practical. It is the opinion of my delegation that since this system is not the only system, and since at present it does not embrace all nations of the world, a principle in line with paragraph 605 of the ICSC report should be adopted where every member has the right to participate in any other system to establish telecommunications with nonmember states. Therefore my delegation is of the opinion that paragraphs 600-604 are not practical.

As for regional satellites, we think that any state or a number of states have the right to establish a regional system within the organization or independently to meet regional needs, however, such system or systems shall be compatible with the rules established or to be established by ITU for the regulation of satellite telecommunications.

As regarding domestic service, my delegation fully understands the importance of satellite telecommunications for certain countries on the domestic level and it believes that the organization shall be in position to offer its service and facilities to those countries who may require it. In this respect, we think that Pakistan is somehow a special case where domestic traffic crosses its international boundaries and we fully support the statement of the Pakistani delegation in Appendix C to Com. I/84 where it is stated that public telecommunications traffic between the two wings of Pakistan should be treated as international traffic and that there should be no discrimination between this traffic and any other international traffic.

Concerning paragraphs 618-621 of the ICSC report dealing with needs of a national security nature, my delegation is of the opinion that by the very nature of the international aspect of our organization, this organization for its own good and durability in future, shall be isolated from all military activities of any forms and therefore my delegation is opposed to the inclusion, in the final agreement, of any provision as to this respect and especially of some wording similar to paragraph 621 of the ICSC report.

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PLENIPOTENTIARY CONFERENCE ON DEFINITIVE ARRANGEMENTS FOR
THE INTERNATIONAL TELECOMMUNICATIONS SATELLITE CONSORTIUM

Washington, D.C., February - March 1969

Com. I/99
March 17, 1969

SCOPE OF INTELSAT ACTIVITIES
(Paper Submitted by Denmark)

The Danish Delegation wishes to point to the importance for the Kingdom of Denmark of securing that the traffic between Southern Denmark and on the other side Greenland and the Faroe Islands, which are integrated parts of Denmark, be accorded the same treatment within the organization as international traffic.

Under the interim agreement there is no discrimination between the different types of public telecommunication services. In the opinion of the Danish delegation no provision in the Definitive Arrangement should relegate domestic public telecommunication services to a secondary position in cases of such extreme geographical conditions as those of Denmark.

* * *



PLENIPOTENTIARY CONFERENCE ON DEFINITIVE ARRANGEMENTS FOR THE INTERNATIONAL TELECOMMUNICATIONS SATELLITE CONSORTIUM

Washington, D.C., February - March 1969

Com. 1/102
March 19, 1969

PAPER SUBMITTED BY BELGIUM AND FRANCE CONCERNING THE INTERNATIONAL MANAGEMENT BODY

Several documents already submitted to the Conference have discussed the problem of the Management Body and its internationalization. In general, the Belgian and French delegations support the views expressed in document I/58, submitted by Canada, India, and the Federal Republic of Germany, and the amendments to that document submitted by Switzerland in document I/62.

The purpose of this present paper is to consider in greater detail the operations to be undertaken, and the practical application of the principles defined. It is necessary to make a study of the management functions, as described in various documents already submitted to the Interim Committee, in particular document ICSC 35/6-W/11/68, entitled "Management of INTELSAT under the Definitive Arrangements: Model Management Contract."

I. Structure and activities of the International Management Body, at the end of a transitional period

We share the view of Switzerland that a staff of approximately 60 persons could suffice for the International Management Body, and that in any case its staff should not exceed 100.

It appears that this body is to be in fact responsible for managing the Organization. Thus, it must be able to carry out its responsibilities to the full, and to instigate the initiatives necessary to the evolution of the programs and the activities in general.

This overall responsibility can be assumed in two distinct ways, according to the nature of the work to be done:

First, a number of functions must be carried out within the international organization itself;

Secondly, a number of functions can be contracted out. This latter procedure is suggested in the documents referred to above.

The following functions will have to be carried out within the [Management] Body itself:

(a) Financial direction of the Organization;

- (b) Consideration of legal problems in connection with the operation of the Organization;
- (c) Information and public relations;
- (d) Administrative Secretariat for Organization bodies;
- (e) Formulation of general technical policy and of policy on Research and Development;
- (f) Executive responsibility for purchases and supplies, including supervision of preparing calls for bids, analyzing bids, and executing contracts.

In some of these functions, the International Body could be assisted by one or more private outside agencies, national or international, whose services would be obtained by contract. Moreover, full responsibility for some functions could be assumed by such agencies. COMSAT would be one of these agencies. It is foreseeable that the International Body would conclude contracts with it in the following fields:

1. A general technical assistance contract, making it possible to obtain the necessary assistance in carrying out the functions listed in paragraphs (e) and (f) above, in particular:

Detailed study of technical specifications for satellites and equipment, and the technical specifications in calls for bids and contracts;

Participation in the negotiation and supervision of contracts (particularly those concluded in the United States);

Proposals for research and development programs;

General study of technical problems of every kind.

This contract would run for a specific period.

2. Operating contracts

The purpose of these contracts would be to operate the INTELSAT Technical Operations Center at Washington, and the tracking, telemetry, and command facilities at Andover and Paumalu. Such contracts have already been considered for the Andover and Paumalu facilities, and have been concluded for those at Fucino, Italy, and Carnarvon, Australia.

3. Research and Development Contracts

II. Transitional Arrangements

A smooth transition should be provided from the present Organization to the Definitive Arrangements. A study would make it possible to determine the most important problems, and to propose solutions.

- 3 -

It seems possible that the International Management Body will be set up during the first six months after the Definitive Arrangements enter into force, and will assume full responsibility at the end of the period of formation (six months to one year).

As soon as the new agreements are opened for signature, nominations will be accepted for the position of Director General, and for the positions of those in charge of the various divisions of the Management Body:

Secretariat;
Administrative Division;
Financial Division;
Legal Division;
Information Division;
Technical Division;
Operations Division; and
Purchasing Division,

so that appointments to these positions may be made very quickly.

It will be the responsibility of the Director General and his assistants, during the period of formation, to set up the complete Management Body. At the outset, the system would continue to be managed by COMSAT; responsibility would be transferred to the new Management Body at the end of the period under consideration.

In order to apply these considerations, the delegations of Belgium and France submit the following recommendation:

Recommendation of the Conference to the ICSC

The Plenipotentiary Conference on Definitive Arrangements for the International Telecommunications Satellite Consortium recommends to the Interim Communications Satellite Committee (ICSC) the speedy conclusion of two study contracts with two consulting firms, one on United States territory and one outside.

The purpose of these studies would be to examine conditions for the establishment of an International Management Body under the Definitive Arrangements, working through contracts with one or more technical consortia, and the problems of transition from the present arrangements to the Definitive Arrangements.

These studies should be available not later than October 1, so that they may be placed in the file for the forthcoming November session.

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PLENIPOTENTIARY CONFERENCE ON DEFINITIVE ARRANGEMENTS FOR
THE INTERNATIONAL TELECOMMUNICATIONS SATELLITE CONSORTIUM

Washington, D.C., February - March 1969

Com. I/104
March 18, 1969

STATEMENT BY THE REPRESENTATIVE OF CANADA IN COMMITTEE I
MONDAY, MARCH 17, 1969

In the matter of relations with the ITU reference has been made to various paragraphs of the ICSC report (216-217, 559, 561, 563, 565, 607, 610, 614, 615). Broadly speaking these paragraphs deal with two considerations. Firstly, there is the proposal that States, parties to the Agreement, should consult the Organization on the technical aspects of their plans for separate systems, preparatory to coordination in the ITU. Secondly, there is the recommendation that States should adhere to the regulations of the ITU when establishing domestic or regional systems.

With regard to the first consideration, my Delegation has already outlined to this Committee our views, they now appear in Com. I/75, on the manner in which the Organization could perform a useful role in respect of separate satellite systems of a public telecommunications nature. This role would be of a consultative character and one which would be designed to facilitate compliance with the ITU regulations and procedures; specific suggestions appear in Com. I/83, a joint paper by the Federal Republic of Germany, India, Mexico and Canada. However, we do not favor a similar role for the Organization in respect of specialized telecommunications satellite systems simply because the provision of such systems is not the prime purpose of INTELSAT and there is at this stage no clear picture on what INTELSAT's involvement will be.

With regard to the second consideration, it is our view that the provisions that require members to adhere to ITU regulations would probably be needed in our Agreement only if it is decided in this Conference that membership in the Organization should be open to States not members of the ITU. So far as ITU members are concerned, they are bound already by the Agreements of the Union.

Finally, it has been suggested by some that INTELSAT as an International Organization should be represented in its own right at Conferences of the ITU. As Delegates well know, there is provision in the ITU Convention and other ITU Agreements for representatives of international organizations, having an interest in the work of the Union, to attend Conferences and Meetings of the Union as observers, with certain specific rights of participation. We believe that such representation on behalf of the Organization would be very useful and might be regarded as a matter within the competence of the Governing Body to determine and arrange from time to time.

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PLENIPOTENTIARY CONFERENCE ON DEFINITIVE ARRANGEMENTS FOR
THE INTERNATIONAL TELECOMMUNICATIONS SATELLITE CONSORTIUM

Washington, D.C., February - March 1969

Com. I/105
March 18, 1969

STATEMENT BY THE REPRESENTATIVE OF CANADA IN COMMITTEE I
TUESDAY, MARCH 18, 1969

The Report of Working Group A

My Delegation had the honour of participating in Working Group A of this Committee and we are in general agreement with it and support the statement of the preamble and objectives contained in this document.

We are gratified that it proved possible to work out this statement. I think this is a significant step towards the achievement of our goals, because it is clear that, in adopting this report, the members of INTELSAT will be agreeing on the fundamental objectives towards which the new agreement is to be directed.

I should like to make a few specific comments on the Report.

First, in respect of the word "single" as used in the objectives and purposes, we understand this term as modifying not the word "system" but the words "global system," and more specifically, Global Commercial Communications Satellite System. Thus, there is and should be no interpretation from these words that regional international systems are to be excluded, under terms to be defined in the Agreement, terms which, in our view, should relate to the compatibility of such limited systems with the Global System. My Delegation has already stated some views in this regard.

It is also, of course, our understanding that the term single Global Commercial Communications Satellite System does not exclude international satellite systems that are dedicated to various specialized services. It is our view that members are free to organize such services as they see fit, we believe, without limitation by the Organization.

We would also like to state that, in respect of such specialized services, or of domestic services provided by separate satellites that, these should ordinarily be financed, in our view, by the members requesting or participating in the particular service concerned. It is our understanding of paragraph (f) of the draft Article on Scope, that the matter of other types of financing is being left open by the Conference and we are prepared to agree to proceeding in this manner, i.e., to reserving the matter for consideration at a later date, at which time my Delegation will wish to comment.

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I might also add that, in respect of any such decision to provide specialized services, we share the view that it will be absolutely essential for the appropriate organ or organs of INTELSAT--and we believe that the Assembly should have or share competence in this regard--to ensure that the competent Specialized Agencies of the United Nations are fully consulted and that any action to be taken by INTELSAT should be taken in coordination with them, and at their request, or with their agreement. We see merit in spelling out this principle at an appropriate place in the Definitive Arrangements.

Finally, I would like to refer to an observation which my Delegation has made on the use, in the document, of words such as--states, countries, areas, nations, etc. My Delegation, of course, has no objection to using such terms. Our suggestion is only that these be examined by the Editorial Committee to ensure consistency in the use of these terms in these and other parts of the Agreement.

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PLENIPOTENTIARY CONFERENCE ON DEFINITIVE ARRANGEMENTS FOR THE INTERNATIONAL TELECOMMUNICATIONS SATELLITE CONSORTIUM

Washington, D.C., February - March 1969

Com. I/106
March 18, 1969

STATEMENT BY THE REPRESENTATIVE OF PORTUGAL IN COMMITTEE I
TUESDAY, MARCH 18, 1969

Objectives and Scopes of Activities of the Organization

The Delegation of Portugal, considering

---that satellite communications should be organized in such a way as to permit all nations and areas of the world to have access to the global satellite system in a non-discriminatory basis;

---that a global satellite system should be planned in a wider framework of world telecommunications, in order to satisfy the telecommunication needs of the public service among the various areas of the world, in technical-economical conditions that would be more favorable and reliable;

---that the selection of more favorable telecommunication means between distant points depends fundamentally on their geographic position, and not necessarily of their location within territories of different States or the same State;

---that for technical-economical reasons, it can be more justifiable to utilize the communications via satellite between territories under the jurisdiction of the same State but geographically dispersed in separated areas of the globe, than between countries which are geographically close to one another or even adjacent to each other, therefore benefitting from other telecommunications facilities that may be more reliable and of lower cost.

It is of the opinion that the main scope of the Organization should be to provide the Space Segment for public telecommunications, based fundamentally on technical-economical considerations relating to the geographic location of the areas to be served, and not in relation to the circumstances of these areas belonging or not belonging to territories of the same State.

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PLENIPOTENTIARY CONFERENCE ON DEFINITIVE ARRANGEMENTS FOR THE INTERNATIONAL TELECOMMUNICATIONS SATELLITE CONSORTIUM

Washington, D.C., February - March 1969

Com. I/107 (Rev. 1)
March 19, 1969

MAIN POINTS EXPRESSED IN COMMITTEE I'S DISCUSSION OF THE RIGHTS AND OBLIGATIONS OF MEMBERS AND THE RELATIONSHIP WITH THE ITU

The following, expressed in somewhat general terms, are the main points of the Committee's discussions of Item IX, Rights and Obligations of Members, and Item X, Relationship with the ITU:

On Item IX there was general support ^{1/} that each Participating State should obligate itself not to establish, or join in the establishment of, a space segment in competition with the space segment of the Organization. Some Delegations noted that such a commitment would require certain clarifications, such as whether the Organization would be truly international and non-discriminatory in character, or how the concept of "competition" would be defined.

There was general agreement that, as Sovereign States, members are free to provide satellites for their domestic needs. The desirability of consultation with the Organization regarding technical compatibility was also noted. There was also considerable support for leaving the way open for INTELSAT to provide facilities for domestic public telecommunications services on request and subject to appropriate conditions.

There was also general agreement that the way should be left open for a State or States to provide satellites for specialized telecommunications services, in consultation with INTELSAT regarding technical compatibility, or for INTELSAT to provide such services on request, subject to appropriate conditions and provided that the Organization's ability to provide public international telecommunications services is not impaired.

Regarding regional satellites, some delegations supported the concept of such systems outside INTELSAT. Others questioned the feasibility or desirability of such an arrangement; they proposed that regional satellite systems be within the framework of INTELSAT.

A number of delegations felt that a member should have the right to establish satellites solely for the purpose of meeting needs of a national security nature. A few delegations suggested that such satellites be treated the same as satellites to meet domestic needs. There was support for the view that the definitive arrangements should not deal with military matters in any way.

^{1/} The Delegation of India called attention to certain difficulties in connection with this point in document Com. I/85.

On Item X, the limited discussion highlighted the importance of technical coordination with the ITU. It was suggested that coordination between the ITU and INTELSAT could be handled for the latter by the Governing Body; it was noted that this arrangement might raise some difficulties unless members keep clearly in mind the responsibilities involved for INTELSAT members as Sovereign States.

The attention of the Plenary should be called to these matters as requiring further study.

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PLENIPOTENTIARY CONFERENCE ON DEFINITIVE ARRANGEMENTS FOR THE INTERNATIONAL TELECOMMUNICATIONS SATELLITE CONSORTIUM

Washington, D.C., February - March 1969

Com. I/107
March 18, 1969

MAIN POINTS EXPRESSED IN COMMITTEE I'S DISCUSSION OF THE RIGHTS AND OBLIGATIONS OF MEMBERS AND THE RELATIONSHIP WITH THE ITU (Submitted by the Secretary at the Request of the Committee)

The following, expressed in somewhat general terms, appear to be the main points of the Committee's discussions of Item IX, Rights and Obligations of Members, and Item X, Relationship with the ITU:

On Item IX there was general support for ICSC Paragraph 600, that members should not compete with the Organization. Some Delegations noted that such a commitment would require certain clarifications, such as whether the Organization would be truly international and non-discriminatory in character, or how the concept of "competition" as used in paragraph 600 would be defined.

There was general agreement that, as Sovereign States, members are free to provide satellites for their domestic needs. The desirability of consultation with the Organization regarding technical compatibility was also noted. There was also considerable support for leaving the way open for INTELSAT to provide facilities for domestic public telecommunications services on request and subject to appropriate conditions.

There was also general agreement that the way should be left open for a State or States to provide satellites for specialized telecommunications services, in consultation with INTELSAT regarding technical compatibility, or for INTELSAT to provide such services on request, subject to appropriate conditions and provided that the Organization's ability to provide public international telecommunications services is not impaired.

Regarding regional satellites, some delegations supported the concept of such systems outside INTELSAT, while others questioned the feasibility or desirability of such an arrangement. There being no agreement on this question it might perhaps simply be called to the attention of the Plenary as one requiring further study.

A number of delegations felt that a member should have the right to establish satellites solely for the purpose of meeting needs of a national security nature. A few delegations suggested that such satellites be treated the same as satellites to meet domestic needs. A few others opposed the definitive arrangements dealing with military matters in any way.

On Item X, the limited discussion highlighted the importance of technical coordination with the ITU. It was suggested that coordination between the ITU and INTELSAT could be handled for the latter by the Governing Body; it was noted that this arrangement might raise some difficulties unless members keep clearly in mind the responsibilities involved for INTELSAT members as Sovereign States.

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PLENIPOTENTIARY CONFERENCE ON DEFINITIVE ARRANGEMENTS FOR
THE INTERNATIONAL TELECOMMUNICATIONS SATELLITE CONSORTIUM

Washington, D.C., February - March 1969

Com. I/108
March 18, 1969

STATEMENT BY THE OBSERVER FROM THE UNION OF SOVIET SOCIALIST REPUBLICS
IN COMMITTEE I
TUESDAY, MARCH 18, 1969

Mr. Chairman:

Let me please submit a few considerations concerning those questions which were the subject of discussions during the meetings of Committee I.

Many arguments and considerations were put forward by delegations with respect to the main principles to be used as a basis for establishing an international communication system with the use of artificial earth satellites. A number of delegations expressed the view that an international communication system must be really internationally open for access to all countries; must be built on principles, allowing it to carry out equal international cooperation without any discrimination and lessening of the sovereign rights of countries which do want to participate in this communication system.

The Soviet Union fully supports these main, basic principles. In this connection we would like to stress once more, that, to our mind, every country accepting the rules on which the communication system was based has the right to be a member of an international satellite system, irrespective of whether it is a member of the ITU or not.

We would also like to point out, that, to our mind, equal international cooperation in the field of satellite communication systems not only means that there would be equal rights and obligations of countries in establishing a communication system, in its administration and operation and in participation in the governing bodies as well. Any country or a group of countries would be entitled to establish national and regional communication systems and to participate in the operation of them along with the right to participate in an international global communication system. This is sovereign right of any country.

In this connection, Mr. Chairman, we would like to call your attention to the need for strictly following the Recommendations of the United Nations on the questions of exploration and use of space, including space communications and the provisions of the Agreement on Space of January 27, 1967.

We cannot agree to the statements that regional and national systems established outside the framework of an international system would not be economically effective, and that they would economically lead not to benefits, but to losses.

Under the conditions of broad international cooperation in the field of space communications, all the questions arising from establishment of several communication systems and the questions of their cooperation could be solved with due respect for the interests of all countries.

To our mind, coordination and consideration of technical aspects concerning the establishment of satellite communication systems and dealing with international cooperation, including questions of frequency allocations, of placing satellites in special orbits, are within the rights and obligations of the ITU. Without certain recommendations from the ITU, those questions cannot be solved by the governing bodies of satellite communication systems, irrespective of whether they are of national, regional or international global character.

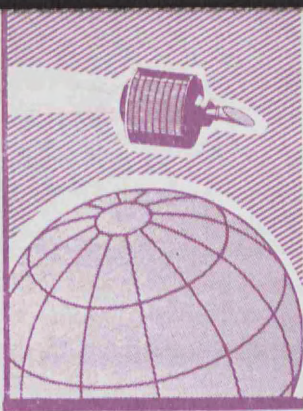
Only within the framework of the ITU, only on an international basis, can be found the solution of such questions as the use of radio frequencies, or placing satellites in orbit designed to avoid harmful interference by the establishment of any type of space communications mentioned at the meetings of this Committee.

It must be also stressed that recommendations, based on the studies undertaken within the ITU and CCIR on matters concerning space communications, will be the subject of consideration and discussions at the forthcoming Radio Administrative Conference of the ITU, to be held by the end of 1970 or at the beginning of 1971.

To our mind, the documents adopted by that Conference will be the basis for solving any special technical problems concerning establishment or development of space communication systems. They would serve the aims of broad international cooperation in this new field of radiocommunication technology.

Thank you.

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PLENIPOTENTIARY CONFERENCE ON DEFINITIVE ARRANGEMENTS FOR THE INTERNATIONAL TELECOMMUNICATIONS SATELLITE CONSORTIUM

Washington, D.C., February - March 1969

Com. I/110
March 19, 1969

DRAFT SUMMARY REPORT OF COMMITTEE I TO THE PLENARY SESSION

Committee I held 16 meetings and considered a working program consisting of nine items, as outlined in document Com. I/1 (Revised).

The report of Working Group A (document Com. I/84 (Rev. 1)), dealing with the objectives and purposes of INTELSAT and the scope of INTELSAT's activities, was accepted by the Committee on March 18, for forwarding to the Plenary Session. In doing so, the Committee expanded a footnote regarding domestic public telecommunications services, namely Number 1 on page 5, to include references to the views of the United Kingdom and Denmark as expressed in documents Com. I/95 and Com. I/99, respectively, and to pertinent comments by the delegation of Pakistan in document Com. II/13. In forwarding the report to the Plenary, the Committee called attention to the comments related to the report made by various delegations, as reflected in the summary record of the Committee's session on March 18, and to the statement by the Representative of Portugal which appears in document Com. I/106. This report and these observations were presented to the Plenary Session on March 19.

The report of Working Group C (document Com. I/94, as corrected), which dealt with eligibility for INTELSAT membership and relationships with non-member States, was accepted by the Committee on March 18 and forwarded to the Plenary. The Report was presented to the Plenary at the latter's session on March 19.

The summary, prepared by the Group's Rapporteur, of the discussions in Working Group B, which dealt with the structure of the organization, was accepted by the Committee on March 20, and forwarded to the Plenary Session. This summary is contained in document Com. I/___.

Pursuant to the decision by the Steering Committee, the responsibility for examining the number of agreements that should constitute the Definitive Arrangements was transferred to Committee II. The Chairman of Committee II informed Committee I that there was a consensus in his Committee that there should be two agreements.

With this in mind, the Committee's discussion regarding the signatories of the agreements indicated general support for the view that one agreement should be between governments and the second should be signed either by governments or by telecommunications entities, public or private, designated by governments.

The Committee's discussions regarding the duration of the agreements indicated general support for the view that the agreements establishing the Definitive Arrangements should have no fixed duration and that they should include specific, adequate provisions for their review and amendment by governments. Several delegations reserved their positions in regard to the duration of the agreements, pending determination of the substantive provisions.

The main points of the Committee's discussions on rights and obligations of members and the relationship with the ITU were summarized, in somewhat general terms, in document Com. I/107 (Rev. 1). While there was a certain measure of agreement on some concepts under these headings, the need for further study of these questions is called to the attention of the Plenary.

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