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MEMORANDUMDECLASSIFIED UNDER AUTHORITY OF THE
INTERAGENCY SECURITY CLASSIFICATION APPEALS PANEL,
E.O. 13526, SECTION 5.3(b)(3)TO:The SecretaryTHROUGH:S/SFROM:United StatesDelegation to the INTELSAT ConferenceSUBJECT:Daily INTELSAT Conference Summary - March 1, 1969

Today the U.S. Delegation submitted as a working document of the Conference a set of draft agreements on definitive arrangements for INTELSAT. The document has not been discussed. Two formal working sessions were convened: Committee I and a small Working Group of Committee II.

Committee I - Structure and Functions of INTELSAT

Debate in Committee I continued to center on the relationship of domestic and regional satellite systems to the global system of INTELSAT. France became increasingly isolated in its contention that "a single global satellite communications system" was monopolistic, being opposed by other European countries as well as by most developing nations. Italy remarked that INTELSAT was set up by people for their own use, and could no more be called monopolistic than a single world meteorological organization. Spain, the Netherlands, and Ireland agreed with Italy that regional and domestic systems need not be incompatible with a single global system. Before adjourning, the U.S. led off a brief discussion on the second agenda item, "scope of services", maintaining that INTELSAT should have authority to furnish all kinds of services that can be provided by communica-tions satellites, as well as traditional public telecommunications services. It was decided to set up a working group after conclusion of debate on the first two or three agenda items in order to draft provisions for the Committee's consideration.

Further opposition to the U.S. proposal on legal status was expressed in Committee II's working group. The United Kingdom listed a series of legal disabilities resulting from joint

CONFIDENTIAL

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-2-

venture status not associated with international corporate status. The Swedish representative, introducing Sweden's elaborate international corporation proposal, focussed on the broader political question of universal acceptance of the definitive arrangements, arguing that legal personality was necessary if COMSAT as manager was to be eliminated as a charter requirement; only by eliminating this requirement, he contended, could the definitive arrangements be broadly acceptable. The U.S. pointed out that the Swedish proposed corporation would involve tying up capital otherwise available to the members in reserve and depreciation accounts that a corporate structure would require.

Committees III and IV did not meet March 1.

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