

105TH CONGRESS
2^D SESSION

S. 2365

To amend the Communications Satellite Act of 1962 to promote competition and privatization in satellite communications, and for other purposes.

IN THE SENATE OF THE UNITED STATES

JULY 28, 1998

Mr. BURNS introduced the following bill; which was read twice and referred to the Committee on Commerce, Science, and Transportation

A BILL

To amend the Communications Satellite Act of 1962 to promote competition and privatization in satellite communications, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “International Satellite
5 Communications Reform Act of 1998”.

6 **SEC. 2. PURPOSE.**

7 It is the purpose of this Act to promote a competitive
8 global market for satellite communications services for the
9 benefit of consumers and providers of satellite services and
10 equipment and to provide encouragement for the contin-

1 ued restructuring, on a privatized basis, of the intergov-
2 ernmental satellite organizations, INTELSAT and
3 INMARSAT.

4 **SEC. 3. FINDINGS.**

5 The Congress finds that—

6 (1) the Communications Satellite Act of 1962
7 (47 U.S.C. 701–744; hereinafter the “Satellite Act”) and
8 the International Maritime Satellite Tele-
9 communications Act (47 U.S.C. 751–757, hereinafter
10 the “Maritime Act”) were enacted by Congress
11 to create global satellite communications systems;

12 (2) the Satellite Act and the Maritime Act led
13 to the creation of two intergovernmental satellite or-
14 ganizations (IGO’s), the International Telecommuni-
15 cations Satellite Organization (INTELSAT) and the
16 International Mobile Satellite Organization
17 (INMARSAT), bodies whose memberships have
18 grown from to 143, and 26 to 82 countries respec-
19 tively;

20 (3) consistent with the purposes enumerated by
21 Congress in the Satellite Act and the Maritime Act,
22 these IGO’s, with critical U.S. participation through
23 its signatory, COMSAT, have successfully estab-
24 lished global satellite networks to provide member
25 countries with worldwide access to telecommuni-

1 cations services, including critical lifeline services to
2 the developing world, and to provide distress and
3 safety services for vessels on the high seas;

4 (4) by statute, COMSAT corporation (COM-
5 SAT) is the sole United States signatory to
6 INTELSAT and INMARSAT, and, as such, is re-
7 sponsible for carrying out United States commit-
8 ments under the INTELSAT Agreement the
9 INMARSAT Convention, and the INTELSAT and
10 INMARSAT Operating Agreements;

11 (5) over the last 36 years, technology has radi-
12 cally advanced, large-scale financing options im-
13 mensely improved, market conditions quickly ma-
14 tured, and international telecommunications policies
15 have shifted from those of natural monopolies to
16 those based on market forces, resulting in multiple
17 private commercial companies able to provide the do-
18 mestic, regional, and global satellite telecommuni-
19 cations services that only INTELSAT and
20 INMARSAT had previously been able to offer;

21 (6) the warehousing by any party of scarce sat-
22 ellite orbital locations and limited spectrum con-
23 stitutes a barrier to competitive entry by new provid-
24 ers of satellite telecommunications services;

1 (7) private commercial satellite communications
2 systems are increasingly offering the latest tele-
3 communications services to more and more countries
4 of the world with declining costs, making satellite
5 communications an attractive alternative to terres-
6 trial communications systems, particularly in lesser
7 developed countries;

8 (8) while international connectivity and global
9 safety services must be ensured for all countries,
10 technological advances, declining costs, and new
11 market opportunities have combined to increase the
12 probability that competitive private commercial com-
13 munications satellite systems will offer international
14 connectivity and global safety services to all coun-
15 tries and will allow lesser developed countries to bet-
16 ter participate in the expanding private commercial
17 satellite networks;

18 (9) the Satellite Act, the Maritime Act, and
19 other applicable United States laws need to be up-
20 dated to encourage the pro-competitive privatization
21 of INTELSAT and INMARSAT, and to ensure a
22 competitively neutral framework for the provision of
23 domestic and international telecommunications serv-
24 ices using satellite systems;

1 (10) the increase in competition in the inter-
2 national satellite telecommunications market should
3 be encouraged in order to enhance technological in-
4 novation and private investment, and provide bene-
5 fits to consumers; and

6 (11) A continuing restructuring of INTELSAT
7 and INMARSAT, based on privatization and mar-
8 ket-oriented principles, is now appropriate and desir-
9 able in order to reflect the economic realities of the
10 competitive global environment, the benefits of the
11 free market and the rapid technological change un-
12 derway in satellite-based services and technologies.

13 **SEC. 4. POLICY OBJECTIVES AND IMPLEMENTATION.**

14 (a) **OVERALL OBJECTIVES.**—The overall objectives of
15 the United States for the international satellite tele-
16 communications market are to—

17 (1) foster a competitive, market-based environ-
18 ment in satellite communications where consumers
19 worldwide will reap the benefits of enhanced commu-
20 nications services at competitive rates;

21 (2) achieve open, equitable, and reciprocal mar-
22 ket access in international satellite telecommuni-
23 cations services;

1 (3) reduce or eliminate barriers to market entry
2 and other trade distorting policies and practices in
3 international telecommunications services;

4 (4) encourage efficient and economical use of
5 the electromagnetic frequency spectrum and contin-
6 ued technological advances in satellite technology for
7 the benefit of all mankind; and

8 (5) recognize the legitimate interests of all na-
9 tions in having access to adequate international tele-
10 communications satellite services and global
11 connectivity.

12 (b) PRO-COMPETITIVE MEASURES, INTELSAT.—
13 The United States party to the INTELSAT agreement
14 and the United States Signatory to INTELSAT and
15 COMSAT are directed to take all steps necessary and ap-
16 propriate to—

17 (1) achieve the continuing restructuring of the
18 intergovernmental satellite organization, beyond that
19 agreed to by the INTELSAT Assembly of Parties on
20 March 30–31, 1998, that will result in increased pri-
21 vate competition in international satellite tele-
22 communications services;

23 (2) ensure that the INTELSAT restructuring
24 plan adopted by the INTELSAT Assembly of Par-

1 ties at its meeting on March 30–31, 1998 is imple-
2 mented in a pro-competitive manner;

3 (3) establish safeguards which will ensure that
4 any future INTELSAT privatized successor entity
5 or separated entities are established on pro-competi-
6 tive terms and conditions, including, but not limited
7 to, the following:

8 (A) any such entity or entities shall be
9 subject to the jurisdiction of regulatory and
10 competition authorities in the countries where
11 such entity or entities offer service and shall
12 compete, consistent with national law and inter-
13 national obligations, on a fair and nondiscrim-
14 inatory basis with other private entities;

15 (B) for any separated entities, there shall
16 be a clear structural separation between
17 INTELSAT and such entities, including sepa-
18 rate officers, directors, employees, headquarters
19 and accounting systems; value for permissible
20 transactions verifiable by an independent audit
21 process as appropriate and consistent with nor-
22 mal commercial practice; no common marketing
23 or recourse to INTELSAT assets for any such
24 entity's credit; and transitional contracts valued
25 at a verifiable fair market price for a limited

1 period of time, after which any such entity
2 would procure such services through open com-
3 petitive tender;

4 (C) any transactions between INTELSAT
5 and any separated entities for transitional serv-
6 ices such as telemetry, tracking, control and
7 monitoring shall be contracted for on commer-
8 cial, arms-length terms; and

9 (D) any such entity or entities shall not
10 have any privileges and immunities that
11 INTELSAT enjoys as an intergovernmental or-
12 ganization.

13 (c) PRO-COMPETITIVE MEASURES, INMARSAT.—
14 The United States party to the INMARSAT agreement
15 and the United States Signatory to INMARSAT and
16 COMSAT are directed to take all steps necessary and ap-
17 propriate to—

18 (1) achieve a restructuring of the intergovern-
19 mental satellite organization that will result in in-
20 creased private competition in international satellite
21 telecommunications services;

22 (2) ensure that the INMARSAT restructuring
23 plan is implemented in a pro-competitive manner;

24 (3) establish safeguards which will ensure that
25 any future INMARSAT privatized successor entity

1 or separated entities are established on pro-competi-
2 tive terms and conditions, including, but not limited
3 to, the following:

4 (A) any such entity or entities shall be
5 subject to the jurisdiction of regulatory and
6 competition authorities in the countries where
7 such entity or entities offer service and shall
8 compete, consistent with national law and inter-
9 national obligations, on a fair and nondiscrim-
10 inatory basis with other private entities;

11 (B) for any separated entities, there shall
12 be a clear structural separation between
13 INMARSAT and such entities, including sepa-
14 rate officers, directors, employees, headquarters
15 and accounting systems; value for permissible
16 transactions verifiable by an independent audit
17 process as appropriate and consistent with nor-
18 mal commercial practice; no common marketing
19 or recourse to INMARSAT assets for any such
20 entity's credit; and transitional contracts valued
21 at a verifiable fair market price for a limited
22 period of time, after which any such entity
23 would procure such services through open com-
24 petitive tender;

1 (C) any transactions between INMARSAT
2 and any separated entities for transitional serv-
3 ices such as telemetry, tracking, control, and
4 monitoring shall be contracted for on commer-
5 cial, arms-length terms; and

6 (D) any such entity or entities shall not
7 have any privileges and immunities that
8 INMARSAT enjoys as an intergovernmental or-
9 ganization.

10 (d) IMPLEMENTATION OF OBJECTIVES.—In formu-
11 lating and implementing specific policies and positions for
12 international telecommunications—

13 (1) the Secretary of State and all other agen-
14 cies involved shall pursue these objectives, compat-
15 ible with a well-functioning international tele-
16 communications system, through a vigorous program
17 of international negotiation both within established
18 international telecommunications organizations and,
19 as necessary, directly with other interested nations;
20 and

21 (2) to the extent that the objectives of this pro-
22 vision have not been realized by January 1, 2003,
23 the President shall take whatever steps are nec-
24 essary to achieve such objectives, including withdraw
25 the participation of the United States in each such

1 organization for which such efforts were unsuccessful.
2

3 **SEC. 5. USE OF GOVERNMENTAL SATELLITE ORGANIZATIONS TO PROVIDE SERVICES.**
4

5 The Communications Satellite Act of 1962 (47
6 U.S.C. 701) is amended by adding at the end the following
7 new title:

8 **“TITLE VI—PROVISION OF TELE-**
9 **COMMUNICATIONS SERVICES**
10 **USING INTERGOVERN-**
11 **MENTAL SATELLITE ORGANI-**
12 **ZATIONS**

13 **“SEC. 601. PROVISION OF TELECOMMUNICATIONS SERV-**
14 **ICES USING INTERGOVERNMENTAL SAT-**
15 **ELLITE ORGANIZATIONS.**

16 “(a) IN GENERAL.—Notwithstanding any law, rule,
17 regulation or agreement to the contrary, no person may
18 send or receive telecommunications services using a sat-
19 ellite owned or operated by an intergovernmental satellite
20 organization or any other entity unless such person has
21 a license or permit granted by the Commission as provided
22 in this section.

23 “(b) PROVISION OF DOMESTIC OR INTERNATIONAL
24 TELECOMMUNICATIONS SERVICES.—

1 “(1) The Commission may grant an application
2 to provide telecommunications services to, from, or
3 within the United States using satellites owned or
4 operated by an intergovernmental satellite organiza-
5 tion only if the person making such application is
6 subject to the same rules and requirements as per-
7 sons providing the same or similar telecommuni-
8 cations services using United States licensed commu-
9 nications satellite systems.

10 “(2) The Commission shall require COMSAT,
11 in its capacity as a common carrier, to make an ap-
12 propriate waiver of immunity from any suit as part
13 of its application to provide domestic telecommuni-
14 cations services via INTELSAT or INMARSAT.

15 “(3) The Commission shall not grant a license
16 or permit to any person using satellites owned or op-
17 erated by an intergovernmental satellite organization
18 for telecommunications services to, from, or within
19 the United States, unless that person—

20 “(A) waives any privileges and immunities
21 it may possess for the provision of domestic
22 services in the United States; and

23 “(B) makes a showing that such entry in
24 to the domestic market would promote competi-

1 tion for satellite communications services in the
2 United States.

3 **“SEC. 602. PROVISION OF SERVICES IN THE UNITED STATES**
4 **BY INTERGOVERNMENTAL SATELLITE ORGA-**
5 **NIZATION AFFILIATES.**

6 “(a) IN GENERAL.—In order to achieve the objectives
7 and carry out the purposes of the International Satellite
8 Communications Reform Act of 1998, the Commission
9 shall—

10 “(1) apply a presumption in favor of entry to
11 an IGO affiliate licensed by a WTO Member for
12 services covered by U.S. commitments under the
13 WTO Basic Telecom Agreement;

14 “(2) attach conditions to the grant of authority
15 of an application by an IGO affiliate that raises the
16 potential for competitive harm; or

17 “(3) in the exceptional case in which an appli-
18 cation by an IGO affiliate would pose a very high
19 risk to competition in the U.S. satellite market, deny
20 the application.

21 “(b) POTENTIAL CONSEQUENCES.—In determining
22 whether an application to serve the U.S. market by an
23 IGO affiliate raises the potential for competitive harm
24 under (a)(2), the Commission shall consider any potential
25 anti-competitive or market distorting consequences of con-

1 tinued relationships or connections between an IGO and
2 its affiliates, including—

3 “(1) whether the affiliate is structured to pre-
4 vent practices such as collusive behavior or cross-
5 subsidization;

6 “(2) the degree of affiliation between the IGO
7 and its affiliate;

8 “(3) whether the affiliate can directly or indi-
9 rectly benefit from IGO privileges and immunities;

10 “(4) the ownership structure of the affiliate and
11 the effect of IGO and other Signatory ownership;

12 “(5) the existence of clearly defined arms-length
13 conditions governing the affiliate-IGO relationship
14 including separate officers, directors, employees, and
15 accounting systems;

16 “(6) the existence of fair market valuing for
17 permissible business transactions between an IGO
18 and its affiliate that is verifiable by an independent
19 audit and consistent with normal commercial prac-
20 tice;

21 “(7) the existence of common marketing;

22 “(8) the availability of recourse to IGO assets
23 for credit or capital; and

1 “(9) the ability of an IGO to register or coordi-
2 nate spectrum or orbital locations on behalf of its af-
3 filiate.

4 **“SEC 603. REGULATORY PARITY.**

5 “‘In order to achieve the objectives and carry out the
6 purposes of this Act, the Commission shall—

7 “(1) ensure that all persons have reasonable
8 and nondiscriminatory access to communications
9 satellite systems offering telecommunications serv-
10 ices to, from, or within the United States;

11 “(2) ensure that all persons providing similar or
12 like telecommunications services for profit by means
13 of communications satellite systems shall be subject
14 to comparable regulatory treatment, and, in particu-
15 lar, shall be treated as common carriers, so as to
16 achieve regulatory parity among competing providers
17 of similar services;

18 “(3) take whatever steps are necessary upon en-
19 actment to permit any person to obtain direct access
20 to the facilities and services of any intergovern-
21 mental satellite organization to which the United
22 States is a party for the provision of satellite tele-
23 communications services to ‘thin route’ countries
24 and Sub-Saharan Africa countries;

25 “(4) adopt policies designed to ensure that—

1 “(A) no entity shall be permitted to main-
2 tain exclusive rights of access to orbital slots
3 that are not planned for use within a reason-
4 able period by satellites providing commercial
5 services; and

6 “(B) any orbital slots allocated to any en-
7 tity which, as of the date of the enactment of
8 this section, are not required for the provision
9 of commercial services by satellites in orbit or
10 under construction, or which are not planned
11 for such use within a reasonable period, shall be
12 made available for reallocation by the Inter-
13 national Telecommunications Union; and

14 “(5) revise its rules and regulations to carry
15 out the provisions of this section within 90 days of
16 the enactment of the International Satellite Commu-
17 nications Reform Act of 1998.”.

18 **SEC. 6. MODIFICATION OF OBSOLETE PROVISIONS OF THE**

19 **COMMUNICATIONS SATELLITE ACT OF 1962.**

20 (a) **IN GENERAL.**—The Communications Satellite
21 Act of 1962 (47 U.S.C. 701 et seq.) is amended by strik-
22 ing the following provisions: paragraphs (1), (5) and (6)
23 of section 201(a); section 201(b); paragraphs (1) and (8)
24 of section 201(c); section 302; section 303; and section
25 304 except for subsection (d).

1 (b) AMENDMENT OF 503(b)(2).—Section 503(b)(2)
2 of the Communications Satellite Act of 1962 (47 U.S.C.
3 752 (b)(2)) is amended to read as follows:

4 “(2) shall interconnect such stations, and the
5 maritime satellite telecommunications provided by
6 such stations, with the facilities and services of
7 United States domestic common carriers and inter-
8 national common carriers;”.

9 (c) AMENDMENT OF 503(f).—Section 503(f) of the
10 Communications Satellite Act of 1962 (47 U.S.C. 752(f))
11 is amended to read as follows:

12 “(f) The Commission shall determine the operational
13 arrangements under which the corporation shall inter-
14 connect its satellite earth terminal station facilities and
15 services with United States domestic common carriers and
16 international common carriers.”.

17 (d) INEFFECTIVE SECTION.—On the date of the ini-
18 tial public offering privatizing INMARSAT, section
19 504(b) of the Communications Satellite Act of 1962 (47
20 U.S.C. 753(b)) shall cease to be effective.

21 (e) INEFFECTIVE PROVISIONS.—On the date of the
22 initial public offering privatizing INTELSAT, the follow-
23 ing provisions of the Communications Satellite Act of
24 1962 shall cease to be effective:

25 (1) paragraphs (2) and (4) of section 201(a);

- 1 (2) section 201(c)(2);
2 (3) subsection (a) of section 403; and
3 (4) section 404.

4 **SEC. 7. ESTABLISHMENT OF WORKING GROUP.**

5 The President shall create an interagency Working
6 Group, chaired by the Secretary of State, and comprised
7 of representatives from the Departments of Treasury, Jus-
8 tice, Commerce, the Office of the United States Trade
9 Representative, the Federal Communications Commission,
10 and other departments and agencies that the President
11 deems necessary, that will advise the President on inter-
12 national satellite telecommunications policy matters; co-
13 ordinate the activities of United States government agen-
14 cies with responsibilities in the field of international sat-
15 ellite telecommunications; formulate positions of the
16 United States as a member of the intergovernmental sat-
17 ellite organizations; and work within INTELSAT to en-
18 sure that the restructuring plan approved by the
19 INTELSAT Assembly of Parties is implemented in a pro-
20 competitive manner that meets the policy objectives of the
21 United States as set forth in section 4.

22 **SEC. 8. STUDIES AND REPORTS.**

23 (a) WORKING GROUP STUDY.—Within one year of
24 enactment, the Working Group established by section 7

1 shall complete a study of the state of competition in the
2 international satellite telecommunications market.

3 (b) SCOPE OF STUDY.—The study conducted under
4 subsection (a) shall examine—

5 (1) progress toward increased deregulation and
6 privatization in international telecommunications;

7 (2) competition in the provision of space seg-
8 ment;

9 (3) the level of access to international tele-
10 communications facilities by consumers throughout
11 the world, including developing nations;

12 (4) market access in international satellite tele-
13 communication services;

14 (5) the reduction or elimination of barriers to
15 market entry and other trade distorting policies and
16 practices in international telecommunication services
17 as a result of implementation of the World Trade
18 Organization Basic Telecom Agreement and other
19 measures;

20 (6) price, terms and conditions of service for
21 users, including users in remote areas and develop-
22 ing countries; and

23 (7) the impact of market liberalization and pri-
24 vatization on competition in the telecommunications

1 market of the United States and on consumers in
2 the United States.

3 (c) ADDITIONAL ISSUES.—The study conducted
4 under subsection (a) shall also, with regard to areas in
5 which the intergovernmental satellite organizations have
6 operated, include—

7 (1) an assessment of the progress toward pri-
8 vatization and enhanced competition; and

9 (2) an evaluation of the implementation of com-
10 mitments and competitive safeguards adopted as
11 part of INTELSAT's restructuring to ensure struc-
12 tural separation and a commercial, arm's-length re-
13 lationship between INTELSAT or any successor en-
14 tity and any separated entity, and to ensure fair
15 competition between any separated entity and its
16 competitors.

17 (d) ANNUAL REPORTS.—On the basis of the study
18 conducted under subsection (a), the Chairman of the
19 Working Group shall prepare and submit to the President
20 and to the Committee on Commerce, Science and Trans-
21 portation of the Senate and the Committee on Commerce
22 of the House of Representatives, a written report contain-
23 ing the Working Group's findings regarding competition
24 in the international satellite telecommunications services
25 market. Such report shall be transmitted within one year

1 of the date of enactment of this Act, and supplemental
2 annual reports shall be transmitted annually thereafter
3 until five years after date of enactment of this Act.

4 (e) REPORT BY COMMISSION.—The Chairman of the
5 Commission shall report to the Congress within one year
6 after date of enactment of this Act, and annually there-
7 after until five years after date of enactment of this Act,
8 on actions taken by the Commission to implement the
9 United States' obligations and commitments for satellite
10 services under the Fourth Protocol to the General Agree-
11 ment on Trade in Services. Such report shall focus gen-
12 erally on steps taken to implement the United States' mar-
13 ket access, most-favored nation and national treatment ob-
14 ligations with regard to foreign-based providers seeking to
15 offer services in the United States, and specifically shall
16 focus on actions taken with regard to applications, author-
17 izations, permits or licenses involving any INTELSAT
18 successor or separated entities. Finally, such report shall
19 identify those markets where there are market access
20 problems and shall make recommendations to the Presi-
21 dent concerning appropriate actions to correct such mar-
22 ket access problems.

23 **SEC. 9. CONSULTATIONS WITH CONGRESS.**

24 The Chairman of the Working Group, at least semi-
25 annually, shall consult with the Committee on Commerce,

1 Science and Transportation of the Senate and the Com-
2 mittee on Commerce of the House of Representatives and
3 such other committees of the House and Senate as the
4 President deems appropriate, regarding progress made in
5 achieving the objectives and purposes of this Act in foster-
6 ing increased competition in satellite telecommunications
7 and in helping to further a pro-competitive restructuring
8 of the international satellite organizations.

9 **SEC. 10. PROCUREMENT.**

10 In procuring telecommunications services from pri-
11 vate vendors, the Government of the United States shall
12 not favor, nor be prejudiced against, the satellite space
13 segment operated by INTELSAT or INMARSAT.

14 **SEC. 11. RELATIONSHIP TO OTHER LAWS.**

15 Whenever the application of the provisions of this Act
16 shall be inconsistent with the provisions of the Commu-
17 nications Act, the provisions of this Act shall govern; pro-
18 vided, however, that the regulatory reform provisions of
19 section 10 of the Communications Act (as amended by the
20 Telecommunications Act of 1996) shall continue to be ap-
21 plicable to any provision of this Act and to any regulation
22 applied to COMSAT Corporation pursuant to this Act.

23 **SEC. 12. CONTRACTS.**

24 Nothing in this Act or the Communications Act of
25 1934 shall be construed to modify or invalidate any con-

1 tract or agreement involving COMSAT Corporation,
2 INTELSAT, or INMARSAT, or any terms or conditions
3 of such agreement, already in force on the effective date
4 of this Act or to give the Commission authority, by rule-
5 making or any other means, to invalidate any such con-
6 tract or agreement, or any terms and conditions of such
7 contract or agreement.

8 **SEC. 13. SATELLITE AUCTIONS.**

9 The Commission shall not engage in, and the Presi-
10 dent shall oppose at the International Telecommunication
11 Union and in other bilateral and multilateral fora, auc-
12 tions of orbital slots or spectrum assignments for satellites
13 that provide international or global communications serv-
14 ices.

15 **SEC. 14. RESERVATION.**

16 The right to repeal, alter or amend this Act at any
17 time is expressly reserved.

18 **SEC. 15. DEFINITIONS.**

19 In this Act—

20 (1) COMMUNICATIONS SATELLITE.—The term
21 “communications satellite” means an earth satellite
22 which is intentionally used to relay telecommuni-
23 cations information.

24 (2) COMMUNICATIONS SATELLITE SYSTEM.—

25 The term “communications satellite system” refers

1 to a system of communications satellites in space
2 whose purpose is to relay telecommunications infor-
3 mation between earth stations, together with track-
4 ing, telemetry, command, control, monitoring, and
5 related facilities and equipment required to support
6 the operations of such system.

7 (3) EARTH STATION.—The term “earth sta-
8 tion” refers to a complex of communications equip-
9 ment located on the earth’s surface whose purpose
10 is to transmit telecommunications to and/or receive
11 telecommunications from a communications satellite
12 system.

13 (4) INTELSAT.—The term “INTELSAT”
14 means the International Telecommunications Sat-
15 ellite Organization established pursuant to the
16 Agreement Relating to the International Tele-
17 communications Satellite Organization
18 (INTELSAT).

19 (5) INMARSAT.—The term “INMARSAT”
20 means the International Mobile Satellite Organiza-
21 tion established pursuant to the Convention on the
22 International Maritime Satellite Organization
23 (INMARSAT) (TIAS 9605, 31 UST 1).

24 (6) COMMISSION.—The term “Commission”
25 means the Federal Communications Commission.

1 (7) SUCCESSOR ENTITY.—The term “successor
2 entity” means any privatized entity to whom all of
3 the assets owned by INTELSAT are transferred in
4 a full privatization of INTELSAT.

5 (8) SEPARATED ENTITY.—The term “separated
6 entity” means any privatized entity to whom a por-
7 tion of the assets owned by INTELSAT are trans-
8 ferred prior to full privatization of INTELSAT, in-
9 cluding in particular the entity whose structure was
10 under discussion by the INTELSAT Assembly of
11 Parties at its meeting March 30–31, 1998.

12 (9) PARTY.—The term “Party”, in the case of
13 INTELSAT, means a nation for which the
14 INTELSAT agreement has entered into force or
15 been provisionally applied.

16 (10) SPACE SEGMENT.—The term “space seg-
17 ment” means the satellites, and the trafficking, te-
18 lemetry, command, control, monitoring and related
19 facilities and equipment used to support the oper-
20 ation of satellites owned or leased by INTELSAT,
21 an INTELSAT separated entity, or any other public
22 or privately owned satellite services provider.

23 (11) INTELSAT agreement.—The term
24 “INTELSAT Agreement” means the Agreement Re-
25 lating to the International Telecommunications Sat-

1 elite Organization (‘INTELSAT’), including all its
2 annexes (TIAS 7532, 23 UST 3813).

3 (12) INTELSAT restructuring.—The term
4 “INTELSAT restructuring” plan or process means
5 the ongoing efforts within the intergovernmental or-
6 ganization to change its corporate structure, and the
7 ownership and use of its assets, including the plan
8 approved by the INTELSAT Assembly of Parties at
9 its meeting on March 30–31, 1998.

10 (13) VARIOUS TERMS.—The terms “common
11 carrier”, “person”, “State”, “telecommunications”,
12 “telecommunications carrier”, “telecommunications
13 service”, and “United States” have the meanings set
14 forth in section 3 of the Communications Act of
15 1934 (47 U.S.C. 153).

16 (14) THIN ROUTE.—The term “thin route”
17 shall have the same meaning as set forth in the
18 Order of the Federal Communications Commission,
19 FCC 98–78 (April 28, 1998), and shall be subject
20 to the modifications to the total number of thin
21 route countries subsequently accepted by the Com-
22 mission.

23 (15) DIRECT ACCESS.—The term “direct ac-
24 cess” means that users shall have the ability to con-
25 tract directly with INTELSAT and INMARSAT for

1 space segment capacity, but shall not include an in-
2 vestment access alternative, nor fail to compensate
3 COMSAT for the costs it incurs in securing space
4 segment capacity as the United States Signatory for
5 the benefit of all United States users.

○