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A RESOLUTION

To ratify the Agreements Relating to the International Telecommunications Satellite Organization ("INTELSAT").

1 WHEREAS, the allied Agreements Relating to the International
2 Telecommunications Satellite Organization ("INTELSAT") consist
3 of the Agreement Relating to the International
4 Telecommunications Satellite Organization ("INTELSAT") and the
5 Operating Agreement Relating to the International
6 Telecommunications Satellite Organization ("INTELSAT"), both
7 done at Washington on August 20, 1971; and

8 WHEREAS, INTELSAT is a non-profit international corporation
9 that is wholly owned by participating countries; and

10 WHEREAS, INTELSAT was established to be, essentially, an
11 international global monopoly for the carriage of telephone
12 traffic by satellite; and

13 WHEREAS, the nature of this international monopoly allows
14 for routes that have heavy traffic (like New York to London and
15 Los Angeles to Tokyo) to subsidize routes (like the FSM) that
16 have a much lighter volume of traffic; and

17 WHEREAS, this full subsidy, including equity participation
18 in ownership of the satellite system, interest on contributed
19 capital, and depreciation of assets, is only available to full
20 members of INTELSAT; and

21 WHEREAS, the cost of using a middleman (the U.S. corporation
22 COMSAT) to gain access to INTELSAT can be dispensed with should
23 the Federated States of Micronesia become a member of INTELSAT;
24 and

25 WHEREAS, the elimination of the middleman plus the

1 preferential rates of INTELSAT will represent significant
2 savings to the Nation; and

3 WHEREAS, the Operating Agreement allows a member to
4 designate a telecommunications entity (such as FSM Telecom or
5 U.S. COMSAT) as its representative to INTELSAT; and

6 WHEREAS, the Federated States of Micronesia
7 Telecommunications Corporation has formally requested that the
8 Federated States of Micronesia join INTELSAT and has officially
9 indicated that FSM Telecom will bear all expenses of joining,
10 purchasing a share, and participating in INTELSAT; now,
11 therefore,

12 BE IT RESOLVED by the Seventh Congress of the Federated
13 States of Micronesia, Third Regular Session, 1992, that pursuant
14 to section 2(b) of article IX of the Constitution of the
15 Federated States of Micronesia, the Congress hereby ratifies the
16 allied Agreements Relating to the International
17 Telecommunications Satellite Organization ("INTELSAT"); and


18 BE IT FURTHER RESOLVED that upon receipt of this resolution
19 the President of the Federated States of Micronesia shall lodge,
20 at the appropriate time, instruments of accession for both
21 Agreements with the Secretary of State of the United States, and
22 shall execute such instruments as are necessary to designate FSM
23 Telecom as the Federated States of Micronesia competent
24 authority and designated participating entity in INTELSAT; and
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C. R. NO. 7-99

1 BE IT FURTHER RESOLVED that a certified copy of this
2 resolution be transmitted to the President of the Federated
3 States of Micronesia.

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5 Date: 5/18/92

Introduced by: 
Joseph J. Urusemal
(by request)

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