

No. 23596

**SWEDEN
and
NORWAY**

Agreement on co-operation in the field of telecommunications satellites (with Statute of the Nordic Telecommunications Satellite Consortium and Tele-X project accord). Signed at Stockholm on 11 April 1983

Authentic texts: Swedish and Norwegian.

Registered by Sweden on 16 October 1985.

**SUÈDE
et
NORVÈGE**

Accord de coopération dans le domaine des satellites de télécommunication (avec statut du Consortium nordique des satellites de télécommunication et projet d'accord Télé-X). Signé à Stockholm le 11 avril 1983

Textes authentiques : suédois et norvégien.

Enregistré par la Suède le 16 octobre 1985.

[TRANSLATION — TRADUCTION]

AGREEMENT¹ BETWEEN SWEDEN AND NORWAY ON CO-OPERATION IN THE FIELD OF TELECOMMUNICATIONS SATELLITES

The Government of Sweden and the Government of Norway,

Noting that the importance of telecommunications satellite technology in modern society has been growing rapidly at the same time as such activity is benefiting the development of high-technology industry,

Believing that the concentration of efforts in the field of telecommunications satellites, with the application of advanced digital technology, leads to a significant improvement of the competence of the industries and telecommunications administrations concerned and provides the participating industrial enterprises with opportunities to enhance their international competitiveness,

Believing, moreover, that it is in the common interest of the two countries to develop further the application of telecommunications satellites,

Bearing in mind that on 27 March 1982 the Nordic Council of Ministers decided to begin a study phase as a component in the development of a programme of co-operation in radio and television and in telecommunications, based on transmission via a satellite system,

Noting that the Swedish Government has invited participation in the Swedish-initiated Tele-X telecommunications satellite project,

Noting further that the Finnish Government is contemplating partial participation in such co-operation,

Have concluded the following Agreement:

Article I. The Parties shall establish organized co-operation in the field of telecommunications satellites with a view to jointly building up their competence, expertise and industrial competitiveness in that field and benefiting from the practical applications which satellite technology makes possible.

Co-operation shall be carried on within the framework of a Consortium in accordance with the Statute annexed to this Agreement.

Such co-operation shall include the Tele-X as a first project.

Article II. Through joint technical development and industrial co-operation, the Parties intend to set up competitive industrial activities, which shall be divided in a reasonable manner between the two countries.

Article III. This Agreement and the joint projects carried out as part thereof shall be implemented with due regard for the Parties' international obligations, and in addition, the Parties shall be free to make use of other satellite systems.

Article IV. If a dispute arises between the Parties with respect to the interpretation or application of this Agreement and cannot be settled by negotiation,

¹ Came into force on 10 September 1983, i.e., 30 days after the Parties had notified each other (on 20 July and 11 August 1983) of the completion of the required procedures, in accordance with article V (1).

it shall be submitted for settlement to an arbitral tribunal or to another institution or person agreeable to both Parties.

The Parties undertake to comply with every decision taken in the manner described in the preceding paragraph.

Article V. 1. This Agreement shall enter into force 30 days after the date on which the two Parties inform each other that the procedures required therefor have been completed. The Swedish Ministry of Foreign Affairs shall inform the Norwegian Ministry of Foreign Affairs of the time of entry into force of the Agreement.

2. Regardless of whether or not the Agreement has entered into force in accordance with paragraph 1, the Consortium in accordance with the annexed Statute shall be established for the conclusion of accords in accordance with section 6, paragraph 5, and section 9 of the aforementioned Statute.

3. This Agreement may not be denounced before the end of the year 1988. However, withdrawal from the Consortium may take place before that time in accordance with the provisions of section 11 of the Statute of the Consortium. If either Party wishes to denounce the Agreement after the end of the year 1988, it shall do so by notifying the other Party to that effect. In the event of such denunciation, the Agreement shall cease to have effect in relations between the Parties 12 months after the date on which the other Party receives notification of the denunciation. Denunciation shall not affect such already existing obligations as have been assumed by and are incumbent on the Parties or such already existing rights as the Parties are entitled to, on the basis of this Agreement.

4. This Agreement may be acceded to by another Nordic country on such terms as may be agreed upon by the Parties.

The Agreement shall be deposited in the Swedish Ministry of Foreign Affairs, and certified copies shall be sent by the Swedish Ministry of Foreign Affairs to the Norwegian Ministry of Foreign Affairs.

IN WITNESS WHEREOF the undersigned, being duly authorized thereto, have signed this Agreement and have thereto affixed their seals.

DONE at Stockholm on 11 April 1983, in duplicate in the Swedish and Norwegian languages, both texts being equally authentic.

For the Government
of Sweden:

[Signed]

THAGE G. PETERSON

For the Government
of Norway:

[Signed]

JENS-HALVARD BRATZ

STATUTE OF THE NORDIC TELECOMMUNICATIONS SATELLITE CONSORTIUM

The Government of Sweden and the Government of Norway have today decided, through an agreement, to co-operate in the field of telecommunications satellites within the framework of a Consortium. The following regulations shall apply to the Consortium:

Section 1. NAME AND ACTIVITIES OF THE CONSORTIUM

The Consortium shall, under the designation "Nordic Telecommunications Satellite Consortium", carry on organized co-operation in the field of telecommunications satellites.

The Tele-X project, which, according to the Agreement, shall be included as a first project, shall be subject to the provisions contained in the annexed Project Accord (annex 1).

For every additional project, the Parties shall, in a similar manner and in a separate project accord which shall likewise be annexed to this Statute, specify the provisions which shall apply.

Section 2. FINANCING

The Parties shall contribute funds for the Tele-X project in accordance with the provisions of the Tele-X Project Accord. Additional projects shall be financed in accordance with the respective project accords for such projects.

Section 3. ORGANIZATION OF THE CONSORTIUM

1. In order to carry on the co-operation, the Consortium shall establish the following organs:

- (a) The Assembly;
- (b) The Board of Directors;
- (c) A joint-stock company, hereinafter referred to as "the Purchasing Company";
- (d) A joint-stock company, hereinafter referred to as "the Operating Company".

Section 4. THE ASSEMBLY

1. The Assembly shall be an advisory organ with the task of giving opinions regarding the plans of the Board of Directors to carry out joint projects and regarding related factors concerning communications policy, industrial policy, media policy and other matters.

2. The Assembly shall consist of six members from each country, appointed by the Government of the country concerned after consultations between the countries.

3. The Assembly shall meet twice a year. Additional meetings shall be held when the Board of Directors finds reason therefor and also when a more particular decision to that effect is taken by the Assembly. The place of meeting shall — unless, owing to special circumstances, the Assembly decides otherwise — alternate between the countries. Advisers to the members shall have the right to attend the meetings of the Assembly.

4. Invitations to a meeting shall be sent out not later than two weeks before the meeting. The matters which are to be considered at the meeting shall be stated in the invitation to the meeting. On matters which were not stated in the invitation the meeting may not take a decision without the consent of all members.

5. In other respects the Assembly shall itself establish the form of its meetings and its work.

Section 5. THE BOARD OF DIRECTORS

1. The Board of Directors shall be responsible for ensuring that the measures necessary for achieving the objectives of the co-operation are taken and for guaranteeing that the Parties are kept informed about such co-operation. Accordingly, the Board of Directors shall draw up proposals for new projects which are to be submitted for decision to the Governments of the two countries and shall take the necessary decisions concerning principles for the implementation of the projects and concerning essential technical and economic changes in ongoing projects, including amendments to the project accords. The Board of Directors shall draw up guidelines for the activities of the Consortium and the joint-stock companies, decide on amendments to the shareholders' accords referred to in section 6, paragraph 2, and section 7, paragraph 2, and review the decisions that have been taken by the joint-stock companies. The Board of Directors shall also have the right to take decisions on questions which have arisen between the Purchasing Company and the Operating Company and which have been referred to it by one of the joint-stock companies.

2. The Board of Directors shall provide information to the Assembly and receive the Assembly's comments on the implementation of the co-operation.

3. The Board of Directors shall consist of six (6) members and six (6) personal deputies for the members. Two (2) members and their personal deputies shall be appointed by the Norwegian Government. The remaining members and their personal deputies shall be appointed by the Swedish and Finnish Governments and shall be divided between them in accordance with an agreement concluded between their two countries. Until such an agreement is concluded, the said members and deputies shall be appointed by the Swedish Government. The appointment of members and deputies shall take place after consultations between the countries. A deputy shall have the right to attend and speak at meetings even when he is not substituting for a regular member.

4. The meetings of the Board of Directors shall be presided over by a Chairman appointed by the Board of Directors from among its members. The Chairman shall himself see to it that the Board of Directors has a secretary. The post of Chairman shall rotate annually between the countries, in alphabetical order.

A quorum shall exist when at least one member from each country is present and the number of members present, including deputies substituting for regular members, is at least four (4). For the taking of a decision by the Board of Directors, it shall be required that the members taking part in the decision should be agreed on the decision.

5. The Chairman of the Board of Directors shall see to it that meetings are held when necessary. If a member of the Board of Directors requests that the Board of Directors should be convened, that request shall be granted.

Section 6. THE PURCHASING COMPANY

1. The Purchasing Company shall be registered as a Swedish joint-stock company.

2. The shares in the Purchasing Company shall be owned by the countries in the manner set forth in a separate shareholders' accord (annex 2).¹ If the

¹ Annex 2 is omitted as it is not considered an integral part of the Agreement (information provided by the Government of Sweden).

Board of Directors of the Consortium decides on amendments to the shareholders' accord, the decision to that effect shall be communicated immediately to the Governments of Sweden and Norway. If, within one month after receipt of the decision, a Party has not lodged an objection thereto with the Board of Directors of the Consortium, the decision shall enter into force upon the expiry of that period.

3. The Board of Directors of the Purchasing Company shall be identical with the Board of Directors of the Consortium. The Purchasing Company shall not have an executive director or any other employed personnel.

4. The Purchasing Company shall, within the established time and cost limits, purchase the Tele-X satellite and put it into operation in orbit, purchase the earth segment and in other respects, in co-operation with the Operating company, be jointly responsible for the implementation of the Tele-X programme in accordance with the Tele-X Project Accords. If, after the experimental phase, Tele-X goes into pre-operational or operational use, the Purchasing Company shall, after negotiations with the Operating Company regarding the terms, transfer the Tele-X satellite, together with the corresponding earth segment, to the Operating Company at its current market value, calculated on the basis of its commercial value to the Operating Company.

5. The Purchasing Company shall, in fulfilment of the aforementioned commitments, not later than three months after the Agreement between the Governments has been signed, conclude an accord with the Swedish Space Corporation (the Space Corporation) regarding the development and purchase of the Tele-X satellite, together with the corresponding earth segment, the putting of the Tele-X satellite into operation in orbit, the management of the project and the control of the satellite in orbit (TT&C) and the assumption of the Space Corporation's rights and obligations with respect to the Swedish National Telecommunications Administration in accordance with an accord signed between them on 13 November 1980. The wording of the accord between the Purchasing Company and the Space Corporation shall be in accordance with annex 2:2.¹ The respective Governments shall be notified, as soon as possible, of the signing of the accord.

The Purchasing Company and the Space Corporation may agree on amendments to the accord concluded between them in accordance with the provisions of that accord.

6. The Purchasing Company shall go into liquidation when the Operating Company has assumed ownership of the Tele-X satellite, with the corresponding earth segment, not later than the end of 1988.

7. Other questions regarding the Purchasing Company shall be regulated in the aforementioned shareholders' accord.

Section 7. THE OPERATING COMPANY

1. The Operating Company shall be registered as a Swedish joint-stock company.

2. The shares in the Operating Company shall be owned by the countries' telecommunications administrations in the manner set forth in a separate share-

¹ Annex 2 is omitted as it is not considered an integral part of the Agreement (information provided by the Government of Sweden).

holders' accord (annex 3),¹ which also regulates the Company's activities. The telecommunications administrations shall have the right, with the approval of the Board of Directors of the Consortium, to make amendments to the shareholders' accord.

3. The Operating Company shall be the executive organ in future co-operation on operational telecommunications satellite projects. The purpose of the Operating Company shall be to furnish telecommunications satellites and the necessary satellite controls, on a commercial basis, to the said satellite projects and to the earth stations jointly owned by the telecommunications administrations for transmission and reception via such telecommunications satellites.

In this connection, the Operating Company shall specify satellite systems and be responsible for their purchase and shall hold the ownership rights to operational telecommunications satellites and the earth stations for telecommunications transmission and reception which are jointly acquired by the telecommunications administrations.

4. The Operating Company shall assume the rights and obligations of the Swedish National Telecommunications Administration with respect to the Space Corporation in accordance with the accord of 13 November 1980 between them. The Operating Company shall thus be responsible for the operation of the earth segment, including the monitoring of traffic during the experimental phase of the Tele-X programme. At the end of the experimental phase, the Operating Company shall take over the Tele-X satellite, with the corresponding earth segment, from the Purchasing Company in accordance with the provisions of section 6, paragraph 4, above.

Section 8. TAXES AND DUTIES

If one of the two countries imposes taxes or duties on the Purchasing Company or the Operating Company on the basis of the co-operation which they carry on within the Consortium, that country shall pay the corresponding amount to the company concerned.

Section 9. FUTURE DEVELOPMENT AND PURCHASES

For co-operation in the development and purchase of satellite systems, the Operating Company shall, not later than three months after the Agreement between the Governments is signed, conclude an accord with the Space Corporation concerning future co-operation, which shall be worded in accordance with annex 3:2. The respective Governments shall be informed, as soon as possible, of the signing of the accord.

Section 10. RELATION TO OTHER SATELLITE SYSTEMS

1. The Consortium shall give due regard to the relevant provisions and rules established by the organs of the International Telecommunication Union and to instructions from the telecommunications administrations of the Parties.

2. The Parties shall, whenever possible, endeavour to provide information to the relevant organ within the Consortium regarding other satellite projects

¹ Annex 3 is omitted as it is not considered an integral part of the Agreement (information provided by the Government of Sweden).

which may be of technical or economic significance for the Parties' future co-operation within the Consortium.

3. For projects carried out within the Consortium, the Swedish Government shall assign to the Swedish National Telecommunications Administration the responsibility for notification and co-ordination with other telecommunications satellite systems in accordance with the broadcasting regulations of the International Telecommunication Union.

Section 11. WITHDRAWAL OF A PARTY FROM THE CONSORTIUM

1. The withdrawal of a Party from the Consortium before the expiry of the Agreement shall be governed by the following:

(a) A Party which has opposed a majority decision taken by the Purchasing Company or the Operating Company in accordance with section 6 of the shareholders' accord for the company concerned shall have the right to withdraw from the Consortium by giving notification to the other Party, which shall take place not later than one month after the decision. Withdrawal shall take place three months after the other Party has received the notification.

(b) If a Party violates the provisions of the Agreement, the Statute of the Consortium or accords pertaining thereto and the violation is of considerable importance, the other Party shall have the right to demand the first-mentioned Party's withdrawal from the Consortium. Withdrawal shall take place as soon as possible and not later than one month after the other Party has received a written demand for withdrawal.

2. If a Party withdraws from the Consortium in accordance with paragraph 1 above, the other Party shall be entitled to continue by itself the activities of the Consortium and to make use of the Consortium's name without change. Accords concluded prior to that time in accordance with the provisions of this Statute or otherwise for the purpose of carrying on co-operation shall, in the absence of another agreement, continue thereafter to apply to such activities.

3. As from the date of its withdrawal, a withdrawing Party shall no longer have the right to participate in the organs of the Consortium. Accordingly, the withdrawing Party shall no longer be represented in the Board of Directors, the Assembly, the Purchasing Company or the Operating Company. The withdrawing Party shall be obliged to transfer its stock in the Purchasing Company to the other Party and to assist in the transfer of its telecommunications administration's stock in the Operating Company to the other Party's telecommunications administration in proportion to their earlier shareholdings in the companies.

4. The right to compensation upon redemption of stock and other obligations in the event of withdrawal shall be regulated more particularly in the shareholders' accords for the Purchasing Company and the Operating Company.

Section 12. PARTIAL PARTICIPATION IN CO-OPERATION

1. If Finland, without acceding to the Agreement and thereby becoming a member of the Consortium, subsequently wishes to participate in the Tele-X project, the Swedish Government shall conduct negotiations with the Finnish Government regarding the conditions for such participation and, if the negotiations lead to a positive result, shall have the right to conclude, with binding effect for the Parties, an accord to that effect with the Finnish Government or the

competent Finnish State authority. The Norwegian Government shall have the right to take part in such negotiations. If, however, the accord would imply or might involve an increase of Norway's financial obligations in connection with the implementation of the Tele-X project or a lessening of Norway's industrial share in the project or of Norway's influence on the management of the Consortium and its organs, the accord shall not be concluded without the approval of the Norwegian Government.

2. In so far as an accord of the kind referred to in paragraph 1 above involves amendments to this Statute and/or other agreements and accords in force between Sweden and Norway concerning the implementation of the Tele-X project or other forms of co-operation, this Statute and said agreements and accords shall thereafter be binding as amended.

DONE at Stockholm on 11 April 1983.

For the Government
of Sweden:

[Signed]

THAGE G. PETERSON

For the Government
of Norway:

[Signed]

JENS-HALVARD BRATZ

TELE-X PROJECT ACCORD

The Government of Sweden and the Government of Norway have today signed an Agreement on Co-operation in the Field of Telecommunications Satellites (hereinafter referred to as "the Agreement"). Co-operation shall be carried on within the framework of a Consortium called "the Nordic Telecommunications Satellite Consortium". The co-operation within the Consortium is regulated more particularly in the Statute governing the activities of the Consortium, annexed to the Agreement. The Parties have, as a first project, concluded the following Accord concerning the implementation of the Tele-X project:

Section 1. PURPOSES OF THE PROJECT

The purposes of the co-operation shall be:

- To give industrial enterprises of the two countries the opportunity to develop and supply equipment for the project in order that their industrial enterprises may become competitive in the supplying of equipment for future operational telecommunications satellite systems;
- To give the telecommunications administrations of the participating countries the opportunity to gain practical experience in new satellite services and experience in the use of new frequency bands;
- To give the countries experience in radio and television broadcasting via satellite and to provide experience in new digital communications services via satellite, such as data services for enterprises.

Section 2. CONTENT OF THE PROJECT

1. The project shall comprise the development and manufacture of a Tele-X satellite, the launching of the satellite and its positioning in geostationary orbit, the development and construction of earth stations for communication via the

satellite, the guidance and monitoring of the satellite in orbit and project management. A more detailed description of the technical content of the project is given in the attached "Technical description of Tele-X" (annex 1:1). In accordance with section 6 of the Statute of the Consortium, responsibility for the implementation of this Accord shall rest with a joint-stock company, called "the Purchasing Company", which shall be jointly owned by the Parties.

2. In the experimental phase of the Tele-X project, the Operating Company referred to in section 7 of the Statute of the Consortium shall be responsible for the formulation and conduct of the telecommunications experiments, bearing in mind the objectives of the project, as expressed in section 1, so that the greatest possible benefit is derived from the project within established economic limits.

Section 3. GUIDELINES FOR INDUSTRIAL CO-OPERATION

Guidelines for the division of labour between the industrial enterprises of the two countries is set forth in annex 1:2, entitled "Industrial policy requirements for the Tele-X project".

Section 4. FINANCING AND INSURANCE

The Parties undertake to pay those costs which arise after 1 July 1982 from the implementation of the Tele-X project in accordance with the annexed "Tele-X financing and payment plan" (annex 1:3).

The Parties agree that the launching of the satellite shall be insured.

Section 5. PLACEMENT AND APPLICATION

1. Tele-X shall be usable primarily for experiments with earth stations situated in the two countries. The placement of such stations shall be reasonably divided between the two countries.

2. During the experimental phase, approval by the Board of Directors of the Consortium and by the Operating Company shall be required for the use of earth stations other than those mentioned in annex 1:2.

3. The use of the Tele-X satellite shall be reasonably divided between the two countries. The television channel capacity shall be made available with due regard for the recommendations of the Nordic Council of Ministers.

4. The control station for the Tele-X satellite (TT&C) shall be situated on the Esrange at Kiruna.

Section 6. AMENDMENTS

The Board of Directors of the Consortium shall have the right to take, with binding effect for the Parties and without increasing the Parties' financial obligations, decisions concerning amendments to this Accord and its annexes.

Section 7. SETTLEMENT OF DISPUTES

If a dispute arises between the Parties with respect to the interpretation or application of this Accord, it shall be resolved in the manner set forth in article IV of the Agreement.

Section 8. ENTRY INTO FORCE AND DENUNCIATION

The entry into force of this Accord shall be governed by the provisions of article V of the Agreement. This Accord shall cease to have effect when the Operating Company takes over the Tele-X satellite and the Operating Company or the telecommunications administrations concerned have taken over the earth segment associated with the satellite or, in the absence of such a transfer, on the date on which the Parties agree that, in so far as the Parties are concerned, the Tele-X project should be considered to have been completed.

DONE at Stockholm on 11 April 1983.

For the Government
of Sweden:

[*Signed*]

THAGE G. PETERSON

For the Government
of Norway:

[*Signed*]

JENS-HALVARD BRATZ