## **Telenor Satellite, Inc.**

## Request for Special Temporary Authority International Section 214 Application to Provide Inmarsat BGAN and E&E Services

## Attachment 1

Telenor qualifies for streamlined processing under the Commission's Rules, which allow for streamlined processing where a carrier demonstrates that: "The affiliated destination market is a WTO Member country and the applicant agrees to be classified as a dominant carrier to the affiliated destination country...." The affiliated destination market here is Norway, a WTO member country, thus fulfilling the first part of the § 63.12 (c) requirement.

In its December 2001 *Order and Authorization*, the Commission approved the assignment of various Title II and Title III licenses from COMSAT Corporation to Telenor Satellite, Inc. <sup>2</sup> In authorizing the indirect ownership of Telenor Satellite, Inc. by Telenor ASA, owned in part by the Kingdom of Norway, the Commission found that the indirect ownership would not cause harm to competition. <sup>3</sup> In addition, the FCC concluded that Telenor would be classified as a dominant international carrier on the U.S.-Norway route. <sup>4</sup>

Norway's status as a WTO Member country and Telenor's acceptance of the dominant carrier classification for the U.S.-Norway route fulfill both requirements for streamlined processing under 47 C.F.R. § 63.12(c).

Pursuant to 47 C.F.R. § 63.18(i)-(m), Telenor certifies the following:

Applicant Telenor Satellite, Inc., a Delaware Corporation, is 100% owned by Telenor Satellite Services Holdings, Inc., a Delaware Corporation. Telenor Satellite Services Holdings, Inc. is in turn 100% owned by Telenor Satellite Mobile AS, a Norway Corporation. Telenor Satellite Mobile AS is in turn 100% owned by Telenor Satellite Mobile Ventures AS, a Norway Corporation. Telenor Satellite Mobile Ventures AS is in turn 100% owned by Telenor Satellite Services, AS, a Norway Corporation. Telenor Satellite Services, AS is in turn 100% owned by Telenor ASA, a Norway Corporation. Telenor ASA is 53.99% owned by the Kingdom of

<sup>&</sup>lt;sup>1</sup> 47 C.F.R. § 63.12 (c)(1)(v).

<sup>&</sup>lt;sup>2</sup> See In the Matter of Lockheed Martin Global Telecommunications et al., Applications for Assignment of Section 214 Authorizations, Private Land Mobile Radio Licenses, Experimental Licenses, and Earth Station Licenses, Order and Authorization (hereinafter Order and Authorization), 16 FCC Rcd 22897 (2001) at ¶ 57 and Appendix A.

<sup>&</sup>lt;sup>3</sup> *Id.* at ¶ 57. Specifically, the FCC stated, "[W]e conclude that it will not serve the public interest to prohibit the proposed indirect foreign ownership of Telenor Satellite in excess of the statutory 25 percent benchmark." *Id.* 

<sup>&</sup>lt;sup>4</sup> See id. at ¶¶ 44-46. In addition, the FCC found that, "with the exception of the U.S.-Norway route, Telenor Satellite warrants classification as a non-dominant international carrier." *Id.* at ¶ 44.

Norway, and 46.01% of its shares are listed on NASDAQ and the Oslo Stock Exchange and are owned by members of the public.

In its December 2001 Order approving the assignment of various Title II authorizations and Title III licenses from COMSAT Corporation to Telenor Satellite, Inc., the FCC authorized the indirect ownership of Telenor Satellite, Inc. by Telenor ASA, concluding that ownership by the Kingdom of Norway of more than 25% of the shares of Telenor ASA would not cause harm to competition. <sup>5</sup>

Telenor ASA also has direct or indirect share ownership of 25% or more in the following other foreign carriers:

Carrier	Home Country	% Shares Held by Telenor ASA
Telenor Telecom Solutions AS	Norway	100.0
Telenor Mobil AS	Norway	100.0
Telenor Global Services AS	Norway	100.0
Telenor Mobile Sweden AS	Sweden	100.0
Telenor AB	Sweden	100.0
Sonofon Holding A/S	Denmark	100.0
Pannon GSM	Hungary	100.0
Promonte GSM	Montenegro	100.0
Telenor Pakistan	Pakistan	100.0
Grameen Phone	Bangladesh	62.0
DiGi.Com	Malaysia	61.0
Kyivstar GSM	Ukraine	56.5
DTAC	Thailand	40.3
VimpelCom	Russia	29.9

Telenor seeks in this application to provide Broadband Global Area Network service to all parts of the world, including the following destination countries where Telenor ASA either is a foreign carrier or controls a foreign carrier:

Norway: Telenor Telecom Solutions, Telenor Mobil, Telenor Global Services

Sweden: Telenor Mobile Sweden, Telenor AB

Denmark: Sonofon Holding A/S

Hungary: Pannon GSM
Montenegro: Promonte GSM
Pakistan: Telenor Pakistan
Bangladesh: Grameen Phone

<sup>&</sup>lt;sup>5</sup> See id. at ¶¶ 35-36. The ownership chain described above is slightly different from the chain described in the FCC Order due to minor Telenor corporate restructuring, and the percentage of public ownership of Telenor ASA is higher than previously reported (46.01% vs. 37.35%). Such minor changes are permitted under the Commission's Order. See id. at ¶ 36.

Malaysia: DiGi.Com Ukraine: Kyivstar GSM

Of the nine countries listed immediately above, seven (Norway, Sweden, Denmark, Hungary, Pakistan, Bangladesh and Malaysia) are WTO members. In the eighth and ninth, Montenegro and Ukraine, the affiliated carriers lack market power, by virtue of the fact that neither has greater than 50% market share in its respective country's international transport and local access market.

Applicant Telenor, through its ultimate parent, Telenor ASA, is affiliated with the 14 foreign carriers listed above. Except in Norway, the affiliated carriers are non-dominant carriers and no combination of the affiliated carriers has greater than 50% market share in the international transport and local access markets in any country in which the affiliated carriers operate. In Norway, the affiliated foreign carriers are dominant carriers. In the event of resale by Telenor of the international switched services of an unaffiliated U.S. carrier in Norway, Telenor will file the quarterly traffic reports required by the Commission's Rules with respect to such activity. <sup>6</sup>

Except for the affiliates of Applicant Telenor in Norway, all of the affiliated foreign carriers are non-dominant carriers and no combination of the affiliated carriers has greater than 50% market share in the international transport and local access markets in any country in which the affiliated carriers operate. Telenor therefore qualifies for non-dominant classification and should be regulated as such with respect to all markets except Norway. <sup>7</sup>

Applicant Telenor seeks authority to provide service to the following destinations described in paragraphs (1)-(4) of § 63.18(j): Norway, Sweden, Denmark, Hungary, Montenegro, Pakistan, Bangladesh, Malaysia, and Ukraine.

Applicant Telenor seeks authority to provide service globally, including to the following destinations not listed above where it has an affiliation with a foreign carrier: Thailand and Russia.

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<sup>&</sup>lt;sup>6</sup> See id. at ¶ 45; see also 47 C.F.R. § 43.61.

<sup>&</sup>lt;sup>7</sup> See supra note 4.