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AVIATION

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ECONOMICS

The Chairman of the U. S. Civil Aeronautics Board recently stated that the air industry faces the worst crisis in its existence. The estimated industry-wide losses this year may be in excess of \$100 million. As costs rise due to expensive new equipment, hijacking prevention, and inflation, the passenger traffic growth has steadily dropped. Although international traffic for the first half of 1970 increased sharply (16% over last year) domestic traffic has not grown along with capacity. Airline attempts to adjust fares and flight frequency have met with governmental resistance in the U. S. Now that the gravity of the economic crisis is apparent, government approved capacity reductions and fare increases are imminent.

Fares:

Fare increases vital to meet excessive costs were defeated in court in 1969 (see Aviation, *Lawyer of the Americas*, October, 1970). Now the CAB is conducting a major fare investigation which may lead to a new fare structure. While fare increases have been approved selectively (for example in first class rates) a major increase is necessary for most airlines to meet their costs. An additional cost, that of retrofitting jet engines to eliminate pollution, has been termed by the Chairman "beyond the capability of the industry and what the present fare structure will allow."

The recently concluded IATA conference in Honolulu decided upon fare increases averaging about 5% across the Atlantic and a "slightly greater" increase into the Pacific. IATA said the higher fares "will offset in part such additional costs as passenger service charges which the airlines have been forced to absorb more and more in recent years." The new rates were ratified in Geneva by member airlines and can go

into effect February 1 unless the governments involved disapprove. Approval by the CAB is uncertain in view of the Board's past reluctance to allow higher fares.

Capacity:

Three major airlines (American, T.W.A. and United) had sought approval by the CAB of an agreement to cut down on scheduled nonstop service in 15 long range markets in order to save over \$50 million in expenses. In their petition the airlines stated the cutbacks would be an "experiment designed to alleviate the serious economic condition of the industry by reducing waste resulting from the scheduling of more flights than the public needs."

The CAB considered whether such a joint action without prior consultation of the government was permissible under anti-trust laws as well as whether the agreement was in the public interest. The Justice Department opposed the agreement. Subsequently the CAB rejected the plan stating that anti-trust laws were violated and that the two year proposed duration of the pact was too long. However, in sympathy with the situation of the carriers, the Board ordered the three airlines to submit a new plan in direct consultation with the Board.

One of the problems which confronted the airlines was that the U. S. has opposed predetermination of capacity in international scheduled operations over the past 20 years, despite a continuing movement by some nations to create methods of capacity control, especially over the North Atlantic. Approving the domestic agreement would have placed the U.S. in the awkward position of taking a firm stand in the international field while conducting a contrary practice within its own borders. The agreement could also undermine application of the Bermuda principles governing the relationship of capacity to demand.

SST

The Senate in a crucial vote (December 3, 1970) denied an appropriation of funds for continuing work on the SST; the House countered by refusing to accept the Senate's rejection of funds, and the matter was referred to conferees which recommended \$80 million less than the original appropriation of \$290 million to both Houses. Thus, at press time, the matter had yet to be resolved by the House and the Senate. The Senate had previously passed a measure banning the SST from flying at supersonic speeds over the U.S. The Government estimates that its investment in the SST would be recovered when the 300th plane is sold.

The Concorde, a joint British and French SST project, has already reached its designed cruising speed of mach 2 in test flights. This aircraft will be smaller (120 passengers) and slower (1400 vs 1800 mph) than the proposed American SST. The final decision to complete the Concorde will be made in the Spring of 1971 in the face of criticism that it will be too small and too expensive in the wake of heavy current expenses by airlines in the acquisition of jumbo jets capable of carrying many more passengers.

The Department of Transportation, in a document presented to the President's Council on Environmental Quality, has admitted that the SST may have some harmful effects on the environment, but terms such effects as "minor." In classifying the SST as an "insignificant polluter," the Department states that more research, in particular, is needed on temperature increases that would result from exhaust and water vapor left in the upper atmosphere by the SST. This report states that airport noise of the SST will be higher than desired although different reports conflict with this conclusion. With the acoustical correction equipment system, states the Library of Congress Report, the take-off noise of the SST will be $\frac{1}{2}$ that of a 707. However, the steep rate of climb of the aircraft will help mitigate its noise effect around airports.

HIJACKING

In September 1970, Palestinian guerrillas hijacked four jet transports to the Jordan desert where they subsequently destroyed all the planes and held the passengers as hostages, some of whom were not released for several weeks. This incident has led to new proposals and preventive action by many nations and organizations in an effort to end the menace of hijacking.

The General Assembly of the U.N. voted 105-0 for a resolution which condemns all acts of aerial hijacking by force or threat and all acts of violence against passengers and crews. The resolution also urged all member nations to deter or suppress such acts and provide for the prosecution and punishment of hijackers. The resolution also contains an amendment added at the request of the Latin American nations safeguarding the right of asylum for political refugees. The taking of passengers or crew members as hostages was specifically condemned. Cuba abstained from this vote because the resolution failed to deal with sea piracy.

Secretary General U-Thant proposed in a recent speech that hijackers be brought to trial before an international tribunal, terming hijacking a crime against international service affecting a diversity of nations and

interests. He said the proposed tribunal would defend the interests of all peoples and nations, and would be effective if governments pledged themselves to extradite hijackers to be brought before the tribunal.

The 26th Annual General Meeting of IATA recently concluded with the unanimous adoption of a Resolution on the Unlawful Interference with Aircraft. The resolution noted "with regret that national laws in many states do not yet provide an effective deterrent in that they do not assure prosecution and punishment of these criminal acts or extradition of the persons responsible." In addition the resolution calls upon states without delay:

1. to confirm publicly their intentions to implement the solemn declaration adopted by the 17th (extraordinary) Assembly of ICAO, and in particular the request for concerted action on the part of states to suppress all acts which jeopardize the safe and orderly development of international civil air transport and to ensure the prosecution and punishment of those who commit them,
2. to complete the legal and technical work that is at present in progress and as part of this work to devise methods of developing convention-making processes to replace the present ineffective machinery so that treaties dealing with the present emergency situation can expeditiously be brought into effect worldwide,
3. to adopt the appropriate international instruments as emergency measures,
4. to enact legislation giving effect to the provisions of these international instruments,
5. pending the adoption of such international instruments to enact legislation to ensure prosecution and punishment of these criminal acts . . .

These IATA recommendations reflect its firm belief that it is the lack of governmental action which has brought about the current situation. Speaking through IATA, airline leaders have expressed their frustration, believing that they have done all they can individually to prevent hijacking, and that no more progress is possible until governments enact more stringent laws and treaties punishing this crime.

The Legal Committee of ICAO completed its draft convention on unlawful interference for submission to The Hague in December 1970. The draft convention sanctions a U.S. proposal calling for an international

agreement to cut off air service to countries involved in the detention of aircraft "for international blackmail." The draft amendments have been termed "weak" by the U.S. because they fail to give priority to the nation in which an aircraft is registered if the hijacker is to be extradited and because it leaves some discretion to governments as to whether a hijacker should be prosecuted.

The ICAO draft convention also covers acts of sabotage and armed attack. Because there is no mandatory extradition it remains possible under the draft for a hijacker to seek political asylum and escape prosecution.

The issue whether to grant asylum, extradite or prosecute is the most difficult part of the hijacking problem for nations to agree upon. While the U.S. feels that all acts of unlawful interference should be punished regardless of motivation, some nations want to preserve the asylum principle. Agreement between countries making hijacking a crime subject to mandatory prosecution is unlikely at the present time for the above reasons.

A possible boycott against countries refusing to return hijacked aircraft and crews has also been approved by an emergency session of the civil aviation section of the International Transport Workers Federation. This boycott could immobilize any country served by the 150,000 worldwide ITF airport and pilot employees.

The U. S. government has taken several positive steps to end air piracy. President Nixon has proposed through the Secretary of Transportation the following principles for adoption in the ICAO draft convention:

1. the state in which a hijacked aircraft lands has the obligation to permit the passengers and crew to continue and to return the aircraft and cargo to its owners,
2. the state in which a hijacker has fled has the duty to extradite or prosecute him. Where necessary this would be re-negotiated on existing bilateral extradition treaties,
3. concerted multilateral actions against states which do not comply with the above two proposals, (i.e. which fail to release aircraft, passengers and crews, and fail to prosecute or extradite hijackers).

In its bilateral treaties, the U.S. treats the nature of hijacking by establishing "the presumption that hijacking is a crime and not a political offense." Seven such treaties are in effect with eleven more being negoti-

ated. Cuba recently returned a hijacker of a U.S. aircraft directly to the U.S. and stated that it was willing to enter into an immediate agreement with the U.S. for reciprocal return of all airplane and boat hijackers. While it rejects any multilateral action, Cuba will negotiate an inclusive bilateral treaty with the U.S. However, execution of such a treaty is doubtful if it implies the return of refugees who flee Cuba in planes and boats.

President Nixon also signed legislation amending Section 101 of the Federal Aviation Act to create the term "special aircraft jurisdiction" of U.S. aircraft no matter where they are flying. There is also a provision for punishment of hijackers of foreign aircraft over the U.S.

The U.S. made known plans to sponsor a conference on hijacking in Washington in January, 1971, under the auspices of the F.A.A. Invitations were extended to over 60 nations including communist bloc countries. Topics for the conference will include techniques for preventing hijacking, exchange of information on sabotage, detection devices and airport security.

Finally, the U.S. government recently initiated a major anti-hijacking program. Under the F.A.A.'s recently created Office of Air Transportation Security, highly trained federal agents are being placed on selected domestic flights and every U.S. international flight. Approximately 800 guards are now being deployed with the goal of establishing a force of 2,500. The "sky marshals" will dress like ordinary passengers, and will be drawn primarily from the military and other federal agencies. These men will have federal law enforcement authority although the Captain of each flight is to have the ultimate decision on matters affecting the security of flight. Additional ground security personnel are also authorized for airport protection under this program. The program is to be financed by an increase in the airline ticket tax from 8 to 8-1/2% and from \$3 to \$5 in the international head tax. Although there is some resistance to this form of user tax, the enabling legislation has passed the House and is expected to pass the Senate.

The sky marshals will receive special training by the F.A.A. in:

1. familiarization with important aircraft cabin characteristics,
2. familiarization with reactions of passengers to aircraft maneuvers in order to capture hijackers,
3. learning the behavioral profile system to spot potential hijackers aboard aircraft,
4. refresher courses in hand to hand combat and fire arms usage.

The reaction of pilots to the hijacking threat has been threefold. Through A.L.P.A., pilots have asked for extensive ground security arrangements including complete passenger and baggage searches, security checks of persons with access to the air side of airports, and protection of control tower and navigation facilities. If the ground precautions are not taken or do not meet the satisfaction of the pilots' unions, a possible boycott of such airports is advocated by the unions. Lastly, A.L.P.A. has demanded the installation of bullet-proof cockpit doors and recommended that pilots should also be armed to protect the flight deck from any outside threats.

With regard to the armed guards now aboard flights, the pilots unions are not in agreement over their value, some arguing they might create more of a hazard than the hijackers. However, A.L.P.A. leaders do emphasize the Captain's authority over the guards in questions of inflight security as well as the need to use low muzzle velocity bullets with hollow tips to protect the fuselage of aircraft in flight.

Anti-hijack screening systems have met with increasing success at many airports in the U.S. The system, which is composed of a visual behavioral profile and magnetometer tests has led to more preboarding arrests for concealed weapons and sharp reductions in hijackings. Passenger public opinion appears to favor such tight security precautions if they will insure safer flights. The F.A.A. believes the system is presently the most effective deterrent against potential hijackers. A total of 13 U.S. airlines, including 5 local service carriers have formally joined the F.A.A. screening system. On all international flights from U.S. gateways, customs agents now search all hand luggage carried by boarding passengers.

Kennedy International Airport is the second major airport to have its own preboarding screening system, based on recent purchase of magnetometers by the Port Authority of New York. The government is also working on an improved metal detector far more sensitive than present ones. This new magnetometer would distinguish between weapons and common metallic objects carried on aircraft by travellers.

The trends in hijacking have changed considerably. While hijackings from the U.S. to Cuba have dropped sharply, piracy of international flights is rising. The drop in domestic incidents can be attributed to two factors: the growing effectiveness of U.S. screening systems and the lack of a safe haven for hijackers in Cuba. According to the Director of the F.A.A. not a single non-Cuban hijacker remains in Cuba. At least a dozen successful hijackers have been returned to the U.S. through various chan-

nels. While it is a capital offense with no statute of limitations, hijacking convictions carry relatively light sentences. Of 39 such men apprehended in the past decade, 29 were convicted of hijacking. Eight received sentences exceeding 20 years. Five were committed to mental institutions, three to juvenile institutions, three placed on probation and the rest received less than 20 year sentences. An Italian court recently sentenced an American hijacker to 7 years for kidnapping because they had no laws on air piracy.

Thus the hijacking problem has reached a stalemate between governments and airlines. As the number of incidents mount worldwide, especially from unprotected airports, no conclusive governmental agreement has yet been reached. Airlines, facing the ultimate burden of destruction and injury, look to their governments for the final solutions on uniform extradition and punishment of criminal hijackers.

(Editor's Note: On December 15, 1970, the international conference on air law meeting at The Hague approved a convention demanding severe penalties for airplane hijackers. The main points provide that:

1. Each contracting State undertakes to make the offense (unlawful seizure of aircraft) subject to severe penalties.
2. The States involved in any hijacking should establish among them which will have jurisdiction "over the offense and any other act of violence against passengers or crew committed by the offender."
3. The State where the hijacker is captured "shall, if it does not extradite him, be obliged without exception whatsoever . . . to submit the case to its competent authorities for the purpose of prosecution."

The Convention also states that if no extradition treaty exists between two countries involved in a hijacking, the country receiving a request for extradition "may consider" the Convention a substitute for such a treaty.)

INSURANCE

The U. S. government, through the Department of Transportation, has entered the aviation insurance market on a large scale in order to keep insurance available to commercial airlines at reasonable rates.

Since the September hijacking incidents, many hull and liability insurance policies were cancelled with renewal offered for hull insurance only at 10-15 times the previous rate and with tighter conditions. Be-

cause these new rates were termed "prohibitively expensive", the government entered the aviation hull insurance market on the basis of existing congressional authority. The Transportation Department may also add coverage for war-risk liability in addition to its hull insurance offering. Coverage signed for by seven airlines already exceeds \$3.3 billion. The entry of the government into this market is not intended to be permanent, lasting hopefully until the London market reduces its rates back to a "reasonable" level. The government rates are presently .20¢/per \$100 of value, which may be retroactively increased to .80¢ if premiums are not sufficient to cover losses in any one policy year.

The new policies explicitly cover the types of hijacking which recently took place, stating they protect against "independent unit or individual activities in furtherance of a program of irregular warfare." However, the program covers only international flights so the hijacking of a flight between two domestic points is not covered.

Prior to this major offering, the Department offered in July a deductible form of war risk hull coverage of the last 40% of the insured value. Under this arrangement the government will pay up to \$9.6 million of the insurance claim on a Pan Am 747 which had been covered and subsequently blown up in Cairo in September.

The extent of coverage under present commercial policies is not yet certain. War risk and all-risk insurers can not agree on who is responsible to pay for damages incident to hijackings. This issue of responsibility for such damages will be decided in court, although one likely outcome will be the exclusion of hijacking from all-risk coverage in new policies.

The CAB has announced a proposed rule making minimum insurance requirements for foreign air carriers serving the United States. This rule, called for in the Statement of International Air Transportation Policy of the U. S., would remove the possibility that a carrier of limited financial resources would be "unable to satisfy substantial passenger and third-party liability claims against it . . ." This rule would replace the present CAB "case-by-case" scrutiny of foreign carrier finances, a system which has become increasingly difficult to administer. The proposed rule may require as an alternative to the insurance requirement, an alternative proof of financial responsibility.

AIR POLLUTION

The National Air Pollution Control Administration has asked airlines to stop jettisoning excess fuel into the atmosphere over the nation's airports. The request by the federal pollution agency called for volun-

tary compliance leaving open the possibility of enforcement legislation if the airlines decline. This action followed the widely publicized dismissal of a veteran Eastern Airlines captain in Miami after he insisted that his fuel drain cans be emptied prior to takeoff rather than in the skies. The Air Transport Association replied that carriers already are seeking ways to eliminate this practice but solutions are still two to three years away.

AEROFLOT IN ICAO AND IATA

The Soviet Union, which has been an observer of ICAO's activities since 1944, has joined ICAO as of November 14, 1970. The catalyst which apparently prodded the Soviet Union into membership is the recent hijacking of an Aeroflot flight from the U.S.S.R. to Turkey. The membership of the ICAO will now be comprised of 120 states.

By becoming a member of the ICAO, Russia will be the second largest participant to the organization's operational budget—an estimated 12-14%. Aeroflot contributes approximately 25% of the total air traffic of the entire ICAO membership.

Aeroflot is presently in the process of meeting the requirements for membership in IATA. Ratification of the Chicago Convention and membership in the ICAO are the prerequisites for an airline to be a member of IATA.

CAT

The FAA, ATA and the National Transportation Safety Board (NTSB) have all recommended that a competent system for the warning and forecasting a clear air turbulence (CAT) be developed. Although there are presently two systems under development (infrared and ultra violet) by American firms, neither has proved satisfactory. The advantage of having a CAT system is that severe buffeting or rapid increases or decreases in altitude can be foreseen and possibly avoided.

CHARTER OPERATIONS

As a result of two recent crashes of chartered airplanes, the F.A.A. is proposing new charter rules which would amend Part 123 of the regulations. Both crashes involved football teams and college administrations. The F.A.A. would require that such groups must conform with Part 123 which would prohibit the present problem of educational institutions becoming operators of large airplanes when they in fact have little experience in this field. Another direct result of the two air crashes is a

sweeping investigation instituted by the Secretary of Transportation of all air charter operations.

BANK SETTLEMENT PLAN

At a meeting of IATA in Tokyo in November, Japan elected to adopt IATA's Bank Settlement Plan (BSP). Japan is the first nation to adopt this system. This plan provides for a standardized IATA ticket which will be issued on behalf of all the airlines that are participating in the BSP to expedite reporting and remitting procedures. This plan is predicated to specifically cut expenses in ticket issuing and needless duplication of forms.

747

As a result of two incidents in which 747's have been forced to land from the failure of their turbines, the NTSB has ordered the F.A.A. to initiate immediate action to prevent any further such occurrences. The F.A.A. has in turn ordered airlines that operate the 747 to inspect all engines which have been operated for less than 100 cycles. A cycle is one complete airborne trip i.e. takeoff, cruising and landing. The failure of the engines is believed to be either from overheating or from the improper installation of part of the turbine wheel.

VTOL/STOL

In a recent report issued by the CAB it was announced that the Northeast corridor of the United States would be feasible for service by VTOL AND STOL aircraft. This statement agreed with other studies in that this area would be both technically and economically susceptible to this type of aircraft. In Florida a committee on research for the VTOL and STOL stated that Florida should be the second region to be approved for this service. American Airlines has received a \$36,000 grant from the F.A.A. to study the feasibility of the installation of STOL air facilities in San Francisco Bay.

LANDING AIDS

The lack of adequate landing aids was cited as one of the causes for an aircraft accident which killed 75 persons among which was Marshall University's football team. The airport where the DC-9 was attempting to land at night time had no electronic glide slope indicator. Numerous airports presently lacking sophisticated safety equipment are now attempting to immediately seek financial aid and install this equipment.

An (API) Associated Press International release has listed some 304 airports in the U. S. lacking blind-landing devices. In areas where there is a relatively small degree of rapid terrain variation, glide slope indicators are not as necessary as in mountainous areas.

IN FLIGHT SEPARATION

ICAO, working with the F.A.A. has devised a system of separation of aircraft in flight which will double the air lanes of North Atlantic traffic. Previous objections by (IFALPA) International Federation of Airline Pilots have been withdrawn. The system cuts lateral separation of aircraft from 138 miles to 69 miles and vertical separation at all altitudes to 1000 feet. The plan will be basically the same as that which IFALPA has been operating, except flights will now be staggered. This staggering of flights will result in double the number of flights that had previously been possible.

OFFICE OF INDUSTRY ANALYSIS

The U. S. Department of Transportation has established an Office of Industry Analysis which will deal directly with airlines and other modes of transportation to determine what type, if any, of governmental activities will help these industries expedite solutions to their problems. Although this agency was not originated to deal specifically with the financial problems of airlines, it will have the power to do so.

AIRPORTS

Canada has agreed to finance a study of a 20-year development plan for Kingston and Montego Bay international airports. Estimates, involving engineering and design work total \$240,000.

Tocumen International Airport in Panama became the object of a World Bank loan which will finance improvements and expansion of the airport. The new facilities will include a passenger terminal building, a new runway and the conversion of the present passenger terminal into a cargo building. Construction is expected to begin early in 1971.

VIII INTER-AMERICAN AVIATION LAW CONFERENCE

The planning has been completed for the VIII Conference which will be held in Miami, April 28-30 under the co-sponsorship of the Schools of Law of the University of Miami and the University of Panama.

An unusual feature in this year's conference is an all day trip to

Cape Kennedy on Thursday, April 29. The trip to the Cape will be preceded by a showing of a film on the U. S. Moon Program. The film is being made available by the Gulf Oil Corporation.

The remaining two days will follow the format of previous conferences, i.e. lectures followed by panel discussions in the mornings, and the afternoons free for personal business. A reception will be hosted by Parker & Co. International.

This year's topics include Airline Insurance, Airline Security, the Aviation Code of Panama and Latin American Aviation Policies. Mr. L. H. Wilcox, Senior Vice President of Parker & Co. International, Mr. Frank Cardman, Director of Security for Pan Am and Mr. Alvaro Bauza Araujo of Uruguay have agreed to present lectures. A representative from Panama will join the above to round out the speaker's panel for the VIII Conference.

For further information please contact the Director of the Law Center, School of Law, University of Miami, Box 8087, Coral Gables, Florida 33124.

SPACE

DRAFT CONVENTION ON INTERNATIONAL LIABILITY FOR DAMAGE CAUSED BY SPACE OBJECTS

The Legal Subcommittee of the UN Committee on the Peaceful Uses of Outer Space held its ninth session from June 8 to July 3, 1970 at the United Nation's Office in Geneva.

During this meeting the Subcommittee dealt with the Draft Convention on International Liability for Damage Caused by Space Objects, a topic which has been on the agenda of the Subcommittee for the last few years. On July 1, 1970, the Subcommittee approved a text of the Draft Convention. However, certain delegations approved the text subject to conditions or reservations.

The Draft Convention, as approved by the Legal Subcommittee, contains a preamble and thirteen articles. In the first article, the draft establishes the definitions of certain terms. For example, the term "damage" means loss of life, personal injury or other impairment of health; or loss of or damage to property of States or of persons, natural or juridical, or property of international inter-governmental organizations. The term "space object" includes component parts of a space object as well as its launch vehicle and parts thereof.

Article II provides that a launching State shall be absolutely liable to pay compensation for damage caused by its space object on the surface of the earth or to aircraft in flight. According to Article III, in the event damage is caused elsewhere than on the surface of the earth to a space object of a launching State or to persons or property on board such an object by the space object of another State, the latter shall be liable only if the damage is due to its fault or to the fault of persons for whom it is responsible.

According to Article V, whenever two or more States jointly launch a space object, they shall be jointly and severally liable for any damage caused. A launching State which has paid compensation for damage shall have the right to present a claim for indemnification to other participants in the joint launching. The participants in a joint launching may conclude agreements regarding the apportionment of the financial obligation for which they are jointly and severally liable. A State from whose territory or facility a space object is launched shall be regarded as a participant in a joint launching.

Article VI provides that exoneration from absolute liability shall be granted to the extent that a launching State establishes that damage has resulted, either wholly or partially, from the gross negligence or from an act or omission done with intent to cause damage on the part of a State presenting a claim on behalf of natural or juridical persons which it represents. No exoneration whatever shall be granted in cases where the damage has resulted from activities conducted by a launching State which are not in conformity with international law including, in particular, the Charter of the United Nations and the Treaty on Principles Governing the Activities of States in the Exploration and Use of Outer Space including the Moon and Other Celestial Bodies.

As established in Article VII, the provisions of the Convention shall not apply to damage caused by a space object of a launching State to: a) nationals of that launching State; b) foreign nationals during such time as they are participating in the operation of that space object from the time of its launching or at any stage thereafter until its descent, or during such time as they are in the immediate vicinity of a planned launching or recovery area at the result of an invitation by that launching State.

Article IX states that a State which suffers damage, or whose natural or juridical persons suffer damage, may present to a launching State a

claim for compensation for such damage. If the State of nationality has not presented a claim, another State may, in respect to damage sustained in its territory by any natural or juridical person, present a claim to a launching State. No claim may be presented under the convention to a launching State in respect to nationals of that State.

Under Article X, a claim for compensation for damage shall be presented to a launching State through diplomatic channels. If a State does not maintain diplomatic relations with the launching State concerned, it may request another State to present its claim to that launching State. Article XI provides that a claim for compensation for damage may be presented to a launching State not later than one year following the date of the occurrence of the damage or the identification of the launching State which is allegedly liable. Under Article XII, the presentation of a claim or such compensation shall not require the prior exhaustion of any local remedies that may be available to a State presenting a claim or to the natural or juridical persons it represents.

U.N. COMMITTEE ON THE PEACEFUL USES OF OUTER SPACE

This Committee held its thirteenth session at the United Nations Headquarters, New York, from 1 to 17 September 1970. It considered, among other matters, the reports of the Scientific and Technical Subcommittee of the Legal Subcommittee and of the Working Group on Direct Broadcast Satellites.

With reference to the recommendations contained in the report of its Scientific and Technical Subcommittee, the Committee expressed its views in several paragraphs under the following headings: Exchange of information; encouragement of international programs; promotion of the application of space technology; the convening of a working group on the surveying of earth resources by satellites; technical panels on space applications; fellowships; bibliography on the surveying of earth resources by remote sensing; space technology and the environment; transfer of space-generated technology; coordination of United Nations space activities; international rocket launching facilities; registration and identification of objects launched into outer space; efficient use of the geostationary orbit; and United Nations registry of launchings of space objects.

With respect to the report of its Legal Subcommittee, the Committee expressed its satisfaction that the Subcommittee had made considerable progress by approving, although subject to conditions or reservations on

the part of certain delegations, the preamble and thirteen articles of the Draft Convention on International Liability for Damage Caused by Space Objects.

Moreover, the Committee indicated that after extensive consultations and negotiations, it regretfully concluded that its efforts to reconcile the differences existing within its membership on the two outstanding issues of the "settlement of claims" and "applicable law", had so far not succeeded and that at present a solution was not envisaged. However it felt that the conclusion of an effective and generally acceptable liability convention should continue to have first priority in the work of the Committee. The text of the Draft Convention prepared by the Legal Subcommittee appears on pages 29 to 32 of the Committee's report.

With regard to the report of the Working Group on Direct Broadcast Satellites, the Committee recognized that the Group's report had reaffirmed the views expressed in the first two sessions of the Group on the potential benefits of direct broadcasting from satellites. It also noted that the report dealt in detail with the various political, legal, social and cultural implications of this new technology.

The Committee noted that many delegations at the Working Group had paid much attention to the international legal aspects arising from direct broadcasting and that they strongly emphasized the need to draw up international legal principles governing the activities in question. The Committee also noted the view of the Working Group that while there were no known programs of direct broadcasting satellites services for individual reception, such broadcasts for community services would be technically feasible within the foreseeable future. Furthermore, it was expressed that the use of satellite-borne television for educational purposes might, in certain circumstances, contribute towards national programs of integration and community development and economic, social and cultural progress in such areas as formal and adult education, agriculture, and health. The Member States, the UN Development Program and other international agencies should assist developing countries in benefiting from satellite broadcasting and in developing the skills and techniques for its application.

SPACE DOCKING

Officials of the United States and the Soviet Union have signed a pact to standardize future spacecraft so they may have the ability to dock together in space. This pact will not be applicable to present Soviet spacecraft or to the Apollo program of the United States.

SPACE LAUNCHINGS

The National French Center of Space Studies has announced that France and the United States have agreed to a program of space vehicle launchings from the Kourou Space Center in French Guyana. The agreement with NASA calls for seventeen launchings in February 1971, using U. S. Nike-Cajun rockets.

Editor's Note — The section of this report pertaining to Space was submitted by Contributing Editor Zanotti.