



Government of Bermuda

Ministry of Economic Development

Ministerial Statement

To the House of Assembly

By

Dr. the Hon. E. Grant Gibbons, JP, MP

Minister of Economic Development

Meetings with NASA, the FCC, NIST and the Satellite Industry

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Mr. Speaker, following on from a Press Statement I issued at the end of last year about my visit to the Headquarters of the National Aeronautics and Space Administration (NASA), I would like to provide Honourable Members with details of other meetings that I held during that visit to Washington DC, accompanied by my Permanent Secretary, Mr. William Francis.

Mr. Speaker, to recap; at NASA I met with the now retired Administrator and Deputy Administrator, Major General Charles Frank Bolden Jr. (ret.), Dr. Dava Newman, and Mr. Al Condes from the Office of International and Interagency Relations. General Bolden and I discussed the long-standing relationship between NASA and Bermuda, which dates back to the early 1960s when Bermuda provided downrange tracking capabilities for the Mercury, Gemini and Apollo manned space flight missions. We also discussed NASA's current mobile tracking facility and their request to develop a more permanent facility. General Bolden mentioned two of the Agency programmes, which are open to international students, including Bermudians. They are the International Internship Programme for interns, aimed at university undergraduate and graduate level students; and the International Space University, which develops the future leaders of the world's space community by providing interdisciplinary educational programmes to students and space professionals in an international, multi-cultural environment.

Mr. Speaker, I concluded the meeting with General Bolden by noting the 2014 agreement that Bermuda has with NASA for Bermudian students to participate in NASA's Global Learning and Observations to Benefit the Environment (GLOBE) programme.

Mr. Speaker, during the trip, I also met with the former Director and Under Secretary of Commerce for Standards and Technology at the National Institute of Standards and Technology (NIST), Dr. Willie E. May. Dr. May was accompanied by Ms. Donna Dodson, the Chief Cybersecurity Adviser and Director of the National Cybersecurity Center of Excellence.

Mr. Speaker, the purpose of this meeting was to gain a better understanding of the Cybersecurity framework that was developed by the agency in 2014 under the Presidential Executive Order, “Improving Critical Infrastructure Cybersecurity”. This framework is based upon existing standards, guidelines, and practices to assist critical infrastructure organizations to manage and reduce their cybersecurity risks. It is also designed to promote risk and cybersecurity management communications amongst organizational stakeholders. Mr. Speaker, the NIST Cybersecurity Framework is of particular interest to the Government, since it has been adopted to be used as the basis for assessing and managing the Government’s own cybersecurity risks. It is also under consideration by a Government sponsored public/private sector working group investigating the cyber risks across Bermuda’s critical infrastructure industries.

Mr. Speaker, Dr. May and Ms. Dodson provided valuable insight into the development of the framework and also offered their vision into its future direction, which included the expansion of their private sector and international outreach programmes and an offer to conduct workshops in Bermuda. My Ministry is currently following up on this offer and I anticipate being able to announce a series of private and public sector cybersecurity risk management workshops in the near future.

Mr. Speaker, while in Washington, I also took the opportunity to meet with the now former Chief of the International Bureau at the Federal Communications Commission (FCC), Ms. Mindel De La Torre and Mr. Jose Albuquerque, the Chief of the Satellite Division. This meeting was requested to gain a better understanding of the FCC moratorium prohibiting service to the U.S. satellite TV market including from Bermuda’s own satellite network, BermudaSat-1. I should note that the moratorium, which began in 2005 applies to all new satellite network application, not just foreign ones. Ms. De La Torre and her staff were very helpful by providing a historical perspective of the moratorium, together with suggestions about how Bermuda might wish to proceed. Mr. Speaker, the Department of Telecommunications is currently working with our consultants to consider various options and provide me with a recommendation as to the best course of action to put us into a position to finally maximize the commercial potential of our premier satellite orbital resource. As required by U.S. law, we filed an Ex parte notice of our meeting with the FCC.

Mr. Speaker, the final series of meetings over this two day visit to Washington DC was with executives from a number of satellite companies. These included companies that were already domiciled in Bermuda and those that we hoped to attract to our shores. I took the opportunity to thank the existing Bermuda-based companies for their continued support and to brief them on several recent developments in our international business portfolio of services, particularly the implementation of the new LLC legislation. I also reminded them that since their businesses were extremely high risk, that Bermuda as the ‘risk capital of the world’ was ideally positioned to offer them additional services, including the ability to create their own captive insurance companies.

Mr. Speaker, for those companies that were not familiar with the international business services that our island has to offer, I discussed the benefits of Bermuda as an off-shore jurisdiction – not only to be able to take advantage of our corporate structure and risk management options; but to also use our satellite network filing administration service.

Mr. Speaker, you may recall that this filing administration was created under the Satellite Network and Coordination Regulations 2007 and allows satellite companies to file new satellite networks through Bermuda to the International Telecommunication Union (ITU). The ITU is the United Nations specialized agency for information and communication technologies (ICTs) and in addition to regulating the global radio frequency spectrum, also regulates all satellite orbital resources.

Finally Mr. Speaker, I had the opportunity to look into the future of space commerce. NASA and several of the private space and satellite companies discussed a wide-ranging view of the future, which included space tourism, asteroid mining, missions to Mars, Earth Observation Services and many others. One very interesting current development, which Bermuda could immediately consider, is the evolution of CondoSats. CondoSats are simply the shared ownership of satellites. Large global satellite manufacturers and operators have developed a business model where they build satellites and offer fractional ownerships to countries and/or companies who cannot either afford, or need, the full capacity of a large satellite. My Ministry is currently exploring the viability of creating custom legislation that would attract both the manufacturers and the “condo” owners to our shores. They would not only be able to benefit from our existing corporate legislation; but also have a unique Condosat Act that would serve as the legislative basis for any condosat contracts or agreements that may be required.

Thank you Mr. Speaker, that concludes my comments on the meetings held in Washington DC between December 14th and 16th.