



## NewSat Ltd Response to the Australian Parliament's Invitation: "Defence Trade Controls Bill 2011"

As Australia's leading independent satellite service provider, NewSat specialises in global satellite communications providing tailored VSAT, teleport and satellite services over 75% of the earth's surface.

NewSat will be furthering its satellite capabilities with the Jabiru Satellite Program set to launch and operate Jabiru-1, Australia's first independently owned commercial satellite. Jabiru-1, a large Ka-band next generation satellite, will provide superior coverage over South East Asia, the Middle East and North Africa. NewSat's next project, Jabiru-2, will deliver enhanced coverage over Australia, Papua New Guinea and Timor Leste. Combined with planned follow on satellites, the Jabiru fleet of next generation geostationary satellites will lead Australia's satellite endeavors.

NewSat presently has a contract and TAA in place with US Company Lockheed Martin for the purpose of building its first satellite and is therefore importing information and equipment under ITAR control from America to Australia.

In addition, NewSat is currently party to multiple Technical Assistance Agreements (TAAs) for the import and re-export of ITAR restricted technical data and equipment, with various suppliers and contractors. Given future expansion plans the number of required TAAs will continue to grow. This is why NewSat has a keen interest in the development of this Bill and offers the following comments:

1. NewSat believes the proposal to require a single licence instead of multiple TAAs would be a positive improvement.
2. NewSat believes that the security aspects of the licencing arrangement are not compromised as clearance and licencing are still required to export outside of the "trusted community".
3. The concept of "significant ties" for countries of origin introduces an element of subjectivity which may be difficult to implement. Privacy and anti-discrimination legislation may also inhibit the practical application of this provision.
4. The mechanics of recording and monitoring proposed by the Bill are considered workable.
5. Violations are currently notified to the US State Department. Will prosecutions and violations be administered in Australia or the United States of America?

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6. NewSat notes that “incongruous significant ties” requires further definition.
7. The Bill does not comment on the re-export of ITAR controlled items. Does this mean that TAAs are still required for re-export, including cases where a trusted community license exists?
8. NewSat notes that the process of becoming a member of the “trusted community” as described in the Bill seems an arduous process.

NewSat believes that the Defence Trade Controls Bill 2011 is sound in theory, and strongly endorses the concept of strengthening commercial ties between Australia and the United States of America.

However, the proposed Bill is ambiguous or unclear on a number of important points. The practical implementation of the legislation will require considerable additional definition and refinement.

NewSat appreciates the opportunity to provide this submission and would welcome the opportunity to provide additional input or clarification with respect to our submission as appropriate.

Sincerely,  
on behalf of NewSat Ltd.

Michael Hewins  
Chief Operating Officer  
NewSat Ltd