

Legal aspects of commercial activities in the field of manned space flights

Mr. Igor POROKHIN, Managing Partner, InSpace Consulting Law Firm (Russia)

INSPACE

November 13 Bonn 2018

Commercial activities in manned space

- ➤ First visible example contract between NASA and Russian Space Agency for flights of Shuttle to Russian Mir station (1993).
- Strong boost made by the ISS Program: enhancement of commercial use of outer space is one of the objectives of the ISS (Article 1 of Intergovernmental Agreement of 1998).
- Commercial services and deliveries support the governmental scientific and technological goals.

What has been purchased and sold?

- ➤ ISS resources and supplies like crew time, habitation services, extravehicular capacity, waste removal services.
- Delivery to the ISS, rescue and return to Earth of professional astronauts and spaceflight participants.
- > Delivery to the ISS and return of cargo to Earth.
- Space advertising.
- > Implementation of ISS-related scientific experiments, both ground and onboard.

Figures and Facts

- ➤ To the ISS onboard the Russian "Soyuz" under commercial contracts more than 70 professional astronauts from at least 13 countries and 8 space tourists.
- ➤ To the ISS onboard the U.S. commercial space cargo vehicles Dragon and Sygnus supplies to support the activities of the ISS crewmembers from Canada, European Union, USA and Japan.
- ➤ Near future start of manned flights to the ISS of US commercial space vehicles: SpaceX's Crew Dragon and Boeing's CST-100 Starliner.

Spaceflight Participants

- ➤ The ISS Crew Criteria Document provides for two types of crew members: (1) professional astronauts/cosmonauts and (2) spaceflight participants (SFPs).
- Professional astronauts/cosmonauts members of the astronaut or cosmonaut corps of space agencies of the ISS Partners.
- > SFPs are individuals sponsored by ISS Partners on a commercial, scientific or other program who are:
 - employees of non-partner space agencies;
 - non-space professionals (engineers, scientists, teachers, journalists, film makers);
 - space tourists.

Spaceflight Participants (continued)

- ➤ Legal status of SFPs differs from legal status of professional astronauts/ cosmonauts.
- ➤ Common: members of the ISS single and integrated crew. Up to now SFPs have been visiting crew members under short-term contracts. SFPs may be members of the increment or permanent crew under a long-term contract.
- > Limitations for SFPs :
- may not be assigned as crew commanders, segment leads, pilots, flight engineers, station scientists or mission specialists;
- generally, will not be assigned to ISS assembly, operations or maintenance activities; in case of an SFP's long-term flight may be exceptions upon recommendation of the sponsoring agency.

Cross-waiver of liability in ISS non-commercial agreements

- Article 16 of Intergovernmental Agreement 1998 (IGA) provides for a cross-waiver of liability by the ISS Partner States (incl. Cooperating Agencies) and their related entities.
- Cross-waiver applies to claims based on damage arising out of Protected Space Operations.
- Protected Space Operations: all launch vehicle activities, Space Station activities, and payload activities on Earth (before the flight), in outer space, or in transit between Earth and outer space.
- Applies to non-commercial agreements: IGA, Memoranda of Understanding between the Cooperating Agencies and implementing arrangements.

Cross-waiver of liability in ISS-related commercial contracts

- Article 16 of IGA excludes: claims between a Cooperating Agency and its related entity or between its own related entities.
- Cross-waiver of liability under IGA does not apply to commercial contracts between Cooperating Agencies, where one of them represents a customer and another one a contractor/subcontractor (as its related entity).
- ➤ In practice Cooperating Agencies include *cross-waiver* of liability into their commercial contracts both in relations between themselves and with their commercial customers.

Claims made by natural persons

- ➤ Article 16 of IGA excludes: claims made by a natural person, his/her estates, survivors or subrogees (except a subrogee is a Partner State). It means: cross-waiver of liability is not applicable to claims from the ISS crewmembers.
- Different solution with regard to professional astronauts/ cosmonauts and spaceflight participants.
- For professional astronauts and cosmonauts risks of death or damage to their health are covered by national laws and employment contracts.
- Russian Law on Space Activities provides for mandatory insurance of life and health of cosmonauts.

Claims made by spaceflight participants

- ➤ In space flight contracts :
 - an SFP gives an informed consent that he/she fully understands and assumes the risks connected with the preparation and implementation of the space flight;
 - an SFP takes an insurance policy to cover risks of claims against ISS Partners and their related entities on the part of an SFP, his/her estates, survivors or subrogees; the ISS Partners and their related entities are named as insureds.
- Some countries passed space legislation which established the obligation and/or right of space flight operators to agree on crosswaiver of liability with spaceflight participants/non-professional astronauts (France in 2008 and USA in 2015).

Focus on barter agreements

- ➤ Article 15.5 of IGA prioritizes the use of barter agreements.
- ➤ Barter preferable option to facilitate own space industry.

Future development

- Deeper involvement of commercial space sector into the exploitation of the ISS.
- Expectation of new initiatives from private industry (public-private partnerships, privately owned modules, new commercial vehicles).
- Further enhancement of legal basis for the ISS-related commercial activities.
- International Space Station a "laboratory" for legal innovations in manned space activities, a trigger for development of national space laws and a sample for legal framework of future international manned space projects.



Thank you