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The Interaction between International Private Law and Space Law and its Impact on Commercial Space Activities (2)

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CORPORATE GOVERNANCE AND THE COMMERCIALIZATION OF SPACE TRANSPORTATION

Abstract

Since 1980s, the role of the private entities in space activities has become more and more significant. In the field of space transportation, needless to say, companies such as Arianespace and Space X are now offering the space transportation services to the customer on a commercial basis and there are severe competition in the satellite launching market. As the private entities, especially the companies, increase their presence in the space activities, the new issue arises, which is the issue of the corporate governance. Organization of Economic Co-operation and Development(OECD) has released the OECD Principle of Corporate Governance in 1999 and 2004, and they stated the good practice in business customs. They also mentioned on the relationship between the companies and its stakeholders including shareholders. These principles have been set after the collapse of the huge companies giving the considerable impact to the world economy. Due to the strict regulations and the government involvement deriving from its historical background, the aspect of corporate governance has not been brought to a focus. However, the private entities are now under the regulation of the rules of the private law, as the space activities by the private entities are emerging. In this paper, I look through the transition in the main actor in the space activities and the current situation, and move on to the OECD principles on the corporate governance to pick up the principles which relate to the private space entities. Then the consideration would be made on the impacts and possible consequences upon the application of the principles.