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Settlement of Space-Related Disputes (2)

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HOW TO RESOLVE PRIVATE PARTY SPACE-RELATED DISPUTES SUCCESSFULLY

**Abstract**

Space activities are becoming increasingly litigious. Companies need to prepare for possible disputes from the moment the contract is being negotiated. This is not the time for “champagne clauses” that have never been exercised. Contracts should be crafted with a thorough understanding of the legal rules and procedures for resolution of space-related disputes including the Permanent Court of Arbitration’s Optional Rules for Arbitration of Disputes Relating to Outer Space Activities. With this understanding, the parties can then address dispute resolution options including litigation or arbitration. Thereafter, important decisions must be made on moving through the procedures efficiently and effectively; choosing the applicable law, venue, number of arbitrators; time limits; confidentiality; arbitrator appointment; and other specific provisions. These and other issues should be thoughtfully addressed during contract negotiation. When a dispute is initiated, a party must be ready to proceed through the procedures established in the contract in an effort to settle or prevail in the dispute.

This paper will evaluate the legal rules and procedures for the settlement of space-related disputes as they apply to private sector entities. It will evaluate these rules and procedures from the very start of the disputes process, which is the consideration of the potentially applicable rules and procedures during contract negotiation. It will then examine the various stages of dispute resolution as they arise during project performance through the actual resolution of disputes by negotiations, mediation, and arbitration/litigation. The authors present specific suggestions for the successful resolution of disputes.