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SPACE INSURANCE REQUIREMENTS: TOWARD MODERNIZING INTERNATIONAL LIABILITY IMPLEMENTATIONS

Abstract

In an era highly privatized, commercialized, and technologically advance, insurance requirements are becoming increasingly prevalent as a condition implanted by state-granted licenses for space activities. In accordance with the Liability Convention, which stipulates that the State may be held responsible for providing compensation, mechanisms are emerging to transfer this liability to private actors. Given the ongoing modernization of national frameworks, how does the development of legal ecosystems tailored to commercial interests align with international commitments regarding liability? In this presentation, I will argue that the implementation of international liability experiences fragmentation due to heterogeneous insurance requirements, which contributes to national frameworks resembling à la carte menus for the pursuit of celestial ambitions. Nonetheless, this development remains essential for the vital modernization process driving the evolution of the legal framework governing space activities. After briefly outlining the legal-historical origins of this mechanism, this hypothesis will be defended in two parts.

First, the insurance requirements will be delineated within specific legal frameworks, including those of Australia, France, Japan, the United Arab Emirates, the United Kingdom, and the United States. This will entail dissecting provisions to highlight legal foundations of space insurance and their scope within the selected frameworks. The objective of this section is threefold: to enumerate space insurance requirements among different states; to compare mechanisms for enforcing space insurance; and to identify legislative gaps.

Next, I will delve into specific impacts of insurance requirements on regulating space activities. This section aims to deepen the understanding of insurance requirements applied to specific cases, situations, and phases of missions, while seeking to address questions: how do regulatory frameworks articulate the differences between launch and payload insurance requirements? What are the potential risks and benefits associated with insurers participating in space governance? Could insurance contracts serve as a tool to enforce clauses for the protection of the extraterrestrial environment? Are there other alternatives to space insurance?