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Paper Title:	Leveraging Insurance for Commercial Space: Managing Legal and Regulatory Challenges
Abstract:	<p>When a private entity seeks to place a satellite in orbit, the two greatest expenses in pursuing this goal are obvious and heavily considered: the cost of the satellite itself, and the cost of the launch. There has been a great deal of discussion and literature regarding the issues of satellite cost, such as the impact export controls have on efficient international development and cooperation, and the need to find less costly launching solutions, such as reusable vehicles and cheaper fuel. What is not often discussed, however, is the third greatest expense for private entities: insurance, which the most important means for risk management (both for governments and the private sector). A launch insurance policy alone can cost anywhere from 7% to 20% of the insured value of a satellite. While large companies with significant financial backing can “self-insure” their satellites, this is not an option for smaller or emerging companies.</p> <p>This paper explores the issues inherent in the offering, procurement, and handling of traditional areas of space insurance (first and third party, launch and on-orbit), for the purpose of providing public policy and regulatory explanations and recommendations. This paper will include analysis of the impact of ITARs, State liability for private space actors, and liability waivers on the provisioning of insurance for space enterprises to aid companies in navigating the legal and regulatory environment. An example will be provided, reviewing the not uncommon scenario of a US commercial space entity seeking insurance through a European insurer. Finally, the paper will provide a brief discussion of the insurance implications of commercial human spaceflight, particularly in light of the recent tragedy experienced by Virgin Galactic. This discussion will include the individual US State Spaceflight Liability and Immunity Acts that have been implemented by several of the major US commercial spaceport States.</p>
