

Guidance on liabilities under the Space Industry Act 2018

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Section 1: Overview of the Guidance

- 1.1 The Space Industry Act 2018 (the Act) regulates all spaceflight activities carried out in the United Kingdom, and associated activities. Spaceflight activities are space activities and sub-orbital activities. These terms are defined below.
- 1.2 The Act requires any person or organisation wishing to launch a launch vehicle from the UK, return a launch vehicle launched elsewhere than the UK to the UK landmass or the UK's territorial waters, operate a satellite from the UK, conduct sub-orbital activities, operate a spaceport or provide range control services, to obtain the relevant licence. It is supported by The Space Industry Regulations (the Regulations), that set out in more detail the requirements for each licence, and the Regulator's Licensing Rules, which contain procedural matters such as which application form to use to apply for a licence and what information the regulator will require in support of an application.
- 1.3 There is then a series of guidance documents designed to help explain how to comply with the Act and the Regulations. This document is one of the guidance documents.

With the coming into force of [section 1\(3\) of the Act](#), the [Outer Space Act 1986](#) no longer applies to space activities carried on in the United Kingdom, and accordingly the Outer Space Act 1986 does not apply to a person or organisation wishing to carry out spaceflight activities or operate a spaceport in the United Kingdom. The Outer Space Act 1986 **will** continue to regulate the following activities carried out overseas by UK entities: the procurement of the overseas launch of a space object; the operation of a satellite in orbit from an overseas facility by a UK entity. Extant licences granted under the Outer Space Act 1986 for the carrying out of activities from within the UK will continue to be governed under that regime. Where an application for a licence has been made under the Outer Space Act 1986, it will be assessed under that Act and – where successful – will result in the award of a licence under the Outer Space Act 1986.

What is the purpose of this document?

- 1.4 This guidance explains the liabilities that will be placed on organisations that conduct spaceflight activities in the UK.

Who is this guidance for?

- 1.5 This guidance is for any organisation that wishes to apply for a launch operator, return operator or orbital operator licence under the Act.
- 1.6 The guidance will also be of relevance to applicants for a spaceport or range control licence.

Using this guidance

- 1.7 The guidance should be read in conjunction with section 34-37 of the Act and The Space Industry Regulations 2020. A further consultation, along with guidance, will be published at a later date on proposed draft regulations covering insurance requirements under section 38 of the Act.
- 1.8 If applicants have any queries, they are encouraged to contact the regulator, to seek clarification or gain further information.

The regulator

1.9 The Civil Aviation Authority (CAA) will perform the functions of the regulator under the Act. It is referred to in this guidance as ‘the regulator’. Under [section 2 of the Act](#), the regulator must carry out its functions relating to spaceflight activities with a view to securing the health and safety of members of the public and the safety of their property. This duty has primacy over the other matters that the regulator must take into account in exercising its functions.

Contacting the regulator

The regulator can be contacted by email to CAASpaceflightTeam@caa.co.uk. The regulator welcomes and encourages ongoing contact from prospective applicants before they submit an application for a licence. This can be from the earliest stages of considering whether to apply for a licence.

Key terms

1.10 The Act regulates:

- space activities
- sub-orbital activities and
- associated activities

that are carried out in the UK.

1.11 As set out in [section 1 of the Act](#), “space activity” means

- (a) launching or procuring the launch or the return to earth of a space object or of an aircraft carrying a space object
- (b) operating a space object, or
- (c) any activity in outer space

1.12 “A space object” includes the component parts of a space object, its launch vehicle and the component parts of that.

1.13 “Sub-orbital activity” means launching, procuring the launch of, operating or procuring the return to earth of:

- (a) a rocket or other craft that is capable of operating above the stratosphere
- (b) a balloon that is capable of reaching the stratosphere carrying crew or passengers, or
- (c) an aircraft carrying such a craft

but does not include space activity. By way of clarification, the regulator proposes to use the International Standard Atmosphere (47km) as the stratopause (i.e. the upper limit of the stratosphere) for the purposes of determining whether an activity is ‘sub-orbital’.

1.14 Space activities and sub-orbital activities are referred to in the Act as “spaceflight activities”.

1.15 Associated activities include the operation of spaceports and range control functions.

- 1.16 Under the Act, any site from which a spacecraft or carrier aircraft intends to launch is considered a spaceport and must be licensed. A site at which controlled and planned landings of spacecraft are to take place is also a spaceport and must be licensed, although temporary installations at sea which are to be used for only for landings are not “sites” and so cannot be spaceports (see [section 3\(3\)](#)).
- 1.17 Range control services are defined in [section 6](#) of the Act as:
- “(a) identifying an appropriate range for particular spaceflight activities;
 - (b) co-ordinating arrangements for the activation and operation of the range;
 - (c) obtaining all necessary information for identifying the range and for co-ordinating its activation and operation;
 - (d) ensuring that notifications are issued for the protection of persons who might be put at risk by spacecraft or carrier aircraft within the range or in the vicinity of it;
 - (e) monitoring the range, and the spacecraft or carrier aircraft for which it is provided, to ascertain
 - (i) whether the restrictions or exclusions to which the range is subject are complied with;
 - (ii) whether planned trajectories are adhered to;
 - (f) communicating any failure to comply with those restrictions or exclusions, or to adhere to those trajectories, for the purpose of enabling any appropriate actions to be taken in response;
 - (g) any prescribed services provided for the purposes of, or in connection with, services within any of paragraphs (a) to (f).”
- 1.18 “Spacecraft” means a space object, or a craft used for spaceflight activities. It includes satellites.
- 1.19 “Launch” is defined in the Act as including causing a craft to take off (or releasing a balloon).
- 1.20 [Regulation 2](#) defines a launch vehicle as:
- “(a) a craft to which section 1(5) of the Act applies and the component parts of that craft, or
 - (b) a space object which is a vehicle and the component parts of that vehicle, that is used for the purpose of the proposed spaceflight activities or the operator’s spaceflight activities, as applicable, but does not include a satellite carried by the launch vehicle;”
- 1.21 The “craft to which section 1(5) of the Act applies” referred to in part (a) of this definition are:
- a rocket or other craft that is capable of operating above the stratosphere
 - a balloon that is capable of reaching the stratosphere carrying crew or passengers
- 1.22 Part (b) of the definition covers vehicles that are capable of reaching orbit, such as those used to place a satellite payload in orbit. As explained below, the operator of any satellite carried on board a launch vehicle does not require their own launch operator licence, but does require an orbital operator licence.
- 1.23 Where the guidance uses the term “must”, this refers to a requirement in or under the Act. If applicants / licensees fail to meet that requirement, it could result in the licence not being

granted or being revoked or suspended. Where it is stated that “the regulator expects” applicants to do something, this describes a preferred approach; however, it is not a legal requirement to comply with the regulator’s expectations.

Types of licence

1.24 The Act refers to three types of licences that can be awarded:

- operator licence
- spaceport licence
- range control licence

1.25 Following the publication of the Act, it was agreed that there should be different licensing requirements for different types of operators. For example, some organisations that would want to operate space objects (such as satellites or research vehicles) would not have a launch capability, and instead would wish to procure such capability and then operate the object once it reached orbit. While these organisations clearly do not need a licence to operate a launch vehicle, they are still required to obtain an operator licence to operate their object in space. Reflecting the various circumstances, there are now five licences available:

- **Launch operator licence:** means an operator licence within [section 3 of the Act](#) which authorises a person or organisation to carry out spaceflight activities that include launching a launch vehicle or launching a carrier aircraft and a launch vehicle. This is the type of licence needed if a person or organisation wants to launch a launch vehicle or use a carrier aircraft to assist with a launch of a launch vehicle. A person or organisation holding a launch operator licence is referred to as a spaceflight operator,¹ or in some circumstances, launch operator licensee.
- **Return operator licence:** means an operator licence within section 3 of the Act which is not a launch operator licence and which authorises a person or organisation to operate a launch vehicle, launched into orbit from elsewhere than the United Kingdom, in order to cause that vehicle to land in the United Kingdom. This is the type of licence needed if a person or organisation wants to return a launch vehicle, launched elsewhere than the United Kingdom, to land in the UK or within the UK’s territorial waters. A person or organisation holding a return operator licence is referred to as a spaceflight operator,¹ or in some circumstances, return operator licensee.
- **Orbital operator licence:** means an operator licence which authorises a person or organisation to procure a launch, operate a space object or conduct other activity in outer space. The most common example of an activity that would be licensed under an orbital operator licence is operating a satellite. However, the licence may also cover any other activity in outer space, and is not limited to activities in Earth’s orbit. For example, an orbital operator licence would be needed for missions in lunar orbit, lunar missions,

¹ The term spaceflight operator is used in the Regulations to refer to both the holder of a launch operator licence and the holder of a return operator licence. Any references to spaceflight operator in the Regulations or guidance encompass both licence types, so any requirements for spaceflight operators are applicable to both launch operator licensees and return operator licensees. Where a requirement only applies to either a launch operator licensee or return operator licensee, this is clearly stated.

or deep space probes. A person or organisation holding an orbital operator licence is referred to as an orbital operator licensee.

- **Spaceport licence:** means a licence granted under [section 3](#) of the Act authorising a person or organisation to operate a spaceport (i.e. a site from which spacecraft or carrier aircraft can be launched or a site at which controlled and planned landings of spacecraft can take place²). Spaceports can be licensed for vertical or horizontal launches (or potentially both). A horizontal spaceport must be located at an aerodrome that is already either CAA licensed or European Aviation Safety Agency (EASA) certified, and National Aviation Security Programme (NASP) directed. A person or organisation holding a spaceport licence is referred to as a spaceport licensee.
- **Range control licence:** means a licence under [section 7](#) of the Act authorising a person or organisation to carry out range control services in relation to spaceflight activities. That includes identifying an appropriate range; coordinating the use of a range; issuing protective notifications and monitoring the range. A person or organisation holding a range control licence is referred to as a range control licensee.

Offences and enforcement directions under the Act

- 1.26 Under [section 3 of the Act](#), it is a criminal offence to carry out spaceflight activities or operate a spaceport in the UK without the required licence. It is also an offence to make a false statement for the purpose of obtaining an operator licence or a spaceport licence. A person who commits an offence under this section of the Act may be liable to a fine or imprisonment for a term not exceeding 2 years, or both.
- 1.27 Under [section 7 of the Act](#), it is an offence for range control services to be provided by anyone other than the Secretary of State, or a person or organisation authorised to provide them by a range control licence. It is also an offence for a person to make a false statement for the purpose of obtaining a range control licence. A person who commits an offence under this section of the Act may be liable to a fine or imprisonment for a term not exceeding 2 years, or both.
- 1.28 In addition to offences specifically set out in the Regulations or the Act, [section 27 of the Act](#) also gives the regulator the power to issue directions that enable effective enforcement action to be taken.
- 1.29 Section 27(1) provides that the section applies “where it appears to the regulator that a person is carrying out spaceflight activities, operating a spaceport or providing range control services–
- (a) without an authorisation required by this Act,
 - (b) in contravention of the conditions of a licence under this Act, or
 - (c) in contravention of any provisions contained in or made under this Act.”
- 1.30 Under section 27(2), “the regulator may give any directions to that person that appear necessary to be in the interests of safety or for the purposes of securing compliance with–

² Temporary installations at sea which are to be used **only for landings** are not spaceports for the purposes of section 3 of the Act – [see section 3\(3\)](#)

- (a) the conditions of a licence,
- (b) provisions contained in or made under this Act, or
- (c) the international obligations of the United Kingdom.”

1.31 It is an offence for a person in receipt of a section 27 direction to fail to comply with it (see [section 31\(3\)\(a\) of the Act](#)). The regulator could also, if it wished to do so, enforce compliance by way of an injunction or equivalent (see section 31(4)).

1.32 There are further direction-making powers in the Act, including power for the Secretary of State to give directions under [section 28\(3\)-\(4\)](#) and [section 29\(1\)](#).

The full list of guidance documents issued in relation to the Act

1.33 The following guidance documents are available in relation to licences that can be granted under the Act (and any statutory instruments made under the Act):

- Applying for a licence under the Space Industry Act 2018
- Guidance for launch operator and return operator licence applicants and licensees
- Guidance for spaceport licence applicants and licensees
- Guidance for range control licence applicants and licensees
- Guidance for orbital operator licence applicants and licensees
- Guidance for the assessment of environmental effects
- Guidance on security matters for applicants and licensees
- Guidance on the investigation of spaceflight accidents
- Guidance on appealing decisions made under the Space Industry Act 2018
- Guidance on liabilities under the Space Industry Act 2018
- Guidance on duties for all licensees under the Space Industry Act 2018 including monitoring and enforcement by the regulator

Section 2: Legislative Background

The Space Industry Act 2018

- 2.1 As set out above, the Act regulates all spaceflight activities taking place from the United Kingdom. This includes space activities, sub-orbital activities, and all associated spaceflight activities.
- 2.2 It requires any person or organisation wishing to undertake such activities to obtain the relevant licence.
- 2.3 The Outer Space Act 1986 still applies to activities taking place overseas, where a UK company is involved. For example, if a UK satellite manufacturer procured a launch for its satellite from the UK, it would have to do so under the Space Industry Act 2018. If the same manufacturer procured a launch for its satellite from any other country, it would have to do so under the Outer Space Act 1986.

Section 34 and Section 36 of the Space Industry Act

- 2.4 [Section 34](#) of the Space Industry Act places a strict liability on an operator carrying out spaceflight activities in the UK. This means that third parties in the UK suffering injury or damage can bring a claim against an operator without having to prove fault.
- 2.5 [Section 36](#) places a liability on a person carrying out spaceflight activities to indemnify the Government or listed person or body for any claims brought against them for loss or damage caused by those activities. This is in line with requirements under the Outer Space Act 1986.
- 2.6 These provisions of the Act contain powers to make regulations that set out:
 - the individuals who are taking part in, or who are connected to spaceflight activities, taking place from the UK, who **do not** have a strict liability right of claim against an operator
 - the cases or circumstances in which a limit on an operator's liability to indemnify the Government, as set out in their licence, is disapplied.

The Space Industry Regulations 2020

- 2.7 [Regulations 206 and 207](#) are the resulting regulations.

Commencement of the Act

- 2.8 As a temporary measure, the Commencement Regulations will be used to commence certain key provisions of the Space Industry Act partially. The effect of such partial commencement would be to ensure that:
 - the licensing of space activities involving an orbital launch vehicle with human occupants will not initially be possible
 - the licensing of spaceflight activities involving hypersonic (or any other experimental) transport from A to B will not initially be possible
 - the licensing of a procurement of an overseas launch carried out under the Outer Space Act continues to be done under that Act

2.9 No additional legislation has been drafted regarding Point A to Point B sub-orbital spaceflight operations and orbital and interstellar spaceflight operations with human occupants. It is not currently intended to license these activities. These are technically complex and difficult to regulate activities, and by their very nature will require global collaboration on common standards to a much higher threshold than is achievable with current technologies.

Section 3: The liabilities provisions in the Space Industry Act

Background

3.1 Under the UN space treaties, the UK Government is ultimately liable for damage to the persons or property of other states caused by the space activities of its nationals or caused by such activities carried out from its facilities or territory. This means that another state suffering damage can bring a claim against the UK Government under the UN space treaties. If damage occurs on the ground or to aircraft in flight, the liability is absolute, which means that the state bringing the claim would not need to prove fault. If the damage occurs in space, the liability is fault based.³

What are the liabilities provisions in the Space Industry Act?

3.2 In line with the provisions in the Outer Space Act 1986 (OSA), [section 36 of the Space Industry Act](#) places a liability on a person carrying out spaceflight activities to indemnify the Government or listed person or body for any claims brought against them for loss or damage caused by those activities. The bodies listed in that section⁴ are ones that may be carrying out functions on behalf of the regulator or will be appointed as a regulator.

3.3 The inclusion of this indemnity is because, as outlined above, under the UN treaties, the Government is ultimately liable for the space activities of its nationals. This indemnity applies to any claims brought against the Government including claims brought under the UN Convention on International Liability for Damage Caused by Space Objects ('the Liability Convention').

3.4 However, the SIA goes further than the OSA with regard to its liability provisions. [Section 34](#) of the SIA places a strict liability on an operator carrying on spaceflight activities in the UK. This means that third parties in the UK suffering injury or damage can bring a claim against an operator without having to prove fault.

- Section 34(3)(a) provides that regulations can set out those persons who do not have a strict liability right of claim
- Section 34(3)(b) sets out that a strict liability claim is not available to a person whose injury or damage was caused or contributed to, by their own negligence

3.5 This strict liability applies to any injury or damage caused to persons (regardless of nationality):

- in the UK or its territorial waters
- to an aircraft in flight above the UK or its territorial waters, or
- to persons or property on board such aircraft

where the injury or damage is caused by:

- the spacecraft or space object being used by the operator for spaceflight activities

³ UN Convention on International Liability for Damage Caused by Space Objects, Art I, II and III.

⁴ These are: Her Majesty's government in the United Kingdom; an appointed person; the Health and Safety Executive; the Health and Safety Executive for Northern Ireland; the Office for Nuclear Regulation; a body or person prescribed under section 21(2) of the SIA; a public authority with whom arrangements are made under section 64 of the SIA.

- anything falling from a launch vehicle or satellite, or
 - any person in the craft
- 3.6 This would include any item jettisoned from the launch vehicle during flight, any debris generated as a result of failure and objects returning from orbit and causing injury or damage within the UK.
- 3.7 Under section 34(1) of the SIA, there is no liability in trespass or nuisance in relation to spaceflight activities where these are carried out substantially in compliance with the SIA or with requirements and conditions (including licence conditions) imposed by the SIA or by the regulator.
- 3.8 This means that launch operator licensees or orbital operator licensees who are acting lawfully cannot be sued by a third party who considers that their right to quiet enjoyment of land is being affected.

Who do sections 34 and 36 apply to – who is an operator?

- 3.9 The liability under sections 34 and 36 applies only to persons or organisations carrying out spaceflight activities. In general, this will be either a launch operator licensee, a return operator licensee or an orbital operator licensee.
- 3.10 The liabilities apply to:
- all licensed operators
 - anyone using a spacecraft or space object pursuant to an exemption under section 4(4) or
 - anyone carrying out spaceflight activities illegally (i.e. without a licence).

Provisions in the SIA to limit operator liabilities

- 3.11 The Act contains powers to limit, via regulations and in licence conditions, the two types of operator liability identified above.
- 3.12 In [section 12\(2\) of the Act](#), there is a power to specify a limit on an operator's liability to indemnify the UK Government. This limit would be set out in an operator's licence.
- 3.13 In section 34(5), there is a power to make regulations to limit the amount of liability of an operator for injury or damage to third parties. This limit would be set out in an operator's licence.

4. Regulations setting out those persons who do not have a strict liability right of claim

- 4.1 Government policy in relation to claims resulting from spaceflight activities is that the uninvolved general public should have easy recourse to compensation (in the event of loss or damage) and therefore have a strict liability right of claim. This means that a claimant does not have to prove fault on the part of the operator to claim compensation. This reflects the fact that members of the public will not have access to all of the information needed to prove fault, or knowledge of the complex technicalities involved in spaceflight activities.
- 4.2 This provision was included in the Act because the Government wanted to ensure that any members of the uninvolved general public in the UK who suffers injury or damage from spaceflight activity are entitled to the same compensation (without having to prove fault) as foreign nationals are entitled to under the [UN Convention on International Liability for Damage Caused by Space Objects](#), the “Liability Convention”.
- 4.3 The Liability Convention provides foreign nationals with the ability, via their own Government to seek compensation from the UK Government as the responsible launching state for damage or loss without having to prove fault (where it occurs on the ground or to aircraft in flight).⁵
- 4.4 However, anyone who voluntarily engages in spaceflight activity will have agreed to accept the risks to themselves. They therefore do not benefit from such a strict liability claim.
- 4.5 Under [regulation 206](#), the following people do not have a strict liability right of claim:
- an appointee, employee or agent of a licensee who is at work at a space site⁶
 - a member of the crew who has signified their consent to accept the risks involved in the operator’s spaceflight activities in accordance with [section 17 of the SIA](#)
 - a spaceflight participant who has signified their consent to accept the risks involved in the operator’s spaceflight activities in accordance with section 17 of the SIA
 - an individual on a carrier aircraft taking part in the operator’s spaceflight activities
 - an officer or partner of a licensee who is present at a space site
 - an individual who is within an operational area or a restricted area of a space site at the invitation of a licensee
 - an employee or an individual acting on behalf of the regulator or with the regulator’s authority at a space site
 - an employee or an individual acting on behalf of the government of another country present at a space site in connection with spaceflight activities
 - an employee of the emergency services who is on duty at a space site in connection with spaceflight activities

⁵ The strict liability in the SIA applies to any person in the UK who suffers injury or damage. It therefore applies to both UK nationals and foreign nationals. Foreign nationals could choose to bring a claim against the UK Government via their own Government via the Liability Convention or bring a claim against the operator under section 34 of the SIA. The operator would be liable to indemnify the UK Government for any claims brought against the UK Government by either UK nationals or foreign nationals regardless of the basis of the claim.

⁶ Under paragraph 5(3) of Schedule 4 of the Space Industry Act, a space site means a spaceport, range control site or mission management facility.

- an employee of the Spaceflight Accidents Investigation Authority who is on duty at a space site in connection with spaceflight activities
- compliance authority personnel on duty at a space site in connection with spaceflight activities
- an employee of a qualifying health and safety authority who is on duty at a space site in connection with spaceflight activities
- a member of the armed forces of the crown who is on duty at a space site in connection with spaceflight activities

- 4.6 The disapplication of the right to a strict liability claim therefore applies to those who are licensed under the SIA, their employees, and individuals involved in spaceflight activities (such as those who sign an informed consent form to take part in sub-orbital spaceplane operations).⁷ It also applies to members of other organisations who may be required to become involved in spaceflight activities as part of their employment (such the emergency services or employees of the regulator).
- 4.7 The list does not include spectators invited to view the launch who would not be in or near, an operational or restricted area. This is because it is unlikely that spectators would be at sufficient risk that they would be required to sign informed consent forms. However, if spectators were to contravene restrictions on them and enter restricted and / or operational areas, it is likely that they would lose the strict liability right of claim by virtue of section 34(3) of the SIA.
- 4.8 It is important to note that restricting the right to a strict liability claim does not remove any individual's rights under common law or other legislation. Employer liability insurance is mandatory and would be an available resource for claims against employers.⁸ Furthermore, employers involved in spaceflight activities will have legal obligations towards their employees to provide additional safety measures.
- 4.9 It is also important to note that if an incident arises when any of the above listed individuals is not engaged in a spaceflight activity in their official capacity, they would have a strict liability right of claim (for example, if a spaceflight incident caused damage to their home).

⁷ Regulations 195(1)(d)(iii) and 195(2) include the informed consent form statements relating to the disapplication of the strict liability. The individual involved in spaceflight must state firstly they are aware of the risks and secondly, that they are aware that section 34(2) and section 35(3) will not apply to persons who have signed the informed consent form.

⁸ See www.gov.uk/employers-liability-insurance

5. Regulations disapplying the limit on an operator's liability to indemnify UK Government

- 5.1 Regulation 207 sets out that any limit on the liability of the holder of an operator licence to indemnify the Government does not apply in certain cases. These are:
- the operator is guilty of gross negligence or wilful misconduct
 - if damage or loss is caused as a result of the operator's non-compliance with the conditions of its licence or the requirements under the SIA or regulations made under the SIA
- 5.2 Under the OSA, there is a limit on an operator's liability to indemnify Government for the activities of procuring an overseas launch (purchasing space on a launch vehicle for a satellite) and the in-orbit operation of a satellite. The UK Space Agency has full discretion to vary the indemnity limit for claims against Government (set in each licence), depending on the risks associated with that mission.
- 5.3 This is the only limited liability under the OSA and it was introduced following an amendment made by the Deregulation Act 2015.⁹ Once the SIA comes into force, the procurement of an overseas launch and the operation of a space object by a UK entity based overseas will continue to be regulated by the OSA and benefit from a limited liability to indemnify the UK Government.
- 5.4 Where a UK entity procures a UK launch or operates a satellite from the UK, this will be regulated under the SIA when it comes into force. It is the Government's intention to limit the section 36 SIA liability to indemnify the Government in licences for these activities when carried out from the UK by exercising the power under section 12(2) of the SIA.

⁹ Deregulation Act, Section 12, 2015
www.legislation.gov.uk/ukpga/2015/20/section/12/enacted

6. Liability limits for UK launch activities

- 6.1 Launch (both to orbit and sub-orbital) from the UK is a completely new activity and given the risks involved, further work is being undertaken on assessing the merits of limiting both types of liability (liability to indemnify Government and the strict liability to the general public).
- 6.2 Concerns were raised by industry about unlimited operator liabilities for UK launch, during the passage of the Bill and in response to a Call for Evidence that was issued in March 2018.¹⁰ Unfortunately, the Government did not receive a substantive response to the call for evidence to provide the necessary evidence to justify a limit on liabilities for launch activities from the UK.
- 6.3 As such, in the Government response issued in May 2018, the Government committed to obtaining an independent report to review the effect of unlimited liabilities on the UK launch industry. The report has been received and the Government is in the process of considering the contents and our next steps.
- 6.4 The Government intends to re-engage with industry on this issue when we have a policy position. It is important to note, however, that the Government will need to assess any financial, state subsidies and other legal implications before finalising its position.

Waivers and Indemnities

- 6.5 [Schedule 1](#) to the SIA sets out a list of conditions that may be included in licences. This is an indicative list of possible licence conditions and is not exhaustive. Paragraph 36 provides for conditions requiring waivers or indemnities of liability for injury or damage to be included within the operator licence.
- 6.6 Waivers and indemnities essentially relate to the contractual allocation of risk between parties engaging in spaceflight and associated activities. The intention of waivers and indemnities in this context is that the parties involved in spaceflight and associated activities may essentially agree to bear their own losses.
- 6.7 It is Government's understanding that the use of waivers and indemnities in launch services is already current practice.
- 6.8 Conditions may therefore be included in licences, on a case by case basis relating to waivers and indemnities. Each licensee may agree to waive their right to claim against the parties they are contracting with in connection with the spaceflight or associated activity. This may be a condition in a licence for the launch operator, the orbital operator, the spaceport operator and the range control service provider.
- 6.9 To manage claims that may be made by one of the party's employees, contractors, sub-contractors and their employees against the other party, the condition may also require both parties to indemnify the other party for all costs or expenses incurred by them.

¹⁰ See www.gov.uk/government/publications/call-for-evidence-space-industry-act-2018

6.10 It should be noted that any such condition or waiver will not apply to individuals taking part in spaceflight activities in a role or capacity prescribed under section 17(1).