

EXPOSURE DRAFT



EXPOSURE DRAFT (07/05/2019)

Space (Launches and Returns) (Insurance) Rules 2019

I, [name], Minister for [portfolio name], make the following rules.

Dated 2019

[Name] [**DRAFT ONLY—NOT FOR SIGNATURE**]

Minister for [portfolio name]

EXPOSURE DRAFT

Contents

Part 1—Preliminary 1

1 Name..... 1

2 Commencement 1

3 Authority..... 1

4 Definitions 1

Part 2—Insurance/financial requirements 2

5 Satisfying the insurance/financial requirements—when a holder has shown
direct financial responsibility..... 2

6 Specified minimum amount of insurance..... 2

7 Method for determining minimum amount of insurance..... 3

Part 3—Miscellaneous 4

8 Delegation..... 4

Part 1—Preliminary

1 Name

This instrument is the *Space (Launches and Returns) (Insurance) Rules 2019*.

2 Commencement

- (1) Each provision of this instrument specified in column 1 of the table commences, or is taken to have commenced, in accordance with column 2 of the table. Any other statement in column 2 has effect according to its terms.

| Commencement information | | |
|---------------------------------|--|--------------|
| Column 1 | Column 2 | Column 3 |
| Provisions | Commencement | Date/Details |
| 1. The whole of this instrument | At the same time as the <i>Space Activities Amendment (Launches and Returns) Act 2018</i> commences. | |

Note: This table relates only to the provisions of this instrument as originally made. It will not be amended to deal with any later amendments of this instrument.

- (2) Any information in column 3 of the table is not part of this instrument. Information may be inserted in this column, or information in it may be edited, in any published version of this instrument.

3 Authority

This instrument is made under the *Space (Launches and Returns) Act 2018*.

4 Definitions

In this instrument:

Act means the *Space (Launches and Returns) Act 2018*.

EXPOSURE DRAFT

Part 2 Insurance/financial requirements

Section 5

Part 2—Insurance/financial requirements

5 Satisfying the insurance/financial requirements—when a holder has shown direct financial responsibility

- (1) This section applies for the purposes of paragraph 47(2)(b) of the Act in relation to the holder of an Australian launch permit, an Australian high power rocket permit or a return authorisation, covering a launch or return.
- (2) The holder has shown direct financial responsibility for the launch or return for an amount not less than the amount that would otherwise have been applicable under subsection 48(4) of the Act for the launch or return (the **subsection 48(4) amount**) if the holder has given to the Minister:
 - (a) evidence that the holder:
 - (i) has a sufficient amount of available assets; or
 - (ii) is otherwise able to meet any liability that the holder might incur under the Act to pay compensation for any damage to third parties that the launch or return causes; and
 - (b) any additional information that the Minister asks for, in writing, for the purpose of showing that the holder has assets of the kind mentioned in subparagraph (a)(i) or is otherwise able to meet the liabilities mentioned in subparagraph (a)(ii).
- (3) For the purposes of subparagraph (2)(a)(i):
 - (a) assets are of a **sufficient amount** if they have a value that is at least equal to the subsection 48(4) amount; and
 - (b) assets are **available assets** if:
 - (i) the holder could use them to meet any liability that the holder might incur under the Act to pay compensation for any damage to third parties that the launch or return causes; and
 - (ii) for assets held wholly or partly by another person or body—the person or body will make them available to the holder if required.

6 Specified minimum amount of insurance

For the purposes of paragraph 48(4)(a) of the Act, the amount for a launch or return mentioned in column 1 of an item in the following table is the amount mentioned in column 2 of the item.

| Specified amounts | | |
|-------------------|---|-------------------------|
| Item | Column 1 Launch or return | Column 2 Amount (\$) |
| 1 | Launch or return authorised by an Australian launch permit | 100 million |
| 2 | Launch authorised by an Australian high power rocket permit | 100 million |
| 3 | Launch authorised by an overseas payload permit | 0 |
| 4 | Return authorised by a return authorisation | 100 million |

EXPOSURE DRAFT

Insurance/financial requirements **Part 2**

Section 7

Note: The matters to which the Minister must have regard in deciding whether to issue an authorisation certificate covering specified conduct include whether the conduct would represent an unsatisfactory risk of liability to the Commonwealth if insurance is not held to cover the applicant or the Commonwealth, or both—see paragraph 105(c) of the *Space (Launches and Returns) (General) Rules 2019*.

7 Method for determining minimum amount of insurance

For the purposes of paragraph 48(4)(b) of the Act, the method for determining an amount is the methodology set out in the document called *Maximum Probable Loss Methodology*, published on the Department's website, as existing from time to time.

EXPOSURE DRAFT

Part 3 Miscellaneous

Section 8

Part 3—Miscellaneous

8 Delegation

- (1) The Minister may, by writing, delegate any of the Minister's powers or functions under this instrument to:
 - (a) the Secretary of the Department; or
 - (b) the Head of the Australian Space Agency; or
 - (c) an SES employee, or acting SES employee, in the Department.
- (2) In doing anything under a delegation under this section, the delegate must comply with any directions of the Minister.