



INTERNATIONAL INSTITUTE FOR THE UNIFICATION OF PRIVATE LAW
INSTITUT INTERNATIONAL POUR L'UNIFICATION DU DROIT PRIVE

**DIPLOMATIC CONFERENCE FOR THE ADOPTION
OF THE DRAFT PROTOCOL TO THE CONVENTION
ON INTERNATIONAL INTERESTS IN MOBILE
EQUIPMENT ON MATTERS SPECIFIC TO
SPACE ASSETS**

Berlin, 27 February / 9 March 2012

UNIDROIT 2012
DCME-SP – Doc. 9
Original: English/French
28 February 2012

PROPOSALS

presented by the delegation of Canada

A. NATIONAL SECURITY AND DOMESTIC LAW

Canada continues to believe that the Protocol must provide states with the ability to address national security concerns and potential conflicts with domestic law. Canada has taken note, however, of some of the views expressed by other delegations last year on our proposal for Article 26(2). In light of some of the potential difficulties with our alternative text for Article 26(2), Canada proposes to replace this earlier proposal with a separate provision on the scope of application as follows:

“A Contracting State may limit the application of the Convention and this Protocol to the extent that such an application would be contrary to its national security interests or its laws or regulations relating to export controls, criminal or statutory offences which prohibit making assets or funds available to a specified person, or licensing requirements related to space assets.”

B. LIABILITY FOR DAMAGE

Canada continues to believe that it would be important for states to have a certain degree of flexibility to allow them to mitigate the liability flowing from the UN liability convention when a space asset is transferred, pursuant to this protocol, to a party beyond their control. Canada proposes the following provision:

“In light of the obligations flowing from the UN *Convention on International Liability for Damage Caused by Space Objects*, a Contracting State may condition the exercise of remedies under the Convention or this Protocol on:

- (a) incorporation in that Contracting State and compliance with other measures designed to mitigate the liability risk; or
- (b) the existence of an indemnity agreement on liability for damage caused by the space asset with the relevant Contracting States.”