PRESIDENCY OF THE COUNCIL OF MINISTERS Decree-Law no. 16/2019 of 22 January

Space activities are becoming increasingly important in today's societies given the countless benefits brought by the products, services and technologies using outer space, which have a positive impact on the countries' social and economic development.

Communications become more resilient, mobile and ubiquitous, with unprecedented mass use. Earth observation satellites collect useful data for such diverse sectors as agriculture, forestry, land use planning (including cartography, meteorology, hydrology and oceanography), or disaster prevention and fighting, in addition to management of land, air and sea traffic. Space products and technologies are also key to the States' defense and security activities.

Not only do space activities contribute to the development of science and research, the space sector itself became a major economic sector, particularly as regards applications. The new space industries sector (known as "New Space") comprises a new international wave of stakeholders and business models designed to secure private investment, including for the launching and operation of microsatellites' and nanosatellites' mega constellations, with major developments in the access to low earth orbits and sun synchronized orbits. This latest trend provides new opportunities to Portugal, including in terms of production and use of space activities-related data for social and economic activities.

The space business ecosystem achieved an economic return in excess of 120% in the last decade, with a total workforce of over 1400 including 300 highly qualified engineers, and generated a turnover directly relating to space technologies of approximately 890 million Euros between 2006 and 2015.

Portugal is reinforcing its investment in the space sector, mainly through the State's increased contribution to the European Space Agency (ESA), as well as through the approval of the Portugal Space Strategy 2030 ("Estratégia Portugal Espaço 2030") by means of Council of Ministers Resolution no. 30/2018, of 12 March 2018, which is designed along three key axes: i) boost of the exploitation of space data and signals through space-based services and applications supported by space technologies; ii) development, building and operation of space equipment, systems and infrastructures, as well as space data production services, and iii) the continued development of national capacity and skills through scientific research, innovation, education and scientific culture. This lavs the groundwork for the setup of the Portuguese Space

Agency, which must integrate and advance all spacerelated national programs.

This Decree-Law opens new horizons in that it enshrines an innovative legal framework geared at streamlining the development of space activities, products and services developed in and from the Country, attracting companies and knowledge-based operations with greater added value, and fostering research and development in this field.

Without prejudice to the future specific legal framework of an potential spaceport, an act regulating space activities plays a central role in promoting new economic activities and technology-based business development, in boosting research and development in the public and private sectors, and caters to the pressing need to offer the space stakeholders an act to regulate these activities in a simple, effective, thorough and technologically neutral manner – and so able to keep up with an ever-evolving sector.

Consequently, this Decree-Law regulates and at the same time streamlines the performance of space activities. A good example is the possibility to apply for an individual license, applicable to the licensing of a single space operation, or a blanket license, applicable to several space operations of the same type. Additionally, the same or different types of space operations that comprise one or more launch and/or return operations, and corresponding command and control operations for the launched space objects, may, even if carried out by more than one operator, be licensed jointly to a single operator, on its own behalf and on behalf of the other operators.

Furthermore, the possibility of establishing a swifter licensing process for space operators in certain instances and the establishment of a pre-qualification mechanism, seeks to attract new operators to Portugal through the streamlining of the licensing process by waiving the submission of the information contained in the pre-qualification certificate for each licensing application. The liability and insurance framework established herein also seeks to boost and attract business activities to the space field in Portugal. This Decree-Law will consequently contribute towards the permanent democratization of access to space through the inclusive involvement of state-owned and privatelyowned companies and scientific and technological institutions, as well as the Public Administration, fostering the collective ambition of using and exploiting space to the benefit of humankind.

A stepping stone is therefore set in place for the safe and sustainable development of private activity and R&D in the space sector, leading to the continued social and economic development of the Country.

The government bodies of the Autonomous Regions, the Supervisory Authority for Insurance and Pension

Funds ("Autoridade de Supervisão de Seguros e Fundos de Pensões") and the Portuguese Insurers Association ("Associação Portuguesa de Seguradores") were consulted.

As such:

Pursuant to Article 198.1 *a)* of the Portuguese Constitution, the Government hereby decrees as follows:

CHAPTER I

General provisions

Article 1 **Purpose**

This Decree-Law establishes the framework for the access to and exercise of space activities in order to:

- a) Regulate the exercise of space activities subject to the responsibility, authorization and supervision of the Portuguese Republic, in accordance with its international commitments;
- b) Facilitate and promote access to and the exercise of space activities to any operators established in Portugal and from the Portuguese territory;
- c) Ensure that space activities comply with international principles of use of outer space, namely peaceful use;
- d) Protect the political and strategic interests of the Portuguese Republic and ensure that private space activities do not conflict with those interests.

Article 2 Scope

- 1 This Decree-Law applies to space activities, deemed as space operations or launch sites operations:
- a) Performed in national territory, which includes the maritime area and the airspace under Portuguese jurisdiction or sovereignty, on board Portuguese vessels and aircraft or in facilities under Portuguese jurisdiction or sovereignty, irrespective of the nationality of the operator; or
- b) Performed outside the national territory by Portuguese operators or operators established in the national territory.
- 2 The application of this Decree-Law is without prejudice to the provisions in Law no. 17/2014, of 10 April and in Decree-Law no. 38/2015, of 12 March, as amended from time to time.
- 3 Operators with residence in the national territory pursuant to the provisions of the Personal Income Tax Code or the Corporate Income Tax Code, for natural or

- corporate persons respectively, shall be deemed established in Portuguese territory.
- 4 Space activities performed as part of national defense activities, with a view to protecting strategic, security or defense interests of the Portuguese Republic are excluded from the scope of this Decree-Law.

Article 3 **Definitions**

For the purposes of this Decree-Law:

- a) "Launch site" means any fixed or mobile facility, intended for the launch or return of space objects, including all equipment of that same facility required for launches and/or returns;
 - b) "Space object" means:
- *i)* An object launched or intended to be launched into space, notably in or beyond earth's orbit;
- *ii)* Any vehicle intended to launch an object set out in the provisions in *i)* above or to return it, even if it is operated without such object, notably for development or validation purposes, hereinafter referred to as launcher;
- *iii)* Any component of the space objects set out in *i)* and *ii)* above;
- c) "Launch site operation" means the management, administration or direction of a launch site;
- *d)* "Space operation" means any operation of this type:
- i) "Launch and/or return operation" means the activity whereby space objects are intended to be sent or launched into space, notably to be placed in or beyond orbit, and the return of space objects to the Earth's surface. If applicable, the launch operation begins when it becomes irreversible and ends with separation of the launcher and the object to be placed in space;
- *ii)* "Command and control operation" means the activity consisting in exercising effective control over a space object, which, if applicable, begins with the separation of the launcher and the object destined to space and ends on the earlier of:
- a) Performance of the last deorbiting maneuvers and passivation activities;
- b) Loss of control of the space object;
- c) Moment when the return to Earth begins or complete disintegration of the space object in the atmosphere occurs;
- e) "Launch site operator" means the natural or corporate person that manages, administers or directs a launch site;
- f) "Command and control operator" means the natural or corporate person that performs command and

control operations of space objects that are in outer space, even if only temporarily or in transit. Where the space object cannot be controlled or guided, the command and control operator shall be deemed to be the natural or corporate person who hired the launch or exploits the space object, as notified to the Space Authority within the context of the pre-qualification process and licensing;

g) "Launch and/or return operator" means the natural or corporate person that performs launch and/or return operations of space objects.

CHAPTER II

Performance of Space Activities

SECTION I

Access and pre-qualification

Article 4 Access requirements

- 1 Space activities are subject to:
- a) Mandatory license for launch and/or return operations and for command and control operations; and
- b) Registration of space objects.
- 2 Space activities may be further subject to optional pre-qualification of operators, as well as of systems, processes, features and specifications under Article 5, with a view to streamlining the licensing procedure.
- 3 The space activities set out in Article 2.1 b) are not subject to mandatory licensing if the operator is able to demonstrate to the Space Authority's satisfaction that it secured the proper authorizations and that it abides by the law of a State with which the Portuguese Republic has an agreement in place to ensure the compliance of its international commitments.

Article 5 **Pre-qualification**

- 1 Operators may apply to the Space Authority for the pre-qualification of any item listed in paragraph 2 below. The Space Authority approves the procedure for granting the pre-qualification by means of regulation.
- 2 Pre-qualification waives the submission of the information set out in the pre-qualification certificate in the licensing procedure provided for in the next Articles, and is aimed at attesting:
- a) That the launch site operator, the launch and/or return operator and the command and control operator

have the technical, economic and financial capacity for the space operations they intend to perform;

- b) Regarding the launch site operator, that the systems and processes implemented comply with applicable law and satisfy the requirements set out in the technical regulation approved by the Space Authority;
- c) Regarding the launch and/or return operator and the command and control operator, the features and specifications of the respective space object;
- *d)* Regarding the command and control operator, the systems and processes implemented at the command and control center.
- 3 Operators granted a pre-qualification certificate must update the information submitted on a regular basis, in accordance with the regulation mentioned in paragraph 1.
- 4 Where the update of the information submitted pursuant to paragraph 3 above entails a change in the conditions upon which the pre-qualification was based, the Space Authority notifies the operator to submit his position on whether it wishes to open a new pre-qualification procedure, otherwise the certificate shall be forfeit.
- 5 Pre-qualification terminates in the following instances:
- a) Closure of operator's business;
- b) Relinquishment of the pre-qualification certificate by means of a written declaration addressed to the Space Authority no less than 90 days prior to the intended effective date of relinquishment, save where the Space Authority expressly authorizes a shorter deadline;
- c) Change in the conditions that were decisive for granting the pre-qualification pursuant to paragraph 4 above, notably where the changes impair the technical, economic or financial capacity of the operator or the regular and proper functioning of the verified items;
- d) Failure to comply with the Space Authority's orders, notably ensuing from inspections;
- e) Requirements relating to the safety of persons or assets as established by the proper authorities.
- 6 The pre-qualification can also terminate upon the decision of the Space Authority if it has been granted to a licensed operator and the license terminates, provided that the ownership of the license has had a relevant impact on the conditions of granting the pre-qualification.
- 7 The termination of the pre-qualification under paragraphs 5 c), d) and e) and subparagraph 6 is subject to prior notice to the operator, who can state its position in writing within the deadline set by the Space Authority, which may not be less than 10 days.

SECTION II

Licensing

Article 6 License types

- 1 The license for each type of space operation is obtained from the Space Authority, and can be of two types:
- *a)* Individual license, applicable to each type of space operation and issued to the relevant operator;
- b) Blanket license, applicable to a series of space operations of the same type and issued to the relevant operator.
- 2 Space operations of the same type or of different type that comprise one or more launch and/or return operations and the corresponding operations of command and control of space objects launched can be licensed jointly, even if performed by more than one operator.
- 3 The license foreseen in Article 6.2 may be an individual or blanket license, as applicable, and is granted to one of the operators involved, on behalf of the others.
- 4 The operator holding a blanket license shall notify beforehand the space operations licensed to the Space Authority at least three days prior to the date scheduled for their execution.
- 5 In the event of space operations developed in the national maritime area, the Space Authority must immediately disclose the prior notice received pursuant to Article 6.4 to the Natural Directorate for Natural Resources, Safety and Maritime Services ("Direção-Geral de Recursos Naturais, Segurança e Serviços Maritimos") (DGRM).

Article 7 Licensing requirements

- 1 The license is granted if the Space Authority is satisfied that:
- a) The applicant has the technical, economic and financial capacity for the space operations it intends to carry out;
- b) The space operation duly safeguards damages to the Earth's surface, airspace and outer space, in accordance with applicable national and international commitments:
- c) The space operation ensures the minimization of space debris as much as possible, in accordance with international principles and commitments;

- d) The space operation is compatible with applicable public security provisions, including on public health and citizens' physical safety;
- e) The space operation does not jeopardize domestic security or the strategic interests of the Portuguese Republic, nor does it breach its international commitments;
- f) All other authorizations and certificates required for the purpose of the space operation have been issued by the relevant entities;
- g) Applicant carries mandatory civil liability insurance as required under Article 19.
- 2 The criteria used to assess the requirements set out in paragraph 1 above may be further specified in a regulation to be issued by the Space Authority.
- 3 The license may stipulate other requirements in addition to paragraph 1, including in connection with environmental matters, subject to the operator's express agreement, without which the license shall not be granted.

Article 8 **Procedure for granting licenses**

- 1 The processing of licenses shall be defined in regulation to be enacted by the Space Authority, and the decision to grant or withhold the license must be issued by the Space Authority within 90 days as of receipt of a complete application.
- 2 For purposes of securing any other required authorizations pursuant to Article 7.1 *f*), the following procedure applies:
- a) For individual licenses, the information and documentation necessary for the other authorizations must be submitted to the Space Authority together with the information and documentation to obtain a license for space operations;
- b) For blanket licenses, and if so directed by the Space Authority, the information and documentation necessary for the other authorizations must be submitted prior to each operation, and operators may not perform the space operation without those authorizations.
- 3 The licensing of space activities performed in the national maritime area is subject to mandatory opinion issued of the DGRM within the scope of its powers, without prejudice to any other opinions required by law. 4 The regulation to be enacted by the Space Authority may establish a special licensing framework, which may consist in shorter deadlines or streamlined procedures, if:
- *a)* The applicant is a public entity or an international organization acting under international agreements concluded with the Portuguese Republic;

- b) The intended space operation is performed exclusively for scientific, research and development, educational or training purposes, or consists in activities with experimental purposes with demonstrable low risk for the Earth's surface, airspace and outer space, including for public health and citizens' physical safety;
- c) The applicant has secured an authorization for the performance of the space activity from another State whose legal framework ensures compliance with applicable international commitments.
- 5 The Space Authority may require holders of blanket licenses to submit the information contained in the terminated pre-qualification certificate pursuant to Articles 5.5 and 5.6 for the performance of space operations under the blanket licenses. Such space operations may not be performed without the Space Authority's written confirmation that the information is compliant with this Decree-Law. The Space Authority's written confirmation must be issued within 30 days from submission of the complete information by the operator.

Article 9 Rights and duties of the license holder

- 1- The grant of a license entitles its holder to perform the corresponding space operations, pursuant to this Decree-Law and the content of the license.
- 2 The license holder has the following duties:
- a) Comply with and abide by international principles for the use of space, notably pursuant to the space treaties binding on the Portuguese Republic, including with relation to peaceful use, security and minimization of space debris;
- b) Register the space objects it launches or controls, and identify their owner, in accordance with Article 16;
- c) Take out and maintain mandatory civil liability insurance as required under Article 19;
- *d)* Duly foresee and safeguard any damages to Earth or to space, directly or indirectly, in accordance with the applicable national and international obligations;
- e) Comply with all legal and regulatory provisions in force, as well as with the conditions set out in the relevant license, pursuant to Article 7.3.

Article 10 License term

- 1 Individual licenses are granted for the period of time corresponding to the licensed operation.
- 2 Blanket licenses may be granted for a specified number of operations or for a certain period of time after their issue.

Article 11 **Transfer of license**

- 1 The transfer of license is subject to the Space Authority's prior authorization on application submitted by the holder, which shall only be approved if all legal requirements for its issue are met.
- 2 The transfer application must provide all information on the identification and the profile of the transferee, and attach a statement by the latter accepting the transfer and all license conditions.
- 3 The Space Authority authorizes the transfer of the license within 60 days and enters the identification of the transferee in the operator's license in the event of approval.
- 4 The transferee shall be subject to the same duties, obligations and charges of the transferor, and any others imposed on it in the transfer authorization.
- 5 The authorization referred to in this article shall expire if the legal transaction underlying the transfer is not executed within the deadline established therein.

Article 12 **License termination**

- 1 The license shall be terminated by expiry, relinquishment or cancellation, in accordance with the following articles.
- 2 In the event of termination of the license based on any of the above reasons, the Space Authority may:
- a) Order the operator to take, at its expense, the measures required to ensure the temporary continuation or the safe termination of the space operation, and to curtail the risk of damages. The operator remains bound under all obligations arising from this Decree-Law and its license for this effect;
- b) Transfer the performance of the space operation to another interested operator with a view to ensuring the continuity of the operation or take, at the expense of the operator whose license terminated, such actions as may be required to deorbit or destroy the space object.
- 3 Without prejudice to the fulfilment of the notification duty on general terms, the termination of the license shall be published on the Space Authority's website.

Article 13 **Expiry of the license**

The license expires in the following situations:

- a) In the event of operator's closure of business;
- b) When the license reaches the end of its validity period.

Article 14 Relinquishment of the license

- 1 The license holder may, prior to expiry, relinquish the license granted to it.
- 2 The notice to relinquish the license is submitted in writing to the Space Authority at least 120 days in advance of the intended date for the relinquishment to become effective, unless that entity expressly consents to a shorter notice period.

Article 15 License cancellation

- 1 The Space Authority may cancel the license in the following situations:
- a) If the license holder breaches the duties in connection with the performance of the activity under the law and the respective license, including where, for any reason, the mandatory civil liability insurance is no longer effective or does not allow for the insurance of the applicable conditions;
- b) If the holder fails to comply with the orders of the Space Authority, notably resulting from inspections;
- c) If the holder repeatedly fails to comply with the obligation to submit the information set out in Article 23 to the Space Authority;
- *d)* For requirements relating to the safety of persons or assets, as established by the competent authorities.
- 2 The cancellation decision may not be issued without first serving notice on the holder, who may state its position in writing within the deadline set by the Space Authority, which may not be less than 10 days.

SECTION III

Registration and transfer of space objects

Article 16 **Registration of space objects**

- 1 Space objects for which the Portuguese Republic is the launching State are subject to registration by and with the Space Authority, in accordance with the international commitments of the Portuguese Republic.
- 2 The registration contains the following information:
- a) Indication of the launch operator responsible;
- b) Indication of the owner and of the command and control operator responsible;
- c) Name of the space object, registration number and frequency allocation number assigned by the competent entities;
- d) Date and place of launch;

- e) Basic orbital parameters, including nodal period, inclination, apogee and perigee;
- f) General function of the space object.
- 3 The following are also registered with the Space Authority:
- a) Space objects whose launch, return or command and control are performed by operators licensed in Portugal, including their technical features and specifications, in which case the respective licensed operator is responsible for promoting registration;
- b) Transfer of ownership of any space objects whose launch, return or command and control is carried out by operators licensed under this Decree-Law, in which case the respective transferor is responsible for promoting registration;
- c) The end of the useful life of a space object operated and controlled by a command and control operator licensed in Portugal, in which case the respective command and control operator is responsible for promoting registration;
- d) Any incident or serious accident suffered by the space object, in which case the respective operator is responsible for promoting registration.
- 4 The Space Authority specifies, in regulation, the elements to be registered pursuant to Article 16.3 and may further establish the obligation to provide information in addition to the above paragraphs, notably for purposes of compliance with supervening international rules or resolutions.
- 5 The operator shall submit the registration information to the Space Authority within two days as from the launch of the space object.
- 6 Any update or change to the information contained in the registration shall be also notified by the operator to the Space Authority within two days.
- 7 The registration of space objects is public, and the Space Authority must develop mechanisms to protect any commercially sensitive information that may be contained in it.
- 8 The Space Authority shall communicate to the Secretary-General of the United Nations, through the Ministry of Foreign Affairs, all information required for registration of space objects with the United Nations, pursuant to applicable international commitments.

Article 17 **Transfer of space objects**

1 – The transfer of ownership of space objects whose launch, return or command and control is carried out by licensed operators shall be notified to the Space Authority, pursuant to, and including any information required under, regulation to be approved by the Space Authority.

2 — The communication referred to in the preceding paragraph must at least be accompanied by information on the identification of the transferee, with indication of its name or corporate name, address or registered office, share capital and contacts.

CHAPTER III

Liability

Article 18 **Liability**

- 1 Without prejudice to other legally applicable liability regimes, operators are liable for damages caused in the performance of the space activity, as follows:
- a) Strict liability for damages caused by the space object to the surface of the Earth or to aircraft in flight; and
- b) Liability in the event of fault for damages falling outside the scope of subparagraph a) above.
- 2 If the Portuguese Republic is held liable, pursuant to its international commitments, for any damages caused by a space object, the State has a right of recourse against the operator which, under this Decree-Law, is responsible for that space object, capped at the amounts defined by order of the members of the Government responsible for finance and science and technology.
- 3 The cap on the Portuguese State's right of recourse does not apply if the operator is liable under Article 18.1 *b)* due to willful misconduct or gross negligence, or if the operator fails to comply with Articles 4.1 and 9.2.

Article 19 **Mandatory insurance**

- 1 Operators licensed under this Decree-Law shall take out civil liability insurance, with a minimum capital to be defined by order of the members of the Government responsible for finance, science and technology and the sea, which may also regulate other minimum requirements for the insurance agreement.
- 2 The license holder must prove the existence of the policy at the time of the license application and, subsequently, by 31 January of each year, and coverage of the risk shall become effective upon grant of the license.
- 3 By means of order of the members of the Government responsible for finance, science and technology and the sea, the insurance obligation may be

waived or the insured amount reduced in the following circumstances:

- a) Operations of launch, return, command and control of space objects of small dimensions, as defined by the Space Authority;
- *b)* Space operations conducted exclusively for scientific, research and development or educational and training purposes;
- c) If the operator submits another financial guarantee as permitted under the relevant order and that is accepted by the Space Authority;
- d) Operations that demonstrably entail reduced risks, as defined by the Space Authority.

Article 20 **Incident and accident report**

- 1 Operators shall report to the Space Authority, within 24 hours as from the time they become aware of the occurrence, the incidents occurred in their facilities or as part of their space activity, as well as any maneuver, malfunction or anomaly of the space object or other circumstances arising from or in connection with their space activity, that may result in an incident or serious accident.
- 2 Operators must immediately notify the Space Authority and the National Civil Protection Authority (ANPC), as well as the Office for the Investigation of Accidents at Sea ("Gabinete de Investigação de Acidentes Marítimos") and the Aeronautical Meteorology Authority ("Autoridade para Meteorologia Aeronáutica") in connection with activities performed in the national maritime area, of all serious accidents occurred in their facilities or as part of their space activity, liable to generate external consequences.
- 3 The Space Authority is tasked with forwarding the notice received under the preceding paragraphs to the other competent entities and is required to act in close coordination with them.
- 4 ANPC acts within the scope of the Integrated Protection and Rescue Operations System ("Sistema Integrado de Operações de Proteção e Socorro"), liaising with the other intervening authorities.
- 5 Without prejudice to the powers of other entities, whenever incidents or accidents result in death, serious injury or substantial material damages, the Space Authority shall inspect the condition of the facilities and other relevant items of the operator and of other operators connected to the relevant activity, and review the circumstances of the occurrence, and then draw up a technical report.

6 – For the purposes of the preceding paragraphs, the Space Authority shall notify the list of licensed operators and their location to the ANPC.

CHAPTER IV

Regulation, supervision and inspection of space activities

SECTION I

Scope, objectives and activities

Article 21 **Space Authority**

- 1 The Space Authority is charged with regulating, supervising and inspecting space activities, without prejudice to inspection activities developed by other entities within the scope of their powers, duties and authority.
- 2 The Space Authority shall exercise its powers in an impartial, transparent and timely manner.

Article 22 **Space Authority's Powers**

- 1 The Space Authority is vested with the following powers:
- a) Maintaining the safety of space activities;
- b) Issuing pre-qualification certificates, licenses and registering space objects;
- c) Cooperating with other national and international entities with relevant competences in the space sector;
- d) Ensuring that there is no discrimination in the treatment of entities performing space activities in equivalent circumstances;
- *e)* Preparing regulations and issuing instructions on practices to be followed for purposes of compliance with this Decree-Law;
- f) Supervising performance of the obligations set out in this Decree-Law;
- g) Initiating and dealing with administrative offense proceedings and apply the penalties;
- h) Any others foreseen in the relevant articles of incorporation, at the time of its setup.
- 2 The Space Authority is further tasked with assessing and deciding on requests or claims by the operators and shall endeavor to resolve any disputes in connection with the obligations arising from this Decree-Law, between entities subject to such obligations, without prejudice to the possibility of resorting to courts.
- 3 The Space Authority's duly substantiated reply to the requests or claims set out above shall be served on

the interested parties within a maximum of six months as from the date of submission of the requests or claims, and published on the Space Authority's website, without prejudice to the duty of preserving business confidentiality.

4 — The Space Authority and other competent authorities and services shall cooperate, whenever necessary, in matters of common interest and as may be required to adequately achieve the goals of this Decree-Law.

Article 23

Operators' obligations with relation to supervision and inspection

In respect of the Space Authority, operators shall be required to:

- a) Allow and facilitate free access by technical staff to the facilities and their annexes, as well as to their devices and instruments;
- b) Provide all the information and assistance required for the performance of its supervision and inspection duties;
- c) Maintain in their facilities in Portugal a duly organized and updated file containing all relevant documents and records relating to the space activities they perform and on the licensing and pre-qualification procedure, in particular all licenses, certifications and opinions issued in that context, inspection reports and other relevant elements, for ready access to and consultation of the information by the Space Authority.

SECTION II

Penalty regime

Article 24 Administrative offenses

- 1 The following infractions are administrative offenses:
- a) Performance of space operations by unlicensed operators;
- b) Failure by the licensed operator to comply with any of the obligations set forth under Article 7, Article 9.2., and the respective development regulations, and the breach of the specific conditions set forth in the license:
- c) Failure to register space objects, in breach of the provisions in Article 16;
- d) Failure to carry or maintain insurance, in breach of the provisions in Article 19;
- e) Failure to report incidents or accidents, reporting with false or misleading information, or failure to timely

report incidents or accidents, in breach of the provisions in Article 20;

- f) Failure to comply with obligations regarding supervision and inspection, in breach of the provisions in Article 23:
- g) Provision of false or misleading information under the licensing or pre-qualification procedures, in breach of the provisions in Articles 5 and 7;
- *h)* Provision of false or misleading information for purposes of registration of space objects, in breach of the provisions in Article 16;
- *i)* Provision of false or misleading information for purposes of transfer of license, in breach of the provisions in Article 11;
- *j)* Failure to provide information or provision of false or misleading information for purposes of issue of other authorizations as per Article 8.2;
- *k)* Failure to update the information provided under the pre-qualification procedure, in breach of the provisions in Article 5.3;
- *l)* Failure to notify the transfer of the space object or the provision of false or misleading information, in breach of the provisions in Article 17;
- m) Failure to notify space operations, in breach of the provisions in Article 6.4.
- 2 The administrative offenses set forth in paragraphs 1 *a)* to *f)* shall be punishable with an administrative fine of between EUR 1,000 and EUR 3,740.98, and between EUR 10,000 and EUR 44,891.81, depending on whether they were committed by a natural person or a corporate person.
- 3 The administrative offense set forth in paragraph 1 h) shall be punishable with an administrative fine of between EUR 500 and EUR 1,500, and between EUR 5,000 and EUR 25,000, depending on whether it was committed by a natural person or a corporate person.
- 4 The administrative offenses set forth in paragraphs $1 \, j)$, l) and m) shall be punishable with an administrative fine of between EUR 250 and EUR 750, and between EUR 2,500 and EUR 15,000, depending on whether they were committed by a natural person or a corporate person.
- 5 The administrative offenses set forth in subparagraphs 1 g), i) and k) shall be punishable as follows:
- a) With an administrative fine of between EUR 500 and EUR 1,500, and between EUR 5,000 and EUR 25,000, depending on whether they were committed by a natural person or a corporate person, if:
- i) For the administrative offences set forth in subparagraphs g) and i), the false or misleading information was material to the decision to grant or maintain the license, the pre-qualification or the authorization for transfer of the license:

- ii) For the administrative offences set forth in sub-paragraph k), failure to update the information was material to the decision to maintain the prequalification.
- b) With an administrative fine of between EUR 250 and EUR 750, and between EUR 2,500 and EUR 15,000, depending on whether they were committed by a natural person or a corporate person, if:
 - i) For the administrative offences set forth in subparagraphs g) and i), the false or misleading information was not material to the decision to grant or maintain the license, the pre-qualification or the authorization for transfer of the license;
 - ii) For the administrative offences set forth in sub-paragraph k), failure to update the information was not material to the decision to maintain the prequalification.
- 6 Attempt is punishable.
- 7 In the event of attempt or negligence, the lower and upper thresholds of the applicable fine shall be halved.
- 8 Negligence is punishable in respect of the administrative offenses provided for in the preceding paragraphs, subject to the general framework of administrative offenses, which is applicable to all matters on which this Decree-Law may be silent.

Article 25 **Ancillary penalties**

- 1 Regarding the administrative offense provided for in Article 24.1 *a*), an ancillary penalty of prohibition to perform space activities for a period between six months and two years may be applied.
- 2 Regarding the administrative offenses provided for in Article 24.1 b), d), e), f) and g), an ancillary penalty of suspension of license, or prohibition to perform space activities for a period between six months and two years, may be applied, provided that:
- a) For the administrative offences set forth in subparagraph e), it is demonstrated that the incidents or accidents are attributable, wholly or in part, to the operator;
- b) For the administrative offences set forth in subparagraph g), the false or misleading information provided was material to the decision to grant the license or the pre-qualification.

Article 26 **Administrative offenses proceedings**

- 1 The Space Authority is tasked with initiating administrative offense proceedings and the relevant services shall be tasked with their investigation.
- 2 The Space Authority is tasked with applying the administrative fines and ancillary penalties provided for in this Decree-Law.
- 3 The State and the Space Authority shall share in the proceeds of the fines in the proportion of 60% and 40%, respectively.
- 4 Regarding administrative offenses committed in the national maritime area or aboard craft, the proceeds of the fines shall revert to the State, the Space Authority and the Blue Fund ("Fundo Azul"), in the proportion of 60%, 30% and 10%.
- 5 The Space Authority may duly publish the administrative offenses and the ancillary penalties applied under this Decree-Law, pursuant to the general framework of administrative offenses.

CHAPTER V

Final Provisions

Article 27 **Autonomous Regions**

- 1 This Decree-Law applies to the Autonomous Regions of the Azores and Madeira, *mutatis mutandis*, without prejudice to the provisions in the next paragraphs.
- 2 The procedures for the licensing of space activities, pre-qualification and registration and transfer of space objects in connection with activities to be developed in the Autonomous Regions of the Azores and Madeira, and the corresponding economic and financial framework, are established by means of a regional legislative decree, without prejudice to the issue of a substantiated binding opinion by the members of Government in charge of national defense and internal affairs, if defense and national security issues are at stake.
- 3 The proceeds of the fees charged for the issue of the acts set out in Article 27.2 and the proceeds of fines applied by reason of administrative offenses in connection with activities to be developed in the Autonomous Regions of the Azores and Madeira are the revenue of the Autonomous Regions.
- 4 Until the effective date of the regional legislative decree set out in Article 27.2, the procedures set forth therein in connection with activities to be developed in

the Autonomous Regions shall require the relevant Regional Government's binding opinion.

5 – The activities to be developed in the Autonomous Regions are defined as those activities based on launch sites in the relevant offshore or onshore, including in this instance the maritime areas adjoining the relevant archipelago.

Article 28 **Economic and financial regime**

Without prejudice to the provisions in Article 27.2, the economic and financial regime applicable to space activities developed under this Decree-Law may be defined by decree-law, which promotes the economic and financial sustainability of the activity carried out by the Space Authority, notably by means of the collection of fees and levies from the companies and other entities subject to its supervisory powers.

Article 29 **Regulations**

The regulations set out in Articles 5, 8, 16 and 17, and the orders set out in Articles 18 and 19 shall be enacted within 180 days as from the entry into force of this Decree-Law.

Article 30 **Transitional provision**

Pending the setup by decree-law of the Space Authority mentioned in this Decree-Law, the respective powers and authority shall be vested in the National Communications Authority ("Autoridade Nacional de Comunicações").

Article 31 **Entry into force**

This Decree-Law shall come into force on the day following its date of publication.

Reviewed and approved in Council of Ministers, on 8 November 2018. – António Luís Santos da Costa – Mário José Gomes de Freitas Centeno – João Titterington Gomes Cravinho – Eduardo Arménio do Nascimento Cabrita – Manuel Frederico Tojal de Valsassina Heitor – Pedro Manuel Dias de Jesus Marques – Ana Paula Mendes Vitorino

Enacted on 10 January 2019.

Be it published.

The President of the Republic, MARCELO REBELO DE SOUSA.

Ratified on 15 January 2019.

The Prime Minister, *António Luís Santos da Costa*. 111988896