

NATIONAL SPACE COUNCIL
EXECUTIVE OFFICE OF THE PRESIDENT
WASHINGTON, D.C. 20500

March 22, 1990

MEMORANDUM FOR THE POLICY AND IMPLEMENTATION REVIEW COMMITTEE

FROM:

MARK J. ~~STEELE~~ *Steele*

SUBJECT:

Commercial Space Launch Policy and Strategy Review

At the March 19, 1990 meeting to the National Space Council, the Vice President directed that a review of commercial space launch policy implementation be completed by June 1, 1990 to provide a context for considering issues associated with growing non-market competition. [The working group established to assess issues associated with the proposed spaceport at Cape York, Australia will undertake this review under the guidance of the PIRC.] A draft task statement for the review is attached. It will be coordinated through the working group over the next several days and a final version provided to you within about ten days.

The scope of the ad hoc working group's activities have been expanded somewhat and you may wish to modify your agency's representation accordingly. However, as this will be a very fast paced review, I ask that you restrict your agency's participation to no more than two representatives and insure that those representatives are able to accurately reflect your views and those of your Space Council principle.

This review will be closely coordinated with the National Space Council's ongoing reviews of commercial space policy implementation and national space launch strategy. We had intended to address the commercial space launch issues within the context of those two reviews but time constraints associated with the acceleration of the schedule make that infeasible.

If you have any questions please contact me.

DRAFT**TASK STATEMENT****COMMERCIAL SPACE LAUNCH POLICY REVIEW**

The ad hoc working group will review implementation of current commercial space launch policy and will develop policy and strategy alternatives for consideration by the National Space Council. The review will:

1. Describe the current state of the United States commercial space launch industry.

- o Corporate involvement and current and projected capabilities and limitations.
- o Estimated level of private sector investment and current and planned government supports.
- o Current and projected market for United States ELV's.
 - United States government payloads.
 - Foreign or commercial payloads for which the U.S. industry is competitive.
- o Foreign competition.
 - Current and projected capabilities and limitations.
 - Estimated level of private investment and government supports.
 - Unique markets such as foreign government owned satellites or other payloads which, for political reasons, will not be available to the U.S. industry.
- o Characterize the current and projected competitiveness of the U.S. commercial space launch industry on the international market for non-U.S. government payloads.
 - Define competitiveness and identify the criteria by which it can be measured.

2. Determine if the U.S. national interest is best served by relying, to the maximum extent feasible, on the private sector provision of launch services. If so, determine if that national interest extends to insuring that the industry achieve, or maintain, any particular level of competitiveness in the non-governmental market.

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o Consider national security, economic, trade and foreign affairs implications.

3. Based on the findings of the previous phase, define policy and strategy alternatives to achieve the U.S. national interest relative to the U.S. commercial space launch industry. These alternatives should be sufficiently broad to provide a policy framework for considering future issues associated with:

o U.S. Government investments in support of the commercial space launch industry.

o Rules of the road negotiations with ESA or other governmental entities relative to the provision of space launch services.

o Non-market competition including the sale of Soviet and PRC space launch vehicles or launch services, launched either from these countries or from third countries such as Australia or Brazil.

o International sale or transfer of space launch vehicles or means of production.

o U.S. government procurement of space launch vehicle hardware and space launch services.

o Commercially provided space infrastructure, both U.S. and foreign.

4. Analyze these alternatives in terms of:

o Implications for achieving the national security, foreign affairs, economic and trade objectives of the United States.

o Implications for the U.S. satellite manufacturing industry, the telecommunications industry and other U.S. space-related industries.

o Implications for ballistic missile proliferation.

o Implications for the transfer of critical or sensitive technologies.

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