

NewSpace Economic Zone Organization (NEZO) **Establishing A Private Commerce Network for the NewSpace Industry**

In the quest for a solution to the international commerce barriers confronting the private space industry NEZO has identified an innovative new model for global commerce. The NewSpace industry faces several barriers to international commerce that are unique to the industry. These unique barriers require unique solutions. NEZO has worked diligently to identify an economic model that can support the global growth and prosperity of the entire industry. The solution NEZO has developed is built upon a specialized Framework that implements the necessary market freedoms.

The following are the outcomes that any solution (legal, regulatory, and operational) intended to establish a global free market for the NewSpace industry must achieve:

1. **Remedy State Liability** - Indemnify the State members of the commerce network by eliminating their international liability obligation for any damages caused by private individuals, so long as such individuals are conducting peaceful, private space activities within the safe and secure operating environment created by the Framework.
2. **Maintain Security** - Ensure the private sector conducts only peaceful activities, by diligently upholding and maintaining domestic and international security in regards to such activities
3. **Independent Regime** - Create a separate and independent private space commerce network by isolating the governance of private activities from the governance of State activities (a mapped pathway through the existing worldwide embargo)
4. **Free Market** - Create a free market environment within the commerce network by eliminating the need (and grounds) for defense trade barriers that obstruct the free flow of peaceful, private space commerce
5. **Job Creation** - Promote job creation in the private space industry by granting private individuals freedom from domestic regulations pertaining to such activities, so long as they are conducted within the controlled operating environment of the commerce network
6. **Full Privatization** - Establish a liability regime that provides private ventures access to affordable and accessible insurance coverage for risk, eliminating the need for costly government subsidization of private space activities
7. **Public-Private Partnership** - Establish a uniform and supportive private space commerce network by “utilizing non-binding governance tools, principles, resolutions, confidence building measures, and policy and technical guidelines”.(Space Security Institute, 2009)
8. **Peaceful Only** - Incorporate controls that prevent the transfer (or diversion) of private technologies, assets, or intellectual capital to military, defense, or dual-use purposes
9. **Full Participation** - Create a commerce environment that productively supports the widest range of peaceful, private space activities in order to attract the maximum number of States to participate in, and support, the commerce network

10. **Avoid Bureaucratic Quagmires** - Implement the commerce network on a global basis, efficiently and effectively, by implementing a Framework that eliminates the need to create additional treaties, or to change existing treaties
11. **Uniform Asset Control** - Ensure operational transparency and compliance of all private space activities within the commerce network through a concrete and uniform asset control regime (Chain of Custody)

This is a challenging set of goals for any international commerce solution. Through its continual efforts, NEZO has developed such a Framework, creating the model for a global commerce environment that satisfies all of these requirements. To accomplish this feat, the NEZO Framework utilizes a Private Commerce Network (PCN) model that has been carefully crafted to support the specialized commerce needs of the NewSpace industry.

A PCN provides the only practical solution available that can satisfy all of these requirements with its singular, unified model for a transnational commerce network. NEZO is a pioneer in its utilization of a PCN model to stimulate the global economic growth of private industry. The NEZO Framework has been carefully crafted to stimulate and support the worldwide growth of Research & Development, Manufacturing, Trade, and Transportation activities in the NewSpace industry.

Revised 12/2/09