



THE REGULATION OF SPACE TOURISM IN INDIA: THE LEGAL VACUITY ON THE DRAFT SPACE ACTIVITIES BILL

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INTRODUCTION

Space tourism, previously a wild-eyed science-fiction dream, has rapidly developed into a commercial phenomenon with commercial organisations such as SpaceX, Blue Origin and Virgin Galactic being the providers of human spaceflight services.¹ The introduction of a new category of actors in outer space has changed the space ecosystem of the world radically, as the sphere is no longer dominated by exploration conducted by the states, but commercial and civilian projects. India is poised at a critical juncture as the nations around the world come up with regulatory schemes to cater to the demands of liability, safety, insurance and licensing pertaining to space tourists.

Although India has achieved impressive progress in space technology in ISRO, and as a result of increasing privatisation impetus, which is the IN-SPACe, the country does not have a system of thorough legal regulation of space tourism. Although the introduction of the Draft Space Activities Bill, 2017² was a big move in the regulation of the space activities of the private sector. The Bill does not touch on the important areas of human spaceflight safety, consumer interests, passenger claims, and insurance provisions. In addition, the Bill is yet to be enacted, and the vacuum concerning the domestic space law in India remains constant.

The blog is a critical analysis of the legal and policy loopholes in space tourism in India, the responsibilities that India has under the international space conventions, and how global

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¹ European Space Agency, *Commercial Spaceflight and Space Tourism Report* (ESA Publications 2022)

<https://www.esa.int/> accessed 10 November 2025.

² Draft Space Activities Bill 2017 (Government of India, Ministry of Space) <https://www.isro.gov.in/> accessed 17 November 2025.

regulatory frameworks can be used to ensure a successful and future-proofed legal framework in India.³

THE RISE OF SPACE TOURISM: FROM FICTION TO REALITY

Space tourism is no longer a far-fetched idea; it has become a commercial business with growing involvement of the private sector, owing to the rapid pace of technological innovations and participation in the business. In the year 2001, the world saw the first self-funded space tourist, Dennis Tito, travel to the International Space Station.⁴ Since that time, the number of programs in private spaceflight has increased many times, with Virgin Galactic, Blue Origin, and SpaceX being the companies that have made suborbital and orbital flights to carry clients.⁵

Governments worldwide have started appreciating the commercial value of space tourism. The United States, as an example, has included the concept of private spaceflight as a part of its extensive space policy, promoting innovation and restricting safety levels by the Commercial Space Launch Competitiveness Act of 2015.⁶ Equally, the United Arab Emirates and Japan have launched special licensing regimes to incorporate private spaceflight into their national space structures.

These advancements are an indication of a groundbreaking shift into a space economy as space ceases to be the reserve of scientific conquest but is becoming a commercial enterprise that can be accessed by civilians.⁷ In the case of India, with one of the most successful and economical space programs in the world, this is a new avenue to economic development, provided there is a well-elaborated legal system in place.

INDIA'S LEGAL FRAMEWORK: THE DRAFT SPACE ACTIVITIES BILL AND ITS SHORTCOMINGS

The arrival of India into the space market in the world has been enhanced by the historic successes of ISRO, which include the Chandrayaan missions and the historic Mars Orbiter

³ United Nations Office for Outer Space Affairs (UNOOSA), *Status of International Space Law Treaties* (2023) <https://www.unoosa.org/> accessed 17 November 2025.

⁴ National Aeronautics and Space Administration (NASA), *Commercial Crew and Tourism Milestones* (NASA Factsheet 2021) <https://www.nasa.gov/> accessed 17 November 2025.

⁵ European Space Agency (ESA), *Private and Commercial Spaceflight Overview* (ESA Publications 2022) <https://www.esa.int/> accessed 17 November 2025.

⁶ *Commercial Space Launch Competitiveness Act 2015*, Pub L No 114–90 (United States).

⁷ OECD, *The Space Economy in Figures: How Space Contributes to the Global Economy* (OECD Publishing 2021).

Mission. In order to provide access to the participation of the private sector, the Government proposed the Draft Space Activities Bill, 2017, which became the first endeavour to regulate non-governmental organisations that have been involved in space activities in India.⁸

The Bill suggests the licensing regime of the private actors, obligatory insurance and offers to cover the cases of damage to space objects through the governmental indemnification. Nevertheless, since these heavy strides have been made, the Bill is fraught with a number of serious weaknesses. Most importantly, it fails to mention space tourism, a fast-growing industry in the world.⁹ The laws do not provide any rules on passenger safety criteria, human-rating of spacecrafts, training provisions for civilian passengers and their liability rules as space tourists.

Moreover, the Bill is yet to be adopted after six years, and India has no central law that regulates the activities in space as far as the domestic arena is concerned. With India accelerating its process of commercialisation via IN-SPACe and more private partnerships, the lack of a legal framework makes it difficult for investors, operators, and prospective space tourists.¹⁰

The Draft Bill in its present manifestation is an early-regulatory vision with more emphasis on commercial launches and satellite operation instead of a comprehensive policy, creating a wide legal gap amid the process of India's nearing commercial human spaceflight facilitation.

INTERNATIONAL LEGAL OBLIGATIONS AND COMPARATIVE PERSPECTIVE

India, as a signatory to the Outer Space Treaty, 1967 has a responsibility of ensuring that governmental and non-government agencies in space activities operate within the confines of international law.¹¹ The Treaty also requires peaceful utilisation of outer space, state accountability for the activities of the private, and accountability for damages that are caused by space objects. These liabilities directly translate to space tourism, whereby civilian passengers can be exposed to dangers that have never been envisaged in existing treaties.

⁸ *Draft Space Activities Bill 2017* (Ministry of Space, Government of India) <https://www.isro.gov.in/> accessed 17 November 2025.

⁹ *United Nations Office for Outer Space Affairs (UNOOSA), Guidance on the Regulation of Commercial Human Spaceflight* (2022) <https://www.unoosa.org/> accessed 17 November 2025.

¹⁰ *Indian National Space Promotion and Authorisation Centre (IN-SPACe), Framework for Enabling Private Sector Participation in Space Activities* (2021) <https://www.inspace.gov.in/> accessed 10 November 2025.

¹¹ *Treaty on Principles Governing the Activities of States in the Exploration and Use of Outer Space, including the Moon and Other Celestial Bodies* (adopted 27 January 1967, entered into force 10 October 1967) 610 UNTS 205 (Outer Space Treaty).

In the Liability Convention, 1972, there is the absolute liability of a launching state on earth and liability for damage in outer space.¹² This framework puts a lot of pressure on states to enact domestic laws that govern the activities of private missions such as the space tourist buyers. India has not yet included such principles in the national law.

A comparison will be made with global regulatory models, and it reveals that India is lagging. In the United States, the regulation of private human spaceflight is based on the Commercial Space Launch Amendments Act of 2004, which establishes the informal consent of the participants of the spaceflight and the standards of safety.¹³ In the United Arab Emirates, a comprehensive National Space Law (2019) has been implemented to cover licensing, insurance, and passenger safety of commercial space operations.¹⁴ The Space Activities Act of 2016 of Japan has other similar provisions, capping the liability and insurance coverage of the private operators.¹⁵

These instances show why India has to develop domestic standards very much and in tandem with international standards and international best practices- particularly as the nation seeks to be a relevant player in the new space tourism industry.

THE LEGAL VACUUM IN INDIA: EMERGING CHALLENGES

The lack of a specific legal framework on space tourism in India poses a number of urgent issues as the country proceeds to commercial human spaceflight. The progressive at the time, the Draft Space Activities Bill, 2017, is more of a satellite launch-oriented bill rather than considering the logistics of transporting civilian passengers to outer space.¹⁶ This has led to the lack of elucidation on the topic of operator liability, compulsory insurance, and indemnity in the case of accidents involving space tourists.

The other key problem is the absence of human-rating standards, which specify the manner in which spacecraft are to be designed, tested and certified for the transportation of humans. Some nations, such as the United States and Japan, have stringent regulatory conditions prior to a

¹² *Convention on International Liability for Damage Caused by Space Objects* (adopted 29 March 1972, entered into force 1 September 1972) 961 UNTS 187.

¹³ *Commercial Space Launch Amendments Act 2004*, Pub L No 108-492 (United States).

¹⁴ *UAE Space Law* (Federal Law No 12 of 2019).

¹⁵ *Space Activities Act 2016* (Act No 76 of 2016, Japan).

¹⁶ *Draft Space Activities Bill 2017* (Ministry of Space, Government of India) <https://www.isro.gov.in/> accessed 17 November 2025.

vehicle being granted the privilege of human spaceflight.¹⁷ India, though, has not embraced any such structure, and both the operators and the passengers are in a juridical grey area.

The problem goes even deeper into consumer protection. Indian laws, such as the Consumer Protection Act, 2019, do not pertain to extraterrestrial tourism, and it is not clear whether space tourists can be considered consumers and whether the launch providers have any legally enforceable responsibilities.¹⁸ There is also a lack of informed consent, which is a compulsory requirement in the U.S., where passengers are to realise the risks involved in space travel.¹⁹

Lastly, no binding statute can discourage private investment. The firms venturing into the space tourism industry need to be given a legal structure on licensing, limits of liability, insurance, and standards of compliance. The latter means that India will lose out on competing with other countries globally, a time when the space economy is developing at an alarming rate.²⁰

POLICY RECOMMENDATIONS AND THE ROAD AHEAD

In order to get India ready for commercial human spaceflight, implementing a new and safety-oriented regulatory model is important. There should be a broad Space Activities Act to address space tourism, set rules on liabilities and require operators and passengers to be insured.²¹ This law should also contain explicit licensing procedures and human-rating standards which are in line with international standards.

India also needs to create a separate Space Safety and Passenger Protection Authority (SSPPA) to certify spacecrafts, impose safety measures and ensure that space tourists give informed consent before taking part in the high-risk missions.²²²³

The domestic laws should also be compatible with the international legal requirements as outlined in the Outer Space Treaty and the Liability Convention, with reference to experiences

¹⁷ *Federal Aviation Administration (FAA), Human Spaceflight Requirements for Crew and Spaceflight Participants* (2020) <https://www.faa.gov/> accessed 17 November 2025.

¹⁸ *Consumer Protection Act 2019* (No 20 of 2019, India).

¹⁹ *Commercial Space Launch Amendments Act 2004*, Pub L No 108–492 (United States) s 50905.

²⁰ *OECD, The Space Economy in Figures: How Space Contributes to the Global Economy* (OECD Publishing 2021).

²¹ *Draft Space Activities Bill 2017* (Ministry of Space, Government of India).

²² *IN-SPACe, Framework for Enabling Private Sector Participation in Space Activities* (2021) <https://www.inspace.gov.in/> accessed 17 November 2025.

²³ *Commercial Space Launch Amendments Act 2004*, Pub L No 108–492 (United States) s 50905(b)(5).

in jurisdictions such as the U.S. and the UAE that have already successfully regulated commercial human spaceflight activities.²⁴

Lastly, a clear policy map will increase the private investment and competitiveness of India in the growing global space tourism market, where having a clear legal background will be as significant as the technological development.²⁵

CONCLUSION

Space tourism is going to be a significant part of the international space economy, and it is going to develop, but the development of the sector requires robust national laws that would cover the issues of safety, liability, and protection of consumers. In spite of the success of ISRO and the collaboration of IN-SPACe, there is still a gap in the regulatory systems due to the lack of specific legislation on space tourism.²⁶

Other countries have extensive models on commercial human spaceflight, and India should not be left behind. The Draft Space Activities Bill is a productive starting point, but it is still insufficient to address the issues of space travel by the private sector. The contemporary internationally congruent legal system is necessary to ensure the safety of passengers and promote domestic investment.²⁷

After all, India will have its success in the sphere of space tourism, preconditioned by its legal readiness. India could be on the losing side without a proper and enforceable framework because of the opportunities that are presented by this fast-growing industry.²⁸

²⁴ UAE Space Law (Federal Law No 12 of 2019); *Commercial Space Launch Competitiveness Act 2015*, Pub L No 114–90 (USA).

²⁵ OECD, *The Space Economy in Figures* (OECD Publishing 2021).

²⁶ *Draft Space Activities Bill 2017* (Ministry of Space, Government of India).

²⁷ *Commercial Space Launch Amendments Act 2004*, Pub L No 108–492 (United States); UAE Space Law (Federal Law No 12 of 2019).

²⁸ OECD, *The Space Economy in Figures* (OECD Publishing 2021).