

Removal of Security Limitations on Earth Remote Sensing Data to Trigger off Remote Sensing Industry Development

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The Russian industry of Earth remote sensing from space is verging towards rapid increase in qualitative and above all in quantitative respect. Reliable projections can be made that the scope of operations and investments, number of industries utilizing Earth remote sensing data will be growing at rates well outrunning the average growth of the Russian economy.

Indeed this is mainly defined by economic and technical factors: vast Russian territory, uninvolved industries, new satellites, global projects like those implying series of satellites to launch; all these factors make the basis/foundation for the Earth remote sensing industry development. That has been only the Law falling behind, which is changing dramatically nowadays.

The following legal factors will trigger off development of the remote sensing industry:

- removal of security limitations on the space imagery;
- Russia entering the WTO.

The security limitations have been removed. Where else but in this respect we should speak about this? However in the past we supported our words with the Law analysis, while this time that was directly voiced by Defense Minister of the Russian Federation on the TV Channel One. This was witnessed by the entire country and this was published in newspapers and magazines. Let us quote the words of Defense Minister (taken from the official website of President of the Russian Federation, (http://president.kremlin.ru/appears/2006/12/18/1735_type63378type63381_115536.shtml):

“In addition, I would like to report that the Ministry of Defense has already taken the final decision and published all required documentation regarding removal of several limitations on acquisition and usage of geospatial information. This is the follow-up to what the government economic bloc has been requesting from the military bloc for several years. As of today the positioning accuracy limitations – we had a no more than 30 meters accuracy constraint – has now been removed. As for the linear resolution of the data acquired using Earth remote sensing aerospace equipment, before it was not allowed to display linear resolution of less than two meters. Now it is possible. So what is a benefit of it after all? This already allows us to create open large-scale topographic and navigation maps, this now allows the users to lawfully use consumer hardware of space navigation systems. And finally, it allows citizens and our economy to receive and use data from aerospace equipment regardless of their resolution, which is really important for the cadastre, for various civil purposes including those of car owners.”

They couldn't use other words to say about the removal of limitations that hadn't officially existed. They said what they could. But they said it well! What is possible to do right now: create open large-scale topographic and navigation maps, this now allows the users to lawfully use consumer hardware of space navigation systems, ... for the cadastre, ... for various civil purposes including those of car owners.”

With that it's possible: to receive and use data from aerospace equipment regardless of their resolution.

This is a vast market that has been virtually legalized by the state. The state is extremely interested in the economic development within our industry; therefore conscientious activities will be undoubtedly supported but not punished.

This is a matter of months before the first players believe in the absence of limitations. A matter of six to twelve months before an official document issue (if it gets issued at all). However

there are no limitations at this point in time and the industry participants should become proactive in filling the market of high resolution data.

Proactive does not mean foolhardy. The state provides us with the opportunity of lawfully performing entrepreneurial activities, somehow coordinating our actions with it. The licensing and certification system is very beneficial, and it should be used as a competitive edge. Any license issued by the state improves transparency of a company.

Last summer changes were introduced in the licensing system in line with Roskosmos (Russian Federal Space Agency). The new Provision was passed “on space activity licensing” (dated June 30, 2006, #403). The changes concerned such type of activity as “reception and (or) processing of information received from Earth remote sensing spacecraft”; earlier it read “reception, processing and distribution of information received from Earth remote sensing spacecraft”.

This tells us that in the latest revision this type of licensed activity does not include 3 (three) mandatory types of activity as was stated in the old Provision. Also, if interpreted literally the conjunctions “and”, “or” in the up-to-date verbiage mean that only one of the indicated activity types is sufficient as well as that data processing only is to be licensed. There is no official definition of processing, however the “Principles Concerning Earth Remote Sensing from Space” (December 3, 1986) though not giving the interpretation of the “data processing” concept, specify its importance “for providing opportunity of using these data”.

It is necessary to understand this Provision properly with regard to the second part of the statement: processing of information received from Earth remote sensing spacecraft. I can provide several legal arguments, which expressly indicate that Roskosmos license is a requirement only if a receiving station is involved, however here’s my impartial recommendation: it is prudent for all institutions processing Earth remote sensing data from space to obtain Roskosmos license. The opportunity exists; this will be a competitive edge.

Foreign companies will come to Russia shortly. The market growing at rates like that has been noticed already; and it is being investigated from the standpoint of investments. The fact of Russia entering the WTO will certainly expedite their arrival. In a year or two we might not be able to recognize the industry, high rollers will emerge, the state represented by its already formed joint-stock companies will actively participate (I mean the forthcoming corporization of federal state unitary enterprises), company mergers and acquisitions will become standard practice as everywhere in the world.

Entering the WTO will lead to significant changes to the investment climate: this will reduce potential of local and regional authorities to put pressure upon foreign investors, Russia will improve execution of copyright laws pertaining to both Russian made and foreign made goods. The finance system will be reformed and access to credit resources will become easier. Other service sectors (telecommunications, transport, retailing, shippings and port amenities) will be on the velvet as a result of liberalization of conditions for foreign operator attendance. These are all potential clients of the Earth remote sensing industry.

The Russian fleet of Earth remote sensing satellites will be one of the largest and most quality world players as early as in five years.

Removal of Earth remote sensing limitations and Russia entering the WTO give new momentum to the industry. We are glad being next to you, the industry participants. We would be happy to assist you in legalizing your business. We have a good knowledge of this industry as we’ve been working in it for over 5 years. We’ve published the first legal book and we are currently in the process of preparing the second edition accounting for all changes. We are one of the country leading law firms and we will continue our joint activities with you in the industry yet for many years.