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Space Law

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Latest Discussions on the Amendment to the Space Activities Act of Japan

Key Issues Discussed in the Space Activities Act Amendment Working Group (Part I) — Discussion on Applicability of the Civil Aeronautics Act and the Space Activities Act

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1. Introduction

Against the backdrop of the diversification of space activities and growing international debate surrounding them, much attention is paid to discussions on amending Japan's Space Activities Act (the "SAA") in Japan. On June 4, 2025, the first meeting of the SAA Amendment Working Group (the "Working Group"), established under the Cabinet Office, was convened. It was indicated that the discussions will be consolidated over the course of several meetings. The government has already announced its intention to submit a draft amendment bill to the ordinary session of the Diet in 2026.

Taking into account the Interim Report[1] on the Review of the SAA (the "Interim Report") issued by the Subcommittee on the Review of the SAA prior to the establishment of the Working Group,

1 https://www8.cao.go.jp/space/comittee/31-katsudou_minaosi/k_m-dai8/honbun.pdf (Japanese)

it is expected that a wide range of provisions under the current SAA will be subject to revision. That is why the latest developments have attracted significant attention from stakeholders engaged in the space business.

Through this newsletter series, beginning with the present issue, our firm intends to follow the discussion of the Working Group and provide an overview of the key points of the anticipated amendments. Please be noted that, as of the date of this article, the minutes of the first Working Group meeting have not yet been published. Accordingly, this newsletter is based on the materials distributed at that meeting[2] (the "Materials").

2. Key Takeaway from the First Working Group Meeting (Part I): Clarifying the Demarcation between the Civil Aeronautics Act and the Space Activities Act

2.1. Background of the Discussion

It is needless to say that airspace and outer space are spatially continuous. The boundary between them has long been the subject of lively debate yet no international consensus has been reached to date. One of the underlying issues in this debate is whether strict safety standards applicable to aircraft should also be required for vehicles operating at altitudes higher than those of conventional aircraft.

Aircrafts typically operate at altitudes of around 10,000 meters (10 km). With more than a century of commercial use, they have become an indispensable means of transportation worldwide. For such aircraft, the Convention on International Civil Aviation (the "Chicago Convention") establishes stringent safety standards, including requirements for airworthiness. In Japan as well, consistent with these international standards, the Civil Aeronautics Act (the "CAA") provides for systems such as airworthiness certification.

By contrast, launch vehicles that place satellites into Earth orbit—generally several hundred kilometers or more above the surface—are subject to a very different set of technical and operational considerations. Accordingly, Japan and other states have adopted licensing systems for launch vehicles that differ from those for aircraft. These states have not imposed such stringent safety requirements as applied to aircrafts, in order to avoid hindering the development of their domestic space industries.

This raises the question of how to regulate vehicles that fall in between: those that fly higher than aircraft but do not reach Earth orbit (so-called "suborbital vehicles"). This issue has been widely debated internationally. Some countries, including the United States, have already established a licensing framework for suborbital vehicles. While Japan's current SAA does not provide a licensing system for such vehicles, the Interim Report indicated that the introduction of such a regime should be considered in the upcoming amendment.

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2 https://www8.cao.go.jp/space/comittee/32-kaisei_wg/k_wg-dai1/siryou2.pdf(Japanese)

2.2. Approach to Be Taken in the Amended SAA

In light of the foregoing background, the Materials set out the approach to the above-mentioned issue regarding the regulation of suborbital flights. The key points are as follows:

2.2.1. Creation of a New Category under the SAA ("High-Altitude Flight")

The Materials indicate that suborbital vehicles should be regulated under the SAA, rather than the CAA. However, rather than categorizing suborbital vehicles as the launch vehicles, the proposal is to establish a new concept of **"high-altitude flight"** with its own regulatory framework.

As noted in the Materials, suborbital flight does not rely on lift, as aircraft do, but rather on thrust, and is therefore technically closer to launch vehicles. Additionally, the Japanese government has traditionally taken the view that the international framework governing space activities, such as the Outer Space Treaty, does not apply to flights such as suborbital missions that do not place satellites into orbit. From this perspective, it would be more appropriate to establish a distinct regulatory regime for suborbital flights.

The Materials also note that if suborbital flights were to be treated as "space activities" and the definition of outer space thereby extended, this could conversely have the effect of narrowing the scope of national airspace (over which states exercise sovereignty). Against this backdrop, the Materials suggest establishing a new legal category of "high-altitude flight." A legislative precedent often cited in this context is New Zealand's Outer Space and High-altitude Activities Act.

2.2.2. Scope of Regulation for "High-Altitude Flight"

Given this proposed framework, it would be necessary to determine on a case-by-case basis whether a particular vehicle should be regulated under the CAA or the SAA. The Materials propose that this determination should be based on **whether the vehicle has the capability to conduct high-altitude flight.**

For example, where a vehicle has the capability to perform high-altitude flights but is used only for lower-altitude test flights, it may be treated as subject to the SAA, rather than being classified as an "aircraft" and subjected to the stricter regime of the CAA, based solely on the altitude of the actual flight.

Furthermore, the Materials indicate that vehicles with the capability for high-altitude flight would be regulated under the SAA across the entire sequence of operations—from launch to high-altitude flight, landing or splashdown, and, where applicable, post-flight recovery. In this context, the Materials emphasize that "double regulation should be avoided." This appears to mean that overlapping regulation under both the CAA and the SAA for different phases of the same operation should be avoided, with comprehensive regulation to be provided instead under the SAA.

In the meantime, the Materials also provide that where the Ministry of Land, Infrastructure, Transport and Tourism (Civil Aviation Bureau) determines that a particular vehicle should appropriately be regulated as an aircraft under the CAA, the application of the SAA will be excluded. How this distinction will ultimately be drawn remains a matter of future deliberation.

3. Conclusion

In this issue, we have outlined the discussion at the first Working Group meeting concerning the relationship between the CAA and the SAA in the context of suborbital flights.

In the next issue, building on this discussion, we will examine how the forthcoming amendment to the SAA may introduce licensing regimes tailored to different types of space-related business activities.

- This newsletter is published as a general service to clients and friends and does not constitute legal advice. Should you wish to receive further information or advice, please contact the authors as follows:

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