

IAF ENTERPRISE RISK MANAGEMENT COMMITTEE (ERMC)

Summary

During the IAF Spring Meetings in Paris in March 2024, the ERM committee discussed several topics linked to risk management development, in particular dealing with the use of Artificial Intelligence in the field of risk assessments and mitigation actions proposals.

The committee meeting gathered 25 people present at the venue in Paris & online, and addressed the future steps for IAC 2024 Milan 2024, including the elections of a Committee Chair and two Vice-Chairs.

Highlights

One of our members, Adam F. Greenstone, NASA's Agency Counsel for Ethics, delivered the keynote presentation for the Enterprise Risk Management Committee with the theme "Managing ethics, integrity, and reputational risks in the new space exploration environment":



Adam Greenstone

The Enterprise Risk Management Committee has been striving to advance its work in multiple aligned topics, including areas germane to sustainable space exploration. One such topic is the role of public integrity in the aggregate enterprise of space exploration, composed of space agencies, other governmental space-related agents, established and entrepreneurial

companies, international and research organizations, and other actors. A distinctive aspect of space exploration is the signalling power of space, which is used to leverage messaging by both governments and private entities. While the domain has high technical risks and costs, there are strong positive reputational rewards for perceived success.

A consequence of space's signalling power is that the people of the world are watching, with high expectations for what they want to see, including that humanity's involvement in space return great human benefit. This high path includes international norms of anti-corruption and propriety in public and private work, which must be followed to maintain citizen support for the public side of space exploration work, making space activity sustainable. A corollary of this is that a reputationally adverse event in space—whether it involves public integrity, private compliance, or adverse perception—can be expected to be seen and draw attention on Earth to an outsized audience and degree.

This has important implications for the management of risks to humanity's overall space exploration enterprise. For nations new to space exploration, it highlights the importance of government ethics in consonance with international norms. For private actors, it means doing business in ways that synchronize with government ethics rules, and not being at cross-purposes with them if they wish to maintain the related positive societal imprimatur. It also means articulating the organization's corporate purpose to maintain its space activities support.

Accordingly, the task of managing risk to ensure the sustainability of humanity's overall space exploration efforts varies among public and private entities, both collectively and individually. What is ultimately important is that each actor sincerely considers from their respective vantage point what their role should

be to chart space exploration's most beneficial and sustainable path.



Adam Greenstone presenting



ERM Opening

Future Outlook

The ERM committee had an open discussion, particularly regarding the role of the private sector, including observing the importance of individual and collective self-regulation by private exploration actors while legal, regulatory, and other norms for space exploration are still developing. The topic with the most interest was space-related insurance and associated safety standards. The committee will support continued discussion on the universalization of space insurance.

Committee activities

The committee concluded that it will be presenting at IAC 2024 jointly with the IRC (Industry Relations Committee) a proposal for a GNF session. Aligning with the IAC theme of “Responsible Space for Sustainability” a panel of recognized leaders representing industry, government, and academia will have an in-depth discussion focused on the emerging field of AI and how it reinforces managing risk, by all definitions, in their organizations. Panellists will explore the intersection of artificial intelligence and risk management within the aerospace industry, particularly concerning sustainability challenges such as space debris, Earth security from space, and safety and security of space assets, and they will explore the potential benefits and known challenges associated with integrating tools of AI into strategic risk management processes.