

STATEMENT OF UNCONTESTED FACTS

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1. The present proceeding results from a series of measures taken by several agencies of the Republic of Celestria (“**Celestria**”) that allegedly affect the operation of Astracommex Regional Satellite Communication Inc. (“**Astracommex Regional**”) on the territory of Celestria.

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2. Celestria is a middle-income island nation with one principal island, twelve medium-sized islands, and seventy-three smaller isles. Around sixty percent of its population resides in rural and isolated areas. The nation’s key economic sectors include traditional manufacturing, agriculture and fishing. Operating under a presidential system, Celestria elects its president every five years by direct popular vote. In the 2010 election, the leader of the Celestria Unity Alliance (“**CUA**”), Mr. Andreas Skydoker, secured the presidency. The primary agenda of his party focused on boosting the economy through digitalization and channeling both public and private investments towards the development of digital infrastructures.

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3. Celestria is located in the Astral Archipelago Region. It shares a land border with the Kingdom of Cosmosis (“**Cosmosis**”) and is encircled by other states, including the Kingdom of Nebuland (“**Nebuland**”), from which it is separated by sea. Cosmosis is a developed state renowned for its globally dominant aerospace and space sector. Cosmosis owns an overseas space center in the equatorial region as one of its major research and launching sites. Nebuland is a developed State with an advanced tech industry, characterized by its robust ecosystem of start-ups, established tech giants, and research institutions.

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4. Celestria, Nebuland, and Cosmosis were parties to a Free Trade Agreement (the “**FTA**”) that entered into force on 2 December 2003.

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5. Astracommex Regional is a corporation established in 2015 under the laws of Nebuland with its principal place of business in Stelaria, the capital of Nebuland. Astracommex Regional operates as a wholly-owned subsidiary with all of its shares held by its parent company, Astracommex Global Satellite Communication Inc. (“**Astracommex Global**”), which is also organized under the laws of Nebuland. Astracommex Regional was established with the aim of managing and overseeing the operations in the Astral Archipelago Region’s nations outside of Nebuland.

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- 1855 6. Mr. Jeffrey Myskin, the CEO of both Astracommex Regional and Astracommex Global, holds a Bachelor of Arts in Physics and a Master of Science in Aerospace Engineering from Nebuland Institute of Technology. Following his graduation, he and his university friends started a space lab in 2008 where they innovated and patented several space telecommunication technologies including advanced transmitters and antennas. The team's effort led to the founding of Astracommex Global in 2011, with the ambition to create a global high-speed, high-quality and affordable space communication network. The network aims to provide internet connectivity in areas typically unserved or underserved by traditional terrestrial infrastructure, such as rural regions, remote islands, ships, and aircraft.
- 1860 7. In the summer of 2014, Astracommex Global introduced its groundbreaking low-Earth-orbit ("LEO") satellite mega-constellation concept and swiftly gathered significant venture capital investments from Marcial Ventures Ltd ("**Marcial**") and Platonial Investments ("**Platonial**"). Marcial and Platonial together hold a 25% equity stake in Astracommex Global.
- 1865 8. Concurrently, under the leadership of President Skydocket, Celestria was vigorously advancing its digitalization initiatives. A notable step in this direction was Celestria's application to the regional development bank on 1 January 2015, for funding of a digital health project, which received approval on 1 June 2015. The Digital Health Project aimed to create an integrated digital health information system across Celestria. Its primary goal was to bridge the information gaps between medical institutions on the various islands, thereby enhancing the quality of medical services available to the Celestrian population. The Project also involved collaboration with private sector companies for software provision, network connectivity, and other technical support, stimulating economic growth. The health data collected in the Digital Health Project, with the consent of individual patients, was set to be utilized by partnering pharmaceutical companies and medical device manufacturers. The Project was promoted by the Skydocket administration as a prime example of how digital infrastructure can facilitate the growth of the national economy as a whole.
- 1870 1875 1880 9. On 1 January 2016, Celestria launched a Rural Digitalization Fund (the "**RDF**"). The primary aim of the RDF was to bridge the digital divide in Celestria, ensuring that communities and small businesses in rural areas had access to the same quality of internet communication services as urban areas. Celestria allocated to the RDF an amount of USD 1 billion over a

- 1885 period of ten years to bring fixed broadband service to unserved and underserved areas in Celestria.
- 1890 10. The RDF, jointly overseen by Celestria’s National Frequency Agency (the “**NFA**”) and the Rural Development Agency (the “**RDA**”), implemented a transparent and inclusive application procedure. It invited bids from both domestic and foreign telecommunications and internet service providers. Successful bidders were allocated a portion of the USD 1 billion fund, proportionate to their project’s scope, through a tripartite contract involving both the RDA and NFA. Payments from the fund to the winning bidder were structured to occur annually, following the relevant contract’s activation.
- 1895 11. On 15 February 2016, Astracommex Regional applied to the RDF with its LEO satellite mega-constellation architecture named the Astra System. The application detailed a network of 5000 satellites, set to operate at altitudes of 400, 450, 500 and 600 kilometers. By the time of the application, Astracommex Regional had launched 100 satellites from the Cosmosis overseas space center that operate at an altitude of 400km and secured a launch agreement for another 1400 satellites from the same facility by 1 October 2018.
- 1900 12. On 1 August 2016, the NFA and the RDA announced the successful applicants for the RDF funding. Among these, Astracommex Regional was selected as one of the three awardees, alongside two domestic terrestrial telecommunication companies, using optical fibers and 5G towers. Astracommex Regional was the only successful bidder relying on a satellite mega-constellation architecture.
- 1905 13. Subsequently, on 1 October 2016, Astracommex Regional entered into a Rural Digital Fund and Frequency Agreement (the “**RDF Agreement**”) with the NFA and the RDA. As stipulated in the RDF Agreement, Astracommex was granted the rights to utilize specific frequency spectrums within the allocated Ka-bands over the territory of Celestria and 500 million USD dollars. The RDF Agreement, set for a duration of ten years, went into effect immediately on the date of its signing.
- 1910 14. Despite the major progress made in the digitalization agenda of the Skydocket administration, the Government’s support faced growing challenges due to the increasingly apparent impacts of climate change on Celestria. As an insular State country with low elevation compared to its neighbors, Celestria is particularly susceptible to the effects of climate change and natural

- 1915 disasters. Since the summer of 2013, the frequency of tropical storms, tsunamis and extreme weather events in Celestria has notably increased.
15. As a result, climate-driven migration escalated, with many of Celestria’s residents seeking refuge in the neighboring, well-developed state of Cosmosis. The level of migration reached a critical point in the summer of 2016, following a devastating tropical storm that wreaked havoc on Celestria’s coastal areas. In response to this crisis, on 15 October 2016, Cosmosis
- 1920 implemented stringent migration policies. These new regulations categorically denied asylum to Celestrian residents displaced by natural disasters and the effects of climate change. On the same day, during a press conference, the Prime Minister of Cosmosis publicly condemned Celestria for its failure to adequately protect its citizens from the impact of natural disasters.
16. On 30 October 2016, Celestria’s Ministry of Foreign Affairs delivered *a note verbale* to
- 1925 Cosmosis’ embassy in Celestria, stating in relevant part:
- Celestria hereby expresses its formal objection to the recent migration policies instituted by Cosmosis. These policies, which discriminate against Celestrian nationals suffering the consequences of climate change, are of great concern. It is imperative to recognize that Cosmosis has been the leading global emitter of carbon and greenhouse gas since its
- 1930 industrial revolution in the last century. In light of this, Celestria urges Cosmosis not to shrink its international responsibilities pertaining to climate change.
17. The tensions continued to escalate. On 1 November 2016, Cosmosis made a highly symbolic request for the return of Yorkie, an Astrain elephant native to Cosmosis. This species, notably sensitive to climate change, had been gifted to the national zoo of Celestria as a token of their
- 1935 once-amiable relationship. Celestria, however, denied the request. The denial to repatriate Yorkie and the series of events leading to this decision, was portrayed in the media as the “Yorkie Crisis.” This incident sparked major demonstrations outside the Celestrian embassy in Cosmosis’ capital.
18. On 1 January 2017, following the Yorkie crisis, the Prime Minister of Cosmosis decided to
- 1940 end its diplomatic relationship with Celestria.
19. The following day, Cosmosis terminated the FTA in accordance with its article 15 procedure. The FTA was no longer effective to Cosmosis, Celestria and Nebuland.
20. On the same day, the overseas space center of Cosmosis announced the termination of its launch service contract with Astracommex Regional, citing impossibility of performance. As

- 1945 part of this termination, the space center compensated Astracommex Regional with liquidated damages.
21. By 2 January 2017, Astracommex Regional had successfully launched 250 satellites into outer space, and subsequently deployed in the planned orbits. Of these, 100 were positioned at an altitude of 400 kilometers, while the remaining 150 orbited at an altitude of 450 kilometers. To
- 1950 fully deploy the Astra System, an additional 4750 satellites were required to be positioned across orbits at altitudes of 450, 500, and 600 kilometers.
22. On 16 January 2018, Astracommex Regional succeeded in securing alternative launch sites. The adjustment, however, resulted in a one-year delay in the original launch schedule. According to the revised plan, the Astra System aimed to deploy satellites in phases: 500 by 1
- 1955 October 2018; 1500 by 1 October 2019; 2500 by 1 October 2020; 3500 by 1 October 2021; and a total of 5000 satellites by 1 October 2022. Astracommex Regional's inability to meet the initial interim milestone of the RDF Agreement led to a one-year suspension of payments. Subsequently, payments resumed in 2019, and the milestone requirements in the RDF Agreement were modified to align with the new launch schedule.
- 1960 23. On 15 August 2019, Celestria suffered an almost complete internet blackout caused by an underwater volcanic eruption off its eastern coast, which severed its main subsea internet cable. The eruption severely impacted the Digital Health Project, which was in trial on ten islands, as medical centers couldn't access vital online patient records and had no offline backups. Immediately after, Celestria requested satellite communication support from Astracommex
- 1965 Regional.
24. On the following day, Astracommex Regional distributed user antennas to the affected medical facilities and activated its network. At that moment, the Astra System had 1400 satellites in operation. The network performance was poor. Users experienced substantial latency and signal attenuations, resulting in about 80% of the medical facilities being unable to access
- 1970 patient medical records.
25. On 18 August 2019, Mr. Myskin explained to the press that the Astra System was not fully operational due to delayed launches. Mr. Myskin reassured that the service would meet its promised quality once it reached 1500 satellites in operation. This situation led to a decline in public confidence in the CUA's digitalization efforts, and both Astracommex and the Digital

1975 Health Project were heavily criticized in the media for their roles in this crisis. The support for CUA plummeted substantially as indicated by newspaper polls conducted in September 2019.

26. On 30 September 2019, the Astra System accomplished a significant milestone by successfully deploying 1500 satellite into orbit and officially activating its network. This marked the commencement of their Internet service offering in both Nebuland and Celestria.

1980 Astracommex Regional is in charge of managing client subscriptions and service delivery from Celestria, whereas Astracommex Global took on similar responsibilities for the Nebuland market. The users reported to experience bearable latency while using Astracommex's service. Astracommex assured its users that once there are cumulatively 2500 satellites in the Astra System, they will activate inter-satellite links and their broadband capacity will be able to
1985 surpass that of most ground-based networks.

27. Meanwhile, newspaper surveys from October 2019 indicated a continuing decline in support of the CUA. In this time of crisis, the Green Party, long overshadowed by the CUA's dazzle, found its voice. The Green Party was led by Ms. Billie Ruckelshaus, a civil rights activist, who was the prior high-level administrator of Celestria's Environmental Protection Agency (the
1990 "EPA"). Her abrupt resignation in November 2015, triggered by budget cut to the EPA in favor of funding digitalization initiatives (primarily the RDF) led by the RDA, marked a turning point. In October 2016, she founded the Green Party, gradually attracting support from environmental advocates. The party's popularity saw a significant surge during the 2017 Yorkie crisis, as public opinion increasingly criticized the CUA's apparent negligence of
1995 climate change and migration issues.

28. On 15 January 2020, the Green Party secured a sweeping majority in the election and Ms. Ruckelshaus became the new president. She immediately issued a Presidential Order outlining ambitious environmental initiatives. These included the development of disaster alert systems along coastlines and islands, transitioning 50% of energy sources to renewable forms by 2028,
2000 and attaining carbon neutrality by 2040. To further these goals, the government introduced grants to encourage innovations in energy efficiency. As a result of these incentive-based strategies, there was a notable increase in government expenditure.

29. On 1 April 2020, the Green Party enacted the National Environmental Protection Act (the "NEPA") that requires every governmental agency to take full account of environmental

- 2005 impact assessments when determining whether the planned activities may proceed. In the meantime, the RDA's high-level administrators were reappointed, and the RDA was restructured and formed a joint force with the EPA for sustainable development.
30. On 15 May 2020, the Celestrian Space Agency released a study in *the Celestria Journal of Astrophysics* highlighting the negative impact of the Astracommex Satellites on astronomy.
- 2010 Subsequently, on 16 May 2020, an investigation was launched into the Astra System under the NEPA. The Celestrian Space Agency, responsible for overseeing civil space programs, aeronautic research, and space research, took the lead in the investigation.
31. On 20 May 2020, Celestria's largest non-profit amateur astronomy group published an open letter in *Astra Nature Astronomy*. This letter, calling for an immediate halt to the satellite light pollution caused by satellite mega-constellations like the Astra System, was also forwarded to the Celestrian Space Agency on the same day.
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32. On 1 June 2020, the Celestrian Space Agency, under the mandate of the NEPA, required Astracommex Regional to coordinate with both the Celestrian Space Agency and the amateur astronomy community.³⁵ Pending the identification and implementation of these mitigating solutions, the Space Agency put a temporary halt to Astracommex Regional's uplink and downlink communications near its ten radio observatories. Additionally, it designated radio silence zones in regions densely populated by amateur astronomers. As a result of these restrictions, the communication reach of the Astra System was effectively reduced to covering only 40 percent of Celestria's territory.
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33. On 15 July 2020, Astracommex Regional introduced a proposal to the Celestrian Space Agency to mitigate the astronomical impact. It proposed (i) to paint the upcoming satellites with a less reflective color and fitted visors to reduce reflection; and (ii) to emit narrower transmission beams, thus reducing radio frequency interference.
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34. On 15 August 2020, the Celestrian Space Agency replied that the Agency would lift the operational restrictions, contingent on the successful implementation of these measures.
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³⁵ The Celestrian Space Agency is a civil research and development agency of the Celestrian government. While the Celestrian Space Agency does not directly regulate commercial space programs, Celestrian domestic law empowers the Space Agency to establish radio silence zones and implement additional measures to ensure commercial space uses do not interfere with civil research endeavors. The jurisdiction of the Celestrian Space Agency is not challenged by the Claimant before both domestic courts and the current arbitral tribunal.

However, these adaptations necessitated a shift to a different frequency spectrum within the Ku-bands for transmission purposes. This new spectrum fell outside of the original range authorized for Astracommex Regional’s operations in Celestria.

- 2035 35. On 5 September 2020, Astracommex Regional applied to the NFA for the required Ku-band frequencies, accompanied by relevant technical documentation related to telecommunications.
36. On 1 October 2020, a study conducted by a laboratory sponsored by the EPA (see above) indicated potential unintended atmospheric impacts from Astracommex Regional’s LEO mega-constellation. By 1 October 2020, 2500 satellites were deployed successfully in the Astra System.
- 2040 37. On 2 October 2020, the NFA requested additional documentation from Astracommex Regional to specifically address these atmospheric concerns. On 15 October 2020, Astracommex Regional responded to the NFA, declining to provide the requested supplementary information. On 15 December 2020, the NFA rejected Astracommex Regional’s application to Ku-band frequencies on the basis of the NEPA.
- 2045 38. On 1 January 2021, one of Astracommex Regional’s satellites, AS100, collided with a cube satellite (cubesat) that wandered around the adjacent orbit on a crossed orbital plane. The cube satellite was run by Valinor, a private company, in partnership with Celestria’s Department of Defense (“DoD”). The cubesat was not equipped with any collision avoidance system and was smashed into small debris upon collision. AS100 was partially damaged – but both its
- 2050 Telemetry, Tracking, and Command (TT&C) system and its communication system ceased to function. The data up until the impact moment indicated an interference to onboard computing system by extreme radiation. This record was transmitted and stored in the Astra System, and subsequently used by Astracommex’s engineers to assess the event and prepare software updates for existing and future Astra satellites.
- 2055 39. On 5 January 2021, the DoD initiated an investigation and ordered Astracommex Regional to suspend all satellite communications within the territory of Celestria.³⁶

³⁶ The DoD is charged by Celestrian domestic law with coordinating and supervising all agencies and functions of the Celestrian government directly related to national security.

40. On 1 February 2021, after several months of negotiations, Nebuland and Celestria concluded an Agreement on reciprocal promotion and protection of investments that entered into force on the same day.
- 2060 41. On 1 March 2021, the DoD issued a directive to Astracommex, mandating the repositioning of all its satellites from their current 400km altitude orbits to new orbits below 350 kilometers. The DoD instructed that all satellite communications within the territory of Celestria should remain suspended until these orbital adjustments are fully executed.
- 2065 42. The following day, Astracommex Regional immediately objected to the above order and submitted a request to the DoD to reconsider its decision, on the basis that the change of orbits was technically and economically difficult for the Astra System to achieve. Astracommex Regional estimated that moving the satellites to new orbits below 350 kilometers will incur an additional cost of USD 1 billion and will require Astracommex Regional to apply for new frequencies due to the change of its network configuration.
- 2070 43. On 1 April 2021, the DoD refused to change its decision. In response, Astracommex Regional initiated proceedings against the DoD in the domestic courts in accordance with Celestrian Administrative Law.
- 2075 44. On 1 October 2021, the NFA and the RDA suspended the annual payments under the RDF Agreement according to Article 7(1) of the RDF Agreement. Since 1 October 2020, Astracommex Regional didn't launch any new satellites into the Astra System.
- 2080 45. On 15 October 2021, Astracommex Regional initiated proceedings against the DoD, the RDA, the NFA and the Space Agency in the domestic courts. The domestic litigations were consolidated on 1 November 2021. The Supreme Court of Celestria rejected all of Astracommex Regional's claims against the DoD, the NFA, the RDA and the Space Agency on 1 April 2022 and ordered it to bear the costs of the proceedings. To date, Astracommex Regional failed to comply with the cost order.
- 2085 46. Subsequently, Astracommex approached Celestria with a request to commence conciliation proceedings under the ICSID Convention. Celestria declined the request, prompting Astracommex to initiate arbitration proceedings on 9 September 2022. The Request for Arbitration was registered by ICSID on 25 September 2022.

47. In the present proceedings, Celestria produced documents under all requests that were granted (partially or in full) by the Tribunal. Astracommex Regional never objected to any of the documents produced, nor to the sufficiency and reasonableness of the search conducted by Celestria, apart from the incident report of AS100 collision. Celestria did not include the
2090 incident report of AS100 collision in their privilege and confidentiality log.

48. Celestria, Cosmosis, and Nebuland are parties to the Outer Space Treaty of 1967, the Convention on Registration of Objects Launched into Outer Space of 1974, and United Nations Framework Convention on Climate Change of 1994 at all relevant times. Celestria, Cosmosis, and Nebuland are United Nation member countries, and International Telecommunication
2095 Union member countries at all relevant times.