Department for
Science, Innovation
& Technology

Government response to the House of Lords UK Engagement with Space Committee report: ‘The Space Economy: Act Now or Lose Out’

CP 1478

Government of the United Kingdom

Department for Science, Innovation and Technology

Government response to the House of Lords UK Engagement with Space Committee report: 'The Space Economy: Act Now or Lose Out'

Presented to Parliament by the Parliamentary Under-Secretary of State for AI and Online Safety by Command of His Majesty

January 2026

CP 1478

This publication is available at www.gov.uk/official-documents.

Any enquiries regarding this publication should be sent to us at correspondence@dsit.gov.uk

ISBN 978-1-5286-6176-8

E03528146 01/26
Printed on paper containing 40% recycled fibre content minimum

Printed in the UK by HH Associates Ltd. on behalf of the Controller of His Majesty's Stationery Office

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Introduction

The Government welcomes the report from the House of Lords UK Engagement with Space Committee, *The Space Economy: Act Now or Lose Out*. We thank the committee members for their detailed examination of the space sector as well as the individuals and organisations who provided evidence to the inquiry.

Space is fundamental to the UK's prosperity, security, and global influence, with space-based services and data underpinning components of the UK's critical national infrastructure and enabling the monitoring and reporting of several risks in the National Security Risk Assessment. It underpins essential services across communications, navigation, finance, energy, and emergency response. Beyond these critical functions, the space sector drives innovation, supports high-value jobs, and contributes significantly to our science and technology ambitions. The Government shares the Committee's view that space is not optional—it is essential to our future prosperity and resilience.

The past year alone has seen many significant achievements for the UK. The UK Space Agency catalysed at least £2.2 billion in investment and revenue within the sector in 2024/25[1]. An evaluation of the benefits of the UK's investments in the European Space Agency (ESA) showed a direct economic return of £7.49 for every £1 invested in ESA[2]. The United Kingdom Space Command (UKSC) has grown to become the largest space organisation outside the US; integrating space into Operations.

The first full year of operations for the National Space Operations Centre saw over 30,000 collision alerts issued to UK-licensed satellite operators and the monitoring of 870 uncontrolled re-entries[3]; it also tracked over 1800 ballistic missile launches and provided over 25,000 space products to support military operations. The UK celebrated the launch of the ESA Biomass mission[4], and launched Europe's first dedicated carbon dioxide monitoring satellite, MicroCarb, in partnership with France[5]. Most recently, the outcomes of the ESA Council of Ministers 2025[6] was a significant success for UK ambitions in space, with further investment planned in missions such as VIGIL (space weather), the UK-built Rosalind Franklin Mars rover, and commercial access-to-space initiatives through the European Launcher Challenge and Boost! programmes.

Future Ambitions

Building on the extensive work undertaken since the 2021 National Space Strategy, further clarified in the 2024 Space Industrial Plan, the Government is seeking to

1 UK Space Agency Annual Report 2024-2025 - GOV.UK - Section 11, Our performance

2 Evaluating the benefits of the UK's investments in the European Space Agency: Impact and value for money report - GOV.UK - Section 8.5, Public benefit-cost ratio

3 UK space safety centre marks one year milestone - UK Space Agency blog

4 British-built satellite to map Earth's forests in 3D for the first time - GOV.UK

5 Revolutionary city-scanning satellite from UK-France partnership set to transform climate monitoring - GOV.UK

6 Growth and security at the forefront in UK funding boost for European Space Agency - GOV.UK

ensure a coherent and consistent offer to the sector, delivering vital outcomes for the UK at large. Space remains an essential part of our critical national infrastructure and an opportunity for economic growth, recognised in the 2025 Industrial Strategy's Advanced Manufacturing Sector Plan[7]. The Government is committed to sharpening its focus on priority capabilities by building on our world leading science and technology base, working with all parts of the sector including academia and startups to primes. The Strategic Defence Review released in July 25 recognised space as a critical domain which underpins our collective security and prosperity, placing it on equal footing with the more traditional domains. Recommendations focussed on the need to invest in the resiliency of UK space systems and deepen collaboration with Allies and partners, with priorities including Space Control, Decision Advantage and Sense to Understand and Strike.

This requires a strong "one government" approach to space, which will be driven in part by widening the remit of the UK Space Agency to include policy and strategy, and merging UKSA into DSIT to bring decisions closer to Ministers (completing on 1 April 2026). Funded, clear delivery plans across a focused range of capabilities will also support the "one government" approach.

The Government has increased civil space spending through UKSA by 8% for 2025/26, with nearly £3.5 billion allocated to UKSA from 2025/26 to 2029/30 inclusive[8]; clarity on how this and wider Government funding will deliver key outcomes for the UK will be provided in a **publication planned for Spring 2026**.

The Government looks forward to working with the Committee and stakeholders across the sector to deliver a shared vision for UK leadership in space.

[7] Advanced Manufacturing Sector Plan - GOV.UK
[8] DSIT Research and Development (R&D) plans to 2029/2030 - GOV.UK

A strategy for space

Recommendation 1

We acknowledge that the current fiscal environment makes a significant uplift in funding for space capability development unlikely. The Government has recognised space as part of the UK's Critical National Infrastructure and should prioritise funding for space within the budget available accordingly. The stability of funding ensured with the current three-year spending review cycle is welcome, but the current spending on space should represent a floor, not a ceiling.

The Government is committed to driving growth and economic security through space. In financial year 2025/26 the Government increased the core civil space budget through the UK Space Agency by 8% and announced a further £2.8 billion over the coming four years (2026/27 to 2029/30). Wider Government spending will be set out in due course through vehicles such as the Defence Investment Plan and the spring space publication will set out the coordinated spending plans on space for the remainder of the Parliament. Decisions on future budgets beyond this Spending Review period are a matter for the Government to consider in the round in future fiscal events.

Recommendation 2

Like AI, space technology is a utility with use cases across multiple government departments. Given the fast-moving nature of the global space sector and the huge potential upsides of investment in space, the Government should ensure that all departments are aware of the value of space technologies and that funding across government departments is aligned to maximise impact.

Departments make use of space in a wide range of ways; from the Skynet satellites ensuring secure telecommunications around the world for our Armed Forces to remote monitoring of environmental outcomes by the Rural Payments Agency. Decisions on the best value for money sources of data for public benefit are a matter for individual departments through their procurement processes, and both space and non-space solutions should be considered.

The Government agrees with the committee on the importance of using space technologies in delivering public outcomes and is committed to continuing the work of the Unlocking Space for Government programme to help departments identify and adopt space-enabled solutions that deliver measurable public outcomes. By acting as an early adopter and anchor customer, Government can create strong demand signals for UK space technologies, accelerating commercialisation and attracting private investment. DSIT will continue to work with MoD and other parts of Government to set out how Government will develop a co-ordinated approach to

procurement, in light of the upcoming planned space publication and the Defence Investment Plan.

Recommendation 3

Rather than producing a new strategy, the Government should focus on improving the implementation and delivery of the current strategy. The Government should set out clear implementation plans for the delivery of capability goals laid out in the Modern Industrial Strategy.

We will be setting out our “one government” approach in the spring space publication. The publication will clarify Government’s priorities and plans for implementing funded initiatives to the sector, international partners and investors, with clear links to the Modern Industrial Strategy.

Work is also underway to create outcome-focused delivery plans for space categories across multiple departments which will both underpin the publication and improve how we deliver across Government and with the sector. This builds on all of the work we have done previously in these areas.

Recommendation 4

Absorbing UKSA into the DSIT Space Directorate risks diluting the focus and expertise that exists within UKSA as well as access to independent expertise. Concerns have been raised about the fragmentation of space policy across Government. If properly implemented, this merger could help address these concerns. However, the lack of details provided by the Government at the time of announcement mean that there is insufficient clarity about how space policy will be handled going forward. The Government should provide a detailed plan outlining the aim of the merger and how it will improve the coherence of space policy across Government.

The widening of the remit of UKSA to include strategy and policy, and merger into DSIT will:

- **Strengthen Coherence of Space Policy across Government**
  By bringing DSIT’s policy leadership together with the technical and delivery expertise of UKSA, the merger will ensure there is a centre of expertise that is sufficiently resourced to lead and cohere activity across Government and delivery bodies to reduce fragmentation and improve alignment across departments.
- **Enhance Strategic Coordination**
  The new structure will enable more effective cross-government governance through ensuring our “one government” approach to space is able to draw on the full range of strategy, policy and delivery expertise in both organisations while reducing duplication and the risks of siloed working. In addition, the

merger will ensure the sector has clear and uncomplicated routes for engaging with the Government.

- **Retain Technical Expertise**
  The Agency's specialist knowledge will remain a core capability of the new UK Space Agency, with the changes enhancing the involvement of technical experts in policy development and delivery.

The Government will continue to engage with industry, academia, and other stakeholders to provide updates on progress before the new unit is stood up.

Recommendation 5

The portfolio of the Minister currently responsible for space is too broad, and the importance of space as a policy area is significant enough to warrant concentrated attention. Therefore, the Government should create a Minister for Space sitting across both DSIT and MoD, who would hold responsibility for leading on cross-governmental co-ordination and have access to the National Security Council. The Government should also appoint a dedicated champion for space to coordinate between government, industry, and universities.

We are committed to ensuring delivery of the UK's space policy goals is a "one government" effort, at both Ministerial and official levels. We have further established a Space Ministerial Forum across departments at ministerial level, an advisory forum which will drive the cross-governmental coordination required to deliver the one-government approach to space necessary to deliver economic growth and national security. At the official-level, the Space Strategy and Delivery Board (SSDB, previously the National Space Board) is jointly chaired by DSIT and MOD senior officials, and remains a central hub for government decision-making on space.

Ministers are appointed by the Sovereign on the advice of the Prime Minister in their role as constitutional adviser. The Secretary of State for Science, Innovation and Technology holds overall responsibility in government for Space, and works closely with colleagues across government on this matter. She is supported by Baroness Lloyd in this role.

Recommendation 6

The Government should work to promote awareness of space amongst the wider public, focusing on the benefits and potential applications of space technologies and programmes, highlighting career opportunities in the space sector to young people, and promoting the value of satellite applications to businesses. This could be done in part by building upon the success of existing organisations such as Speakers for Schools. The media should also be encouraged to consider how and when they cover space and the space economy in news and other programming.

The Government recognises the importance of promoting public awareness of space and inspiring the next generation of talent.

The UK Space Agency spent £7.3m in 2024-25 on its Education and Future Workforce programme, with planned future investment to be set out in the coming months. This programme delivers targeted space engagement to the public and key audiences, focused on the classroom and social learning environments, highlighting space careers, the value of space, and challenging misconceptions about who can have a space career.

This includes upskilling and resourcing teachers to use space as a learning context in the classroom, providing space career resources and engagement opportunities, access to over 1000 space sector role models and ambassadors, access to practical space challenges to develop early skills, and national virtual space engagement events.

Between 2022 and 2025 the programme achieved 18.6 million interaction hours, over 72,000 space attainment badges achieved in youth clubs, public engagement across 25 regional science and discovery centres, provided £1 million of support across 15 capacity building regional community projects, and over 1 million school pupils engaged in live virtual interactive events supported by BBC Frozen Planet II and Springwatch.

These activities are actively communicated through social channels and the media where, for example, Tim Peake launched the Scouts explorer space badge live on the BBC from the Science Museum.

UK Space Command has also contributed to raising space awareness, in 2025 delivering a cross-government, academia and non-space sector day to increase awareness of space dependency; alongside the continued success of the Defence Space Academy delivering training and education to over 1,000 cross-government and international military students. To bolster public awareness, the Command also successfully delivered the Advanced Defence Warning System (ADWS), enhancing the UK's ability to monitor and respond to space-based threats.

Recommendation 7

The Space Industrial Plan, published in March 2024, promised the publication of a National Space Capability Development Plan by Autumn 2024, which would outline how the Government plans to deliver on the development of its space capabilities. We understand that this document has been delayed because of the election and spending review. The National Space Capability Development Plan must not be delayed past the end of this year, as it is key to providing stakeholders with greater certainty about the implementation of government strategy.

This ambition has now evolved. Capability development is fundamental to the whole space portfolio. Consequently, rather than a separate plan, the spring space publication will include Government's priorities and plans for the space capabilities previously outlined in the 2024 Space Industrial plan, as well as the cross-cutting activities that will underpin development of the capabilities.

Recommendation 8

The plan should make clear why the six capability goals were selected and outline achievable, funded measures that will be taken to achieve these capability goals. The plan should differentiate between established capabilities such as space data integration and use and satellite communication technologies, which should be UK strengths in a commercial marketplace compared to capabilities such as ISAM, which will need significant government contracts for services to be a basis for developing UK leading businesses in a worldwide market. This plan should also provide some clarity of indicative expenditure on each capability area in the next ten years, including the balance of spending between ESA and UKSA and an indication of the grant funding and government contracts that to be awarded.

These suggestions are important for providing clarity to the sector and will be included in the spring space publication. The six capability goals are reflected in HMG space strategy publications, including the SDR which highlighted the need to invest in assured, resilient ISAM type capabilities, space domain awareness and access to space if the UK to retain the freedom to operate in, through and from space. The publication will summarise delivery plans for each capability area, signalling how funding will be applied and the mechanism through which that funding will be delivered. The delivery plans will mostly go up to 2030, as this is the end of the National Space Strategy time horizon and also coincides with the Spending Review period, with which most departments' budgets align. Where possible, the publication will signal longer-term ambitions beyond 2030.

Recommendation 9

The Advanced Research and Invention Agency (ARIA) should consider funding exceptional space technology projects outside the six capability areas, ensuring that curiosity-driven research can continue to be carried out, maintaining the UK's reputation for new inventions.

The Government recognises the importance of supporting breakthrough innovation and curiosity-driven research in space. ARIA was established with independence as a core principle, enabling it to operate flexibly and pursue high-risk, high-reward research without being constrained by sector-specific priorities. This autonomy is fundamental to ARIA's mission and success.

While ARIA sets its own research agenda, DSIT consistently engages with ARIA on overlapping areas of policy interest.

Recommendation 10

The Government should report on the progress of the National Space Operations Centre after three years of operation and highlight what lessons can be drawn from the MoD/DSIT cross-working approach and how these lessons may be applied to other capability areas.

The National Space Operations Centre (NSpOC) was launched in May 2024, under project AETHER. Civil and military space analysts[9] are co-located in RAF High Wycombe operating UK joint capabilities that serve to understand and inform the Space Domain to attain Space Domain Awareness. This understanding supports UK Space Command, UK Space Agency, and the Met Office's joint missions, including re-entry early warning, satellite collision avoidance, support to NATO and UK ballistic missile defence and the protection & defence of national space services and assets.

Combined and coordinated joint civil and military procurement programmes delivered through NSpOC include a £65m space domain awareness and command and control software system, commercial data procurement for space domain awareness and a jointly delivered an Electrooptical Sensor. A funded program for an overseas network of optical sensors and a cutting-edge radar to provide enhanced coverage of Low Earth Orbit and Geostationary Orbits is underway. The Government will report in greater detail on further progress in the coming years for these exciting developments. As the space domain continues to become more congested, contested, and competitive we expect the NSpOC responsibilities to expand over time, continuing to support the growing UK space sector and protect UK interests in, from, and to space.

Recommendation 11

Further investment in EO should be facilitated jointly by UKRI and Government departments by calling for proposals for Prosperity Partnerships between universities and UK space companies dedicated to EO, similar to the existing Partnerships in the aerospace sector facilitated by the Engineering and Physical Sciences Research Council.

The Government is exploring opportunities best suited to supporting the UK EO sector that promote growth and national security and improve public services. We will explore approaches and opportunities to best enable collaboration between UK researchers and innovators and UK space companies dedicated to EO.

[9] Almost an equal split of military and civilian staff.

Recommendation 12

The Government should provide clarity over their plans to improve the UK's PNT resilience to address the current vulnerability and dependence the UK holds in this area. In light of the new Security and Defence Partnership signed between the UK and the EU in May 2025, the Government should explore whether there is potential to re-join Galileo. In the absence of re-joining Galileo, the Government should provide a clear indication of its strategic plans for PNT resilience.

The Government recognises that PNT is critical to the UK's security and prosperity. Lord Vallance's 19 November speech at the Royal Institution of Navigation outlined UK plans to invest £155 million over the next four years to develop a PNT "system-of-systems" which uses a diversity of sources and means of distributing PNT to improve resilience and remove single points of failure.

The system-of-systems will provide sovereign PNT that is more resistant to signal-jamming than relying solely on signals from Global Navigation Satellite Systems (GNSS) such as Galileo. This will include:

a) **a National Timing Centre and an Enhanced Long-Range Navigation (eLoran) network,** which will be synchronised using a two-way satellite time and frequency transfer link.
b) **a world-leading PNT interference monitoring capability**, allowing the UK to monitor and react to threats to PNT signals such as jamming and spoofing.

The UK is also funding R&D that will improve our PNT resilience: the UK invested £57 million into the ESA Navigation Innovation and Support Program (NAVISP) and FutureNav at the ESA Ministerial Council, and will fund a £3 million programme to develop a proof-of-concept for global GNSS-independent time transfer from space.

The UK does not have any plans to rejoin Galileo, but the UK public and businesses still have access to the Galileo Open Service, and the UK Armed Forces have access to the US GPS secure service. The UK will continue to work with international partners, including in Europe, to strengthen PNT resilience for mutual benefit.

Recommendation 13

We recognise that a case has been made for the development of UK launch capabilities for national security purposes. However, we believe that the business case for a UK-based launcher and UK-based spaceports has not been fully proven, and that economic viability should be considered. The question of launch requires serious consideration. The Government needs to provide clear answers about the commercial opportunities available for a UK-based launcher, what kind of launch capability is needed (vertical or horizontal), the military and civil need for sovereign launch capability, and whether there is a case for building more than one spaceport.

The Government is committed to securing assured access to space for the UK. Assured access will enhance our national security in an uncertain world and ensure the UK benefits from the fast-growing global space market. There is cross-government agreement that the UK has assured and responsive access to space that is commercially viable, has polar and equatorial capability, delivers for UK and Allied national security and defence requirements and supports an ecosystem of UK and international launch companies.

To this end, at the ESA Council of Ministers in November 2025, the UK committed a record £162 million for launch programmes. The Government recognises the need to set out further detail about our launch requirements and the commercial opportunities available for UK launch companies, to provide clarity to industry and international partners. This detail is subject to agreement cross-Whitehall, but Government intends to communicate our overall approach to supporting the UK launch sector in the forthcoming Spring publication on space.

The Ministry of Defence maintains a requirement for assured access to commercially developed launch capabilities. Although we have no plans to develop our own independent launch systems, Defence actively supports the UK's launch ambitions, and the UK Space Agency and collaborates closely with our Allies and partners to assure appropriate and timely access to space.

Recommendation 14

If the Government wishes the UK launch programme to be competitive, it should continue to support UK participation in the European Launcher Challenge. Early-stage launch enterprises usually require a significant degree of state support to achieve success and the contracts that would emanate from participation in the Launcher Challenge would be pivotal in allowing a UK-based launch provider to grow towards commerciality.

The Government recognises the importance of ESA's European Launcher Challenge (ELC) in meeting the UK's assured access to space objectives and strengthening European launch capabilities.

The UK's record investment for launch programmes at the ESA Council of Ministers in November 2025 is intended to improve access to space by opening up the European market to commercial operators, increasing resilience, and driving down the cost of launching satellites that deliver services like communications, navigation and weather forecasting.

We will continue to work with launch companies that can deliver our assured access objectives, and develop and strengthen existing partnerships with NATO and European allies.

Recommendation 15

If the Government wishes to progress with the pursuit of sovereign launch capability, it should consider designating UK spaceports as Critical National Infrastructure, as they are built, to underscore their strategic importance. Furthermore, the Government should consider whether strategically supporting multiple spaceport initiatives across the UK would ensure critical resilience and sovereign access to space, preventing single points of failure. We also encourage the Government to consider advancing programmes such as NATO STARLIFT, which will allow the UK to bolster allies by providing launch services.

The Government is committed to securing assured access to space for the UK, which requires access to both a spaceport and launch vehicle. Space is already a designated Critical National Infrastructure sector.

Designation as Critical National Infrastructure leads to a prioritisation of activities to establish a closer relationship with the Government and regulators to ensure the security and resilience of the system. Support to assist in the security of space systems is still available without being designated.

The importance of the development of UK launch for both the economy and freedom of action is acknowledged. As spaceports become operational and as services are made available, these will be assessed against the criteria for designation. Support will be available to all owners and operators.

In October 2024, the UK joined the NATO STARLIFT Programme, which aims to leverage government-owned and commercial launch capabilities to enable Allied launch in both peacetime and crisis. The Government is actively involved in shaping this programme to promote the development and use of UK launch capabilities and to enable UK companies to participate in any commercial opportunities arising from this initiative.

Government will continue to work with launch companies that can deliver our assured access objectives and develop and strengthen existing partnerships with NATO and European Allies.

Growing the UK's space economy

Recommendation 16

We note that several other committees in the House of Lords have produced reports highlighting the challenges faced by technology firms in the UK in obtaining access to the capital required to commercialise their technologies and grow. Whilst we welcome recent Government initiatives to address these issues, we affirm the critical importance of Government policy in addressing funding challenges faced by innovative UK tech firms.

The Government recognises the vital role that innovative technology firms play in driving economic growth, strengthening national resilience, and maintaining the UK's global competitiveness. We acknowledge the concerns raised regarding access to capital for commercialisation and scale-up and share the view that addressing these challenges is critical to unlocking the full potential of UK innovation.

As the Committee notes, Government delivers a range of initiatives to address access to finance issues in the space sector, mainly through the UK Space Agency and Innovate UK. Through being recognised as a frontier industry of the Advanced Manufacturing sector in the Industrial Strategy, additional financial mechanisms have been made available to the space sector, for example through the British Business Bank and National Wealth Fund. However, the Government recognises that it must complement these initiatives by also using policy levers to address the root causes of these challenges. The Government is assessing policy options to do so, in particular to enable the end-to-end development of space technologies in the UK, as set out in the Advanced Manufacturing Sector Plan.

Recommendation 17

We welcome government efforts to promote the UK space sector to the investment community and facilitate greater understanding about the potential of UK-based space firms. The Government should create another five Science and Technology Venture Capital Fellowships, which should focus specifically on space technology.

The Venture Capital Fellowships scheme is targeted towards deep tech and life sciences sectors, which encompasses space, and space investors are therefore eligible to apply. There are currently no plans to offer Fellowships to target specific sectors within deep tech or life sciences. However, the Government will continue to engage with space on the VC Fellowships as it has done previously, for example by hosting sessions which focus on investment opportunities in space during visits to Edinburgh and Glasgow in October 2025.

Recommendation 18

We urge the British Business Bank to take a more proactive, ambitious, and tailored approach to financing space technology, comparable to leading European counterparts. This is critical to ensure that UK-based space firms have access to the capital they require to commercialise and grow into national champions.

The British Business Bank (BBB) is operationally independent in its day-to-day activities, investment decisions and processes. However, it has a strategic mandate to support businesses in Industrial Strategy priority sectors, which encompasses space companies, and the Government is actively working with the BBB to increase the BBB's expertise of the space sector and the investment opportunities it presents.

Recommendation 19

Grant funding calls from UKSA should be streamlined and occur at a known cadence within each 3-year spending review cycle.

As the UK Space Agency merges with DSIT, the Government commits to publishing our forward plans at the earliest possible notice to external stakeholders in accordance with treasury and departmental rules on managing public money and financial delegated authority. Longer term Spending Review settlements, as have now been put in place, will enable the system to develop and publish longer term plans providing greater assurance to the sector on the timing and nature of funding calls.

Recommendation 20

We support the Government’s commitments to become a smarter procurer of space based data and services. However, it remains unclear what concrete plans are underway to achieve this aim. UKSA (within DSIT) should therefore publish a procurement strategy, outlining the steps it intends to take in this area and how government departments can better utilise space data and services produced by UK firms.

The Government recognises the importance of becoming a smarter procurer of space-based data and services and is actively progressing towards this goal. While a comprehensive, published procurement strategy is not yet available, several concrete steps and strategic initiatives are underway to address the recommendation.

Through initiatives such as user-centred design pilots in priority sectors, and targeted Contracts for Innovation competitions, the Unlocking Space for Government programme is addressing key barriers to adoption including demystifying complex

procurement processes, fragmented demand, and limited buyer expertise. By supporting both government departments and UK space sector SMEs with training, market engagement, and tailored support, Unlocking Space for Government is enabling departments to act as more intelligent and consistent customers. The evidence and lessons learned from these interventions are directly informing the development of a cross-government procurement strategy, ensuring that future procurement is streamlined, demand is aggregated, and UK firms are better positioned to deliver innovative space-enabled solutions for public benefit.

The 2025 Defence Industrial Strategy is also clear on plans to revamping MoD's procurement framework: delivering a comprehensive review of defence contracting to incentivise productivity and improve delivery, which would further support space companies bidding for defence contracts.

Under the National Armaments Director, a Space Systems Portfolio will be set up to cohere procurement activity for Space capabilities. The Portfolios will be established as enduring entities that are outcome-orientated rather than project-centric, focusing on delivering strategic value of the highest priority and highest value pan-defence.

Recommendation 21

Whilst recognising the importance of R&D grant funding, we recommend that UKSA realign its funding system to offer more public contract opportunities relative to small-scale grant funding. By acting as an anchor customer for firms developing novel space systems (e.g. ISAM), UKSA can help generate private sector investment in UK-based space firms, build the UK's industrial base and help create globally competitive space businesses. UKSA should publish annual data on the number and value of space-related contracts it (and other government departments) tender, alongside the number and value of grant awards it issues.

The UK Space Agency distributes around a third of its national (non-ESA) funding via contracts and is exploring options of deploying contracts using a more strategic approach. A procurement programme called the Gateway Services Programme (GSP) is being piloted to support unique capabilities in the UK that also helps and supplies our international partners. In one case, Goonhilly Earth Station Ltd has been procured to provide deep space communications to help track spacecraft for major international missions. The Agency ensures that suppliers in GSP are fit for purpose and meet the high standards of our partners.

UKSA's procurement for a national Active Debris Removal (ADR) mission[10] is an example of the UK Government acting as an anchor customer via contracting opportunities. This multimillion-pound tender will lead the nation's first mission to actively remove defunct satellites from orbit, building on prior work on design and feasibility studies worth £11 million. A single supplier will be selected to deliver the

[10] Active Debris Removal (ADR) Phase 3 Research and Development Service - Find a Tender

five- contract, with the mission targeted for launch by the end of 2028. The opportunity is live and the award is estimated to be made in March 2026.

In August 2024 the MOD launched the TYCHE satellite with an electro-optical sensor. In 2026 TITANIA will launch, followed by OBERON and JUNO[11] in 2027. The totality of these satellites is over £350 million, with several international partners including Japan, Norway and Germany interested in the sensor payloads. Procuring R&D is also being considered within broader capability development work, working across Government to encourage UK space companies to be commercially successful and develop a wide customer base. Specific plans for this will be produced in the spring space publication across domains.

Regarding publishing annual data, some information is publicly available, both through Find a Tender and the subsidy database, but not all. The Agency does not routinely publish this information but will consider keeping a live dashboard of similar information on our portfolio delivery in future.

Recommendation 22

We welcome recent announcements on the Regulatory Innovation Office's space remit and the results of the RPO sandbox. Initiatives like these indicate a desire for the UK to position itself at the regulatory frontier for space technology and a willingness to engage with novel mission types. The pursuit of regulatory innovation, including the simplification and streamlining of licensing and regulatory processes for spaceports and launch activities, should remain a central goal for Government.

The Government is committed to continuing its work to support regulatory innovation, including the simplification and streamlining of licensing and regulatory processes. The RIO has played a role in ensuring Government and regulators continue to prioritise this, and with the successful continuing implementation of the Space Regulatory Review 2024, the RIO will play a more monitoring role.

Recommendation 23

We welcome the establishment of a dedicated team within DSIT that will focus on maintaining UK regulatory competitiveness. Addressing the time, cost and complexity of the licensing process, as well as ensuring innovative technologies can be brought to market in the UK should be a matter of priority for this new unit and it should be backed with the authority to make an impact.

The UK Space Agency will soon merge into DSIT. The Government will consider this recommendation in its design of the new Unit.

[11] TITANIA is a radio frequency sensor, OBERON is a synthetic aperture radar and JUNO is a high fidelity electro-optical sensor, all of which have benefitted from MOD investment and R&D.

Recommendation 24

The Government should consider introducing a maximum time limit of six months for the licensing of established activities in space. Such a move would give confidence to investors that innovative UK-based businesses will not suffer from extended periods of regulatory uncertainty.

The Government continues to support the Civil Aviation Authority as the independent regulator for space operations. The Space Regulation Review published in Spring 2024 set out a number of recommendations to deliver clarity, certainty and confidence for developers, investors and operators through efficiencies, improved processes and clear communication. The CAA has been clear that all applications for space licenced activity received to date have been processed and decisions issued ahead of any deadlines for launch and operator activity. This Government continues to implement the recommendations from the 2024 Space Regulation Review.

Recommendation 25

Furthermore, we recommend that the Government evaluate the benefits and risks of merging the Outer Space Act 1986 and the Space Industry Act 2018 into a single, comprehensive framework. This would aim to simplify and streamline regulatory processes for spaceports and launch activities, fostering a more agile and competitive environment.

The Government regularly reviews primary, secondary and supporting legislation, regulation and guidance. The Department for Transport is currently conducting a Post Implementation Review of the Space Industry Regulations 2021 and will set out its recommendations for amendments to UK Space Law in due course.

Recommendation 26

We note that the Government has been proactive in addressing the space skills issue and has followed through on many of the recommendations made in the 2016 skills strategy. However, fundamental challenges still remain that are proving difficult to solve. We recommend the establishment of a Space Skills Task Force, which would mirror similar task forces in other sectors (such as nuclear and quantum). This body should be responsible for bringing together government, employers and academia, providing a cohesive analysis of space skills issues in the UK and fashioning policy recommendations for addressing these issues.

The Government acknowledges that space sector skills and workforce related issues remain a complex and evolving challenge.

DSIT and the UK Space Agency are in the process of reformatting the existing Space Skills Advisory Panel to be able to take more direct action, as part of work to

deliver the 2024 Space Industrial Plan. This has included placing the panel under the Space Partnership to ensure sufficient resource to take action, with the support and guidance of the Space Partnership's board of industry, academia and government representatives.

An expression of interest process completed on the 28th November 2025 for six cross-sector representatives in the revised skills panel[12]. Government representatives will include Skills England to ensure alignment and coordination across the wider skills landscape.

Addressing skills shortages in the space sector requires robust evidence. To improve on data and insights collected through the UK Space Agency commissioned 2020 and 2023 Space Sector Skills Surveys, further 2026, 2028 and 2030 surveys are in the process of being commissioned. The revised skills panel will support policy and actions against the data and insights produced by these surveys, ensuring an evidence-led approach to space sector workforce interventions.

Recommendation 27

Success in the emerging space economy will require the UK to be flexible in attracting high-skilled sectoral experts, and the Government should ensure that immigration rules enable companies to attract the talent and skills necessary to make the UK space sector world-leading.

The Government has set out its intentions for UK immigration policy in the Immigration White Paper (May 2025)[13], intending to develop an immigration system that fosters economic growth whilst also ensuring proper control, fostering of domestic talent, and an overall decline in immigration numbers.

As one of the sectors within the Government's Industrial Strategy, space is in scope of the cross-government work to ensure that the labour market has the right balance of domestic talent growth, whilst attracting top talent to the UK. Most recently this has been witnessed in the Migration Advisory Committee's report on the Temporary Shortage List (October 2025)[14]. This report highlights the recent increase to the threshold of the Skilled Worker visa to graduate level (which largely should not impact the space sector – 69% of the workforce held a degree or higher in 2022/23[15]), and identifies key occupations below graduate level which the UK should still seek to attract. The Home Secretary was clear that this work should seek to identify occupations crucial to delivery of the Industrial Strategy, and DSIT and other departments have fed into this on behalf of their sectors.

Broader work is ongoing across Government under the Industrial Strategy to ensure delivery of the Immigration White Paper and the Industrial Strategy remain aligned, including the space sector. We would particularly welcome views from the sector

[12] This is in addition to a fixed core membership of five industry representatives, three academic representatives, three government representatives, and the Satellite Applications Catapult and a Clusters representative to ensure regional link-up.

[13] Restoring control over the immigration system: white paper - GOV.UK

[14] Temporary Shortage List: Stage 1 report - GOV.UK

[15] Size and Health of the UK Space Industry 2024 - GOV.UK

through the Space Skills Advisory Panel and its proposed replacement in early 2026, to ensure alignment and coherence across the sector and Government.

Recommendation 28

However, the Government must also seek to develop homegrown space talent. It should consider funding a greater number of PhD studentships and postdoctoral fellowships specifically designed to provide development opportunities for UK-domiciled students.

The Government is committed to developing homegrown space talent and recognises the importance of supporting advanced research and training opportunities for UK-domiciled students. The UK Space Agency and UKRI have invested significantly in STEM skills development, including doctoral training centres and targeted fellowships.

The UK Space Agency has funded the Rocketry Research Teaching and Training (R2T2) PhD programme, which is supporting 19 PhD students to develop skills for the UK space launch industry. The Agency will be undertaking the 2026 Space Sector Skills Survey to identify the priority skills needs of the UK space sector, which will include insights into key qualifications such as PhD's.

In parallel, the Agency funds summer internship placements for students in university and tertiary education, and the development of new training courses that support transitions into space careers for new entrants and career movers.

The Government will consider options to expand funding for PhD studentships and postdoctoral fellowships, working closely with UKRI and other partners to ensure alignment with national priorities and to maximise opportunities for UK students. We will also engage with UKRI to understand their broader Talent & Skills plans and ensure a joined-up approach to talent development across the sector.

Recommendation 29

We encourage UKSA and UKRI to work towards integrated and strategic alignment on long-term funding. The merger between UKSA and the DSIT Space Directorate provides an opportunity to ensure a more coherent funding system that aligns with UK priorities.

UKRI and the UKSA will work proactively to address the long-term funding issues and the consequences on the space sector. Progress has already been made to unify advisory structures and align governance. The work to develop our "one government" approach includes significant input and representation from UKRI with a view to ensuring coherence and alignment of spending proposals and tracking of delivery of space funding.

UKRI is committed to reviewing and improving internal processes and governance to align to cross-government strategic drivers that create maximum impact and benefits for the space sector and beyond.

Recommendation 30

We note that some space clusters are experiencing financial challenges. It should be a matter of priority for DSIT, UKSA and UKRI to ensure the continued functioning of space cluster infrastructure.

The UK Space Agency invests in the space cluster network as part of a suite of programmes that support a dynamic sector ecosystem and drive business growth. The Agency brings together industry, academia, and local stakeholders to encourage collaboration and innovation, enhanced further via several programmes, including the Ecosystem Development Programme (EDP), UK Space Agency Accelerator, and the Space Cluster Infrastructure Fund (SCIF).

Since 2022, the UK Space Agency has invested over £10 million to support the UK's connected network of space clusters across every region of England, as well as Scotland, Wales, and Northern Ireland. Clusters play an important role within the UK's space ecosystem, fostering shared capabilities, taking advantage of local strengths to pursue new market opportunities, and in doing so, driving significant local economic growth. This support includes the launch of a new pilot initiative this year, the Space Ecosystem Commercialisation Programme, which provides dedicated cluster support to local space businesses to accelerate their commercial growth, as well as additional support for of each of the UK's devolved administrations to deliver the ambitions of their space strategies.

The space cluster network and UK space sector more broadly has also been strengthened through the successful delivery of the Space Cluster Infrastructure Fund pilot, launched in 2023, is a landmark initiative to strengthen the UK's space sector by investing in state-of-the-art research and innovation infrastructure. With £45.6 million in capital funding (at least 55% of funding outside the Greater SouthEast), SCIF has supported 13 diverse projects across the UK, targeting critical gaps in capability, fostering regional growth, and catalysing innovation.

The SCIF pilot programme has delivered substantial benefits for the UK space sector, supporting innovation, job creation, investment, and regional growth. By addressing critical infrastructure gaps and fostering collaboration, SCIF is laying the foundations for a vibrant, competitive, and inclusive space ecosystem. With continued support and strategic development, the programme is well-positioned to help the UK achieve global leadership in space technology and business.

The UK Space Agency Accelerator was launched in 2021 and uniquely supports early-stage space ventures in the UK, offering government-backed, sector-specific guidance and non-dilutive support to drive commercial success, business growth, and skills development. The Accelerator has successfully delivered 20 cohorts, each running for between three and six months. We have collectively supported a total of 317 UK space businesses. Every region across the UK has been represented in

each delivery phase, contributing to the development of a truly national business support ecosystem within the space sector. Participants of the Accelerator have collectively raised at least £65 million in funding to date. Of this total, approximately £27 million has been secured in grants, while £38 million has come in the form of investment. Since its inception, the £3.5 million investment in the UK Space Agency Accelerator has generated a return of £10.85 for every £1 invested by the Agency.

Recommendation 31

The Government should accelerate efforts to increase understanding of space technology across the wider economy, with a view to building a stronger domestic market for space-based data and services. The Government should continue supporting the Satellite Applications Catapult to achieve these aims, as well as championing initiatives such as the EO Data Hub, which is simplifying access to EO data for downstream users. The Government should consider making public sector EO data available through the National Data Library, if it has not already done so. Other measures recommended above, such as the prioritisation of cluster infrastructure, will aid in supporting downstream adoption of space-based data and services.

The Government is supporting the Satellite Applications Catapult with a planned investment of approx. £85m across the 5-year funding period from FY23/24 to end of FY27/28. Innovate UK is working closely with the Catapult and with policy teams in DSIT and across Government, including the UK Space Agency, DSIT Advanced Communications Technologies, and MoD, to ensure the appropriate capabilities are developed and delivering impact in this industrial strategy sector.

UKRI welcomes support for the continuation of the EO Data Hub and will work with UKSA and DSIT to explore support for this beyond March 2026.

The Government is working to simplify access to Earth Observation (EO) data to promote growth and improve public services, including through championing initiatives such as the EO Data Hub project. We are also working to understand the best opportunities for collaboration with the National Data Library on EO.

Government is also trialling innovative approaches to stimulating economic growth through better access and utilisation of Earth Observation data assets. For example, Defra has funded a Build and Pitch Hackathon in partnership with UKRI in January which will convene SMEs, Government and Academia to develop novel products and services for the environmental and land use sectors. These products will be derived from both commercial and public sector Earth Observation data curated through the Earth Observation Data Hub. These products will address problem statements in the areas of precision agriculture, sustainable spatial planning, and the green finance sector. Defra will support further commercialisation efforts for the most promising solutions, working in partnership with Innovate UK Business Connect and the Satellite Applications Catapult.

Leveraging international partnerships

Recommendation 32

In light of the evidence presented to us, the Government must provide more clarity on the UK's position on future participation in the EU Space Programme. The Government should conduct an in-depth analysis of the opportunities and risks of UK participation in flagship EU programmes, such as Galileo and IRIS², and their findings should inform their decision making. Decisions on participation in these programmes are urgently required to provide industry with certainty about the future trajectory of UK space policy.

The Government recognises the importance of providing clarity to industry regarding future UK participation in EU Space Programmes, including flagship initiatives such as Galileo and IRIS². However, the terms for third country participation in these programmes remain unknown at this time. As such, the UK is unable to make decisions on future participation, as the necessary terms and conditions for participation are not yet available.

At present, the UK continues to participate in Copernicus until the end of the current Multiannual Financial Framework. Any future participation in EU Space Programmes will be subject to negotiations with the EU and will be carefully assessed to ensure that such involvement is in the best interests of the UK and represents value for money.

The Government will manage any future decisions regarding participation in these programmes through the usual business case process. This approach ensures that all relevant opportunities and risks are thoroughly analysed, and that decisions are made based on robust evidence and in line with established procedures.

Recommendation 33

The increasingly close relationship between EUSPA and ESA is a matter of utmost strategic importance for the UK. The UK's ability to influence the direction of ESA and maximise the benefits of its programmes may be fundamentally altered should ESA become more heavily influenced by EU policymaking. As the Government develops future strategies on UK/EU engagement, this issue should be a priority consideration.

The Government recognises that the evolving relationship between EUSPA and ESA is of significant strategic importance.

The UK values the close and constructive relationship between ESA and the EU, recognising that collaboration can enhance the effectiveness and reach of European space activities. Nonetheless, it is essential that ESA continues to deliver on behalf of all its member states, including those that are not part of the EU. The Government

is committed to ensuring that ESA remains an intergovernmental organisation that serves the interests of its entire membership and will continue to work with international partners to maximise the benefits of participation in ESA programmes.

As the Government develops future strategies on UK/EU engagement, this matter will remain an important consideration. The Government is committed to ensuring that UK interests are protected and advanced within ESA. The UK will seek to maintain a strong voice within ESA governance and decision-making processes and will work with international partners to maximise the benefits of participation in ESA programmes.

The Government will also continue to assess the implications of closer alignment between EUSPA and ESA for UK space policy and will ensure that this forms a proportionate part of future engagement and negotiation strategies with both the EU and ESA**.**

Recommendation 34

We recommend that the Government's current approach, which involves maintaining close collaboration with the US in space whilst also developing sovereign military space capabilities (such as ISR), continues. The development of greater sovereign capability will serve both to insulate the UK from potential future US policy changes but will also allow the UK to make greater contributions to the US' space capabilities and those of other allies.

The Government recognises that the UK and US enjoy a uniquely close relationship and that this underpins our approach to space, particularly in the national security domain. We will continue to work closely together through NATO, through partnerships enabled by the European Space Agency as well as bilaterally in areas such as space and AI as set out in the recent Technology Prosperity Deal.

In parallel, MOD is investing to enhance the resilience the space-based systems and services we rely on through the development of nationally separable space capabilities. Such capabilities are required to deter threats in space and, if necessary, protect our systems. The Defence Investment Plan will set out Government's priorities and plans for the development of national space capabilities, linked to the cross-government spring space publication.

Recommendation 35

Whilst there is no immediate indication that the UK's access to SpaceX's services could be compromised, future plans for UK space capabilities should reckon with the impacts of UK dependence on SpaceX and look to ensure access to diversified and/ or sovereign services where possible. The Government should conduct research on the potential impacts of loss of access to SpaceX services.

The Government is committed to securing assured access to space for the UK. Assured access will enhance our national security in an uncertain world and ensure the UK benefits from the fast-growing global space market. Government will continue to work with launch companies that can deliver our assured access objectives and develop and strengthen existing partnerships with NATO and European allies.

The Government recognises that a resilient, secure satellite communications capability is essential for national security, and is investing £5billion in the SKYNET programme over the next 10 years to underpin this capability and deliver SKYNET 6 as the bedrock of our satellite communications capability. The Government acknowledges rapid evolutions in the global satellite communications sector and the increased prominence and economic viability of low Earth orbit communications solutions. There are few commercial low Earth orbit communications providers currently, reducing competition and user choice. A competitive market is important to ensuring public and private sector value.

Government is committed to securing UK leadership in commercial satellite communications and ensuring that the UK space sector remains competitive as both a supplier and operator of satellite communications services. Steps we have taken include:

- Delivering the Connectivity in Low Earth Orbit programme to develop the next generation of UK satellite communications technologies;
- Leading the European Space Agency's Advanced Research in Telecommunications Systems programme; and
- Supporting a series of satellite broadband trials with a range of suppliers across very hard to reach areas in the UK.

In addition to this, the Government has a 10.89% stake in the satellite operator Eutelsat and unique rights over its UK-based OneWeb low Earth orbit broadband network that relate to national security and make the UK a preferred location for its commercial activity. Government's stake support national security and resilience by fostering a competitive global LEO satellite communications market and deepens UK-France collaboration on defence and security. The Government contributed to Eutelsat's €1.5 billion capital raise, completed in December 2025, ensuring it retains its current stake including its rights over OneWeb. Eutelsat has committed to opportunities for UK university students, provided guarantees on UK jobs, and will guarantee priority access in HMG service contracts leveraging the OneWeb network.

Recommendation 36

We welcome the UK Space Agency's pivot to supporting international bilateral partnerships with countries such as Australia, Canada, Japan and New Zealand. The Government should publish impact assessments on the UK-Australia Space Bridge and UK-New Zealand ISAM agreement, to inform the development of future bilateral initiatives.

The UK Space Agency enters into different types of agreements with international space agencies, from encouraging sector collaboration, to setting out shared principles, and legal funding arrangements, to bolster its international partnerships.

The UK-Australia Space Bridge, signed by the Agency and the Department for Business and Trade in 2021, and renewed in 2025, provided a framework agreement for collaboration which could later catalysed funding, including subsequent co-funding from the Australian Space Agency to UK-Australia International Bilateral Fund (IBF) projects - however this was not a pre-requisite for the agreement. Additionally, the National Space Operations Centre regularly engages with the Australian Space Agency on mutual Space Domain Awareness issues including the re-entry of space debris that may pose a risk to life

Similarly, the UK and New Zealand Rendezvous and Proximity Operations agreement is an example of agreeing shared policy principles without a funding mechanism. Such agreements can support further engagements in the region – but are examples, rather than a full list, of conversations happening between UKSA and international partners.

Since 2023, the UK Space Agency has strengthened international partnerships through the International Bilateral Fund (IBF), supporting collaborative projects with partners, including Australia, Canada, and Japan. Across two consecutive funding calls, the Agency has backed 28 grants involving these countries, including 15 collaborations with Australian partners. Canada and Japan also feature prominently, with all three countries regularly overrepresented in the fundable category of applications. Significant co-funding and collaboration have amplified impact. The Australian Space Agency (ASA) provided substantial co-funding and co-management for three major projects, showcasing the 'Space Bridge' in action. JAXA (Japan) and CSA (Canada) also contributed significant co-funding to other projects.

In August 2025, the Agency published the monitoring and evaluation findings for the IBF 2023–2025. The evaluation assessed IBF's impact on competitiveness and reputation, innovation and commercialisation, skills and knowledge and science. IBF-funded activities demonstrated strong progress across these metrics, with early signs of investment events and drivers of UK socio-economic benefit emerging from IBF-supported projects. The groundwork from agreements such as the Space Bridge have greatly increased the quality and quantity impact of partnerships between the countries.

Further international collaboration also takes place to support UK security goals. The UK MOD is one of the foundational members of the Combined Space

OperationsInitiative and Operation OLYMPIC DEFENDER[16]. This enables closer collaboration with leading space nations, including the US. The MOD has also recently joined the NATO Advanced Persistent Space Surveillance programme.

In addition to the multinational agreements highlighted above, UK Space Command has several bilateral arrangements, memorandum of understanding and formal space engagement talks with strategically important partners, such as Australia, the US, France (Lancaster House), Germany (Trinity House) and Norway (Lunna House).

Recommendation 37

Given the wide benefits delivered to the UK space economy through ESA, the Government should seek to maintain its levels of funding in this institution. However, should the UK wish to be more ambitious in space policy, increased funding and support for national space programmes is essential. Such national programmes would not only boost skills, technology development and develop comparative advantages, but they would also form the bedrock of stronger international partnerships moving forward. These partnerships should also be aligned with the six priorities chosen by the Government.

The UK invested £1.7bn at the ESA Council of Ministers in Bremen, November 2025. Our overall level of funding for ESA has been maintained. We have sharpened our focus on economic growth and national security while continuing to support cutting edge science and technology development.

In particular we have focused on:

- A new £131 million commitment to the UK-led Vigil mission which, in partnership with the US and other European partners, will monitor and forecast dangerous space weather.
- A record £162 million investment in homegrown satellite launch capability, supporting the UK's entry into the European Launcher Challenge.
- Continued investment of £61.5m in Europe's first Mars rover, built in the UK by Airbus and named after British scientist Rosalind Franklin.
- A new £261 million commitment to high-growth programmes for the UK space sector, including Commercialisation, the General Technology Support Programme, and Advanced Research in Telecommunication Systems.

Alongside building credible, impactful international partnerships, developing our national capabilities and strengthening our UK offerings is essential for delivering on our ambitions for growth. UKSA's 2024-25 Annual Report[17] breaks down funding within and outside the ESA subscription, with a significant amount of funding dedicated to skills, infrastructure and technology programmes to ensure national

[16] CSpO initiative consists of 10 nations - FVEYs + FR, GER, JPN, ITA and NOR. OOD consists of the FVEYs + FR + GER. Only the US, FR and UK have the skills and capabilities to conduct orbital warfare operations, which are vital to protect and defend space assets.

[17] UK Space Agency Annual Report 2024-2025 - GOV.UK

benefits are maximised. This includes funding for bilateral engagements outside of ESA.

The spring space publication will highlight clearly the areas where we are strengthening priority capabilities further, with focused multi-year funding and plans for delivery.

Securing a safe operating environment in space

Recommendation 38

We support the Government's multi-pronged efforts to shape the global orbital environment. We endorse and encourage continued governmental support of initiatives such as the Earth Space Sustainability Initiative and the Astra Carta, as well as continued diplomatic efforts at the United Nations.

The Government will continue to build relationships and showcase UK leadership in shaping the orbital environment bilaterally and through multilateral forums, including the UN Committee on the Peaceful Uses of Outer Space.

Government will continue to encourage initiatives that further space sustainability, for example the British Standards Institute recently published the first two Space Sustainability Flex-Standards with support from industry, academia and the UK Space Agency.

Recommendation 39

We commend the Government's leadership in the development of ADR technology and welcome the news that the Government will deliver a contract for the removal of two defunct UK satellites. Whilst the market opportunities for satellite removal have not yet been fully established, the development of this technology will help pave the way for other ISAM activities such as satellite refuelling and repair, which could be lucrative future areas in which the UK could assert global leadership. The prioritisation of the development of debris removal technology also burnishes the UK's credentials as a global leader on space sustainability, reflects its commitments (as part of ESA) towards space debris neutrality and positions it well to lead on future collaborative debris removal missions.

In-orbit Servicing, Assembly and Manufacturing (ISAM) is one of the UK's priority space capability areas. The Government looks forward to delivering our Active Debris Removal programme and developing the mission heritage, expertise and technology to support the emerging UK ISAM sector.

Recommendation 40

Ensuring access to finite radio spectrum should be a priority when it comes to UK space and telecoms policy. The UK Space Agency should continue working closely with Ofcom to ensure that UK interests are represented at the International Telecommunications Union, especially spectrum allocation for ISAM technologies.

The Government continues to support Ofcom in its role as the independent regulator responsible for the management of spectrum in the UK and in its capacity as representing UK interests internationally at spectrum fora including the International Telecommunication Union. We are pleased to see Ofcom's leadership on issues including direct to handset satellite connectivity, where the UK is due to become the first country in western Europe to permit these innovative services in mobile spectrum starting in 2026.

As set out in our proposed Statement of Strategic Priorities (published on 21 July 2025), the Government expects Ofcom to continue driving growth by maximising access to spectrum. The Statement also highlights the critical role spectrum has in enabling space applications, particularly UK capabilities in earth observation, space sciences, space domain awareness, in-orbit servicing, assembly and manufacture, space data applications, position, navigation and timing services, and satellite communications.

The Government recognises that the International Telecommunication Union's four yearly World Radiocommunication Conference (WRC), next held in 2027, is crucial for all spectrum users but the 2027 agenda is especially important as it is dominated by space topics and topics impacting space services. We collaborate closely with Ofcom to ensure UK interests are fully appreciated and reflected in UK positions at the WRC.

As stated in the Modern Industrial Strategy Digital and Tech Sector Plan, the Government will continue to work with international partners and within the regional groups to ensure spectrum allocations and regulations that support Advanced Connectivity Technologies such as satellite communications.

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978-1-5286-6176-8