
SPACE GROWTH PARTNERSHIP: Statement of Aims

Strategic context

1. The Government has set out a vision for an economy that works for everyone, so that there are great places in every part of the UK for people to work and for businesses to invest, innovate and grow. The Government intends to develop an ambitious, long-term industrial strategy, as set out in *Building Our Industrial Strategy*¹. This Industrial Strategy blueprint has science and innovation at its core, builds on our local strengths and fosters enterprise to ensure every place meets its potential.
2. The Space sector's ambition is to grow the UK's share of the global space market to 10% by 2030, creating potential revenues of £40bn p.a. and up to 100,000 jobs². The Government further endorsed this growth ambition in its National Space Policy (2015), and set out high-level proposals to: recognise the strategic importance of space; the need to protect the space operating environment; the ambition to grow UK space capabilities; and to work in international partnerships to deliver key objectives.
3. Macro changes to the UK's and global economies during 2016 also have the potential to drive a significant reset of the space sector in the UK. Most notable of these was the outcome of the Referendum in June and the significant changes to the machinery of Government that followed. During 2016, the Government delivered its commitment in the Security and Defence Spending Review to set up the cross-ministerial committee on Space Security and Prosperity. In addition, the UK's commitments to ESA at the Council of Ministers in December 2016 have reinforced the leading relationship of the UK within that body for the next 4 years.

Space Growth Partnership – Aims and Membership

¹ The Government's Industrial Strategy was published as a Green Paper consultation on the 23 January 2017.

² Space Innovation and Growth Strategy, 2010; Space Growth Action Plan, 2013

4. In response to these changes, the UK's space industry and government have proposed to establish a Space Growth Partnership (SGP) that will jointly plan for and deliver high levels of sector growth and social benefits to the UK. This partnership comprises the UK Space Industry, UK Space Agency, the Satellite Applications Catapult, InnovateUK, the Department for International Trade and Academia. The Partnership will run for at least the term of the current Government (expected to be 2022).
5. The primary role of the Space Growth Partnership is to propose, agree and implement, on behalf of the UK's Space Sector, a Sector Deal as part of the Government's Industrial Strategy. This sector deal will focus on accelerating growth in the sector, driving the UK space sector towards its target of securing 10% of the global space economy by 2030. These activities will be achieved by ensuring that the partnership has the governance, culture, action plan and resources in place to systematically deliver the potential economic and societal benefits envisaged. It will replace specific action plans from previous sector strategies.
6. The members of the Space Growth Partnership have each agreed to contribute resources and expertise to the partnership as a joint endeavour and to publicly support its activities. As a new way of cross-sector working, the members of the Partnership recognise from the outset that they are committing to supporting its aims and activities for an extended period of operation. The model for resourcing the Partnership is being developed and will be included in any proposed sector deal.

Governance

7. The space sector intends to establish a Space Sector Leadership Group ('SSLG') that will take overall responsibility for proposing, agreeing and implementing a Sector Deal on behalf of the UK's space sector. This Leadership Group requires a joint team to drive forward this ambition, a role that will be fulfilled by the Space Growth Partnership. The relationship between Leadership Group and Space Growth Partnership is set out diagrammatically in Annex A to this Statement of Aims.

8. The Space Sector Leadership Group will establish a Steering Board, which will be responsible to the Leadership Group for the design and subsequently the delivery of a sector deal. It will achieve this by running the Space Growth Partnership using a SGP Management Team and work strands supported by industry, academic and government representatives. The Steering Board will provide the Management Team with governance on its direction of travel, provide resources as requested, and receive progress reports and resolve issues and areas on contention as raised by ongoing activities. The Steering Board will be the decision-making body for all aspects of the Management Team's programme and its delivery, and will receive advice and papers from this team on behalf of the Partnership.
9. The Steering Board will be chaired by the President of the UKspace trade association. Members of the Steering Board are the Partnership shareholders and comprise senior members of UKspace, UK Space Agency, Satellite Applications Catapult, InnovateUK, and the Department for International Trade. Other members can be invited to join the Steering Board or be invited to meetings at the Chair's discretion.
10. The SGP Steering Board will appoint a Programme Director for the SGP Management Team, who is responsible for the day-to-day operation of the partnership, collecting and analysing evidence that provides the basis for a sector deal, and reporting at least monthly on compliance with, and progress against, programme milestones to the Steering Board. The programme director is also responsible for co-ordinating work across multiple stakeholders and mitigating risks and delays to key activities. Each member of the partnership will provide members from their organisation to be part of the Management Team.
11. The sector recognises that the Steering Board and Management Team may require different membership and skills during the design and delivery phases of the sector deal. However, the Partnership members will ensure a smooth transition between the two phases.
12. Any Government programmes initiated as a result of the Partnership will retain full independent control but will report on progress and share relevant details.

Planned Outcomes

13. The SGP will adopt a market-led approach to promoting growth. It intends to design a sector deal that will accelerate growth by building on existing success in the sector, use the unique attributes of space data and services to promote the competitiveness,

productivity and growth in other (non-space) sectors of the UK economy and to take a bold approach to pulling through new commercial activities where the UK can lead or co-lead activities across the World.

The SGP will, therefore, produce plans and actions over and above normal business development that benefit the sector and economy in the following ways;

- i. identifying new opportunities and routes to market for UK manufacturing, service and application space businesses;
- ii. developing space-related innovation priorities that support growth of the UK's national space programme at sufficient scale to enable the UK to play a greater role in global scientific research, engage in bi-lateral missions, encourage 'blue skies' concepts and demonstrate high-risk technology;
- iii. a review of the location of space businesses in the UK with the aim to broaden the sector into new geographic areas, particularly in new space businesses and growing supply chains;
- iv. creating the correct regulatory, trading and innovation eco-systems to enable the space sector to grow by releasing its global potential and maximising its export potential;
- v. enhance an enterprising and confident space value chain in the UK by increasing the take up of FDI opportunities by overseas companies, encouraging more start-ups and growing SMEs;
- vi. creating the right people and skills priorities in the sector to enable the recruitment of the business and technical competencies required to deliver growth;
- vii. creating a partnership culture to deliver the new growth opportunities in a way that is resource efficient and agile; and
- viii. recommend the necessary transformation or strengthening of existing structures and institutions to enable the implementation of a sector deal.

Delivery

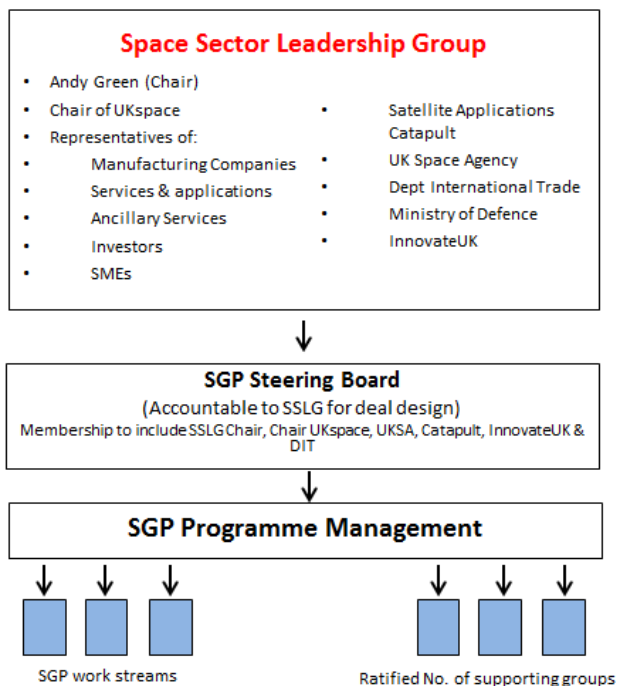
14. The Space Growth Partnership's approach to analysing the issues and surfacing key actions will be undertaken by Work Streams led by individual members of the Partnership and supported by all partners. Access to additional resource for analysis

and evidence building will need to be found as required. The structure of the Work Streams is shown in the graphic in Annex B. The objectives and the leads for each Work Stream are also highlighted in Annex B. These objectives will be updated as the SGP's work progresses.

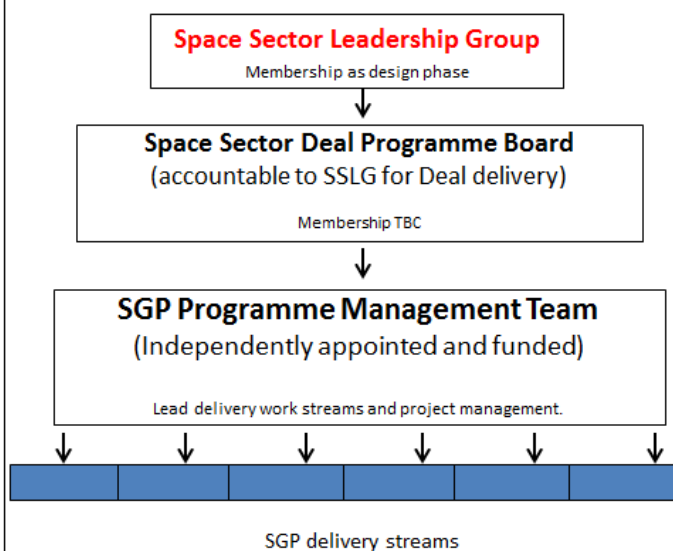
Annex A: Diagram of Sector Leadership Group and Space Growth Partnership Governance

Space Sector Deal: Proposed Governance

Phase 1: Sector Deal Design



Phase 2: Sector Deal Delivery



Annex B: Space Growth Partnership Work Stream Structure and Objectives



1. Work Stream members will meet to challenge analysis and evidence in each strand of activity and agree key narrative points and actions for the Space Growth Plan. Work Stream Leaders will be responsible for providing these inputs to the Partnership Director for the Steering Board in a timely fashion for their meetings. One or more 'plan definition' days will be held where the Steering Board, Partnership Director and work-stream leads and key stakeholders can come together to agree content.
2. Although individual work streams will differ in their ways of working, mechanisms are envisaged being set up to engage a broad range of industry, academic and local partners on key issues as proposals develop, most likely through open access workshops, particularly in areas such as innovation, culture, skills and commercialising scientific breakthroughs.
3. The effectiveness of the Partnership will depend on effective communications between the Work Stream teams, Sector Council, wider Partnership members, and other external stakeholders. This is a priority activity that Partners agree to properly resource.
4. The precise form and governance of the Partnership in the design phase should be agreed between the Partners, together with the commitment to the necessary resources required to achieve its execution.

	Work-Streams - Objectives	Lead
1	<p>Routes to Market</p> <p>Horizon scanning and analysis of markets to expand understanding & definition of routes to game changing markets/opportunities, prioritise then exploit or route map to exploit. Review gaps in supply chains to markets & build necessary connections.</p> <p>Further develop investment propositions/business cases and access to finance.</p> <p>Develop deeper dialogues with strategic partners to align objectives/actions, including: DGP, UK CPNI, UKRI & new UK Department for International Trade (NSP parties).</p> <p>Redefine long term strategy for engagement with ESA and EU post-Referendum- routes to technology, partners and development funding/operational contracts.</p> <p>This work segment also provides analysis that will underpin a substantive national programme and a strategic approach to innovation in the sector.</p> <p>A review of the current UK technology capabilities and development roadmaps to assess alignment with the new priority market analysis</p> <p>The extent to which the UK can better commercialise space science and exploration in the UK</p> <p>How to introduce a more strategic process to identify and fund crucial technology development in the UK at the scale needed to drive a step increase needed in national research and innovation to secure new market opportunities</p>	<p>Satellite Applications</p> <p>Catapult/ Innovate/</p> <p>NSTSG</p>
2	<p>National Activities</p> <p>Develop post-Referendum vision for growth & work with all stakeholders to deliver.</p>	<p>UKspace</p>

	<p>Engage with defence & security strategies via Defence Growth Partnership & others,</p> <p>Maximise leverage of Government Procurement.</p> <p>Accelerate development of downstream applications & connection to new users.</p> <p>Maximise public sector use of space with coherent and comprehensive programmes, including the potential for Government to procure or act as anchor customer for new services.</p> <p>Align with/influence new government industrial strategy, for infrastructure, exports, skills & SMEs & regional development.</p>	
3	<p>Regulation</p> <p>Identify regulatory barriers to starting and growing space businesses in the UK, setting out exactly what regulatory permissions are likely to be needed and the scale of opportunity for the UK if regulatory environments are developed to accommodate these.</p> <p>Continue the work of the Regulation and Spectrum Groups and ensure output fed into SLC.</p> <p>Ensure a certain and competitive regulatory framework.</p> <p>Work with DCMS and Ofcom to seek to protect access to spectrum and ensure predictability in Ofcom procedures and a level of coordinated service (including across Government bodies).</p> <p>Consider third party liability requirements and alternatives (of €60m per satellite / for constellation).</p> <p>Ensure competitive regulatory environment across the sector (access to spectrum, insurance requirements, licensing procedures, clarity and certainty, updated and accurate requirements published).</p> <p>Encourage Ofcom to support UK industry at international fora (including ITU).</p>	UKSA

4	<p>Foreign Direct Investment</p> <p>Continue to promote UK as the best place to conduct a space technology or applications / services business towards inward investors, prioritising those companies bringing new capabilities and employment to UK and with a focus on commercial and export markets.</p> <p>Review and revise existing Collateral for Inward Investment with appropriate Government Departments, with a view to ensuring the UK's offering is competitive with other Countries and their offerings.</p> <p>Ensure a joined-up approach to inward investment across Government, and Ofcom and an organised approach to communication with companies evidencing "customer service".</p> <p>Continue trade missions, and ensure "space-literate" people are included in them.</p> <p>Continue and support the Satellite Finance Network.</p>	DIT
5	<p>Trade & Exports</p> <p>Execute global export strategy. Identify and Prioritise international target territories for UK space exports and input in trade discussions, leverage other similar activities and resources (e.g. DGP, AGP).</p> <p>Map, engage and promote export support landscape (DIT, DSO, UKEF, ECO...).</p> <p>Encourage further ECO space-specific seminars.</p> <p>Exploit international connections at all levels, including via DIT and DfID.</p>	UKspace

	<p>Support Strategic Export Committee / Export Working Group activities.</p> <p>Produce a case for regular flight opportunities to qualify UK technologies with strong export potential.</p>	
6	<p>People, Culture & Skills</p> <p>A good understanding of the immediate and longer term people requirement for the upstream and downstream space sectors.</p> <p>Work with SGP partners and DfE to ensure programmes in place to ensure that a supply of appropriately skilled people will come on stream as the requirements arise.</p> <p>Identify the benefits to the sector of continuing to ensure that highly-skilled EU citizens employed in the UK space sector are retained in the sector and the impact on growth if firms can continue to recruit (or not) highly-skilled non-UK citizens without lengthy visa requirements.</p>	UKSA
7	<p>Communications</p>	UKspace