

## UKspace – Brexit lines to take (Updated for Dec UKspace Council)

### Top Lines for EC, EU Member States

- UKspace members remain keen to continue working in close partnership with EU on Space programmes, maintaining a very successful, long term collaboration.
- The UK space industrial base has strong capabilities and expertise which can support European ambitions in space and reduce programme risk for Member States
- This expertise includes critical security and system capabilities that could be engaged to the benefit of EU given a recognition of UK as a trusted defence and security partner.
- We expect the relationship between the UK and EU on space programmes will need to be captured through a 3<sup>rd</sup> country agreement. In order to maximise the benefit of UK capabilities for the EU, such agreement should (in return for commensurate UK budget and other contributions):
  - Allow UK programme influence and industrial level leadership roles
  - Clearly bound the application of security constraints to uniquely sensitive areas (and hopefully in a framework that reflects UK as trusted security partner)
  - Provide positive encouragement for UK industry

### Additional messages for UK stakeholders

- UKspace members urge UK government to continue to develop clear proposals with EU for ongoing participation in EU space programmes, based on strong industrial roles.
- This is particularly critical now for Copernicus where there is much at stake in upstream and downstream domains. Copernicus will be the major space based global environment monitoring system – up to now UK industry and academia is strongly positioned with influential and leadership roles to the benefit of EU and UK.
- A UK space sector deal and national space programme are essential to complement European engagement.
  - Global commercial markets are at a ‘tipping point’ in telecoms, EO and wider exploitation of space
  - UK has established thought leadership in key domains, but EU and global competitors are highly ambitious to make up ground
  - Space is an enabler for UK cross sectorial economic growth from health to smart cities to agriculture. Without a robust space sector it would be impossible for UK to realise the ambitions of many elements of its industrial strategy
- UKspace members are ready to support a domestic UK navigation programme and fully support urgent feasibility and development activities to establish a firm basis for the programme
- A substantial commitment to both European and National initiatives is essential to maintain growth objectives on track and maintain UK position in a dynamic and competitive global market

## **Top Lines for Draft Withdrawal Agreement/Future Framework**

- *[Recommend UKspace does not take a definitive position on ‘the deal’ – we consider it a step in the right direction – but further clarity on future space relationship is still needed].*
- *A no deal Brexit would have a significant impact for the UKspace industry, noting that there are many ‘live projects’ that will be operational post 29th March withdrawal date. Should there be a no deal scenario, UKspace ask for urgent clarification on what mitigation measures can be put in place for ongoing contracts and expected future participation. [Note that the prospective sector deal/national programme as currently conceived does not mitigate a no deal or equivalent scenario]*
- *The draft declaration does not make a firm commitment on UK participation in EU space programmes referencing space cooperation when it is in the “parties’ mutual interest”.*
- *We acknowledge UK government position that it will no longer seek access to secure elements of Galileo – this reinforces the need for urgent definition and full commitment of a robust UK GNSS programme*
- *We encourage a positive dialogue on Copernicus “in the parties’ mutual interest”.*
- *Clarity is needed on Govsatcom and SSA programme elements where UKspace members are able to positively support EU or UK centric approaches.*

## **Facts and Figures**

- Historically Galileo has sustained over 400 skilled jobs and revenues over £100M pa for UK space industry. (Representing an ‘over-return’ vs a proportional UK GNI contribution). UK companies have taken strategic roles in satellite payload, ground segment and security which have benefitted from, and supported growth of, wider UK space activities. Under ‘non-Brexit’ conditions UK industry would have expected to benefit from the ~25% budget increase proposed by the EC, targeting a proportionate increase in jobs and revenues based on heritage and competitiveness.
- To date Copernicus infrastructure development has been conducted through ESA – UK industry has secured a number of key roles sustaining on average over 100 jobs and £35M pa revenues. UK has also historically been successfully engaged in Copernicus Operations taking key roles in climate change and data management (~60-70 jobs, ~£20M pa revenues). This involvement in the creation of the data and in the generation of the operational service information enables UK industry to compete at a significant advantage on the global market. UK industry ambitions for the next MFF period are to sustain 600-1000 jobs and over €1Bn revenues, capitalising on EU growth ambitions and successful UK positioning for early phase studies.