

Minister Lloyd speech at Space-Comm Expo 2026

4.3.2026 - Liz Lloyd | Her Majesty's Revenue and Customs

Liz Lloyd, Minister for the Digital Economy, spoke at Space-Comm Expo 2026 on Wednesday 4 March 2026.

Good morning. It's a pleasure to be speaking with you today as the DSIT minister responsible for space.

Space has truly become indispensable in our daily lives. Timing signals underpin every financial transaction. Space data forecasts the weather. Positioning signals underpin the logistics backbone of the global economy.

Looking back a decade or 2, we were in a different world. Launch costs were 20 times what they are now, and only a select few countries were able to access space.

The model of big, state driven missions has been disrupted by innovation, spearheaded by private companies.

Since 2021, the number of active satellites has quadrupled. Mega-constellations have revolutionised how we operate, digitalising industries and connecting the world.

And as our reliance on space has grown, so too has it become central to our national security and defence, as Minister Pollard from MOD will set out later today.

In this competitive, more uncertain age, the UK must focus our activity on space – and I am laser-focused on using it to deliver growth and to strengthen our defence and national security.

The UK is starting from a good place.

We have strong transatlantic relations, the NATO alliance, a prominent role in the European Space Agency (ESA), and growing bilateral relationships with our priority partners across the world.

We are doing so much more with partners than we can do alone – on defence, on norms in space, on the global space economy.

We have some of the world's best universities, researchers and academics.

They keep the UK at the forefront of space science, generating new ideas and technologies that solve real challenges.

And our universities work hand in hand with industry – linking business and academia through deeper collaboration than we see elsewhere.

We have prime access to vital polar orbits and some of the most advanced manufacturing capabilities in the world.

We have pioneering businesses pushing the boundaries of robotics, small satellites and in-space manufacturing.

Our unique service-based economy, coupled with an internationally recognised regulatory regime and the might of the City of London, has helped create one of the most agile and commercially minded space sectors.

It's no surprise that over the last decade, our space sector has attracted more private investment than any country other than the USA.

Wide-ranging, open grant funding has made the UK one of the best places in the world to start a space business.

That's how we have built the thriving sector we have today, with over 1900 space organisations.

At least £2.2 billion of revenue and investment came into the space sector in 2024/2025 alone, enabled by UKSA funding.

And it's why revenues are far less concentrated in a handful of companies than they used to be. From just 3 companies responsible for over 80% of revenues in 2006, by 2022/2023, 12 companies now account for nearly 70% of revenue.

Despite this improvement, we must do more to support businesses to generate sustained revenue and become profitable. And when a business looks to scale up, too many have been looking abroad in the past.

The global space market has changed, and we are changing with it, building on the foundations laid over the last 15 years.

Government funding has grown steadily – last year we boosted the UK Space Agency (UKSA) budget by 8%, and that carries forward with over £2.8 billion over the next 4 years. But we must do more to coordinate government action and maximise our impact.

So, it's vital that we set out our vision for the UK in space.

The UK must become a **competitive, agile space power**. One that is:

- commercialised – generating revenue and profit that feeds economic growth;
- more specialised – with support targeted where it does the most good;
- more capable – of delivering the space power that we need for our national security and defence; and
- more agile and able to adapt to a changing world – setting a clear direction and vision, but able to flex and evolve as the world changes

This vision requires a more focused approach for government.

Our approach is:

1. **To prioritise** our funding on national security, defence and economic growth
2. **To unify** our approach as one government; and
3. **To focus** on helping businesses commercialise

Today, I will set out how the UK Space Agency (UKSA) will deploy its funding in service of our priorities and outline the steps the government is taking to unify our approach.

This is just the start. Later this year we will publish our plan for space – setting out steps the whole

of government is taking over the coming years to deliver these priorities.

Today, across government, we fund activity in 7 subsectors of the space economy:

- Satellite Communications
- In Orbit Servicing, Assembly and Manufacturing (ISAM)
- Launch and Space Transportation
- Space Domain Awareness (SDA)
- Earth Observation (EO) and Data Architecture
- Position, Navigation, and Timing (PNT) and
- Space Science and Exploration

It's right that we continue to support activity in each of these areas. And in some of them, such as PNT, our funding will be helped by important work going on beyond purely space activity.

But it's no longer sustainable to equally prioritise all areas of potential spend.

With those 7, I can announce that, across government, we will go further and faster in:

- Satellite Communications
- Assured Access to Space
- In Orbit Servicing, Assembly and Manufacturing (ISAM) and
- Space Domain Awareness (SDA)

These priority subsectors have clear economic, civil and defence potential. They all come with mounting challenges that require government to intervene assertively if we are to succeed.

But above all, these 4 areas are fundamental to our ability to operate in space, and it's vital that we actively focus our support on them.

I began our pivot towards these priorities at the European Space Agency Council of Ministers in November last year, where I committed the UK to over £1.7 billion, supporting fantastic activities.

Today, I can go further.

I am announcing a package of over £500 million, as part of the overarching £2.8 billion we are funding from now to 2030.

We already have cutting edge capabilities in Satellite Communications – I now want to position UK companies to capture a greater share of the global Satellite Communications market, projected to be worth billions in the coming decade.

I will supplement our ESA funding for Satellite Communications with a further £80 million for UKSA to deliver the Connectivity in Low Earth Orbit (LEO) programme.

The second funding call under this programme, worth £30 million to UK businesses, is going live today.

Combined with our ESA investment, this brings the UK Space Agency's (UKSA) total funding of Satellite Communications to over £600 million over the coming years.

In-Orbit Servicing, Assembly, and Manufacturing (ISAM) is an emerging market, but one with strong potential to build global resilience in space, strengthen our national security, and deliver whole new

markets.

It's an area where the UK has a competitive edge, and I want us to capitalise on it. Therefore, in addition to completing the national Active Debris Removal (ADR) mission to safely de-orbit 2 UK-licensed satellites, I am announcing a further £40 million to develop our civil capabilities in ISAM.

This brings funding for ISAM to over £105 million.

Space Domain Awareness (SDA) is key to understanding and managing an increasingly congested space environment.

On top of our £149 million commitment made through ESA to deliver the VIGIL severe space weather capability, I can announce £85 million to further develop the National Space Operations Centre (NSpOC), including £40 million to build a network of ground-based sensors.

These capabilities support UK businesses to operate satellites safely and effectively, with hazard alerts provided to UK-licensed operators, government, and international partners.

At the ESA Council of Ministers, I committed a record £162 million funding for launch programmes, primarily for the European Launcher Challenge (ELC).

We are disappointed that Orbex has gone into administration and will provide what support we can to help them manage this process, but that does not end our ambitions for launch.

In pursuit of our ambition of assured access to space, our next steps will focus on accelerating launch from Scotland, and we work with industry and international partners to ensure the UK has assured launch options.

I want to make funding available for the capabilities, skills and infrastructure that enable the launch sector to thrive, and so I can announce £20 million to accelerate spaceport infrastructure development in Scotland.

These investments will bolster the UK's strengths in our priority subsectors – but to maintain capability, we must also strengthen our broader space ecosystem.

I am pleased to announce a package of investments in some of our most effective programmes – £65 million for our National Space Innovation Programme (NSIP), £40 million to our Unlocking Space Programme, £37 million to develop our network of space clusters, and £91 million for our Space Science Programme.

We will focus our investments on the technologies required to build the capabilities we need, on scaling up our most promising businesses, and on delivering rapid and sustained growth.

We will back our highest-potential companies not only with innovation funding, but with the practical tools for success: access to finance, the right skills at the right time, and world-leading standards and regulation.

And where it makes sense, we'll use government's buying power to help British space firms scale faster – driving growth, boosting revenues, and strengthening our national security and defence.

This is how we will turn good programmes into strategic outcomes — using every pound to build the capabilities, technologies and companies the UK needs to maximise our impact on the global stage.

These funding announcements are just one piece of a much larger picture of government investment and activity.

The renewed approach I have set out is not just that of the UK Space Agency (UKSA). It is the approach we are taking across the whole of government.

Government support for space must be more streamlined, and I am championing a new approach to achieve just that. The first step is the merger of the UK Space Agency (UKSA) into DSIT. Bringing that expertise back in-house, closer to central government, will provide the bedrock for a strong space centre of government.

Going forwards, we'll have new governance structures that will harmonise government decision making on space, right from the Cabinet to the working level.

I'm pleased to be chairing a Space Ministerial Forum with Luke Pollard in the Ministry of Defence, to take decisions on space jointly to target common priorities.

This One Government approach will put the whole of government's weight behind the sector.

Businesses will be able to access streamlined government support right across the innovation chain, from frontier research, through de-risking, to commercialisation and export.

As I've set out today, the UK is entering a new era in space. One defined not by fragmentation but by focus. Not by good intentions but by capability. And not by isolated effort but by a united, One Government approach.

We are backing the areas where the UK can thrive.

We are investing in the technologies and companies that will shape our security and prosperity.

And we are reforming the way government works — so that our ambition is matched by our delivery.

Thank you.

<https://www.gov.uk/government/speeches/minister-lloyd-speech-at-space-comm-expo-2026>