

IAF BUSINESS INNOVATION SYMPOSIUM (E6)  
Finance and Investment: The Practitioners' Perspectives (2)

Author: Mr. Jacob Hacker  
KPMG, Australia

Mr. James Digges  
Australia

Dr. John Nixon  
KPMG, Australia

INVESTMENT IN THE AUSTRALIAN SPACE SECTOR

**Abstract**

The Australian Space Agency was established in July 2018 with 'seed funding' to develop a commercially focused agency, drawing similarities with the United Kingdom model. The space economy in Australia is growing at 10% (in line with global space sector growth), however triple Australian GDP growth. This will enable the Agency to achieve one of its goals of tripling the current \$400m Australian space economy by 2030. While the ASA's funding over four years is only \$41million, there is substantial Australian spend in the space sector, including \$260m in civil space capability development, and up to \$12bn in defence space spend in the coming two decades.

Since the Agency was created, the sector has attracted significant investment through government grants and private investments which has enabled increased start-up activity as well as keen interest from outside the space sector (including mining, agriculture and defence). Barriers, however still exist in provisioning Australian technology in the global supply chain, including precedence to buy from well-established Northern Hemisphere companies as opposed to procuring technology and services locally.

The goal of this paper is to evaluate the current investment landscape in Australia and address the challenges which still exist in sustainably growing the space economy. Key questions that will be answered in this paper include:

1. How has investment activity developed since the creation of the ASA?
2. How have traditionally non-space sector companies been engaged and how have they invested?
3. What opportunities are there for Australia to locally source technology and services?
4. What barriers remain to local and international investment?

This research is based on KPMG thought leadership and developed through interviews and surveys with Australian companies and investors.