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Finance and Investment: The Practitioners' Perspectives (2)

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SPACE VENTURE EUROPE: ENTREPRENEURSHIP AND INVESTMENT IN THE EUROPEAN
SPACE SECTOR

Abstract

The global landscape of space activities is currently undergoing profound changes. Whereas the vast majority of space activities is still led by governments, with private industries acting as suppliers for public programmes and relying massively on public funding, a disruptive and commercially driven ecosystem has emerged over the last decade marked by ambitious private endeavours featuring innovative schemes and business models. The underlying dynamic of this new ecosystem, usually referred to as NewSpace, features a wide range of interrelated trends leading the space sector towards a more business and service-oriented step.

In order to facilitate the emergence of an entrepreneurial ecosystem, open up new sources of financing, and create new business opportunities for the benefit of both public and private European stakeholders, it is essential that the different actors involve share a common understanding of the state of affairs based on tangible indicators. Although this issue has been thoroughly investigated in the United States, assessments from a European perspective have so far been limited.

ESPI Space Venture Europe provides a complete overview of entrepreneurship and private investment trends in the European space sector. It is based on a proprietary private investment database and a survey undertaken with European space start-ups as well interviews with space investors. This combination offers unique insights into this sectorial dynamic.

In more tangible terms the study highlights that over the period 2014-2021, 370 private investment deals involving European space start-ups were recorded, amounting to a total of 1.901 million. In 2021, private investments in European space start-ups reached a new high of 611.5 million spread over a record 86 deals. While previous years had been marked by a plateauing of investments at around 200 million per year, 2020 marked a breakthrough year with 535 million invested in European space start-ups. In this regard, 2021 is in continuity with the considerable volume increase invested year-on-year.

This report will answer key questions such as:

- The new role of public agencies in European NewSpace
- Key metrics and investment trends (volume, type and investor specificities)
- Investor perspectives on the differences between the U.S and EU markets as well as what makes a space start-up successful
- Start-up perspectives on the European space entrepreneurship sector as well as their needs