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ATTRACTING HUMAN AND FINANCIAL CAPITAL TO SPACE MARKETS: LEVERAGING
DEVELOPMENTS IN ACCOUNTING SECTORS AND FINANCIAL REPORTING

Abstract

Space and space-enabled technologies hold significant potential in addressing global climate challenges and ensuring worldwide water and food security. This industry, characterised by technical and commercial complexities, requires substantial human and financial capital to fully realize its capabilities. However, prevailing global economic conditions, such as cost-of-living considerations and a growing inclination towards trade protectionism aimed at securing national supply chains, pose a threat to this potential by diminishing government and commercial investments in space infrastructure and support necessary to attract required resources. To navigate these challenges, leaders in the space sector must recognise the economic and geopolitical factors at play while demonstrating foresight, creativity, and courage in adopting future financial metrics and standards for present commercial decisions. Although ambitious, achieving this task is feasible, as the emerging changes in financial reporting standards can be viewed as a refinement of core economic principles based on quantified and well-understood commercial data, providing much opportunity for emerging industries to validate longer-term investments at a time when budgets and policy may be focused on short-term results. As a case study, this perspective will be applied to Australia's emerging space sector. Despite limitations in space legacy and infrastructure, as well as funding compared to larger space-faring nations, leveraging advancements in non-space fields of accounting and finance could significantly contribute to the industry's growth, and ultimately its contribution to Net Zero climate targets.