



Department for
Business, Energy
& Industrial Strategy

Rt Hon Kwasi Kwarteng MP
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Darren Jones MP
Chair of the Business, Energy and Industrial Strategy
Committee
House of Commons
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29 July 2022

Dear Darren,

You will be aware that on Tuesday OneWeb and French satellite company Eutelsat announced plans to merge. Following completion next year, this deal would create a combined business that is a global player in connectivity. It would preserve OneWeb's potential to provide the UK with strategic advantage in Low Earth Orbit, including internet connections across the world. OneWeb's headquarters would stay in the UK and the deal would combine Eutelsat's stable cash flow, market access and skills, with OneWeb's high growth potential.

The new company would see OneWeb become a subsidiary of Eutelsat with HMG holding a 11% stake in the latter and reserving the right to appoint a Board member each to Eutelsat and OneWeb. OneWeb and Eutelsat shareholders would have a 50:50 share split, and HMG would retain its OneWeb special share rights. Among these is a range of national security rights, including protections over the use of OneWeb's network, and on a commercial basis, first preference rights over domestic industrial and launch opportunities. Eutelsat's Paris listing would also be supplemented with a standard London Stock Exchange listing.

This deal will also require an assessment under the NSI legislation, which considers all national security risks. As you appreciate, the legislation obliges HMG to avoid making statements that are prejudicial to this process.

International regulatory processes indicate that this deal will take around nine months to complete. The French government, who would hold a 10% stake in the combined company, will perform their own regulatory reviews.

I am copying this letter to the Interim Co-Chair of the Science and Technology Committee (Commons) and Chair of the Science and Technology Committee (Lords).

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Kwasi Kwarteng', is centered on the page. The signature is fluid and cursive, with a distinct flourish at the end of the last name.

RT HON KWASI KWARTENG MP
Secretary of State for Business, Energy & Industrial Strategy