



Dr Paul Bate
Chief Executive
UK Space Agency
1st Floor, Quad Two
Rutherford Avenue
Didcot
OX11 0DF

Chi Onwurah MP
Science, Innovation and Technology Committee
House of Commons
Palace of Westminster
SW1A 0AA

19 March 2025

Dear Chair,

UK's Geographical-Return: Delivering Growth and Opportunities through ESA

For years, the UK's geographical return (geo-return) from the European Space Agency (ESA) has consistently fallen short of our investment, resulting in a substantial deficit of €175 million in 2022 that hindered the full potential of our space sector. Determined to change this trajectory, we set an ambitious goal at the ESA Council of Ministers in 2022 to significantly improve our geo-return performance by the end of 2024. Today, I am pleased to announce that we have achieved this goal, reinforcing our commitment to driving growth, unlocking opportunities, and strengthening the competitiveness of the UK space industry.

Between 2022 and 2024, the UK Space Agency has worked with teams across industry and academia and increased the UK's geo-return coefficient from 0.93 to 0.99, securing an additional €134 million in contracts for UK industry. In Quarter 4 2024 alone, these efforts achieved a record-breaking €96 million in contracts - the highest single-quarter return ever recorded by any ESA Member State under the current system.

This success is not just about numbers - it represents an increasingly thriving and competitive UK space industry, strengthened by increased investment, new opportunities, and greater access to ESA contracts. The improved geo-return enhances the ability of UK businesses and academia to secure funding, develop innovative technologies, and expand their global reach. This means not only more contracts awarded to UK organisations but also a more resilient and self-sustaining industrial base, capable of delivering world-leading space capabilities.

Since 2022, our efforts together have supported over 3,800 full-time jobs across the space sector: a highly skilled workforce that can drive future advancements. We have also delivered critical training across all 12 UK regions, equipping industry and academia with the capabilities to engage successfully with ESA.

By fostering stronger collaboration between government, industry, and academia, we are together reinforcing the UK's role as a leading spacefaring nation. Building on this success, the UK Space Agency will continue working to deliver long term, sustainable geo-return to ensure our ESA investments are fully aligned with UK goals and deliver tangible benefits for our economy.

OFFICIAL

Yours sincerely,

A handwritten signature in black ink, reading "Paul S Bate". The signature is written in a cursive style with a large, stylized 'P' and 'B'.

Dr Paul Bate
Chief Executive
UK Space Agency