

Written evidence submitted by ATHENA (INR0070)

Athena is pleased to submit this submission to the Foreign Affairs Select Committee on The FCO and the Integrated Review.

This submission focuses on the role of the space sector and space capability in UK foreign policy and the Global Britain approach of the current Government.

Accordingly, we have focused this submission on the following areas of the Call to Evidence:

- The priorities for UK foreign-policy strategy;
- The relationship of the FCO with other UK Government departments in foreign-policy strategy;
- UK allies, and how they shape or contribute to the FCO's strategy; and,
- Resource priorities, and areas that the FCO has deprioritised.

1. About Athena

Athena is the UK's new national team in space, formed by Serco, Inmarsat, CGI UK and Lockheed Martin UK. The four companies are world leaders in providing technology and services across defence, space, communications and information technology to governments, businesses and other organisations.

Athena has been formed to seize development opportunities that new space technologies will offer, driving economic growth for the UK and diversification across the British space sector as Athena succeeds.

The combined capabilities and technologies available to Athena will enhance the country's ability to deliver the UK's 'Prosperity and Security in Space' strategy, which aims to increase the value of space to wider industrial activities to £500 billion, generate an extra £5 billion in UK exports and attract £3 billion of additional inward investment.

Athena will work on several opportunities that leverage space-based technologies, their ground-based systems and end-to-end services as they arise, both in the UK and internationally in the export market.

The UK has significant potential for strong growth in the space sector, as it develops in importance worldwide to facilitate new technologies, such as driverless transport, enhanced navigation, secure communications for defence and for industry via the Internet of Things (IoT) and, more broadly, as part of 5G and other hybrid networks.

While continuing to operate as separate companies, Athena will see Serco, Inmarsat, CGI UK and Lockheed Martin UK – already major employers in the UK – develop shared capabilities to meet future demand for space-enabled solutions for business and government customers. This

will also aim to boost the UK economy, in partnership with the UK Government's growing focus on the space sector and its priorities around 'levelling up' economic benefits across the country.

Unleashing untapped potential in the UK space sector through future export business will deliver further growth and job creation at the four companies' sites across the country, as well as enhanced skills in the UK workforce.

2. Importance of space as a foreign policy consideration

This submission focuses on the critical role of the UK space sector in UK foreign policy, including our security, global influence, resilience and exports. We believe it is critical that space is considered fully in the Integrated Review (IR) and that the FCO plays a leading role in driving this focus.

a. Competitive advantage and optimising alliances

The sector currently has world-class specific space capability, but it faces intense competition from international competitors with strong domestic space programmes. Unless the UK makes a full strategic assessment of space within the context of the IR and subsequently invests in prioritised strategic capabilities, the UK risks being left behind by competitor nations, and it will miss the opportunity to develop unique strategic capabilities which complement those of its Five Eyes partners, particularly the US, and wider NATO partners.

Space is a strategic domain for all major, regional and aspirant powers. Major space nations such as the US, India, China, Russia, France and Japan are all intensifying their focus on space, identifying it as being critical to their national security and strategic autonomy; for example, France's 2019 Defence Strategy was shaped by the strategic imperative that '*space is now a new front that we have to defend*', that '*strategic competition is hotting up*', and that it '*affects commercial, industrial and geostrategic interests*'. All credible space nations currently invest more in their capability than the UK but the IR represents an opportunity to address this.

The UK has committed to a National Space Strategy and a National Space Council to focus its strategic activity in space. It is important that foreign policy benefits, and the role of the FCO, MOD and Cabinet Office, as well as BEIS, are considered at the heart of such activity from a Whitehall structural perspective. The UK's allies are increasingly concerned about the resilience of their space-based capabilities. The UK could increase its international influence by delivering critical parts of joint, layered architectures with the US and Five Eyes partners, as these architectures give greater resilience and performance.

b. UK resilience and critical national infrastructure

Space underpins the UK's economic and security resilience. It is one of thirteen sectors classified as UK Critical National Infrastructure (CNI). Space technologies underpin over £300bn

p.a. in UK economic activity. It is the means by which the nation can access remote sensing data, critical positioning, navigation and timing signals, and universal communications on which modern society relies. The Government commissioned Blakett Review highlighted a £1bn per day loss to UK productivity if the UK was to lose access to GPS signals.

c. Soft power and international development

Space is important for the UK's soft power. The UK's £150m ODA-funded International Partnership Programme (IPP) has funded projects in over 40 countries, with direct social, economic, environmental and humanitarian impacts on 10 UN SDGs. Space science is a global endeavour and UK institutions are cooperating with their peers in countries across the globe.

d. Exports and Global Britain

Space is also highly export focused. Two third of UK space revenues (when excluding Direct to Home television) are generated through exports. Strategic initiatives can also attract very high value Foreign Direct Investment (FDI); for example, Space Park Leicester, recently designated a DIT High Potential Opportunity.

e. Competitiveness through regulatory strategy

A proper orbital strategy affords the UK substantial influence internationally and should be a priority for the UK. Slots of national interest require protection in order to secure the ability of the UK to act from the space domain and to protect its ability to act autonomously and with partners. An orbital slot strategy is, by definition, international – coordination arrangements, sometimes via Treaty are a regular feature of the space access regime. From an organizational perspective this creates an important delivery role for regulatory bodies, including the UKSA and Ofcom, in the execution of the UK's national space strategy. Their mandate should reflect this important role.

3. Foreign policy considerations

Given the importance of space to the FCO's objectives, we would encourage the Foreign Affairs Committee (FAC) to look more deeply into this matter and request that space, as a topic within the IR, is afforded significant weight and that space-related foreign policy aspects are factored in properly.

Specific foreign policy aspects include:

- Space governance: how can the UK take a lead internationally, including through the multilateral system, on the sustainable use of space, including launch, space traffic management, de-orbiting and debris reduction?

- International and supranational regulation: how can the UK most effectively secure and leverage regulated spectrum and orbit resources, including the development of national Global Navigation Satellite System (GNSS) and other programmes?
- Strategic autonomy and resilience: what is the right balance between promoting open markets in space products and services, with increasing UK resilience in areas of strategic priority by developing end-to-end capability? How should the UK build space resilience to reduce current exposure to changing international partners and alliances?
- Defence and national security: which aspects of space are critical to the UK's security and defence and where does the UK need sovereign capability - e.g. Space Domain Awareness, Communications, UK GNSS or Earth Observation? What can we learn from others with more experience – e.g. France and the US?
- Partnering and alliances: with which Five Eyes and other international partners should the UK partner on space? What role should the European Space Agency (ESA) play? Beyond the Five Eyes, NATO and EU, which other international partners should be prioritised, e.g. Japan or India? Where should the UK develop unique sovereign capability to increase its influence with these partners (with a focus on the US), and achieve its wider foreign policy ambitions?
- Exports and FDI: Exports – most revenue in space comes from data and services which are highly exportable. There is need for a regulatory environment that is business focussed and which will attract FDI. How can the space sector best be supported, and best support, increased prosperity through exports and FDI? How can space foreign policy best support domestic high skilled jobs, innovation and research and development capabilities?
- Whitehall architecture: given space touches on so many aspects of foreign, defence, development and domestic policy, how should the Whitehall architecture deliver this agenda, not least through FCO's role in the National Space Council and its utilisation of space capability in its operations?

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