EUROPEAN SPACE AGENCY

REPORT ON THE SPACE ECONOMY 2026

ELEVATING THE FUTURE OF EUROPE

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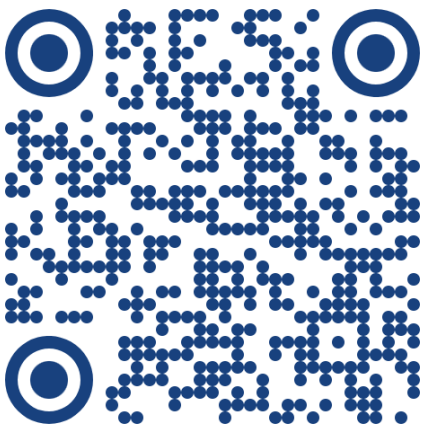

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1. Introduction

As published by the Organisation for Economic Co-operation and Development (OECD), the space economy is the full range of activities and the use of resources that create value and benefits to human beings in the course of exploring, researching, understanding, managing, and utilising space[1]. The definition, applied by the European Space Agency (ESA), and developed through the work of the OECD Space Forum, includes the value of the space sector itself, comprising space upstream and downstream companies, as well as the value of impacts that space activities have on the economy, society and environment.

The scope of the ESA Report on the Space Economy is on the space sector's economic value. It provides an annual update on the status and trends of the space industry, globally and for Europe specifically. The document is structured in two main chapters.

Chapter 2 highlights selected trends at the macroeconomic level in 2025, providing an overview of the economic landscape in which the space sector operates and of core indicators which directly affect the industry.

Chapter 3 presents key trends and figures of the space sector in 2025, covering public and private investment in space, space activity in terms of launches, mass launched, satellites launched, and the space industry's revenues both upstream and downstream.

The document is based on a selected and carefully reviewed set of data to describe the status and main trends affecting the global and European space industries. It builds on the continuous assessment of multiple data sources, notably by:

- Ensuring an in-depth understanding of the methodology used by the data producing entities.
- Identifying any changes of scope or approach to dissociate statistical growth from organic growth.
- Outlining clear definitions to avoid misleading comparison across different datasets, particularly when measuring Europe's competitiveness.
- Conducting sanity checks across different sources to validate orders of magnitude.

[1] Organisation for Economic Co-operation and Development (OECD), Handbook on Measuring the Space Economy, 1st Edition, 2012.

Since 2022, the entire dataset is originating from European entities. The work builds on strategic partnerships with the OECD, but also Eurostat and has allowed significant improvement in key data and better alignment of various sources on core indicators.

2. Macroeconomic Context in 2025

The chapter outlines selected macroeconomic trends across three key indicators: Gross Domestic Product (GDP), inflation, and trade. It provides insights into the 2025 economic landscape in which the space industry evolved, as well as the latest forecasts for 2026 and 2027[2].

2.1. Global Trends

2025 was marked by a remarkable stability in global GDP growth, demonstrating the resilience and adaptability of the global economy to numerous external shocks. As shown in Figure 1 below, worldwide GDP growth was stable at 3.4% in both 2024 and 2025, supported by strong technology-related investment (particularly in artificial intelligence, and most notably in the US)[3]. Gradually easing financial conditions were favourable to the economic resilience, as lower borrowing costs stimulated business investment and household spending. Recovery in interest rate-sensitive sectors, such as real estate and capital expenditure[4], further reinforced economic growth. Yet, there were strong variations across countries, with stable growth in China (+5.0% in both 2024 and 2025), slight improvement in the euro area (+1.4% in 2025 compared to +0.9% in 2024), and deceleration in the United States (+2.1% in 2025 compared to +2.8% in 2024) and Russia (+1.0% in 2025 compared to +4.9% in 2024). The outbreak of war in the Middle East marked another disruption to the recent resilience. As of April 2026, global growth is projected at 3.1% in 2026 and 3.2% in 2027, but with forecasts continuously revised due to the unpredictable nature of the conflict[3].

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[2] Forecasts from the IMF World Economic Outlook Update published in April 2026 are built on the assumption that the war in the Middle East will have limited duration, intensity, and scope, such that the disruptions will fade by mid-2026. Given the fluidity of the situation and difficulty of underpinning in real time a consistent set of assumptions, the IMF outlines scenarios in which the conflict lasts longer or expands, stating that the likelihood of these scenarios materializing rises progressively as hostilities and associated disruptions continue.

[3] International Monetary Fund (IMF), World Economic Outlook, April 2026.

[4] Capital expenditure (capex) is one of the most interest-rate-sensitive parts of the economy because it usually requires large upfront investments financed partly with debt.

Global inflation continued its decline, with headline inflation decreasing from 5.8% in 2024 to 4.1% in 2025 and projections to rise to 4.4% in 2026 and fall back to 3.7% in 2027[3]. Like GDP, inflation varied greatly between countries, reflecting market volatility and strong geopolitical developments. In a few major economies, like Japan, the United States (US), and the United Kingdom, inflation remained above central bank targets. In the euro area, inflation returned to target (2.1% in 2025). The situation in China continued to contrast sharply with the rest of the world, with persistent near-zero inflation and deflationary pressure caused by weak household demand (and high savings) and industrial overcapacity.

Global trade volumes[5] remained unexpectedly robust in 2025, increasing by 5.1% (+3.7% in 2024) despite a context of high volatility affecting global supply chains and trading relations[3]. A sharp rise happened in the first quarter of the year, caused by a front-loading[6] behaviour of firms rushing to beat anticipated US tariff increases. This generated unusually strong imports (especially into the US) and a peak in exports from Europe and Asia. Trade in AI-related goods was strong throughout the year, increasing by 22% from 2024 to 2025 and accounting for almost half of global merchandise trade growth[7]. This trend particularly benefited Asian economies, as main exporters of semiconductors, servers, and data centre equipment. As of April 2026, global trade volumes are projected to grow at a moderated pace of 2.8% in 2026 and 3.8% in 2027[3].

	2024	2025	2026 *(projection)*	2027 *(projection)*
GDP year-on-year evolution	+3.4%	+3.4%	+3.1%	+3.2%
Inflation rate	+5.8%	+4.1%	+4.4%	+3.7%
Trade year-on-year evolution	+3.7%	+5.1%	+2.8%	+3.8%

Figure 1 Core macroeconomic indicators at global level[3]

[5] Average of exports and imports.

[6] Advance purchasing and shipment of goods ahead of expected policy changes resulting in temporarily elevated import volumes.

[7] World Trade Organization (WTO), Global Trade Outlook and Statistics, March 2026.

2.2. Key Trends in Europe

In 2025, GDP in the euro area increased by 1.4% (compared to 3.4% globally)[3]. The energy crisis triggered by Russia's invasion of Ukraine continued to have persistent effects, particularly on manufacturing industries. The real euro appreciation relative to currencies of countries exporting similar products has also been bringing additional pressure. The Chinese renminbi continued to weaken against the euro in 2025, a depreciation trend that started in 2022. This has been weakening the competitiveness of euro area exporters, both in China and in third markets where they compete directly with Chinese exporters[8]. The US dollar also continued a slight depreciation against the euro in 2025 (although more moderated than the renminbi). The main driver behind Europe's relatively weak growth was private consumption, supported by declining inflation. As shown in Figure 2, GDP improved in all European countries in 2025[9]. Spain continued to record strong GDP growth of 2.8% in 2025, supported by resilient domestic demand and services activity. Germany showed a modest recovery, with GDP increasing by 0.2% in 2025 following the 0.5% contraction in 2024, reflecting remaining weakness in industrial production and external demand. Italy and France remained in a low-growth environment, with GDP growing by 0.5% and 0.8% respectively in 2025, constrained by persistent structural rigidities and subdued investment dynamics. As of April 2026, projections for the euro area indicate GDP growth of 1.1% in 2026 and 1.2% in 2027[3].

As shown in Figure 3, inflation in the euro area averaged 2.1% in 2025, masking significant cross-country heterogeneity[3]. While some economies recorded relatively low inflation rates, such as France (0.9%) and Italy (1.6%), others experienced much higher levels, with Romania (7.3%) and Estonia (4.8%) at the upper end. This divergence reflects differences in energy exposure, wage dynamics, and domestic demand conditions[10]. As of April 2026, projections of headline inflation in the euro area are 2.6% in 2026, before easing to 2.2% in 2027[3].

[8] European Central Bank (ECB), Exchange rates, accessed on 21 May 2026.

[9] Eurostat, Gross domestic product (GDP) and main components, updated 9 April 2026.

[10] European Central Bank (ECB), ECB staff macroeconomic projections for the euro area, March 2026.

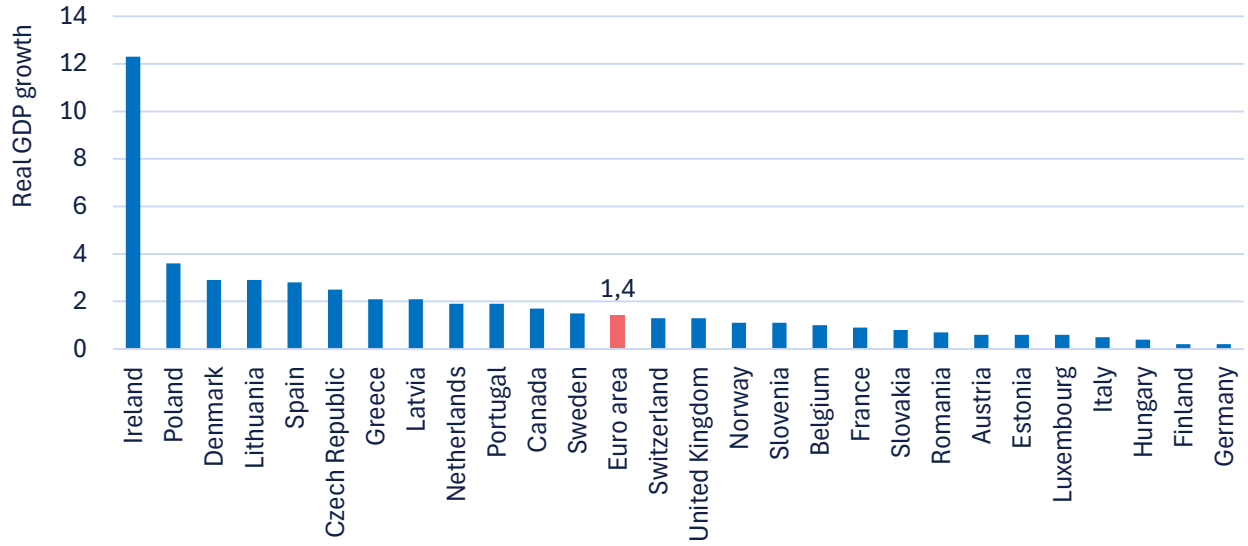

Figure 2 Growth rate of GDP, 2025[3]

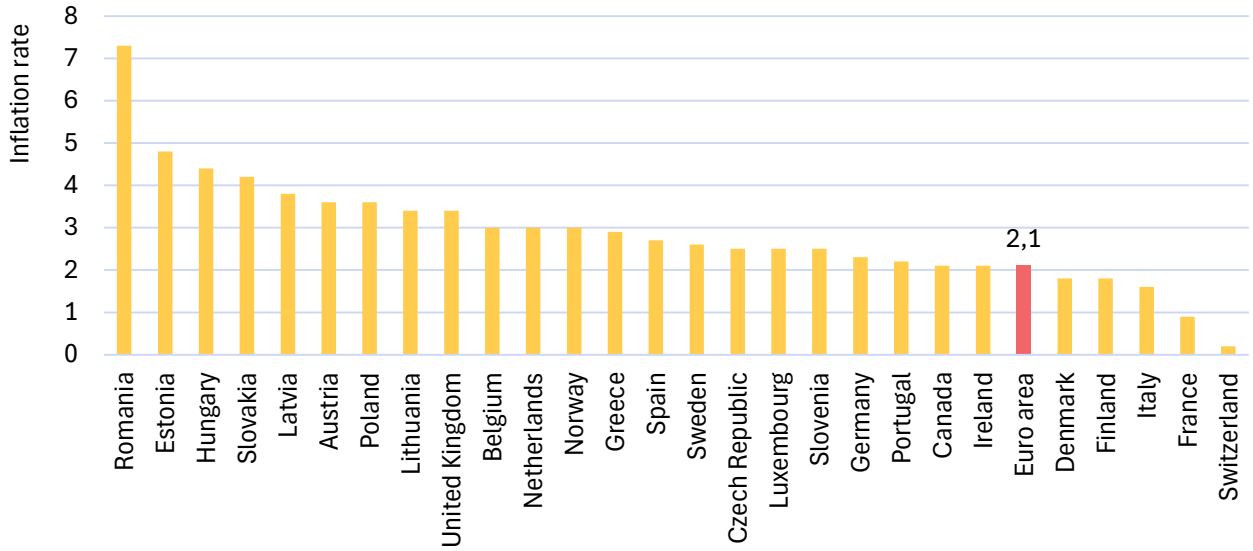

Figure 3 Inflation rate, 2025[3]

In 2025, the EU trade in goods balance registered a surplus of €130 billion, representing a decrease of €10 billion compared with 2024. Extra-EU exports rose by 2.0%, while imports grew at a slightly faster pace of 2.4%, indicating slightly import-driven growth in trade volumes[11]. As in 2024, surpluses in machinery, vehicles, and chemicals continued to offset the deficit caused by energy prices. At country level, Germany led extra-EU trade in 2025, accounting for 26% of EU exports to non-EU countries. Italy, France, and the Netherlands also displayed double-digit export shares in 2025 (11.8%, 10.6% and 10.3% respectively).

[11] Eurostat, International trade in goods, updated in March 2026.

2.3. Focus on Defence

2025 marked an 11th year of consecutive rises in global military expenditure, reaching $2.9 trillion and bringing a share of global GDP to 2.5%, the highest level since 2009[12]. The US marked a temporary low, with military spending declining by 7.5% in 2025 ($954 billion), a drop driven by the fact that no financial military assistance for Ukraine was approved during the year. Yet, spending in 2026 and 2027 is expected to substantially increase, with US Congress already approving $1 trillion for 2026 and the 2027 latest budget proposal reaching $1.5 trillion. China and Russia, as second and third largest military spenders in the world after the US, both increased their spending in 2025, by 7.4% and 5.9% respectively.

According to SIPRI[12], Europe was the main contributor to the global increase in 2025. In particular, the 29 European NATO members led the sharpest annual growth in military spending in Central and Western Europe since the cold war ended. Germany ranked first within the group, with a spending increase of 24% from 2024, reaching 2.3% of GDP in 2025. Together, NATO Allies had defence spending of $1.4 trillion in 2025, up from $1.3 trillion in 2024[13]. While meeting the guideline of spending 2% of GDP on defence as agreed at the Wales Summit, the military burden[14] remains far from the 5% by 2035 target set at the NATO Summit in June 2025 in The Hague.

Beyond the stabilising influence of improved security, positive economic effects from increased military spending might come under certain conditions. The increase of defence expenditures is being largely financed through public debt, adding to a fiscal outlook already under pressure, notably in Europe where governments are grappling with elevated public debt inherited from successive crises. While defence buildups can boost economic activity in the short term, notably by lifting investment in defence-related sectors, they can also increase inflation and create medium-term fiscal challenges.

Based on a historical analysis of defence spending booms across 164 countries since 1946, the International Monetary Fund (IMF) found that fiscal deficits worsen by about 2.6 percentage points of GDP, public debt increases by about 7 percentage points within three

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[12] Stockholm International Peace Research Institute (SIPRI), Global military spending rise continues as European and Asian expenditures surge, April 2026.

[13] North Atlantic Treaty Organization (NATO), The Secretary General's Annual Report, March 2026.

[14] Military expenditure as a share of GDP.

years, and external balances deteriorate[15]. This fiscal deterioration in turn affects the broader economy: higher deficits push up interest rates and crowd out private investment. Growth potential is found stronger in countries with spare capacity and a domestic defence industry; elsewhere, gains are likely offset by higher imports and weaker private-sector activity.

As lasting economic benefits from rearmament are far from guaranteed, the Organisation for Economic Co-operation and Development (OECD) warns governments on the importance of improving their procurement practices and pursuing targeted structural reforms. In particular, the OECD identifies two key conditions for turning defence spending into durable growth.

- First, procurement efficiency: effective procurement (streamlining acquisitions and moving away from rigid contracting) will be essential to encourage innovation while containing costs.

- Second, and particularly relevant for Europe, cross-border cooperation: greater coordination between countries, backed by harmonised standards, can unlock economies of scale, expand markets for highly productive firms, and increase the likelihood that higher defence spending delivers lasting gains in growth[16].

[15] International Monetary Fund (IMF), Defence spending: macroeconomic consequences and trade-off, April 2026.

[16] Organisation for Economic Co-operation and Development (OECD), Fiscal and macroeconomic impacts of defence spending, March 2026.

3. The Space Economy in 2025

3.1. Overview

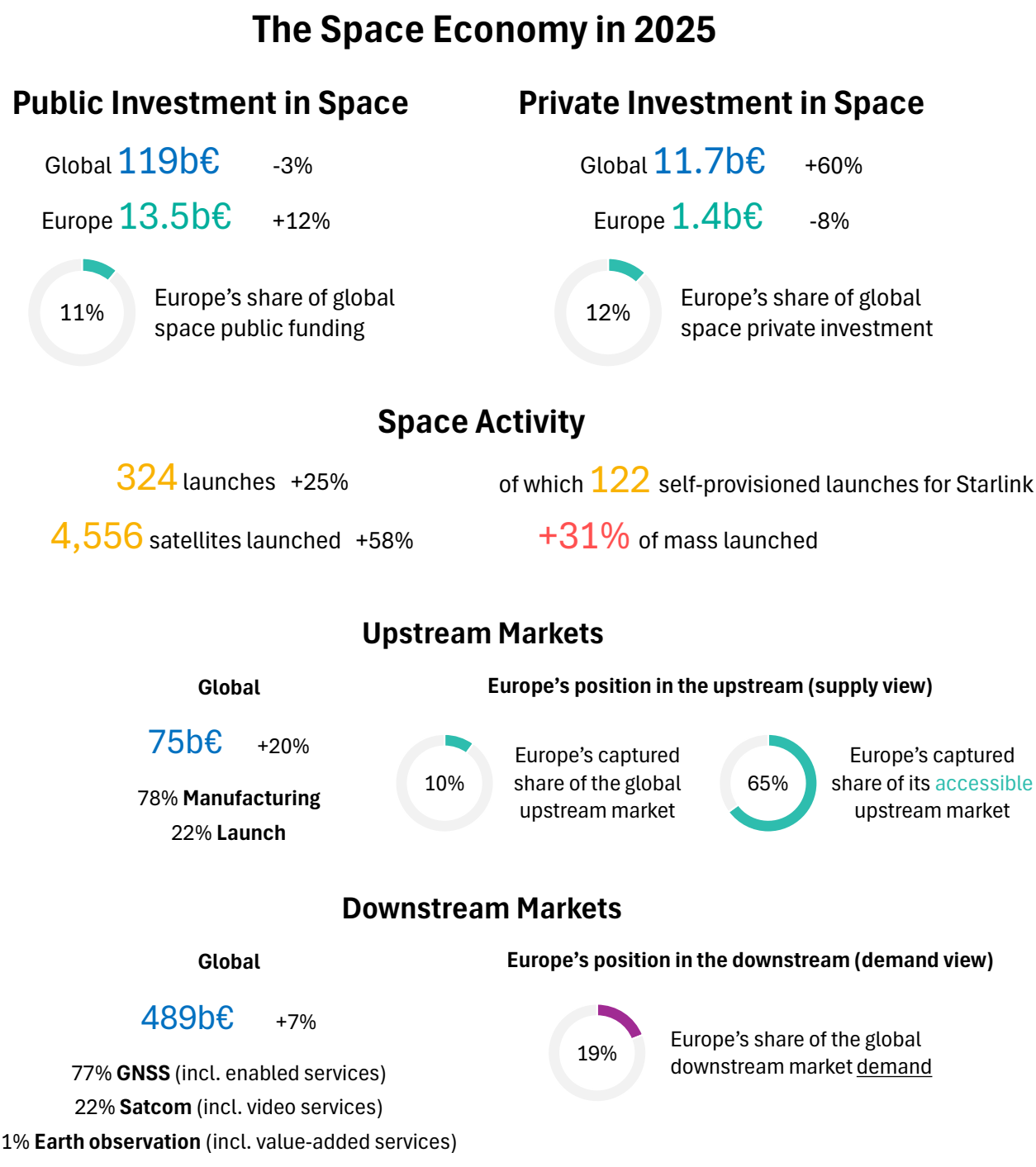

Figure 4 Space Economy in 2025 (all growth rates compared to 2024)[17]

[17] This figure relies on analysis of data made available by Novaspace, Eurospace, the European Space Policy Institute (ESPI) and EUSPA.

3.2. Public Investment in Space[18]

Global space budgets (civil and defence) reached €119 billion in 2025 (Figure 5), posting a slight decrease of 3% compared with 2024, and marking the end of the double-digit annual growth rate posted in the past decade. The drop was primarily due to a small decrease in the budget for defence in the US and overall flat funding level of NASA. Yet, the trend in 2025 is expected to mark a temporary low. A sharp rise in defence spending is expected to start from 2026, primarily due to the US Golden Dome for which approximately $24 billion have already been approved[19], even if the total cost remains uncertain (ranging from hundreds of billions to more than one trillion dollars)[20]. The share of space budgets allocated to defence continued to exceed civil space spending in 2025, accounting for 53% (Figure 6). Global budgets for civil space programmes kept being driven by long-term investment in space exploration and human spaceflight, while Earth observation and meteorology remained the second most funded application.

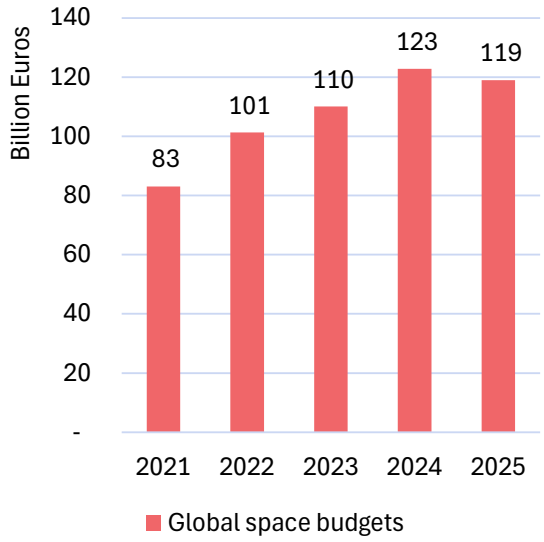

Figure 5 Global space budgets[18]

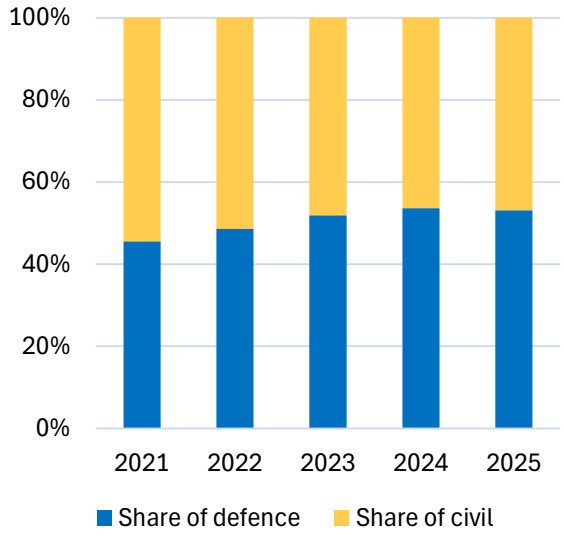

Figure 6 Civil and defence share[18]

[18] This section relies on analysis of data made available by Novaspace and Eurospace. Data sourced from Novaspace for all countries in the world (Novaspace, Government Space Programs, 25th edition, December 2025), apart from Europe. The European space budget consists of national space programmes (civil and defence) from EU-27 countries, Norway, Switzerland and the United Kingdom collected by Eurospace, as well as ESA (including Third Party activities), Eumetsat and the EU Space Programme budget (including the share of Horizon Europe dedicated to space activities).

[19] US Congress, Defense Primer: The Golden Dome for America, September 2025.

[20] In March 2026, the Pentagon provided an updated estimate of $185 billion over the next decade Golden Dome cost estimate rises to $185 billion as Pentagon expands space layer - SpaceNews. In May 2026, the US Congressional Budget Office estimated a cost of about $1.2 trillion to develop, deploy, and operate the system for 20 years, Potential Costs of a National Missile Defense System.

In Europe, the consolidated space budget was €13.5 billion in 2025, posting a 12% increase compared to 2024[21]. The growth was primarily driven by increased national defence budgets, largely led by Germany. The share of civil space budget in Europe was estimated at 84% in 2025[22].

As shown in Figure 7, the US remained the largest space budget in 2025, with a share of 58% of global institutional budgets for space (60% in 2024). China continued to reinforce its second place through its long-term programmes, notably in defence. Europe's share accounted for 11% of the global space budget in 2025 (10% in 2024).

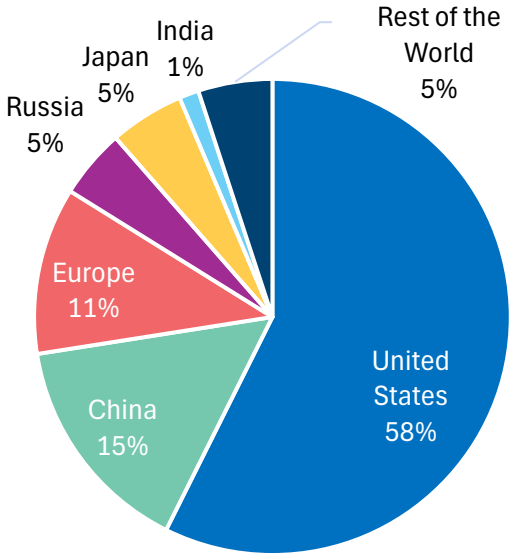

*Figure 7 Comparing governments by space **budgets** (2025, civil and defence)[18]*

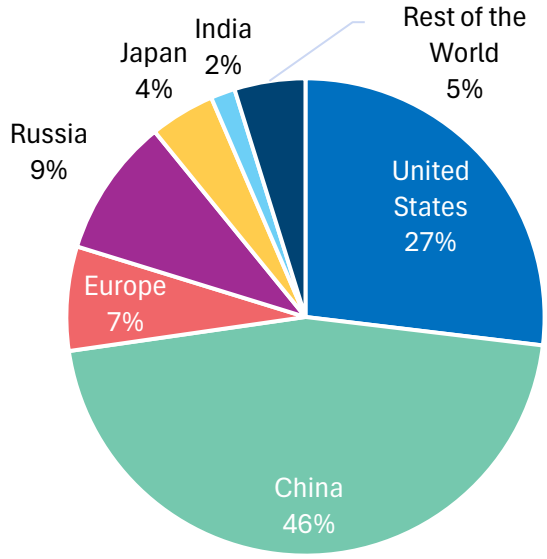

*Figure 8 Comparing governments by **mass launched** (2025, civil and defence, institutional only, excluding commercial)[23]*

[21] The European space budget consists of national space programmes (civil and defence) from EU-27 countries, Norway, Switzerland and the United Kingdom collected by Eurospace, as well as ESA (including Third Party activities), Eumetsat and the EU Space Programme budget (including the share of Horizon Europe dedicated to space activities).

[22] In the present report, the allocation of space budgets to defence or civil is based on the nature of the organisation which is providing the funding. For the data up to 2025, it is assumed that all space programmes of ESA and the EU are civil activities, even the programmes which are dual-use, and may have received funding participation from MoDs. The ESA team will further expand the analysis and investigate a higher level of granularity to address the dual-use programmes in the future edition of the report.

[23] In this figure the underlying data are copyright EUROSPACE. No rights in the underlying data are granted to third parties through the publication of this Report. Third parties seeking to reproduce or further exploit the underlying data should contact EUROSPACE. The graphical rendering is copyright ESA (c).

Given the width of the Chinese space programme and launch capabilities, it is acknowledged that its space budget is most likely underestimated (due to the unavailability of public information and complexity of purchase power parity), which makes the budget comparison a challenging exercise. Considering the mass launched provides a view of the Chinese space programme's relative importance in a different context. Figure 8 above outlines a very different distribution of space activity between major institutional programmes (civil and defence, institutional only, excluding commercial), with China accounting for 46% of the total mass launched for government programmes in 2025, compared to 27% for the US institutional space programme[23].

Beyond the funding gap, a significant difference which makes Europe an order of magnitude lower than its competitors is related to human spaceflight activity. In the past decade, human spaceflight-related activity has represented 22% of the market not accessible for the European launch service provider (in value), and 16% of the market not accessible for the European satellite prime manufacturers (in value)[23].

3.2.1. Focus on Defence

In the recent years, global government space budgets have started undergoing a structural shift driven by defence priorities. Defence is expected to continue driving space budgets in the near term, with government space budgets projected to increase sharply from 2026 onward by over 20% in one year, primarily driven by defence programmes[24]. The trend is visible across major space powers.

In the US, space budget allocated to defence has been posting a 12% Compound Annual Growth Rate (CAGR) in the past five years, reaching nearly €46 billion compared to €27 billion in 2021.

In Europe, Germany made the most significant move: a €35 billion investment plan for space security and defence by 2030, covering hardened satellite systems, improved orbital surveillance, and a new military satellite operations centre[25]. France is also accelerating its orbital defence posture, recognising space as a critical operational environment requiring improved asset protection and resilience against emerging threats. In November 2025, the French President presented the new National Space Strategy 2025-2040, announcing an

[24] Novaspace, National Space Programs 2025: Investments, Priorities, and Emerging Trends, 2026.

[25] German Federal Government, Cabinet adopts space security strategy, November 2025.

additional €4.2 billion investment in military space activities in the period 2026-2040[26]. Europe is developing capabilities in notably early warning, which had been missing[27], through projects such as Odin's Eye and JEWEL (Joint Early Warning for a European Lookout)[28].

At the institutional level, ESA will have an increasing role in security and defence programmes. With the European Resilience from Space (ERS) programme, the Agency is more directly tying Earth observation, telecommunications and navigation to Europe's growing defence and security needs, and positioning space systems for dual-use and defence applications.

Defence overview, 2025

Global	US	Europe
Defence expenditures		
$2.9 trillion	$954 billion	$565 billion
Defence expenditures as % of global		
	33%	20%

Space and defence as share of GDP, 2025

Global	US	Europe
Space budget as % of GDP		
0.11%	0.25%	0.06%
Defence budget as % of GDP		
2.5%	3.1%	2.1%

Space defence in context, 2025

Global	US	Europe
Space defence as % of space budget		
53%	67%	16%
% of global demand for defence satellites in the past decade		
	44%	4%

Figure 9 Space and defence in context[29]

[26] French General Secretariat for Defence and National Security, National space strategy 2025 - 2040, November 2025.

[27] International Institute for Strategic Studies (IISS), Europe and ballistic-missile warning: space for improvement, January 2026.

[28] French Ministry of Defence, JEWEL: France and Germany lay the foundation for a European early warning capability, October 2025.

[29] ESA 2026; Eumetsat 2026; European Union 2026; NATO 2026; SIPRI 2026; IMF 2026. Europe includes EU27, Norway, Switzerland and the United Kingdom. Expenditures are in current US dollars. This figure also relies on analysis of data made available by Novaspace (Novaspace, Government Space Programs, 25th edition, December 2025) and Eurospace.

3.3. Private Investment in Space

3.3.1. Global Trends

Private investment in space ventures worldwide reached an all-time high of €11.7 billion in 2025[30] (Figure 10), surpassing the 2021 peak which had been induced by the SPAC (Special Purpose Acquisition Company) bubble, and posting outstanding growth of 60% compared to 2024, with 324 deals recorded (compared to 279 in 2024).

This sharp increase was entirely driven by a surge in the US activity which grew 177% compared to 2024, with nearly €8 billion raised by US space ventures in 2025 compared to just below €3 billion in 2024.

In contrast, private capital raised by space ventures in Europe, China, and Japan all registered downward trends in 2025, with -8%, -15% and -35% respectively. In the rest of the world, private capital invested in space ventures decreased by 65%.

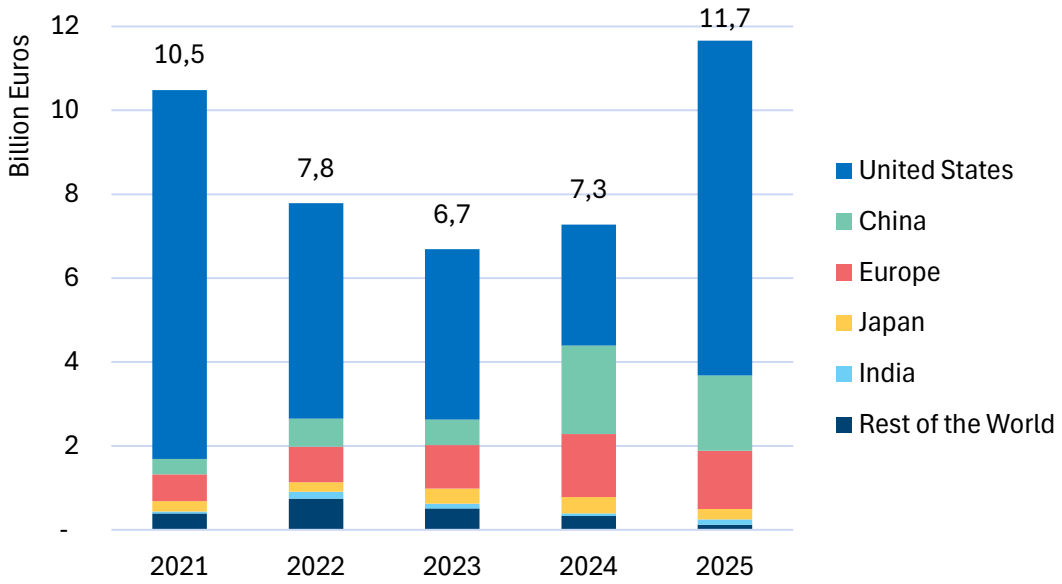

Figure 10 Private investment in space ventures worldwide[30]

As in previous years, Venture Capital (VC) remained the largest deal category in 2025 (Figure 11), accounting for 62% of the total volume invested and posting year-on-year growth of 43%. Large acquisitions in the US (Relativity Space, Capella Space, Geost)

[30] This section relies on analysis of data made available by the European Space Policy Institute (ESPI) based on ESPI Space Ventures 2026. The figures only include companies which: i) Raised VC or founded specifically as an innovation subsidiary; ii) Founded after 2000; iii) Did not exit (acquired or public offering).

generated a volume of more than €1.4 billion in 2025 alone[31], representing 12% of the total volume invested worldwide, a level not seen before. Finally, investments related to IPOs (Initial Public Offering) also surged in 2025, reaching more than €1.1 billion. All located in the US, the companies Firefly Aerospace, Voyager Technologies, and Starfighters Space went public in the course of 2025[32]. The recent wave of public listings of space companies is raising concerns again regarding the sustainability of their positive market performance, notably due to the SPAC bubble of 2021 through which several deals had failed.

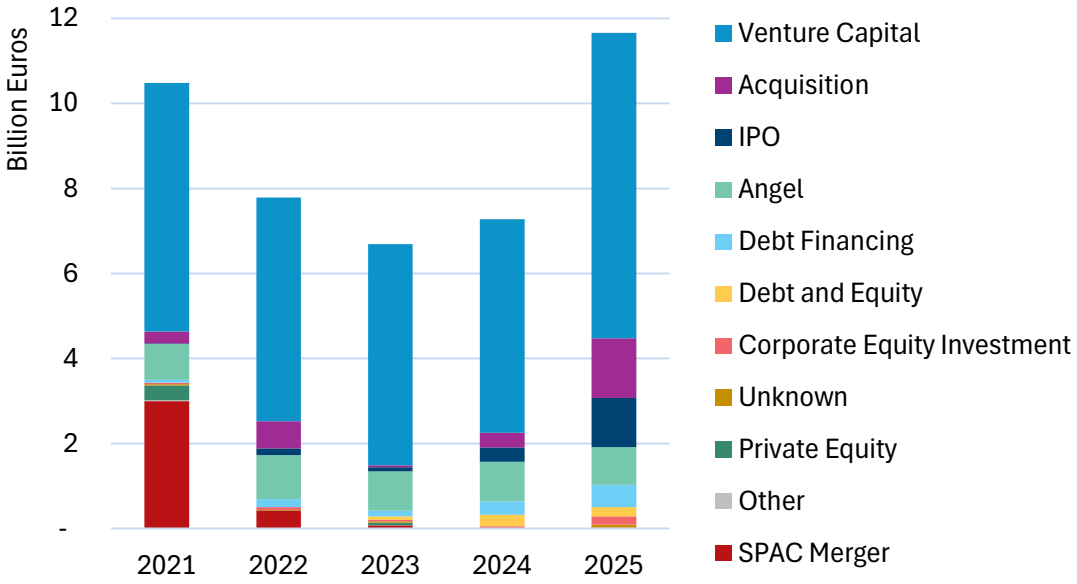

Figure 11 Private investment in space ventures worldwide, by deal category[30]

When considering disclosed deals over the past five years, the launch segment attracted the most private funding globally, in the US and in China, accounting for 41%, 48% and 44%, respectively. In Europe, private investment has been more distributed, with the build, platforms, launch and product segments[33] capturing respectively 20%, 19%, 16% and 15% of the total private investment received by space ventures in the past five years.

[31] MDA completing the acquisition of SatixFy Communications for about €240 million in July 2025 is not in the scope of the data presented here.

[32] Karman Space and Defence also went public in 2025, raising €438 million, but is not in the scope of the data presented here.

[33] The build segment includes satellites, subcomponents, propulsion, software, and other space hardware. The platforms segment includes remote sensing, IOT, connectivity. The product segment includes downstream products for e.g. climate change, logistics, location and mapping, insurance.

TOP 5 PRIVATE INVESTMENT DEALS IN THE WORLD IN 2025

1. BLUE ORIGIN is assumed to have benefited from an angel investment of approximately $1 billion from Jeff Bezos, based on a widely reported selling of Amazon stock annually to fund the venture.
2. RELATIVITY SPACE was acquired by former Google chief executive and billionaire Eric Schmidt in March 2025, bringing nearly $800 million in funding.
3. FIREFLY AEROSPACE launched its initial public offering on the Nasdaq Global Market on 7 August 2025, raising about $800 million. The stock closed at $60.35, a 34% jump compared to the IPO price of $45 per share, valuing the company at roughly $8.5 billion.
4. STOKE SPACE TECHNOLOGIES raised $510 million in September 2025 in a Series D funding round led by US Innovative Technology Fund (USIT), to scale manufacturing of reusable Nova Launch vehicle.
5. VOYAGER TECHNOLOGIES launched its initial public offering on the New York Stock Exchange on 11 June 2025 at an IPO price of $31 per share, raising about $400 million.

Figure 12 Top five deals for global space scaleups in 2025[34]

3.3.2. Key Trends in Europe

As shown in Figure 13, private space investment in Europe experienced a slight decrease in 2025, with European space ventures attracting just above €1.4 billion (-8% from 2024) through 88 deals recorded (-10% compared to 98 deals in 2024)[30]. Europe still posted the single largest average growth in the past five years, with a 37% CAGR (Compound Annual Growth Rate), compared to 17% in China and -2% in the US. It is also important to note that the volume of private investment in Europe in 2024 was boosted by the acquisition of the AI company Preligens[35] by Safran. When removing acquisition deals, the level of private investment increased 10% year-on-year, demonstrating the continued attractiveness of European space ventures for private investors.

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[34] This figure relies on analysis of data made available by the European Space Policy Institute (ESPI) based on ESPI Space Ventures 2026.

Bezos' Angel investment for Blue Origin is traced to a 2017 statement on the sale of about $1 billion of Amazon stock annually to fund the venture.

Eric Schmidt apparently bought Relativity Space to put data centers in orbit - Ars Technica

Firefly Aerospace soars 34% in market debut to $8.5 billion valuation

Stoke Raises $510 Million to Scale Manufacturing of Fully reusable Nova Launch vehicle

Voyager Technologies, Inc. - Voyager Announces Closing of Initial Public Offering

[35] Safran.AI (ex-Preligens) develops artificial intelligence software solutions for aerospace and defence.

VC continued to represent most disclosed deals in the European space landscape, accounting for 87% in 2025 (compared to 80% in average since 2021). Like in 2024, debt financing represented nearly 10%. As noted by ESPI, the rise in debt financing is happening through distinct channels depending on the regions of the world. In Europe, debt financing reflects mostly public support from national public entities or the European Investment Bank (EIB), indicating strong public backing. In the US but also Japan, venture debt is raised mostly from private banks, indicating improved access to private debt.

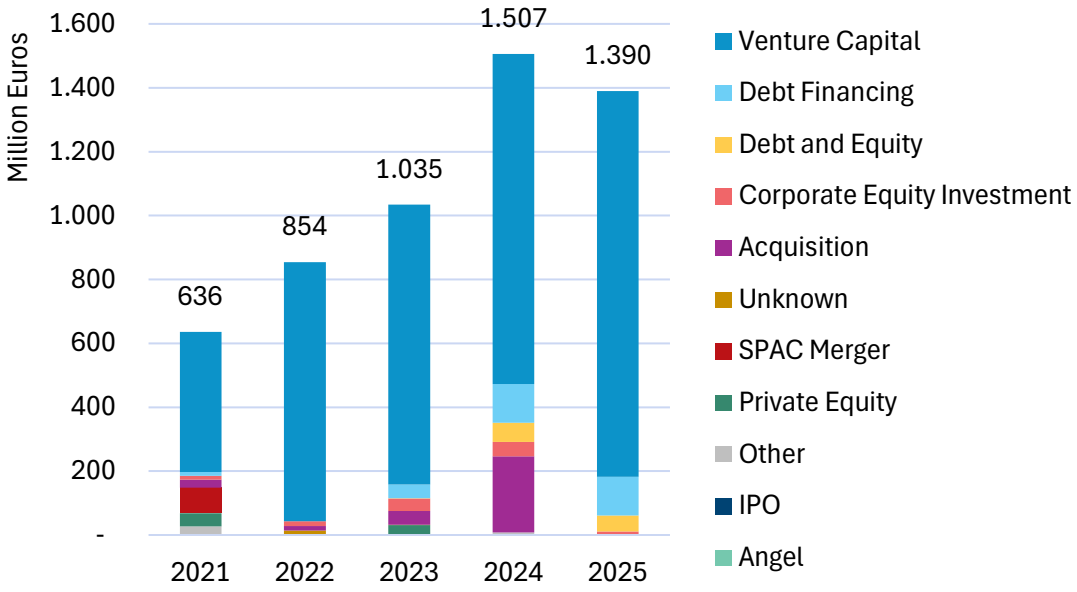

Figure 13 Private investment in European space ventures, by deal category[30]

TOP 5 PRIVATE INVESTMENT DEALS IN EUROPE IN 2025

1. ICEYE secured €150 million in Series E in December 2025. The funding round was led by American venture capital firm General Catalyst, with strong pan-European participation.
2. ISAR AEROSPACE announced in June 2025 that it has signed an agreement with American conglomerate holding Eldridge Industries for a convertible bond of €150 million.
3. ENDUROSAT raised €90 million in venture capital funding in October 2025 to scale up its small satellite production capability. The round was led by American venture capital firm Riot Ventures, and included participation from notably Google Ventures, Lux Capital, and the European Innovation Council Fund.
4. AEROSPACELAB secured €94 million Series B funding round in August 2025 to notably support completion of the company's *Megafactory* in Belgium.
5. CAILABS raised €57 million in September 2025, with €37 million financing from the EIB and a €20 million investment from notably Bpifrance, NewSpace Capital, and the European Innovation Council (EIC).

Figure 14 Top five deals for European space scaleups in 2025[36]

[36] This figure relies on analysis of data made available by the European Space Policy Institute (ESPI) based on ESPI Space Ventures 2026.

ICEYE and General Catalyst partner to redefine space-based intelligence in Europe

Isar Aerospace signs agreement with Eldridge Industries for EUR 150m financing - Isar Aerospace

Satellite manufacturer EnduroSat secures $104M funding to scale production

Aerospacelab Secures 94 million EUR (110 million USD) to Accelerate its Ambitious Roadmap

Deep tech company Cailabs secures €57 million to accelerate growth and industrial scale-up

3.4. Space Activity

3.4.1. Launches[37]

There were 324 orbital launches in 2025 (of which 315 were successful), an average of almost one launch per day, and a 25% increase over 2024, marking a fourth consecutive double-digit growth rate (Figure 15).

The US conducted more than half of the launches (193, of which 122 by SpaceX to launch Starlink), posting a growth of 25% compared to 2024. China accounted for 25% with 93 launches, a 37% increase from 2024.

Europe conducted eight launches in 2025, compared to three in 2024, and restoring Europe's access-to-space operational capacity. Ariane 6 began its commercial journey with missions carrying French and European strategic satellites such as CSO-3, MetOp-SG-A1, Sentinel-1D and new Galileo satellites, supporting sovereignty and security, weather forecasting, Earth observation and navigation. Alongside Ariane 6, Vega C delivered Biomass, CO3D, MicroCarb and KOMPSAT-7, continuing to enable missions that help understand and protect our planet[38].

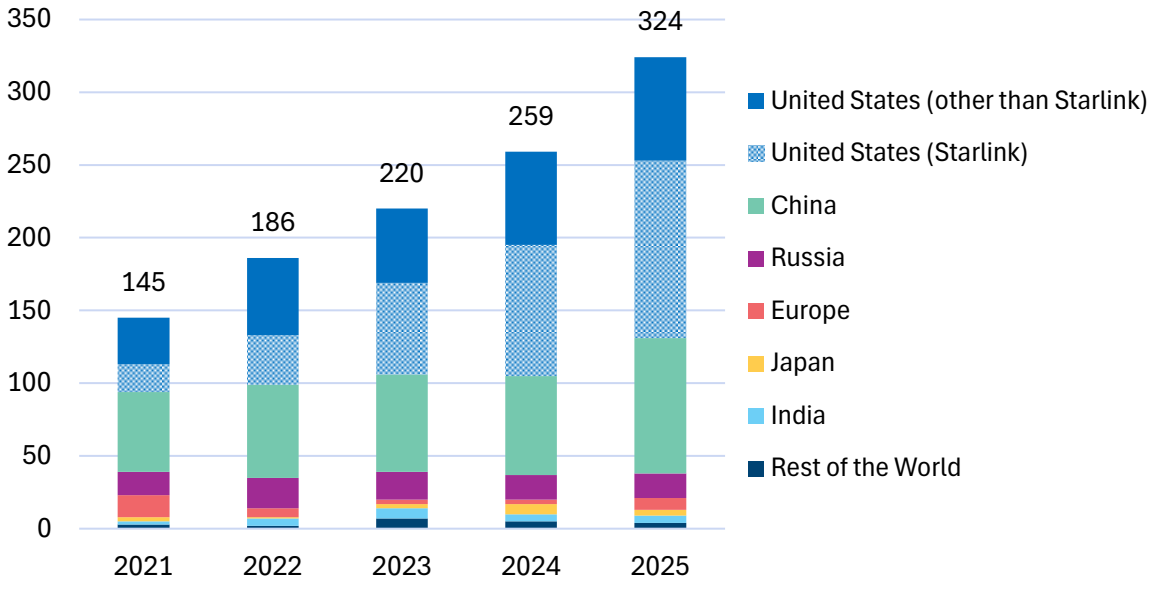

Figure 15 Number of launches, by origin of launch service provider[37]

[37] This section relies on analysis of data made available by Novaspace and Eurospace (Novaspace, Satellites to be Built and Launched, 28th Edition, October 2025; Eurospace LEAT Database).

[38] Arianespace, Launching Your Ambitions in 2026.

Highlight - Surge in Launch Demand and Operational Constraints[39]

The 2020s have been marked by a rapid acceleration in global launch activity, primarily driven by the deployment of large constellations. Annual launch rates exceeded 100 launches in 2018 for the first time in nearly 30 years, surpassed 200 for the first time ever in 2023, and reached 324 launches in 2025. By 2025, launches predominantly dedicated to constellation payloads accounted for 64% of all launches (~43% dedicated to mega-constellations and 21% to traditional constellations such as GPS).

This growth is concentrated in the US and China. With around thirty operational launch vehicles, three new vehicles introduced in 2025, and between ten to fifteen inaugural launches expected in 2026, China is the country with the largest diversity of launch vehicles. In the US, SpaceX has increased its launch cadence to almost three launches per week in 2025. A large captive US institutional payload manifest also supports domestic launch service providers as well as a business environment conducive to the entrance of new players.

Launch activity is becoming increasingly concentrated. More than 40 launch vehicle families are in service as of 2025 and many more are in active development. However, approximately 51% of all launches were conducted by Falcon 9 alone (165 launches), followed by Electron (6%, 18 launches), Long March 3 (5%, 15 launches), and Long March 2 (4%, 13 launches). Similarly, a small number of launch sites are highly utilised: Cape Canaveral Space Force Station (CCSFS, 82 launches, 25% of global launches in 2025) and Vandenberg Space Force Base (VSFB, 66 launches, 20%) dominate in the US, while Jiuquan Satellite Launch Center in China accounted for 11% of global launches (35 launches).

Initially, launch rate increases have been enabled by the use of multiple launch sites by the same launch service provider (e.g. Falcon 9 launches from Cape Canaveral, Vandenberg and Kennedy Space Center or Chinese vehicles demonstrating rapid response launches from two different pads). The surge in launch activity has meant that launch site operations have become a critical bottleneck. Increasing launch cadence has driven a continuous reduction in turnaround times between launches from the same launch site. The minimum achieved global turnaround time has decreased from just under five days in 2010 to 3.5 hours in 2025, demonstrated at Cape Canaveral between a Falcon 9 and an Atlas V launch in September 2025. Other notable examples include SpaceX having launched two Falcon 9 missions from the same launch pad at CCSFS within less than 48 hours in January 2026, while China achieved a sub-24-hour turnaround at Jiuquan between launches of Ceres-1 and Long March 2C in December 2023.

These operational achievements are underpinned by significant technological and infrastructure developments. Countries are investing heavily in launch range modernisation, as illustrated by the US Space Force's commitment of $1.3 billion for infrastructure upgrades at both Cape Canaveral and Vandenberg between 2024 and 2028.

Overall, the acceleration of launch rates driven by constellation deployment and concentrated in the US and China is pushing launch site operations toward their physical limits. As a result, reducing turnaround times is becoming a central competitive parameter in the global space transportation sector.

[39] Source: ESA Internal.

3.4.2. Mass launched

2025 also experienced a large increase of the mass launched, growing 31% from 2024 and reaching 2,730 tons as shown in Figure 16. Starlink satellites accounted for 70% of the total mass launched in 2025 (a level comparable to the past two years).

Removing Starlink, the total mass launched also grew by 34% from 2024 to 2025, and reached 824 tons, a level significantly above the 500 tons average which characterised the past two decades. When removing Starlink, the mass launched for commercial customers accounted for 21% in 2025. On the government side, the mass launched was split between defence and civil activities, with defence accounting for 29%. Amongst civil activities, human spaceflight remained the single largest application in terms of mass launched.

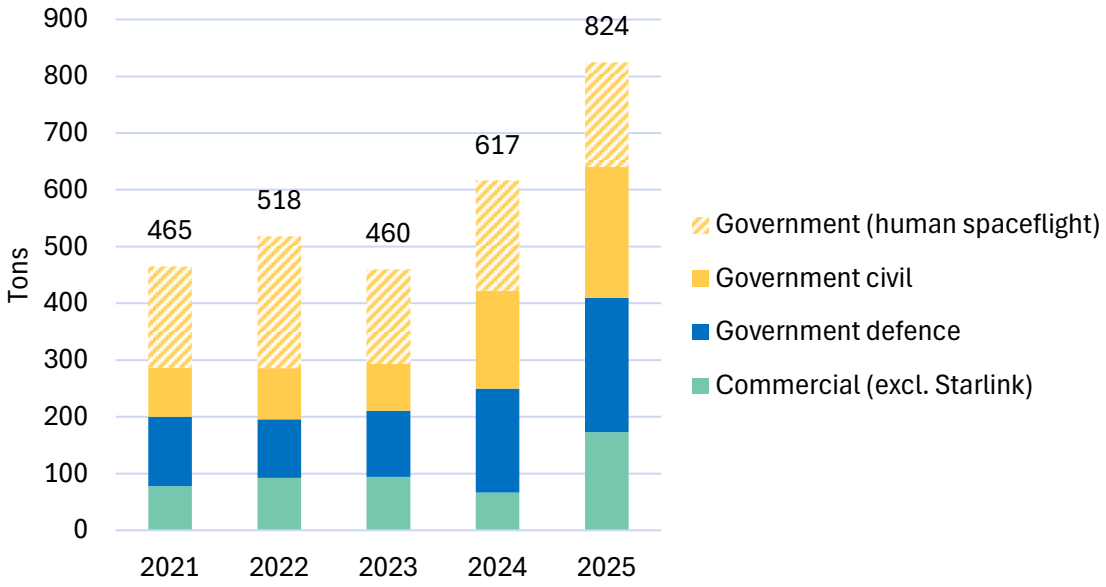

Figure 16 Mass launched worldwide, ***excluding Starlink***[40]

3.4.3. Satellites launched[41]

In total, 4,556 spacecraft were put into orbit in 2025, a 58% increase compared to 2024. The US accounted for 81%, largely due to the 3,169 Starlink satellites launched in 2025, an amount that grew by 60% compared to 2024.

[40] In this figure the underlying data are copyright EUROSPACE. No rights in the underlying data are granted to third parties through the publication of this Report. Third parties seeking to reproduce or further exploit the underlying data should contact EUROSPACE. The graphical rendering is copyright ESA (c).

[41] This section relies on analysis of data made available by Novaspace (Novaspace, Satellites to be Built and Launched, 28th Edition, October 2025).

Defence continues its significant growth trend, with a 25% increase of satellites launched for defence customers in 2025 compared to 2024. For benchmark, in 2025 there were 219 satellites launched for defence customers, almost five times the number of defence satellites launched in 2020 (44).

Driven by the significant increase in the mass of Starlink satellites, the number of spacecraft launched weighing between 500 kg and 2 tons increased by 63% from 2024 to 2025 and accounted for 77% of all satellites launched in 2025 (Figure 17).

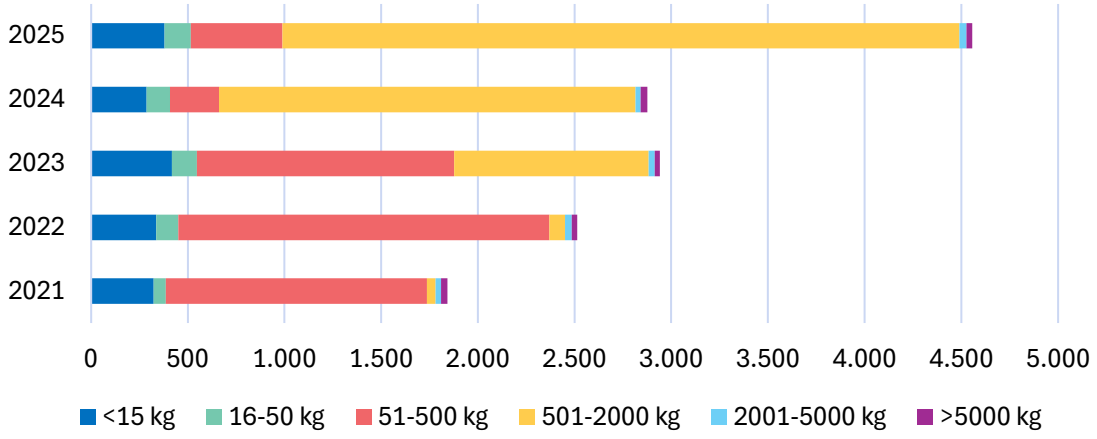

Figure 17 Number of satellites launched, by mass category[41]

3.4.4. Satellites in orbit[42]

Nearly 15,000 active satellites were estimated to be in orbit by the end of 2025, with a strong concentration in specific applications, orbital regimes, and operator profiles. Data on active satellites in orbit are driven by the deployment of large-scale commercial constellations, and a strong concentration of capabilities within a few leading actors. With approximately 9,300 satellites in orbit, Starlink alone accounted for more than 60%, and has had a transformative impact on the space environment.

As shown in Figure 18, the largest application was satellite communications, driven by the demand for global connectivity and broadband services, and accounting for more than 70%. Earth observation accounted for 13% and technology demonstration for 8%.

The Low Earth Orbit (LEO) hosted more than 76% of satellites, reflecting its advantages in terms of lower latency and reduced launch costs, particularly suitable for large

[42] Jonathan's Space Report, Satellites statistics, extracted April 2026; Novaspace, Satellites to be Built and Launched, 28th Edition, October 2025.

constellations. Sun-Synchronous Orbit (SSO) accounted for 20%, mainly due to its importance for Earth observation missions. Geostationary Orbit (GEO) accounted for 2%, reflecting the shift away from legacy satellite infrastructures.

Commercial entities owned 84% of satellites, far surpassing government (6%), defence (5%), and academic (5%) operators.

The United States dominated with 75% of all satellites, followed by Europe (9%) and China (8%).

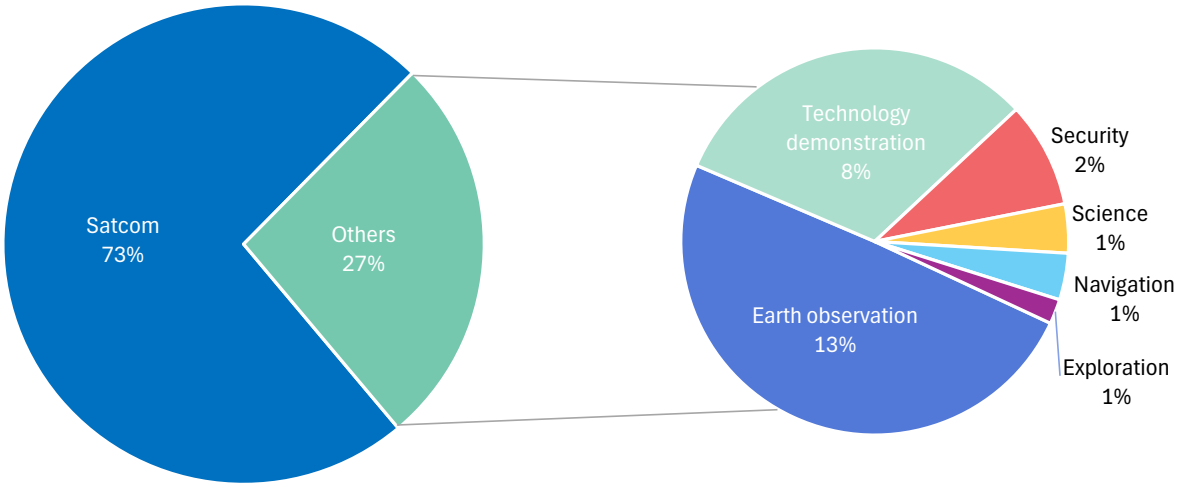

Figure 18 Distribution of satellites in orbit in 2025, by application[42]

Highlight - Starlink's Vertical Integration and the Shift Toward Orbital AI Infrastructure

Starlink's structural edge rests on radical vertical integration: the company manufactures its own satellites, launches them on its own rockets, and operates its own ground infrastructure, avoiding the supplier dependencies that compress competitors' margins.

According to SpaceX IPO prospectus released on 20 May 2026[43], the company's connectivity segment, driven by Starlink, generated $11.4 billion in revenue in 2025, accounting for more than 60% of SpaceX revenues across its space, connectivity and AI segments, and $4.4 billion of operating profit.

In February 2026, SpaceX completed its all-stock acquisition of xAI and filed plans with the Federal Communications Commission (FCC) for up to one million solar-powered satellites designed to operate as orbital data centres. The objective is to position Starlink as the backbone of orbital AI compute capacity, with xAI as its anchor customer[44].

Third-party demand also emerged quickly: in May 2026, Anthropic agreed to use AI capacity of SpaceX's Colossus data centre located in Tennessee and expressed interest in partnering with SpaceX on future orbital AI compute[45]. This information, confirmed in SpaceX IPO prospectus, notes that Anthropic has agreed to pay $1.25 billion per month through May 2029 to access compute capacity across Colossus and Colossus II.

The detailed information released in the IPO prospectus shows that the AI segment generated an operating loss of $6.4 billion in 2025 and accounted for $12.7 billion in capital expenditures. This significant capex, meant to deploy the compute infrastructure, and expected to scale quickly in a multi-year investment horizon, is put in perspective of a $26.5 trillion potential AI market opportunity outlined in the form.

As expected, the IPO narrative therefore extends far beyond the launch and broadband businesses. SpaceX will use this capital injection to provide space-based AI compute capacity, replenish its existing Starlink constellation with the powerful V3 satellite and develop and deploy its Gen2 D2D constellation using Mobile-satellite service (MSS) spectrum it acquired from Echostar for $19 billion[46].

Importantly, all these activities depend on SpaceX finalising the development and operation of Starship. As the key enabler of SpaceX long-term growth strategy, Starship used more than $3 billion in research and development expenses in 2025 and $930 million during the first three months of 2026[43].

[43] SpaceX IPO Prospectus (Form S-1 Registration Statement), published on 20 May 2026.

[44] SpaceNews, SpaceX acquires xAI in bid to develop orbital data centers, February 2026.

[45] SpaceNews, Anthropic to consider using SpaceX orbital data center satellites, May 2026.

[46] SpaceNews, SpaceX quietly files for big bang IPO , April 2026.

3.5. Upstream Market Trends

3.5.1. Market by Type of Customer

As shown in Figure 19 below, the global launch and manufacturing market was estimated at a value of €75 billion in 2025, posting an increase of 20% compared to 2024. Spacecraft manufacturing accounted for nearly 78% of the total and the launch segment 22%.

While the share of mass launched for commercial operators surpasses the one procured for government programmes, the upstream market in value remains largely driven by institutional demand. In 2025, public customers accounted for 80% of the launch and manufacturing market value, with defence representing 42% of the total and civil customers 38%.

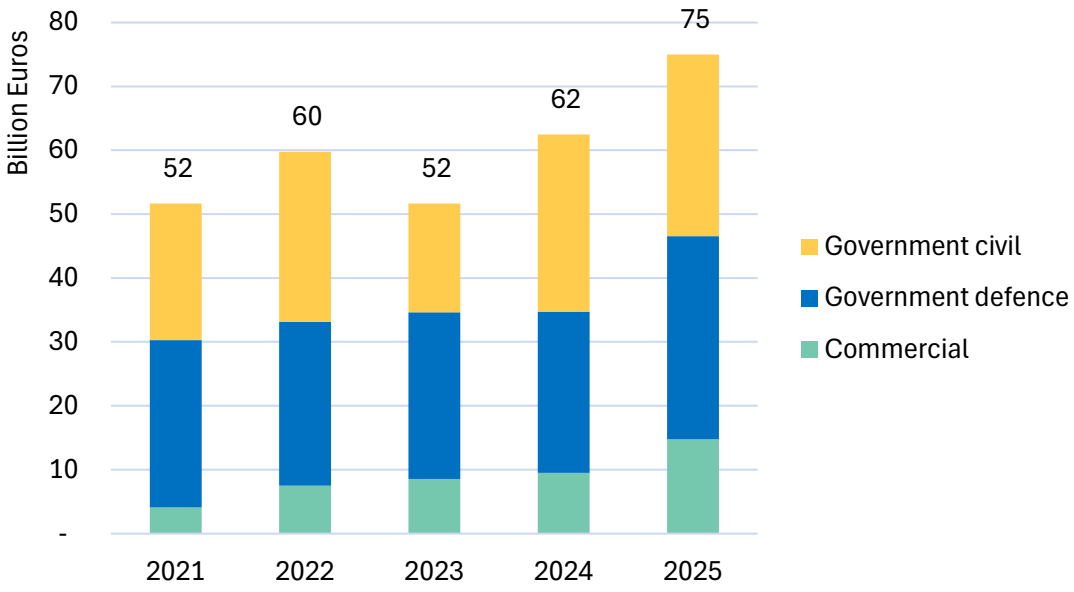

Figure 19 Global launch and manufacturing market value, by customer type[47]

While the deployment of Starlink drives all space activity in numbers, due to its vertically integrated structure it represents a much lower share of the upstream market in value, accounting for an estimated 19% of the launch value and 4% of the manufacturing value in 2025.

[47] In this figure the underlying data are copyright EUROSPACE. No rights in the underlying data are granted to third parties through the publication of this Report. Third parties seeking to reproduce or further exploit the underlying data should contact EUROSPACE. The graphical rendering is copyright ESA (c).

3.5.2. Focus on Defence

When looking at defence[48], the related launch and manufacturing market value was €32 billion in 2025, posting growth of 26% from 2024. As shown in Figure 20 below, China largely dominated the deployment of infrastructure in space for defence in 2025, accounting for 62% of the total market value, compared to 18% for US defence customers. Europe found its place in the upstream defence space market in 2025, accounting for 12% of the total value.

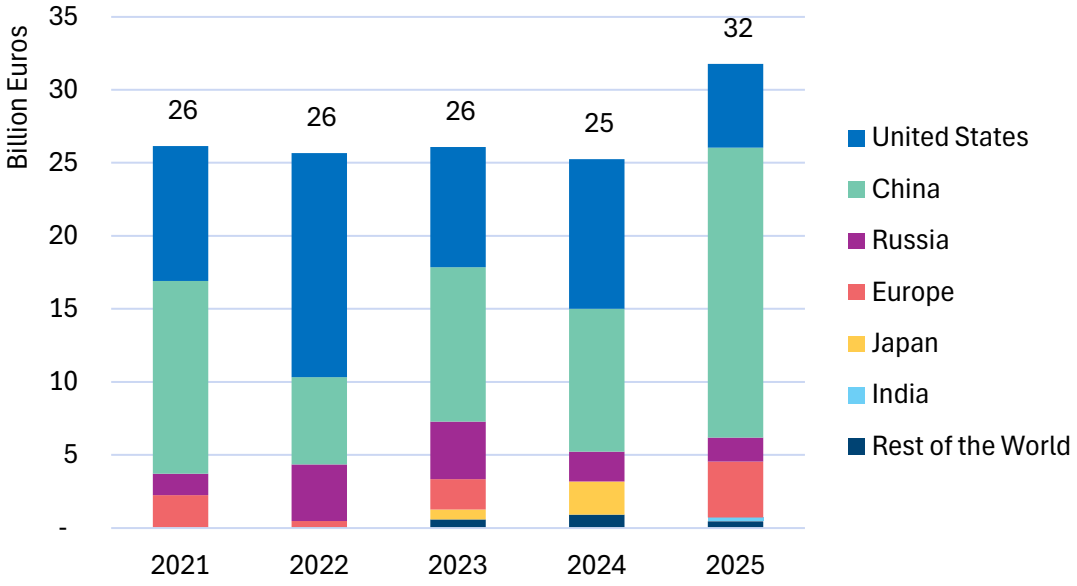

*Figure 20 **Defence** related launch and manufacturing market value, by customer region[47]*

3.5.3. Market Accessibility and Europe's competitiveness

As shown in Figure 21 below, and outlined in previous versions of this report, more than 80% of the global launch and manufacturing market value are not accessible to European primes (European launch service provider and spacecraft manufacturers) because of captive demand from institutional programmes, in particular defence and human spaceflight (most notably US and China) and from vertically integrated constellations.

[48] Defence in the upstream dataset of the present report (using Eurospace LEAT database) is defined by the satellites and launch services purchased by military customers, and / or for military programmes.

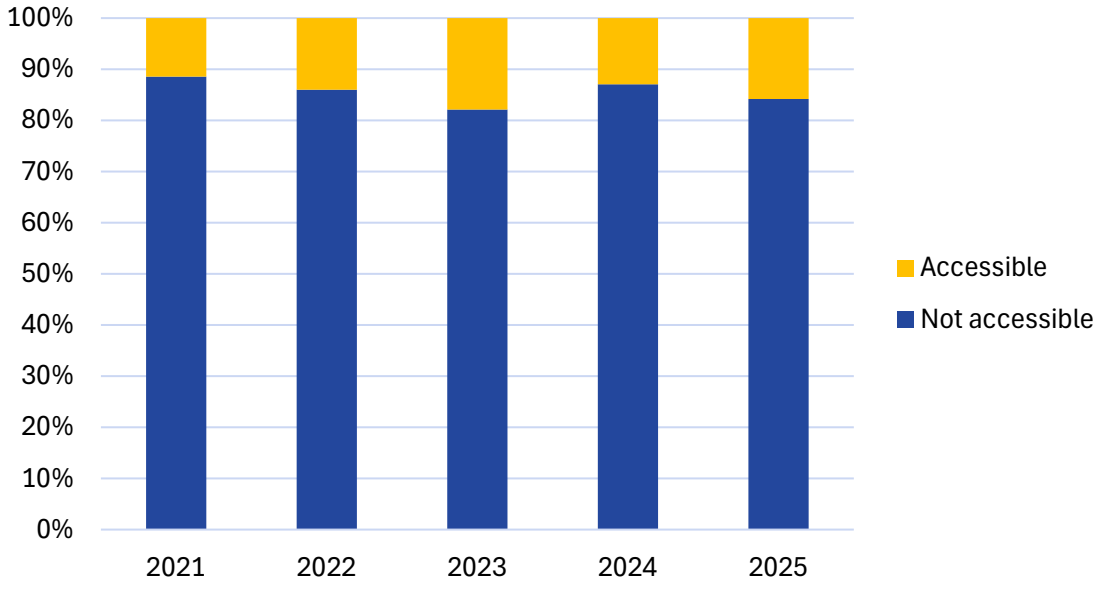

Figure 21 Upstream market accessibility for Europe (in % of total market value)[47]

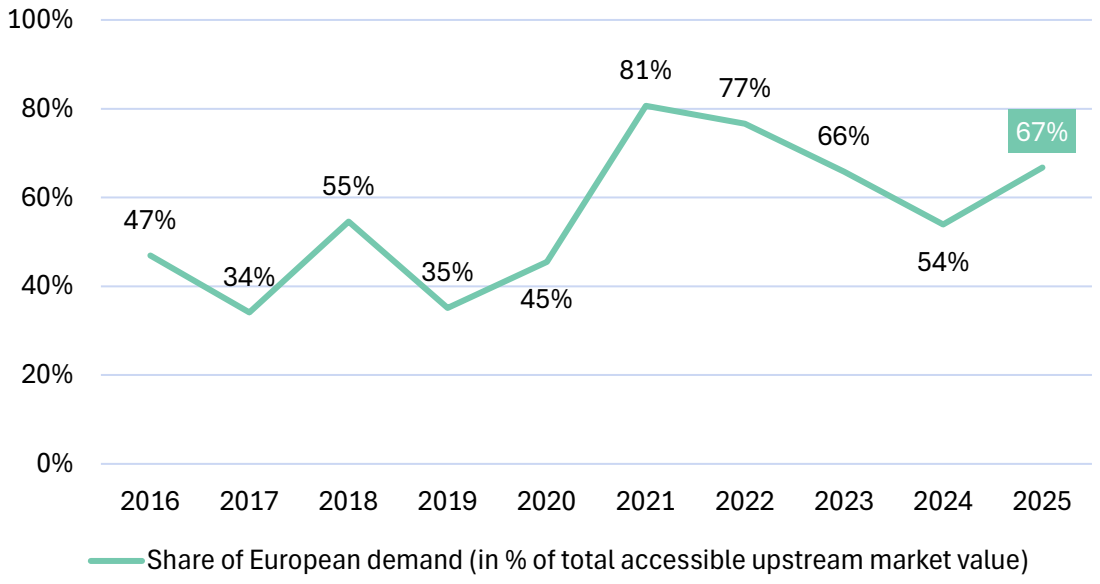

Figure 22 Share of European demand (in % of total upstream market value accessible to Europe)[47]

An important factor, which is quite specific to Europe, is that a significant share of its accessible market is also accessible to all space industries in the world. While European customers (public and private) accounted for 67% of the total accessible market value in 2025 (Figure 22), this European demand was not captive to European suppliers, as Europe does not apply any preference to its domestic industry.

As shown in Figure 23 below, in absolute terms, European primes do not benefit from the sizeable demand base provided by other large space powers to their domestic launch providers and spacecraft manufacturers, resulting in fewer opportunities for cost efficiency.

Considering the past five years, European primes have benefited from a government demand that was five times lower than in China, and four times lower than in the United States.

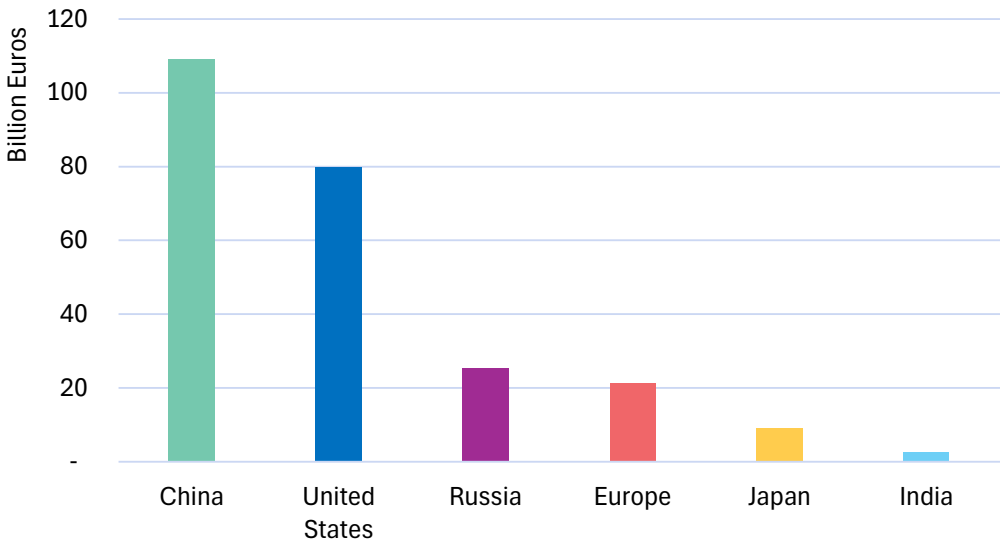

Figure 23 Cumulated government demand for satellite manufacturing and launch services (2021-2025)[47]

These factors result in the European space industry being the most exposed to the global market demand variations, with the urge to constantly remain competitive to maintain its level of industrial activity.

While data of a given year needs to be taken with caution as the value associated with a given spacecraft is allocated to the year of its launch (while revenues typically accrue across a number of years), indicators related to Europe's competitiveness in the upstream segments improved substantially in 2025.

Europe's market share of the global market reached 10% in 2025, compared to the concerning 6% share in 2024.

Considering the accessible market only, European primes captured a notable 65%, marking the end of four consecutive years of a declining trend (Figure 24).

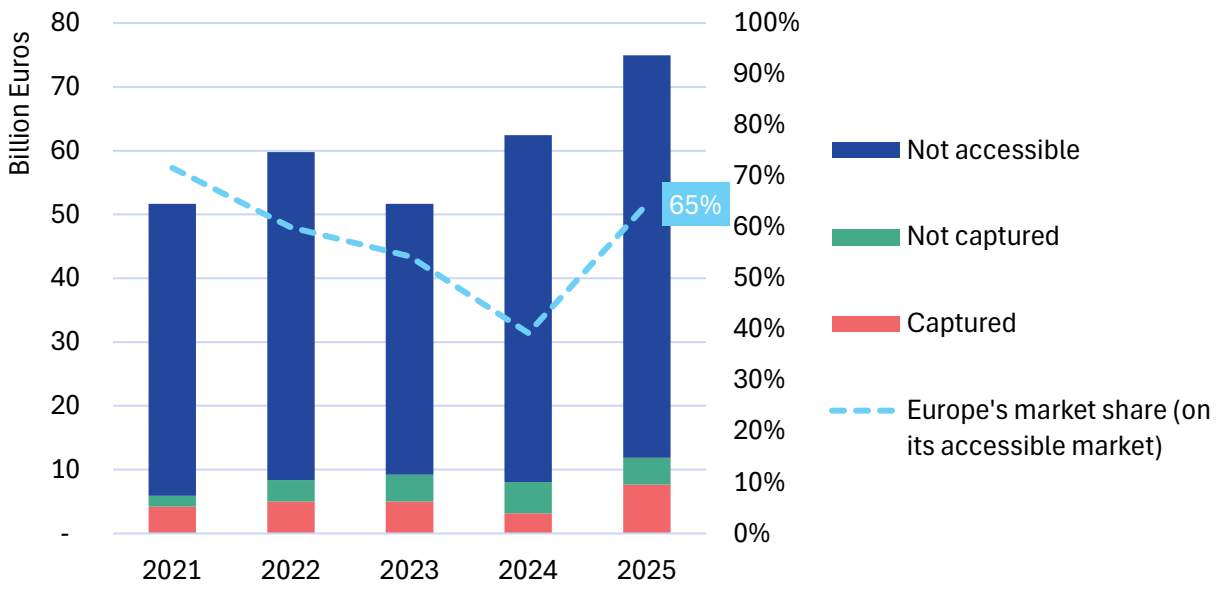

Figure 24 Evolution of Europe's competitiveness in the upstream[47]

Highlight - Commercial Space in China, Progress and Perspectives

Over the past decade, national policy deregulation allowed emerging players and increasing capital inflows to drive technological innovation in China's commercial space sector, bringing the market to an estimated RMB 2.3 trillion in 2024 (€309 billion)[49]. Rocket launches more than quadrupled between 2015 and 2025, with a record of orbital launches in 2025, spread across roughly two dozen vehicle families operated by state-owned enterprises and commercial startups[50]. In 2024, commercial space was included in the Government Work Report for the first time as a "new growth engine", signalling stronger national-level policy support for the industry.

In the last five years, Galactic Energy's Ceres-1 has emerged as one of China's most reliable commercial rockets, completing 21 successful missions out of 23 flights and placing 89 commercial satellites into orbit by January 2026.

Other private companies are now also operational, such as LandSpace, the first private enterprise in China to develop a launch vehicle and Space Pioneer, the first private company to successfully orbit a liquid-propellant rocket — a major milestone for the sector[51]. Galactic Energy holds the additional distinction of being the first private company to conduct a sea launch.

On the state side, CASC's Long March 11 performed China's first maritime launch. In 2025, China has conducted 93 launch missions with a 97% success rate, representing approximately 29% of global launches— 83 by (majority) state-owned groups and 10 by commercial rocket companies (11% of the national total).

Two reusable rockets also completed maiden flights in 2025. While the landing attempts failed in both cases (Long March 12A and Zhuque-3), they allowed validating recovery technologies and laying the groundwork for lower-cost, higher-cadence launches.

China's commercial space market is projected to reach RMB 2.8 trillion in 2025 (€345 billion)[52], with an average annual growth rate exceeding 20% and more than 600 active commercial space companies.

China SatNet (Satellite Network Group) Guowang and Shanghai-led Thousand Sails (or Qianfan) megaconstellations compete for launch access and have started to announce commercial partnerships outside of China, including in Brazil and Turkey.

As of early December 2025, China had announced 114 commercial satellite constellation plans, of which 76 had entered deployment. December 2025 also marked a large coordinated application for satellite frequency and orbit resources of China, with over 200,000 satellite frequency, orbit applications submitted to the International Telecommunication Union (ITU)[53].

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[49] State Council of the People's Republic of China, Beijing launches 'rocket street' project to advance commercial space development, July 2024.

[50] Jonathan McDowell cited in SpaceNews, China ramps up satellite production capacity amid constellation ambitions, April 2026.

[51] SpaceNews, China's Space Pioneer reaches orbit with liquid propellant rocket, April 2023.

[52] Space Insider, China's Commercial Space Sector Targets $344 Billion Market in 2025, May 2026.

[53] Chinanews.com, China files over 200,000 satellite frequency, orbit applications with ITU, January 2026.

3.6. Downstream Market Trends

As highlighted by the OECD[54], the continuously growing digitalisation of the economy allows satellite data and signals, integrated with other data sources, to play an increasingly important role in the generation of value in the 'mainstream' economy. With this, the lines between space and non-space activities keep blurring, and the identification and proper attribution of value generated through certain activities to the space economy is becoming ever more challenging. This is particularly relevant for estimates of space value-added services or space-*enabled* services, which usually drive the magnitude of the market estimates.

The scope of the downstream, and in particular the boundary between the part that should be considered within the space industry and the part that relates to the impacts of space, is a topic currently subject to discussion. Figure 25 below illustrates the scope of the data collected in the present section, across the three application segments.

SATCOM	Satcom capacity Satcom user terminals Satcom services, *of which video services*
EARTH OBSERVATION	EO data EO value-added services
GNSS	GNSS devices GNSS augmentation services Other GNSS-enabled services

Figure 25 Overview of market segments included in the Downstream Market section

[54] OECD, Handbook on Measuring the Space Economy, 2nd Edition, 2022. *New challenges in terms of measurement and delineation p.21.*

In 2025, the global downstream market for space was estimated at €489 billion, posting a 7% increase compared to 2024. At least 80% of the currently available market estimates for the downstream space segments are generated by businesses that use space as a key input to deliver services. Contrary to the upstream, the majority (>90%) of the downstream market is commercial and accessible to any industries in the world based solely on supplying capabilities.

Totalling an estimated €94 billion in 2025, Europe accounts for 19% of the global downstream market demand[55] in 2025 (share of customers of downstream products and services which were located in Europe).

3.6.1. Downstream satcom market[56]

The global downstream satcom market continues to go through significant evolutions, led by the deployment of large NGEO constellations (non-geostationary orbits, also called NGSO) which address the demand for universal connectivity, and particularly consumer broadband. The provision of broadband internet access has been the main driver of the global downstream satcom market, a growth led by SpaceX's Starlink. By the end of 2025, the number of broadband subscribers for Starlink was 8.9 million[57], with 43% located in North America, and 23% in Latin America and Caribbean. As shown in Figure 26 below, the number of subscribers in Europe has been growing rapidly, reaching nearly 2 million by the end of 2025, compared to 850,000 by the end of 2024.

[55] The estimates of the downstream space market which are selected for the present report are built on demand models.

[56] This section relies on analysis of data made available by Novaspace (Novaspace, Space Economy Report, 12th Edition, January 2026).

[57] SpaceX IPO Prospectus (Form S-1 Registration Statement), published on 20 May 2026.

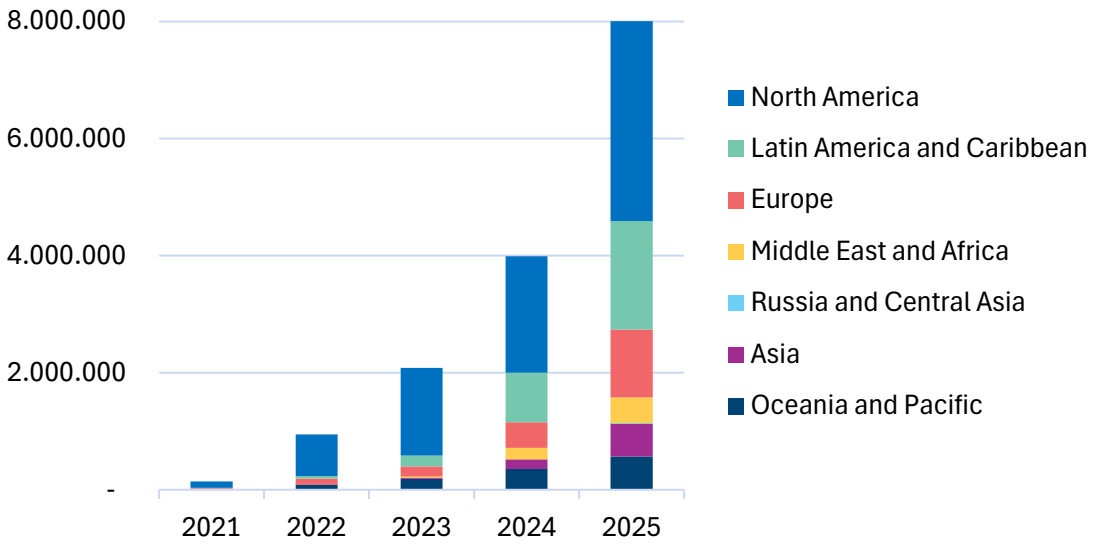

Figure 26 Number of Starlink broadband subscribers[58]

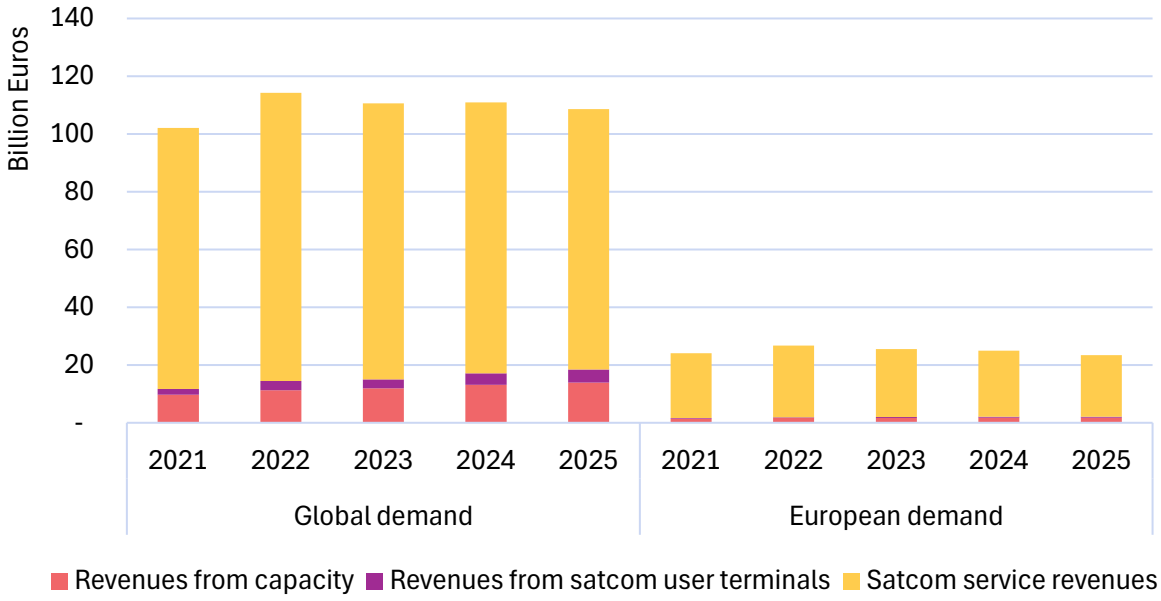

Figure 27 Downstream satcom market[56]

Revenues from capacity grew by 6% from 2024, reaching nearly €14 billion in 2025 (Figure 27). The jump in capacity supply led by Starlink, and consequent decrease of capacity prices has been impacting the competitive position of established GEO operators. In the past five years, European satcom operators have seen their market share of global capacity revenues decline from 38% in 2020 to 32% in 2024[56].

[58] This section relies on analysis of data made available by Novaspace.

The NGEO disruption has pushed legacy operators to adapt to the new market conditions. Two primary strategies have been put in place: vertical and horizontal integration through partnerships or collaborations, and the implementation of multi-orbit approaches to combine GEO and LEO benefits into integrated solutions.

Revenues from satcom user terminals reached €4.5 billion in 2025, increasing by 11% from 2024. The main growth was for broadband terminals from vertically integrated NGEO constellations. Starlink alone reported having scaled terminal output to approximately 200,000 terminals per week, with significantly lower production costs[57]. Suppliers in the market segment are also developing and testing terminals capable of operating in multi-orbit environments.

Finally, and largely accounting for the bulk of downstream satcom revenues, the service revenues totalled €90 billion in 2025, posting a 4% decrease from 2024. The drop was driven by the continued decline of demand for video services, which accounted for 75% of satcom services in 2025. In contrast, demand for the other satcom services (such as enterprise, consumer broadband, and mobility) posted growth of 16% from 2024 to 2025. Europe's share of the demand for satcom services was 24% in 2025, reaching a value of €21 billion.

While still not accounting for a significant segment within the global downstream satcom market in 2025, Direct-to-Device (D2D) continues to be seen as a next opportunity to redefine mobile connectivity, reaching mass market consumers (smartphone, automotive) and niche institutional users, including Public Protection and Disaster Relief (PPDR) and defence community, particularly in infrastructure-challenged regions. Realising this potential is expected to require the alignment of spectrum policy, licensing frameworks, and industry innovation. Regulatory decisions will shape global access to D2D systems for the next decade. Early and active engagement, by regulators, industry, and international bodies, is essential to ensure that D2D services are deployed effectively regionally and globally, alongside technological demonstrations.

Highlight - Strategies from Legacy GEO operators to respond to the NGSO disruption[59]

The deployment of Starlink had a disruptive effect on the satcom competitive landscape, with legacy GEO operators adapting through several strategies including the development of multi-orbit solutions, and intense partnerships and M&A activity.

The Low Earth Orbit (LEO) and Medium Earth Orbit (MEO) market has been showing signs of a transition towards more focused, performance-driven and multi-orbit deployment strategies, with increasing emphasis on sovereign, defence and enterprise demand. Starlink launched over 10,000 satellites for broadband services and another 650+ satellites for Direct-to-Device (D2D) services.

As of April 2026, Amazon had 300+ satellites in orbit with an expected commercial service launch in 2026. Amazon also acquired Globalstar for $11.56 billion which provides it a foothold in the growing D2D market[60].

Telesat's Lightspeed programme illustrates this transition, with a revised constellation design reduced to approximately 300 satellites, manufactured by MDA, at higher altitudes, prioritising resilience, latency optimisation and defence-grade capabilities.

In parallel, Eutelsat, following its integration with OneWeb, is positioning itself as a key European multi-orbit operator supported by strong backing from the French government and a long-term investment plan exceeding €2 billion. The company is using this capital investment to replenish its LEO constellation with additional satellites and reinforcing industrial sovereignty through partnerships with Airbus Defence and Space, while achieving tangible commercial traction across mobility, enterprise and emerging markets, notably in Africa and Asia.

SES continues to pursue a differentiated multi-orbit strategy centred on its O3b mPOWER MEO constellation, with full deployment expected by 2027. Looking ahead, SES has announced its next-generation meoSphere system. It has partnered with US company K2 Space to deliver 28 satellites, with SES developing the payload in Luxembourg, with the network slated to be in operation by 2030. The company is positioning itself as a multi-orbit integrator, leveraging partnerships including Lynk Global for D2D services which they expect to be commercially available in 2027.

Viasat is advancing a D2D strategy based on 3GPP non-terrestrial networks (NTN) standards, notably through its Equatys joint venture with Space42, which aims to enable global narrowband connectivity using existing MSS assets. The approach is supported by a growing ecosystem of partners across the mobile and satcom value chain, reflecting a collaborative, standards-based model. In this context, ESA's engagement with Viasat further illustrates its role in supporting European industry to develop and strengthen capabilities in the emerging D2D and NTN market segment[61].

[59] Source: ESA Internal.

[60] Amazon, Amazon to acquire Globalstar; partners with Apple, April 2026.

[61] Viasat, European Space Agency (ESA) and Viasat Partner on D2D, January 2025.

3.6.2. Downstream EO market[62]

As shown in Figure 28 below, the global EO data market (including data acquisition and basic pre-processing) continued its stable growth path in 2025, reaching €2.2 billion and posting an 8% CAGR in the past five years. This downstream market segment is structurally highly concentrated, with two primary suppliers (Airbus and Maxar), and market shares (from the supply view) not publicly available for confidentiality reasons. European customers accounted for 22% of the demand for EO data in 2025, a level comparable to the one in previous years.

The global EO value-added service market reached nearly €3 billion in 2025, posting slightly more modest growth with a 6% CAGR in the past five years. European customers accounted for an estimated 20% of the demand for EO value-added services in 2025, a level also in line with previous years.

Key trends in the EO downstream market segments include a sharp rise in data supply, the growing use of multi-payload systems and development of constellations integrating a multi-sensor approach, an unprecedented race towards the integration of AI to gain structural competitive advantage; and defence which keeps reinforcing its place as the primary customer of EO products and services. The latter can lead to an increasing use of export-control or restrictions on satellite imagery distribution, notably in the context of conflicts[63]. Planet Labs, Vantor (formerly Maxar) and BlackSky have been implementing a coordinated "data blackout" on Middle East imagery, to prevent data from being used as strategic tools to target US and allied personnel[64]. This trend highlights a growing tension faced by the commercial satellite data providers between the "democratisation of data" and its integration into national defence systems.

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[62] This section relies on analysis of data made available by Novaspace (Novaspace, Earth Observation Data & Services Market, 18th Edition, October 2025).

[63] Reuters, Satellite firm extends Middle East image delay to prevent use by US adversaries, March 2026.

[64] SatNews, Planet Labs Imposes Indefinite Blackout on Iran Satellite Imagery at U.S. Request, April 2026.

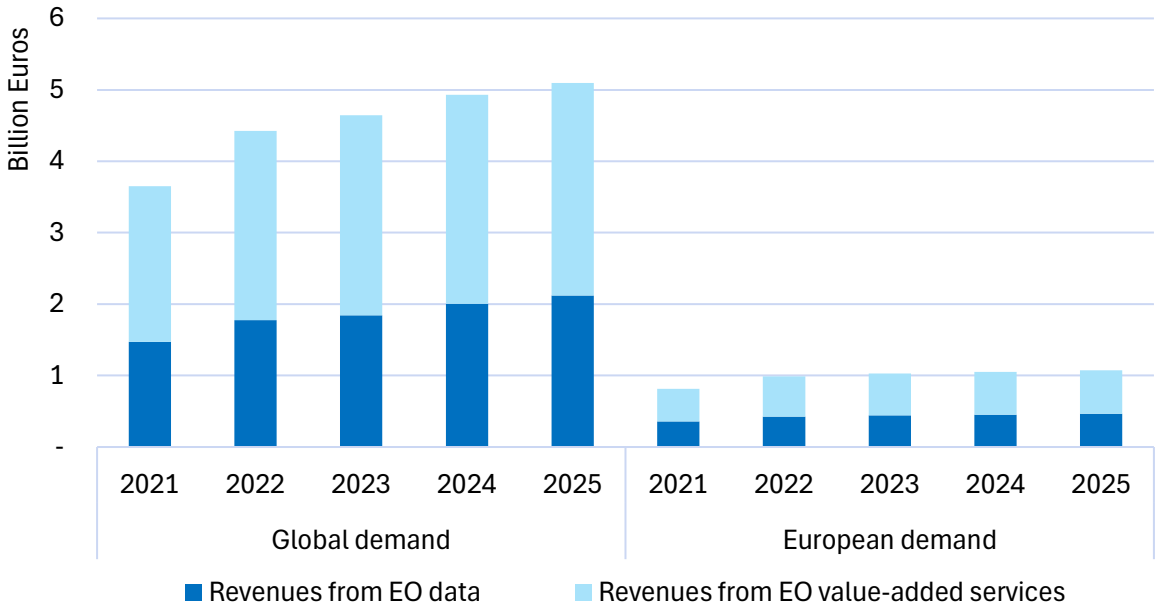

Figure 28 Downstream EO market[62]

Highlight - From Open Data to Value-Added Services[65]

With more than 200 PB (petabyte) of data made available annually[66], Copernicus' open-access model has significantly lowered barriers to entry for startups, SMEs, and downstream service providers across Europe. According to the EARSC Industry Survey 2025[67], while large companies accounted for about one-third of European EO downstream revenues, overtaking micro and small companies combined (29%), medium-sized companies saw the sharpest growth, increasing from 24.5% to 31% of the segment's revenues in a single year. Respondents to the survey also indicated that approximately 28% of their revenues depend on Copernicus for data, and 25% for services. When looking at the future, 93% of the EARSC survey respondents expect increased business opportunities stemming from Copernicus. The uptake of Copernicus data by European and national institutions is also reinforced by EU legislation (e.g., the Nature Restoration Regulation and the Carbon Removals Certification Framework), which in turn translates into rising market opportunities.

Yet, as is the case for the overall EO economy, the value of Copernicus is increasingly derived from enabling downstream analytics rather than from data access alone. A key structural trend is the integration of EO data with artificial intelligence and cloud computing, which is rapidly expanding the addressable market for downstream service providers.

European successes include companies such as OroraTech, whose AI-powered wildfire intelligence platform integrates Sentinel data with data from its own thermal infrared satellite constellation. Combining satellite EO and machine learning-based analytics, the company delivers operational products across the wildfire lifecycle, including prevention, detection and monitoring[68]. Over the past five years, OroraTech has completed multiple VC deals, including Series A rounds in 2021 and 2022 and Series B in 2024 and 2025[69].

The acquisitions of Preligens by Safran and of UP42 by Neo Space Group in 2024 also highlighted the attractiveness of AI-enabled EO analytics companies and integrated geospatial data platforms.

[65] Source: ESA Internal.

[66] CDSE, Copernicus Data Space Ecosystem Annual Report, December 2024.

[67] EARSC, Industry Survey, 2025.

[68] European Geosciences Union, The OroraTech Wildfire Solution: Fire Management based on the Forest Satellite Constellation, March 2026.

[69] European Space Policy Institute (ESPI), Space Ventures 2026.

3.6.3. Downstream GNSS market[70]

The sales of global GNSS devices were estimated at €110 billion in 2025, posting growth of 10% from 2024 to 2025 (Figure 29). Europe's share of the demand for GNSS devices was 23%, in line with 2024.

Revenues from GNSS augmentation services were estimated at €9.4 billion in 2025, with European customers representing 16% of the total demand.

Other GNSS-enabled services were estimated to generate revenues of €255 billion in 2025, an 11% increase from 2024, with Europe's demand share accounting for 17% of the total.

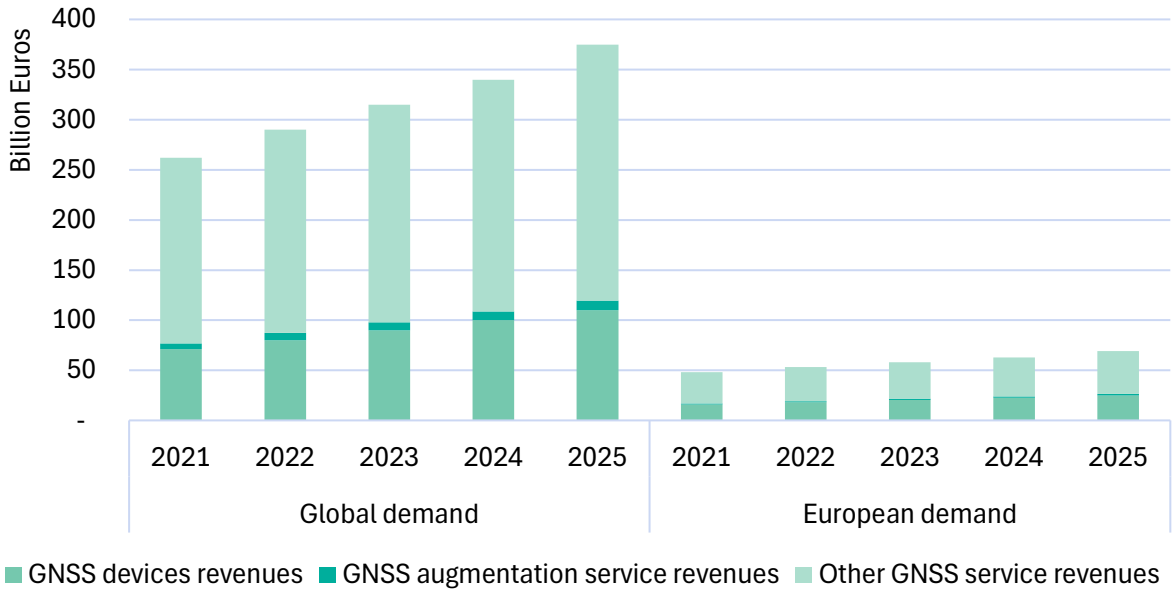

Figure 29 Downstream GNSS market[70]

[70] EUSPA, EO and GNSS Market Report, Issue 2, 2024.

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