**Comments on questions raised during the webinar on 15 September**

1. **For third-country operators, isn't there a third option, the mutual recognition of rules following Article 106 - international agreements with third countries? Unlike the one-way equivalence decision, this could also ease authorisation processes for Union space operators in third countries.**

Indeed, Article 106 EU Space Act facilitates the mutual recognition of rules when cooperation agreements with third countries are concluded. According to paras. (a), (b) and (c), these agreements would be aimed at facilitating the mutual recognition of “rules” and of “technical assessments”, as well as to setting out the details for the derogation for launch services. When it comes to the use in the EU of space services or space-based data provided by third country space operators, para. (d) limits this facilitation to governmental entities or entities that operate or own military assets. The wording of para. (d) would seem to exclude private operators of third countries from the scope of Article 106 EU Space Act.

1. **What should the co-legislators revise in the text to ensure the proposal becomes stronger and effective legislation?**

The draft EU Space Act contains more than 100 pages complemented with additional 36 pages of Annexes and an – in sum - Impact Assessment of over 250 pages. Many stakeholders expect very difficult discussions in the EU Parliament and the Council and predict a legislative process of up to 2 years (similar to the AI Directive), likely leading to substantial changes to the original draft.

Leaving the heavily discussed question of “Competence” aside, the ambitious scope and density of areas covered and requirements posed should be reduced, entailing a reduction of administrative burdens and costs associated with compliance.

To make it better and give it a higher likelihood of success, the EU Space Act should (i) focus on the main goals and should not try to micromanage and dictate details and specifics for innovative technologies, (ii) should see facilitation of innovation as its main goal and (iii) should significantly reduce the complexity and compliance burden for private stakeholders. While harmonisation, if accepted in the further legislative process, may result in a level playing field in the EU, the competitive position compared to other regions in the world will take a hit if the EU Space Act will be adopted without significant changes.

We understand that mainly the following topics are in the focus of critic by stakeholders:

* Review of the definitions, in particular, the distinction between space activities and space services and the important definition of primary provider of space based data;
* Reduction of deadlines for the licensing procedures, plus a fast-track licensing process for low-risk missions, SME and innovative technologies (regulatory sandbox)to encourage innovation;
* Reduction of the current overreliance on implementation and delegation acts;
* Inclusion of new agile review mechanisms, and reinforcement of pre-existent, to ensure alignment with technological developments unclear scope for “dual use” and “defence”;
* lack of proportionality of the introduced requirements compared to the goals;
* lack of specific, detailed ideas for fostering innovation;
* lack of market facilitation (Anchor Customer);
* High Complexity leading to difficulties high cost impact

The following issues should in our view be addressed in a next iteration of the draft EU Space Act:

* Downgrading the level of detail;
* Substitution of binding requirements for parts of the Safety and Sustainability Pillar by “regulatory sandbox” solutions and positive Incentivization in order to foster innovation and evolving technical solutions;
* Scope of Addressees. Generally, all stakeholders are affected by the new requirements. However, SMEs will be disproportionately challenged in managing the complexity internally, even if funding was available;
* Review of EU and National Capabilities and Budget Effects. The EU Space Act places significant new responsibilities on the EUSPA and on the national authorities. It is difficult to assess whether these structures will be fully functional by 1 January 2030 on EU level and above all on the level of all member-states;
* Avoid a burden on the regular Space Budgets;
* Streamline procedures and timelines. If operators are expected to adapt to new requirements, authorities should also be required to act within clear deadlines. This, however, circles back to the required capabilities;
* Market Facilitation, Procurement / Anchor Customer;
* Tiered Compliance. Further proposals to improve EU Space Act include the introduction of tiered compliance requirements proportionate to the size and risk profile of the operator, ensuring that smaller entities are not subject to the same level of regulatory complexity as larger operators and that the risk profile of a mission should be focussed on
* Funding for additional costs. More specific measures need to be detailed regarding funding support and co-support

1. **European launches/ year are far behind e.g. the USA and are more expensive. This paired with the 12months+ lead time on clearance and new micro launcher startups around the world sounds like this is making the EU space industry much less competitive?**

This is a difficult question to answer. It is true that the EU currently conducts significantly fewer launches per year compared to the USA and other major spacefaring nations.

It is also true that European launches are generally more expensive, due to a combination of factors: higher regulatory and compliance costs, less economies of scale, and a less mature commercial launch market compared to the US, where companies like SpaceX have driven down costs through reusability and high launch cadence. The global rise of micro-launcher start-ups (in the US, UK, Asia, etc.) is increasing competition. These companies often benefit from more agile regulatory environments and faster time-to-market.

The new EU Space Act proposal sets a maximum 12-month period for authorisation of space activities (see Article 7(6)), which is intended to harmonise and streamline the process across Member States. However, this is still a long lead time compared to some other jurisdictions, especially for new entrants and micro-launchers.

The combination of higher costs, fewer launches, and long regulatory lead times does create a competitive disadvantage for the EU space industry, particularly for commercial operators and start-ups.

The EU Space Act aims to address some of these issues by harmonising rules, reducing fragmentation, and introducing a single authorisation for satellite constellations (which could save operators significant time and money). However, the Act also introduces new requirements (e.g., environmental footprint calculations, cybersecurity, debris mitigation) that may increase compliance costs, especially for SMEs and start-ups, at least in the short term. In the short term, the transition to the new regulatory regime may pose challenges for competitiveness, especially if other jurisdictions remain more flexible or less costly. In the long term, if the harmonisation and support measures are effective, the EU could benefit from a larger, more integrated market and improved access to capital and customers.

1. **What is your opinion on the legal foundation of the proposal? Can Art. 114 overrule Art. 189 TFEU which excludes any harmonisation in this field? Lex specialis still derogat legi generali?**

The positions and opinions vary. A well founded argument would require more space (no pun intended) than we have here. In short:

We are not sure that systematic arguments like “lex generali” are sufficiently convincing to decide the case against Art 114. A most recent academic publication by Dr. Bratu and Prof. von der Dunk (“The EU Space Act Proposal and its Impact on the Dutch Ecosystem”) is in our view right in looking at the question of competency not only at the EU Space Act as a whole but in a differentiated way, according to the different Pillars of the draft EU Space Act and the arguments which can be brought for and against competence in each of the cases.

1. **We worry that all these requirements and implementation of rules will cause a significant rise of costs for SMEs, both direct and indirect. Given the struggle with profitability of SMEs in the European space industry, these requirements will endanger directly not only the competitiveness but even the sustainability of the SMEs and could further impact the interest of financial institutions and investors. Are there any support measures to help with this, and how will these be implemented? The space act seems very vague in this aspect.**

Both the “Vision for the European Space Economy” (presented alongside the draft EU Space Act on 25 June 2025 as part of the Space Package) and the draft EU Space Act itself acknowledge the need for support measures. However, as you note, the details provided so far remain vague.

The draft EU Space Act aims to create a harmonised regulatory framework for the internal market in space-based services and considers this harmonisation itself as a form of support. The argument is that reducing legal fragmentation benefits all commercial stakeholders, especially smaller operators, who are often disproportionately affected by the complexity and cost of navigating multiple, and sometimes inconsistent, national regulatory regimes. By establishing a coherent legal framework, the EU Space Act seeks to provide greater certainty—a critical precondition for efficient commercial operations, scaling up SME-led ventures, and facilitating access to external financing.

However, as mentioned above, the introduction of new compliance obligations—including requirements for safety, resilience, and sustainability—raises legitimate concerns about increased administrative and financial burdens for SMEs.

In this context, what specific support measures are foreseen in the draft EU Space Act?

* Capacity-building support, particularly through the development of information portals, guidance materials, vouchers for expert assistance, and general measures to improve access to information and regulatory guidance, helping space operators manage compliance.
* Co-funding opportunities in areas such as joint research and innovation, and even full funding for the development of certain technologies (e.g., launcher neutralizers like flight termination systems).
* Participation in training programmes to help offset the costs of implementing the Act’s requirements.
* Introduction of a Union Space Label Framework for operators who exceed the baseline requirements of the Act. While the specific benefits of this label are not yet defined, it is expected that it will provide some form of support or advantage.
* The broader Space Package, including the “Vision for the European Space Economy,” also envisages expanded contracting opportunities for startups, SMEs, and scaleups, alongside established firms, as a strategic driver of innovation and competitiveness in the EU space sector.

In addition, the EU Space Act includes certain easements, particularly relevant for smaller enterprises, to help mitigate the new burdens introduced by the regulation. These include:

* The principle of proportionality in applying requirements.
* Lighter regulatory regimes, such as simplified risk management and exemptions for In-Orbit Demonstration and Validation (IOD/IOV) missions.
* Extended transition periods for compliance.
* Scaled fees based on company size or activity.

While these measures are intended to support SMEs, more clarity and detail on their implementation, eligibility, and funding would be needed to provide real predictability and reassurance for smaller operators.

1. **Who are primary providers of space-based data? Can they also be space operators, or are they solely “intermediaries between space operators and users of space-based data”, as per Recital (22)?**

In the current EU Space Act wording (cf. definitions in Article 5), primary providers of space-based data (i.e. data coming from outer space) (A) are operators that initiate the first processing of this data which is technically sufficient to enable any subsequent provision of space-based data (such as providers of electronic communication data or observation data services).

They distinguish themselves from and are expected to interact with “space operators” (B), which are those public or private entities operating space infrastructures (i.e. any assets, systems or sub-or parts of systems) used to perform space activities through the interaction and operation of ground, space and link segments (those operators possibly being spacecraft, spacecraft launch or launch site operators or ISOS providers).

About this distinction, draft EU Space Act Recital 22 draft provides that:

*„Primary providers of space-based data play a key role as intermediaries between the upstream and downstream sectors as they channel space-based data from space operators towards the various subsequent uses of such space-based data, for the benefit of the entire economy and citizens. In that respect, although the substantive rules which apply to space operators should not apply to them, they still play an important role in the space sector, by ascertaining that the space-based data which they pass down in the value chain originates from space operators that are compliant with this Regulation.”*

This being said, depending on the context and spectrum of activities of a given operator, we understand the latter may be led to perform both activities A and B.

Also, both A and B actors could be considered as space services providers, which is defined quite broadly under EU Space Act draft.

Note that this is only a temporary interpretation waiting for the future revised versions of the text. In that respect, the notion of primary provider of space data will probably evolve as the position of generators/users of space data will need to be clarified.

1. **If this Regulation in the current text will ever be approved, it will create huge problems to the operators. It creates a lot of very expensive burdens without bringing any real added value. European industry will be the sole industry in the world which will be forced to respect such stringent requirements and in the meanwhile US and China will continue to develop. Furthermore, it worsen the governance making it more and more complex putting the related costs on the industry. I am really sceptic.**

A healthy dose of scepticism is probably warranted. On the other hand, we could draw some parallels to the early days of aviation, when the first manufacturers and operators very soon realised that they would all benefit from common regulations and rules. This resulted in international treaties and standards being concluded quite soon. One might question why the EU should take a leadership role in space matters, but then again – why not? The alternative option, with fragmented regulations in each Member State, is probably even worse for the industry.

In addition, please see also our comments to question 3.

1. **Given the extremely rapid developments in the space sector and the comparatively slow EU bureaucracy: isn’t there a risk that it could create additional barriers to innovation, slow down European companies, and ultimately push Europe even further behind its global competitors? How does the EU plan to ensure that regulation can keep pace with such a fast-moving market?**

The EU Space Act plans to implement a process of monitoring and evaluation.

The EU Space Act is foreseen to be evaluated for review periodically, at first within 5 years from the entry into force, and then every 5 years thereafter.

In addition, several monitoring actions shall be carried out by the European Commission and the Agency in evaluating continuously the effectiveness and efficiency of the provisions , including supervision and analysis of emerging aspects related to the application of the EU Space Act . The specific objectives and corresponding indicators are foreseen to be monitored on an annual basis.

The European Commission is further foreseen to perform a short-term evaluation to assess the performance of the Agency in relation to its tasks under the EU Space Act. The European Commission shall report on the findings of the evaluation to the European Parliament and the Council.

We may highlight in that context that Article 40 mandates EUSPA to assist the Commission in the preparation of delegated and implementing acts based on the EU Space Act, and in the preparation of proposals for amendments, by issuing formal technical opinions addressed to the Commission, which is empowered by Article 97 to adopt implementing acts. This authority and those implementing acts are also foreseen to be reviewed to take into account scientific and technological developments and adapt to technological progress.

Finally, Article 116 foresees a evaluation and review mechanism, according to which by 1 December 2035, and every five years thereafter, the Commission shall submit to the European Parliament and the Council a report on the evaluation of the EU Space Act, including an assessment of the environmental, economic and social impacts of space activities on other sectors, and shall submit, as appropriate, a report on its review, accompanied, where necessary, by a legislative proposal. The reports shall be made public.

For the purposes of such evaluation and review, the Commission shall consider data and information provided by the Agency and the Member States and take into account the opinions, positions and findings of the Agency, the European Parliament, the Council, the Member States and the competent authorities, as well as other relevant bodies and organisations or relevant sources**.**

In addition, please also see our comment to question 10.

1. **Information sharing requirement is indeed a super interesting use-case for the "Space Data Space" (SDS) initiative, supported by the European Space Agency (ESA).**

In the global unstable geopolitical landscape, in which we find ourselves, data spaces will play a key role to secure and structure flows between economic operators. Today huge amount of data sets are still insufficiently exploited. In that perspective, space data spaces will allow to interconnect ground/space/links segments actors of the space economy but also stakeholders of other sectors on hearth (e.g. health, agriculture, transports, etc.) interplaying with space, regardless of their position in the data generation and exploitation chain. While the UE data economy grounds itself on the setting up and operation of data spaces aimed at building a European unique data market capable of playing a leading and sovereign role at the global level, ESA/ESPI space data space initiative ([SatCen - SatCen hosted the ESA-ESPI “Space Data Space” workshop](https://www.satcen.europa.eu/Pages/satcen-hosted-the-esa-espi-space-data-space-workshop) ) will also necessarily contribute to this trend. A blueprint for this working program has already been written by a team of experts including legal experts (of which we are proud to be part), and we look forward to its coming publication. Also, more sectoral data spaces, such as surveillance data spaces, will require careful support to contribute to the fullest coverage possible of data spaces initiatives within the EU or in collaboration with third-party countries or operators. The sharing of data under EU Space Act goes in that same direction.

1. **With the implementation in 2030 (at the earliest), the European and world's space sector might look vastly different by then. Is there room in the Space Act for changes to new innovations and new technologies?**

The EU legislator has embedded a comprehensive set of mechanisms in the EU Space Act to ensure it remains responsive to technological innovation, evolving business models, and the competitive global environment. This approach balances legal certainty with the agility needed for a rapidly advancing sector. In detail:

* + - 1. **Delegated and Implementing Acts for Flexibility** The EU Space Act is designed with built-in flexibility to adapt to technological advances and changing market conditions. The European Commission is empowered to adopt both delegated and implementing acts (see Articles 113–114). This allows the Commission to:
* Update technical requirements and standards as new technologies emerge (e.g., for debris mitigation, cybersecurity, in-space operations).
* Specify or amend methodologies, such as those for environmental footprint calculations, in line with scientific and technological progress.
* Adjust criteria for risk management, resilience, and safety to reflect evolving threats and innovations.
  + - 1. **Standardization and Harmonization** The Act mandates the Commission to request European standardization organizations to develop or update standards (Article 104). This process ensures that:
* New industry best practices and technical standards are rapidly incorporated.
* The EU can align with or set global standards, supporting competitiveness and interoperability.
  + - 1. **Periodic Review and Evaluation** The Act requires regular evaluation and review (Article 116):
* The Commission must submit a report to the European Parliament and Council every five years, assessing the Act’s effectiveness, market impact, and technological developments.
* These reviews can lead to legislative proposals for further adaptation if needed.
  + - 1. **Stakeholder and Expert Involvement** The Act provides for:
* Public consultations and expert input before adopting new technical rules or guidelines.
* Involvement of industry, academia, and technical bodies in the development of standards and labelling schemes.
* A Union Space Label Framework to encourage voluntary adoption of higher standards, fostering innovation and market differentiation.
  + - 1. **International Cooperation and Equivalence** To remain competitive globally, the Act:
* Allows for equivalence decisions, recognizing third-country regimes as equivalent if they meet EU standards (Article 105).
* Encourages mutual recognition agreements and cooperation with international organizations (Articles 106–108).
* Ensures that third-country operators providing services in the EU must comply with EU requirements, maintaining a level playing field.
  + - 1. **Support for SMEs and New Entrants** Recognizing the dynamic nature of the space sector, the Act includes:
* Proportionality and lighter regimes for SMEs, start-ups, and research institutions, reducing barriers to innovation.
* Supporting measures such as capacity-building, technical assistance, and funding for compliance with new requirements.
  + - 1. **Digital Tools and Data-Driven Adaptation** The Act establishes digital platforms (e.g., URSO, Information Portal, Environmental Footprint Database) to:
* Facilitate real-time monitoring, data collection, and compliance tracking.
* Enable rapid response to emerging trends and incidents, informing future regulatory updates.