DEMYSTIFYING THE FUNDING LANDSCAPE FOR SPACE IN THE UK

Overview of UK Space Agency, European Space Agency, UK MOD, UKRI, International & Private Investment funding sources available to the UK space sector

ISSUE 1.0
FEBRUARY 2026

Produced by KI Bid Consulting for Space West

Target audience

This Guide about the Funding Landscape for Space in the UK is written for UK organisations wishing to better understand which funding sources exist, what they typically target, how they work and the mechanisms by which to obtain funding (the actual funding opportunities, or calls). It is intended to be applicable to any type of organisation, though it is anticipated that start-ups or SMEs will likely find it most useful.

Objective of this Guide

The aim of this Guide is to provide an overview of the key funding sources for space-related activities available to organisations in the UK.

Scope

Whilst other reports and publications discuss funding for space at a macro level, they rarely describe the specific funding calls you can apply for. This Guide provides an overview of available funding lines for space, in addition to relevant information for specific funding opportunities, such as how they work, typically how much funding is available, what they are targeting, along with tips and pointers on applying for the funding.

Some organisations also provide non-funding support, in the form of Accelerator programmes, or other business support initiatives. Some of these have been included in this Guide, as they may be helpful to you.

This Guide focuses primarily on the public sector funding sources, as shown in figure 1. Direct-to-home (satellite broadcasting) as well as the Business to Business (B2B) opportunities are not in the scope of this Guide.

Whilst this Guide includes many of the key funding lines, it should not be viewed as an exhaustive list of funding opportunities. Please note that this Guide was prepared in early 2026, with information current at that time. Several organisational changes are expected in 2026/2027, which may affect funding calls, and where appropriate, these upcoming changes have been signposted in the relevant sections to help provide context. Additionally, at the time of writing, the pipeline of funded programmes for 2026 and beyond, particularly in the context of the UK Space Agency and MOD, have not yet been released, therefore the information in those sections is based on historical funding opportunities.

It is anticipated that periodic updates to this Guide will incorporate changes to the funding landscape as they unfold.

This Guide has been prepared to help you understand the funding landscape, it does not advocate or recommend any particular funding route – the funding you choose to apply for will depend on your business' circumstances.

The wider space industry context

Several reports published recently have analysed the size and shape of the UK space sector, along with recommendations for its future development. This Guide does not seek to duplicate this analysis – key findings are referenced throughout this Guide in order to provide the context in which the funding channels are to be understood.

Useful reference documents for further reading:

- **National Space Strategy (2021)**

- **National Space Strategy in Action (2023)**

- **UK Industrial Strategy (2025)**

- **Strategic Defence Review (2025)**

- **House of Lords Engagement with Space Committee Report**: The Space Economy: Act Now or Lose Out (2024)

- **The Government's response to the House of Lords report** (January 2026)

- **Size and Health of the UK Space Industry 2024** (updated August 2025)

Glossary: A glossary has been included in Annex C to define terms and abbreviations used within this Guide.

NAVIGATING THIS DOCUMENT:

Within this document are many cross-links to other sections to help you navigate. Clicking these will take you to the related section.

If you are reading this document in a PDF reader, click on the embedded links to jump sections. **Use the keyboard shortcut Alt + Left Arrow to return to your starting point**.

Throughout the document you will see yellow and blue call out boxes.

Yellow call out boxes contain links to further reading, helpful information and additional data.

Blue call out boxes summarise the key information.

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Kelly has over 12 years of experience in bidding, managing bid teams and developing the bidding capability in large international organisations. She has worked on ESA bidding for over 10 years and her ESA bidding portfolio includes major platform and sub-system bids, together with a large number of technology development and early phase study bids. She is the author of "*Bidding for ESA Contracts: The Essential Guide*", written for UK Space Agency and published in May 2025, and has since been adapted for other ESA Member States. She is also the Delivery Partner for UK Space Agency's *ESA Proposal Advice Service* (ESA PAS), through which she works with businesses to strengthen their proposals ahead of submission to ESA.

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About Space West

Space West is one of the UK's 14 space clusters. It is a regional consortium of academic and industry partners designed to accelerate growth and innovation in the space sector within the South West and nationally. The Space West cluster is hosted by the National Composite Centre and funded by the UK Space Agency. It is supported by founding partners including the West of England Mayoral Combined Authority, the Centre for Modelling and Simulation, the University of Bath, the University of Bristol and the University of the West of England. Space West has commissioned this Guide and the accompanying workshop to help businesses in the South West and beyond better understand the funding landscape. If you would like to get in touch with Space West, contact: spacewest@nccuk.com

Acknowledgements

This Guide was produced by KI Bid Consulting under contract to Space West. With thanks to the following people for your involvement in this project, be it through taking the time to discuss different areas of the funding landscape, reviewing draft versions of this Guide, pointing me in the direction of where to find information or who to talk to, or answering my many questions. Any inaccuracies or omissions relating to how the funding areas are represented in this Guide are entirely the responsibility of KI Bid Consulting:

Becky Huffee, Huw Simpson, Tim Just, Mike Madden, David Parker, Chris White-Horne, Ben Olivier, Roger Ward, Simon Walker, Joe Hunter, Chris Chaloner, Ian Annett, Lucy Berthoud, Karen Aplin, Anis Mourad, Portia Bowman, Sean Sutcliffe, Edward Tellwright, Shruti Iyengar, Abbasi Gandhi, Antonia Yendell, Lydia Green, Allen Antrobus, Jon Hulks, Aaron Vinnik, Dan Smith, Pamela Knoll, Victoria Christmas.

In addition to 'interviewing' some of those listed above, many online sources have been integral in explaining the various funding lines. Most sources are referenced in the relevant sections in the yellow call out boxes. Additional material which has been helpful in understanding the funding landscape is referenced below:

Funding opportunities and business support for space in the UK — know.space (October 2024)

Title page image credits: ESA/Euclid/Euclid Consortium/NASA, image processing by J.-C. Cuillandre (CEA Paris-Saclay), G. Anselmi

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1 – The Space Sector

This section provides an overview of the funding landscape for space, discusses the 'total budget' available and introduces the various funding lines as routes to obtaining some of the budget. It 'groups' funding lines together in different ways, presenting opportunities by disseminating organisation, stage of business, thematic area or type of funding - to help you identify the most relevant funding for your business' circumstances. It will help you answer the following questions:

- **How is the space sector divided up in terms funding?**
- **What are the main funding opportunities for space?**

1.1 What is the space sector (in terms of funding)?

This may seem like an unlikely question, but through researching funding in the space sector, it has become evident that defining the space sector from a funding perspective is not clear cut.

> **This is because funding for space does not sit neatly within one 'pot' – instead, funding for space activities comes through many different funding lines. Some are space-specific, but many funding sources for potential space activities sit within broader areas such as Innovation, Defence or Research.**

This is not surprising, given that space technology is becoming increasingly intertwined with other sectors (for example, bio-medical research in space, quantum, downstream applications of Earth Observation data, AI, and many more). **From a funding perspective this means that you, as UK space businesses need to explore avenues for funding that may not have been initially obvious.** This Guide sets out the various avenues you could consider for funding.

1.2 Overview of funding channels

1.2.1 Total available funding – context

In 2022/23, the UK space sector was worth an estimated £18.6 billion[1]. This includes a large part (~50%) for direct-to-home TV broadcasting, which is out of scope for this Guide.

The remaining **£9.7 billion** is shown in the chart below:

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[1] UK space industry income was £18.6bn in 2022/23, source: Size and Health of the UK Space Industry 2024

UK SPACE SECTOR SPLIT BY CUSTOMER TYPE (22/23) - TOTAL VALUE OF SECTOR EXCL. DHT £9.7BN

B2C
£635
7%

Public sector
£3,415
35%

B2B
£5,658
58%
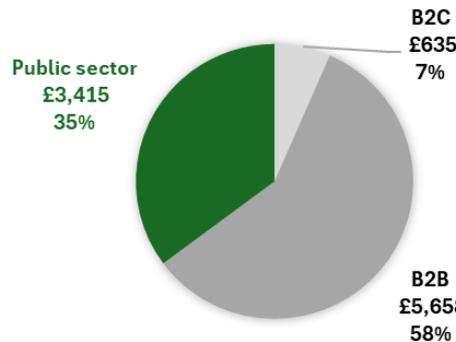
Figure 1 - Breakdown of the UK space sector income of £9.7 billion by segment (values in £ millions)[2]

This Guide focuses primarily on the funding sources comprising the 35% (~£3.4 billion) of public sector funding for space.

However, private equity investment is discussed, which is not part of the 35% shown above.

The 35% of public funding for space is broken out in the following chart, showing funding by organisation.

UK PUBLIC SECTOR SPENDING ON SPACE BY FUNDING BODY (IN £ MILLIONS)

Research/science funding
£245
8%

UKSA
£154
5%

Other civil govt
£663
20%

Defence/military
£1,816
56%

ESA
£356
11%
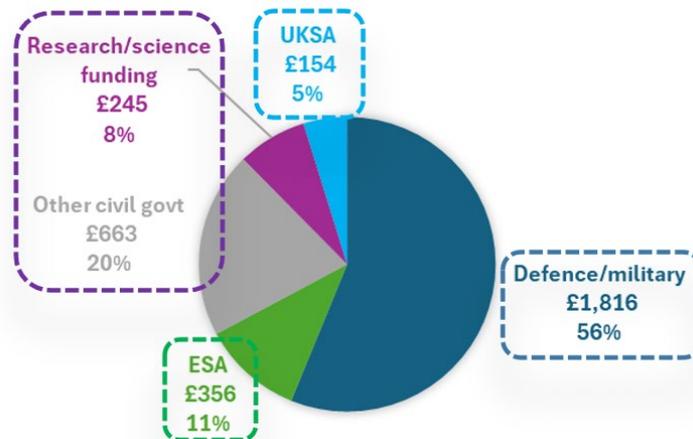
Figure 2 - Public funding split by funding organisation (2022/23 data)[2]

It is worth noting that UK Space Agency and ESA funding account for under a quarter of all public sector spending on space. **This highlights the importance of looking beyond the traditional 'space' funding lines (see section 1.3.1) for potential opportunities.**

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[2] Source: Size and Health of the UK Space Industry 2024

Figure 2 broadly maps on to the structure of this document in the following way:

- *UKSA funding – section 2*
- *ESA funding – section 3*
- *Defence/military funding – section 4*
- *Research/science funding – section 5 and some of section 6*
- *Other civil govt – section 6 and some of section 7*

The match is not exact, due to a difference in categorisation, but serves as a helpful indication to understand the rough size of the funding area being discussed in each section.

1.2.2 Recent budget announcements and changes to the landscape

This Guide was compiled with information in early 2026. It is important to keep an eye on announcements, as these are released through 2026 and beyond. The summary here serves as an overview for broader understanding and context.

a) European Space Agency:

ESA Council of Ministers: In November 2025, ESA held its council of Ministers (held every 3 years), which set the budget for the next years of investment from the UK for ESA programmes. £1.7 billion of funding from the UK was approved, in addition to the ~£1 billion already committed, given a total of £2.8 billion over the next decade for UK participation in ESA programmes. This equates roughly to **£500 million per year.** (Year by year funding will vary due to programme phasing).

Additionally, it is worth noting that ESA member states agreed for the first time to fund a programme designed to serve military as well as civilian requirements – through the **European Resilience from Space (ERS)** programme. From 1 February 2026, ESA has created a **new Directorate** for "Resilience, Navigation and Connectivity".

To read more about these changes, see the links in the call out box.

Further reading:

UKSpace Outbrief from ESA CMin 25

The European Space Context after ESA's 2025 Ministerial Council Meeting

Details of the new Resilience, Navigation and Connectivity Directorate

b) UK Space Agency / DSIT

Merger with DSIT: the UK Space Agency is merging into DSIT, which is expected to be complete by April 2026. This is part of a 'one government' approach, aiming to align three previously separate areas and strategies – National Space Strategy, Industrial Strategy and the Strategic Defence Review (see Introduction section for links to these).

Funding: DSIT announced a 4-year budget for UK Space Agency of £2.8 billion. Once ESA programmes are taken out (covered separately above), this leaves a budget of **~£170 million per year** over the next 4 years for UK

Further reading:

DSIT Research and Development (R&D) plans to 2029/2030 - GOV.UK

Space Agency or national programmes[3]. How this is to be spent has not yet been confirmed – a publication is expected in Spring 2026. It is anticipated that some of the programmes discussed in section 2 of this Guide

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[3] Based on DSIT announced UK Space Agency budget over 4 years (£2.8bn) = ~£600-700m per year, less ESA programmes at £500m per year.

will continue, though the exact nature and timeframes of the funding calls and amounts available are yet to be confirmed.

c) EU programmes

DSIT announced a ~£9 billion UK contribution to EU programmes over the next 4 years. This is roughly £2.2 billion per year and covers the Horizon and Copernicus programmes. Note that this contribution to Horizon is not space-specific. More on these in section 7.

> **Further reading:**
>
> DSIT Research and Development (R&D) plans to 2029/2030 - GOV.UK

d) Defence

There are currently many expected changes to the organisational and funding landscape within MOD. These are further explained in section 4. Defence spending is set to increase, with details expected to be published in the Defence Investment Plan. Timeframes for publication are not clear.

1.3 Available types of funding

Different funding opportunities are available, and the most suitable will depend on your short and long-term business plan, stage of business and appetite for risk. **This Guide is not intended to recommend which funding type is most appropriate to your business**, it is instead aiming to give you the information and understanding of different funding opportunities and sources available, to help you with your decision making.

1.3.1 'Space' and 'non-space' funding

Funding can broadly be thought of in two ways:

1. **'Space' funding** - funding which is specifically for space activities. Mostly, this covers UK Space Agency and ESA funding and focuses entirely on space activities. However, it can also include space-specific calls from other organisations, for example the space element within Horizon Europe.

2. **'Non-space' funding** - funding that can be applicable to space companies but isn't advertised as space funding. Funding calls could be targeted at, for example, 'innovation, 'agriculture', 'secure cities', 'quantum', or any number of other topics, for which a space-based solution could be relevant. UKRI, Innovate UK or much of the defence funding fall into this category.

1.3.2 Types of funding

The funding opportunities addressed in this Guide typically fall into one of the following categories of funding type. How the specific funding opportunities relate to these categories is shown in figure 7.

- **Fully-funded projects.** These are a great option, if you can identify ones appropriate to your business. Fully-funded projects typically define a specific scope of work and are based around deliverables. You can make profit, and do not need to give away any equity in your business. Look out for the T&Cs and price type. If you are offering a fixed price for the work, be sure to scope it carefully, as generally you will need to cover additional work if a task takes longer than anticipated. Fully-

funded contracts could be from other businesses, as well as organisations such as ESA and MOD. For the majority of ESA and MOD contracts, any IP generated will remain yours, but be sure to read the terms and conditions for your particular bid (R-Cloud+, for example, is a known exception). Also be sure to understand the T&Cs if you are tendering into another organisation, or as part of a consortium.

Key points – fully-funded projects:

- Defined scope of work
- Based around deliverables
- Allow profit to be made (check % allowable, e.g. on ESA projects)
- Do not require you to give away equity in your business
- Look out for T&Cs and pricing conditions

- **Grants**. These are a common way to receive funding, especially for R&D activities. Grants pay a percentage of the total costs associated with a project, such as salaries, materials and subcontractors, though often require you to self-fund a percentage of the costs. Typically, grants will fund between 50% - 100% of eligible project costs, but it will depend on the type of organisation you are and the work being done (this is called the intervention rate and is calculated based on the size of your business, whether you are an academic institution, how mature the technology is, etc.).

Key points - grants:

- Grant funding pays a % of the total project costs – typically between 50%-100%
- % of funding you receive depends on your business (size, academia, etc.)
- Paid on a cost-recovery basis, only certain costs are eligible
- Do not allow profit to be made
- Do not require you to give away equity in your business
- Look out for grant T&Cs

Grant-giving organisations will require you to sign a grant funding agreement, which is different to a contract in the following ways: 1) grant funding is typically given on a cost recovery basis – only actual costs can be recovered, no profit is permitted. 2) You will be asked to provide evidence for costs you wish to claim. Only certain costs are eligible, which will be detailed in the grant T&Cs (they differ between grants). Grants do not require you to give away any equity in your business. For most grants, any IP remains yours but look out for the specific T&Cs as they differ between grants.

- **Part-funded (co-funded) projects.** Similar in principle to fully-funded projects, but require you to provide a percentage of the funding. Typically, this mechanism is used for developments that you would expect to generate further sales from, so part-funded projects support a company's own business growth. These are different to grants, aligning more to the fully-funded project approach. The amount you need to fund (or matched funding amount) differs between opportunities – be sure to read the T&Cs. Some ESA projects fall into this category.

Key points – part-funded projects:

- Different to grants
- Require you to provide % of funding
- % of funding you receive depends on each opportunity

- **Loans.** You borrow money from a loan provider and pay it back, along with interest, over an agreed payment schedule. Can be a good option for helping with cash-flow, but be sure to understand the terms of the loan. Loans may be provided by banks and other lending institutions (for example Innovate UK).

- **Equity-funding.** Investors invest funds into the business in exchange for an equity stake. This covers all manner of investments, ranging from friends and family through to 'angel investors', venture

capital or private equity funds. Typically, equity investors will be looking for business growth and often have expertise and networks to help you. Look out for the T&C of the funding and the exit conditions. See section 8 for further information on equity finance.

This Guide also discusses other sources of help offered by funding bodies, such as **accelerator programmes**, **incubators and business support initiatives**. Typically, these do not offer funding but offer support at various stages of growth. See here for a list of support programmes included in this Guide.

1.4 Categorising funding

The funding landscape for space can be viewed (or sliced) in many ways, some of which are listed below, with further details in the sub-sections:

1) **By organisation disseminating the funding** (see section 1.4.1), grouping funding by its administrative route. This is useful as it shows all available funding lines offered by different organisations. Typically, the bid process will be similar and the individual points of contact to discuss the funding with will be knowledgeable about other funding within their organisation. This is the way the funding is presented in this Guide.

2) **By stage of business / Readiness Level (RL)** (see section 1.4.2), grouping funding available for early-stage development vs later stage commercialisation. This is useful if you are specifically looking for funding targeted at your RL or stage of business.

3) **By thematic area** (see section 1.4.3), for example, funding for EO or Telecoms applications. If your product or service is designed for a particular application, targeting funding opportunities focused on your area is an obvious choice. Some funding lines are always theme-specific (e.g. some of the ESA programmes such as ARTES, NAVISP, Future EO, etc.), but generic funding lines can also run thematic calls – with different themes each time (e.g. DASA thematic calls).

4) **By type of funding** (see section 1.4.4)**,** for example, grant, contract, loan, etc. – as described above. This could be a useful categorisation if you know the funding type you require.

1.4.1 Funding by disseminating organisation

> This Guide is structured to show funding organised by the entity disseminating the funding.
>
> **From a UK business or university's perspective, this aligns most closely to the type of bid application you will need to complete. For example, ESA bids, UKRI bids, UK Space Agency grants, etc.**

Funding lines shown by disseminating organisation are shown in figure 3 below.

Note that this is a historic view, showing funding lines which have existed in previous years. Currently, it is not clear whether some funding lines will return in 2026, and if they do, when they are likely to run or how they may differ to previous calls. This applies in particular to UK Space Agency grants and some DASA calls.

Chart is split – the section on the next page should be seen as 'continuing'
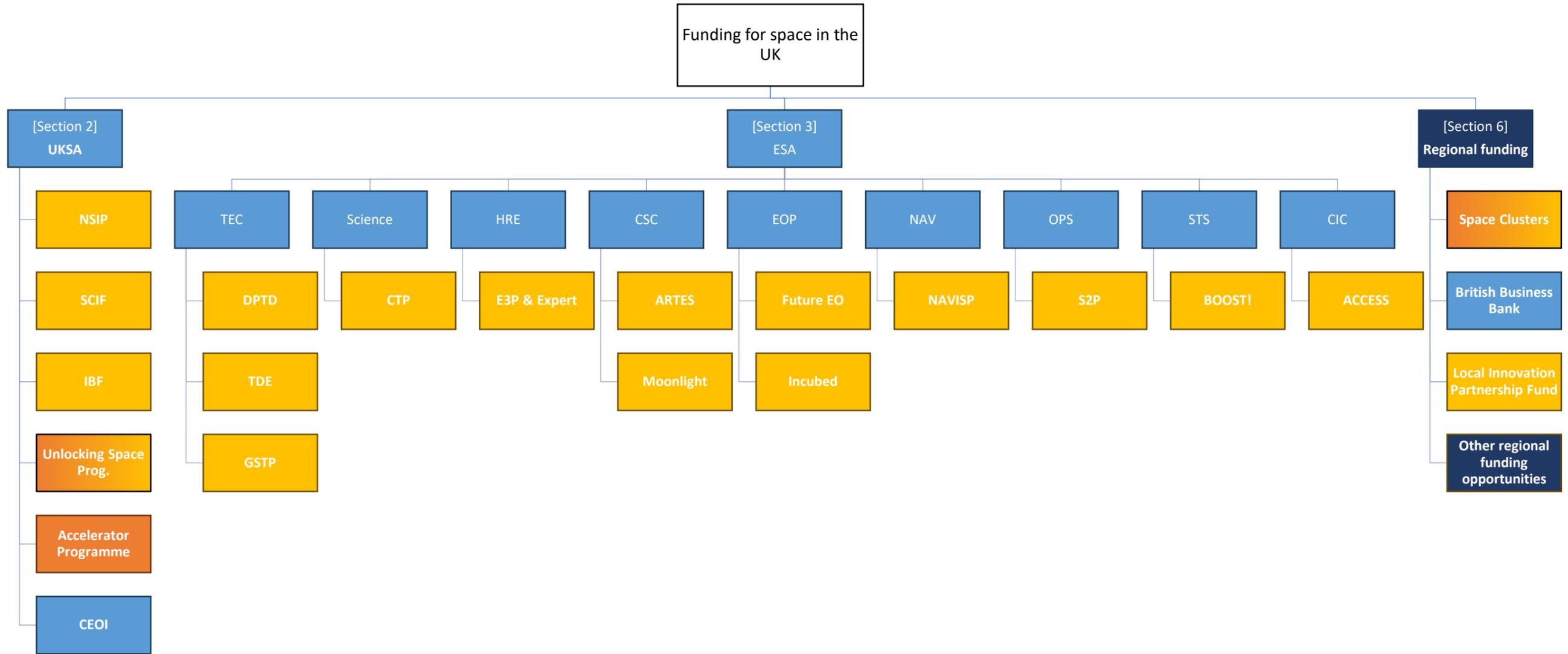
Funding for space in the UK

[Section 2] UKSA
- NSIP
- SCIF
- IBF
- Unlocking Space Prog.
- Accelerator Programme
- CEOI

[Section 3] ESA
- TEC
  - DPTD
  - TDE
  - GSTP
- Science
  - CTP
- HRE
  - E3P & Expert
- CSC
  - ARTES
  - Moonlight
- EOP
  - Future EO
  - Incubed
- NAV
  - NAVISP
- OPS
  - S2P
- STS
  - BOOST!
- CIC
  - ACCESS

[Section 6] Regional funding
- Space Clusters
- British Business Bank
- Local Innovation Partnership Fund
- Other regional funding opportunities

Legend:
- Entity disseminating the funding
- Funding opportunity
- Support offering, limited/no funding
- Grouping / header category for ease of presentation

Funding for space in the UK
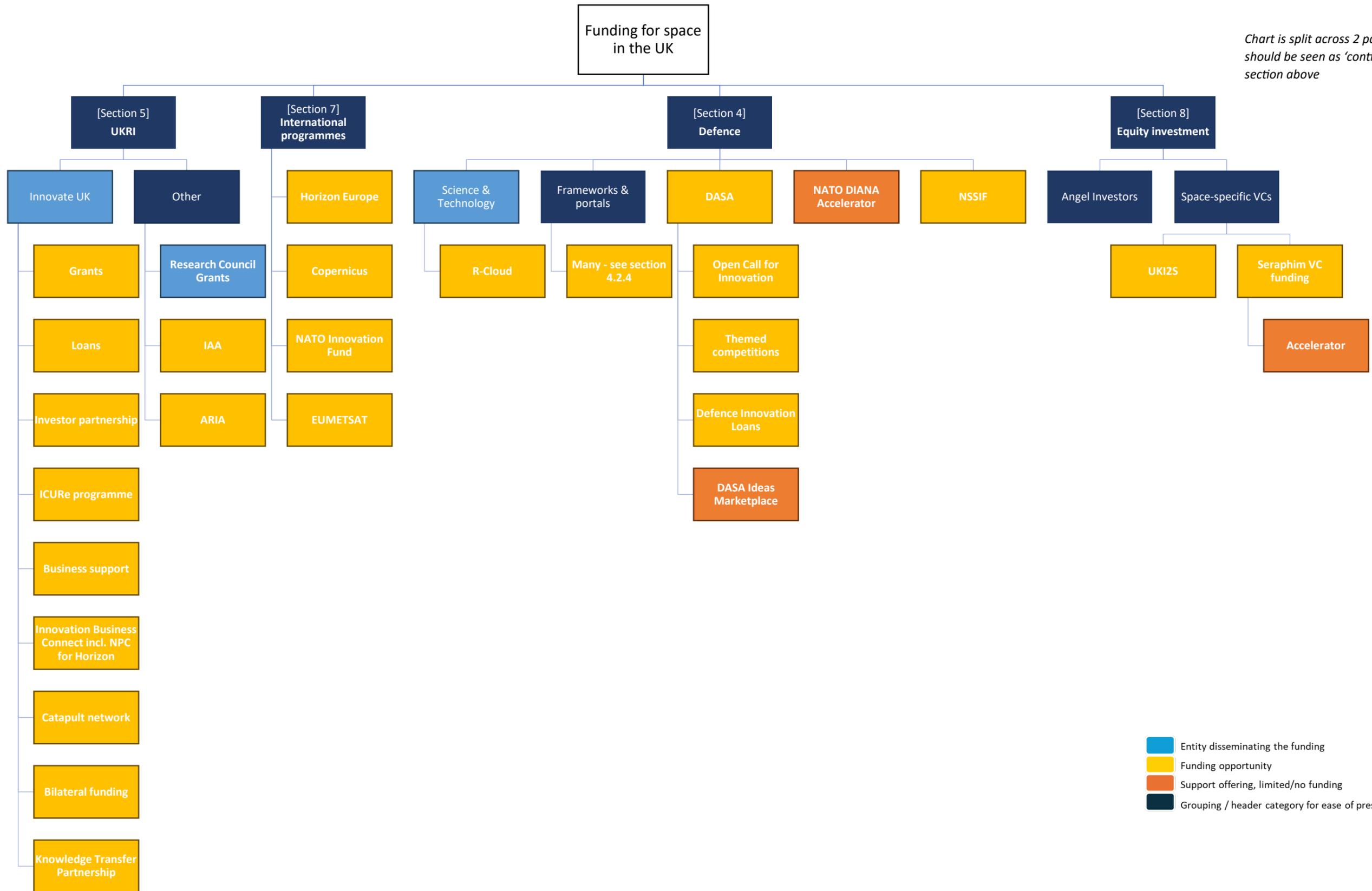
Chart is split across 2 pages – this section should be seen as 'continuing' from the section above

[Section 5] UKRI

- **Innovate UK**
  - Grants
  - Loans
  - Investor partnership
  - ICURe programme
  - Business support
  - Innovation Business Connect incl. NPC for Horizon
  - Catapult network
  - Bilateral funding
  - Knowledge Transfer Partnership
- **Other**
  - Research Council Grants
  - IAA
  - ARIA

[Section 7] International programmes
- Horizon Europe
- Copernicus
- NATO Innovation Fund
- EUMETSAT

[Section 4] Defence
- **Science & Technology**
  - R-Cloud
- **Frameworks & portals**
  - Many - see section 4.2.4
- **DASA**
  - Open Call for Innovation
  - Themed competitions
  - Defence Innovation Loans
  - DASA Ideas Marketplace
- **NATO DIANA Accelerator**
- **NSSIF**

[Section 8] Equity investment
- **Angel Investors**
- **Space-specific VCs**
  - UKI2S
  - Seraphim VC funding
    - Accelerator

Legend:
- Entity disseminating the funding
- Funding opportunity
- Support offering, limited/no funding
- Grouping / header category for ease of presentation

Figure 3 - Main funding lines for space in the UK – by disseminating organisation

1.4.2 Funding by stage of business / Readiness Level (RL)

Looking at opportunities by funding stage or Readiness Level could be helpful to you if you are seeking funding for a particular stage of business. The term '**valley of death**' is often used to refer to a particularly challenging phase of a business lifecycle, around the proof of concept to commercialisation stage. Some funding opportunities (see Innovate UK) and accelerators (see UK Space Agency's LEO) specifically target this part of the lifecycle.

A note on RLs: for upstream businesses developing hardware, the Technology Readiness Level (TRL) scale is a useful tool for determining suitable funding channels.

However, for downstream businesses or those providing services such as launch, TRL categorisation is less useful. Here other scales may be more suitable, such as NASA's Application Readiness Level.

For the purposes of this Guide, a general RL scale has been used (see figure 4 below), roughly indicating:

- **RL 1-3: basic idea up to proof of concept**
- **RL 4-7: further design up to prototype**
- **RL 8-9: qualification and use in its intended environment (e.g. space)**

See Glossary for further information.
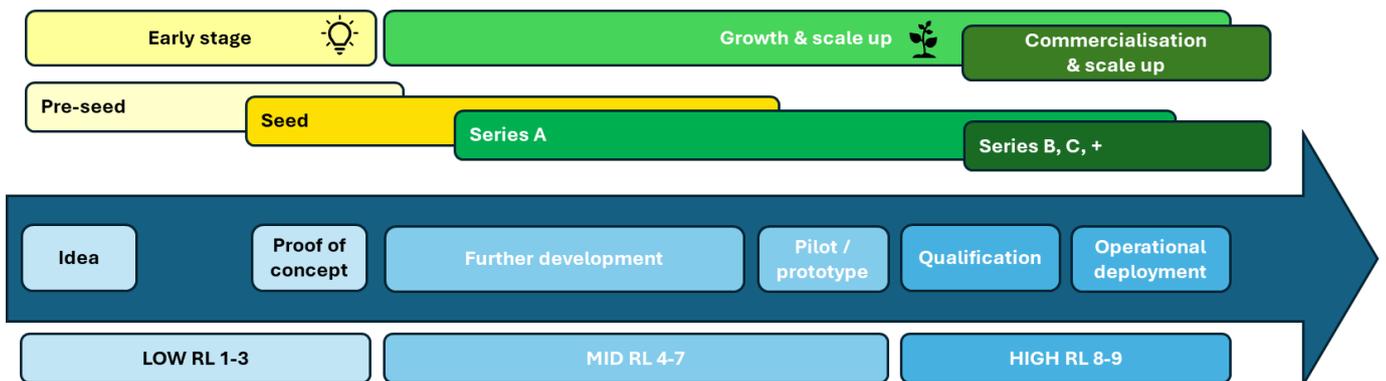
Figure 4 - Generic Readiness Level scale used in this Guide, overlaid with typical funding rounds

The following chart shows the funding lines discussed in this Guide aligned to business stage. Note that the business stage, RL and opportunity alignment is approximate – to help you understand roughly where the funding opportunity sits in the business lifecycle.
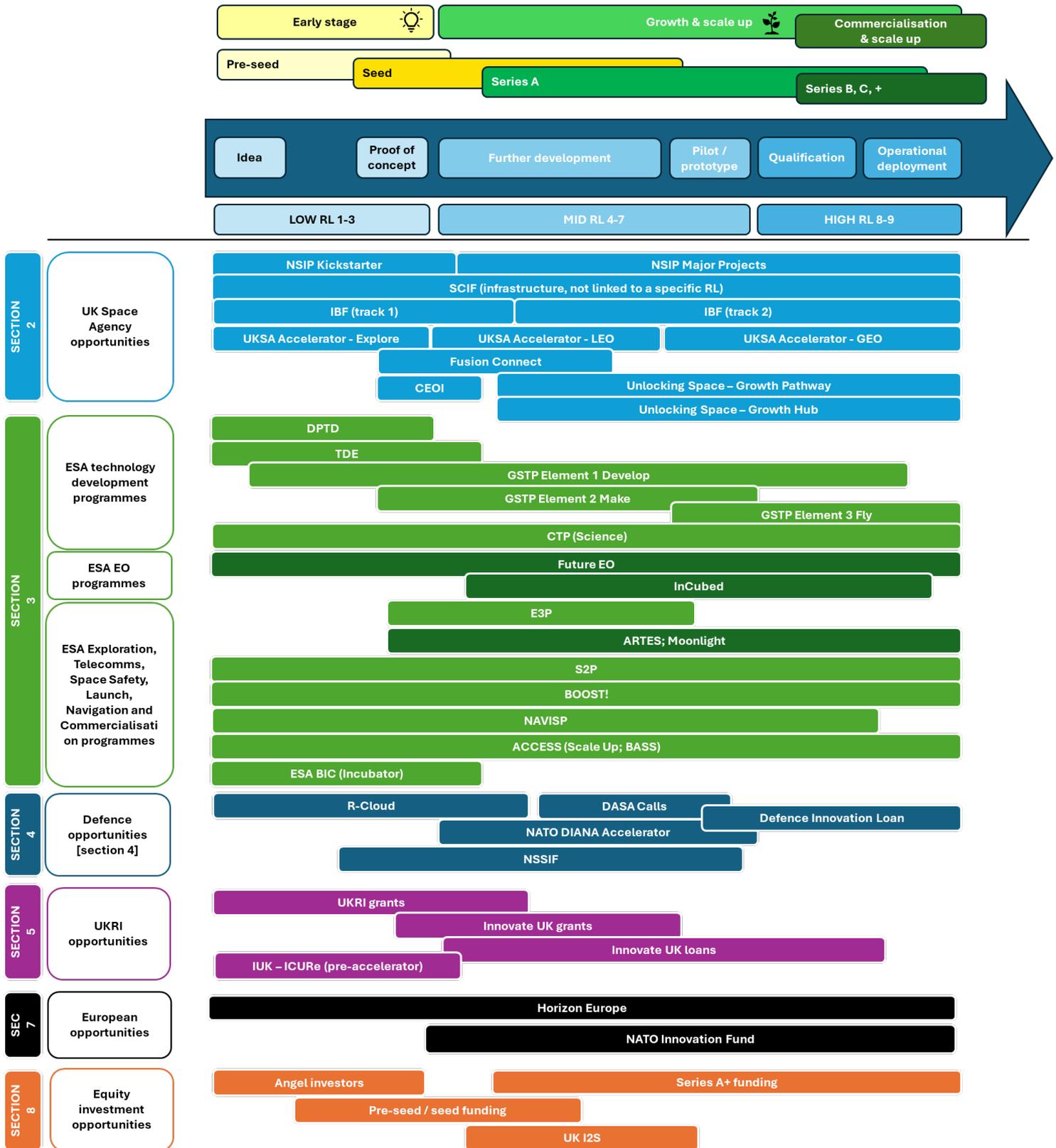
Figure 5 - Funding lines split by business stage (approximate)

1.4.3 Funding by theme

Another way to slice the funding lines is to look at theme-specific funding opportunities. Some funding lines are specific in the application of technology they target, whereas other funding lines are generic across any technology. Where a funding line is ring-fenced for a specific theme, this is shown in the diagram below. Note, generic funding lines (i.e. not limited to one theme) are not included in the diagram below.
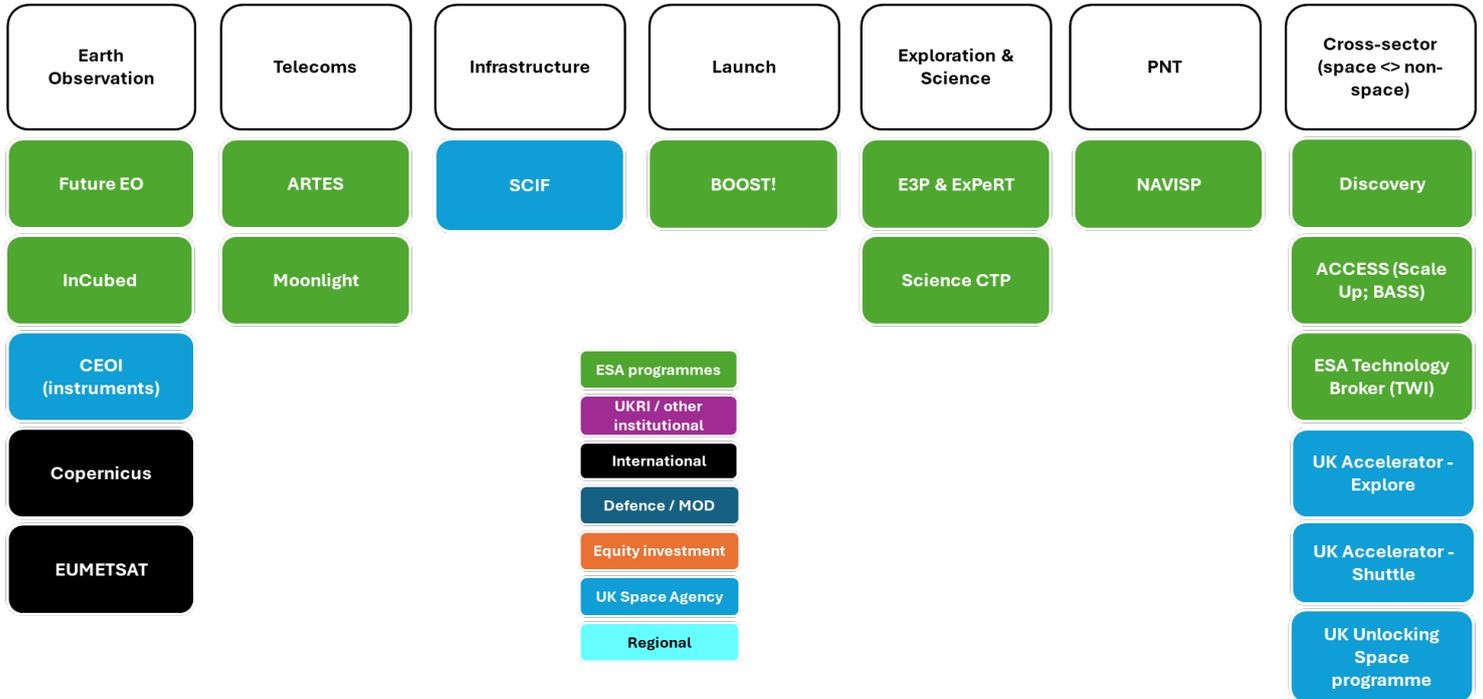
Figure 6 - Funding lines where these are aligned to specific themes

1.4.4 Funding by type

If you know the type of funding you are seeking, slicing the funding lines in this way could be helpful. This is shown below. Note that most of the support programmes do not offer funding, though in some cases there may be some limited funding available, for example, the NATO DIANA accelerator offers some grant funding to those selected for the accelerator. However, these opportunities are listed under 'support' as the non-funding elements are the core of what they offer.

Contract (fully or part funded)	Grants	Loans	Equity investment	Support programmes
ESA programmes	SCIF	Defence Innovation Loan	UK I2S	UK Accelerator - Explore
R-Cloud	NSIP	Innovate UK loans	NATO Innovation Fund	UK Accelerator - LEO
DASA Calls	IBF	Loans through British Business Bank	NSSIF	UK Accelerator - GEO
Copernicus	CEOI (instruments)		Regional investment funds (through BBB)	UK Accelerator - Shuttle
EUMETSAT	UKRI grants, incl. IAA			Fusion Connect
	Innovate UK grants			UK Unlocking Space programme
	ARIA			NATO DIANA Accelerator
	Horizon Europe			ESA BIC and Phi-Lab
	Regional grants – e.g. Scotland / Wales / NI			Seraphim Accelerator
	Local Innovation Partnership Fund			Innovate UK business support
				Innovate ICURe

Legend:
- ESA programmes
- UKRI / other institutional
- International
- Defence / MOD
- Equity investment
- UK Space Agency
- Regional

Figure 7 - Funding lines shown by type of funding or support offering

1.5 Key points to note about UK funding for space

The following key points summarise the current funding landscape for space in the UK. They are based on the findings from the House of Lords report published in late 2025. The reason for including these findings here is to provide context for businesses seeking to understand the UK space funding landscape, and should be read in conjunction with the section above.

Further reading:

House of Lords Engagement with Space Committee Report: The Space Economy: Act Now or Lose Out (2024)

The Government's response to the House of Lords report (January 2026)

- **Considerable early-stage funding support available, which drops off after the point of commercialisation.**
  Through numerous grants provided by UK Space Agency, Innovate UK and other institutions, as well as early phase MOD and ESA R&D programmes, innovative businesses are effectively funded up to the point of commercialisation, after which funding drops off significantly. The mid-TRL funding gap (from technical demonstration to commercial scalability), which is often referred to as the 'valley of death' – is where many promising UK space companies stall, exit prematurely to international investors, or relocate abroad.

- **Lots of small deals.** According to Seraphim, the UK ranks highly in terms of total private investment in its space sector, but it performs poorly when it comes to average deal size (17th globally and 10th in Europe). UK companies are getting half of what their US counterparts are getting in every funding round.

- **The current funding environment is difficult for businesses to navigate**, especially for those who do not know the sector well. This is due to many organisations offering various different funding streams, with different eligibility criteria, funding amounts, co-funding requirements and terms. For many funders, short budget cycles mean funding opportunities can't be advertised far in advance, making it difficult for businesses to plan, and in some cases funders require the funding to be spent within the budget period, making it difficult to achieve longer-term aims.

- Whilst various organisations compile regular lists of some available funding opportunities, **there is no central location for all available funding opportunities** – meaning the onus is on individual businesses to identify relevant funding sources.

1.6 Summary

This section has introduced **over 40 specific funding opportunities**, which may be of interest to organisations in the UK. The data is presented by disseminating organisation, by stage of business, by theme and by type of funding to help you identify the ones most relevant to your circumstances. The next sections provide further detail on each funding opportunity. The sections are grouped by disseminating organisation, and, where relevant, make reference to changes likely to affect the funding.

Key points from section 1:

- **The funding landscape for space is complex**: there are many funding opportunities, disseminated through many organisations, each with their own eligibility criteria and T&Cs. Moreover, particularly at the time of writing this Guide, not all funding opportunities for 2026 and beyond have been confirmed, and several organisational changes are in progress - meaning it is not fully clear which funding sources will be available to you. Additionally, some opportunities have historically been highly over-subscribed. All these factors contribute to a complex landscape, making it all the more important for you to select the funding lines best aligned to your business objectives.

- As we saw in section 1.3.1, traditional 'space' funding through UK Space Agency and ESA accounts for less than a quarter of the total public sector funding for space. However, **many 'non-space' funding lines could be of interest to your business, as space-based solutions could be relevant.** Therefore, it is important to also seek out 'non-space' funding opportunities.

- **There is no right or wrong path through funding**. Successful businesses have typically benefitted from various funding programmes - grants from a range of sources, development contracts through ESA or MOD, VC investment, regional funding, as well as leveraging accelerators and incubation support. The aim of this Guide is to give you the knowledge of what funding sources exist, allowing you to be better informed as you look to grow your business.

- The next sections will explore the funding opportunities in more detail.

2 SECTION 2 – UK Space Agency

This section discusses the opportunities funded by the UK Space Agency. It will help you answer the following questions:

- **How much funding does the UK Space Agency have?**
- **What are the specific opportunities I can apply to?**

2.1 Overview

The UK Space Agency's annual budget for the next 4 years has been published by DSIT, and funding is forecast at between £600 million and £700 million per year for the next 4 years[4]. Exactly how this will be spent is expected to be set out in a publication due in early 2026.

UK Space Agency's funding can be broadly split into:

ESA programmes	UK Space Agency programmes	UKSA funding for other programmes
The UK's funding for ESA programmes is administered by UK Space Agency ~70-75% of UK Space Agency's budget is for ESA programmes	Directly disseminated by UK Space Agency Previously funding has been through 3 main grants Accelerator programme – supporting businesses Unlocking Space programme – supporting investors to invest in space	UK Space Agency funding flows through to programmes disseminated by other organisations E.g. CEOI, regional clusters, UKI2S, etc. Building portfolio of 'resilience' dual-use opportunities with MOD

ESA programmes

ESA programmes, which account for ~70-75% of UK Space Agency's funding per year, are addressed separately in section 3 of this Guide. However, it is important to note two key points:

1) Funding for ESA programmes is administered through the UK Space Agency, and for optional programmes the decision whether to fund a programme or not is made by the UK Space Agency.

2) Applications (bids) for ESA funding are made directly to ESA, through their bid process, and the decision whether or not to award a contract is made by ESA. A successful bidder would enter into a contract with ESA, gaining the benefit of ESA's technical expertise.

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[4] DSIT Research and Development (R&D) plans to 2029/2030 - GOV.UK

UK Space Agency programmes

UK Space Agency has historically offered funding to organisations through 3 main grants: NSIP, SCIF and IBF, as well as offering business support in the form of the Accelerator and Unlocking Space programmes. To date, NSIP has seen 2 call cycles, SCIF has seen one and IBF has seen 2 calls. These opportunities are further described in the next sections.

UK Space Agency funded programmes

UK Space Agency also provides (part)-funding for a number of other opportunities, such as CEOI, UKI2S and regional space clusters, which are discussed in this Guide. The funding for these is typically disseminated through other organisations.

At the time of writing, **it is not yet confirmed which funding opportunities will run in 2026 and beyond, and how any may differ from calls run in the past. A publication detailing UK Space Agency funding is expected to be issued in the early part of 2026.**

However, this Guide has been prepared on the basis that similar funding lines will continue.

UK Space Agency funding lines discussed in this Guide are shown below:
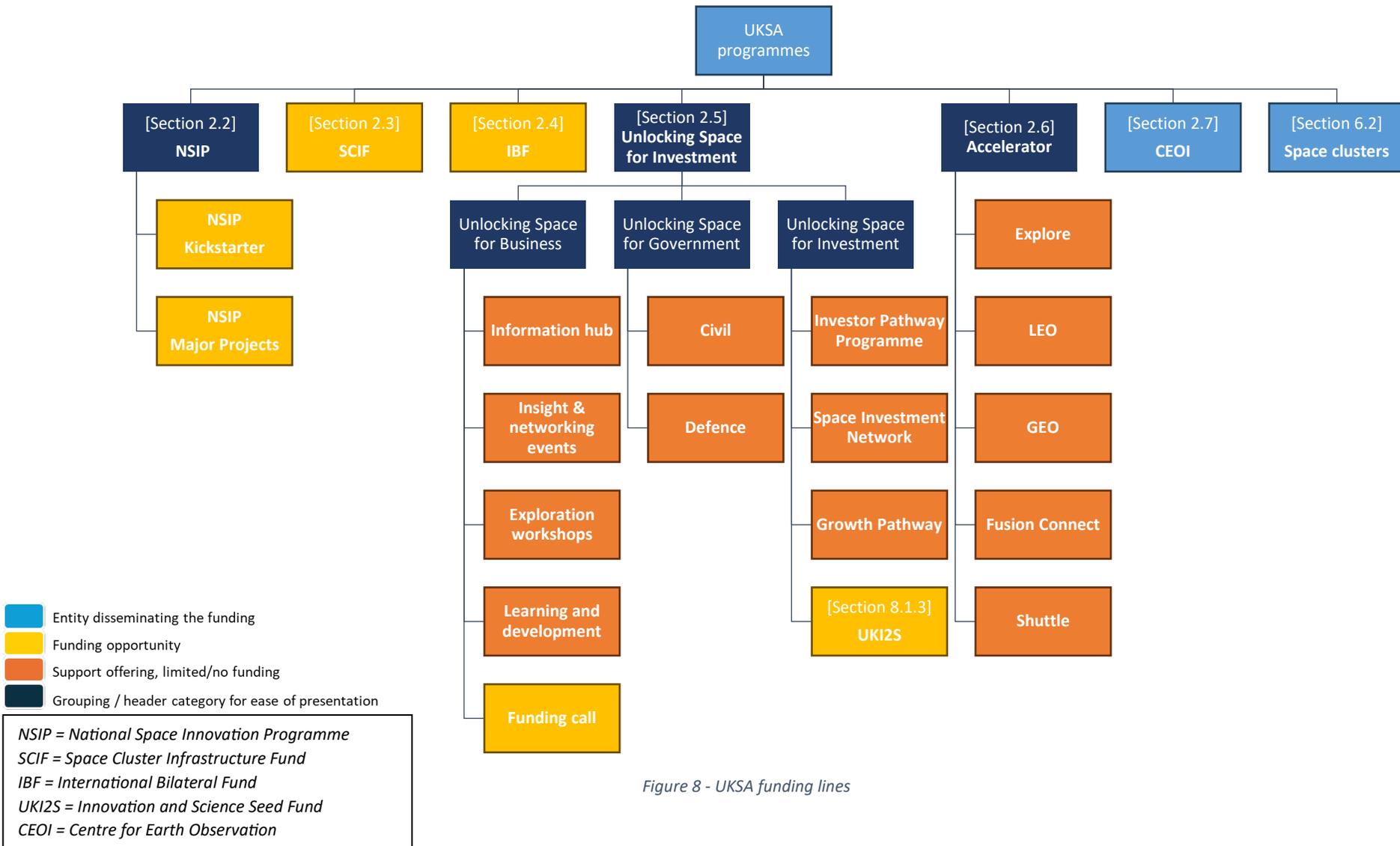
Figure 8 - UKSA funding lines

Legend:
- Entity disseminating the funding
- Funding opportunity
- Support offering, limited/no funding
- Grouping / header category for ease of presentation

NSIP = National Space Innovation Programme
SCIF = Space Cluster Infrastructure Fund
IBF = International Bilateral Fund
UKI2S = Innovation and Science Seed Fund
CEOI = Centre for Earth Observation

2.2 National Space Innovation Programme (NSIP)

2.2.1 Programme overview

The following section describes the NSIP programmes as they have been run to date. It is currently not confirmed whether an NSIP 3 call will take place.

There have been 2 rounds of NSIP funding to date, in addition to a pilot programme in 2020/2021.

The NSIP programme up to now has consisted of 2 funding streams, and applicants choose to apply for one of them:

- **Kick Starter call** - targeting highly disruptive or novel ideas, at TRL 1-4. Typical funding has been between £150,000 and £1 million.

- **Major Projects call** – focusing on commercialisation and catalysing investment, at TRL 5-9. Typical funding has varied between NSIP 1 and 2, with NSIP 2 funding being between £150,000 and £2 million.

To date, the wording has been deliberately wide reaching to allow a range of proposals to be considered, that meet the strategic and commercialisation objectives of the call. For both streams – Kick Starter and Major Projects, the focus has been on presenting a realistic business case for commercialisation.

NSIP so far has been a co-funded opportunity. The intervention rate (amount of funding received) depends on the entity type (SME, academia, etc.).

Further information about the historic NSIP calls can be found in Annex A.

Key information:

- Grant funding
- Co-funding required
- 2 funding streams: Kick Starter (TRL 1-4), Major Projects (TRL 5-9)
- Typical funding amounts: £150,000 to £1 million for Kick Starter, up to £2 million for Major Project (based on NSIP 2)
- Broad scope
- Has been highly competitive in the past
- Further details in Annex A.
- Top tips for preparing a bid can be found here

2.3 SCIF - Space Clusters Infrastructure Fund

2.3.1 Programme overview

Key information:

- Grant funding
- Co-funding required
- Typical funding amounts: £4 million per project
- Must be for R&D infrastructure
- Targeting areas outside of the Greater South East
- Has been highly competitive in the past
- Further details in Annex A.

This funding was launched in 2023, with one call run to date. Focus for this call was on space R&D infrastructure. The funding was for the UK to build its capability and capacity in testing and qualifying space products for commercial markets. The wording was deliberately wide reaching to allow a range of proposals to be considered, that met the SCIF objectives and provided maximum benefit to the wider economy.

Whilst no specific market was specified, the focus was on R&D infrastructure with a strong space link.

SCIF 1 was a co-funded opportunity. The intervention rate (amount of funding received) depends on the entity type (SME, academia, etc.)

Note the various constraints on what was allowable under SCIF 1 – details for the 1st SCIF call can be found in the announcement notice.

All UK companies, authorities and institutions were eligible for SCIF 1 - though the last call favoured organisations not in the Greater South East.

Further details on the SCIF 1 call can be found in Annex A. Whilst the funding for 2026 is not yet confirmed, due to the success of the first call, it is anticipated that a second SCIF call is likely to be run in the future.

2.4 International Bilateral Fund (IBF)

2.4.1 Programme overview

This UK Space Agency programme was launched in 2023 and has seen 2 funding calls to date, with IBF 2 launched mid-2025. To date, this programme has focused on supporting partnerships between UK organisations and international space entities. In particular, it has aimed at addressing a funding gap regarding **collaborations with strategically-important, non-European Space Agency (ESA) countries**. The IBF has focussed on establishing and reinforcing collaborations with countries such as the USA, Canada, Australia, and Japan, Singapore, the UAE, India and Bahrain.

IBF funding has to date been delivered as a grant, with organisations required to provide co-funding. The international nature of this call means that investment has come from UK Space Agency, co-funding from organisations involved and the partner governments or space agencies.

Key information:

- Grant funding
- Co-funding required
- Initial phase of funding, followed by downselect and second phase of funding.
- Focusing on building links with non-ESA member state countries
- Can be tricky to find follow-on funding post IBF project
- Further details in Annex A

It is worth noting that this funding is somewhat unique, focusing on collaboration with non-ESA member states. This means that finding funding avenues for follow on work, once the IBF project has concluded may be limited.

Further details about IBF calls 1 and 2 can be found in Annex A.

2.5 Unlocking Space Programme

The Unlocking Space Programme aims to tackle identified barriers that may be preventing the scaling up of the UK space industry. This programme **focuses primarily on the 'investment' side**, i.e. the potential future sources of funding, rather than on space businesses seeking funding. Other UK Space Agency initiatives, such as the Accelerator programme focus on providing support to businesses aiming to develop and grow. Unlocking Space focuses on engaging audiences outside of the traditional space sector to drive market demand for space technology, develop national security capabilities and attract private investment to support the scale up of UK SMEs. The Unlocking Space Programme includes some funding opportunities, which are highlighted in the section below.

Unlocking Space is split into four strands:

- Unlocking Space for Business
- Unlocking Space for Government – Civil
- Unlocking Space for Government – Defence
- Unlocking Space for Investment

Key information:

- Support programme
- 4 separate strands, targeting business, government (defence and civil) and investment
- Focus is on engaging audiences traditionally outside the space sector to engage with space or invest in space
- Contact: unlockingspace@ukspaceagency.gov.uk

2.5.1 Unlocking Space for Business

This strand of the Unlocking Space programme was launched as a pilot programme in 2023. The focus areas to date have been financial services, transport and logistics. Through conferences, workshops, information hubs and other events, the aim is to upskill the targeted sectors to better understand the space industry, in particular how innovations in satellite data and services combined with complementary data sources can drive business benefits in other sectors.

Key information:

- Targeting financial services, transport and logistics markets, though future calls may target other sectors
- Mostly offering support, networking, workshops
- Some funding available through end-user lead grants, or fully funded contracts for innovation
- More details here

To date, £5 million has been invested in this programme by the Government, through 23 feasibility studies[5] and 10 grants[6]. Typically, the feasibility studies are awarded ~£200,000, whilst the grants provide ~£400,000 of co-funded investment. The studies and grants are typically led by companies active in the target sectors, aim to involve end-users (from within the targeted sectors) and include a space company in the consortium. This helps to create relationship across sectors and provides real-world challenges to be resolved through collaboration.

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[5] Referred to as SBRI Feasibility studies. SBRI = Small Business Research initiative
The projects funded as part of this feasibility study can be found here: SBRI_Award_Contracts_-_Detailed_Case_Studies.pdf
[6] The grants funded under this programme can be found here: USB Grant Case Studies - Overview of Grant Projects - GOV.UK

2.5.2 Unlocking Space for Government - Civil

The civil workstream supports the adoption of space-enabled technologies to improve public service delivery in areas such as healthcare, transport infrastructure, and environmental protection. It targets central and local government departments as well as frontline public sector organisations (e.g. NHS), aiming to explore how space-enabled technologies, particularly satellite data, can improve services. It also targets policymakers looking to embed space in wider government strategies such as resilience, net zero or digital transformation.

This programme does not provide funding directly to businesses, but carries out cross-government events to achieve the aims set out above.

Key information:

- Targeting public sector organisations
- No direct funding available, but support through engagement
- More information here

2.5.3 Unlocking Space for Government – Defence

The defence workstream focuses on space for national security and aims to support collaboration between the space, defence and government ecosystems. As part of this programme, a scoping exercise (Unlocking Space for Dual Use RFI) was conducted, mapping the barriers faced by organisations working across civil and defence space. The barriers identified can be found here. Following this analysis, a 'One Stop Shop' (website) was created, which is a joint initiative between UK Space Agency, UK Space Command and DSTL, designed to address the identified barriers. The website contains helpful information around topics that are likely to affect businesses wishing to enter the defence space, such as security clearance, export regulations and broader commercial and regulatory information.

Key information:

- Targeting a joined-up approach between space, defence and government
- 'One Stop Shop' website created to offer advice to businesses on key dual use topic
- GovBridge link providing helpful training materials
- No direct funding opportunities available, but support through information

2.5.4 Unlocking Space for Investment

This strand of the Unlocking Space programme aims to drive private investment into the space sector, to support growth. It consists of the following 5 initiatives:

- **Growth Pathway:** aimed at helping UK space businesses prepare for and secure series A-D investment by offering tailored, subsidised advisory support and exclusive investor engagement opportunities. Each company can draw down up to £59,000 of services, with the UK Space Agency covering 80% and businesses contributing 20% of this amount. This scheme is designed for UK registered space businesses raising series A-D funding and preparing for a significant capital raise within 12-18 months. Keep an eye on the website for announcements for applications.

- **Growth Hub**: online resource centre that provides toolkits, insights and videos to strengthen investor readiness and help growth-stage businesses to scale. It is designed for founders and leadership teams preparing for series A and beyond. It launched in October 2025, is open to all UK space businesses and free to access with no registration required.

- **Investor Pathway:** this programme is designed for investors who are new to the space sector and who are looking to explore it as a potential investment opportunity. Targets investment across late seed to series C+ stages.

- **Space Investment Network:** aims to enhance investor-business connections and share information through newsletters and events.

- **UKI2S Space Fund**: publicly backed venture capital fund supporting early-stage space businesses.

2.6 UKSA Accelerator Programme

The Accelerator programme through UK Space Agency provides support to businesses at various stages of maturity – from start-ups to those looking for growth. It consists of different programmes, each targeted at a different audience. None of these programmes offer funding (in the form of a grant or otherwise), instead offering support through other means. The programmes are:

> **Key information:**
>
> - No financial funding (not a grant)
> - Support offered through workshops, mentoring, networking, etc.
> - 5 different programmes targeting different stages of business
> - More details here

- **Explore** – early phase (up to TRL 3), targeting adjacent industries looking to enter the space sector.
- **LEO** – moving from proof of concept to commercial readiness.
- **GEO** – for those scaling to >£1 million in the next 12 months. TRL 5-9.
- **Fusion** – for those looking to raise capital in a pre-seed/seed round of around £2 million.
- **Shuttle** – targeted at businesses outside of the space sector looking to enter it.

The UKSA Accelerator programme is delivered by Entrepreneurial Spark.

More details can be found in Annex A.

2.7 Centre for Earth Observation Instrumentation (CEOI)

CEOI is a programme funded by the UK Space Agency with parallel technology investment from industry (through co-funding). **It funds the early phase development of instrumentation for future ESA (and national or bi-lateral) EO missions**. Scientists are actively engaged on the development of the science drivers and critical instrument technology areas, within teams relevant to the different projects. The focus is on ensuring that the technology development is aligned with scientific need. For example, the problems of climate, environment and air quality are science priorities that need to be addressed in the near-term, and which are well matched to existing UK academic and industrial capabilities. The CEOI projects chosen reflect these imperatives – investing in clearly identified gaps in short- and mid-term instrumentation requirements.

> **Further information:**
>
> Calls – Centre for Earth Observation Instrumentation
>
> Future CEOI calls:
> Opportunities – Centre for Earth Observation Instrumentation

CEOI projects target low TRL developments, typically TRL 3-4.

CEOI is led by Airbus DS in partnership with QinetiQ, University of Leicester and STFC/Rutherford Appleton Laboratory.

The CEOI technology programme supports large Flagship projects, strategic Fast Track projects and smaller Pathfinder projects, selected through open technology calls to the EO community.

There have been 16 CEOI calls to date, with the most recent one in 2023. On occasion, other calls may be routed through the CEOI programme, for example, the bilateral space science and exploration (SS&E) missions in 2023/2024[7].

If you have technology relevant to this field, keep a look out for future CEOI calls on their website, see link in call out box.

2.8 Tips for bidding for UK Space Agency funding

Much of the advice on how to prepare a grant or bid application is common across any bid for any funding. The following list has been put together to provide a few points to consider when applying for UKSA funding opportunities:

- The evaluation criteria is published for each call - and often tells you what you need to include in your answer to be awarded marks. Be sure to answer the question.
- Make the relevance of your technology clear to the reviewers. Explain why your technology fits the call strategy, how it is innovative, feasible and how it will catalyse investment into the UK in the longer term.
- Provide a clear description of what you are planning to do within the scope of the project. The reviewers should be clear what the funding you are asking for will deliver. If you are describing future activities (out of the scope of the project), clearly label these as such.
- Have a clear business case and realistic & robust case for commercialisation prepared. Be careful of being too optimistic or not explaining how a return on investment will be achieved.
- Write concisely and clearly – the reviewers need to be able to quickly understand your proposal. Consider including a diagram – this can be very helpful and worth a thousand words.
- Artefacts such as work breakdown structure and schedule can be helpful, but ensure they are consistent and match the narrative.
- Avoid unexplained acronyms or terms not typical of the space industry.
- Stick to the formatting requirements of the call - your bid is likely to be disqualified if you change the font size, margins, etc.

2.9 UK Space Agency funding – looking ahead and summary

This section has looked at the funding historically available from UK Space Agency (excluding ESA opportunities – for ESA see section 3). UK Space Agency funding has historically been in the form of grants, with NSIP, IBF and SCIF being the main ones over the last years. Additionally, UK Space Agency runs the Accelerator and Unlocking Space Programmes.

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[7] This was a UK Space Agency funded grant for involvements in Space Science and Space Exploration missions with international partners. The total budget available was £1 million in the 2024/25 financial year, for the first call of this name. This programme was run under the CEOI banner.

Keep an eye on the funding announcement, expected in early 2026, and on funding opportunities through UK Space Agency:

Apply for funding: space-related R&D, innovation and education - GOV.UK

Follow UK Space Agency on Linked In – funding calls are often also publicised there.

The budget for the next 4 years has been set, but the details of how this translates into programmes has not yet been published.

The merger with DSIT is underway, expected to conclude by April 2026.

With the changes in progress, keep a look out for funding announcements as they are confirmed (see link in call out box).

3 SECTION 3 – ESA

This section looks at the funding opportunities through ESA. For more information on bidding into ESA, consult the "**Bidding for ESA Contracts: The Essential Guide**". This section is based on that Guide, but if you are thinking about bidding for ESA contracts, the ESA Bidding Guide contains information on deciphering an ESA tender and how to write your ESA bid, including examples and a case study.

3.1 Overview

The European Space Agency is a large, intergovernmental organisation, acting on behalf of its 23 Member States. ESA has many programmes and funding lines, which are categorised into mandatory and optional programmes.

Mandatory programmes are those which Member States must participate in, and their contribution is calculated based on their Gross National Product (which means ESA can plan ahead as the funding and participation is guaranteed). The amount of workshare each Member State receives back is a factor of how much they invested (referred to as geographical return). Mandatory programmes cover the Science missions and the Technology Development Element (TDE) programme.

Optional programmes are ones that individual Member States can opt in to, and work share is limited to those participating states. The contribution is set by the country and can be higher or lower than the normal GNP % used for mandatory programmes. Each country decides on its participation in optional programmes – it is determined by the technical and industrial interests of the country. Programmes such as GSTP, ARTES, Earth Observation, ACCESS and Navigation (amongst others) are optional ESA programmes you may have heard of.

> **Key information:**
>
> - ESA is a large, intergovernmental organisation with 23 Member States
> - Many funding lines, with mandatory and optional programmes
> - UK Space Agency decides which optional programmes to opt in to, and how much budget to allocate
> - Important to engage with UKSA teams to understand which programmes are supported
> - Applying for ESA funding is done directly to ESA – through the ESA bid process
> - See "Bidding for ESA Contracts: The Essential Guide" for help with ESA bids

As we saw in section 2.1, ESA funding is administered through the UK Space Agency. **Roughly 70-75% of UKSA's annual budget is for ESA programmes,** covering both mandatory and optional programmes.

It is important to note two key points:

1) **UK's participation and funding levels in optional programmes is determined by UK Space Agency.** Whilst ESA's platform (ESA STAR) lists all available tenders from ESA across all Member States, it is important for you to understand which ones the UK has opted in to and allocated funding for, to ensure the programme you are interested in is supported. To do this, you should **engage with the relevant programme team within the UK Space Agency**. Moreover, early engagement with the UK Space Agency team will help them understand your aspirations for the future, which can help shape the opportunities the UK supports.

2) **Applying for funding from ESA is done through the ESA bidding process (you do not apply to UKSA for ESA opportunities).** This means that you respond to an ESA tender, the evaluation of the tenders is done by ESA, and if successful, you would enter into a contract with ESA. Despite the funding coming from UK Space Agency, your involvement for the bid

and project would be directly with ESA – benefitting from the technical expertise ESA can offer. However, note that for some programmes, in order to bid, you will require a **Letter Of Support** from UK Space Agency – confirming that funding is available from the UK should you be successful in your application.

3.1.1 Context and Council of Ministers 2025

In November 2025, ESA held its Council of Ministers (held every 3 years), which set the budget for the next years of investment for ESA programmes. £1.7 billion of funding from the UK was approved, in addition to the ~£1 billion already committed, given a total of £2.8 billion over the next decade for UK participation in ESA programmes. This equates roughly to **£500 million per year.** (Year by year funding will vary due to programme phasing). This places the UK as the fifth highest contributing Member State.

Additionally, it is worth noting that ESA Member States agreed for the first time to fund a programme designed to serve military as well as civilian requirements – through the **European Resilience from Space (ERS)** programme. From 1 February 2026, ESA has created a **new Directorate** for "Resilience, Navigation and Connectivity".

To read more about these changes, see the links in the call out box.

Further reading:

UKSpace Outbrief from ESA CMin 25

The European Space Context after ESA's 2025 Ministerial Council Meeting

Details of the new Resilience, Navigation and Connectivity Directorate

3.2 Getting involved with ESA programmes

There are several ways to get involved with ESA programmes:

Lead an opportunity

Respond to a tender as the lead organisation

With or without subcontractors / suppliers

You need to compile the bid & achieve over the min score

Can be tricky if you have no ESA experience – **help is available**

Can be very rewarding if you find the right opportunity

Be part of another entity's project team

You don't have to 'prime' (lead) on an ESA programme

Consider a role within a consortium – UK or international

Access to larger missions

Gain experience on ESA programmes under the umbrella of an experienced prime

Cross-sector spin-in and spin-out

Support and funding available targeting spin-in and spin-out opportunities

- **BASS Ambassadors**
- **ESA Technology Broker (TWI)**

Other support

- **ESA Business Incubation Centres** – largest business incubation network in Europe
- **ESA Phi-Lab** – collaboration between ESA, industry and researchers. Funding opportunities on Phi-lab website

Figure 9 - Ways to get involved with ESA programmes

Leading an opportunity: if you choose to lead an opportunity, identifying the right one is key. You will need to prepare the bid (achieving at least the minimum score), including any suppliers or subcontractors you may have in your team.

Being part of another entity's team can be an easier way to gain initial ESA experience – setting you up well to lead on subsequent opportunities.

Cross-sector technology: if you have technology from outside the space sector that could be 'spun in', or space technology that could be 'spun out' to other sectors, engage with the BASS Ambassadors and ESA Technology Brokers, who focus on cross-sector opportunities.

If you are looking for business support, the **ESA Business Incubation Centre** offers a wide range of business support services to nurture and grow space start-ups.

Also, **Phi-lab** is a collaboration between ESA, industry and researchers, looking into ground-breaking science and technology developments that have a high commercial potential. Some co-funding opportunities as well as technical assistance is available through the Phi-lab network. Specific funding opportunities are advertised on the Phi-lab website.

> **Help is available for your ESA bid**:
>
> Bidding for ESA Contracts: The Essential Guide – Guide providing a 'hub' of information when writing your ESA bid.
>
> ESA Proposal Advice Service, a free of charge service offered by UK Space Agency to review bids before they are submitted to ESA.
>
> Workshops are held periodically:
>
> ESA 101 workshops – providing an overview of ESA funding lines and working with ESA.
>
> ESA bid writing workshop – hosted by ESA, detailed session on how to bid into ESA,

3.3 ESA funding lines

This section and its sub-sections will outline some of the most likely funding lines of interest and highlight some particular points to note.

If you are an SME, the funding lines linked to R&D programmes are likely to be of most interest. These are described further below. However, you may also wish to bid into larger companies for specific work packages on missions, for example on the Science programme.

3.3.1 General points to note about funding lines

- Different funding lines target different things. Some are geared towards R&D activities, some towards missions. The next section provides an overview of the funding lines most relevant to technology development, but keep these points in mind when assessing the suitability of your opportunity against the criteria of the funding line:

  - What TRL are you currently at?
  - What is the potential future application of your technology?
  - What are you looking to do with the funding? (e.g. feasibility study, in-orbit demo, etc.)
  - What rough value are you seeking from ESA?
  - Would you be able to self-fund part of the development?

- Some funding lines require a UKSA Letter of Support (typically these are ARTES, GSTP, ACCESS, NAVISP, though this could change in the future).

- Some funding lines have a two-stage process, where an outline proposal is submitted first, followed by a full proposal. Typically, the outline proposal will be submitted via a different platform to the full proposal.

- Each funding line sits within an overarching ESA Directorate (see below).

- Sometimes ESA manages programmes in collaboration with the European Commission, such the Copernicus programme. Programmes such as these may have specific requirements regarding their bid content and presentation.

- All ESA tenders are published on the ESA portal (ESA STAR). Some opportunities appear as 'intended' before they are released, giving you time to plan and engage with stakeholders, before the tender is published.

- Each funding line sits within an overarching Directorate. To help you navigate, the 11 Directorates are defined below. As of 1st February 2026, a new directorate for "Resilience, Navigation and Connectivity" was created, which is not included in the diagram below.

ESA Directorates:

TEC - Technology, Engineering and Quality

SCI – Science

HRE – Human and Robotic Exploration

CSC – Connectivity and Secure Communications

EOP – Earth Observation

NAV – Navigation

OPS - Operations

STS – Space Transportation

CIC – Commercialisation, Industry and Competitiveness

SLE - Strategy, Legal and External Affairs (no relevant funding lines)

HIF - Internal Services (no relevant funding lines)
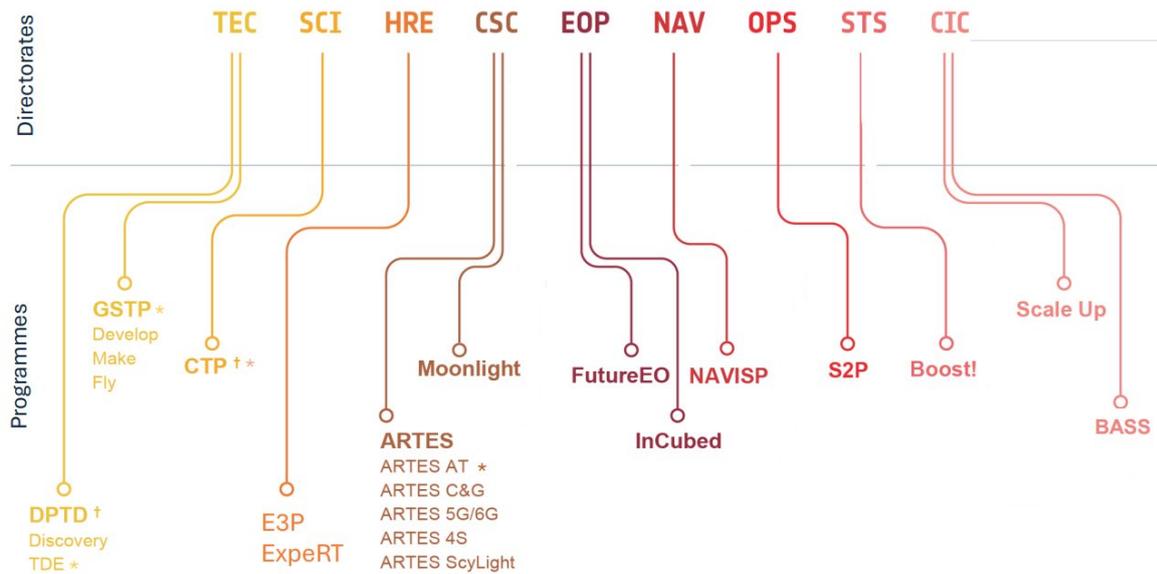
Figure 10 - ESA directorates and some key funding lines

This next section provides a brief overview of each funding line mentioned above. Note that the information is intended as an overview / starting point to help you identify the ones most suited to your business. It is not an in-depth guide to each funding line, and some funding lines will have nuances not mentioned below. Follow the links in the call out boxes for further information.

3.3.2 TEC - Technology, Engineering & Quality

ESA's Directorate of Technology, Engineering and Quality is responsible for the technology developments necessary to implement ESA's programmes.

It oversees a set of R&D programmes aimed at sourcing innovation beyond the immediate market horizon while also serving to de-risk the innovation process for industry.

> Further information about the TEC Directorate Technology Programmes can be found here:
>
> ESA - About Directorate Technology Programmes

a) Discovery & Preparation Technology Development (DPTD)

Discovery is at the start of ESA's innovation pipeline and targets entities which are not yet involved in space activities and this programme is particularly suited to innovative SMEs. It funds research, studies and early technology development activities in all areas of space technology and research.	
Preparation supports New Space missions and programmes. It allows ESA to identify and mature the best concepts for future missions. It conceives a first coherent outline via the Concurrent Design Facility then supports industrial pre-phase A and phase A studies through open competitive tenders for industry.	
TRL focus:	Low TRL
Funding status:	Some fully funded, some co-funded
Procurement method:	Initial ideas submitted through the OSIP platform
Where to find further information:	ESA - Discovery and Preparation ESA - The Open Space Innovation Platform (OSIP)

b) Technology Development Element (TDE)

The Technology Development Element (TDE) is there to investigate blue-sky thinking in-line with ESA's objectives.

TDE is the only ESA technology programme covering all application domains and supporting all of ESA's fields of activity across the entire spectrum of technical disciplines. It tests the suitability of cutting-edge ideas for space applications. It supports the development of generic technologies, either of use to multiple missions or advanced basic technologies of common interest to all applications (e.g. in the field of components, software, power generation, satellite propulsion).

TDE is a mandatory programme organised according to technology domains based in turn on application areas, i.e. Earth Observation, Space Science, Exploration, Space Transportation, Telecommunication and Navigation.

TRL focus (at the end of the activity):	Up to 3-4
Funding status:	Usually fully funded
Procurement method:	Open Competitive, (DN exceptional cases) ITTs are issued continuously throughout the year on ESA's ESA-star website
Where to find further information:	ESA - About the Technology Development Element programme (TDE) Contact the UKSA TDE team: technologyteam@ukspaceagency.gov.uk

c) General Support Technology Programme (GSTP)

Through the optional General Support Technology Programme (GSTP) ESA, Participating States and Industry work together to convert promising engineering concepts into a broad spectrum of useable products. The programme takes leading-edge technologies that are not ready to be sent into space and then develops them to be used in future missions. It covers all technology disciplines and applications except Telecommunications (covered by ARTES). Technology developments are usually industry nominated. GSTP performs its activities under three distinct elements:
Element 1 – Develop
Element 2 - Make
Element 3 – Fly (small missions)

TRL focus (at the end of the activity):	5 and above (though different elements address different TRLs)
Funding status:	Element 1 – usually fully funded; El 2 & 3 – 50% match funding required
Procurement method:	Optional Programme Element 1 – open competition Elements 2 & 3 – permanent open call Typically require an outline proposal followed by full proposal **UKSA Letter of Support required**

Where to find further information:	Information about the general GSTP can be found here: [ESA - About the General Support Technology Programme (GSTP)](#) Specific information from UKSA can be found here: [General Support Technology Programme (GSTP) - GOV.UK](#) Contact the UKSA GSTP team: GSTP@ukspaceagency.gov.uk

3.3.3 SCI - Science

The Directorate of Science is built around two major pillars, the Science Programme and Core Technology Programme. Both are mandatory.

The Science Programme develops and operates scientific space missions in areas of Astronomy, Solar System Science and Fundamental Physics.

The Core Technology Programme compliments the Science Programme by providing advance preparation of the critical enabling technologies required for successful mission development.

> Further information about the Science Directorate programmes can be found here:
>
> [ESA - Science directorate](#)

a) Science Core Technology Programme (CTP)

CTP's objective is to ensure early and effective preparation of ESA's future science missions by advance preparation of the critical enabling technologies required for successful mission development. Whilst the initial stages of new technology development, leading up to experimental verification, are pursued through ESA's Basic Technological Development Programme (TDE), the CTP exists to take these new technologies and apply them to the specific technical requirements of future science missions. CTP funded activity carries them to higher stages of technological maturity, up to full-scale engineering models fully tested in relevant environmental conditions, ready for inclusion in the definition stage of the mission.	
TRL focus:	1-9
Funding status:	Fully funded
Procurement method:	Open competition throughout the year on ESA STAR
Where to find further information:	[ESA - Science Core Technology Programme](#)

3.3.4 HRE - Human & Robotic Exploration

E3P (European Exploration Envelope Programme) is ESA's main tool for turning the ESA Space Exploration Strategy into reality, building upon current human and robotic exploration capabilities, and laying the foundation for future activities involving humans in low Earth orbit (LEO), activities in lunar and Martian orbit, and further on the surface of Moon and Mars.

> Further information about the HRE Directorate programmes can be found here:
>
> [ESA - Human and Robotic Exploration](#)

a) E3P - European Exploration Envelope Programme & ExPeRT

E3P is an optional programme managed by the Human and Robotic Exploration (HRE) directorate. The Terrae Novae E3P goals are to secure Europe's central role in global space exploration, deliver new results in both basic and applied science, and offer a compelling vision of global endeavour, enriching society and inspiring the next generations. The programme structures its main activities around four cornerstone exploration campaigns:

1. Humans in low Earth orbit
2. Humans beyond low Earth orbit
3. Lunar robotic exploration
4. Mars robotic exploration

These are supported by two transversal activity areas, **SciSpacE** (Science in Space Environment) and **ExPeRT** (Exploration, Preparation, Research and Technology).

The ExPeRT area is created to integrate all activities needed to prepare for and initiate new human and robotic exploration missions. It does this by integrating, coordinating, and managing the development of studies and technologies for future exploration missions to low Earth orbit, Moon and Mars destinations.

The SciSpacE funding line white papers represents the scientific communities' aspirations for research that could be potentially addressed in the coming decade. As such, they provide a reference for definition of priorities for community-driven research taking advantage of the platforms and opportunities in the programme. This provides an important input to the overall ESA Human and Robotic Exploration *Terrae Novae* research strategy.

The **Business in Space Growth Network** supports the development of a commercial market for services and applications in LEO and beyond. The BSGN is based at ESA's ESTEC facility in the Netherlands. It is part of the E3P portfolio. The Business in Space Growth Network - BSGN

TRL focus:	3-6
Funding status:	Usually fully funded
Procurement method:	Open competition
Where to find further information:	ESA - Human Spaceflight and Robotic Exploration Programmes ESA - ExPeRT Exploration Preparation Research and Technology ESA - The SciSpacE White Papers Additionally, E3P provides several entry points such as the Commercial Partnership Initiative, the Business Space Growth Network (BSGN) and the European Space Resources Innovation Centre (ESRIC), in order to foster research and innovative concepts towards enhancing the know-how and capability of European industry. Contact the UKSA Exploration team: Spaceexploration@ukspaceagency.gov.uk

3.3.5 CSC – Connectivity and Secure Communications

ESA's Connectivity and Secure Communications Directorate is responsible for co-ordinating, shaping and supporting innovation in satellite telecommunications and for the promotion of applications that involve the combined use of space-based systems.

> Further information about the CSC Directorate programmes can be found here:
>
> ESA - ESA's Connectivity and Secure Communications Directorate

a) ARTES Programme

Businesses located within ESA's Member States involved in the satcom industry - whether small or large, new or experienced can submit proposals via the various elements of the ARTES programme. Every ARTES programme line includes a funding framework and follows certain criteria that must be met by satcom companies wishing to participate. ARTES offers varying degrees of support to projects with different levels of operational and commercial maturity. **ARTES Core Competitiveness** provides support throughout the technology development process; from the initial idea to a fully-fledged product, system or service. The programme provides the funding, multi-disciplinary expertise, business knowledge, opportunities for small and medium enterprises and for international consortia, and contacts needed to turn the concept into reality. ARTES Core Competitiveness combines two previously independent ARTES elements: ARTES Competitiveness & Growth (industry initiative) and ARTES Advanced Technology (ESA initiative).	
TRL focus:	3-9
Funding status:	Usually part funded
Procurement method:	Outline proposal prior to submission of full proposal. Needs supporting business case. **A UKSA Letter of Support is required.**
Where to find further information:	ESA - About ARTES ARTES Core Competitiveness programme Also contact the UKSA ARTES team: telecoms@ukspaceagency.gov.uk

b) Moonlight

ESA's Moonlight programme aims to lead Europe in enabling connectivity from the lunar surface by creating a constellation of satellites for satellite communications around the Moon. The Moonlight programme is a joint initiative between ESA's Directorate of Connectivity and Secure Communications, the Directorate of Navigation and the Directorate of Human and Robotic Exploration.	
TRL focus:	3-9
Funding status:	ESA will **fully fund** (100%) projects in the early stages of innovative technologies development where there is a perceived high commercial and/or technical risk. ESA will **partly fund** (up to 75%*) projects related to new technologies or techniques where the end product has a clear market potential.

	ESA will **partly fund** (up to 50%*) projects related to the integration and demonstration of activities based on existing technologies that are tailored to pre-operational products, systems and applications with identified market opportunities. *For SMEs, the funding could be higher.
Procurement method:	Open competition
Where to find further information:	ESA Moonlight | ESA CSC Also contact the UKSA Telecoms team: telecoms@ukspaceagency.gov.uk

3.3.6 EOP – Earth Observation

The Earth Observation Directorate encompasses all EO activities – from weather forecasting, answering Earth-science questions, providing essential information to improve agricultural practices, maritime safety, helping provide information in disaster zones and all manner of everyday applications.

> Further information about the EO Directorate programmes can be found here:
>
> ESA - ESA for Earth

a) Future EO

Future EO is the flagship Earth Observation (EO) programme that funds end-to-end capability across the EO portfolio. It develops the foundations of European EO systems and capabilities over the next decades. It covers all aspects of Earth Observation including system and architecture studies, instrument pre-development, mission development and operations and the stimulation of innovative Earth science and EO application developments. It is the foundation for all other EO activities as well as funding the Earth Explorer science missions and Scouts research missions. The EO Science for Society element in the Future EO programme provides a flexible structure to support rapid developments addressing priority interests and emerging opportunities for novel use of EO within the scientific community, national, regional and international public sector institutions and private sector operators. In particular, EO Science for Society is working to advance Earth science, pioneer new applications and strengthen the competitiveness of downstream industry, building on the latest tools such as collaborative platforms.	
TRL focus:	1-9
Funding status:	Usually part funded
Procurement method:	Open competition
Where to find further information:	Future EO EO Science for Society ESA - Introducing FutureEO

b) InCubed

InCubed stands for 'Investing in Industrial Innovation' and is a Public Private Partnership co-funding programme run by the ESA Φ-lab. InCubed focuses on developing innovative and commercially viable products and services that generate or exploit the value of Earth observation

imagery and datasets. The programme has a very wide scope and can be used to co-fund anything from building satellites to ground applications and everything between or to develop new EO business models. Entities can apply at any time for different levels of co-funding depending on the type of activity.

TRL focus:	4 and above
Funding status:	Part funded
Procurement method:	An idea is pitched via the OSIP platform > idea pitch go/no go > first proposal submitted via OSIP platform > Proposal go no/go > Letter of Support obtained from UKSA > detailed proposal via ESA STAR **UKSA Letter of Support is required.**
Where to find further information:	InCubed How to apply | InCubed Additional application information | InCubed ESA Φ-lab

3.3.7 NAV – Navigation

The Navigation Directorate delivers the positioning, navigation and timings services of the European satellite navigation system Galileo and the augmentation system EGNOS, while also exploring future applications of navigation technologies for science and daily life.

> Further information about the NAV Directorate programmes can be found here:
>
> ESA - Satellite navigation

a) NAVISP – Navigation Innovation and Support Programme

NAVISP supports European industry in succeeding in the highly competitive and rapidly-evolving global market for satellite navigation, and more broadly PNT (Precision, Navigation and Timing) technologies and services. The programme is structured according to three Elements: Element 1 – Innovation in satellite navigation Element 2 – Competitiveness Element 3 - Support to Member States	
TRL focus:	1-8
Funding status:	Element 1 & 3 – fully funded Element 2 – co-funding required
Procurement method:	Element 1 – open competition + letter of support Element 2 & 3 – permanent open call – initial ideas through OSIP + letter of support **UKSA Letter of Support is required**
Where to find further information:	NAVISP Contact the UKSA Nav team: Navisp@ukspaceagency.gov.uk

3.3.8 OPS – Operations

OPS teams control spacecraft in orbit, manage the global tracking station network, and design and build the systems on the ground that support missions in space. The Space Safety programme also sits within this Directorate.

a) S2P – Space Safety Programme

ESA's Space Safety Programme is dedicated to the protection of Europe and its economies from disruption to this critical infrastructure and fostering new commercial opportunities in the European space sector.	
TRL focus:	1-8
Funding status:	Element 1 & 3 – fully funded Element 2 – co-funding required
Procurement method:	Element 1 – open competition + Letter of Support Element 2 & 3 – permanent open call – initial ideas through OSIP + Letter of Support **UKSA Letter of Support is required**
Where to find further information:	ESA - Space Safety ESA - Space Safety Programme at 2022 Ministerial Council

3.3.9 STS – Space Transportation

STS ensures European autonomy in accessing and using space in a safe and secure environment, by consolidating and protecting its infrastructures.

a) BOOST!

Boost! – ESA's Commercial Space Transportation Services and Support to Member States Programme is managed by the Directorate of Space Transportation. The programme provides a flexible programmatic framework to stimulate, encourage, and support the development, deployment, and use of new European commercial space transportation services under private leadership and responsibility. The programme consists of three elements, each with its own objective: **Boost! 1, Commercial Space Transportation Services Element**: to provide support that is flexible and tailored to the needs of European economic operators pursuing privately-led developments for commercially viable new space transportation services. **Boost! 2, Support to Participating States Element**: in meeting the demand of ESA Member States to provide them with assistance in the implementation of national space transportation objectives in the field of spaceports infrastructure and related services. **Boost! 3, Space Transportation Services Procurement Element**: co-funding European launch services on a competitive basis for the purpose of demonstrating and qualifying in orbit technologies or sub-systems on-board ready-to-fly IOD/IOV satellite(s).	
TRL focus:	All
Funding status:	Element 1 – co-funded

Procurement method:	Element 1 – permanent open call through ESA STAR (search for Boost!): outline proposal > full proposal **Letter of Support is required** Element 2 – requests for support should be submitted directly to ESA by participating states only Element 3 – specific call followed by open competition
Where to find further information:	ESA - Boost! overview Element 1 - Open Space Innovation Platform - OSIP - Channel: Boost! - Commercial Space Transportation Services ESA - Boost! frequently asked questions

3.3.10 CIC – Commercialisation, Industry & Competitiveness

The CIC Directorate focuses on talent, access to capital and fast innovation. It provides several services for startups, space companies, non-space companies, aspiring entrepreneurs, institutions, and investors.

> Further information about the CIC Directorate programmes can be found here:
>
> ESA Commercialisation Gateway

a) ACCESS

ACCESS is a new ESA programme, approved at the 2025 Council of Ministers. It brings together two existing ESA programmes - **ScaleUp and BASS** (Business Applications and Space Solutions). ACCESS is designed to accelerate the commercialisation and competitiveness of European industry in the space and non-space sectors. It offers support to all types and sizes of companies, ranging from start-ups to established players, across multiple sectors.

i. ScaleUp

ScaleUp offers technical, financial and business support for entrepreneurs and established businesses in the space and non-space sectors. It is available to companies at every stage of their commercialisation journey – from start-ups through to more established businesses wishing to scale. It consists of the following five components:

- **ESA Phi-LabNET:** A network of innovative labs fostering collaboration between ESA, industry and researchers to bridge disruptive research with emerging commercial needs. The network facilitates research into groundbreaking science and technology developments that have high commercial potential, offering co-funding and technical assistance to explore new business concepts. Specific funding opportunities are issued regularly on the Phi-Lab websites (follow link and select UK).

- **ESA Business Incubation Centres (BICs):** ESA BICs form the largest business incubation network in Europe. The key objective is to help entrepreneurs translate their space-based ideas into commercially successful businesses. They offer a wide range of business support services to nurture and grow space-related start-ups. In the UK, ESA BIC is managed through the Science and Technology Facilities Council (STFC).

- **ESA Technology Brokers:** ESA Technology Brokers help companies adapt terrestrial technologies for use in space applications, as well as identifying uses for space technologies in non-space environments. TWI is the ESA Technology Broker for the UK.

- **ESA Business Accelerators:** Specialised centres supporting more mature companies in scaling their businesses and accessing financing. Currently, the only operating ESA Business Accelerator is located in Munich, Germany.
- **ESA Marketplace:** An initiative aimed at helping companies acquire customers at initial stages to gain market traction.

TRL focus:	All – though individual elements may have specific requirements
Funding status:	Usually part funded
Procurement method:	Initial ideas via OSIP, then through ESA STAR Open competition
Where to find further information:	The ACCESS programme | ESA ACCESS Contact UKSA Scale Up team: technologyteam@ukspaceagency.gov.uk

ii.   BASS – Business Applications and Space Solutions

ESA BASS is the go-to place for business ideas involving space in all areas of society and economy. Its mission is to support entrepreneurs in Europe in the development of business using satellite applications and space technology. It provides funding opportunities, technical and business expertise, provides connections with potential customers, investors and partners, and allows you to leverage the ESA brand.

TRL focus:	All
Funding status:	Usually part funded
Procurement method:	Open competition + permanent open calls
Where to find further information:	More information is available here: Business Applications Or via the BASS Ambassadors and United Kingdom | ESA Space Solutions Business Applications and Space Solutions Programme (BASS) - GOV.UK Contact the UKSA BASS team: space-applications@ukspaceagency.gov.uk

3.3.11   Participating in non-UK funding lines

The funding lines mentioned above are ones that are open to UK bidders, and you could bid as a prime (directly into ESA) or in collaboration with another entity. At this point it is worth mentioning that other funding streams exist, targeting countries which are not (yet) full ESA Member States. Countries wishing to become ESA Member States go through the following stages, with country-specific funding opportunities at each phase:

- PECS (Plan for European Cooperating States) is designed to prepare countries to join ESA as Associate Members
- Associate Members (AM)
- New Member States (NMS)

Each PECS / AM / NMS country has a funding scheme dedicated to raising technology capabilities. Whilst the prime must be from that country, **businesses from the UK could participate as sub-contractors (up to 20% spend from outside the country is permitted), and benefit from funding allocated to the scheme**, thus obtaining funding in addition to the UK budget. The funding available is small, but may be of interest to you as no UKSA approval is required, and it could expand your international network and supply chain. Typically, international sub-contractors on PECS / AM / NMS schemes participate in projects in one of the following roles:

> Further information about non-UK funding opportunities can be found here:
>
> ESA PECS
>
> Programme for Associate Member States

- Customer role: defining requirements, participating in reviews, performing customer level tests
- Partner role: performing a part of the work (that does not generate IPR), working on a joint project
- Consultant role: providing review help and advice / PA / QA mentoring
- Testing role: performing some of the testing

The open calls and ITTs will be issued through ESA STAR – keep a look out for PECS opportunities, as well as AM and NMS programmes. If you find a programme that looks of interest to you, reach out to the point of contact on the ESA PECS link in the yellow box above about being put in touch with entities from the relevant countries.

3.4 Letter of Support and UKSA programme teams

As mentioned above, some programmes require endorsement by UKSA as part of the bid (through a Letter of Support). Where a Letter of Support is required, this is indicated in the tender or Call for Proposal and this requirement is mandatory. **It is a good idea to start discussions with UKSA early to ensure you don't waste time preparing a bid that will not be supported by UKSA, or leave it too late to obtain the Letter of Support prior to the bid deadline.** If possible, start discussions during the intended ITT phase, or earlier.

It is advisable to engage with UKSA even if no Letter of Support is required. This is optional, but will help UKSA understand that you are considering bidding for a particular opportunity, allowing them to offer help and guidance to you.

Typically, the following programmes require a Letter of Support: ARTES, GSTP, NAVISP, Boost! and ACCESS (Scale-Up and BASS), though this could change, so be sure to check the tender documents for each specific opportunity.

Templates differ between departments, therefore if you require a Letter of Support, engage with the relevant UK Space Agency department to obtain the appropriate template. The teams shared inbox email addresses are shown below. Reach out to these in a first instance.

> If you require a Letter of Support, write to the specific programme team at UKSA to engage (as early as possible):
>
> ARTES: telecoms@ukspaceagency.gov.uk
>
> GSTP: GSTP@ukspaceagency.gov.uk
>
> BASS: space-applications@ukspaceagency.gov.uk
>
> NAVISP: navisp@ukspaceagency.gov.uk
>
> BASS: space-applications@ukspaceagency.gov.uk
>
> Scale Up (and TDE): technologyteam@ukspaceagency.gov.uk
>
> HRE: spaceexploration@ukspaceagency.gov.uk
>
> For all others: EPO@ukspaceagency.gov.uk (ESA Policy and Operations does not issue Letters of Support but can liaise with internal teams at UKSA).

3.5 Participating in large-scale missions

In addition to applying for funding directly through ESA via one of the technology development funding lines, you may wish to bid for work packages on a large-scale mission, for example within the Science, HRE or EO programmes.

For these, it is likely that you will be responding to a tender let by the Prime contractor for the mission (or one of their subcontractors). You will likely either:

- Be bidding directly to the prime contractor, during the prime's bid phase; or

- Be responding to a tender issued by the prime once they are on contract. This is referred to as Best Practices Procurement.

To find out about participating in such missions, industry days, either hosted by ESA or by the Primes are useful. Additionally, keep an eye on the Intended ITTs list on ESA STAR (including the non-ESA section).

> **Further information:**
>
> Industry news, events and announcements on ESA STAR Publication.
>
> Check the intended ITTs section on ESA STAR both for ESA opportunities and those issued by Primes – you will need to register to see details.

3.6 Intended ITTs

Intended ITTs are those which ESA intends to publish in future, and include an abstract and summary of the opportunity, as well as some of the key procurement parameters such as the price range, whether it will be in open competition or another procurement route, which countries are eligible to bid, etc. Intended ITTs can be found on ESA STAR though there is no specific timeframe regarding how far in advance of ITT publication the intended ITT is shown. It is a good idea to keep up to date with the intended ITT list and to start planning as soon as an intended ITT appears.

> UKSA issues a monthly intended and issued ITT list to businesses. If you would like to sign up to the mailing list contact:
> EPO@ukspaceagency.gov.uk

During the intended ITT stage, you can ask ESA and UKSA questions about the upcoming opportunity (once the ITT is released communication is restricted to formal clarification questions). If you wish to use the ESA STAR Match function, doing so whilst ITTs are at the intended stage gives more time to find a potential partner.

Making the most of the intended ITT phase is key to maximising your chances of success. During this phase you can start discussions with other companies to build your team/consortium, agree provisional work share and discuss with ESA and UKSA.

3.7 OSIP

This is an ESA platform aimed at collecting ideas for early technology development. It is typically used for the Discovery and Preparation programme, but other programmes can use it too.

It is a separate tool to ESA STAR, and if you wish to submit an idea onto OSIP, you will need to register.

Typically, the OSIP platform is used to collect ideas against either specific campaign or channels. Campaigns search for solutions to specific questions and typically have a well-defined, relatively short timeline. Channels seek ideas and collaboration on more general topics and have a more open timeframe.

> You can register on the OSIP platform here: Self Registration
>
> **Further information:**
>
> ESA - The Open Space Innovation Platform (OSIP)
>
> Open Space Innovation Platform - OSIP - Start

Once you have submitted your idea, a community discussion phase may help you to develop and improve it before it is evaluated by a team of experts. Authors behind the best ideas will be invited to prepare a more detailed proposal. Following another round of evaluation, the most novel, applicable and achievable proposals will be offered funding, typically through one of three paths: research at PhD or post-doctoral level co-funded by ESA and a host university, early technology development activities, or system studies.

3.8 Where can I find out more about ESA opportunities?

- Look for industry days either hosted by ESA or by Primes (see link in call out box). If you are new to an area, look out for workshops and conferences to attend.

- If you are an SME, it is a good idea to keep track of which missions are being awarded to which Primes, and which procurements they will be carrying out under Best Practices Procurement. ESA

STAR's industry (non-ESA) section is a helpful source for this. Also keep an eye on mission specific industry days, where Primes invite the supply chain to discuss a particular mission's requirements.

- Register on ESA STAR to look for intended ITTs, open tenders or open calls of interest. You can also sign up to the mailing list run by the UK Space Agency ESA Policy and Operations team – they issue lists of intended ITTs, news of upcoming events, etc. periodically: EPO@ukspaceagency.gov.uk

- Liaise with the relevant UKSA team (e.g. UKSA GSTP team, ARTES team, etc.) to discuss your plans (see contacts in section 3.4 above).

- If you have cross-sector technology, engage with the BASS Ambassadors and ESA Technology Brokers.

UKSA intended ITTs:
EPO@ukspaceagency.gov.uk

Look out for:

Industry days, industry events, consultation meetings, etc.

on

ESA STAR Publication News

3.9 Getting help with your ESA proposals

3.9.1 ESA Proposal Advice Service

This is a free of charge service offered by UK Space Agency to help organisations with their ESA proposals.

ESA Proposal Advice Service

Have your proposal **independently reviewed** before submission – checking for common mistakes.

Receive **bespoke comments and feedback** with sufficient time to incorporate changes.

You can apply to have your proposal independently reviewed before submission, with bespoke comments and feedback provided to you with sufficient time to incorporate the feedback into your bid. It is open to any UK organisation, whether start-up, SME, mid-caps or primes, academia or research institutions. The service is available whether you are bidding as a prime (directly to ESA), or as a subcontractor.

The service is provided by KI Bid Consulting on behalf of the UK Space Agency, and offers an independent and impartial review, covered by NDA.

To be eligible for the service:

1) **Live tender**: you must be responding to a live tender, issued by ESA (or by a prime if you are not bidding directly to ESA). This is because a deadline date is needed in order to schedule the reviews.

2) **Letter of Support**: should the tender you are responding to require a Letter of Support from UK Space Agency, you must be in discussions with the relevant team. You don't need to have the Letter of Support at the time of applying for the service, but discussions should be ongoing. This is to ensure that the tender you are applying for is supported by UKSA and that you will receive a Letter of Support before submitting your bid. Having a Letter of Support (where one is requested) is a mandatory requirement for ESA. This eligibility requirement does not apply if no Letter of Support is requested.

To apply to the ESA Proposal Advice Service, complete the form, here: **ESA PAS Triage Form**.

3.9.2 Bidding for ESA Contracts: The Essential Guide

If you are bidding for ESA contracts, this Guide provides a helpful 'hub' of information to support your bid. It is structured into 3 main sections:

- ESA funding lines and key points to note
- ESA procurement process and deciphering an ITT
- Writing your bid response, including an ESA case study and tips from the author's experience

Throughout are links to relevant material and further reading.

Over 120 pages of detailed information, easily searchable and cross-referenced.
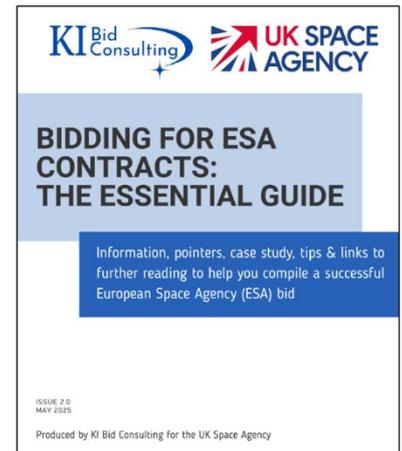
Download a copy:

BARSC.org.uk online library

Or contact:

kelly@ki-bidconsulting.com

4 SECTION 4 – DEFENCE AND SECURITY

This section discusses the main procurement channels for defence-space activities and highlights specific funding lines you can apply for funding through. Section 4.2.8 provides some specific points to consider when bidding for defence work. This section will help you answer the following questions:

- **Which funding lines are there for space activities within MOD?**
- **Which are most suitable for SMEs?**
- **What are the major changes planned for MOD procurement?**
- **What do I need to be aware of when consider applying for MOD funding?**

4.1 Overview

As identified by the Size and Health of the UK Space Industry Report 2024, the UK spends ~£1.8 billion per year on space related activities in the defence sector. This accounts for more than half of all space-related public procurement spend per year.

It is important to note that several organisational changes are being implemented throughout 2026, with a view to bringing together previously separate MOD innovation organisations. The aim is to make it easier for SMEs to become part of the defence supply chain. Whilst some changes are already being implemented, others are awaited, with timeframes yet to be confirmed. Therefore, the information presented elsewhere in section 4 and in Annex A outlines the current position, with notes relating to how this may change in future.

Further information:

Procurement at MOD - Ministry of Defence - GOV.UK

Link to Strategic Defence Review:

Strategic Defence Review 2025

4.1.1 MOD organisational changes

Key points:

- A move towards a more centralised budget – moving from 10 purchasing organisations to 4

- New National Armaments Directorate (NAD) being created – with innovation and procurement activities consolidated under NAD

- UK Defence Innovation (new organisation under NAD) being created to bring together all innovation organisations, including DASA

- Extra help for SMEs through new SME Office and

- Regional Innovation Managers to be put in place to act as single point of contact for MOD SME services

For those less familiar with the defence sector, it may be helpful to understand how the MOD is structured – looking previously and looking forwards. This may help put the funding landscape into context.

In early 2025, the Defence Secretary announced major changes to the MOD's management structure and operating model through a transformation programme called **Defence Reform** with the changes coming into

force from April 2025. Coupled with the Strategic Defence Review mid-2025 and the awaited Defence Investment Plan[8], this makes for a changing environment across much of MOD.

Previously, MOD's organisational structure was made up of Head Office, four military commands (Royal Air Force, Royal Navy, Army, Strategic Command (renamed as Cyber and Specialist Operations Command)), the Defence Nuclear Organisation, UK Space Command and several Enabling Organisations (such as DE&S, etc.). Procurement is/was carried out through the 4 military commands as well as by the enabling organisations.

> **Further reading:**
>
> [tech2035: UK Defence back in the spotlight ahead of Industrial Strategy](#)
>
> [MOD launches UK Defence Innovation and StratCom renamed](#)
>
> [National Armaments Director Group - GOV.UK](#)

This previous structure dates to the 2011 Levene Reforms, in which disaggregation and decentralisation of budgetary authority were brought in.

The changes announced as part of Defence Reform will see this structure change. Innovation activities as well as procurements are being consolidated, with a move from 10 purchasing organisations to 4. Additionally, extra help and support for SMEs have been announced to support businesses with innovative technologies to bring these to the defence sector.

A new **National Armaments Directorate** (NAD) is being created, which will set MOD's industrial strategy and oversee all acquisition processes. Several organisations are being brought together under the NAD, including DSTL, DE&S, etc. (see link in call out box).

UK Defence Innovation (UKDI) is a new organisation (launched mid-2025) sitting under the NAD. It is intended to simplify MOD's innovation landscape. It brings together previously separate innovation organisations, including DASA (see section 4.2.2).

UKDI will also enhance MOD's regional engagement, through Regional Innovation Managers, who will act as a single point of contact for MOD SME services and drive industry and academic interaction (previously a similar role was performed by the DASA innovation leads).

UKDI will sit alongside a **Defence Research and Evaluation Office** (focused on early-stage innovation), as an evolution of the current DSTL and Defence Science and Technology teams reaching out to research institutes.

A new **SME Office (Office for Small Business Growth)** will be established in early 2026 to help SMEs and start-ups access the defence supply chain and scale up to meet defence challenges.

> **Useful website for SMEs:**
>
> [Procurement at MOD - Ministry of Defence - GOV.UK](#)

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[8] The Defence Investment Plan, which should set out how MOD will deliver the SDR's vision in practice is expected to be published soon (it was due in the Autumn 2025 but has been delayed).

4.2 MOD Procurement Channels

There are currently many organisations who procure technology and services on behalf of MOD[9], and many different mechanisms to do so (funding lines). As outlined above, this is set to change as the Defence Reform changes take effect. Therefore, in this section the specific funding opportunities will be discussed, rather than where they sit within the organisational structure.

Key information:

- Funding channels are not space-specific, instead, cover all manner of defence and security related products and services.

- Space-based solutions may be relevant to solving the challenge, even if 'space' isn't in the opportunity title.

- There are many funding lines, especially frameworks and portals – you need to select the ones to monitor.

The main procurement organisations can be seen at the link in the call out box. The list below highlights some of the mechanisms for accessing the funding likely to be of interest to businesses, especially SMEs:

- **Science and technology (S&T) funding**. The S&T funding stream is a separate funding line within MOD, primarily disseminated through DSTL (Defence Science and Technology Laboratory). The two primary funding lines for DSTL opportunities are the R-Cloud framework, and DASA.

- **DASA funding**. The Accelerator disseminates a broad range of MOD funding. It sits within the newly created UK Defence Innovation (UKDI), but other MOD departments can channel their opportunities through DASA.

- **Portals, frameworks & dynamic markets**. There are a vast number of portals and frameworks, and the various procurement organisations within MOD use these to list their funding opportunities. There are generic ones, covering any type of Government procurement (e.g. Crown Commercial Services), defence-specific ones (e.g. Defence Sourcing Portal) and more specific frameworks and networks, focused on innovative R&D. These portals and frameworks cut across all areas of MOD, and it can be tricky to identify relevant opportunities for your business. Note also that some frameworks can be onerous to be accepted onto. Some of the key portals and frameworks are described in section 4.2.4, but note that frameworks can change over time.

Further reading:

Ministry of Defence Procurement Organisations - GOV.UK

A glossary explaining procurement terms can be found here: Crown Commercial Services | Glossary

- **UK Space Command**. This was formed in 2021 and is responsible for operations, workforce and capability (equipment programmes) in the space domain. It is a joint command, staffed by personnel from the Royal Navy, British Army, and Royal Air Force, alongside civil servants and contractors. Space Command is responsible for the ISTARI programme (a constellation delivering ISR capability), consisting of a demonstrator satellite (Tyche, launched 2024), and further demonstrator satellites due to launch by 2027- Titania, Juno and Oberon. The procurement channel for these has been through DE&S and DSTL, with Crown Commercial Services being the primary procurement route.

- **CSOC**. Cyber and Specialist Operations Command. Formerly known as Strategic Command, this is the UK's fourth Military Command, alongside the RAF, RN and Army. CSOC is responsible for the procurement of the Skynet satellites.

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[9] For example, the four military commands each have their own budgets, DE&S procures across the MOD and Science & Technology is procured primarily through the DSTL channels.

- **NSSIF**. National Security Strategic Investment Fund. NSSIF is the UK Government's deep tech venture capital fund for national security and defence and invests in early-stage start-ups developing dual-use technologies, typically at seed or series A. It is further described in section 4.2.7.

4.2.1 Science & Technology and DSTL

The main funding line for the S&T portfolio is currently through DSTL (Defence Science and Technology Laboratory). DSTL is the MOD's in-government science and technology organisation. It was formed in 2001 and is part of the National Armaments Directorate (NAD) Group.

There are several funding routes to access DSTL funds. None of them are specific to space, but space-related activities could be relevant in some cases. The two main ways DSTL procures is through the R-Cloud portal and through DASA. These are described further below. However, DSTL may also issue opportunities via portals and frameworks, used across MOD for many procurements (see section 4.2.4). Look out for changes to innovation funding as UKDI becomes fully operational.

> **Key information:**
>
> - *Note: details of calls may change following the re-structuring mentioned above*
> - Main funding line for early R&D is through DSTL
> - R-Cloud framework and DASA are main routes for DSTL procurement
> - You need to register with R-Cloud and select the capability areas you are interested in
> - You are notified of opportunities linked to the capability areas, and can bid for these
> - Look out for additional IP requirements on R-Cloud+ opportunities
> - Regional support available

a) R-Cloud

R-Cloud (the R stands for Research) is a procurement framework run by DSTL used for early TRL activities (typically TRL 1-4). Whilst it is not exclusive to DSTL, the vast majority of activities procured through R-Cloud are for DSTL. It is designed to manage the entire procurement process through the portal. By signing up, you receive targeted invitations to bid for opportunities tailored to the key capabilities and skills indicated during the registration process (note – only those opportunities that match capabilities will be shown).

> Information on R-Cloud and R-Cloud+:
> R-Cloud for suppliers - GOV.UK
>
> Capability areas: Ministry of Defence's Science and Technology portfolio - GOV.UK

You can apply to become an R-Cloud member for any or all of the key capability areas at any time. Suppliers need to meet the required technical and commercial requirements and accept the R-Cloud standard terms and conditions.

Further information can be found in Annex A.

i.   R-Cloud+

R-Cloud+ was introduced in 2023. The main difference to R-Cloud is on Intellectual Property. In particular, with R-Cloud+ contracts, the buyer has the option to require all or part of the intellectual property rights under a contract to be vested in the Crown (i.e. ownership of IP belongs to the buyer, not the supplier). Typically, R-Cloud+ is used for more sensitive procurements, where restrictions on IP are required.

ii.   DSTL PhD funding

DSTL operates the UK-France PhD programme and various smaller individual PhD calls. These PhD funding opportunities are advertised through R-Cloud. Note that applications should be for PhD-level research from

UK institutions with leading academics, research groups or research centres. Individual students should not apply – the application must come through a relevant department at a university.

4.2.2 UKDI & DASA

a) Overview of UKDI

UKDI was established mid-2025 under Defence Reform. Sitting within the new National Armaments Directorate, UKDI is intended to simplify MOD's innovation landscape. It brings together previously separate innovation organisations including the Defence and Security Accelerator (DASA), J-Hub, the Defence Innovation Unit (formerly within Head Office), and Future Capability Innovation (formerly within DE&S).

b) Overview of DASA

Note: details may change as UKDI reaches full operating capability (expected mid-2026). The information below is based on previous DASA calls.

Key information:

- *Note: details of calls may change following the completion of the UKDI implementation*
- Calls are not space-specific
- Themed / open calls for funding
- Fully-funded contracts
- TRL target 4+
- DASA also offered innovation loans, provided through Innovate UK
- Regional support available

DASA has a broad remit, relating to all fields of technology and services with a strong defence application. DASA opportunities are not specific to space, but space companies can bid into any open call, as long as the criteria for the call are met.

Look out for specific themed calls, which target a particular problem area. DASA also runs Open Calls, and has historically run other calls, centred around Security or Innovation, though it is not known (at the time of writing) which calls will continue once the UKDI implementation is complete.

Open Calls for Innovation and Themed Competitions are fully funded contracts, no matched funding is required.

DASA calls typically target mid-TRL developments (4 onwards). For lower TRL development, R-Cloud opportunities may be more appropriate.

Historically, regional DASA Innovation Partners have supported organisations that may have products or services suitable for defence or security applications. These are likely to become integrated with the Regional Innovation Managers under UKDI (discussed above).

Keep a look out for the **next tranche of DASA calls, expected mid-2026**. You can sign up to the mailing list here: Apply For Funding - GOV.UK

i. Defence Innovation Loans

Additionally, DASA offers Defence Innovation Loans, which are provided by DASA and Innovate UK.

Innovation Loans are an opportunity for UK-registered SMEs with solutions to defence themed problems to apply for a Defence Innovation Loan to help develop and convert their mature innovation into a viable business proposition.

The funding amounts are typically between £100,000 and £1 million with a "below market interest rate" (currently 7.4% per annum but check the website for the most up to date figure).

Cycle dates can be found here: here

Further information:

Competition Document: Defence Innovation Loan FY25/26 Cycle 4 - GOV.UK

A video providing information on the loans is available here.

In future this value could be increased.

The TRL target is 6 and above.

The loans are currently only for R&D work. They are not designed as a means to resolve short-term cash flow issues.

Future cycles may extend the eligibility criteria beyond R&D.

ii. DASA Ideas Marketplace

This is an online networking collaboration platform for businesses to discuss, collaborate and share ideas to meet defence and security challenges. Through this tool, businesses can get their ideas in front of government stakeholders and end users, other parts of industry and academia.

Further information:

[Introducing the Ideas Marketplace - GOV.UK](#)

4.2.3 NATO DIANA UK Accelerator

Alongside the funding described above, the DIANA Accelerator programme (Defence Innovation Accelerator for the North Atlantic), targets innovative start-ups and SMEs developing dual-use technology. DIANA consists of a network of 32 allied nations, collaborating across >20 accelerator sites and >180 test centres.

'Challenge calls' targeting specific problem areas are issued, where businesses are asked for innovative solutions. Those businesses who are selected receive non-dilutive grants and join their preferred accelerator site to begin the DIANA accelerator programme.

The programme is designed to equip businesses with the skills and knowledge to navigate the world of deep tech and dual-use innovation, currently delivered through a year-long programme, split into two six-month blocks:

- The first six month 'bootcamp' is a hands-on cohort experience consisting of ten modules aimed at early-stage start-ups. This consists of seminars, workshops, and mentorship, as well as the opportunity to access the DIANA network of over 200 test facilities across Europe and North America.

- The most promising innovators from 'bootcamp' will graduate to an additional six-month 'grow' programme, which provides tailored support and additional grant funding (not all businesses from the first six months are selected).

Further information:

[DIANA Accelerator Programme](#)

[NATO DIANA UK accelerator: Welcome to the UK accelerator - GOV.UK](#)

The DIANA accelerator targets TRL 4 and above, though in some cases lower TRL solutions with potential disruptive impact may be considered.

If you are an early-stage start-up or SME with little or no experience in defence and security, you are likely to benefit the most from this accelerator programme.

4.2.4 Portals, frameworks & dynamic markets

a) Portals / platforms

These are listings of opportunities and are used to advertise opportunities across government / MOD.

Typically, goods and services advertised on these portals are procured through open competition. This means the requirements are advertised, suppliers complete a PQQ (Pre-Qualification Questionnaire) (though not always), and if successful, are invited to tender. Upon successful evaluation, a contract is placed with the successful bidder. In some cases, framework opportunities are listed on portals too.

There are many portals, and larger defence companies may have people dedicated to managing and monitoring them. This, however, is unlikely to be feasible for smaller organisations, so knowing where to look for opportunities most relevant to your business is important. Some of the main portals are shown below:

i. Defence Sourcing Portal (DSP)

This portal hosts all of MOD's advertised requirements. You can tailor your notifications from DSP by selecting appropriate category codes. Organisations designated as MOD strategic suppliers are encouraged to advertise their subcontracting opportunities through this portal too. No registration is required to view opportunities. It can be found here: Defence Sourcing Portal (DSP)

ii. Contracts Finder

This portal lists opportunities above £12,000 across Government. No registration is needed. It can be found here: Contracts Finder - GOV.UK

Note that if you are based in Scotland, Wales or Northern Ireland, regional versions apply:

- Public Contracts Scotland for opportunities with public sector bodies in Scotland
- Sell2Wales for opportunities with public sector bodies in Wales
- eSourcing NI and eTendersNI for opportunities with public sector bodies in Northern Ireland

iii. Find a Tender

This portal lists opportunities typically above £139,000 in the UK's public and utilities sectors. It requires registration, and can be found here: Find a Tender.

iv. MOD Acquisition Pipeline

A future looking MOD Acquisition pipeline could also be helpful to businesses, though note the caveats listed. It can be found here: MOD Acquisition Pipeline - GOV.UK

b) Frameworks

A common way for suppliers to bid for contracts is via online platforms known as frameworks. Suppliers must first bid to join relevant frameworks and are only admitted once they pass certain criteria. This means that buyers know that suppliers on the framework meet predetermined criteria, i.e. they have already proven their eligibility and qualify for the opportunity. Each framework includes multiple suppliers, and buyers can run a tendering process to choose between eligible suppliers for each opportunity. Note that acceptance onto a framework is not a guarantee for winning work - suppliers need to bid for framework opportunities,

though the competition is only between those suppliers on the framework. Once a bidder has joined a framework, they can apply for any advertised opportunities until the framework ends.

Frameworks detail the overarching terms and conditions against which the buyer may place orders or tasks, but the T&Cs will vary by framework to reflect what is being purchased. It is the responsibility of the supplier to decide which frameworks to be involved with, and the responsibility of MOD to use the most appropriate framework to support their procurement.

Some frameworks are 'open', which means they can be joined at any time, while others are only open during certain periods.

Some frameworks are managed by a lead contractor, and some may be divided into 'lots' (targeting specific thematic areas).

There are many different defence frameworks, and often the biggest hurdle facing businesses (especially start-ups and SMEs) is becoming registered on the framework. This is down to the data required when signing up to the framework. Many require substantial policy documents (for example: Cyber Essentials certification, company insurance, financial accounts, financial risk matrices, etc.).

Frameworks can be grouped into:

- Cross-Government (i.e. covering all areas of public procurement)
- Defence-specific frameworks (i.e. limited to defence and security)

Some of the key frameworks are described below:

Note: frameworks can come and go. Some may only be open for a certain period of time, after which they are closed.

Some framework opportunities are published on the DSP portal. Others are procured via Crown Commercial Service frameworks.

i.   Crown Commercial Service framework

This is the UK's biggest public procurement organisation and an executive agency of the Cabinet Office.

Further information:

Crown Commercial Service - CCS

ii.   R-Cloud

The vast majority of R-Cloud opportunities are from DSTL, and the R-Cloud framework is discussed in section 4.2.1.

iii.   ASTRID

The ASTRID framework (**Analysis for Science and Technology Research In Defence**) is run by BAE Systems (as a prime contractor) but managed by DSTL. It covers analysis services across 12 categories from data science to statistics.

The current ASTRID framework is available until 8 April 2027.

ASTRID opportunities are advertised on the Defence Sourcing Portal (DSP).

Further information: Analysis for Science & Technology Research in Defence (ASTRID)

Contact: astrid@baesystems.com or DstlAstrid@dstl.gov.uk (DSTL commercial team)

iv. Serapis framework (now closed)

This was available until July 2025, but has now closed. It is mentioned here as it specifically included "space systems" as one of the 'lots'. It is not known whether this will re-open in future.

c) Dynamic markets & Commercial X

Commercial X was a programme set up by MOD in 2022 to speed up the adoption of innovative technologies and increase competition. It operates a dynamic market, which is a "marketplace for innovation," designed to connect suppliers – especially SMEs – and defence buyers in a single space.

> **Further information:** What is a dynamic market? How they work in the public sector - CCS
>
> Ministry of Defence - Commercial X - GOV.UK

A dynamic market remains open to new suppliers joining or leaving at any time across the market's lifetime. There is no limit on the number of suppliers that can join a dynamic market. By joining the dynamic market, you have been assessed to have the legal, financial and technical ability to fulfil public sector contracts. The buyers then run competitions based on the suppliers within the dynamic market. The dynamic market is different to frameworks, where the list of suppliers remains largely unchanged (or is updated only at certain times).

i. Space-Enabled and Geospatial Services Dynamic Purchasing System (DPS)

This covers a broad range of products and services related to the space and geospatial ecosystems. It is open until February 2029.

> **Further information:** Space-Enabled and Geospatial Services DPS

ii. Space Technology Solutions Dynamic Purchasing System

> **Further information:** Space Technology Solutions DPS

This covers goods and services related to space and geospatial technologies. It is open until July 2031.

4.2.5 Other channels to become involved

i. Aurora EDP (Engineering Delivery Partner) for Defence Equipment & Support (DE&S)

The Aurora Engineering Partnership is a collaboration between QinetiQ, AtkinsRealis, BMT and Frazer-Nash Consultancy. It is the default route for the procurement of engineering services for DE&S. It does this through a network of over 250 specialist companies who can deliver engineering services through the EDP. 75% of the companies in the network are SMEs.

> **Further information:** Engineering Delivery Partner (EDP) for Defence Equipment & Support (DE&S).

ii. Futures Lab

Futures Lab is an engineering capability delivered by Aurora EDP. It sits under Defence Equipment and Support's (DE&S) Future Capability Group with the aim of accelerating MOD's innovation and ideas incubation process. It was started in 2021.

> **Further information:** Engineering Delivery Partner (EDP) for Defence Equipment & Support (DE&S).
>
> Point of contact for Futures Lab: fslabprocurement@qinetiq.com.

Futures Lab, which works mainly in the pre-concept space, has an open network of around 230 subject matter experts, giving a broader view on key topics. 70% of organisations in the network are micro,

small, and medium-sized enterprises and 17 are leading UK universities.

If you would like to join Futures Lab, look out for opportunities advertised on the EDP website (see link in call out box). New joiner briefings are held on the first Monday of each month.

iii. A note on existing programmes

If you have technology that may be suitable for existing programmes, such as the ISTARI missions, Skynet or BOREALIS (plus others), the best route to engage is via the prime contractors. Keep an eye on industry days or supply chain events hosted by the primes. The primes may issue tenders for work via the portals described above (especially DSP), and you will need to ensure that you are signed up to the relevant frameworks.

4.2.6 Other resources to know about for SMEs – Defence & Security

a) JOSCAR (managed by Hellios)

JOSCAR (the **Joint Supply Chain Accreditation Register**) is an industry-recognised accreditation system used by leading aerospace, defence and security companies designed to streamline supplier onboarding and compliance. JOSCAR allows buyers to quickly verify that suppliers meet stringent requirements in areas such as operational capability, quality assurance, supply chain security, health and safety, IT security, environmental performance and corporate social responsibility. It is used by primes including BAE Systems, Leonardo, Rolls-Royce, QinetiQ, and the Ministry of Defence. For some, for example Qinetiq, registration is a mandatory condition of doing business. Suppliers that have completed the JOSCAR process will have their data made available to any of the prime contractors on JOSCAR.

The JOSCAR database is managed by a third party organisation, Hellios. Qualifications are valid for one year and need to be renewed annually. The information provided does not request commercial or pricing information related to specific work.

Further information:

Hellios SME Portal

There are two stages to registration. The first stage asks for basic company details. This information allows a risk assessment to be performed to determine if stage 2 is needed. The second stage (applicable only to the procurement of higher inherent risk goods and services) requires completion of an additional set of questions which are dynamically based on the information provided at the first stage. There may be a fee depending on the size of the organisation.

b) NSpOC

Further information:

Procurement at NSpOC - National Space Operations Centre - GOV.UK

BOREALIS: New UK-made space system to help protect military satellites - GOV.UK

The UK Space Agency and UK Space Command have (in partnership with the Met Office) established a joint operational programme - **National Space Operations Centre -** which protects UK space interests through missile warning, monitoring the safety of satellites, fragmentation alerting and monitoring, support to license monitoring, and tracking orbital incidents, including potential satellite collisions, severe space weather events, and the re-entry of objects into the Earth's atmosphere.

NSpOC periodically issues contracts and grants for relevant activities. Also, see the BOREALIS programme awarded in 2025 to prime contractor CGI.

c) DSTL's SME Searchlight

This is an engagement programme started in 2019, specifically targeted at SMEs, academia and non-traditional defence suppliers. This programme is delivered through a number of engagement events, workshops and consultations. Past events have included sessions on "how to bid" for defence work, with SMEs able to interact directly with the DSTL commercial team and to ask questions. Keep an eye on the registration link in the call out box for future events.

> **Further information:**
>
> Dstl Searchlight Events - 2 Upcoming Activities and Tickets | Eventbrite

d) Regional defence and security clusters

These clusters allow industry and government to share ideas, promoting collaboration and commercialisation.

> **Further information:**
>
> South West Regional Defence and Security Cluster
>
> East Regional Defence & Security Cluster
>
> Western Regional Defence & Security Cluster
>
> Greater Lincolnshire Defence and Security Cluster
>
> London Regional Defence and Security Cluster
>
> North East Regional Defence and Security Cluster
>
> North West Regional Defence and Security Cluster
>
> South Central Regional Defence and Security Cluster

e) Other potential helpful resources

Trade associations. If you are new to the defence world, consider joining a trade association. MOD works closely with trade associations to support the defence industry, identifying businesses that can help to resolve strategic issues. Joining a trade association.

UKDSE Export Faculty. The UKDSE Export Faculty is a free online resource dedicated to offering tailored information, advice, and support for UK SMEs in the defence, security, and cyber security sectors.

Knowledge in Defence. Knowledge in Defence (KiD) offers information for businesses new to defence.

GovBridge (Unlocking Space programme). Run by UK Space Agency, a learning programme was delivered in 2024/25, focusing on educating entrepreneurs how to sell into government (contracts, not grants). The key resources are available here: Unlocking Space - GovBridge resources - GOV.UK

BattleLab offers business support services, trials and experimentation space. BattleLab - Let the collaboration begin

> *If you are aware of other helpful resources that you feel should be listed here, please reach out to kelly@ki-bidconsulting.com for inclusion in future releases of this Guide.*

4.2.7 National Security Strategic Investment Fund (NSSIF)

The NSSIF describes itself as 'the UK Government's deep tech venture capital fund for National Security and Defence'. It was established in 2018 as a joint initiative between the Government (DSIT) and the British Business Bank, focusing on investing in innovative start-ups developing dual-use technology for both private sector and national security and defence applications.

NSSIF invests in early-stage start-ups developing dual-use technologies, typically at seed or series A. Investment is made as direct equity investments, or through partnerships with aligned venture funds.

> **Further information:** NSSIF | Home
>
> Focus areas:
> Space and communications

'Space and communications' is one of 4 key focus areas. This includes advanced satellites and antennas, in-orbit service and manufacturing, PNT and various future advanced communications.

4.2.8 Tips for SMEs bidding for government contracts

The next two subsections provide some tips on bidding for MOD contracts.

a) Advice from Government

> Extract taken from Doing business with government: guide for SMEs - GOV.UK

Build below the threshold. The quickest way to build up a government customer base is to start with low value procurements. To start with, aim for opportunities under £100,000 where government has abolished Pre-Qualification Questionnaires (PQQs). Building up your base this way is a great foundation for competing for bigger sales in the future.

Be part of the conversation. If the first time you spot the opportunity, it's already formally gone to the market, you are behind the game. Pre-market engagement is your opportunity to shape the formal tender:

- Sign up for email alerts on Contracts Finder
- Monitor portals and register your interest in future procurements
- Attend information days and public sector 'product surgeries'
- Register with the esourcing tool for future opportunities

Play to your strengths. Recent studies of public sector procurers show that they see SMEs as flexible, quicker to react and able to offer better prices. Use the pre-market engagement to show this by reacting quickly to questions, offering options and evidence of where you've responded to change in the past. Recognise that you are likely to be cheaper than bigger players and show evidence that you offer value for money.

Look good in the exam. Understand that no matter how good you are you will not win unless you make your strengths clear on paper too. Think of it as an exam - answer the question and think about getting advice if it's your first time. The public sector is making the process simpler but remember that it will rightly be held accountable for the procurement decisions it makes, in a way the private sector is not. Take the exam seriously.

Evidence matters. Cite evidence in your bid. If you say your system will show or do something, prove it: include a screen shot of how it works or other tangible evidence.

b) Tips from experienced businesses

Through researching this Guide, the real-life experiences of many businesses have been discussed. Some of the key lessons learned and tips for others to learn from are captured below (anonymously):

- **Portals and frameworks**
  - There are many portals and frameworks in MOD procurement. Large organisations may have teams monitoring these, but SMEs are unlikely to have the resources to do this. Therefore, you need to **be selective in what to monitor.** To choose the portals and frameworks relevant to you, you will need to identify the opportunities and their funding channel – through engagement with key stakeholders.

  - One of the challenges for SMEs is signing up to frameworks. You will need to provide policy documents, insurance certificates, VAT registration, etc., as well as Cyber Essentials / Cyber Essentials Plus certification of your processes and IT systems, and in some cases additional material. Note that obtaining Cyber Essentials or Cyber Essentials Plus certification incurs an initial cost, with an annual renewal fee. **Key take-away: don't underestimate the time and effort in signing up to frameworks and make use of the available help and support to SMEs, especially as more becomes available through UKDI.**

  - Note that once you are accepted onto a framework, individual opportunities will be subject to competition – the fact of being accepted onto the framework does not guarantee a contract, though the competition will be only between other suppliers on the framework.

  - **JOSCAR accreditation** is required for working with certain prime contractors. As with applying for frameworks, don't underestimate the time and effort it takes to become JOSCAR accredited. This accreditation also requires a yearly fee (dependent on business size).

- **DASA**
  - DASA is considered a strong entry point for SMEs. Especially look out for the themed calls. Engagement with the regional support available is encouraged.

- **Security and vetting**
  - Security restrictions and security vetting are likely to be a factor in MOD work. Look out for Security Aspect Letters and their implications. These will tell you what classification the work has been given and what conditions you need to meet to comply. You may need to consider: your IT system and whether it is able and accredited to handle classified material, whether you need to seek security clearance for your staff and whether you have processes in place for handling classified material. Some organisations have separate (standalone) IT systems in place for classified material, separate to the normal company network – it is worth investigating early what the requirements are and what options you have. Note that in some cases the bid may be classified, in which case you will need to have processes in place to be eligible to bid.

4.3 Summary – defence and security

Defence spending accounts for more than 50% of public spending on space, and with the Skynet and ISTARI programmes, further investment is committed over the next decade[10].

Though the funding lines are (in most cases) not space-specific, space-based technology may well provide a good solution, though it can be tricky to find an entry point.

The following summarises some short-term suggestions for identifying suitable MOD opportunities:

- As with other sectors, **early engagement is key**. This could be with the MOD directly, through for example, the regional clusters, or innovation managers, or engaging with the primes on key programmes to understand upcoming requirements and how your technology may fit. Once the SME Office is established, this may be a good starting point.

- **In the particular case of MOD, it is a good idea to engage with both with the organisation driving the technical requirements (i.e. who wants to use your technology) and the channel through which it is to be procured (i.e. the buyer).** The latter is important as it may help you understand which framework you need to be on to be eligible to bid – allowing you to prepare in advance of a tender being issued, as well as understanding in advance what the bid/project security classification is likely to be and what that entails for your business.

- With the new organisational structure being implemented over 2026, it may be a good idea to sign up to the various automated update announcements, alerting you when a new call is issued (for example, this is available for DASA calls) and keeping a regular watch on some of the key procurement websites highlighted above, as new calls will likely be announced there.

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[10] As outlined in the National Space Strategy 2022: National space strategy - GOV.UK

5 SECTION 5 – RESEARCH COUNCILS

This section discusses the funding available through UKRI. It will help you answer the following questions:

- **Which funding opportunities are there for space within UKRI?**
- **Which ones am I eligible to bid for?**

5.1 Overview

This section discusses the funding available to space businesses through the UK's Research Councils, and associated organisations.

5.2 UKRI - overview

UKRI is the UK's largest public funder of research and innovation, investing around £8 billion per year in the UK's research and innovation system. This equates to roughly half of the UK's total spend on R&D. This funding is across all disciplines. The vast majority of this goes to universities.

UKRI was launched in 2018, and is made up of 7 councils, Research England and Innovate UK (referred to as 9 councils in total):

Figure 11 - UKRI's 9 Research Councils

Funding for UKRI comes primarily from DSIT but in some cases also from other government departments. Funding is allocated for collective programmes and individually to each research council.

The chart below shows how the funding for UKRI is split between the 9 Research Councils.

Key
Each square represents £25 million

- Core AHRC £70m
- Core BBSRC £326m
- Core EPSRC £640m
- Core ESRC £123m
- Core MRC £602m
- Core NERC £327m
- Core STFC £618m
- Core Research England £2,359m
- Core IUK £948m
- Collective Talent Funding £773m
- Cross-UKRI Funding* £2,025m

* Cross-UKRI funding is made of investments in Infrastructure, including our Infrastructure Fund and World Class Labs, and in new and legacy Strategic Programmes, including the Strategic Themes, the Technologies Mission Programme, and dual support for existing Strategic Programmes (previously National Productivity Investment Fund, NPIF), among other investments.

Figure 12 - UKRI funding allocated to Research Councils, budget 2025/2026.
Source: UKRI allocations 2025 to 2026 explainer

5.3 UKRI and space

UKRI investment in space science is estimated **at £180 million annually (roughly 2% of total expenditure in R&D).** Additionally, UKRI is responsible for the provision and maintenance of R&D facilities for academic and industrial use (such as RAL Space, the National Centre for Earth Observation and the UK Astronomy Technology Centre).

It is interesting to note that all research councils (except Research England), have funded space-related activities – see below.
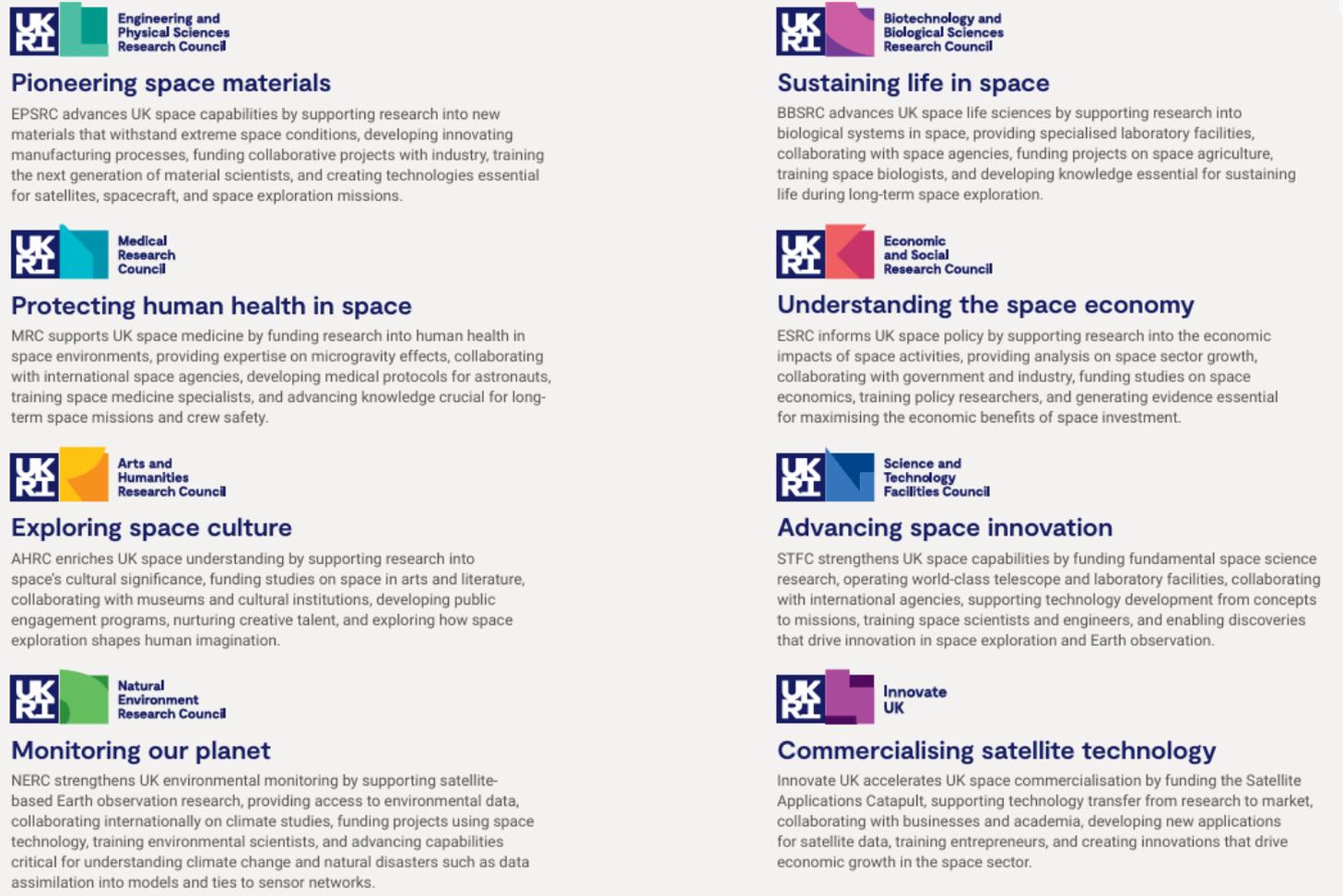
Engineering and Physical Sciences Research Council

Pioneering space materials

EPSRC advances UK space capabilities by supporting research into new materials that withstand extreme space conditions, developing innovating manufacturing processes, funding collaborative projects with industry, training the next generation of material scientists, and creating technologies essential for satellites, spacecraft, and space exploration missions.

Medical Research Council

Protecting human health in space

MRC supports UK space medicine by funding research into human health in space environments, providing expertise on microgravity effects, collaborating with international space agencies, developing medical protocols for astronauts, training space medicine specialists, and advancing knowledge crucial for long-term space missions and crew safety.

Arts and Humanities Research Council

Exploring space culture

AHRC enriches UK space understanding by supporting research into space's cultural significance, funding studies on space in arts and literature, collaborating with museums and cultural institutions, developing public engagement programs, nurturing creative talent, and exploring how space exploration shapes human imagination.

Natural Environment Research Council

Monitoring our planet

NERC strengthens UK environmental monitoring by supporting satellite-based Earth observation research, providing access to environmental data, collaborating internationally on climate studies, funding projects using space technology, training environmental scientists, and advancing capabilities critical for understanding climate change and natural disasters such as data assimilation into models and ties to sensor networks.

Biotechnology and Biological Sciences Research Council

Sustaining life in space

BBSRC advances UK space life sciences by supporting research into biological systems in space, providing specialised laboratory facilities, collaborating with space agencies, funding projects on space agriculture, training space biologists, and developing knowledge essential for sustaining life during long-term space exploration.

Economic and Social Research Council

Understanding the space economy

ESRC informs UK space policy by supporting research into the economic impacts of space activities, providing analysis on space sector growth, collaborating with government and industry, funding studies on space economics, training policy researchers, and generating evidence essential for maximising the economic benefits of space investment.

Science and Technology Facilities Council

Advancing space innovation

STFC strengthens UK space capabilities by funding fundamental space science research, operating world-class telescope and laboratory facilities, collaborating with international agencies, supporting technology development from concepts to missions, training space scientists and engineers, and enabling discoveries that drive innovation in space exploration and Earth observation.

Innovate UK

Commercialising satellite technology

Innovate UK accelerates UK space commercialisation by funding the Satellite Applications Catapult, supporting technology transfer from research to market, collaborating with businesses and academia, developing new applications for satellite data, training entrepreneurs, and creating innovations that drive economic growth in the space sector.

Figure 13 - Space-related funding activities split by Research Council

However, the key Research Councils for space-related funding are:

- **Science and Technology Facilities Council (STFC):** space, planetary and solar science
- **Engineering and Physical Sciences Research Council (EPSRC):** engineering with a space application
- **Natural Environment Research Council (NERC):** EO with a focus of core ESA missions
- **Innovate UK**: part of UKRI offering support and funding for businesses
- **To a lesser extent Biotechnology Research Council (BBSRC):** space life sciences (e.g. experiments on the International Space Station) and
- **Medical Research Council (MRC)**: human sciences

5.3.1 Innovate UK

Innovate UK (IUK) is part of UKRI and is set up to deliver tools and services in support of innovative businesses and related activities. IUK offers various funding channels and support to businesses, such as grant funding, loans, investor access, the business growth service, networking through business connect and infrastructure through the Catapult network. These are described later in this section. **Most UKRI funding opportunities for businesses are offered through Innovate UK.**

IUK has directly supported, through grants or loans, over 200 businesses over the past five years with a typical annual spend of between £10

Further information:

Innovate UK funding, assessment and award management – UKRI

million and £20 million on space projects. However, this funding was not under a space call, but rather across various themes focusing on wider national priorities (for example, agriculture, where a space solution could be relevant). IUK no longer has a specific space programme, but it provides the **Satellite Applications Catapult** and enables access to the **Horizon Europe** programme though delivery of the National Contact Point and related support activities.

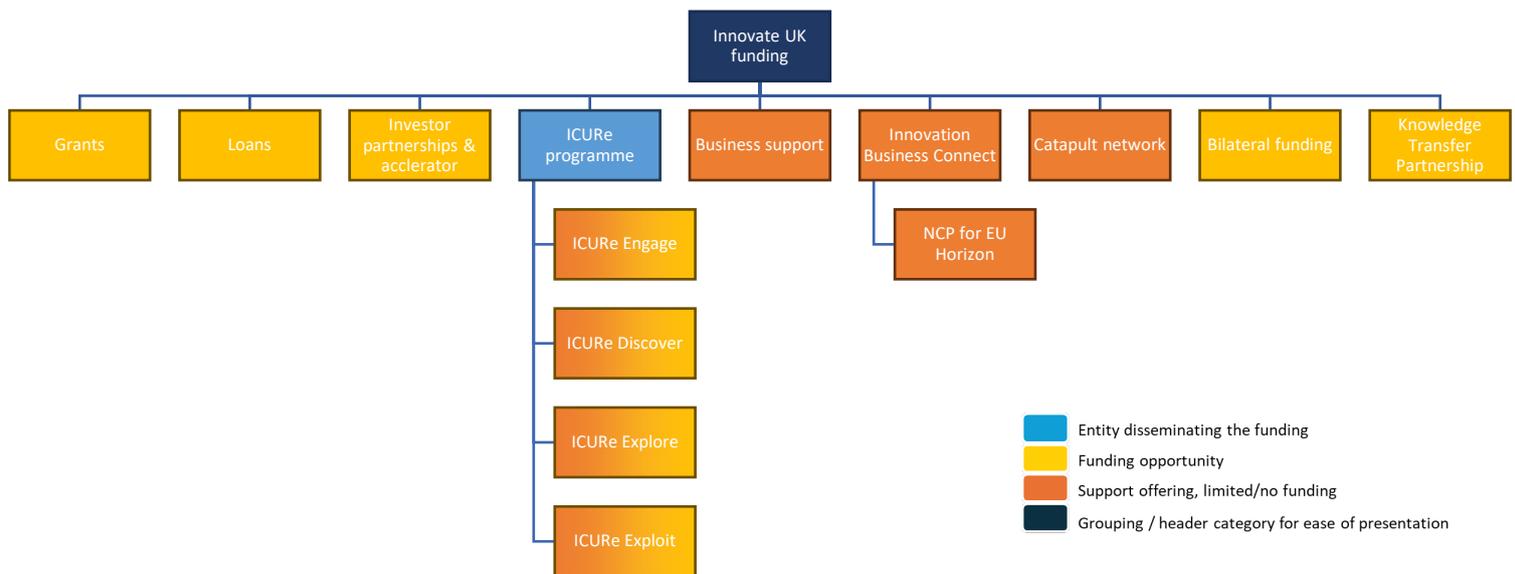The funding and support offered by Innovate UK is shown in the diagram below:

Figure 14 - Innovate UK funding and support opportunities

a) Grants

These are also referred to as collaborative R&D and typically range from £10,000 to £5 million at 50% funding intervention, though this can vary based on the type of organisation and TRL. Grants typically target TRL 3-6. Grant applications should be led by industry, but under certain circumstances, grants lead by RTOs may be considered. The grant application assessment is focused more strongly on the business case rather than on the technology.

> **Further information:**
>
> Innovate UK Grants: How to apply

b) Loans

These are provided by the IUK banking team at favourable loan rates (the IUK banking team is separate to other parts of Innovate UK). Typically, loans are between £100,000 and £5 million. Funding has to be spent on R&D, so costs such as renting or buying premises, staff costs and marketing costs are not eligible. The target of the loan is to scale up the business. As with any loan, businesses need to provide securities, hence this is targeting companies looking to scale up, who are already trading. Typically, loans target TRL 4-8.

> **Further information:**
>
> Innovation Loans

c) Investor partnerships & accelerator

These are opportunities where if a business finds an investor, IUK will unlock and provide the grant. The investor accelerator includes additional training.

d) ICURe programme

Innovation to Commercialisation of University Research (ICURe) is focused on exploiting research from universities. It describes itself as a 'pre-accelerator' course for researchers and is designed to explore the commercial application and potential of UK research, offering guidance, support and funding.

The programme is funded by IUK but delivered by Set Squared.

It consists of 4 cohorts:

- **ICURe Engage** – a 6-week, part-time taster programme focusing on potential beneficiaries of research, value propositions and entrepreneurship. This course is open to research students and technicians from all disciplines from all UK universities and Public Sector Research Establishments.

- **ICURe Discover** – an 8-week programme focusing on market discovery and potential technology applications. Funding up to £2,500 is available to test assumptions linked to market discovery. This course is open to research students and technicians from all disciplines from all UK universities and Public Sector Research Establishments.

- **ICURe Explore** – a 12-week full-time programme focusing on market exploration, with the aim of testing value propositions through extensive market engagement. Funding up to £35,000 is available. This course is open to research teams in the UK excluding those from incorporated and/or trading companies.

- **ICURe Exploit** – a 12-week programme for ICURe teams that have been recommended for the spin-out route. This course offers intensive, bespoke support to prepare for company formation, business growth and offers funding up to £300,000 from IUK. This course is only open to teams recommended for spin-out following participation in the ICURe Explore programme.

e) Business Support

This is free business consultancy available to businesses who have successfully been awarded a grant by IUK

or have engaged with IUK and are eligible for support. The target is early-stage businesses. Consultancy support could address growth plans, staffing plans etc. After an initial discussion with IUK, funding may be set aside for a small project to address the issues identified. No cash is provided, but services are funded, such as providing consultants to work with the business on developing a growth or staffing plan.

f) Innovation Business Connect

This programme is funded by IUK and aims to match people to the most suitable IUK funding. Its main focus is IUK funding, though in some cases other suitable funding sources may be highlighted. As part of this, a space community has been set up, which can be joined free of charge. Innovate UK Business Connect hosts hundreds of

events throughout the year, ranging from competition briefing events to networking and showcase events (see link in call out box).

You can contact Innovate UK Business Connect if you need help:

- Finding partners to form your collaboration
- Applying for funding
- Developing your business plan
- Answering questions within your application
- Identifying strategic goals and innovation pathways
- To progress your innovation idea

Additionally, **National Contact Points for the [Horizon Europe](#) programme** sit under the Business Connect department. If you are interested in bidding for a Horizon Europe project, reach out to your NCP as they can provide guidance, practical information and assistance on all aspects of participation in Horizon Europe.

g) Catapult network

IUK's infrastructure is managed through the Catapult network, which is made up of nine technology and innovation centres across >65 national locations. Catapults are physical centres with R&D infrastructures including hubs, laboratories, testbeds, factories and offices, as well as technical experts.

The 9 catapults are:

- Cell and Gene Therapy Catapult
- Compound Semiconductor Applications Catapult
- Connected Places Catapult
- Digital Catapult
- Energy Systems Catapult
- High Value Manufacturing Catapult
- Medicines Discovery Catapult
- Offshore Renewable Energy Catapult
- Satellite Applications Catapult

> **Further information:**
>
> [The Catapult Network](#)

For space, the most relevant catapult is the **Satellite Application Catapult** (SAC), though the other catapults could be relevant to space businesses, depending on the technology and application.

SAC supports early-stage development, by providing facilities such as environmental test facilities for SMEs. Typically, catapults are funded 1/3 from IUK, 1/3 from collaboration grants through IUK and 1/3 from providing their infrastructure and services to commercial users. In some cases, it may be beneficial to include the relevant catapult in your bidding consortium.

h) Bilateral funding

IUK supports bilateral programmes with similar organisations abroad. Typically, these are 50% funded. IUK runs visits to countries to meet potential collaborators.

> **Further information:**
>
> [Supporting global innovation – UKRI](#)

i) Knowledge Transfer Partnership programme

KTP is a 3-way partnership between businesses looking to innovate, academic institutions and graduates. They are tailored to the specific requirements of individual partnerships, each addressing specific needs. Highly qualified

graduates, are placed within businesses for 12-36 months, helping both the business and graduate share knowledge and develop innovative solutions.

KTPs are open to:

- UK-based businesses or organisations, with two or more full-time equivalent employees.

- UK-registered higher education or further education institutions, RTOs or Catapults.

- Qualified graduates, with the capability to lead a strategic business project.

> **Further information:**
>
> About - Knowledge Transfer Partnerships
>
> Dates and deadlines for KTP applicants:
>
> Dates and deadlines for KTP applicants – UKRI

KTPs are part-funded by a grant from IUK and other government co-funders. The remaining contribution of the project costs are from the business, which are variable:

- for SMEs, 67% of the project cost is grant funded

- for large businesses, 50% is grant funded

The KTP programme runs continuously throughout the year, but dates for specific KTP rounds can be found by following the link in the call out box. All open KTP opportunities are listed on the Innovation Funding Service website.

5.3.2 Applying for UKRI and IUK funding

Opportunities for UKRI funding are listed on the Innovation Funding Service website (see link in call out box). This is also the portal through which you would submit your bid. You need to register and create an account to use the service.

For information and tips on how to create your application follow the link in the call out box.

> Funding finder: Opportunities – UKRI
>
> Or here: Innovation competitions - Innovation Funding Service
>
> Guidance on producing a UKRI bid: Your application – UKRI

5.3.3 UKRI's councils & funding

The individual councils offer grant funding, primarily for academia. Each council is in charge of its own funding and funding process. To find funding opportunities, follow the link in the call out box above. Some councils also offer Impact Acceleration Accounts, which promote knowledge exchange with industry.

An example of the types of space-related activities supported by the different councils is shown below:

- **STFC** – space, planetary, solar science
- **NERC** – Earth observation, with a primary focus of core ESA missions (e.g. missions under Future EO)
- **BBSTRC** - space life sciences e.g. experiments on the International Space Station
- **EPSRC** - basic engineering with a space application
- **MRC** - human sciences

If you have technology or services that may be relevant to one or several international science facilities (such as CERN, European Southern Observatory, etc.), look out for **STFC's business opportunities service**, which provides support to UK companies bidding for such opportunities.

i.   STFC & RAL Space

Rutherford Appleton Laboratory (RAL) is part of STFC, and one of the national laboratories for space in the UK. RAL Space is in a unique position, sitting within a Research Council, between academia, government and industry.

The National Satellite Test Facility (NSTF) is a large satellite testing facility in Harwell, operated by RAL Space. It opened in 2024 and is built primarily for industry. It is designed for large space payload and satellite testing (satellites up to 7 tonnes), and includes thermal vacuum chamber, vibration test facilities and an electromagnetic compatibility chamber.

5.3.4 IAA

These are **Impact Acceleration Accounts** (IAAs), offered by several Research Councils[11] providing funding to research organisations to encourage knowledge exchange with industry.

The funding is allocated in tranches, with the last tranche having a total budget of £117 million over 3 years (to 2025) across 5 councils.

Typically, awarded funding is in the region of £25,000 and collaboration with industry is viewed keenly.

Impact Acceleration Account funding is used to strengthen engagement with users (non-academic partners), build strategic partnerships across disciplines and sectors, develop skills, capacity and capability within research organisations and provide support for proof of concept, commercialisation or market validation projects in order to respond quickly to emerging opportunities.

5.3.5 ARIA

The **Advanced Research and Invention Agency** is sponsored by the Department for Science, Innovation, and Technology, and funds R&D in underexplored areas. The aim is to fund research that is too speculative, too hard, or too interdisciplinary to pursue elsewhere. In the June 2025 Spending Review, ARIA was allocated at least £1 billion of funding. Note that the funding is across all scientific and technological domains – it is not space-specific.

Funding is aimed at multi-disciplinary teams, including individuals, universities, research institutions, SMEs, charities and public sector research organisations. The funding can cover structures not typical in academic research, such as supporting early career researchers as project leads or funding large (>80%) proportions of senior academics' time so that they can focus fully on their ARIA project.

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[11] Participating councils in the last tranche: Arts and Humanities Research Council (AHRC), Biotechnology and Biological Sciences Research Council (BBSRC), Engineering and Physical Sciences Research Council (EPSRC), Medical Research Council (MRC), Science and Technology Facilities Council (STFC).

Funding calls are issued, which can be 'seed' calls or projects as part of a larger programme.

For seed calls, funding is up to 100% of eligible costs, with no matched funding required (though depends on the organisation and idea). There is no minimum duration for a seed call, but the maximum duration is 3 years.

> **Further information:**
>
> ARIA
>
> Funding opportunities:
> Funding opportunities

5.3.6 University spin-out companies

> The Entrepreneur's Handbook

If you are thinking about spinning out from a university, the handbook published by the Royal Academy of Engineering Enterprise Hub contains much useful information (see link in call out box).

5.3.7 Other academic funding

a) Supporting PhDs

UKRI provides UK universities with grants, awarded through a competitive process to cover the fees and living costs of postgraduate students. Funding is not provided directly from UKRI to students.

> **Further information:**
>
> Supporting doctoral students – UKRI

The PhD funding mechanism is currently going through a transformation, moving from individual-Research Council administered funding towards a more collective programme.

b) Travel funding for academics

Some Councils, for example EPSRC, offer overseas travel grants for academics. Typically, these provide

> **Further information:**
>
> Overseas travel grants – UKRI

funding for international travel and subsistence to study new techniques at recognised centres outside the UK or to start or develop international collaborations. A travel grant could be used, for example, to engage with collaborations for a Horizon Europe project.

c) Other opportunities

Opportunities for ad-hoc funding to support researchers through grants arise periodically, through various sources. Keep a lookout for suitable opportunities, which could cover travel costs, specific preparation activities, etc.

Check Government spending - GOV.UK regularly for potential opportunities.

6 SECTION 6 – REGIONAL & INSTITUTIONAL FUNDING

This section discusses regional and institutional funding available. It will help you answer the following questions:

- **Which funding opportunities are there for space within my region?**
- **What national funding programmes are there (that are not already covered in this Guide)?**

6.1 Overview

This section highlights funding at the regional and national level, though it by no means covers all available funding opportunities. If you are in a region of the UK outside of the South East, you may be well placed to benefit from government funding allocated to 'levelling up'. In addition to the information below, links to websites listing regional and national funding opportunities are included in section 6.5.

6.2 Space Clusters

Regional hubs, known as space clusters, support new and growing companies, building on local expertise and catalysing investment into the space sector. The UK has 14 space clusters, with each area of the UK belonging to a cluster, and each cluster has a lead whose role is it to grow the space activities within their region.

Some regional space clusters in the UK are able to allocate funding from UK Space Agency to projects in their area. In 2023, 18 projects, totalling £6.5 million were funded through locally led schemes and space clusters[12].

Further information about the clusters and the businesses within each cluster can be found on the Satellite Applications Catapult website (see link in call out box).

> **Further information:**
>
> The UK Space Ecosystem Cluster Directory - Satellite Applications Catapult
>
> Contains a list of all clusters and links to their websites.

Some clusters are putting in place **Space Ecosystem Champions**, a role designed to offer businesses clearer access to national funding and growth pathways. To find out if your region has a Space Ecosystem Champion, reach out to your local cluster.

> **It is a good idea to engage with your local space cluster to understand activities happening in your area. The clusters operate as a network and share information between them. Whether you are looking for a funding opportunity, a collaboration or to get involved in local events, your local cluster would be a good starting point.**

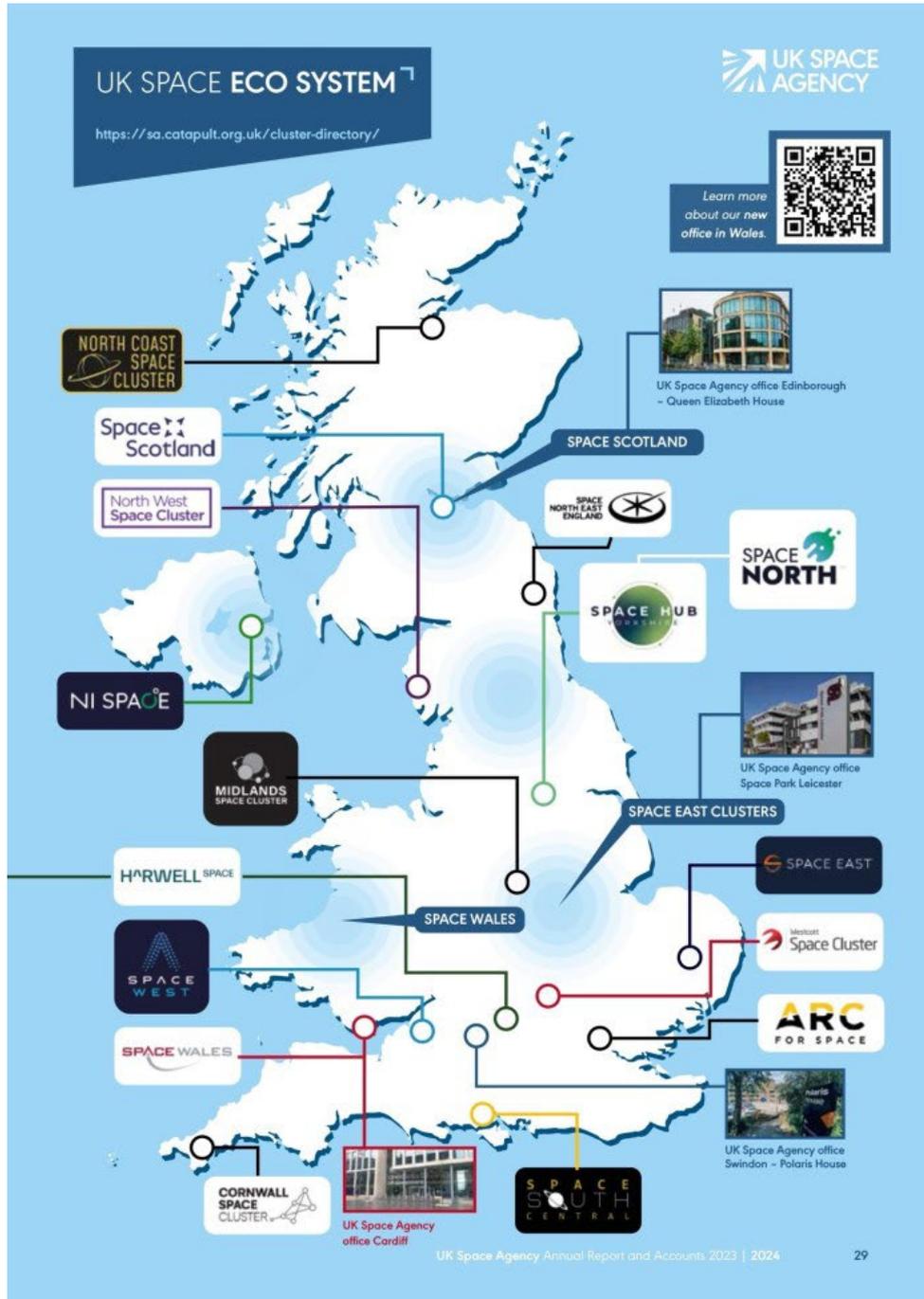[12] UKSA Cluster Development Funding Announcement – NISO

Figure 15 - Map showing UK space clusters

Source: UK Space Agency annual report 2023/2024 – for an interactive map see the Satellite Applications Catapult (link in call out box).

6.3 British Business Bank

The British Business Bank is an economic development bank wholly owned by the Department for Business and Trade (HMG), but operationally independent. The bank is the UK's largest domestic investor in venture opportunities. The funding targets early phase businesses as well as those looking to establish ongoing operations, with a focus on underserved founders and locations. The bank works through a network of business support partners, who provide the services offered – these are typically geographically-based.

Key information:

- Funding targets early phases business as well as those establishing ongoing operations
- Focus is on underserved founders and locations
- Offer government-backed guarantees to help companies raise funds
- Works through a network of support partners, who are geographically based – look out for the regional investment funds
- Offers a range of financial help and support, such as loans and equity finance
- Website is very helpful – contains glossary and explains funding mechanisms

The British Business Bank is helpful for businesses trying to raise funds, who are finding it difficult. Instruments such as Government-backed guarantees reduce risk for finance providers, making them more willing to lend.

Various resources and toolkits are also available, offering business guidance to help smaller businesses understand their finance options. The BBB website is very helpful in explaining terminology, some of which has been referenced in section 8 and in the Glossary to this Guide.

The bank provides the following finance options for businesses:

- **Start-up loans** – between £500 and £25,000 for start-up businesses. Businesses applying for a start-up loan are assigned to a business support partner operating in the applicant's area. The loan is unsecured, so there's no need to put forward any assets or guarantors to support an application. All owners or partners in a business can individually apply for up to £25,000 each, with a maximum of £100,000 available per business. Typically, 1–5 year loan repayment term. More details can be found here: Start Up Loans

- **Smaller loans** - £25,000 to £100,000 and **Debt finance** from 100,000 to £2 million. Various programmes exist to help small businesses access finance, especially if they have been unsuccessful in finding a lending facility. More details here: Debt finance | British Business Bank

- **Equity finance** up to £5 million. Various funds exist, targeting different stages of business or fields of interest. For example:
  - Long-term investment for technology and science
  - National Security Strategic Investment Fund (NSSIF)
  - Regional Angel investor programme

Further information:

Equity Finance | British Business Bank

6.3.1 Regional investment funds (through BBB)

This is a local route to obtaining finance, leveraging the £1.6 billion fund available across all regions.

The funding supports start-ups, early-stage businesses or those with expansion and growth plans.

Funding can be used to cover, for example:

- Leasing new premises
- Hiring a team
- Funding marketing cost
- Buying equipment
- Launching a new product

The following regional investment funds are available. East of England and South East investment funds are expected to be launched in future.

- South West Investment Fund
- Investment Fund for Northern Ireland
- Investment fund for Wales
- Midlands Engine Investment Fund II
- Northern Powerhouse Investment Fund II
- Investment Fund for Scotland

6.4 Local Innovation Partnership Fund

The Local Innovation Partnerships Fund is a new £500 million UKRI-led programme. It aims to unlock regional economic growth by funding innovation delivered through partnerships between civic institutions, businesses and universities (bidding consortia should represent all three areas). It is due to run from 2026 until 2031.

At least £30 million of funding is earmarked for the following UK regions:

- Greater Manchester
- West Midlands
- South Yorkshire
- West Yorkshire
- Liverpool City Region
- North East
- Greater London
- Glasgow City region
- Cardiff City region
- a corridor covering Belfast and Derry-Londonderry

6.5 Regional / institutional funding & support opportunities

There are many regional and national funding opportunities available, offering grants and support to businesses. Note that these are not space-specific and cover all types of organisations, so you may need to sift through the listed opportunities to see if any are relevant. If you are based in an area targeted for economic growth, you may find grants offered by your local authority or council could be suitable. Below is a list of potential funding or support opportunities to start with. This list is by no means exhaustive – there are many funding sources at the regional level and the picture changes constantly. Some funding sources may be open for longer periods, others may only be open for a short duration.

This list is intended as a starting point for your research:

GOV.UK – list of financial support opportunities for businesses, regional or subject-specific.

Government's Find a Grant service lists all open grants. Not regional, but covers available funding opportunities across all areas. Sifting through may find some opportunities relevant to your technology, or region.

Business.gov.uk website offers support and advice and has a link to funding opportunities. Provides contact details for regional 'growth hubs' you can reach out to for advice and support. Also lists local membership organisations to get involved with.

National Wealth Fund – a policy bank with £27.8 billion to invest in opportunities that support the government's growth and clean energy missions, crowd in private capital and generate a return for the taxpayer.

UK Export Finance - is a UK government ministerial department and the UK's export credit agency, supporting exporters access working capital and manage the risk of not getting paid by offering a government guarantee. UKEF partners with private sector finance providers to grow UK exports and international trade and supports companies of all sizes and sectors across the UK.

Federation of Small Businesses (FSB) – regionally based offices offering support to small businesses through events, workshops, networking and support finding funding.

British Chambers of Commerce – regional offices provide support to businesses.

Also look for funding opportunities and networking events locally through your local council or local authority.

If you are aware of other regional organisations that you feel should be listed here, please reach out to kelly@ki-bidconsulting.com for inclusion in future releases of this Guide.

Business West – Funder Finder is an online tool that aims to match SME funding requirements to funding providers in the South West.

6.5.1 Scotland

Find Business Support – provides an overview of all funding and services offered by public sector organisations across Scotland.

Scottish Enterprise - Scotland's national economic development agency.

Interface – bringing together Scotland's business and academic communities. Offer funding and support for early-stage de-risking activities.

6.5.2 Northern Ireland

Invest NI - regional business development agency, looking to grow the local economy.

Also offer a co-funding opportunity with private investors: CO-FUND NI - Clarendon Fund Managers.

NI Small Business Loan Fund - loans from £10,000 to £125,000 for small businesses in Northern Ireland.

6.5.3 Wales

Business Wales - Welsh Government's business support service for Welsh micro-businesses, SMEs, social enterprises, and aspiring entrepreneurs. Provide information, advice, guidance and support.

Space Wales is the trade association for the Space Sector in Wales.

6.6 Trade associations

Joining a trade association could be beneficial to you. For the space sector, consider:

UKSpace - the official trade association of the UK space industry. Also include some upcoming funding opportunities for space on their website and in their newsletter.

ADS – trade association covering aerospace, defence, security and space.

7 SECTION 7 - EUROPEAN FUNDING

This section looks at the funding opportunities available to UK businesses at a European level. It will help you answer the following questions:

- **Which international funding opportunities can I get involved in?**
- **How can I get help with my Horizon application?**
- **What about some of the other EU programmes – is the UK involved?**

7.1 Overview

This section looks at the funding opportunities available to UK businesses at a European level. This includes **Horizon Europe**, **Copernicus**, opportunities through **EUMETSAT** and investment through the **NATO Innovation Fund**. Opportunities from the European Space Agency (ESA) are not discussed here as section 3 is dedicated to ESA funding. Section 7.6 mentions other European space programmes for completeness (and as you will likely have heard of them), but these are ones in which the UK currently (post-Brexit) has no involvement.

7.2 Horizon Europe

7.2.1 Overview

Horizon Europe[13] is the world's biggest civil research and innovation programme with a budget of €95.5 billion over the current (and 9th) 7-year cycle (2021-2027). It supports EU Member States and associated countries (such as the UK) in unlocking their national research and innovation potential by funding frontier research projects, fellowships, break-through innovation and the mobility of researchers. Participants from all over the world can participate in calls, tackling global challenges such as health crises or climate change.

Following Brexit, the UK has 'associated' status to Horizon Europe (from January 2024), meaning organisations in the UK can participate in the programme on equal terms with researchers and organisations from EU Member States.

In July 2025, the European Commission put forward its proposal for the Horizon Europe Framework Programme (2028–2034) – or 10th cycle. With a proposed €175 billion budget (almost double the budget of the 9th programme), negotiations will now take place to approve the proposal. The next phase of Horizon Europe

Key points:

- World's biggest civil research and innovation programme

- Runs in 7-year cycles, with the current one running until 2027

- Organised into pillars and clusters – pillar 2 cluster 7 includes space activities (see below)

- Open to researchers beyond EU member states

- UK has 'associated' status, though not all activities are open to UK

- Funding awarded as grants

- Most calls go to consortia consisting of organisations from multiple countries

- Bidding through the EU Funding & Tenders Portal

- National Contact Points (NCP) for Horizon Europe through Innovate UK

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[13] Its full name is the EU Framework Programme for Research and Innovation. The framework programmes started with Framework Programme 1 in 1984 and initially ran for five-year periods. Since 2007, the programmes have run for seven-year periods. The framework programmes have been known as 'Horizon' since 2014.

will be closely connected to the European Competitiveness Fund[14]. See link in call out box for further information.

The space elements of Horizon Europe are covered within Pillar 2 – Cluster 7 – 'Digital, Industry and Space'.

> **Horizon 2026 workplan:**
>
> 7. Digital, Industry and Space

The work programme for 2026-2027 for this cluster shows funding of €157 million for the space activities. It is important to note that not all opportunities listed in the work programme are open to the UK – see link in call out box.

7.2.2 Horizon Europe funding

Horizon Europe funding is awarded as **grants**, which can be awarded to research organisations, public entities, non-governmental organisations and private companies.

Horizon Europe funding is available for:

- Research in any field
- Researcher mobility
- Research infrastructure
- Global challenges and industrial competitiveness, with space listed as one of the areas, though space-related activities could be relevant to other sectors such as climate, agriculture or environment
- Innovation
- Development of the European research and innovation systems

> This UKRI guide is helpful: Expanding Horizons
>
> Video: Horizon Europe - Innovate UK Business Connect
>
> Horizon Europe work programmes: Horizon Europe work programmes - Research and innovation
>
> **Further reading:**
>
> Q&A on the UK's association to Horizon Europe and Copernicus
>
> Horizon Europe 2028–2034: What do we know so far?

7.2.3 Finding Horizon Europe opportunities

You can find Horizon Europe calls (funding opportunities) open to UK-based applicants using the European Commission's Funding and Tenders Portal (see link in call out box below). You apply for Horizon Europe funding through the same portal. Your organisation must register on the portal before you can begin an application.

7.2.4 Applying for Horizon Europe grants

Most of the calls for EU grants target multi-beneficiary consortia made up of participants from different countries. Eligibility criteria vary between calls, and you should carefully read the individual call information. Some calls are open to participants from the entire world, whilst others have restrictions on eligible participating countries.

The EU Funding and Tenders Portal offers help on finding potential partners as well as instructions for preparing your bid (see link in call out box).

> **Calls for proposal are listed here:**
>
> EU Funding & Tenders Portal
>
> Useful information for preparing a tender can be found here:
>
> Get prepared - Online Manual - Funding Tenders Opportunities

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[14] The ECF is a new initiative that will invest in technologies which the EU views as "critical" to its global competitiveness, including artificial intelligence and 'clean tech' (technologies that help to reduce emissions and resource consumption).

7.2.5 Getting help with Horizon Europe applications

National Contact Points provide guidance, practical information and assistance on all aspects of participation in Horizon Europe. Individuals acting as NCPs and the areas they cover are detailed on the EU Funding and Tenders Portal and can also be found in a UKRI guide on Horizon funding (see call out box above). For the UK, the NCPs are from within the Innovate UK organisation. They provide support including information on open calls under pillar 2 cluster 7 - 'Digital, Industry and Space', proposal development support, and capacity building through webinars and networking events.

> **Help for UK applicants:**
>
> Applying for Horizon Europe funding – UKRI
>
> Contact support services for help with Horizon Europe – UKRI
>
> Check out the IUK Business Connect website for upcoming workshops on Horizon Europe funding: Events - Innovate UK Business Connect

7.2.6 Moonshots

'Moonshot projects' are proposed for the 10th round of Horizon Europe (2028-2034) and aim to move research to real-world deployment. They would be funded through Horizon Europe and the European Competitiveness Fund, national, public and private sources. They are ambitious technology driven projects that boost the EU's strategic autonomy through research, development and deployment. One of the areas of focus is 'space economy'.

> **Further information:**
>
> Moonshots

7.3 Copernicus

7.3.1 Overview

Copernicus is the EU's satellite system for observing and monitoring the Earth. It consists of a complex set of systems which collect data from multiple sources: Earth observation satellites and in situ sensors such as ground stations, airborne sensors, and sea-borne sensors. It processes this data and provides users with up-to-date information through a set of services related to climate change and the environment, prevention and management of disasters and security.

> **Further reading:**
>
> Q&A on the UK's association to Horizon Europe and Copernicus

In late 2023 it was confirmed that the UK would have access to all Copernicus products and services. UK companies and research institutes will be able to bid for contracts implemented under Copernicus. They will follow the same rules as companies from EU Member States, except where the Regulation of the EU Space Programme restricts participation in procurements that are sensitive for security reasons.

ESA is responsible for the development phase of the Copernicus satellites. The satellites are operated by EUMETSAT under the name "Sentinel". Satellites in the Copernicus programme are shown below:

Figure 16 - Satellites in the Copernicus programme
Source: Sentinel | EUMETSAT

7.3.2 Bidding for opportunities on Copernicus

UK businesses are able to bid for opportunities in the Copernicus Space Component (CSC-4) through ESA. This includes opportunities tendered through ESA for CSC-4, its predecessor the Global Monitoring for Environment and Security (GMES) programme, or under other programmes such as the Earth Observation Envelope Programme 5 (EOEP5) and Future EO-1. These will be listed on ESA STAR.

7.4 NATO Innovation Fund

The NATO Innovation Fund is a standalone venture capital fund, backed by 24 NATO Allies. It invests in cutting-edge science and engineering start-ups in the defence and security field, covering energy, materials science, artificial intelligence, data and computing, autonomy, quantum computing, biotechnology and space.

As a standalone venture capital fund, the NATO organisation is not invested financially or involved in decision-making. The capital comes from 24 sovereign countries in the NATO alliance.

Funding is typically from seed stage through to series B, with initial investment up to €15 million. NIF prefers to lead rounds with a significant stake in a business's success, including board involvement and heavy reserves for follow-on capital through to exit.

Further reading: About | Nato Innovation Fund

Contact: investments@nif.fund

See companies who have secured NIF funding: Portfolio | Nato Innovation Fund

Businesses must be headquartered in one of the nations listed (see link in call out box).

To see the sort of organisations who have successfully secured NIF funding, see the link in the call out box.

7.5 EUMETSAT

7.5.1 Overview

EUMETSAT (**European Organisation for the Exploitation of Meteorological Satellites**) is the European operational satellite agency for monitoring weather, climate and the environment from space. It is an intergovernmental organisation based in Darmstadt, Germany, with 30 Member States. For information on EUMETSAT missions, see Annex B.

The Met Office leads representation to EUMETSAT on behalf of the UK, representing the nation's interests within the Space and Earth Observations sector for the benefit of weather and climate monitoring and research.

Further reading:

International co-operation - Met Office

Questions from Parliament

Q&A on the UK's association to Horizon Europe and Copernicus

7.5.2 Bidding for EUMETSAT contracts

EUMETSAT has its own tendering system, called EUMITS. Businesses are required register with EUMITS in order to view pre-release information, download the related tender documents, ask a clarification question (and see the response), indicate intention to bid and submit offers.

Note that the Met Office funds UK subscriptions to EUMETSAT, therefore, if you identify opportunities of interest, you should discuss these in a first instance with the Met Office.

EUMITS tendering system:

EUMITS - Invitation to Tender System

(contains a link to a PDF User Guide)

Contact Met Office:
enquiries@metoffice.gov.uk

7.6 Other EU space programmes and the UK's involvement

The EU space programme includes the following elements. Below is a brief summary and a note on the UK's involvement (or non-involvement) in each:

7.6.1 Galileo & EGNOS

Galileo is the EU's satellite navigation system, and EGNOS (European Geostationary Navigation Overlay Service) augments global satellite systems, improving their accuracy and making them suitable for safety-critical applications. The UK no longer particulates in either of these programmes.

7.6.2 IRIS[2] & Governmental Satellite Communications (GovSatCom) programme

Infrastructure for Resilience, Interconnectivity and Security by Satellite (IRIS²) is an EU satellite constellation, which will have ~290 satellites across MEO and LEO, due to be deployed by 2030. It is set to provide secure connectivity services to the EU and its Member States as well as broadband connectivity for governmental authorities, private companies and European citizens, while ensuring high-speed internet broadband to cope with connectivity dead zones. The UK is not currently part of IRIS², instead developing its own sovereign capabilities under the ISTARI programme.

GOVSATCOM is designed to provide secure and resilient satellite communication capabilities by pooling and sharing existing satellite resources from Member States and private operators. It is the first building block of the IRIS^2 system.

7.6.3 EU Space Surveillance and Tracking (EUSST) programme

Whilst UK users can continue to receive services, the UK does not participate in the EU Space Surveillance and Tracking programme, contribute to providing services to the programme or take part in the scientific and technical groups that make up the programme.

7.6.4 European Defence Agency

The EDA supports its 27 Member States – all EU countries – in improving their defence capabilities through European cooperation. This is not part of the EU space programme, but is included here for completeness. Post-Brexit, the UK is no longer involved with the EDA.

Further reading:

UK involvement in the EU Space Programme - GOV.UK

8 EQUITY FINANCING / VENTURE CAPITAL

This section looks at the equity funding opportunities available. It will help you answer the following questions:

- **What is equity funding and how does it work?**
- **What are some tips for securing equity funding?**
- **Where can I find out more?**
- **Who do I contact to get started?**

8.1 Overview

Equity financing is when you raise money by selling shares in your business, either to your existing shareholders or to a new investor. Typically, equity finance covers **angel investment**, **venture capital** and **private equity**.

> The British Business bank has some useful information and guidance on their website:
>
> Equity Financing | British Business Bank

8.1.1 Angel investment

The earliest stage of investment, often for start-ups and early-stage businesses (who may be pre-profit) is 'angel investment'. This term is used for someone who invests their own money in your business in exchange for a minority stake (usually between 10% and 25%). Angel investors are the largest source of investment in start-ups and early-stage businesses looking to grow in the UK[15].

> **Further information:**
>
> Angel investors | British Business Bank
>
> Home - UK Business Angels Association
>
> UK Angel Investment Network - Business Angels, Entrepreneurs & Angel Investors
>
> TechInvest: Investing in across the UK - UK Business Angels Association
>
> Venture Into Space

Angel investors tend to be entrepreneurs or experienced business people. As well as investing funds in your business, they typically take a hands-on approach, offering mentoring, support, but also proving their business knowledge and contacts to help your business grow. For some businesses this can be as valuable as the funding.

Typically, angel investors invest sums ranging from £5,000 to £500,000 in any one business. The precise amount depends on the specific requirements of the business and its potential for expansion.

It's crucial that you and the Angel investor have a strong relationship, as it's likely that you'll spend several years working together closely.

To bring an Angel investor onboard typically takes around six months. You'll need a detailed business plan and a strong pitch.

The British Business bank has useful information on angel investment (see link in call out box).

Local Angel Investment Networks can be a good starting point. The UK Business Angels Association have regional centres and run events throughout the year to bring businesses and investors together (see link in call out box).

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[15] Angel investors | British Business Bank

8.1.2 Venture capital

Venture capitalists are professional firms specialising in providing finance to your business in exchange for equity. Venture capital firms focus on young companies and acquire minority stakes in businesses, often in collaboration with other investors.

Scale is important to VCs, with many VCs only likely to invest in businesses that can grow substantially (revenues of ~£100 million is a good benchmark, but it will depend on individual VCs). Businesses that can't reach this sort of scale may be perfectly good businesses, but unlikely to appeal to VC investors.

Finance is typically provided in instalments, or 'rounds', starting with pre-seed, then seed, and advancing through series A, B, etc. There is no defined limit for how many investment rounds a company can go through, nor are the amounts per round set in stone. Each round will involve either existing or new investors injecting more capital to support the company's growth and can raise many millions.

VC funds often invest in cycles of between five and seven years. They expect businesses to grow significantly during this time – and make a return for the fund. After this period, a VC would likely expect your company to go public (called IPO) on the stock exchange, be acquired by another organisation or another investor like a private equity firm.

As with angel investors, it is important for you to research the market thoroughly and meet potential investors before committing to receiving finance. This is so that you can be sure that potential investors can bring something more than just cash to your business (e.g. their network and experience). Be sure you get along with them, especially if they are going to be taking a role on your company's board.

The British Business Bank has helpful information about VC investment on their website (see link in call out box).

> **Further information:**
>
> Venture capital | British Business Bank

8.1.3 Space-specific VCs

When researching VCs, look out for those who specialise in space, or who run specific space funding lines.

Some are listed below, but this is not an exhaustive list. Other VCs may be suitable for you, who specialise in broader deep tech areas, not just space.

a) UK Innovation and Science Seed Fund (UKI2S)

The UK Innovation and Science Seed Fund (UKI2S) space portfolio, is a publicly funded, privately managed venture capital fund. It is managed by Future Planet Capital and backed by the UK Space Agency. UKI2S invests public R&D funding as equity capital to support early-stage space businesses.

> More information in Annex A.

UKI2S aims to bridge the critical "valley of death" financing gap around mid TRLs, providing funding at the pre-seed and seed stages.

Further information on this fund can be found in Annex A.

b)   Seraphim Space

> **Further information:**
> Seraphim | Global SpaceTech Venture Investors

Seraphim is a specialist investor in SpaceTech. It covers the full innovation lifecycle, from pre-seed through to IPO, through its 2 funds and accelerator programme:

- **Seraphim Space Venture Fund II** – early-stage venture capital fund
- **Seraphim Space Investment Trust PLC** – growth-stage listed fund
- **Seraphim Space Accelerator** – helping start-ups prepare for investment

i.   Seraphim Accelerator

The Accelerator programme has historically offered space tech start-ups at pre-seed to series A stage a 12-week programme designed to get 'investment ready'. This has been offered through a series of workshops, mentoring sessions, investor introductions and global exposure. It targets companies with a functioning prototype (TRL 5+) and a scalable commercial model. It is anticipated that the accelerator will open for new applications later in 2026 with a slightly different format.

8.1.4 Private equity

Further information:

Private equity | British Business Bank

Private Equity is a type of medium to long-term business finance designed to help more mature businesses grow. This can often take the form of buy-outs and buy-ins of established companies. The focus is on mature companies, whereas venture capital targets start-ups and younger businesses.

8.1.5 Other potential equity funding options

a) Equity crowdfunding

Equity crowdfunding is a way for businesses to raise funds from multiple investors. By listing your company on an online platform, both individual investors and the public can purchase shares in your business. Typically, the crowdfunding platform becomes a single named investor representing all the minor investors, to keep reporting simple.

Further information:

Equity Crowdfunding | British Business Bank

b) Convertible Loan Notes

Unlike other loans, which typically involve the business owner paying back the original funding plus interest,

Further information:

Convertible loan notes | British Business Bank

Convertible Loan Notes offer the investor the option to convert the loan into equity shares in the business when certain events occur. They are a popular way for early-stage businesses to raise funding, especially as a bridge between funding rounds and are seen as less risky for investors compared to buying shares directly in new companies.

8.1.6 Other funds discussed in this Guide

Other VCs offering funding for space are described in previous sections:

NATO Innovation Fund

National Security Strategic Investment Fund (NSSIF)

Regional Investment Funds (through British Business Bank but run locally)

There are many equity investment funds, this is not an exhaustive list, but a starting point for your research.

8.2 Tips for applying for equity funding

8.2.1 General points

Some key points to note from investors and from businesses who have secured funding are shared below. It is important to note that equity investment isn't right for every business. Consider all funding options before you decide on the one(s) most suitable for you.

- Engage early – expect 3-9 months until you receive funding

- Equity funding is for growth, it does not solve cash flow issues

- Engage with several investors, there is always a risk you won't get the funding

- Be sure you get on with your chosen investor – it's likely that you will be working closely with them for several years

- Do your own due diligence on your investor – reach out to others for reviews

- Consider how you present yourself – teams rather than single founders are considered less risky and raise more funding

VC investment is not for everyone. Some businesses may be perfectly good at what they do, but perhaps don't want to give away equity, don't want a high growth business model, or can't reach the scaling that VCs are looking for.

For example, an investor invests £50,000, with a 10x return over 5 years (£500,000). If, in 5 years, £500,000 (the 10x return) is 20% of the business, the business needs to have a valuation of £2.5 million.

8.2.2 Preparing your pitch

When putting together your pitch deck for investors, it is a good idea to seek guidance and make use of the available resources, for example: material on the British Business Bank website, attending investor events in your area, discussing with businesses who have successfully received investor funding or applying to join the appropriate stream of one of the accelerators or incubators such as UK Space Agency Accelerator programme. The various links in this Guide provide a starting point, but a lot of material is readily available online.

Depending on the stage of finance you are targeting, the investors will expect your pitch to focus on different things. The diagram below summarises the key focus areas for pre-seed, seed and series A funding pitches:

Pre-Seed
Focus: Idea & Team

- Raising £250k-£1.5m
- Product in early build or pilot phase
- Founders' credibility and vision matter most
- Narrative led (we will solve....)

Can this team build something people want?

Seed
Focus: Proof of Market

- Raising £1-£5m
- MVP in market with early users/ Customers
- Repeatable sales signals emerging
- Early metrics: CAC, retention, margins
- Story still matters, but data begins to dominate

Is this a business model that works?

Series-A
Focus: Proof of Scale

- Raising £4-£20m+
- Clear product-market fit proven
- Quality of revenue (SaaS)
- Proof of Commercialisation/ TRL progress/ Pilots
- Fully formed leadership team
- Unit economics consistent

Can this model scale efficiently?

Figure 17 - Focus of investment pitch at pre-seed, seed and series A
Source: KPMG

9 Annex A – further detail on funding sources

9.1 NSIP

Additional information on historic NSIP calls (see NSIP section 2.2).

Background to funding & how much has been invested?	There have been 2 rounds of NSIP funding to date, plus a pilot programme in 2020/2021. NSIP 1 (2023) awarded a total of £33 million across 23 grants. 8 Major Projects were awarded £24 million of the total amount (**an average of £3 million per Major Project**). 15 Kick Starter projects were awarded, totalling £9 million (**an average of £600,000 per Kick Starter Project**). This link details which projects were funded in the 2023/2024 round. NSIP 2 (2025) awarded £17 million for 17 projects, with **Major Projects receiving £1-2 million each**, and **Kick Starter projects receiving up to £1 million**. The projects funded under NSIP2 can be found here.
How competitive is the funding?	Highly competitive, with a 2 stage bidding process (outline proposal, followed by downselect to full proposal). NSIP 2 saw over 500 applications at outline proposal stage, with 50 being invited to submit a full proposal and 17 projects awarded funding.
Key points the call is looking for:	High-risk, high-reward technologies and applications. Kick Starter – highly disruptive or novel ideas. Major Projects – focus on commercialisation and catalysing investment. Business case and realistic/credible strategy for commercialisation is key.
Themes targeted by funding:	All themes are in scope, the call notice provides details.
TRL target	Kick Starter call: TRL 1-4 Major Projects call: TRL 5-9
Defence / security / civil	Mostly civil but applications can be made for defence or dual use applications.
Funding type & typical funding amounts	NSIP offers co-funded grants, with a total budget for the call split amongst successful applicants (i.e. the exact number of proposals to be funded is not set, it depends on the funding amounts requested). Kick Starter calls funding between £150,000 and £1 million. Major Projects calls funding between £150,000 and £2 million. Though this could differ on future NSIP calls. NSIP is a grant funding opportunity. Co-funding is required, but the % of co-funding required varies by type of organisation (e.g. SME, academia…).
Who can apply?	Industry, academia, public research bodies
Finding out more and contacts	Details on previous NSIP call: National Space Innovation Programme – Call 2 - GOV.UK

	Contact: NSIP@ukspaceagency.gov.uk
Application & review process	The application process for NSIP 2 was: • Outline proposal stage (4 page template to complete) • Followed by downselection through NSIP panel review • Invitations issued for organisations to submit a full proposal (template to complete) • Evaluation through NSIP panel review The NSIP review panel was made up of independent assessors from across industry and academia. Each proposal was assessed by several assessors at the outline and full proposal stages, with the average score from all assessors used.

9.2 SCIF

Additional information on previous SCIF call (see SCIF section 2.3).

Background to funding & how much has been invested?	Programme launched in 2023, with £47 million awarded (requiring matched funding) to 13 organisations (an average of £3.6 million per project). To date there has only been one call. Three examples of very different organisations who have benefitted from SCIF funding are described below. • ICOMAT case study – a composite manufacturing business based in Gloucester, with space applications, though not a space business. • Space Forge case study – based in South Wales looking at building semiconductors in space. SCIF funding was used to build a National Microgravity Research Centre for advanced material research and production. • Northumbria University case study – SCIF funding is supporting the creation of a space skills, research and technology centre in the North East. All projects funded under the SCIF programme can be found here.
How competitive is the funding?	The SCIF call was popular due to funding infrastructure, which is often excluded from other funding sources.
Key points the call is looking for:	This call focuses on R&D infrastructure. Whilst no specific market is specified, there must be a strong space link.
Themes targeted by funding:	No specific themes – but must satisfy the R&D infrastructure requirement and have a strong space link.
TRL target	Not applicable in this context. The focus is not on TRL development, but on infrastructure provision.
Defence / security / civil	Primarily civil but could be dual use
Funding type & typical funding amounts	This is a co-funded opportunity. The intervention rate (amount of funding received) depends on the entity type (SME, academia, etc.) Note the various constraints on what is allowable – details in the announcement notice. £47 million was awarded for 13 projects, giving an average of £3.6 million per project.

Who can apply?	All UK companies, authorities and institutions are eligible - though the last call favoured organisations not in the Greater South East.
Finding out more and contacts	Details on the previous SCIF call: Announcement of Opportunity: Space Cluster Infrastructure Funding Call - GOV.UK Contact: scif@ukspaceagency.gov.uk
Application process	Proposal template to complete Reviewed by an independent panel of experts

9.3 IBF

Additional information on previous IBF calls (see IBF section 2.4).

Background to funding & how much has been invested?	Programme was launched in 2023 with 2 funding calls held to date. The second launched mid-2025. As part of **IBF call 1, £20.6 million was funded by the UK Space Agency** for project concluding in March 2025. **IBF call 1 funding** was delivered in two forms: Some organisations were awarded funding outside of the competitive awards process (direct awards), but most went through a competitive awards process. For the competitive awards, funding was awarded through 2 phases. **Phase 1 awarded projects up to £75,000 in grant funding** to establish or strengthen relationships with international partners and to develop a proposal for phase 2. **Phase 2 funded up to £1.75 million for development activities** that build or strengthen an international partnership, deliver on UK strategic objectives, and catalyse investment in the space sector. **For IBF call 1, 32 projects were awarded funding in phase 1, and 11 project from phase 1 received funding for phase 2.** **IBF call 2** awarded **£6.5 million in grant funding to 23 projects**. It was run along similar lines to call 1, with 2 funding tracks. Track 1 offered funding between £50,000 and £150,000, for kickstarting international relationships, scoping and/or derisking future projects (TRL 1-4). Track 2 offered funding between £150,000 and £500,000 for further development (TRL 5-9). Projects awarded funding under IBF call 1 can be found here. Projects awarded funding under IBF call 2 can be found here.
How competitive is the funding?	For IBF call 1, 32 projects were awarded funding in phase 1, and 11 project from phase 1 received funding for phase 2.
Key points the call is looking for:	Build stronger international partnerships with non-ESA countries.
TRL target	Track 1 – TRL 1-4 Track 2 – TRL 5-9
Defence / security / civil	Civil
Funding type & typical funding amounts	IBF funding is delivered as a grant, with organisations required to provide co-funding. The international nature of this call means that investment comes from UK Space Agency, co-

	funding from organisations involved, and the partner governments or space agencies.
Who can apply?	For IBF call 1, most project consortia consisted of multiple organisation types, with the split between industry and academia roughly even. 61 international organisations from 17 countries partnered with UK leads in Phase 1, and after the Phase 2 down-selection process, 38 overseas organisations from 11 countries progressed to Phase 2. Across Call 1, USA was the most represented, followed by Australia, Singapore, Canada and Japan.
Finding out more and contacts	International Bilateral Fund Monitoring and Evaluation: Impact and Economic Evaluations - GOV.UK

9.4 UKSA Accelerator

Additional information adding to that provided in section 2.6.

9.4.1 Explore

Background	Explore is part of the UKSA Accelerator Programme. It does not provide funding for opportunities, instead offering support to businesses making their first steps into the commercial space industry.
Key points the call is looking for:	Early phase ideas (up to TRL 3) looking to build a scalable space business. Adjacent industries (aerospace, quantum, farming, healthcare, etc.) looking to bring their product to the space industry.
TRL target	TRL 1-3
Duration	4-month programme
Who can apply?	Eligibility: • Early-stage businesses – from idea stage through to proof of concept. • Either in the space sector, in another sector using space technology, or exploring how to enter the space sector. • Have a desire to start a growth business/social enterprise, not a lifestyle business or research project. • You may have some early revenue or customer engagement, but this is not a requirement.
Application process	Online application --> record video --> panel review applications
Finding out more and contacts	Explore — UK Space Agency Accelerator

9.4.2 Leo

Background	Leo is part of the UKSA Accelerator Programme. It is designed for space ventures ready to move from proof-of-concept to commercial readiness. It does not provide funding for opportunities, instead offering support to businesses.
Key points the call is looking for:	Validated early-stage space ventures that have progressed beyond the initial idea phase. Ideal applicants have proof of concept and are seeking to refine their business model, develop their technology, and prepare for commercial readiness.

	[Post-proof of concept means the idea has been validated. Business validation is the process of proving that your business idea is viable — that there is a real demand, people are willing to pay for it. You may be able to demonstrate validation through early customer engagement, funding received (either grant or private investment), you may have started to generate revenue].
TRL target	Mid-TRL
Duration	4-month programme
Who can apply?	Eligibility: • Spend at least 50% of your time working on this business. • Have a solid proof of concept in place, ideally evidenced by securing grant or seed funding from a third party (rather than friends or family), attracting real customers or users for your product or service, and, where possible, generating early commercial revenue.
Application process	Online application --> video interview --> panel review applications
Finding out more and contacts	Leo — UK Space Agency Accelerator

9.4.3 Geo

Background	Geo is part of the UKSA Accelerator Programme. It is designed for ventures committed to reaching a multi-million-pound valuation within five years. Geo supports businesses already demonstrating traction through contracts, funding, or revenue. It does not provide funding for opportunities, instead offering support to businesses.
Key points the call is looking for:	Geo is for ambitious founders and CEOs of UK-based space companies who are already generating revenue and aiming to scale beyond £1 million in the next 12 months.
TRL target	TRL 5-9
Duration	4-month programme
Who can apply?	• You must be working full time on the business, and your technology should be at TRL 5–9. • Geo is targeted at founders committed to achieving a £10 million+ valuation within 3 years (demonstrated through growth plans, KPIs, or milestones). • You should be able to show proven traction by meeting at least one of the following: £100,000+ revenue in the past 12 months, securing £250,000+ in investment or grant funding, or contracted revenue of £250,000+ over the next 12 months. • You should have a small but scaling team of 5 or more employees in paid roles.
Application process	Online application --> interview --> panel review application
Finding out more and contacts	Geo — UK Space Agency Accelerator

9.4.4 Fusion Connect with Capital (UK Space Agency Accelerator)

Background	Fusion is part of the UKSA Accelerator Programme. It is an investment-completion programme, tailored to businesses actively raising seed or pre-seed rounds of up to £2 million.

	Designed for ventures already in investor conversations, Fusion focuses on sharpening pitches, strengthening data rooms, and facilitating direct connections with early-stage investors. It does not provide funding for opportunities, instead offering support to businesses.
Key points the call is looking for:	Early-stage UK space ventures or supply chain companies with commercial proof of concept, seeking up to £2 million in seed or pre-seed funding, and registered in the UK. Must either be in the space sector, using space technology or part of the space supply chain.
TRL target	High TRL
Duration	4-month programme
Who can apply?	Must be raising seed or pre-seed funding in a round of up to £2 million.
Application process	Online application --> interview --> panel review applications
Finding out more and contacts	Fusion — UK Space Agency Accelerator

9.4.5 Shuttle

Background	Shuttle is part of the UKSA Accelerator Programme. It is aimed at UK businesses outside the space sector that are ready to explore it. No financial funding in the form of grants or contracts, but this programme offers: 1:1 support from commercial coaches and sector experts, access to group coaching sessions, curated video modules, and introductions to our commercial space network.
Key points the call is looking for:	Shuttle is designed specifically for SMEs from outside the space sector that are ready to pivot. Covering a wide range of sectors - from manufacturing and data analytics to materials science and logistics - looking for a strong commercial offering that could be applied to space.
TRL target	High TRL
Duration	4-month programme
Who can apply?	SMEs - business should come from an adjacent or non-space industry and be exploring how product or service could apply to the space market.
Application process	Online application --> video interview --> panel review applications Applications are reviewed in monthly tranches.
Finding out more and contacts	hello@ukspaceaccelerator.co.uk

9.5 UK Innovation & Science Seed Fund (UKi2S)

Additional information adding to that provided in section 8.1.3.

Background to funding & how much has been invested?	The fund size is £116 million, of which ~£13 million has been contributed by UK Space Agency. It is the only UK Space Agency-backed VC. It is an 'evergreen' investment fund, meaning that there is no fixed cap on investment timeframe and the profits are recycled back into the fund.
Key points the funding is looking for:	UKI2S invests in early-stage space businesses – typically TRL 5-6 across all relevant space sector domains. The business model needs to be 'VC-investible', meaning that the reviewers need to believe that the company will be scalable and generate sufficient return on investment. The team often supports companies to get to a point of being investment ready.
Themes targeted by funding:	The fund invests in early-stage opportunities across all relevant space sector domains.
TRL target	TRL 5-6, though 4-7 may be acceptable.
Defence / security / civil	Space is its own funding portfolio, but it is worth noting that where there may be other applications for a product or service, e.g. defence or bio engineering, 2 or more portfolios are able to participate. Space applications are always considered in a cross-functional context. In this way, for example, space-defence applications could be covered by a combination of the space and defence funds.
Funding type & typical funding amounts	UKI2S targets pre-seed and seed funding rounds, with typical funding amounts between £100,000 and £500,000.
Who can apply?	Business owners looking for pre-seed or seed funding to scale their business.
Application process	The aim is to complete the investment process within 3-6 months of the initial meeting - this often depends on the syndicate of investors coming together. Application process: The steps in the application process are details here: Pitch for Investment – UKI2S The application process can be started at the above link.

9.7 R-Cloud

Additional information adding to that provided in section 4.2.1.

Where does the money come from?	R-Cloud is run by the Defence Science and Technology Laboratory (Dstl) on behalf of the MOD.
Background to funding & how much has been invested?	Since 2018 almost 1,000 contracts valued in excess of £164 million have been awarded via R-Cloud and usage and spend are increasing. Successful applicants are from across industry and academia, both UK and internationally based, and more than 70% of R-Cloud suppliers are SMEs. **That is an average funding per project of £164,000.**
Defence / security / civil	Must address defence and/or security challenges.
Funding type & typical funding amounts	The average funding per project is £164,000.
Who can apply?	Industry & academia, UK and internationally-based. More than 70% of R-Cloud suppliers are SMEs.
Finding out more and contacts	dstlrcloud@dstl.gov.uk
Application process	The first step is joining R-Cloud by creating an account and completing the application form, here: https://rcloud.dstl.gov.uk/ The application is reviewed, and if successful, you will see relevant opportunities to bid for on the portal. Note that only those relating to the research areas of interested selected during the application process will be shown. Any new opportunities (tasking forms) loaded onto the portal are matched against the areas of interest and a shortlist is created of suppliers who will be invited to respond.

9.8 DASA

Additional information adding to that provided in section 4.2.2.

Where does the money come from?	The funding for DASA comes from the Ministry of Defence (MOD), though it may come to DASA through several routes. Some funding comes through the recently created Defence Innovation Directorate (UKDI), which DASA is now part of (typically funding the Open Call for Innovation). Thematic Calls may receive funding from other MOD funding lines, but channeled through DASA, depending on the theme of the call. In future, this could change with a shift towards UKDI as a single funding source.
Background to funding & how much has been invested?	DASA was established in 2017 with the remit of funding innovations for the benefit of defence & national security. Several funding cycles are run per year. **To date, 1519 projects have been funded and £285 million invested. That is an average of £187,000 per project.** Approx. 7% of awarded budget has been given to non-UK organisations.
How competitive is the funding?	**In 2023-2024, 279 proposals were received with 63 funded, giving a ~20% chance of funding.** 20% success rate is a reasonable benchmark, but these figures vary by call and by year. Typically, Open Calls see a lower success rate as they are more competitive, with Thematic Calls seeing the highest funding rate.

Key points the call is looking for:	Certain calls, e.g. Innovation Focus Areas (under the Open Call) and Thematic Competitions define their areas of focus. In addition to these specific technology focus areas, DASA scoring is based on 3 criteria: desirability, feasibility & viability. Bidders should discuss how their project relates to wider government strategy, such as building sovereign capability, creating jobs, levelling up, strengthening the supply chain, etc. Early engagement with a DASA Innovation Partner is highly recommended to help bidders define their offering.
Themes targeted by funding:	Across DASA, the remit is broad – targeting all fields of technology and services. However, bidders can only apply to the calls that are open at any one time. In general, the Open Call is the broadest, though may set priority areas (depending on which sub-call is open). Thematic Calls specify more detailed requirements.
Defence / security / civil	Must address defence and/or security challenges.
Funding type & typical funding amounts	Fully funded contract (no match funding required). Typical funding between £100,000 - £250,000. (The average funding per project is £187,000).
Who can apply?	Private sector, academia, Public Sector Research Establishments. 60% of DASA contracts are awarded to SMEs. Calls are typically open to bids from inside and outside the UK. Approx. 7% of awarded budget has been given to non-UK organisations.
Finding out more and contacts	DASA website: Defence and Security Accelerator - GOV.UK There is a DASA mailing list for potential bidders to join: Mailing List This is a good idea as it emails periodically with currently open and upcoming funding opportunities. DASA has local Innovation Partners, who are there to discuss ideas with businesses in the early phases and advise on the best route to take. There is an Innovation Partner for the South West region (all can be found here). This link also contains details of how to contact them (you'll need to create an account first). Email address for generic enquiries: accelerator@dstl.gov.uk
Application process	The details are contained in the specific call. Generally, create an account and submit a contact request form to DASA Innovation Partner --> discussions with them --> online submission via DASA portal (login required). Note that bidders who have been unsuccessful with an application are not eligible to resubmit their bid for another funding round unless the feedback explicitly states that this is allowed. Bids that are deemed 'fundable' but weren't selected due to lack of available funding will have their proposals circulated to other Government departments and budget holders.

9.9 DTEP – Defence Technology Exploitation Programme

This section provides some information on the Defence Technology Exploitation Programme, which was launched in 2021 and open for 3 years. It was designed to help SMEs join the defence supply chain through partnering with a higher tier supplier. It is not currently open, though keep an eye on the link in the call out box for potential future calls.

The last DTEP programme offered up to 50% grant funding. The maximum total allowable value of each DTEP project was £1 million (therefore, the maximum grant award was £500,000).

There was no lower limit to project cost, with most project total costs between £200,000 and £1 million.

The Higher Tier Supplier were required to contribute a minimum of 15% of the grant value through their own resources, e.g. staff time, equipment, facilities, expertise etc.

The TRL target is medium to high, this was not an opportunity for low TRL developments.

Collaboration was required between a Lower Tier Supplier and a Higher Tier Supplier, both of which must be registered in the UK. The Lower Tier supplier must lead on all elements of the submission process.

The grant was issued by Innovate UK – their T&Cs applied.

Further information:

Guidance Document: The Defence Technology Exploitation Programme (DTEP) - GOV.UK

Link also contains option to sign up to notifications for future calls

10 Annex B – Supporting material

10.1 UK Space Sector Landscape Map

Innovate UK Business Connect map of companies, universities, funding bodies and networks that form the UK Space sector. This is shown as an interactive map, here: UK Space Sector Landscape Map - Innovate UK Business Connect

Space clusters and UK space ecosystem map produced by Satellite Applications Catapult (interactive map) can be found here: The UK Space Ecosystem Cluster Directory - Satellite Applications Catapult

10.2 EUMETSAT missions

EUMETSAT operates/plans to operate:

- The **Meteosat** family of satellites - in geostationary orbit. The first generation (MFG) is now retired, and the second generation (MSG) consists of 3 active satellites launched between 2002 and 2015. It is planned for MSG to continue until 2033. The Third Generation (MTG) will consist of 3 satellites, of which the first 2 are already in geostationary orbit. The Meteosat satellites provide imagery for the early detection of fast-developing severe weather, weather forecasting and climate monitoring.

- The **Metop** family of satellites – polar orbiting satellites providing global observations for weather forecasts and climate monitoring. Due to their lower orbit (compared to the Meteosat satellites), they are able to detect highly detailed and diverse observations required by meteorologists for short and medium range forecasts. The first generation of Metop satellites consisted of 3 satellites, of which 2 are still operational. The first satellite in the second generation of Metop was launched in 2025.

- The **Sentinel** family of satellites are the satellites which were developed to meet the specific needs of the Copernicus programme. Sentinel-1, -2, -3 and -6 are dedicated satellites, while Sentinel-4 and -5 are instruments to be flown on board EUMETSAT's Meteosat Third Generation and Metop Second Generation satellites. EUMETSAT operates the Sentinel-3 and -6 satellites and processes and disseminates their data. EUMETSAT will also operate and deliver products from the Sentinel-4, and -5 instrument missions.

- **Jason-3** – EUMETSAT is a partner in the cooperative sea level monitoring Jason missions involving Europe and the United States.

- **Future missions: EUMETSAT Polar System (EPS) Aeolus** – observing global winds. EUMETSAT is partnering with the European Space Agency (ESA) on the EPS-Aeolus programme. ESA will provide two satellites, to be launched sequentially, that will both carry a Doppler wind lidar instrument. The first satellite is expected to launch in 2034.

- **Future missions: EPS Sterna** – this is a new constellation of microsatellites that will each carry a state-of-the-art microwave sounder. The initial constellation is composed of six satellites in sun-synchronous polar orbits. The microwave sounders on these satellites will make observations covering 90% of the globe in less than 5 hours. The first satellite is expected to launch in 2029.

11 Annex C – GLOSSARY – Acronyms & definitions

Some common terms and definitions are included in the Glossary below. If you can't find a term, try the ECSS glossary: Glossary | European Cooperation for Space Standardization

Or the Glossaries offered by the British Business Bank or Innovate UK.

Acronym / Term	Definition & further explanation
A	
ARTES	One of the ESA funding lines within Connectivity and Secure Communications Directorate.
BASS – Business Applications and Space Solutions	One of the ESA funding lines within Commercialisation, Industry and Competitiveness Directorate.
B	
Best Practices Procurement (ESA)	ESA wants to ensure transparency and fairness across its procurements, at all levels, particularly between Prime contractors and their subcontractors (and further down the supply chain). Best Practices Procurement gives ESA the right to contractually impose the tendering requirements they have to follow on their Prime contractors, when these are selecting their industrial consortium. Best practices campaigns are typically run by Primes or subcontractors responsible for sizeable subsystems to select their supply chain. As an SME you may well be bidding into a larger entity as part of their best practices campaign. The fundamentals of best practices procurement are: - ESA is given full visibility in the ITT/RFQ preparation, evaluation process and selection of tenders, including the right to perform an audit of the overall procedure - The procurement to be conducted under best practices will be included in the Intended ITT section of ESA STAR (under external entities) – this provides a summary description of the intended ITT and indicative budget Best Practices campaigns are typically carried out once the Prime is on contract (typically during phase B2).
C	
Consortium / Consortia	In ESA contracts, any industrial organisation is called a consortium (plural, consortia).
Council – ESA Ministerial Council	(See article XI of the ESA Convention) The Council is ESA's governing body and provides the basic policy guidelines within which ESA develops the European space programme. Each Member State is represented on the Council and has one vote, regardless of its size or financial contribution.
CTP – Core Technology Programme	One of the ESA funding lines within the Science Directorate.
D	
Directorate	Departments within ESA.
DPTD – Discovery and Preparation Technology Development	One of the ESA funding lines within the Technology, Engineering and Quality Directorate.
E	
E3P – European Exploration Envelope Programme	One of the ESA funding lines within Human and Robotic Exploration Directorate.
ECSS – European Cooperation for Space Standardization	These are the set of standards which describe the processes to be followed for European space activities. It was borne out of confusion from various different standards and requirements used by different space agencies across Europe. The ECSS was developed by space agencies across Europe, ESA and industry to define a common way of working across: Project management requirements

	• Requirements for design, development, manufacturing, verification and operational space systems and their constituent parts • Technical requirements for assemblies, equipment, subsystems and systems used for space missions • Interface requirements for information relating to space systems and activities and transmitted between organisations. Further information and the ECSS standards documents can be found here: Standards | European Cooperation for Space Standardization
EO – Earth Observation	An ESA Directorate.
EPO – ESA Policy and Operations Team	Team within UKSA focusing on ESA Operations and Policy. EPO@ukspaceagency.gov.uk
Equity investment	Funds exchanged for ownership shares in a company.
ESA	European Space Agency
ESA STAR	ESA's online System for Tendering And Registration. Online portal where ESA uploads tender documents, where bidders submit responses, ask clarification questions and track the progress of their bid submission. Accessed through: esa-star Doing
F	
G	
Geographical return (geo-return) (ESA)	The ESA Convention outlines the principle that ESA should ensure fair participation among its Member States, considering their financial contributions. This involves awarding contracts to industry or academia within a Member State in proportion to the amount that that Member State has invested in ESA, with a deduction to cover overhead costs. This is known as geo-return. Geo-return calculations are very complex, as they look not only at specific missions, but at wider programmes, portfolios and across funding lines over time. For example, it could be that the UK is *over*-returned on programme X but *under*-returned on programme Y. One of UKSA's roles is to balance the UK's geo-return across all activities.
Grant	Grants are a source of funding from the Government or a private organisation. They differ from other forms of finance, as the business does not need to pay back the funding it receives or give away a share of the business in exchange for the funding. However, in some instances matched funding up to 50% may be required.
GSTP – General Support Technology Programme	One of the ESA funding lines within the Technology, Engineering and Quality Directorate.
I	
IPO (Initial Public Offering)	An IPO (initial public offering) is the first time a company raises capital from the public. Before this, it relies solely on private investment.
ITT	Invitation to Tender. Term for the tender pack issued by an organisation such as ESA. In this Guide the terms ITT and tender are used interchangeably. Some organisations refer to tenders as Requests for Proposals (RFP).
K	
L	
LOS – Letter of Support (ESA)	In an ESA context, some programmes require a Letter of Support from the National Delegation, in this case, UKSA. See section 3.4.
M	
Mandatory programme (ESA)	There are 2 types of programmes within ESA – mandatory and optional programmes. Mandatory programmes are those which Member States must participate in, and their contribution is calculated based on their Gross National Product (which means ESA can plan ahead as the funding and participation is guaranteed). The amount of workshare each Member State receives back is a factor of how much they invested (see geographical return).
Member State (ESA)	Member States of ESA are the States who are party to the Convention either because they have signed it or because they have acceded to it. There are currently 23 Member States. 10 founding countries (1975): Belgium, Germany, Denmark, France, UK, Italy, Netherlands, Sweden, Switzerland, Spain.

	Other Member States: Norway, Finland, Estonia, Poland, Czech Republic, Hungary, Slovenia, Austria, Romania, Greece, Luxemburg, Ireland, Portugal. *Associate members: Slovakia, Latvia, Lithuania* *Cooperating states: Bulgaria, Croatia, Cyprus, Malta, Canada*
N	
NAVISP – Navigation Innovation and Support Programme	One of the ESA funding lines within the Navigation Directorate.
O	
Optional programme (ESA)	See 'Mandatory programme'. There are 2 types of programmes within ESA – mandatory and optional programmes. Optional programmes are ones that individual Member States can opt in to, and work share is limited to those participating states. The contribution is set by the country, and can be higher or lower than the normal GDP % used for mandatory programmes. Each country decides on its participation in optional programmes – it is determined by the technical and industrial interest of the country.
OSIP – Open Space Innovation Platform (ESA)	This is an ESA platform aimed at collecting ideas for early technology development. It is typically used for the Discovery and Preparation programme, but other programmes can use it too. Further information can be found here: ESA - The Open Space Innovation Platform (OSIP)
P	
PNT	Position, Navigation & Timing

Price types	Typically referring to:
	   a) Fixed price:
	     - Firm fixed price (FFP)
	     - Fixed price with price variation (FP+V)
	     - Fixed unit price
	   b) Ceiling price – an upper limit to be converted into fixed price at a future point
	   c) Cost reimbursement price
	     - Cost-plus fixed fee
	     - Cost-plus-incentive fee
	     - Time and material
	   d) Rough Order of Magnitude (ROM) – price type used for budgetary purposes
	Other organisations may have additional price types – look for the pricing requirements in the tender information.

Prime Contractor	Economic operator who is under contract to the customer.
Prototype	A prototype is an early, simplified version of a product or solution created to test ideas and gather feedback.
Q	
R	
R&D – Research & Development	Research and Development (R&D) refers to the process of exploring new ideas, technologies, or methods to improve existing products, services, or operations. It helps organisations stay competitive by driving innovation, efficiency, and growth.
Readiness Level	See Technology Readiness Level
RTO	Research and Technology Organisation
S	
Seed (funding)	Seed refers to the very first phase of funding or support that helps entrepreneurs turn their ideas into reality. This early investment is typically used for activities like developing a prototype, conducting market research, building a founding team, or launching initial marketing efforts. Seed funding often comes from personal savings, friends and family, angel investors, or seed-focused venture capital firms.
SME – Small and Medium Enterprises	Small and medium-sized enterprises (SMEs). Check how these are defined for your particular funding opportunity.

Spin-out	A spin-out occurs when an existing business separates part of its operations to create a new, independent company focused on a specific product, service, or line of work.
Start-up	A startup is a newly established business that aims to bring an innovative product, service, or solution to market.
T	
TDE – Technology Development Element	One of the ESA funding lines within the Technology, Engineering and Quality Directorate.
TRL – Technology Readiness Level Also Readiness Levels And Application Readiness Levels	**Readiness Levels:** for upstream businesses, developing hardware, the **Technology Readiness Level** scale is a useful tool for determining suitable funding channels. However, for downstream businesses or those providing services such as launch, TRL categorisation is less useful. Here a scale such as NASA's Application Readiness Level matrix may be more useful. **In this Guide, unless specifically stated as TRL, a generic Readiness Levels approach has been used, with:** • **RL 1-3: basic idea up to proof of concept** • **RL 4-7: further design up to prototype** • **RL 8-9: qualification and use in its intended environment (e.g. space)** **Technology Readiness Levels (ESA definition):** The technical maturity of instruments and spacecraft sub-systems with respect to a specific space application are classified according to a "Technology Readiness Level" (TRL) on a scale of 1 to 9. ESA uses the ISO standard 16290 Space systems – Definition of the Technology Readiness Levels (TRLs) and their criteria assessment. Further definitions can be found here: ESA Science & Technology - Technology Readiness Level (TRL) The full ECSS standard relating to TRL definitions can be found here: ECSS-E-AS-11C – Adoption Notice of ISO 16290, Space systems – Definition of the Technology Readiness Levels (TRLs) and their criteria of assessment (1 October 2014) | European Cooperation for Space Standardization
U	
UKSA	United Kingdom Space Agency
V	
Venture Capital (VC)	Larger investments from firms focused on scaling high-growth startups.