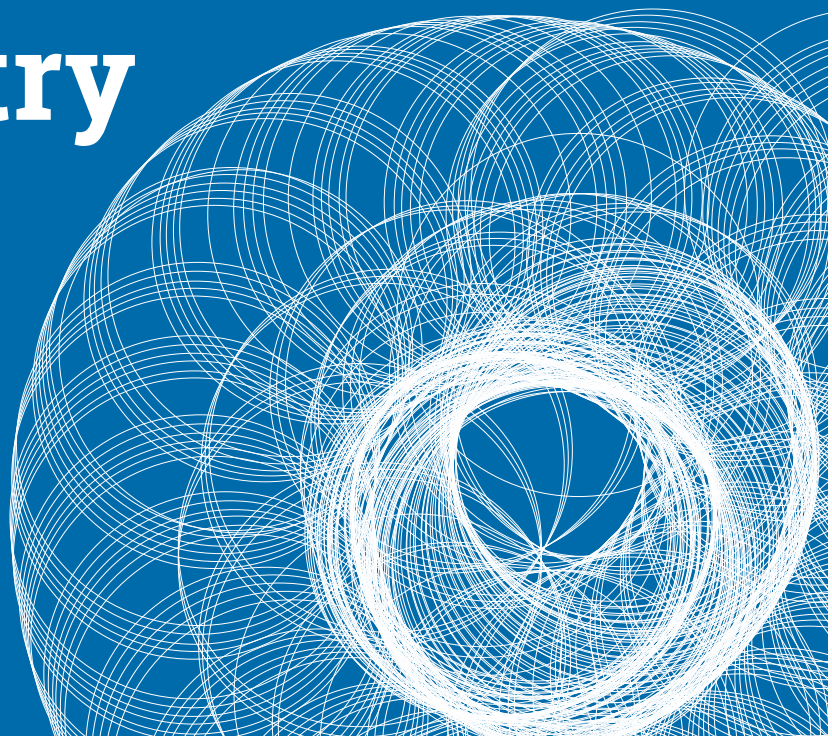


Briefing Paper

Developments in Scotland's Space Industry



Emma MacFarlane
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About Scotianomics

In the 21st century data is everywhere but it is the analysis that transforms data into valuable, actionable knowledge that is key to success.

Organisations, both in Scotland's private and public sectors, lack access to useful, reliable data and value-added analysis of the kind that most advanced countries take for granted. This creates a hidden but real disadvantage for Scottish business, limits public policy and disrupts the pursuit of shared prosperity.

Scotianomics aims to spark a knowledge revolution and inform the decision-makers on Scotland's economy. We provide cutting-edge intelligence and strategic planning resources so that stakeholders can gain a wide view of the threats and opportunities in the world through our geopolitical, economic and policy analysis, unique historical datasets, risk and opportunity forecasts, Geographic Information System mapping solutions and strategic planning services.

Gordon MacIntyre-Kemp

Director

Executive Summary

- This report discusses the new investment of £2m into the plans to launch a space centre in Shetland.
- Shetland Space Centre (SSC) aims to have a fully operational satellite launch facility and ground operations centre by the end of 2021. This type of space exploration is set to increase the number of jobs and benefit Shetland's tourism sector.
- Throughout the report, the capacity of Scotland's space sector will be outlined, highlighting that the industry contributes £2.6bn GDP to the Scottish economy directly.
- Evidence of Scotland's space sector outperforming most European nations will be provided, including statistics on satellite production and space organisations headquartering in Scotland.
- The report will explore some of the other new developments and investments in the Scottish space industry. This includes a £14.7m investment from the Scottish Enterprise into a Glasgow-based satellite company and plans for a spaceport in Sutherland receiving a £17m grant.

Introduction

The ambitious plan to launch a space centre in Shetland has just received a £2 million investment from private equity firm, Leonne International. Shetland Space Centre (SSC), formed in 2017, plans to have a fully operation satellite launch facility and ground operations centre by the end of 2021. The facility is to be built on Unst, Scotland's most northerly island, due to its clear airspace. SSC have set ambitious targets for their new project but believe that this type of space exploration will be extremely beneficial for Shetland's economy, creating jobs and attracting visitors.

A Thriving Industry

Scotland's space industry is exciting, fast-growing and one of the most active in Europe. The space sector currently contributes £2.6 billion in GDP to the Scottish economy directly and a further £1 billion via its supply chain. The Scottish Government recently announced ambitious plans to make the space sector a £4 billion industry by 2030.

These figures are not surprising when you consider that Scotland is already outperforming most European nations in this sector. For example:

- Glasgow builds more satellites than any other city in Europe.
- Despite Scotland only possessing 8.4% of the UK's population, it accounts for 18% of jobs in the UK space industry.
- Last year the Scottish Government stated that there are now more than 130 space organisations in Scotland – including 83 UK space industry firm headquarters.
- The number of space sector companies choosing to base their headquarters in Scotland has risen by 24%.
- Sutherland, in the Scottish Highlands, will host the Europe's first spaceport.

New Developments – Investments

Scotland's space industry is already thriving. However, recent plans, developments and investments are set to take the sector to new heights.

Towards the end of last year, Scottish Enterprise invested £14.7 million in a Glasgow-based satellite company. This major investment will allow the company, Spire Global, to move into larger premises and create a further 260 jobs in Scotland's space industry. Although Scotland already offers a disproportionate number of jobs in the space sector, this investment will create a huge number of high-tech, skilled jobs and training opportunities.

In Sutherland, plans are underway, after receiving a £17 million grant, for a spaceport to be built. If plans are approved for the vertical launch site, construction could start this year and launches could begin as soon as 2022. This project is expected to create more than 250 jobs across the region and the rest of the country.

Conclusion

- The Scottish space sector is one of the most active and prosperous across Europe.
- Although this industry is not always considered a major contributor to Scotland's economy, this report has demonstrated that it is thriving, with a growing number of jobs and developments.
- Despite the size of Scotland's population, more satellites are produced in Glasgow than any other city in Europe and 18% of the UK's space industry jobs are based in Scotland.
- New plans, such as the future spaceport in Sutherland and the Shetland Space Centre, are receiving huge investments and ambitious targets are being set.