Comments of the United States of America on the Proposed EU Space Act

The United States welcomes the opportunity to provide comments to the European Commission (Commission) in response to the solicitation for public feedback on a proposal to develop a new EU Space Act, which would create a single common market within the EU for space activities and develop new legal and regulatory frameworks pertaining to safety, resilience, and environmental sustainability.

As a general matter, the United States expresses deep concern regarding measures in the proposed Act that would impose unacceptable regulatory burdens on U.S. providers of space services to European customers. As close partners in civil, commercial, and security aspects of space cooperation for decades, the EU should proceed cautiously when developing and refining the proposed EU Space Act to ensure it provides a permissive and adaptable framework that promotes innovation, investment, and fair competition for the U.S., EU, and EU member states' commercial sectors, while respecting each other's sovereignty. Otherwise, the ability of the United States, the EU, and EU members to maintain government-to-government burden-sharing partnerships could be threatened. These non-tariff barriers would introduce challenges in the areas of space weather, remote sensing, space exploration, spaceflight safety, space debris mitigation and remediation, communications, as well as cooperations with the European Space Agency. The United States has been closely following the development of the EU Space Act and recalls commitments made by the EU in the August 21, 2025, United States-EU Framework on an Agreement on Reciprocal, Fair and Balanced Trade to resolve trade imbalances, improve market access, increase our trade and investment relationship, and reduce or eliminate non-tariff barriers. The current draft EU Space Act contradicts the spirit of this Framework Agreement.

Following the release of the draft EU Space Act in June 2025, the U.S. Departments of State and Commerce solicited feedback from USG agencies and commercial stakeholders on its potential impact on the United States.

This consultation included input from U.S. trade associations representing a broad cross-section of the U.S. commercial space industry, as well as over 70 responding companies that have active or potential future commercial interests in the EU market. Many of these companies and associations have also provided direct feedback to the Commission, which we urge the Commission to review carefully. The United States will continue to consult with U.S. industry to monitor the EU Space Act's development and implementation.

General and Cross-Cutting Comments

As a general matter, the United States requests the following changes to the EU Space Act to address significant concerns with the current proposal:

- Align with existing international and industry guidelines, standards, and rules for space systems and operations that have been developed by international consensus;

- Enable easier cooperation with the USG and industry, rather than introduce further barriers to cooperation;

- Clarify specifics on the equivalence and mutual recognition process for government and industry actors from third-party states;

- Provide significantly greater information and clarity in the text of the EU Space Act itself (instead of in subsequent implementing acts) so that stakeholders – and EU member states themselves – are fully aware of implications ahead of its adoption, rather than assigning oversight functions to Commission officials in Brussels;

- Allow civil governmental activities conducted by EU member states and partners like the United States to continue, possibly by including an exemption similar to that given for national security activities under the proposed act;

- Underscore that member states, specifically NATO Allies, may continue to leverage cutting-edge U.S. commercial space capabilities in support of investing in capabilities to bolster European security and strengthening transatlantic defense industrial base cooperation.

As currently drafted, the EU Space Act would apply to civil governmental activities of European countries and European institutions such as the European Space Agency (ESA) and the European Organisation for the Exploitation of Meteorological Satellites (EUMETSAT). Many USG departments and agencies cooperate with EU member states and these institutions. We are concerned that as drafted, the requirements of the Act could be interpreted as applying to these USG activities. That is not acceptable, and we expect many EU member states will share our concerns about application of the Act to national sovereign activities.

Moreover, while the EU Space Act attempts to exempt national security activities, this exemption could cause issues in practice as currently drafted. The United States does not believe the provisions are sufficient to protect national security equities, assets, and operations because the Act threatens U.S. and EU development of commercial space capabilities, introducing doubt about interoperability of systems and the ability to use collaboratively developed or owned space assets for national security purposes. As such, the stipulated exemptions are not sufficient to protect routine national security use as many space capabilities are inherently dual-use technologies.

In addition, as a broad concern, the USG has identified multiple provisions of the draft EU Space Act that appear targeted specifically against U.S. companies due solely to their size, prominence, and successful track record of innovation, particularly in the area of large telecommunications satellite constellations. Such unfair and unwarranted regulations are unacceptable to the United States and must be removed.

The United States requests the EU to provide an equivalency decision with respect to the U.S. regulatory framework. This specifically pertains to equivalence discussed in the draft EU Space Act Articles 16 and 105. U.S.

equivalence would avoid duplicative compliance procedures for U.S. space operators and U.S. space service providers working with European counterparts. This will ensure that the EU Space Act does not negatively impact supply chains and the ability of businesses in the United States and Europe to work together, as well as the ability of U.S. companies to provide space-based services to European customers.

Specific Comments

Safety Pillar: According to the Commission, the safety pillar introduces robust rules for tracking space objects and mitigating space debris in order to preserve Europe's secure and uninterrupted access to space. However, the EU Space Act does not take into account that space operations are still relatively new and novel, and as such, are not yet ripe for strict regulation. It also fails to take into account other non-EU countries' equities where regulations already exist, and as such, does not adequately respect sovereign rights. The EU Space Act should recognize the voluntary, effective, and ongoing movement towards creating and consolidating many existing and effective industry-led efforts to execute best practices in space safety, and the fact that maintaining a safe space environment and avoiding the creation of additional debris is in industry's - and everyone's - best interest. As the USG and industry have reviewed the EU Space Act proposal, we have noted that:

- Satellite requirements
  - The requirement that every spacecraft in a multi-satellite constellation have propulsion is one method for achieving the goal of robust collision avoidance capabilities. Alternatively, the requirement could focus on specifying collision avoidance performance criteria without being prescriptive about how this is achieved. For example, some operators' satellites rely on differential drag for maneuverability and these would need to be redesigned to meet the EU Space Act requirements. This method accomplishes the goal of disposal without being unduly burdensome.

- This is particularly true for research institutions and other cost conscious- operators, for whom the additional cost of propulsion may preclude access to space. The requirement should define a target outcome rather than prescriptive measures that reduce innovation or have negative repercussions down the road.

- The United States agrees that ensuring the long-term sustainability of space is necessary to maintain the viability of the orbital environment to keep the rapidly growing space economy thriving, but the propulsion requirement may be unnecessary to achieve that goal.

- <u>Launch Regulations</u>
  - The U.S. FAA (FAA) is the world's leading expert in space launch and reentry, with a proven track record of safety – over 1,000 FAA-licensed launches and re-entries with zero public fatalities or major injuries. Under the U.S. regulatory framework for commercial space launch, U.S. companies have facilitated the safe and successful launch of tens of billions of dollars' worth of European satellites and space objects over the last 50 years – a service provided by U.S. industry to European government and commercial customers at increasingly lower cost compared to other foreign launch providers, due in part to efficient U.S. regulatory frameworks that foster innovation.

  - Due to the United States' track record of safety and the extensive benefits derived from our regulatory framework by the EU and its members over the last 50 years, the United States requests the EU to grant recognition of U.S. launch and reentry licensing and not require U.S. launchers of European payloads to duplicate highly burdensome regulatory requirements with new hurdles created by the EU Space Act.

  - Paragraph 24 proposes a concept that no space operator is given an advantage, including third-country launch providers. However, Article 19 derogations indicate that third country launch operators would only be approved when 'no readily available substitute or realistic

alternative exist in the Union...' This approach severely limits space launch services and would curtail possible investment and partnerships in the space transportation industry. Additionally, as there is no guarantee that a derogation would persist if an EU member state established a new launch program, third country launch operator investment would constantly be at risk.

- As both regulator and owner, the European Union's Agency for the Space Programme should eliminate measures for third country launch providers and non-EU operators that could be discriminatory. Rules and registration processes should be consistent for all operators, regardless of their origin. Expanded protectionism drives up costs, limits technical achievements, and strains U.S. and European space goals.

- The requirement to limit the orbital stages for single-spacecraft launches may unnecessarily constrain smaller launch vehicles. In practice, this may drive launch operators to avoid using the full capacity of the launch vehicle to comply with this technical restriction.

- We are concerned that the EU regulation appears to require registration of U.S. launch operators launching EU assets from U.S. based launch sites, and such registration is reliant on the U.S. launch operator compliance with Articles 61, 75 to 92, and 96 to 100. As these launches are fully authorized by the United States, EU requirements for launch activities occurring outside of EU launch sites should be excluded from the regulation.

- <u>Debris Mitigation</u>
  - Broadly speaking, the United States supports the EU's stated goal of space debris mitigation, tracking and collision avoidance to ensure the long-term viability of the orbital environment for commercial, scientific, and military use.

- However, the EU Space Act may subject U.S. companies providing services to EU customers to the EU's regulatory authority in debris mitigation, an area where U.S. national law may not yet impose parallel obligations or where U.S. law addresses the same objectives, but through different means.

- Additionally, these obligations are unnecessarily onerous and appear to override consensus-based guidelines and standards promulgated by existing and authoritative international bodies, such as the Inter-Agency Debris Coordination Committee (IADC) and relevant UN bodies.

Sustainability Pillar: The Commission notes that operators will need to assess and reduce the environmental impact of their space activities, including through the use of innovative and emerging technologies like in-orbit servicing and debris removal. As the USG and industry have analyzed the sustainability requirements, we have noted the following:

- <u>Life cycle analysis and environmental footprint:</u>
  - The requirements for life cycle analysis and environmental footprint assessments would prove to be a very challenging exercise with prohibitive costs, particularly for smaller companies and start-ups who drive innovation in space.

  - The environmental footprint declaration must cover "all the activities carried out throughout the lifecycle of a space mission," from design to end-of-life, which would be largely speculative when submitted at the time of registration and may inject too much uncertainty into company planning.

  - Additionally, companies would be required to obtain all "relevant environmental footprint data from their suppliers," which would be particularly burdensome for companies with thousands of suppliers across an increasingly complex global supply chain. This also unduly

harms smaller companies who may not have the resources to perform this review.

- There is a lack of established space-specific methodologies, metrics, definitions, and requirements for the environmental assessments required in the Act that we are concerned with will be dictated in subsequent guidance or amendments to the Act. Further consultations should be held to ensure vague requirements do not restrict partnership within the domain, if not defined in the main body of the text.

<u>Satellite Regulations:</u>

- Some of the proposed obligations, such as the requirement to limit the visual brightness of spacecraft to 7th magnitude at all times, are technically impossible to implement consistent with other important mission objectives (despite ongoing industry efforts to mitigate satellite reflectivity).

  - The United States firmly believes that regulation will not spark the innovation needed to solve the reflectivity concern. Technology-neutral rules will support innovative solutions and commercial industry better than costly compliance measures to include certain technological requirements like the reflectivity thresholds for satellites.

  - Such a regulation could also disproportionately affect U.S. companies who operate at lower altitudes as compared to the major EU-based companies who tend to operate at higher altitudes.

  - The size-based regulations pertaining to satellite constellations include a newly created definition of “giga constellations,” (>1000 satellites) which would currently affect only U.S. operators.

    - The United States is concerned that the concept of “giga -constellations” is a new idea.

- It is unclear to the USG why it is necessary to distinguish between "mega constellations" and the newly created definition of "giga constellations." The distinction would result in additional burdens and restrictions on U.S. operators providing services for people abroad, including EU citizens.

- Size-based regulatory distinctions should be carefully considered and applied so as to avoid arbitrary distinctions, as any space object can potentially harm the sustainability of orbital environments.

- Our experience with U.S. operators planning or undertaking the largest deployments is that they are typically at the forefront in developing and implementing best practices.

Resilience Pillar: In the resilience pillar, the Commission calls for tailored cybersecurity requirements to strengthen protection of European space infrastructure and ensure business continuity. An unbalanced approach to space governance frameworks, as promulgated in the draft Space Act, must be replaced with a comprehensive risk assessment, lest a shortsighted approach threaten technological advancement in space, particularly as strategic competitors continue to invest heavily in the field. All aspects of space technology are dual-use in nature: a seemingly innocuous untrusted providers of satellite internet service for civil purposes can be used for secure communications during a crisis or conflict – or if used by U.S. or EU citizens and companies, could be used to compromise the confidentiality, integrity, and availability of users' information transported across it and the networks it is connected to. The United States is ready to work with the Commission to support member states, as well as other countries around the world, in support of secure, trustworthy, and resilient communications – from the seafloor to space.

- It is important to underscore several key themes in U.S. feedback on the resilience aspects of the EU Space Act proposal. The United States:

- Opposes including regulatory requirements that would unfairly restrict U.S. companies' market access or preclude mutual recognition of relevant technical assessments on cybersecurity and resilience conducted by qualified U.S. authorities and technical bodies for space activities;

- Supports continued focus on technical cybersecurity controls, with the EU Agency for Cybersecurity remaining the primary entity responsible for cybersecurity certification schemes.

- Recommends expanding public transparency and the ability of both industry and international standard-setting organizations to participate in the drafting of cybersecurity and space-related resilience certification schemes.

- Encourages expanded U.S.-EU collaboration on information sharing between the EU Space Information Sharing and Analysis Center and comparable USG and private sector mechanisms.

- Supports deepening transatlantic cooperation on security-related space capabilities, strengthening NATO interoperability, and ensuring that European Allies are equipped with the most advanced and reliable space capabilities available.

- While the EU Space Act seeks to enhance resilience of space systems through cybersecurity requirements, the United States is concerned about the protection of European systems from adversarial influence.

    - To ensure resiliency of systems, the EU should ensure the security and trustworthiness of ground stations on the continent that are vital to uplink and downlink data streams. Actions should be taken to guard European institutions from strategic adversaries and competitors seeking to utilize ground stations and other space enabling infrastructure through government-to-government agreements as well as agreements with subnational actors, such as

arrangements with European universities or downlink stations as a service (sometimes "ground stations as a service"). Such arrangements may inappropriately provide backdoor access of European-owned data, despite the strict privacy laws upheld by the EU through the installation of sensitive and compromised technology and predatory MOUs.

- The EU Space Act should expand on the work done in the 5G Toolbox and other mechanisms to secure European technology stacks against untrusted companies, such as those from Russia or China, from providing space-based services.

    - Concerns over system security is exponentially greater for untrusted satellite networks, compared to equipment and services from untrusted suppliers in data centers, mobile wireless networks, and other ICT (ICT) critical infrastructure.

    - Unlike a 5G network, where equipment may be compromised, or where a vendor may retain access for patching and updating, satellite networks are wholly built, owned, and operated by satellite internet providers, some of which are based in Russia or China, and who are legally obligated to support – in secret – any government requests, with no option to appeal or object.

    - Similar to China's 5G rollout, China's satellite companies may seek to employ anti-competitive practices to keep competitive alternative broadband LEO satellite services out. By exploiting vendor lock-in, regulatory barriers, and other anti-competitive practices China seeks to dominate this key technology sector – to the detriment of U.S. and European companies and countries.

- Secure, trustworthy satellite communications are key to resilient digital infrastructure, not only in space but on earth as well. The United States urges the EU to consider these threats in tackling holistic resilience.

- Satellite communications are vital to connecting the world and delivering global access to information. They are an essential part of a vibrant and trustworthy ICT stack.

- It is important to ensure satellite services provided by untrusted suppliers, such as those from Russia or China, are not permitted to operate in the EU or the territory of its member states. The interconnected nature of modern ICT networks means the introduction of such vulnerabilities to the network will expose your governments,' companies', and citizens' sensitive data, causing harm to your economy and national security.

- The USG shares the same objectives as the EU in ensuring the cybersecurity and resilience of space infrastructure and space missions.

    - Furthermore, there is an enduring strategic interest in a prosperous, innovative Europe that can stand shoulder-to-shoulder with the United States as democratic allies who face an increasing number of cyber threats from hostile adversaries.

    - Limiting U.S. space companies' ability to serve the EU market detracts from this goal.

- The implementation of the EU Space Act in conjunction with competing EU directives implemented at the Member state level should be more explicitly conveyed in the EU Space Act, especially concerning operator requirements of the Network and Information Security Directive (NIS2) and resilience pillar of the Space Act.

- The United States seeks to minimize divergence between the U.S. and EU approaches to space cybersecurity and resilience. Both U.S. and EU space industries can thrive in a framework that promotes innovation, investment, and fair competition while respecting each other's regulatory sovereignty.

- Specifically, the United States opposes digital sovereignty measures promulgated by the Commission that would unfairly restrict U.S. companies' ability to participate in the European space market. There is particular concern about the analysis, in the Commission's Impact Assessment, that new cybersecurity requirements and other risk management costs could increase the costs by 10 percent for private sector companies' IT budgets.

- The United States offers best-in-class cybersecurity products and services. Instead of barring these firms, we encourage countries to leverage the security these providers offer to cover all relevant risks, such as cyber and electronic interferences risks as well as physical risks.

- Would welcome further technical discussions to explore how we might address these concerns while supporting Europe's legitimate space policy objectives, including finding cost-effective approaches to cybersecurity enhancement.