

MONTHLY EXECUTIVE BRIEFING

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Commercialisation of military space: dual-use risks and opportunities

Growth in public investment in the space defence sector is expanding the market for dual-use space systems and services, but also carries legal, operational and strategic risks for governments and industry.

- The commercialisation of the military space sector is accelerating as the United States Space Force's and NATO's commercial space strategies foresee greater use of commercial capabilities, while European governments are directing substantial funding into space security and resilience.
- The deepening integration of commercial space actors into defence activities increases their exposure to the risk of damage and liability from collision, and to the threat of harmful interference, escalation dynamics and deliberate targeting by hostile actors.
- As legal and normative frameworks develop, commercial operators in the space sector have a growing interest in shaping standards, improving risk reduction and supporting the long-term security and sustainability of the space environment.

GSIS 2026 News

The Global Security and Innovation Summit 2026 is further refining its programme focus and expanding its strategic partnerships.

- The conference agenda has been updated.
- **Bitkom will significantly expand its role as a strategic partner in shaping the GSIS 2026 programme.** Key focus areas: the interplay between technological innovations and security policy issues, as well as dialogue between politics, business, academia and security stakeholders.
- **Early-bird tickets are available until 31 July, offering reduced-price access to GSIS 2026 in Hamburg.**
- The first confirmed speakers will be announced shortly, offering an initial glimpse of the high-level international voices shaping the programme. Follow **GSIS on LinkedIn**.

US\$109 BILLION

ANNOUNCED INVESTMENTS TO STRENGTHEN SPACE CAPABILITIES IN EUROPE BY 2030

100,000

ESTIMATED NUMBER OF SATELLITES IN ORBIT BY 2030

TENS OF THOUSANDS

NUMBER OF VIASAT SATELLITE TERMINALS IRREPARABLY DAMAGED BY RUSSIAN CYBER ATTACK ON 24 FEBRUARY 2022

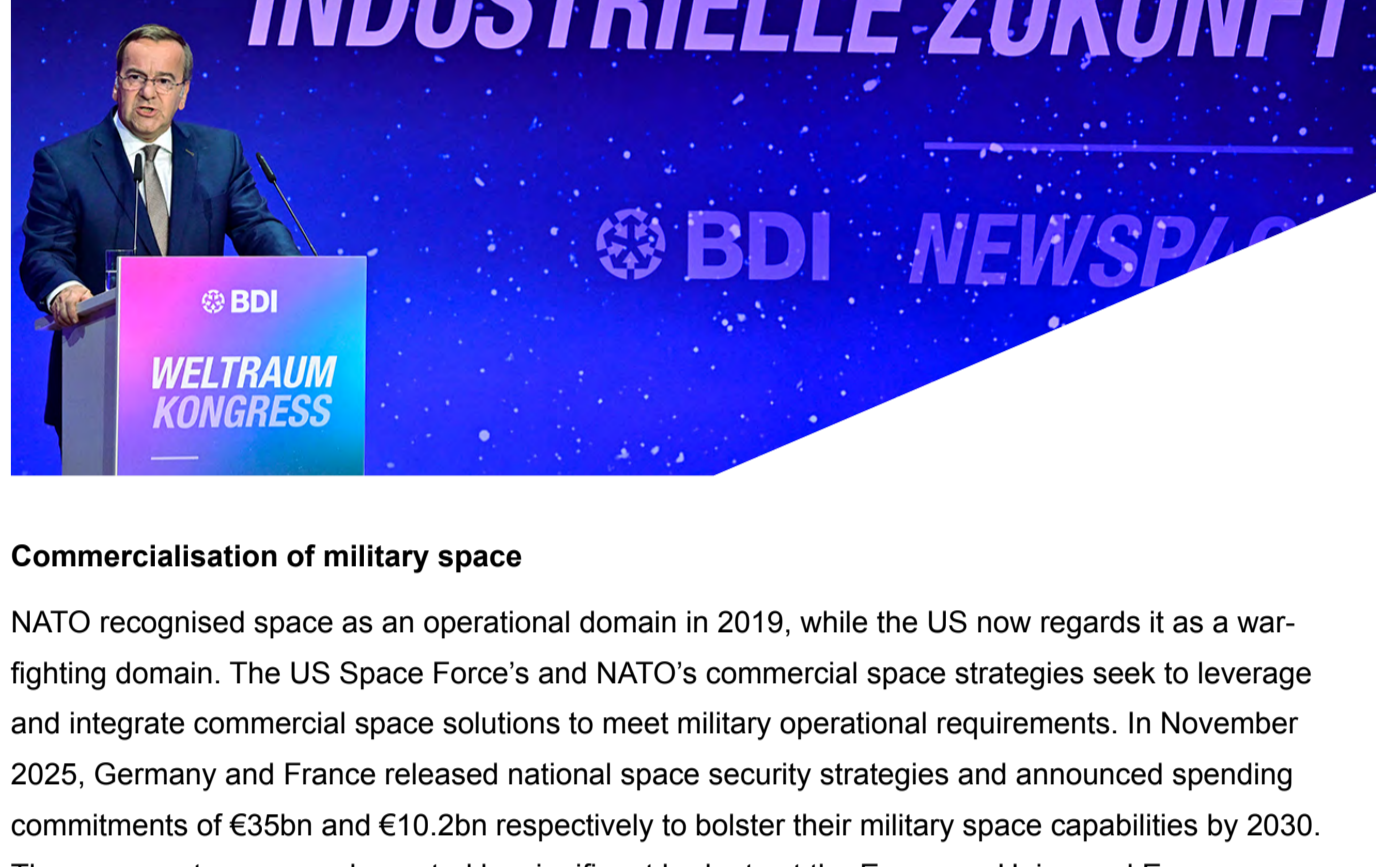
Introduction

Governments are making greater use of commercially provided dual-use space capabilities to support defence requirements. This shift is reflected in the 2024 US Space Force Commercial Space Strategy and the 2025 NATO Commercial Space Strategy, both of which seek closer operational integration with industry. In Europe, allies such as Germany and France have committed to investing at least US\$109 billion in this sector by 2030, stimulating growth through financial incentives. At the same time, the legal and regulatory environment is evolving through national measures and multilateral processes.

For commercial space actors, this shift has two major consequences. Firstly, deeper participation in defence activity increases exposure to geopolitical and operational risk. Secondly, companies may find their operating environment shaped by rules and norms without much of their direct input. As governments seek to complement national capabilities through commercial procurement and multinational cooperation, the commercial space sector should seize opportunities to shape the emerging governance framework for space activities.

"We will achieve nothing in space without the innovative power, the research and development activities, and the production capacities of industrial companies. This applies both to seizing the opportunities space offers and to protecting and defending ourselves against our adversaries."

Boris Pistorius, German Minister of Defence, September 2025



Commercialisation of military space

NATO recognised space as an operational domain in 2019, while the US now regards it as a war-fighting domain. The US Space Force's and NATO's commercial space strategies seek to leverage and integrate commercial space solutions to meet military operational requirements. In November 2025, Germany and France released national space security strategies and announced spending commitments of €35bn and €10.2bn respectively to bolster their military space capabilities by 2030. These amounts are complemented by significant budgets at the European Union and European Space Agency (ESA) level, with €10.6bn allocated to IRIS2, the EU's secure connectivity satellite constellation, and €1.2bn pledged by ESA members for the European Resilience from Space programme. These large public investments in Europe seek to strengthen space security, reduce dependency on external actors and foster the local space industry. Many of the space capabilities being funded by these investments are being sourced from commercial providers and are dual-use in nature, with both military and civil or commercial applications.

"The EU has built a unique space infrastructure of hundreds of satellites, Galileo, Copernicus, and IRIS2. And we are working on more dual use capabilities that can be used for our security and defence, for space-based geointelligence, for positioning navigation and timing resistant to interference, for secure connectivity. To defend space assets and defend Europe with space: Defence of space, and space for defence."

Andrius Kubilius, European Commissioner for Defence and Space, February 2026

Selected dual-use space capabilities



Orbital risks and threats to dual-use space assets

These developments are taking place in an increasingly congested, competitive and contested orbital environment. ESA estimates that around 100,000 satellites could be in orbit by 2030, most of them commercial. This increases the baseline risk of collision and debris generation, with direct implications for continuity of services, insurance, liability and mission assurance.

Continuity of providers supporting defence users also face more direct forms of harmful interference.

Russia has demonstrated its willingness to target commercial space actors in the context of its war against Ukraine through counterspace capabilities, including jamming and spoofing of satellite signals, cyber attacks and manoeuvring satellites to intercept encrypted data. In February 2022, at the start of its invasion of Ukraine, Russia launched a cyber attack that irreparably damaged tens of thousands of Viasat satellite terminals. Russian *Olymp-K* (Luch) reconnaissance satellites have been tracking Intelsat satellites used by the German Army Forces. Of greater concern are Russia's reported preparations to place nuclear weapons in Low Earth orbit, where detonation could result in the indiscriminate destruction of thousands of commercial satellites.

Furthermore, under the 1967 Outer Space Treaty (OST), which provides the framework for international space law, the space activities of commercial actors are legally attributed to the appropriate state (generally, the state of registration or a launching state). In a tense geopolitical environment, there is a risk that states such as China or Russia interpret the space activities of Western companies as a national security threat and respond accordingly.



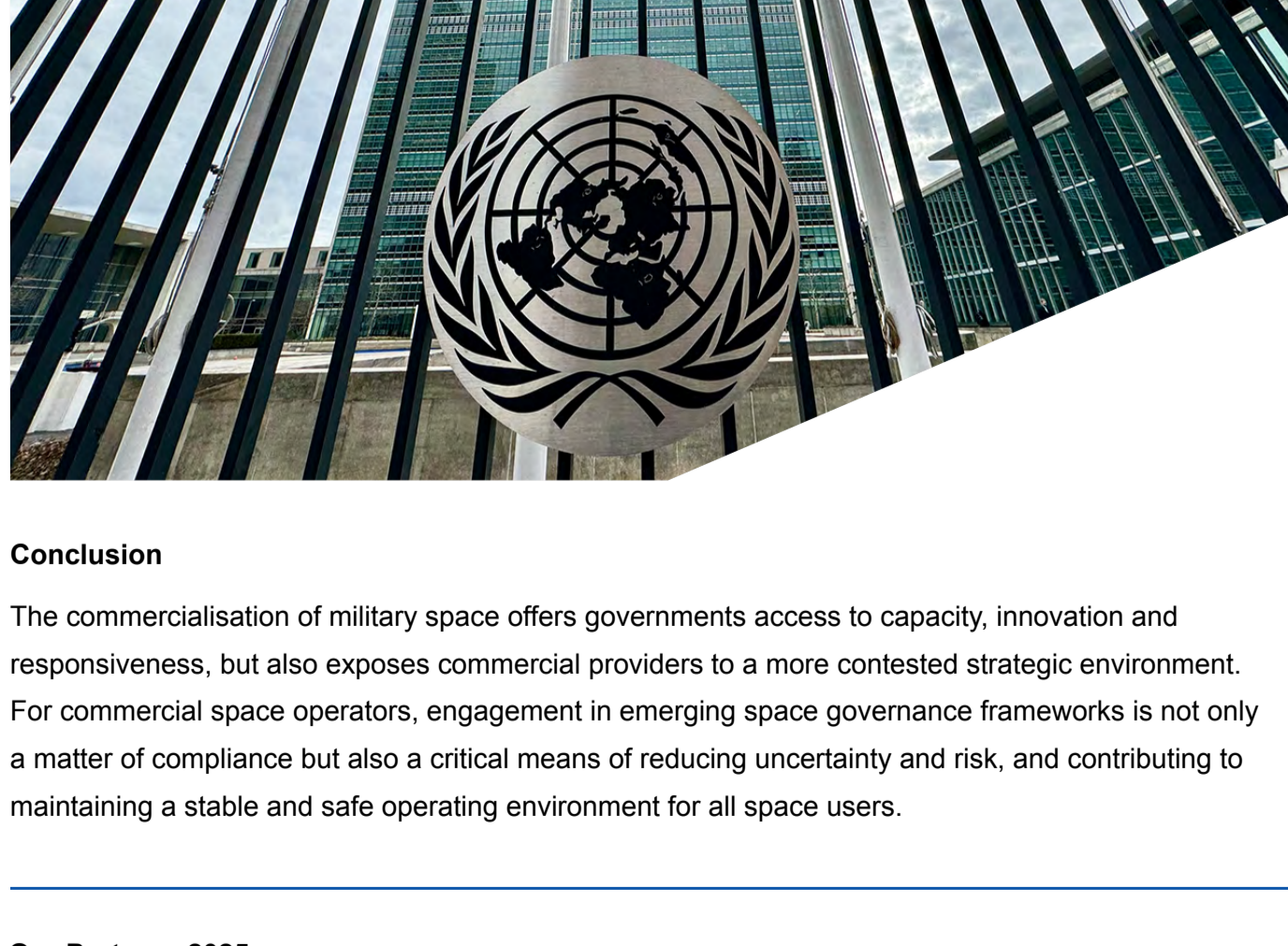
"We are witnessing espionage, for example by Russia, against our satellites carried out by patrol vessels, massive jamming of GPS signals, cyber attacks against our space infrastructure, anti-satellite missile tests, the development of area-effect anti-satellite weapons targeting constellations, and even the particularly shocking Russian threat of nuclear weapons in space, the effects of which would be disastrous for the whole world."

Emmanuel Macron, French President, November 2025

Legal framework

Outer space is already governed by international law, including the United Nations Charter, the OST and, where applicable, the law of armed conflict. However, it is uncertain how some of these rules are to be interpreted and applied to current activities in outer space. States are therefore seeking to clarify expectations and shape behaviour through multilateral forums and national regulation. Relevant multilateral processes include the UN Committee on the Peaceful Uses of Outer Space and the UN Open-ended Working Group on the Prevention of an Arms Race in Outer Space in all its Aspects.

These processes matter for industry because they will influence licensing, operational practice, data-sharing expectations, and the threshold for what may be regarded as irresponsible or threatening conduct. Industry participation in these processes remains uneven, but commercial actors can influence the development of governance frameworks through the formulation of international technical standards, operational best practice, and structured consultation on international legal frameworks and national regulation. An example of the latter is the UK Regulatory Sandbox for Rendezvous and Proximity Operations (RPO) to consult with industry stakeholders on developing a legal and regulatory framework for RPO activities.



Conclusion

The commercialisation of military space offers governments access to capacity, innovation and responsiveness, but also exposes commercial providers to a more contested strategic environment. For commercial space operators, engagement in emerging space governance frameworks is not only a matter of compliance but also a critical means of reducing uncertainty and risk, and contributing to maintaining a stable and safe operating environment for all space users.

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