

UK, Indian firm salvage satellite operator Oneweb

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The deal is aimed at delivering Britain's "first UK sovereign space capability"

The UK government and Indian telecoms giant Bharti are to take control of the collapsed satellite firm Oneweb, they said Friday, as Britain seeks to expand its post-Brexit space capability.

Britain and Bharti will each invest \$500 million into Oneweb, the government said in a statement after it quit the European Union's Galileo satellite programme with its exit from the bloc on January 31.

The deal is aimed at delivering Britain's "first UK sovereign space capability," the statement said.

Oneweb, which is headquartered in London, will now seek to complete the construction of a constellation of low earth orbit satellites providing enhanced broadband and other services to countries around the world.

"The move signals the government's ambition for the UK to be a pioneer in the research, development, manufacturing, and exploitation of novel satellite technologies through the ownership of a fleet of Low Earth orbit satellites," the statement said.

Britain will take a "significant" equity share in the company, while Bharti will provide commercial and operational leadership for the venture.

Prime Minister Boris Johnson's spokesman declared that Britain could now become a "pioneer" in new satellite technology that enables it to also develop better broadband and telecommunications services.

"The deal will support the UK to be a pioneer in the research, development, manufacturing, and exploitation of novel satellite technologies, whilst boosting UK manufacturing," the spokesman said.

"The deal will enable the company to develop technology to provide enhanced broadband and other services to mobile and fixed IT terminals in the UK and countries around the world.

"It will also allow the UK to explore other potential strategic

opportunities, working with our international allies."

Oneweb added in a separate statement that the rescue deal would help it emerge from bankruptcy with a "robust foundation" to continue commercial operations.

"OneWeb will contribute to the UK Government's ambition to join the first rank of space nations, along with its commitment to making the UK the world's leader in science and research and development," it said.

The company went bankrupt earlier this year after running into financial troubles amid chronic global economic fallout from the deadly coronavirus.

Meanwhile, Britain had historically played a major role in developing Galileo, which is an alternative to the US's GPS.

However after Brexit, Brussels denied London access to Galileo's encrypted signals, citing legal issues about sharing sensitive security information with a non-member state.

Galileo is expected to be fully operational in 2026, while reports have previously suggested that Britain might demand compensation for its heavy investment in the programme.

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