

EU launches 'game changer' space startup fund

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The EU launched Tuesday a billion-euro fund to support startups in the space sector with the hope it will be a "game changer" and attract private investors into the key sector.

Named the Cassini fund after the [17th century](#) Italian astronomer, it was launched as part of the European Investment Fund (EIF) which provides risk financing to small and medium-sized businesses across Europe.

"Many of our startups cannot get sizeable equity investment in the EU once they need to scale up," said Thierry Breton, the EU's internal market commissioner, at a gathering for the European space industry in Brussels.

He said the firms are thus forced to turn to non-EU investors.

"This is a major loss for Europe. The Cassini Fund will be a game changer," he added.

The head of the EIF, Alain Godard, said that each euro the fund invests typically attracts three or four euros of private investment from firms that otherwise would have found the project too risky.

A complementary mechanism will provide access to lending to space startups.

The European [space](#) sector is estimated to account for about 10 percent of the overall economy, and is expected to see its revenues double over the coming decade.

The competitiveness of the sector is considered important as many of the technologies it develops find applications in other industries.

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