



## BUSINESSHQ

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## Scottish spaceport dream could evaporate if pandemic delays planning approval, partner warns

*Exclusive by Victoria Masterson*

EXCLUSIVE



Orbex headquarters



**SCOTLAND** could lose out to Norway or another country in the race to launch Europe's first spaceport unless planning permission is granted soon for the proposed Space Hub Sutherland in the Scottish Highlands, a key partner in the project is warning.

Orbex, the Forres-headquartered aerospace company, is due to launch its Prime rocket from the proposed £17.3 million facility, but says other countries are moving faster than Scotland.

"Norway, for example, has committed money to its spaceport and is moving ahead," said Orbex chief executive Chris Larmour.

"The problem for us is that we do have customer contracts and we need to launch from somewhere. At a certain point we have to ask – do we wait for Scotland or launch from somewhere else?"

Highlands and Islands Enterprise, which is leading the project, submitted a planning application in February to Highland Council for the spaceport to be built at the Melness Crofting Estate near Tongue in Sutherland.

This was due to be considered at a planning committee in April, but this has been delayed due to the Covid-19 pandemic.

Mr Larmour said he understood that lives and livelihoods had to take precedence, but noted that the space industry was resilient and was continuing to move forward around the **world**.

“The space industry is almost completely unaffected by Covid,” he said. “We had American astronauts launching in the last few days without any delay. And we had Virgin Orbit doing their test launch just last week in America. At Orbex we’re continuing broadly with our plan, so there’s resilience in this industry. If the spaceport in Sutherland was already up and running, we’d be sustaining the local **economy** there. But because it isn’t, we’re not.”

Orbex was expected to create up to 130 jobs in Moray when the opening of its mission control and design facility at Forres Enterprise Park was first announced last February. Mr Larmour said he could not give exact current employee numbers for commercial reasons but said he had “a list of 70 roles” that he had to fill over the next 18 months.

“We haven’t laid anyone off and we haven’t furloughed anyone,” Mr Larmour said of the current workforce. “We have actually added three new members of staff in Forres during lockdown.”

Mr Larmour said Orbex had introduced remote working a week before the government lockdown and that design and simulation work – which is mostly computer-based – was continuing. Measures including social distancing, sanitising procedures and a new log-in-log-out system had been introduced to protect staff who had to work on site.

With \$40 million in project financing, Orbex is one of the best funded European private launch providers.

“We are not in a difficult position financially, compared to other industries like hospitality and tourism,” Mr Larmour said. “We have friends in Forres and Sutherland who have been very badly impacted by this crisis and clearly authorities like Highland Council and Highlands and Islands Enterprise have to be focused on those businesses.”

However Orbex needed certainty on the planning outcome in Sutherland.

“If we have to wait another year, that’s cash that we have to burn paying salaries for 70, 80, 100 staff,” Mr Larmour said. “If other options are moving faster, we might decide to go in that direction. Any **business** would do the same.”

Orbex’s Prime rocket will take small satellites into orbit for customers typically working in the field of earth observation. It currently has contracts with six customers, including Surrey Satellite Technology, one of the world’s leading manufacturers of small satellites.

Prime’s maiden flight from Scotland was expected in 2021.

Orbex is funded by two of Europe’s largest venture capital funds, Sunstone Technology Ventures of Denmark and Germany’s High-Tech Gründerfonds, as well as Spanish strategic investor Elecnor Deimos Space. The UK Space Agency (UKSA), the European Space Agency (ESA) and the European Commission Horizon 2020 programme are also investors.



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