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**COMMENTS OF ITIF**

Before the  
Office of Space Commerce  
Washington, D.C.

In the Matter of:  
Stakeholder Feedback on the EU Space Act

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The Information Technology and Innovation Foundation appreciates the opportunity to provide feedback on the proposed EU Space Act (EUSA). Unfortunately, the EUSA evinces anti-American bias that would use gerrymandered regulation to put the brakes on innovation to the detriment of consumers worldwide and the American satellite industry.

The design of the EUSA imposes arbitrary costs and burdens American space operations but not EU ones. This bias is most apparent in four key areas.

1. The EUSA creates a category of “giga-constellation” for additional regulatory burdens regarding satellite propellant capacity throughout the approval process. So far, only American satellite companies operate or propose to operate constellations that meet the definition of “giga-constellation.”<sup>1</sup> This category is arbitrary; the propellant necessary for a satellite to perform appropriate on-orbit maneuvers does not depend on the number of satellites in the constellation. This requirement, therefore, creates special costs for American constellations without any specialized benefit to the use of space as a whole. It merely functions as another bureaucratic hurdle for American companies that is not applied to their European competitors.
2. The EUSA imposes prescriptive reflectivity rules for satellites that are below the capabilities of today’s technologies for low-earth orbit satellites that can provide low-latency services to consumers. This requirement is again gerrymandered to affect U.S. satellite constellations, which reduce latency by operating at relatively low altitudes, and not EU constellations, which are less reflective (as viewed from Earth) because they operate at high altitudes.<sup>2</sup> Reducing reflectivity to preserve dark and quiet skies is a worthy goal toward which satellite operators are working collaboratively with astronomers and regulatory bodies.<sup>3</sup> Consumers’ quality of service will suffer if EU rules outlaw state-of-the-art technology simply because it is not beyond today’s technical capabilities. A better approach would be to continue the good-faith efforts by all parties in tandem with cost-benefit analysis.
3. The EUSA requires a more cumbersome procedure for non-EU satellite operators to gain access to the European market compared with European counterparts. While EU operators may get

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<sup>1</sup> “Proposal For A Regulation Of The European Parliament And Of The Council On The Safety Resilience And Sustainability Of Space Activities In The Union” European Commission, June 25, 2025, [https://defence-industry-space.ec.europa.eu/document/download/0adeee10-af7a-4ac1-aa47-6a5e90cbe288\\_en?filename=Proposal-for-a-Regulation.pdf](https://defence-industry-space.ec.europa.eu/document/download/0adeee10-af7a-4ac1-aa47-6a5e90cbe288_en?filename=Proposal-for-a-Regulation.pdf).

<sup>2</sup> Jean-Pierre Diris, “IRIS2: everything you need to know about this new European constellation” *Polytechnique Insights*, March 11, 2025, <https://www.polytechnique-insights.com/en/columns/industry/iris2-everything-you-need-to-know-about-this-new-european-constellation/>.

<sup>3</sup> See e.g., “Astronomers, Satellite Internet Provider Develop New System to Share the Sky,” National Radio Astronomy Observatory, August 9, 2024, <https://public.nrao.edu/news/astronomers-satellite-internet-provider-develops-new-system-to-share-the-sky/>; “NSF and Amazon’s Project Kuiper establish satellite coordination agreement,” U.S. National Science Foundation, June 26, 2025, <https://www.nsf.gov/mps/updates/nsf-amazons-project-kuiper-establish-satellite-coordination>.

authorization in their home countries, “third country” operators must endure a “Compliance Board” review process, which culminates in a vote of European regulators on the merits of a U.S. competitor entering their market. This process, therefore, combines additional layers of red tape with potential conflicts of interest, all at the expense of American companies.

4. The EUSA begins to apply in January of 2030. By the time any rules from EUSA are finalized, advanced U.S. satellite companies will be far along in the development of new satellites with the latest capabilities. The uncertainty and draconian new rules from EUSA could send these developments back to the drawing board and incur additional costs to comply with EU burdens. Again, this burden falls asymmetrically on U.S. satellite companies, which are further along in the development of larger numbers of satellites than many of their European counterparts. While letting the EU catch up may serve the parochial interest of the EU, it is antithetical to the rapid realization of the global benefits of satellite services in general and of the U.S. space economy in particular.
5. The EUSA's launch derogation regime explicitly preferences EU launch providers over U.S. launch services. EU operators can only use non-EU launchers if no "readily available substitute" exists in the EU and the foreign launch "promotes technological capabilities of strategic importance" for the Union. This protectionist provision directly undermines U.S. launch competitiveness and forces European satellite operators to use potentially inferior or more expensive EU launch options, harming both U.S. launch providers and European customers.

The EU has a clear track record of using regulation to target U.S. technology companies. The Digital Markets Act designated five U.S. companies as “gatekeepers” while initially exempting all European firms.<sup>4</sup> The Digital Services Act imposes disproportionate compliance burdens on U.S. platforms.<sup>5</sup> Now the EUSA extends this playbook to space, creating a “giga-constellation” category that conveniently captures only American satellite operators and an “equivalence” gatekeeping mechanism that gives the EU ongoing leverage to threaten U.S. companies' market access. The DMA has already inspired similar discriminatory regulations in over 30 countries, creating a global web of regulatory barriers to U.S. tech leadership.<sup>6</sup>

Space safety is an important and shared interest of governments, private industry, and consumers around the world. But a regulatory framework for it should be evidence-based and even-handed. If the EUSA proceeds, we can expect the same proliferation of copycat space regulations through the Brussels effect. The United States should oppose the enactment of the EUSA as currently conceived, before this discriminatory framework becomes entrenched and spreads globally. It should recognize and resist the attempt by EU regulators to use regulation to hamper American leadership in innovation.

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<sup>4</sup> Lilla Nóra Kiss, “Does the DMA Intentionally Target US Companies?” (ITIF, Mar 2025) <https://itif.org/publications/2025/03/21/does-the-dma-intentionally-target-us-companies/>.

<sup>5</sup> Hearing on American Trade Enforcement Priorities Before the United States House Ways & Means Trade Subcommittee (2025) (Written Statement of Jonathan McHale Vice President of Digital Trade at CCIA) <https://waysandmeans.house.gov/wp-content/uploads/2025/02/McHale-Testimony.pdf>.

<sup>6</sup> Kati Suominen, “The Spread of DMA-Like Competition Policies around the World” (CSIS, Jul 2024) <https://www.csis.org/analysis/spread-dma-competition-policies-around-world>.

Thank you for your consideration.

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