From Investment to Institution: Policy Priorities for Africa's Space Economy

African public investment in space has risen substantially. The African Space Strategy noted that the continent spent under USD 100 million on space activities in 2013, less than 0.2% of the global space budget at the time. In 2026, African governments allocated an estimated USD 828.37 million to space programmes. External engagement has expanded alongside it: Chinese actors now maintain space partnerships across more than 20 African countries, the EU announced an Africa–EU Space Partnership backed by €100 million in 2025, and seven African states have joined the US-led Artemis Accords, alongside growing European, Gulf, Russian, Japanese, Indian, Turkish and Israeli engagement.

African participation in the September 2026 International Space Summit in Paris, alongside representatives from more than 90 countries and international organisations, further reflects the continent's growing place in international space cooperation. This diversity potentially gives African governments greater room to choose among competing offers. But a wider choice of partners creates leverage only if governments and continental institutions can compare offers, coordinate priorities and negotiate from a position of informed choice. *The strategic question is therefore not simply how much investment is arriving, but whether it is being converted into durable, African-held capability.*

Africa's own continental frameworks anticipated this challenge. The African Space Policy calls for African governments' own financial support to constitute the primary source of funding for space activities; AfSA's statute gives it a central role in coordinating international cooperation; and the African Space Strategy identifies human capital as fundamental to a sustainable African space programme. However, implementation remains incomplete: AfSA's financing capacity is small relative to national spending, major bilateral arrangements remain largely outside a continental coordination mechanism, and workforce retention continues to be identified as a persistent constraint.

This paper therefore focuses on three institutional levers that African governments and AfSA can act on now: financing, coordination and talent.

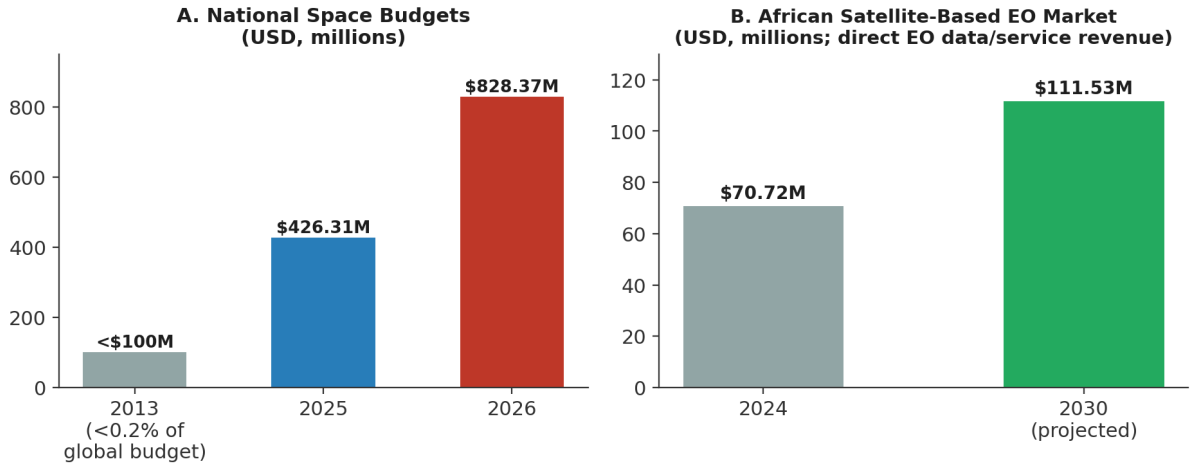
Three priorities at a glance:

Priority	Immediate recommendation	Lead actor
Financing	*Establish a phased, contribution-linked mechanism to strengthen AfSA's own co-financing capacity.*	*AU / Member States*
Coordination	*Create an AfSA-administered registry and pre-negotiation protocol for major bilateral engagements and relevant filings.*	*AfSA / Member States*
Talent	*Pilot a small, legally screened diaspora advisory programme to reconnect external expertise with African programmes.*	*National governments*

1. The Opportunity, and the Question Behind It

Africa's satellite fleet has expanded from a handful of pioneer missions to 69 satellites across 18 countries as of September 2026, with 6 more countries planning their first launch by 2030. Every one of those satellites has relied on foreign launch services, and governments account for 84% of all satellites launched or planned between 2018 and 2030; commercial and private satellite ownership and deployment remain comparatively limited. The African satellite-based Earth Observation market (direct revenue from EO data and services) was valued at USD 70.72 million in 2024 and is projected to reach USD 111.53 million by 2030.

Figure 1. Africa's Space Sector Growth Trajectory



Sources: Space in Africa, African Space Budget Analysis Report 2026 (Panel A, national budgets, +94.3% YoY 2025-2026); Mordor Intelligence, Africa Satellite-Based Earth Observation Market Report, 2025 (Panel B).

External engagement now spans a genuinely diverse set of partners: China's state enterprises and its construction of Egypt's Space City (which now houses both the Egyptian Space Agency and AfSA's headquarters); the EU's Africa–EU Space Partnership Programme; bilateral European deals such as France–Angola's ANGEO-1; Amazon Leo's and Starlink's expanding commercial gateways; seven Artemis Accords signatories; and Gulf, Russian, Japanese, Indian, and Turkish partners each pursuing separate arrangements. This partner diversification creates potential bargaining leverage. A wider choice of partners can give African governments greater room to negotiate terms than dependence on a single relationship.

The strategic question is whether the continent's capacity to negotiate, coordinate, and retain talent is keeping pace with the scale and diversity of that interest. The three priorities below suggest the institutional architecture is under construction but not yet complete.

2. Three Policy Priorities

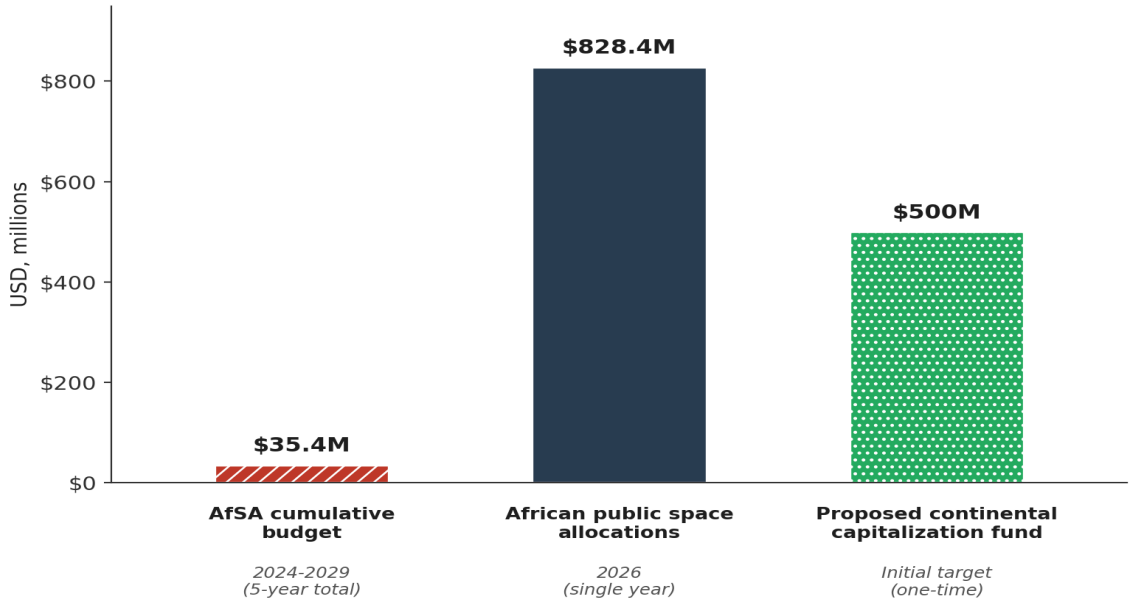
2.1 Financing

AfSA's African Union budget allocation totals USD 35.4 million across its initial 2024–2029 implementation period, phased at USD 2.83 million in 2024–2025, USD 8.99 million in 2026–2027, and USD 23.64 million in 2028–2029. For context, African public space allocations have only recently reached a scale worth naming in its own right: at USD

828.37 million in 2026, a genuine milestone for the continent, and also a reminder of how much capital is already moving through national channels while AfSA's own resources are small relative to national spending.

Figure 2. Three Financing Benchmarks for Africa's Space Sector

Different time periods shown side by side for context — not a direct comparison



Sources: AU Commission budget documentation (AfSA phased implementation plan, 2024-2029); Space in Africa, 2026 African Space Budget Analysis Report; African Space Policy Framework.

Why does it matter?

A well-capitalised AfSA could co-invest in projects that benefit several countries at once (a shared satellite constellation or pooled ground infrastructure, for instance) instead of leaving each state to fund similar capability separately. It could enter partnership negotiations as a funder with something to offer, rather than an advisor endorsing terms member states have already settled bilaterally.

Continental policymakers anticipated needing exactly this. The African Space Agency calls for African governments' own financial support to be the primary source of funding for the sector, and experts have proposed a continental capitalisation fund, set at an initial target of USD 500 million, which was designed to route some of that African financing specifically to AfSA, rather than leaving all of it inside national programmes as it currently sits. Turning that proposal into something operational would require:

- **Base member-state contributions on a defined share of existing national space budgets**, rather than requiring fresh appropriations that compete politically with other national priorities from scratch.
- **Tie AfSA's disbursement or co-financing authority to funds actually received, not to the pledged total**, so the fund's real capacity is always visible rather than assumed.
- **Prioritise measurable public returns from the first co-financed projects**, so the fund's value is legible to legislators quickly, not just in theory.

AU-mandated contributions have a mixed history of collection continent-wide, and a fund that exists on paper without real enforcement could end up projecting more progress than it delivers. There is also a legitimate opportunity-cost question: money directed or redirected toward a continental space fund is money that could compete with other public-investment priorities, and finance ministries are right to weigh that trade-off carefully, especially in the fund's early years before its returns are proven.

Without capital of its own, AfSA can coordinate and endorse partnerships, but it cannot negotiate as a funder; and a phased, receipt-linked design at least keeps the fund's stated capacity aligned with resources actually received. Getting the financing base right matters beyond the fund itself, too: an AfSA with real capital of its own is also an AfSA with greater operational capacity, bargaining weight or credibility as a co-investor.

2.2 Fragmented Coordination

AfSA's statute names it "the continental institution mandated to engage with African and international partners on all space-related matters, ensuring alignment, coordination, and harmonisation of efforts" and separately, "the primary point of contact for Africa's cooperation with Europe and other international partners". However, in practice, member states continue to negotiate independently. Egypt's satellite programme alone spans three separate bilateral tracks: a Ukrainian partnership that trained more than 60 engineers ahead of EgyptSat-1's 2007 launch; a German contract with Berlin Space Technologies for NExSat-1, whose budget rose by nearly 50% after the 2016–2017 EGP devaluation before its 2024 launch; and a Chinese-built Assembly, Integration, and Testing Centre, handed over alongside MisrSat-2 in March 2024. Kenya's 2026 gateway agreement with Amazon Leo adds a fourth independent track. None of these has run through AfSA.

Egypt's and Kenya's agreements have delivered real capability, and state-to-state negotiation will and should remain the normal way business gets done. The issue is narrower. Each of these deals, negotiated in isolation, risks remaining primarily a national gain rather than generating wider continental spillover. Egypt's Ukrainian training pipeline, for instance, produced expertise that could plausibly benefit engineers from other African programmes, and Kenya's gateway agreement establishes ground-infrastructure experience other coastal or connectivity-focused states will eventually need. Without some continental visibility into these deals, that spillover value is left to chance rather than being deliberately shared.

The same pattern holds in spectrum and orbital-slot allocation. The African Space Agency names "competition for radio frequencies allocated to Africa" as an explicit external threat and calls for "a collaborative plan for the allocation and use of wavelength frequencies" and active engagement in international forums. However, dedicated national space legislation remains rare; South Africa and Nigeria have established national frameworks, while several other states, including Ghana and Kenya, are developing legislation.

AfSA's mandate already anticipates a coordinating role in both arenas; what's missing is a mechanism simple enough for member states to actually use. Three steps would close that gap:

- **Initiate a registry, administered by AfSA's secretariat, logging major bilateral space agreements and upcoming spectrum or orbital-slot filings** above a defined threshold, for visibility, not approval.

- **Convene relevant national delegations ahead of key negotiations**, chaired on a rotating basis between established spacefaring states (Egypt, Nigeria, South Africa) and emerging ones, to align on shared minimum terms before, not after, deals are signed.
- **Publish a short checklist of model terms**: baseline technology-transfer commitments, data-sharing rights, coordinated filing language, and currency-exposure guidance that participating states can adopt voluntarily. Egypt's German contract is a useful case in point: currency-risk allocation guidance, made available continent-wide through a checklist like this, could turn a lesson learned once, bilaterally, into one the whole continent doesn't have to repeat.

The registry's authority is persuasive rather than binding, and that is a real constraint, not a design flaw to be argued away. What it can do is make the aggregate pattern visible, and give AfSA a factual basis for making the case, deal by deal, that a coordinated position could have supported stronger terms. Whether that persuasion actually changes behaviour is something to track by participation rates over time, not to assume from the mandate alone. And even well-coordinated deals and filings still depend on someone technically capable of negotiating and delivering on them, which is where the third, most human of these three priorities comes in.

2.3 Talent retention and diaspora engagement

Africa has built real training capacity: the AfDev-Sat programme brought together technical engineers from 20 African countries to train on small-satellite subsystem development, and Egypt's Ukrainian partnership alone trained more than 60 engineers. Continental roadmaps target 200+ space technical experts, 50+ space lawyers and policy experts, 100+ project managers, and 300+ administrative personnel by 2030. What the sources do not offer is a hard attrition statistic: no percentage of trained engineers who leave the continent is quantified anywhere in the available material. What they do offer is a consistent qualitative diagnosis: "Retention is where the pipeline breaks. African space professionals are part of a global labour market where their skills command a premium... growth does not solve retention if working conditions and career prospects cannot compete with alternatives abroad".

A natural response is to propose formal dual employment, a diaspora engineer holding simultaneous positions at, say, a European aerospace firm and an African national agency. That instinct is right in spirit, but it runs into real legal friction: conflict-of-interest and non-compete clauses common in aerospace employment contracts, export-control regimes, including ITAR/EAR and EU dual-use rules, which may restrict transfers of controlled technical data or assistance depending on the technology, nationality, destination and end use. A narrower, more realistic version reduces or manages some of those risks:

- **Structure the arrangement as a fixed-term, fixed-scope advisory retainer**, modelled on academic visiting-fellow appointments rather than formal employment.
- **Scope each retainer to non-export-controlled work**, presumptively low-sensitivity work using public, open or independently cleared information, subject to project-by-project export-control screening.
- **Use a standard contract template** covering conflict-of-interest disclosure to the participant's primary employer, IP assignment limited to the retainer's specific deliverables, and an export-control screening step before the scope is finalised.

Scoped narrowly, this pilot will not close the gap "where the pipeline breaks", according to Michelle Herman. It reaches a small number of people doing lower-sensitivity work, not the broader salary and career-progression gap actually driving attrition, and it would be a mistake to present it as a retention strategy rather than what it is: a narrower, legally workable first step.

What it can do, if it works, is produce two reusable assets for participating agencies: a tested contract template for engaging diaspora talent without the legal exposure of full dual employment, and an evidence base: participation and renewal rates, projects completed, repeat engagements and junior engineers mentored, that could justify a broader, better-resourced version once proven. That is a modest claim, deliberately, and it is the same logic running through all three priorities in this section: build the narrow, defensible mechanism first, and let its results make the case for scaling it.

Africa's space sector is entering a period of sustained domestic growth and expanding external interest, a genuinely favourable position to build from. The three priorities above are sequenced deliberately: financial capacity gives AfSA greater ability to co-invest; coordination allows states to identify and pursue shared interests; and diaspora engagement provides a practical mechanism for reconnecting expertise while broader retention constraints are addressed. None of the three is a complete fix on its own, and each carries real implementation risk worth tracking rather than assuming away. Taken together, though, they offer a concrete, sequenced starting point for converting today's investment climate into durable, African-held capacity.

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