



**European Committee
of the Regions**

ENVE-VI/036

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WORKING DOCUMENT

Commission for the Environment, Climate Change and Energy

**The space programme of the European Union and the European Union
Agency for the Space Programme**

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This document will be discussed at the meeting of the **Commission for the Environment, Climate Change and Energy** to be held from **11 a.m. to 5.30 p.m. on Thursday 27 September 2018.**

Reference document

Proposal for a Regulation of the European Parliament and of the Council establishing the space programme of the Union and the European Union Agency for the Space Programme and repealing Regulations (EU) No 912/2010, (EU) No 1285/2013, (EU) No 377/2014 and Decision 541/2014/EU COM(2018) 447 final

**Working document of the Commission for the Environment, Climate Change and Energy -
Proposal for a Regulation of the European Parliament and of the Council establishing the space
programme of the Union and the European Union Agency for the Space Programme and
repealing Regulations (EU) No 912/2010, (EU) No 1285/2013, (EU) No 377/2014 and Decision
541/2014/EU**

I. General Comments and Analysis

1. The draft Regulation furthers aims of the 2016 EU Space Strategy with specific measures to strengthen existing programmes, create new ones and allocate 16 billion Euro for space policy. The aims of the space strategy are:
 - (1) Maximise the benefits of space for society and the economy;
 - (2) Support the global competitiveness of the EU space sector;
 - (3) Reinforce European autonomy in accessing space in a safe and secure environment;
 - (4) Strengthen the role of Europe as a global actor and promote international cooperation.These aims remain relevant and have been supported by mid-term reviews and consultations.
2. The use of space technologies to support services on earth is getting increasingly important. More private subjects are active in space. The use of outer space has become a feature of everyday life in a way that was not imaginable when the space age started, 60 years ago. Space technologies can support the digital economy and more efficient public services through digital technologies plus provide new opportunities for research. The EU has been an important user of space technologies for decades and has developed essential space components such as Galileo and Copernicus. The EU can achieve what would largely be impossible for any Member State alone: cooperation is important if Europe is to have a role in space. As there is already an organisation, the European Space Agency (ESA), the relevance of EU policies should in addition to the added value vis-à-vis Member State activities also present added value vis-à-vis ESA activities. It is correct for the EU to avoid contentious recent space issues, like that of space resource use (including space mining), dealt with in legislation of e.g. Luxembourg, until greater international consensus has been reached on how such national legislation relates to international law as expressed in numerous conventions. As for the EU joining space conventions, this possibility is mentioned in the proposal but should be evaluated case by case.
3. There is a need to raise awareness about the possible market effects on European industry and the regions, in case of the EU public procurement procedure becoming predominant over ESA procedures on geographical distribution or fair return (*juste retour*). Despite provisions in the proposal, the competitive nature of EU procurements and the skills and resources required for participation can lead to conditions that are advantageous to larger corporations. This imbalance could lead to market distortions that may disadvantage start-ups, new entrants, and small and medium-sized enterprises as well as local and regional authorities in accessing the economic opportunities that may arise from the space programme of the EU. The procurement principles in the draft mention small and medium sized enterprises and a wide geographical choice as well as use of multiple suppliers and the need to involve all Member States and avoid concentration. Space technologies are expensive and knowledge-intensive, which means that there are considerable barriers to entry for enterprises. At the same time, there is still insufficient understanding of the importance of space as an enabling technology. Enterprises in all regions could use space in various ways, but despite this there is sometimes even a sense of ridiculing ideas of how also smaller firms, remote regions and small Member States could be active in the space domain. Local and regional authorities should be involved in space-related clusters in a variety of sectors

for which space can provide important data (like energy, transport, environmental monitoring, agriculture). Regional clusters, incorporating more than one Member State, can be a useful industrial policy tool for space policy, increasing EU competitiveness and supporting regional development.

4. The proposal consolidates existing space activities and creates new ones like a Space Situation Awareness (SSA), that would enable taking measures against risks in space, like debris, in-orbit accidents, space weather events and so on. There are furthermore plans to create a Governmental Satellite Communication (GOVSATCOM) network, which would enable communication in locations or situations where normal communication is unavailable. For some regions, e.g. border regions, GOVSATCOM may be particularly relevant. This is initially realised primarily via Member States but perhaps later (after the evaluation of 2024) directly for the regions that may have a possibility to contribute to the work of the Agency. Issues can be cross-border and of relevance for a region that encompasses many Member States.
5. Existing EU activities have in general been successful. Access to space is important for activities like GNSS, Copernicus and Galileo. Europe should have autonomous access to space, to ensure sustainability. The Ariane launcher programme carried out by a French company on behalf of ESA is important but has rather concentrated European launch activities. It is expensive and complicated to start launching activities with significant barriers to entry.
6. Galileo, the EU global satellite navigation system (GNSS), provides free position data that gives Europe strategic autonomy. EGNOS provides a regional European system. European autonomy is essential in today's complicated and unpredictable geopolitical environment. The importance of satellite data is constantly increasing. Technologies of the future, like self-driving cars, is just one example. Galileo provides a possibility to develop new services and products, including by small and medium sized enterprises and in all Member States. Such possibilities and ways to profit from them need to be presented in an accessible manner, to encourage widespread use.
7. The use of data from Copernicus is not as wide-spread as it could be, even if the data is free to use. Measures are needed to promote the use of data to a wider community. The Regulation mentions the chain of data that would support a wider use. With very many users and a big volume of data, rapid and secure access is essential. This is of great importance to regions, as enterprises everywhere, including small and medium sized, may develop new services based on the available data. It is positive that measures are proposed to provide Data and Information Access Services (DIAS). More targeted support by the EU and national sources for the development of the downstream sector for satellite-based services and applications would be important. The necessity to promote and facilitate the use of Earth observation data and technologies by local authorities, small and medium-sized enterprises, scientists, researchers, dedicated networks for Copernicus data distribution, national and regional bodies has been recognised in the proposal, but it remains unclear how this will be achieved.
8. Space use offers many potential benefits for research and development activities and if well promoted and presented, can excite and inspire new generations of researchers and entrepreneurs in Europe. This is essential if Europe is to remain in the forefront of space activities in an increasingly globalised environment. The EU is well placed to support research activities, exchanges and similar. The proposal does not pay much attention to this side of space policy, which it should do if it intends to present a comprehensive space policy for Europe. In addition to economic benefits of space use, there are many benefits from a strategic viewpoint including defence. The EU should increase its role also strategically as it has the relevant instruments.

9. The main organisational proposal is to increase the role of GSA so that instead of being a body for a specific programme (Galileo) it would become a space agency for the EU. This would lead to two different space agencies for Europe, with a largely overlapping membership and despite that tasks and competences would be different, there is a risk of duplication. A large part of the draft Regulation is about organisational matters of the proposed Agency, which indicates how such matters take on importance as soon as new structures are created, with a danger of distracting human and financial resources from the core issues like a more ambitious EU space industrial policy. Especially small countries already today have problems finding human resources to take part in many different activities. Such difficulties could increase and lead to greater differences between Member States in their ability to actively participate. The best use of resources should be carefully considered as frameworks for cooperation between ESA and the EU already exist.

Questions:

1. Does the unification of space policies in one instrument promote increasing synergies, efficiency and effectiveness and/or visibility of EU space policy?
2. How can awareness of the usefulness of space, especially as an enabling technology, be increased and how can regions contribute?
3. How can EU space policy be more competitive: industrial policy, support to research and development, special targeted measures for small and medium-sized enterprises or other means?
4. What could be the role of regions in ensuring that the large and increasing amount of data from EU space programmes (Galileo, EGNOS, Copernicus) will be accessible and useful for the widest possible number of European companies and citizens?
5. Even if the increasing role of EU in space means that it is reasonable to strengthen the institutional set-up, are there risks of excessive resources spent on organisational structures? Is there a risk that the emphasis in the proposal on management procedures for cooperation between the EU, its Agency for the Space Programme, the Member States and ESA, reduces efforts for a more ambitious EU space industrial policy and how can this be avoided in such case?
6. What is the best way to ensure a more explicit focus on possibilities to engage with the local and regional level (Space Hubs, something else)? How can local and regional authorities be engaged and the initial investment for local and regional authorities, in introducing the use of satellite data for fulfilling their competences be supported? How can the regional level interact with the private sector in space?
7. Should funding be increased at the level suggested? Should there be specifically allocated funding for space research in Horizon Europe?

Brussels, ...

II. PROCEDURE

Title	Proposal for a Regulation of the European Parliament and of the Council establishing the space programme of the Union and the European Union Agency for the Space Programme and repealing Regulations
Reference	Art. 307 (4) TFEU
Legal basis	Art. 41, b (i)
Procedural basis	
Date of Council/EP referral	–
Date of Commission letter	7 June 2018
Date of Bureau/President's decision	
Commission responsible	Commission for the Environment, Climate Change and Energy (ENVE)
Rapporteur	Andres JAADLA (ET/ALDE), Member of Rakvere City Council (Rakvere linnavolikogu liige)
Analysis	
Discussed in commission	Scheduled for 27 September 2018
Date adopted by commission	Scheduled for 15 November 2018
Result of vote in commission (majority, unanimity)	
Date adopted in plenary	Scheduled for 5-6 December 2018
Previous Committee opinions	
Date of subsidiarity monitoring consultation	–