



Minutes of the of
the Working Group on SPACE AND SECURITY of Thursday, 25 March 2010
in cooperation with the European Security Foundation

“GLOBAL NAVIGATION SATELLITE SYSTEM (GNSS) - IMPACT ON REGIONS”

Chaired by Karl von Wogau

Introduction by

- Karl von WOGAU, Secretary General

Statements by:

- Alain BÉNÉTEAU, President of NEREUS (Network of European Regions Using Space Technologies)
- Paul FLAMENT, GNSS Deputy Head of Unit, DG Enterprise and Industry, European Commission
- Vladimir REMEK MEP, Member of the European Parliament's Committee for Industry, Research and Energy

In his introduction Mr von Wogau referred to the expected EU Security and Defence White Paper that is under public discussion at its current stage. The results of the public discussion clearly show that European citizens formulate key expectations towards the EU in terms of security. A major upcoming step in the public discussion will be an event to be organised in Berlin in November 2010. Mr von Wogau underlined that in the future there is an obvious need for a close cooperation between civilian and military approach to security as it is highlighted by the recent natural disaster in Haiti where the optimal use of all disaster prevention tools became necessary, including satellite navigation technologies.

Mr Bénéteau underlined in his contribution that the issue of satellite navigation applications has a special significance for the regions. A priority task in this respect is to create an appropriate field for exchange and networking with the Community. As regards applications a gap is experienced between development activities and the successful marketing of the results and products in various sectors. Mr Bénéteau stressed at first place there is a need for proper standardisation and harmonisation of applications in order to ensure maximum interoperability of products. He also referred to the possible example of introducing EGNOS applications designed for aviation into other possible sectors as well. In general terms, the EU's role should be to facilitate and coordinate the use of satellite navigation applications in case public services ensuring the exploitation of their added value.

Analysing the financial aspects Mr Bénéteau added that the scope of funding for applications can be broadened by involving various new sources. The European Investment Bank offers today for example financial solutions to the European energy sector but does not address for example satellite navigation purposes. In the future the EIB could extend its financing also to the satellite navigation sector in the future. Besides of this, appropriate solutions for risk capital financing have to be elaborated on the longer term where the regions' cooperation in risk management issues will be necessary.



Mr Bénéteau finally referred to the role of public bodies of the regions that could set up pilot spaces in support of possible partners to mobilize themselves, creating partnerships and consortia in order to facilitate the development and marketing of satellite navigation applications in European regions.

In his statement Mr Flament recalled the recent developments of EGNOS and Galileo, underlining the importance of re-profiling of the programmes as from 2007. The revised structures included the solutions of the Community ownership and ensured an updated budgetary basis and further the adoption of the relevant regulation of 2008. As regards EGNOS, the Community became the owner of the system in spring 2009 and the so-called open signal was declared operational in October 2009. The certification of the system and the declaration of the Safety of Life services is expected for the second half of 2010. The long term contracts are also concluded with the main partners which results in stability for the programme implementation. With these major steps of EGNOS the EU demonstrated its strong capabilities in satellite navigation and significantly improved GPS signalling over Europe.

As regards the Galileo programme Mr Flament highlighted the successful launch of the first two GIOVE experimental satellites that are performing appropriately. As next phase the launch of four IOV satellites by the end of 2010 - begin 2011 is planned as part of the full constellation, however technical challenges still may occur in this process. The deployment of the full constellation was structured in six packages, applying a competitive dialogue procedure. At the end of 2009 the first three packages were signed, including the major satellite navigation companies Thales of Italy, OHB of Germany and Arianespace of France. This latter contract ensures that the launch of the satellites will be carried out at Kourou, France unlike the launch of the previous experimental satellites from Baikonur, Kazakhstan.

Among the challenges Mr Flament underlined the new hierarchy and procedures at the European Commission introduced in early 2010. Further, in the case of public regulated services (PRS) including the governmental use of satellite navigation applications a proper framework is necessary for ensuring the right format of exchanging satellite navigation data. Mr Flament referred to the GNSS Application Action Plan that is especially important for stakeholders as Nereus, as the application sector consists of a global market of 140 billion euros annually. A final major challenge will be the mid-term review of the communication on European satellite navigation which will have to analyse the achievements, steps to be done and proposals for the governance and the financial aspects to complete the infrastructure deployment and for the post-2013 period.

In his statement Mr Remek addressed the important role of regions in GNSS development, thus contributing to the improvements of the daily life of citizens throughout the EU. As the rapporteur of the ITRE Report on the Mid-term review of the European satellite navigation programmes (implementation assessment, future challenges and financing perspectives) Mr Remek outlined some of the crucial elements. As regards the GALILEO project, the EU is behind its global competitors in project realisation and despite of ambitious plans the proper financing is still not clear yet for the long term. Additionally, European GNSS are still fighting mistrust, including political elites. However, there is a European ability to overcome these problems.



Mr Remek in further expressed his favourable arguments on the need for a well-established European GNSS system. According to estimates produced in the pre-crisis period, Galileo had the potential to generate 100 billion EUR of accumulated revenues for European companies in the global market in the period 2005-2030. Even in a worst-case scenario suggests that the total accumulated benefits would be between 55 - 65 billion EUR for the same period. As a comparison Mr Remek added that the EU to date allocated 5,6 billions EUR in support of GNSS while the USA dedicated 26 billion USD to the development of a system of 31 satellites and the control segment in 2006. As a further comparison Mr Remek referred to the construction of the Brenner base tunnel between Austria and Italy, which will cost 4,5 billion EUR. In Mr Remek's view, in terms of necessary funding Galileo is as much important for Europe as other individual infrastructure projects mentioned, in addition the system will be an infrastructure for the whole of Europe, bringing benefits to all European citizens.

Mr Remek concluded that the right control mechanism and management structures are still to be found as well as the right proportion of responsibilities, at the same time he expressed his confidence in the further successful development of GNSS in Europe and in the regions especially.

In the questions and answers session the audience covered the issue of an appropriate multi-annual budgetary framework for the EU, providing a proper future basis for financing European space policy. Business stakeholders stressed the importance of the downstream industry which is expected to increase its European market share gradually on the field of GNSS applications, however a special boost could be given to them with public funding solutions. EP colleagues referred to the new power of the Parliament to keep on track major European infrastructure projects since the success of the re-profiled Galileo programme. Mrs Herczog confirmed her support to space developments and programmes. She advised that any financial request to complete space infrastructures should be put on the table in the coming months and encompass all required funding. Finally, participants highlighted the importance of embedding space policy into the future European innovation agenda.

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May 2010