



**COUNCIL OF
THE EUROPEAN UNION**

Brussels, 27 May 2005

9440/05

**RECH 120
COMPET 111**

REPORT

from : Permanent Representatives Committee
to : Competitiveness Council

Subject : Space policy
– Preparation of the second "Space Council" of 7 June 2005
– Approval of the orientations concerning the preparation of the future European Space Programme

1. It is recalled that the Framework Agreement between the European Community and the European Space Agency (ESA) entered into force on 28 May 2004. This agreement provides a common basis for the coherent and progressive development of an overall European Space Policy and establishes under Article 8 regular joint and concomitant meetings of the Council of the European Union and of the Council of ESA at ministerial level, the "Space Council", for coordinating and facilitating cooperative activities.
2. The first session of the "Space Council" took place on 25 November 2004 and in the light of its orientations, the work of the joint preparatory and consultative bodies established by the EC-ESA Framework Agreement, namely the EC-ESA Joint Secretariat, the European Space Policy Expert Group, and the High Level Space Policy Group has continued their work on addressing the preliminary elements of the future European Space Programme.

3. The state of progress is documented in a Communication from the Commission to the Council and the European Parliament and originally drawn up by the Joint Secretariat entitled "European Space Policy: preliminary elements"¹. This will also constitute a reference document for the "Space Council" deliberations.
4. The agenda of the second "Space Council" on 7 June foresees a general exchange of views of Ministers on the further definition of European Space Policy and the European Space Programme (ESP). To this end, the main task of the second "Space Council" will be to give a clear political signal on the second set of orientations (see Annex) relating to the future development of ESP, which will serve as the basis for future work of the joint bodies in their preparatory work for the third "Space Council"².
5. It is recalled that the text of the orientations requires formal adoption by both the EU Competitiveness Council and the ESA Council, in accordance with their own rules and procedures. In respect of ESA the formal adoption at ministerial level has been recommended at its meeting on 26 May 2005. The Permanent Representatives Committee, for its part, examined the draft orientations on the same day and agreed to recommend the Competitiveness Council to approve the orientations, with a view to the second meeting of the "Space Council" of 7 June 2005.
6. It is suggested therefore, that the Competitiveness Council at its session on 7 June 2005 adopts formally the orientations as set out in the annex to this report.

¹ See Doc. 9032/05 RECH 104 COMPET 109 IND 33 TRANS 103 COSDP 333 POLARM 7

² The third "Space Council" has been tentatively scheduled to take place in November 2005.

Draft orientations from the second Space Council 7 June 2005

1. The first joint and concomitant meeting of the Council of the European Union and of the Council of the European Space Agency at ministerial level (“Space Council”) identified the need to prepare a European Space Programme for end 2005. The Joint Secretariat, in consultation with the High Level Space Policy Group, prepared a document on the Preliminary Elements of a European Space Policy, which addresses the orientations of the first “Space Council”. The second meeting of the “Space Council” takes note of the approach outlined in this document and reaffirms its objective to endorse at its next meeting, planned for end-2005, a European Space Policy and Programme covering the period to 2013. This will be drawn up by the Joint Secretariat in close association with the Member States, in particular in the High-level Space Policy Group, and in consultation with private and public stakeholders.

2. In particular, the “Space Council” confirms that the European Space Policy should contain the following main elements
 - a. the European Space Strategy outlining the objectives,
 - b. the European Space Programme, listing the priority activities and projects to achieve the strategy and reflecting the costs and funding sources of these,
 - c. a commitment by the main contributors to their respective roles and responsibilities, and
 - d. key principles of implementation.

The European Space Programme will be the common, inclusive and flexible programmatic basis for the activities of ESA, EU and their respective Member States. Existing capacities will have to be used to their maximum extent and complementarity ensured.

3. The “Space Council” recommends that the fully elaborated draft of a European Space Policy is developed on the basis of these orientations, in accordance with the Framework Agreement between the European Community and ESA and the ESA Convention. It notes in particular:

– **On strategy:** Space is strategic for Europe, a tool to serve the policies of the Union, European governments and European citizens. Many European and national policies already benefit from operational space systems, integrated with related terrestrial systems. Space-based systems shall increasingly be developed on the basis of user requirements, taking into account the benefits of using broadly supported European solutions contributing to the strategic importance of space for Europe. The European Space Policy will seek to ensure continuity of these benefits and that they are shared by all.

– **Roles and responsibilities:**

The EU will use its full potential to lead in identifying and bringing together user needs and to aggregate the political will in support of these and of wider policy objectives. Subject to the requirements of strict budgetary discipline and to objective evaluation, it will be responsible for ensuring the availability and continuity of operational services supporting its policies, and will contribute to the development, deployment and operation of corresponding dedicated European space infrastructure, in particular for Galileo and GMES. It will also pursue an optimum regulatory environment to facilitate innovation, access to international markets and the effective coordination with ESA of the European position in international fora.

ESA and its Member and Co-operating States will develop space technologies and systems, supporting innovation and global competitiveness and preparing for the future. Their activities will focus on exploration of space and on the basic tools on which exploitation and exploration of space depend: access to space, scientific knowledge and space technologies. They will pursue excellence in space-based scientific research. On a voluntary basis, they will support the technological preparation, including validation, of space systems responding to user needs, including those relevant to EU policies.

Most Member States of the EU and of ESA are already investing in operational infrastructures through their membership of EUMETSAT and will consider the experience of similar organisations and Eumetsat's role in relation to wider operational services.

– **On priorities within the European Space Programme:**

the EU will focus on space-based applications to contribute to the achievement of its policies, particularly Galileo and Global Monitoring for Environment and Security (GMES).

ESA activities will focus on securing a guaranteed and competitive access to space through a family of launchers, pursuing excellence in science of space, from space and in space, exploiting its know-how in exploration of the solar system, and developing technologies to maintain a globally competitive European space industry equipped to meet Europe's future space system needs, including in all elements of the value chain.

Individual EU or ESA Member States will be responsible for identifying their national contribution to the European Space Programme and provide this input to the Joint Secretariat for consideration of its inclusion in the overall European Space Programme to be presented to the next "Space Council".

- **On key principles of implementation:** The implementation of the European Space Policy requires an industry policy tailored to the specificities of a sector subject globally to government influence. This policy should provide all stakeholders in Europe with the motivation (i) to maintain and reinforce their scientific and technological expertise and capacities and (ii) to encourage Member States and stakeholders to make the necessary investment to maintain know-how, independence in selected critical technologies and a globally competitive space industry. This is central to the achievement of Europe's economic and political objectives, thus contributing to Growth and Employment.

Key instruments for delivery will be, for the EU, in particular the 7th Framework Programme of Research, Technology and Development, the trans-European network programme and the Competitiveness and Innovation Programme; and for ESA, a combination of mandatory and optional programmes. Programme costs will be estimated in the European Space Programme, which should highlight that user policies will in the future need to be more adequately reflected in the funding scheme.

The management of EU space-related programmes will be based on efficiency, in line with the EC-ESA Framework Agreement and drawing on the management and technical expertise of ESA, in cooperation with the relevant agencies and entities in Europe, and taking into account factors such as the integration of space with terrestrial systems and the diversity of sources of funding. The management of ESA programmes will be based on the rules laid down by the ESA Convention.

4. The “Space Council” notes that decisions on future programmes to be taken at the coming ESA Ministerial Council and the decision on the EU Financial Perspectives will determine the ability of the Programme to match the ambitions of the European Space Policy.
5. The “Space Council” invites the Joint Secretariat in close consultation with the High-level Space Policy Group to identify possible cost-efficient scenarios for optimising the organisation of space activities in Europe in the future and to initiate a wide-ranging appraisal of these in comparison to present processes, taking all relevant factors into account. It invites the Joint Secretariat to report back on the outcomes of this appraisal.
