

# Is Europe prepared to capitalise on GALILEO?

Europe has invested massively in the development of Galileo and will still do in the next MFF. Industry representative, **Galileo Services**, is concerned that we, despite this, might lose substantial opportunities.

We have challenged Ms. Aureline Borel, Galileo Services Permanent Representative, to explain.

## **HOW COULD IT BE THAT A SUCCESSFUL PROGRAMME LIKE GALILEO, WITH MASSIVE INVESTMENTS, IS STILL RAISING CONCERNS?**

Galileo is indeed an exciting and successful endeavour. It is a great example of what we can achieve with a common goal and common efforts. However, Galileo is an infrastructure, although a strategically important one, and the massive investments have been dedicated to building this infrastructure. We are concerned that we, despite this, might lose substantial opportunities if not investing enough in downstream applications and services.

## **SO, YOU ARE SAYING THAT EUROPE HAS NOT SUCCEEDED IN ESTABLISHING INDUSTRY TO POSITION ITSELF IN THIS MARKET?**

That is exactly the challenge. Europe has leading players in several niches of this market but if you look at the whole downstream market we are not nearly

where we should be, that is at about one third. The Commission and the GSA have made the most of their limited budget stimulating downstream growth in Europe. But the fact remains - we still have a long way to go, and this in a market that grows 8% per year.

## **WHAT DOES THIS LOW MARKET SHARE MEAN IN PRACTICE?**

It means that we are missing out on hundreds of thousands of high-skilled, new jobs and the value creation that comes with this, including economic growth and enhanced quality of life for EU citizens.

## **IT DEFINITELY SEEMS LIKE THIS IS A CHALLENGE EUROPE SHOULD TAKE SERIOUSLY. WHAT DO WE NEED TO DO IN ORDER TO TURN THIS AROUND?**

If you look at what competing regions in the world are doing, we could get some inspiration. When developing GPS, the US spent higher amounts on developing



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products and applications than on space infrastructure. Similar priorities are made in China, Russia and Japan. On the opposite, in Europe we have spent 40 times less on downstream than on infrastructure. The paradox is that Europe is spending so little on downstream development when it is the downstream that by far would give Europe the best return on investment.

## **SPECIFICALLY, HOW AND WHEN SHOULD EUROPE ADDRESS THIS?**

We need a funding at a strategic level of EUR 2-3 billion for the development of GNSS services and applications in the 2021-2027 MFF. Such an investment is crucial to optimise the impact of Galileo, including jobs and growth. We have to remember this is a global race and we want to create value for Europe.