

CHAMBER OF DEPUTIES: VAST COMMITTEE
SPEECH BY PRESIDENT SILVANO MOFFA TO THE
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In 2007, when the Italian Chamber of Deputies VAST Committee held the Presidency of the EISC Conference, the issue on which it wished to concentrate was the following: how to foster the development of European space policy, to enable it to guarantee the competitiveness of European industry and research, and how to expand the applications and services deriving from space research for the general public, business and government.

That meeting emphasised the role and the responsibilities of national parliaments to ensure that space in Europe can attract adequate investment in keeping with the strategic character of the objectives set for it, and thereby attract greater public support for the space sector.

Thanks to a fortunate insight of the British Presidency which has organised this Conference all the parliamentary delegations have drawn general attention to very important national programmes.

For Italy, we have illustrated the major projects of interest to our country, namely the VEGA small-scale launcher which is an essential element for completing the European launcher family and the huge impact on industry and research of the Cosmo-SkyMed satellite constellation, whose success has been a source of great satisfaction to the Italian Space Agency.

The basic issue that we would like to draw to the attention of the EISC Conference today is the future governance of European space policy.

In the next few years, as a result of industrial developments of relevance, the European Union space policy will undergo far-reaching structural changes.

With the ratification of the Lisbon Treaty by Ireland and Poland, and while awaiting the decision of the Czech Republic, there are now real prospects of the Union embarking on a new constitutional phase.

For the sector we are dealing with, this means that space will be incorporated among the matters falling into European Union competence.

Article 4 (3) of the Treaty on the Functioning of the European Union, which identifies the sectors falling within the competence of the Union, gives the European Commission the power to perform activities. and in particular to define and implement programmes in the sectors of research, technological development and space, without prejudice to the competences of individual member states.

This is by no means a minor change for the institutional benchmark framework which has worked until today, and which has been organised, also in terms of funding, mainly at intergovernmental

level by the European Space Agency and by individual national agencies.

In our opinion this makes it necessary for parliaments and governments to put on the political/institutional agenda the issue of defining the governance of space policy in order to guarantee its internal development in industrial terms and competitiveness on the space market, which is now based on global competition and cooperation.

Two particularly important profiles emerge from the changes to the institutional benchmark framework, which must be the subject of important policy decisions in the near future.

First of all, we have to define the overall amount of resources allocated to space policy in the Community budget. The conferral of a new competence under the Lisbon Treaty necessarily entails earmarking adequate resources for the implementation of space programmes.

Secondly, the issue of organisational and structural relations between the European Space Agency and the European Commission must be clearly addressed.

For many years, relations between the European Union and the European Space Agency have come increasingly closer, and a series of joint projects have been developed in the sectors of satellite navigation with the Galileo system and in environmental and security monitoring with the GMES system.

It is well known, however, that the financial resources earmarked by the Barroso Commission for the period 2007-2013 currently accounts for less than 10% of the aggregate resources of the European Space Agency, if we exclude the financing of Galileo.

The next European Commission will therefore have to put in place an adequate financial framework to enable the Union to take on the new direct competencies, including space.

This is a very sensitive issue because with the resources already allocated, and bearing in mind that the current economic situation makes it difficult to envisage any increases in the Union's budget, it will be necessary to think in terms of transferring resources from traditional sectors to such innovative sectors as space.

If the parties operating in the space sector can demonstrate that they are able to provide services that are immediately applicable and useful for the sectors traditionally funded by the European Union, it will be possible to argue forcefully, when laying down policies, for allocating a percentage of those resources to finance the space applications or infrastructure needed to deliver these services.

One of the possible sectors is agriculture, where Community funding has helped to protect the existing traditional structure but has also created considerable doubts in the public opinion on the real profitability of the huge financial public investments allocated to this sector.

The application to agriculture of highly technological services derived from space research could bring benefits in terms of rationalising cropping or raising productivity, and also of protecting the environment. But the same argument can also be used for transport, civil protection,

telecommunications and other fields.

It will therefore be necessary to implement political decisions for this field which will not be painless, but which will be strategically valuable for enhancing European competitiveness.

No less important is another aspect: the organisational aspect.

At this point I should like to emphasise the need to harmonise the roles of the European Commission and the European Space Agency in order to prevent duplication, and the wastage of resources.

One possible organisational response resulting from the new institutional framework would be to set up a strong bureaucratic structure, such as a Directorate-General, inside the Commission.

We have to ask ourselves whether a solution of this kind might prove an effective means of streamlining procedures and ensuring overall efficiency, assuming that in this case many of the resources earmarked to the space sector would be used to cover the costs of the new structure.

However well-intended, there is the danger of making the operational procedures in the European space sector more burdensome, above all by duplicating the structures that already exist in the European Space Agency and in individual member States.

In the history of European space, the European Space Agency has always worked well.

Italy's participation in the European Space Agency programmes - for which Italy renewed its commitment as a contributor, making it the third largest after Germany and France, at the ministerial Council in The Hague on 26 November 2008 - has always been a vital complement to the national or multi-bilateral cooperation programmes of the Italian Space Agency.

The European Space Agency operates according to procedures which balance relations between different countries, such as the "fair return" system, to safeguard the relationship between the allocation of orders and the financial contributions of the member States.

This has made possible the development of various different industrial systems in several countries.

The criteria for the functioning of the European Union vary slightly, because they are designed to give pride of place to competitiveness and competition *tout court*.

In our opinion, the events connected with the last year's worldwide financial and economic recession and the resultant need for governments to adopt many public measures to support companies and banks, raise questions about whether the rigid implementation of budgetary policies and pronounced economic liberalism are appropriate for supporting global competition and fostering stability and economic growth.

This is obviously an issue which relates not only to space, but also European policy in general, and on which we have to reflect adequately, seizing this opportunity for an institutional re-start of the Union.

Then, there are real problems regarding the harmonisation of the European Space Agency and the European Union. A composition of a Union with twenty-seven member States does not coincide with the membership of the European Space Agency, which only has eighteen member States, and includes Norway and Switzerland, which do not belong to the Union, in addition to Canada as an associate country. Not all the twenty-seven members of the Union are members of the European Space Agency, either.

One possible solution to avoid this imbalance might be for the EU to become a member of the European Space Agency in its own right, representing all the countries of the Union in the Agency, while simultaneously avoiding the creation of new heavy-weight bureaucratic structures within the European Commission.

There is no doubt, in our opinion, that the Union must identify appropriate mechanisms to safeguard the decision-making role of the member States proportionate to their financial and industrial contribution.

Without defining the structure of European governance it will not be possible to give Europe the capacity to adequately compete on what is now a global space market, on which large countries like China, India, Japan and others are now acknowledged players.

Furthermore, defining ways in which Europe and the United States can cooperate, looking ahead to the important decisions that NASA is about to make regarding a possible return to the Moon and other important international cooperation ventures, primarily human flights and the international space station, which must be addressed not only as a technical decision, but as an option of great strategic importance for Europe's role.

In these matters, European policy must play a very important part in order to guarantee the effective governance of the changes currently taking place within the institutional framework of space.

If these decisions are taken without the national Parliaments being fully involved in effective decision-making and policy-setting, the risk is that ineffective structures, in operational terms, may be put in place that will be not be adequate to underpin global space cooperation and competition.

Italy, which took on the Presidency of the Ministerial Council of the European Space Agency for the next three years in The Hague on 26 November 2008, and is required to plan and prepare the business of the forthcoming 2011 Ministerial Council, intends to make her own contribution in this regard.