

European Union Strategic Autonomy Space, Defence and Security Policies - special address

Space Conference - Session 3

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[Check Against Delivery]

Honorable Members

Dear Eric (Trappier) and representatives of the industries

Ladies and gentlemen,

I am happy to be back to open this specific session on the link between Space and Defence.

Being in charge of both policies at EU level, it is for me important to discuss these synergies.

I pushed both fronts: the Space with the €16bn Space Programme and the Defence with a €13bn European Defence Fund.

I consider space as the enabler to stronger cooperation in Defence. Space projects are usually by their nature dual.

Discussing defence today is also very timely.

Defence cooperation is very high on our European agenda. It is a direct response to the call of citizens for a Europe that protects.

Europe is facing complex and evolving challenges.

The strategic geopolitical landscape is also evolving.

No Member State is strong enough to meet these challenges on its own. A stronger Europe in defence is not an option but a necessity

Europe must become a security provider and must ensure gradually its own security.

And one element of this security **is space**. As I said this morning, space is **now a dimension of the warfare** at the same level **as air, land, marine, and cyber**.

This is what is happening at National level. This is what is happening in our partners and in 3rd countries.

This is what should happen at EU level.

For too long, this reality has been a taboo at EU level.

Today we need to break this taboo and speak clear.

- Yes our flagship programmes **Galileo and Copernicus** have been designed and built mainly for civilian use. **But they can have a security and defence dimension**, not only in the fact that we need to protect them as critical infrastructures.
- Yes, we need new programmes to enhance the security of the EU and the capacity for Europe to manage these technologies: This is about **Space Situational and Tracking** system to protect our assets in space and **GovSatCom** to ensure secured communication

These threats on space are not theoretical. They happen now as the French Minister of defence explained recently.

So the debate today is timely. The question is not whether there are synergies, but much more how to work on these synergies.

European Defence cooperation

But before discussing synergies, I would like to say a few words on where we are on the defence cooperation front.

First, Member States launched **the Permanent Structure Cooperation (PESCO) in Defence**. This is a very important step, making the defence cooperation a political objective.

Second, on the industrial front, the Commission proposed the launch a **European Defence Fund with almost €600m up to 2020** (this part is agreed and being implemented) **and €13bn over the next 7 years**.

The objectives of the Fund is to support the development of defence capabilities, from research to prototype.

It is also to spend better by spending together, trying to avoid unnecessary duplication.

This is already a reality:

On the research side, and thanks to the European Parliament, **we have launched a €90m Preparatory Action**.

And the first projects have been awarded following two calls in 2017 and 2018. We are now preparing the themes for the 2019 call.

On the capability side, we proposed in June 2017 a **European Defence Industrial Development Programme (EDIDP)**, **with €500m available for 2019 and 2020** to support the co-financing of prototypes development.

We managed to reach an agreement in less than a year.

Today we are in the implementation phase and we are negotiating with Member States the first Work Programme which we should be able to adopt in the coming months.

This will be a game changer. We already see that we are changing the way we do cooperation in defence at European level. Even if it is a pilot project, Member States are already intending to put high quality projects up for EU financing.

Finally, as part of the different EU budget proposals, the Commission proposed a **€13bn European Defence Fund**, fully fledged, integrating the research and the capability dimensions.

Of course, it builds on the existing frameworks, but it also adds novelties, like a direct and specific support to disruptive technologies.

Both Council and Parliament reached partial position at the end of 2018. And we are now also in the active phase on negotiations to hopefully reach an agreement in the coming months, before the European Elections.

There are many points of discussion. However I would like to highlight one, that was agreed in EDIDP Negotiations:

The EU funds in defence should go to EU based and controlled companies. Any derogations have been framed to ensure Europe's strategic autonomy.

This is actually the first time at EU level we managed to agree on defining what the European Defence Industrial Base is. This should not be undermined.

The negotiations are still ongoing on the European Defence Fund, but I want to thank the Member States representatives, the MEPs involved in this work (Mrs Grossetête) and the industries (represented today by Mr Trappier) for the current achievements.

Doing defence at European level requires to change paradigm, change established cooperation, change of mindset. This is true for public authorities and for the industry. **And it takes people with clear vision but also political and industrial courage to do so.**

It was not a given that we would be one day able to speak out loud about the possibility of **a European Drone**, or even going further, as some leaders called for: **a European combat aircraft**, or **a European battle tank**, or **European cyber-defence capabilities**. And that these would be partly financed with EU budget.

So we should measure what we did so far. There is a lot to do still to finalise this work, and I count on all of you to support us in these important steps.

Synergies with security and defence in EU Space programmes

Let me now come back on more specific synergies between Space programmes and defence & security dimensions.

I will start with Copernicus.

It already responds to the EU security needs through its Emergency Management service and its Security Service, which provide geo-intelligence via satellite images.

But we are now looking at what more we can do, optimising the services offered by Frontex, SatCen and EMSA, acquiring and pooling new capacities, and looking at how we can extend the Security service to new applications, including in support of CSDP operations.

This does not change the civilian nature of Copernicus, but we need to be able to discuss the contribution it can bring to more security related missions.

Second, Galileo.

Galileo is a civilian system. We built it in order to ensure Europe with the right strategic autonomy capacity on a key technology: satellites positioning which has a direct economic impact but also strategic impact.

This is why Galileo is compatible with GPS, but it can also work independently from it.

This is also why, right from the start, Galileo was conceived with an open service and a more secured service, in the same way as GPS works

This secured service is “PRS” or **Public Regulated Service**. The PRS is a navigation service for users, authorised by their respective governments in the fields of civil protection, customs, policy but also potentially, if the Member States so wish, military.

It provides **an encrypted signal**, with stronger resilience to potential attacks and ensures the high precision and reliability of the information transmitted.

In fact it offers a necessary and strategic redundancy to GPS.

It is not by chance that the US have asked to negotiate an access to this secured signal. The negotiations are still ongoing. It is also not by chance that access to this secured signal has been a very hot point of the Brexit negotiations.

All this shows the high level of quality of Galileo and its strategic nature.

With Galileo, Europe entered the very closed club of owners of strategic space assets.

I know many have doubts in Europe and in the space sector, but this is a fact, this is the reality: **Galileo, besides its economic relevance, is a strategic asset for Europe's strategic autonomy and security.**

Third, I would like to say few words **on the Space Surveillance and Tracking system** that we proposed in the EU space programme as part of SSA.

This is a strategic element which builds on the SST Support Framework pilot, operational since 2016.

Our objective is the **long-term protection of the European and national infrastructures in space**. Copernicus and Galileo satellites are clear European strategic infrastructures that needs to be protected.

In the next EU budget, we proposed that the SST improves its governance, enhances its services and upgrades its infrastructures, to guarantee European autonomy.

In clear, thanks to SST, we will be able to protect the satellites in orbit from the debris.

But this could also be the embryo of a more strategic capacity:

- First, this could be the first basis of a possible **Space Traffic Management system**, in the same way as we have the Air Traffic Management system. STM is a clear ambition of the US, it should be a medium term objective of Europe as well.
- Second, there are **strong synergies with defence capabilities**. We are concretely looking for synergies with initiatives from PESCO and even more from the European Defence Fund, for instance related to anti-ballistic missile protection systems.

Finally, Govsatcom.

This is also a new space initiative of the EU at the crossroads of space, security and defence.

It will provide **a guaranteed access to secure satellite communications** for authorised users such as national defence forces, police, customs, border control authorities, civil protection and humanitarian actors.

It will also support EU activities, missions, and agencies.

More use for security purposes means that the infrastructures and services must be secure, safe and reliable.

This links with other initiatives of the Commission, for instance on critical infrastructures and technologies, cyber-security, or quantum technologies.

As announced just before by Marya Gabriel, our two services are closely working **on a European initiative on quantum technologies** linking terrestrial capacities with space ones. This is a strategic work. Europe developed the quantum communication technology especially through Horizon 2020, we are now proposing to use it and implement it in our programmes.

Going further....

So synergies do exist between Space and Defence. And we are already working on them and more concretely between the Space Programme and the European Defence Fund.

But besides capabilities, I would like to take this discussion a bit further, in the same vein of what I said this morning.

First, I am convinced that **innovation in space technologies will be partly driven by military needs**.

Do we know for instance the impact on space capabilities of block chain, quantum, or AI?

My point is that in Europe, we need to be much more ready to support disruptive technologies.

The US are very clear on their intention: this is the 3rd offset strategy. And they have the means to implement it through for instance DARPA.

We need a European DARPA. Together with Carlos Moedas, we proposed the **European Innovation Council**. This will partly answer the need to support disruptive innovation.

For the defence dimension, I proposed that 5% of the 13bn are dedicated to the support of disruptive technologies, through open calls.

My idea is to be able to support fringe technological science in a much more conducive ecosystem, where it is possible to fail and start again.

Space technologies should be at the core of such an innovation efforts.

Second, if we are serious about ensuring **Europe's strategic autonomy**, we need to question our current technological dependence.

For this, we have to map these strategic dependencies, and develop **specific strategies to support the development of European alternatives**, through grants or clear procurement rules.

This is particularly true on space technologies. There is a need to look at this reality straightforward and propose supporting schemes.

Finally, **the European cooperation on space and defence must become more operational.**

The US have created a Space Force. Several Member States are considering ways to strengthen their defence doctrine to the space dimension.

What is a reality in our partners and at national level, should also become a reality at EU level. We need, on the medium to long term, a European Space Force.

The cooperation at EU level on a space operational dimension is not an option, it is a necessity and part of our credibility as security provider.

I am aware that these proposals are quite ambitious. They will certainly not materialise in the coming months. However, we need to be clear on the direction. It is also I think our responsibility to be transparent about our needs at European level.

Conclusion

Ladies and gentlemen,

I would like to conclude by saying that we are fully aware of the new threats to our security, including in the space domains.

Addressing these have been at the top of our agenda.

And we have worked to find intelligent synergies.

With the proposals on the EU Space Programme and the European Defence Fund, we are laying down solid foundations for further actions.

Being ambitious on European Defence is being ambitious on the Europe we want to build. And this is certainly the best answer we can give to the current wave of nationalism and populism we see in some of our countries.

So let's be bold, efficient and ambitious. Thank you

Thank you.