

SWF's Brussels Space Policy Round Table

The Future of GMES



Global Monitoring for Environment and Security

Challenges for the GMES Space Component

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Dr. Josef Aschbacher, Head, ESA GMES Space Office



The Future of GMES ?



1- Development

The services sector develops well, many new users come on-board

In-situ observations are increasingly integrated

Sentinel & ground segment development progresses well

2- Operation

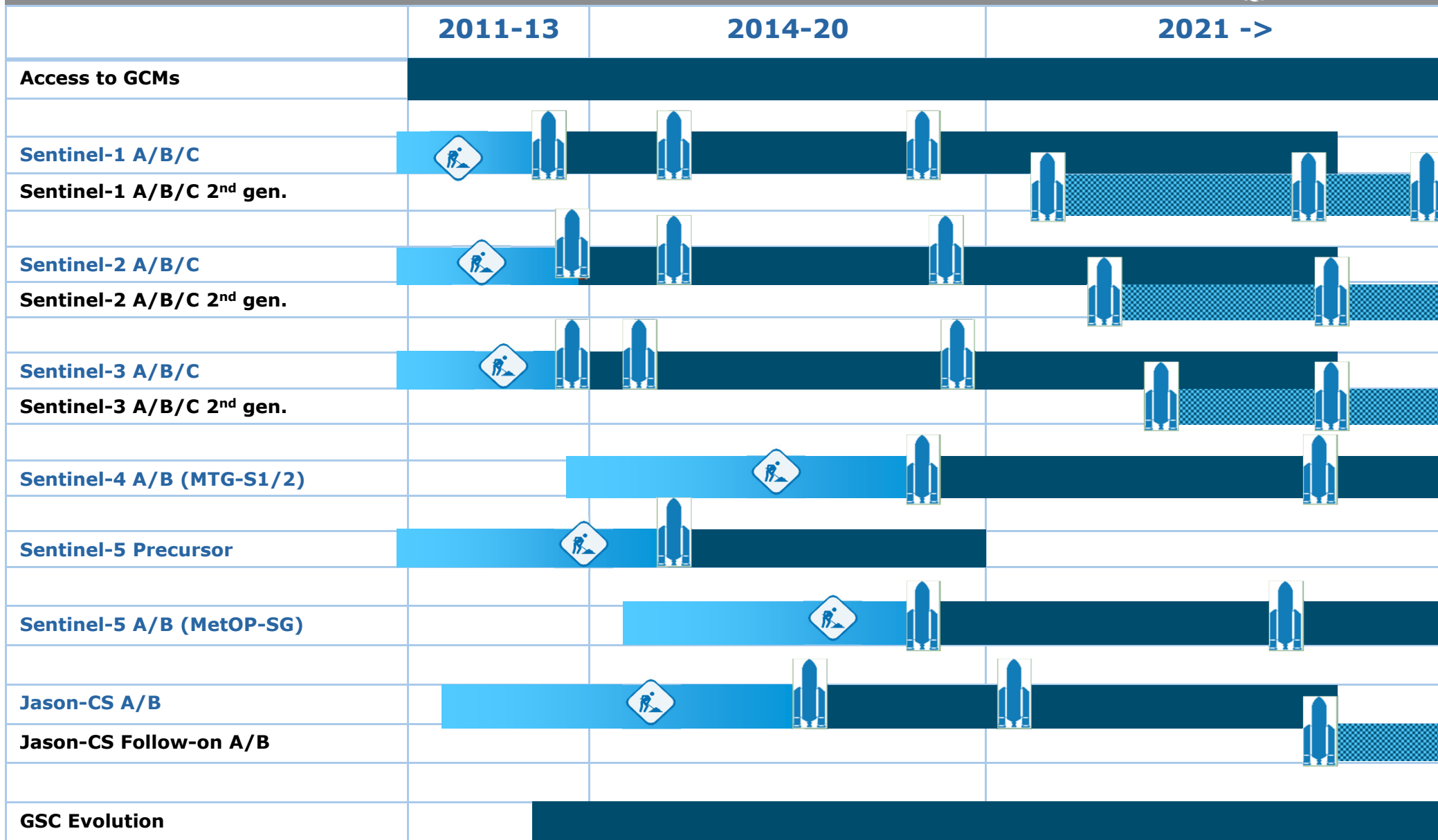
Services provide operational policy-relevant information and create new business

Sentinels ready for launch from 2013 onwards

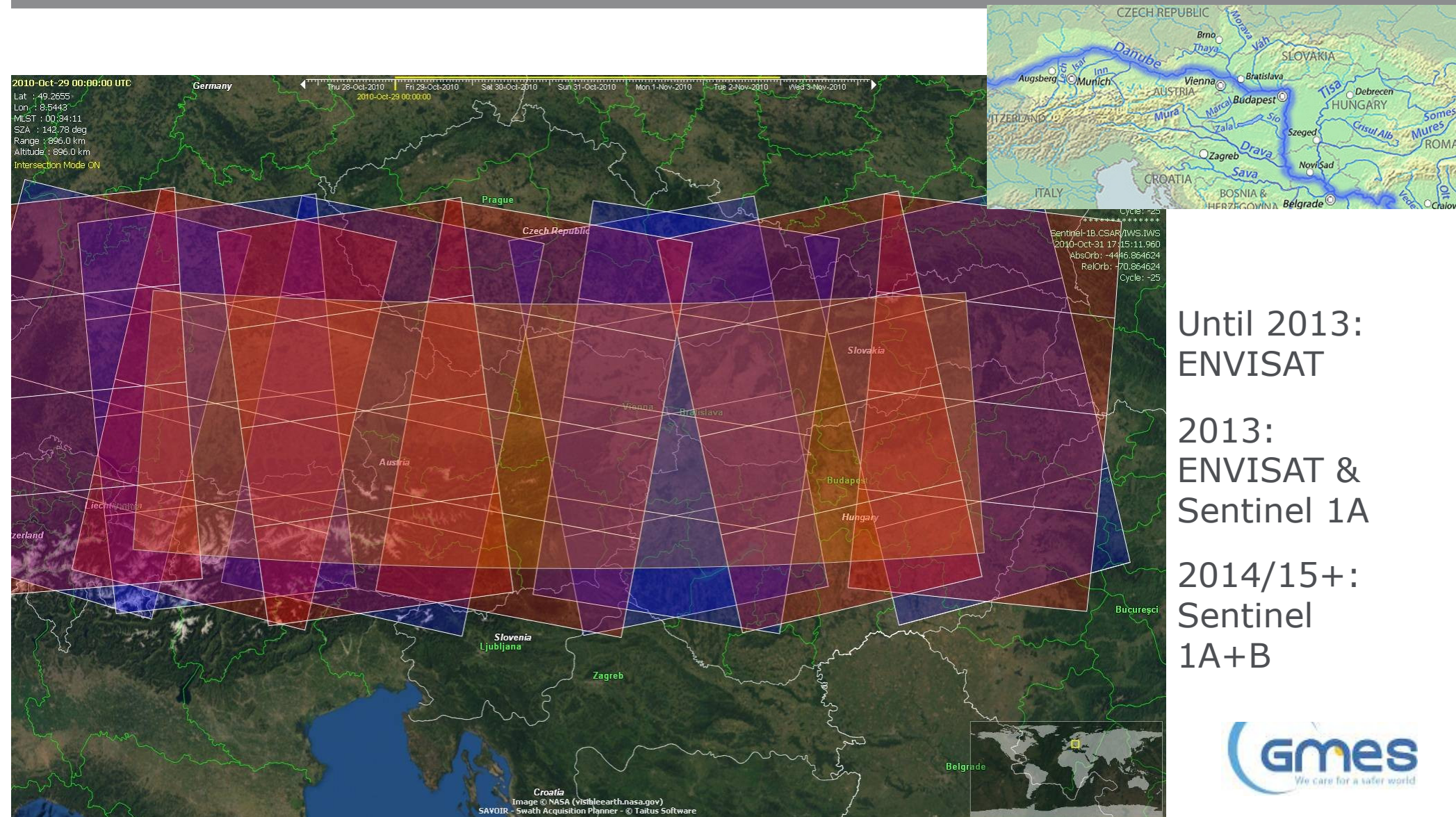
Technically, GMES is ready for the future



Users need long term perspectives



Sentinels are a major step towards operability Danube River basin (coverage in 5 days period)



GMES is a good investment for Europe



“Over the 2026-2030 period, the potential GMES benefits accumulated would be comparable to 0.2% of the EU current annual GDP. The **benefits from all the GMES services in full use would equal **130 bn€** (2005 e.c.) or around **6.9 bn€ per year**”**

For every € spent by the European tax payer on GMES, a public **return of 10 € can be expected**

“Money where it matters – how the EU budget delivers value to you”

EC,
MEMO/11/469,
Brussels, 29
June 2011

“The Socio-Economic Benefits of GMES”

ESPI report 39,
November 2011



1 - Past funding (**development**)

Today, approx. **3.3 B€** of funding is available for the whole of GMES

About **2.4 B€** have been co-invested into the GMES Space Component (GSC), by ESA and the EU (= **1.6 B€** by ESA MSs + **0.8 B€** by EU MSs)

In addition, ESA will ask its MSs at C-MIN 2012 to complement the space component build-up with an additional **0.4 B€**

2 - Future EU funding needs (**operations**)

To achieve the operational configuration of the overall GMES Programme, an average amount of **834 M€/year** has been identified by the EC in its MFF Communication, i.e. **5.8 B€** (2011 e.c.) for 2014-2020

EC proposal excludes GMES funding from MFF *“For projects such as ... GMES, where the costs and/or the cost overruns are too large to be borne only by the EU budget, the Commission proposes to foresee their funding outside the MFF after 2013.”* **COM(2011) 500 final, 29/06/2011**

In a Commission staff working paper accompanying the previous document *“creates high uncertainty for GMES[...] It would be more than likely that this option would mean a discontinuation of GMES [...]. It would lead to sunken costs and past investments would be lost.”*
SEC(2011)868 final, 29/06/2011

EC proposed to fund GMES with a separate budget *“proposed to set-up a specific GMES fund with financial contributions from all EU Member States based on their GNI.”* **COM(2011) 831 final, 30/11/2011**

- **Many EU & ESA MSs, the EP and many other stakeholders strictly oppose this proposal**
- **A few EU MSs fear that moving GMES inside the MFF endangers ‘their’ funding lines (i.e. cohesion fund)**

There are large risks if GMES would be funded outside MFF:

- ✓ **Non-funding:** not all 27 EU MSs may subscribe, which would not allow to establish the GMES Fund as proposed today
→ **no GMES**
- ✓ **Underfunding:** if current EC proposal is modified, to allow participation at level different to GNI, some MSs may subscribe at lower level → **descoped GMES**
- ✓ **Delays:** it will take time until GMES Fund would be established, rules agreed among all (27) members, and implementation mechanisms in place → this would delay availability of operational funds, **likely by several years**, for Sentinel operations, with all the associated consequences
 - ✓ Data gaps after Envisat → interruption of services
 - ✓ loss of users and political support
 - ✓ Cost overruns (satellite storage, re-testing, etc.)
 - ✓ Wasting part or all of the current investment (3.3 bn)

What needs to happen before Sentinels can be launched (from 2013 onwards) ?

- ✓ Budget for Sentinel operations needs to be clarified*
- ✓ Sentinel data policy needs to be finalised
- ✓ Ownership needs to be decided (even if ownership itself is handed over at a later date)
- ✓ Governance for the operational phase 2014-20 needs to be defined and agreed. It will depend on the funding contributors and mechanisms.

Space component operations funding can be kept at **fixed levels**
– to avoid risk of cost overruns (which is a major concern for EC)

!

*Note: Initial operations budget is available until mid 2014

The Future of GMES ?



The future of GMES depends on the outcome of EU budget decisions (inside or outside MFF, level of funding)

These are in the hands of the European Commission, EU Member States and the European Parliament

The future of GMES is, therefore, in the hands of the EC, EU and EP

The EC MFF proposal has provided a very difficult starting position, but it can (and must !) be recuperated to give GMES a future

