

MORE THAN A ROCKET: COMPLEXITIES OF EUROPEAN DECISION MAKING

During the EUMETSAT Council meeting on June 26-27, 2024, the member states of EUMETSAT decided to cancel the launch contract for MTG-S1, which was scheduled for 2025 on the third flight of Ariane 6. The decision was taken just days prior to the A6 inaugural flight scheduled for July 9, 2024, triggering unusually strong reactions within the European space community. It may also have left the global space community wondering about Europe's ability to define, act on, and implement a tangible, comprehensive and coherent (if not unified) space strategy. It comes moments before Europe seeks to resolve the European launcher crisis, which more than any other challenge has been exposing Europe in its ability to ensure autonomous access to space, and which raised wider questions on the future of space in Europe.

No specific reasons explaining the decision have been provided so far, other than pointing at "exceptional circumstances"; and it appears that also among some EUMETSAT member states there have been diverging views. A more substantiated assessment of the decision at this stage does not seem to be possible. However, the event reveals a fact which was often overlooked while dealing with the launcher crisis. Ultimately, it is the use of space, the mission and its benefits that matter. Any launcher can only be a means to that end, is subordinate. This has already been stressed in earlier **ESPI Perspectives**.

However, it is not that simple, as the launcher in itself is also a strategic asset. **The use and access must be dealt with as one challenge**. The stakes related to the combination of Ariane 6 on one hand and MTG-S1 on the other hand are particularly high:

- Meteorological missions are among the most beneficial and operational services space delivers to the economy. With a 160BUSD global annual benefit, improved weather forecasting from space may indeed provide **the highest socio-economic benefit of any use of space**.
- In contrast, launchers occupy only a small fraction of the space economy. Yet, without them no space programme and no space economy would be possible. And like Ariane for Europe, all space powers ensure their autonomous access to space (including for **human exploration as a central pillar**, another European challenge in its own right).

In the case of Europe and Ariane 6, it sometimes appeared that space missions were perceived as something needed to fill up the order books of the launcher, and less so in their benefits and in their own needs. Yet, mission launch dates and lifetime are core requirements of any institutional programme (and commercial business plan). Their optimisation may translate into hundreds of millions of EUR of difference for a space programme or commercial revenues. At times this may be the equivalent of several billions EUR euros in wider economic benefit.

It makes sense that a delegate body, primarily focused on the data and support for meteorological services, might not prioritise some decision criteria as much as other stakeholders. These other stakeholders might be more concerned with the future competitiveness of the European space industry or the new launcher ecosystem. Also, the governance structures and funding sources reflect this difference in strategy and policy, with meteorological programmes typically funded outside space programme budgets, e.g. from transport ministries or ministries of defence (an excellent example of dual-use).

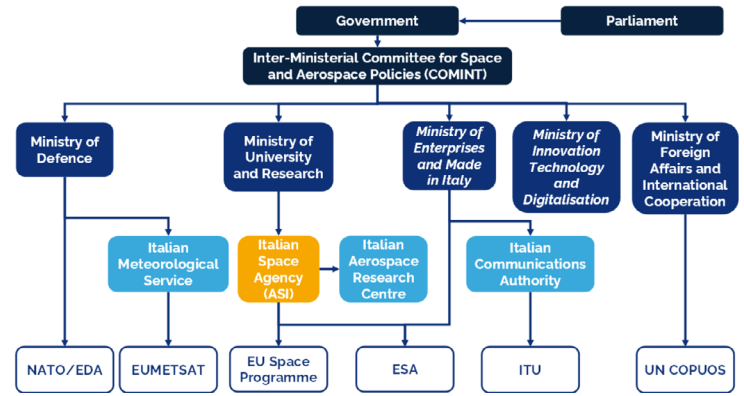


Figure 1 - Italy's Example of Space Governance

Data and usage focused programmes are often supported by a higher number of member states, not limited to countries with prominent upstream space industries. The need for data and information often takes precedence over geo-return concerns. In this, the member state composition of EUMETSAT, different and beyond that of ESA and the EU, may provide a forecast of what may emerge in other space application programmes in the future. This may be in fact part of a "European way", to extend the space eco-system into vertical sectors of economy, including new governance and funding schemes.

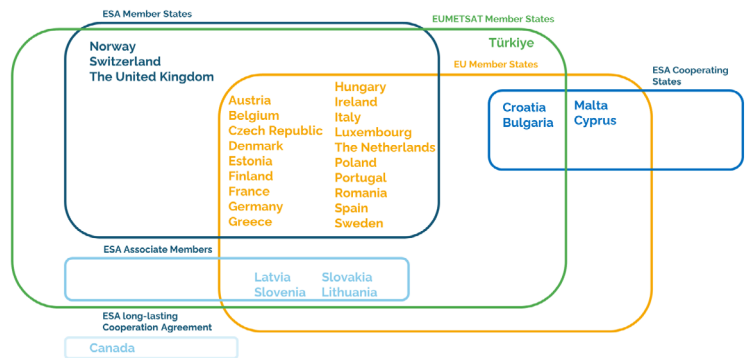


Figure 2 - ESA, EUMETSAT and EU Member States

Stakeholders involved have varying priorities, ranging from data and information needs to hard capability development and concerns about maintaining a competitive space industry. These differing priorities, along with the various governance bodies and groups of member states within the EU, ESA, and EUMETSAT, and their different programme and funding timelines, highlight the need for "new space" mechanisms to reconcile sometimes opposing objectives.

In this, European Commission President van der Leyen correctly defines the public actor as both, buyer but also enabler. Or applied to the case of MTG-S1 and A6, as an anchor customer of information services, as well as an enabler of the required competitive industry and continued innovation to deliver launchers and satellites enabling the information services.

ESPI's mandate to provide independent space policy analysis, advice, recommendations and proposals to European decision makers and institutions is therefore increasingly crucial. An essential and growing role to help navigate Europe towards a prosperous future in its multi-stakeholder environment.

Yours sincerely,

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