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**Subject:** Involvement in the EU's space-related activities (slides)

**Origin:** European Commission, Task Force for the Preparation and Conduct of the Negotiations with the United Kingdom under Article 50 TEU.

**Objective:** Presented at the Council Working Party (Art. 50) on 12 June.

**Remarks:** **These slides are for presentational and information purposes only. The contents are without prejudice to discussions on the framework of the future relationship.**

These slides summarise the possibilities for involvement of third countries in EU space-related activities, including Galileo, and provide a comparison with UK positions.

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# **Framework for the future relationship**

## **Involvement in the EU's space-related activities**

**AD HOC WORKING PARTY ON ARTICLE 50**

**12 June 2018**

# European Council (EUCO) Guidelines, 23 March 2018:

## EU programmes

"11. *In terms of socio-economic cooperation, the following could be envisaged: [...] (b) regarding certain Union programmes [...] **any participation of the UK should be subject to the relevant conditions for the participation of third countries** to be established in the corresponding programmes.*"

## Foreign policy, security and defence

"13. *[...] there should be a **strong EU-UK cooperation** in the fields of **foreign, security and defence policy**. A future partnership should **respect the autonomy of the Union's decision-making**, taking into account that the UK will be a third country [...]"*

# EU negotiating position

## Guiding principles

- Balance of rights and obligations and level playing field
- Not the same rights and benefits as a Member State
- Autonomy of the Union's decision-making
- UK participation in EU programmes subject to third country conditions (future MFF programmes: standard association clause)

### **EUCO Guidelines**

**29/4 & 15/12/17, 23/3/18 - §7**

## Most salient aspects

- Security/PRS aspects in Galileo and future Space programme
- Funding in future Space programme
- Governance: role of the European Space Agency

# Galileo (GNSS)

## Objectives

- "Autonomous Global Navigation Satellite System infrastructure"
- "Contributing [...] to the strategic autonomy of the Union"
- "Civil system under civil control"

**Regulation  
1285/2013/EU**

## Governing principles relating to access to the signal

### • Open signal & data

- ☞ Accessible and exploitable by all citizens, public authorities & businesses, worldwide  
(e.g. Open service, Commercial service, Search & rescue)

### • Security-relevant signal (PRS) & 'proprietary' information

- ☞ Accessible only to EU/EU PRS Member States
- ☞ Protection of EU/Member States' essential security interests

**Council Decision  
1104/2011/EU**

## Third country use of PRS possible:

- ☞ PRS 'user access' possible but conditioned upon PRS agreement

# Proposed EU Space Programme 2021-27

COM(2018)447

(1/2)

Single 'umbrella' programme - Proposed budget: **€16 billion**

## Components:

- Galileo & EGNOS
- Copernicus
- Space Surveillance and Tracking (SST)
- Govsatcom

## Continuity in guiding principles (same as current framework)

- EU Autonomy
- Protection of EU's & Member States' essential security interests

**Art.4(1)(c):** *"The Programme shall have the following **general objectives:** [...] (c) enhance the **security of the Union and its Member States**, its freedom of action and its **strategic autonomy**, in particular in terms of technologies and evidence-based decision-making"*

**Recital 37:** *"One of the main objectives of the Programme consists in ensuring its **security and strategic autonomy** [...] and taking advantage of the possibilities that space offers for the **security of the Union and its Member States.** [...]"*

# Proposed EU Space Programme 2021-27

(2/2)

## Third country participation rules

Articles 7-8

- Programme open for all components, except SST & Govsatcom
- Standard approach to third countries, as in other MFF programmes

## Protection of essential security interests as prerequisite

**Art.7(3)**: "*The Programme components shall only be **open to third countries [...]** provided that the essential security interests of the Union and its Member States are preserved"*

- **Decision 1104/2011** on PRS continues to apply
- Continuity in approach to third country operators : not eligible to security-related procurement/grants

Recital 37 and Art. 25

# **Galileo's key features at a glance:**





		Development/Operation		(Means of) Access	
		Open signal	Security/PRS	Open signal	PRS
Gov.	EU MS	Participation in <b>governance</b> and <b>programme activities</b>	Participation in <b>non-PRS security</b> Participation in PRS aspects <b>if PRS MS status</b>	Accessible and <b>Exploitable Worldwide</b>  by all <b>citizens, public authorities, businesses</b>	All <b>EU Member States</b>
	Third country	<b>Participation, if agreements on:</b> • Participation • Security of info <b>(No voting rights)</b>	<b>No participation</b> to security and PRS-related development		
Business	EU based (est.)	<b>Non-security</b> related tenders	<b>Security (non PRS)</b> related tenders PRS-related tenders <b>if PRS MS-based</b>	Open service, Commercial service, Search & rescue...	<b>Manufacturing of PRS receivers and Security Modules: if PRS MS-based</b> businesses
	Third country based	All <b>GPA/EU-FTAs</b> members based <b>businesses</b> eligible to <b>non-security</b> related tenders	Participation only as <b>Subcontractor</b> for non-PRS security-related tenders; <b>No eligibility</b> for PRS-related tenders.		<b>No manufacturing of PRS Security Modules</b>  If <b>PRS agreement</b> , conditional manufacturing of PRS receivers legally possible

**Legend:**

No restrictions

EU rules: possible for a third country if agreement (or, for MS, if PRS status)

EU rules do not allow for a third country

# UK requests (‘Technical note’ of 24 May 2018)

UK participation to “[...] fulfill the UK's industrial and minimum security requirements” as “[...] from a security perspective, any gap in the UK involvement in the design and development of Galileo and PRS [...] will constitute an irreparable security risk”

“Package of requirements that the UK considers essential”:

- **“22. Access to the Galileo PRS and PRS information [...]”**
  - a. *Unrestricted use of PRS and guaranteed unrestricted access to PRS. [...] PRS ‘user access’ would not fulfil Uk requirements”.*
  - b. Access to all programme information, including agreement that the UK has a ‘need to know’ all security-related sensitive information that allows assurance of the system performance [...]**”
- **“23. Industrial involvement in secure elements [...]”**
- **“24. Attendance at security meetings” [...]**
  - a. **“[...] the UK will need to attend programme discussions related to the design of PRS and the security of the system [...].**  
*The UK will need sufficient guarantee of the concerns it has voiced in those security fora being addressed”*

**Comparison:**

**Galileo rules**

**v**

**UK requests**



# UK requests

## Development/Operation

## (Means of) Access

### Open signal

### Security/PRS

### Open signal

### PRS

EU MS

Participation in **governance** and **programme activities**

Participation in **non-PRS security**

Participation in PRS aspects **if PRS MS status**

All EU Member States

Gov.

Third country

**Participation, if agreements on:**  
• Participation  
• Security of info  
(No voting rights)

**Full participation in security/ PRS matters**

Accessible and Exploitable Worldwide

**Guaranteed unrestricted PRS access + control of PRS signal**

EU based (est.)

Non-security related tenders

Security (non PRS) related tenders

by all citizens, public authorities, businesses

**Manufacturing of PRS receivers and Security Modules: if PRS MS-based businesses**

Business

Third country based

All GPA/EU-FTAs members based **businesses** eligible to **non-security** related tenders

**Full eligibility of UK industry to tender**

Open service, Commercial service, Search & rescue...

**Full involvement of UK industry: manufacturing of security modules**

### Legend

No restrictions

EU rules: possible for a third country if agreement (or, for MS, if PRS status)

EU rules do not allow for a third country



## Third countries under EU rules



## UK position

## Issues

### Agreement on participation in Space programme:

- No voting rights/no decisional power
- No access to all meetings
- Standard budget contribution

### Specific agreement on PRS: 'User' access to PRS signal:

*[Agr. on info security needed!]*

### No design & development of:

- Security-related
- PRS elements

### No role in upstream PRS activities:

- Generation of signal
- Control of encryption

### Third country industry :

#### Limited participation:

- Security-related contracts only as sub-contractor
- No access to PRS/security modules contracts

*(but GPA/FTA participation if non-security)*

#### Participation:

- Security & PRS meetings (incl. SAB)
- 'Negotiable' contribution (if "value for money")

#### Unrestricted & guaranteed PRS access

#### Full participation in:

- Design of Security and PRS
- Upstream PRS activities (control and encryption of signal)

#### Full industrial participation

(including manufacturing of security modules)

**Beyond standard third country status**

**Change of nature, from EU programme to international project**

**Loss of strategic autonomy**

# Conclusion

# Possibilities for EU-UK future cooperation

- **Agreement on participation in EU Space programme as third country**
  - Observer status in committees/EU Agency for Space Programme (*'no decisional power'*);
  - Standard financial contribution & rules on sound financial management, right to audit, protection of EU's financial interests etc.;
  - Industrial participation governed by EU rules on eligibility of third country bidders
- **Specific agreement on PRS access as third country**  
(*in accordance with PRS Decision 1104/2011*)
  - Decision 1104/2011 allows for third country manufacturing of PRS receivers, under conditions.

## Reserved for EU MSs:

- Design & development of security-related and PRS elements
- Upstream PRS activities.