

European satellite navigation systems: implementation and exploitation 2014-2020

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The Council agreed on a **partial general approach** on a draft regulation defining a new financial and governance framework for the European satellite navigation systems (EGNOS and Galileo), for the period covered by the multiannual financial framework 2014-2020. The regulation will replace the current 2008 basic regulation for the European satellite navigation programmes, adopted in 2008 and covering the years 2007 to 2013.

Subcontracting: as a result of ministers' discussions, the presidency compromise proposal has been slightly amended as regards the provision on subcontracting under the procurement rules. In order to foster participation of small and medium-sized enterprises, it has been specified that subcontracting should be made by competitive tendering "at the appropriate levels of subcontracting".

Security accommodation: in addition, a statement on security accreditation activities was adopted, inviting the Commission to present a proposal so as to ensure that compliance of the systems with the security requirements is checked in an independent manner.

Financing: the programmes will be financed from the EU budget, with resources needed for the period 2014- 2020 estimated at around EUR 7.9 billion at current prices. The exact amount of funding to be made available by the EU is left out of the partial general approach, as it will depend on the outcome of the discussions on the next multiannual financial framework. Additional funding may be provided by member states to cover additional elements in particular cases. Third countries and international organisations may also make additional contributions.

Activities: the activities to be financed under the regulation concern the completion of the deployment phase of Galileo (that is, the establishment of space and ground-based infrastructures) and the exploitation of the Galileo and EGNOS systems.

Governance: the governance tasks will be clearly divided between the Commission, the European Space Agency and the European GNSS Agency:

- the Commission will bear the overall responsibility, managing the funds, organising the delegation of tasks, monitoring the implementation of programmes and ensuring their security;
- the European GNSS Agency will be responsible for tasks related to the exploitation phase of the Galileo and EGNOS programmes, including programme management and marketing of services. The implementation of security procedures will also be part of its remit;
- the European Space Agency will be responsible for tasks related in particular to the design and procurement of the system during the deployment phase of the Galileo programme. In addition, it will cooperate with the GNSS Agency in the exploitation of the Galileo and EGNOS programmes, in particular as regards technical support and future technical development.

Public procurement: the draft regulation also contains rules on public procurement in the programmes, promoting the widest participation possible throughout the Union and ensuring fair competition conditions. Tenderers will be asked to subcontract a share of the contract.

Galileo will be an independent European global satellite-based navigation system, providing five services: (i) an open service (OS) free for the user and providing signals for timing and positioning; (ii) a

commercial service (CS) for applications for professional or commercial use requiring higher performance than offered by the open service; (iii) public regulated service (PRS) using strong, encrypted signals and restricted to government-authorised users; (iv) a contribution to the international search and rescue service (S&R) system by detecting emergency signals; and (v) a contribution to integrity monitoring services aimed at users of safety-of-life (SoL) applications; the SoL function, which will be provided in cooperation with the American GPS, allows users for whom safety is essential, for instance airlines or maritime companies, to be alerted when certain margins of accuracy are not met.

The first initial services (OS, PRS and S&R) are due to be available by 2014-2015. The system will be fully operational when all satellites are in place. This should be achieved in 2019/2020.

The Commission pointed out that it had some misgivings about the general approach agreed upon by the Council, in particular as regards the lack of delegation of powers to the Commission for the amendment of certain elements of the regulation

The partial general approach still needs to be **complemented by a provision on the financial envelope**. One delegation, which is in principle in favour of the text, abstained for the time being, pending the decision on the budgetary part.