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NOTE

From: Presidency
To: Council

Subject: Fostering a sustainable space economy
- *Policy debate*

Delegations will find in the [Annex](#) a background document in view of the policy debate in the Competitiveness Council - Space part on 29 November 2019.

I. INTRODUCTION

1. The European Commission adopted on 26 October 2016 a Communication on a Space Strategy for Europe¹ to set out the overall strategic vision for the European Union's activities in space, while ensuring proper coordination and complementarity with the activities pursued by the EU Member States and the European Space Agency ('ESA').
2. Further implementation of the space strategy should more effectively support the renewal and development of the European space industry. This would enable the industry to scale-up and improve access to global and European markets and value chains, and in particular foster the space industry's linkages to other sectors' renewal and growth.
3. As a follow-up of the 2016 strategy, the Commission proposed a Regulation establishing the EU space programme for 2021-2027. The text, endorsed as a common understanding by the Committee of Permanent Representatives and voted in first reading by the European Parliament, encourages the Union to support growth and development of the space sector.

II. SPACE ENABLES SUSTAINABLE GROWTH

4. The global space economy is undergoing rapid transformation. The main current trends include increased public interest and investment in space activities; major technological shifts disrupting traditional business models, reducing the cost of accessing and using space ('*New Space*'); growing level of private investment in space ventures; and further integration of space into the society and economy leading to more value creation in both space and non-space sectors. One of the strategic goals of the Space Strategy for Europe is maximizing the benefits of space for society and the EU economy.

¹ doc. 13758/16.

5. In Europe, as in other regions, increasing expectations have emerged thereafter about space activities as driver for sustainable growth and job creation, and providing tools to tackle societal and global challenges, in particular digital transformation and climate action. In September 2019, the Competitiveness Council discussed the long-term EU strategy for sustainable growth², one of the cornerstones of the EU strategic agenda 2019-2024 adopted by the European Council in June 2019³. Space was recognised as one of the future enablers contributing to sustainable growth.
6. By developing and deploying cutting-edge technologies, European strategic infrastructure and capacity and significant data sets for public and private use, space policy has become a key enabler for future sustainable growth and the basis for monitoring the climate and use of resources as well as enabling the rapid digital transformation.
7. Emerging innovations, artificial intelligence, data and the platform economy are key drivers for accelerating European productivity, growth, prosperity and employment as part of the global data economy. The European Commission should look to further promote innovation in space data services, increase support for the uptake of space technologies and encourage cross-fertilization of knowledge and skills as well as putting in place mechanisms to encourage and incentivise sharing, joint use and pooling of data.
8. The EU should strive for transformation to a climate neutral economy to achieve the EU 2030 climate and energy targets, the goals of the Paris Agreement and United Nations Sustainable Development Goals. Space infrastructure and data plays a key role in monitoring the key variables such as greenhouse gases CO₂ and methane, monitoring changes in the environment and reacting to natural disasters.

² doc. 11965/1/19 REV 1.

³ doc. EUCO 9/19.

III. SPACE ECONOMY NEEDS TO BE SUSTAINABLE ITSELF

9. Increased activities in space come with increasing pressure on the space sector to ensure that their conduct is responsible. To maintain the EU's autonomous, reliable and cost-effective access to space it is important to ensure that the space remains accessible.
10. The proliferation of space debris remains the most serious risk to the sustainability of space activities. Europe should be among the leaders in promoting international principles of responsible behaviour in outer space in the framework of the United Nations and other appropriate multilateral fora. The guidelines on Long Term Sustainability of outer space, accepted by UN COPUOS in June 2019, encourage states and international organisations to take implementing measures to ensure the sustainable use of outer space. The increased activities in space also call for the international discussion on the need of Space Traffic Management.
11. To further enhance the European leadership in sustainable use of space and in light of recital 7 of the proposal for the regulation on the EU Space Programme, efforts should be made to explore accession of the European Union to the relevant UN Treaties and Conventions.
12. Crowding orbits can also lead to the emergence of a new market for end-of-life operations and de-orbiting, on orbit servicing and active debris removal. Innovative solutions in these areas are key elements for a sustainable space infrastructure and European competitiveness. It is of utmost importance that the European space sector is placed at the forefront of this market generation.

IV. CONCLUSION

13. A future European space policy should more effectively enable the space sector's connection to other sectors' renewal and growth. In particular, gaining European leadership in digital transformation, climate action and sustainable use of outer space provide for opportunities in new business and cross-sectoral innovations.

V. QUESTIONS FOR THE POLICY DEBATE

14. In the context described above, the Member States are invited to exchange views on the following questions:

1. *What measures should the EU take in promoting the ability of the space sector to spin-off and link to non-space sectors, in particular for digital transformation and climate action, thus promoting sustainable growth and renewal?*
 2. *How do we ensure that sustainability becomes an important element of the European space policy? Should Europe take leadership in the sustainable use of space and have an active role in promoting it globally and advancing the development of key sustainable technologies?*
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