



DG DEFIS ONLINE EVENT

**WORKSHOP: IMPACT OF THE COVID-19
PANDEMIC ON EU AEROSPACE AND
DEFENCE ECOSYSTEM**

1st SESSION SPACE INDUSTRY

SME4SPACE

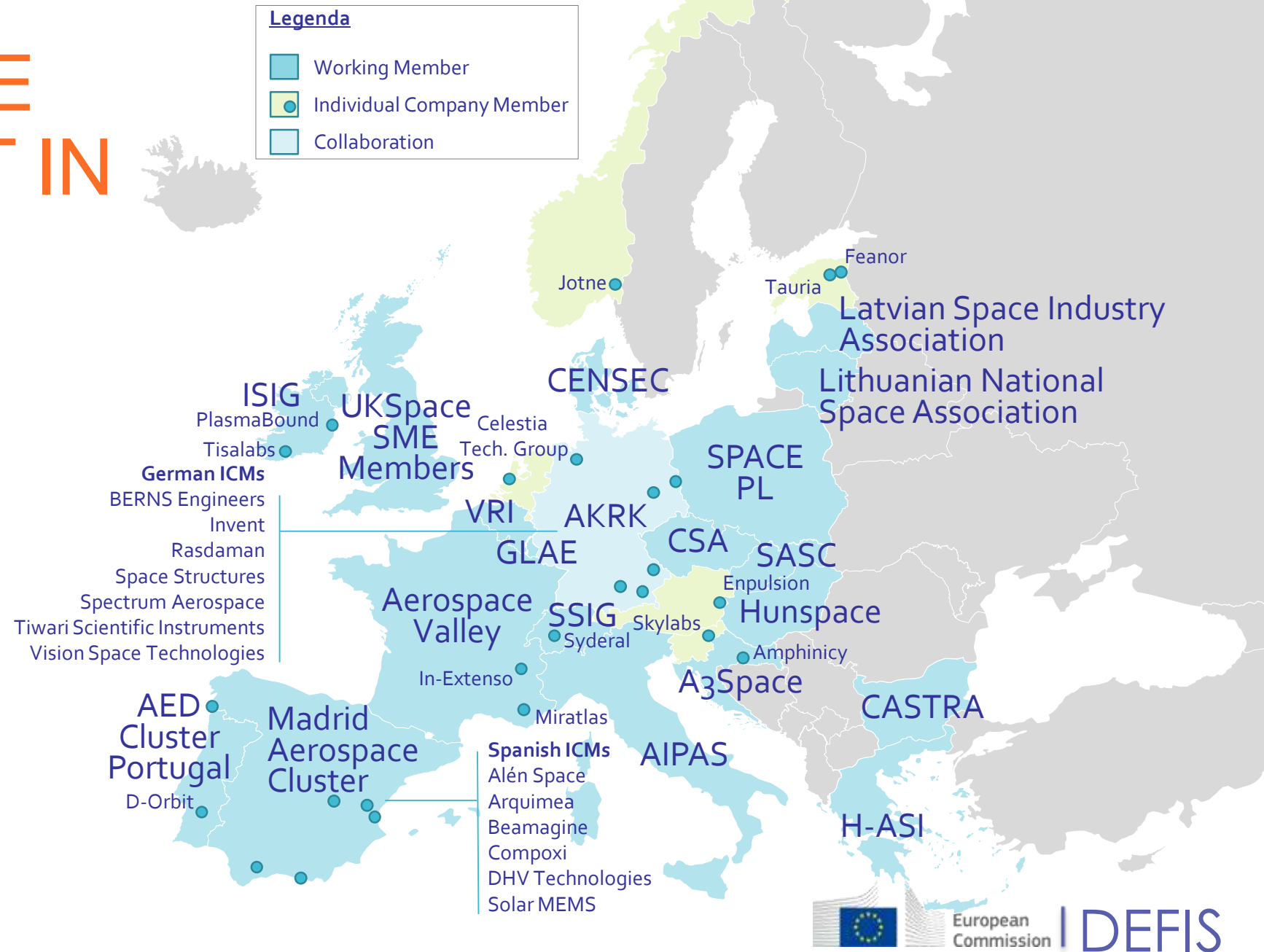
Hans Bracquené - Chairman
Rosario Pavone - Secretary

SME4SPACE

- *An Association of Associations (registered in Belgium)*
- *Membership of individual SMEs also possible*
- *Representing 18 European Countries so far, with Members in 25 Countries*
- *More than 600 SMEs*
- *MoA with ESA (renewed in Feb. 2019)*
- *Providing feedback to/from SMEs*
- *Participating in EU/ESA projects*

SME4SPACE FOOTPRINT IN EUROPE 2020*

* Provisional

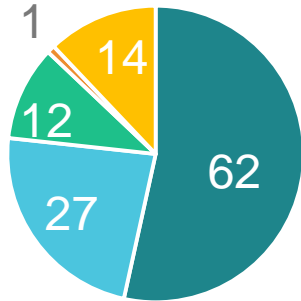


COVID-19 Pandemic Impact on Space SMEs

- SPACE sector in general and Space SMES in particular have been impacted severely by COVID-19 pandemic:
 - with differences between downstream/upstream and manufacturing/software companies;
 - only a very limited number of SMEs can continue its activities unaltered, teleworking widely used;
 - the Space SMEs situation is evolving, with different main problems from the beginning of the pandemic outbreak to the normalisation.

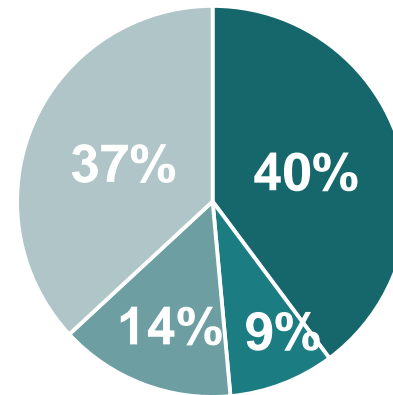
COVID-19 Pandemic Impact on Space SMEs

Activity Level



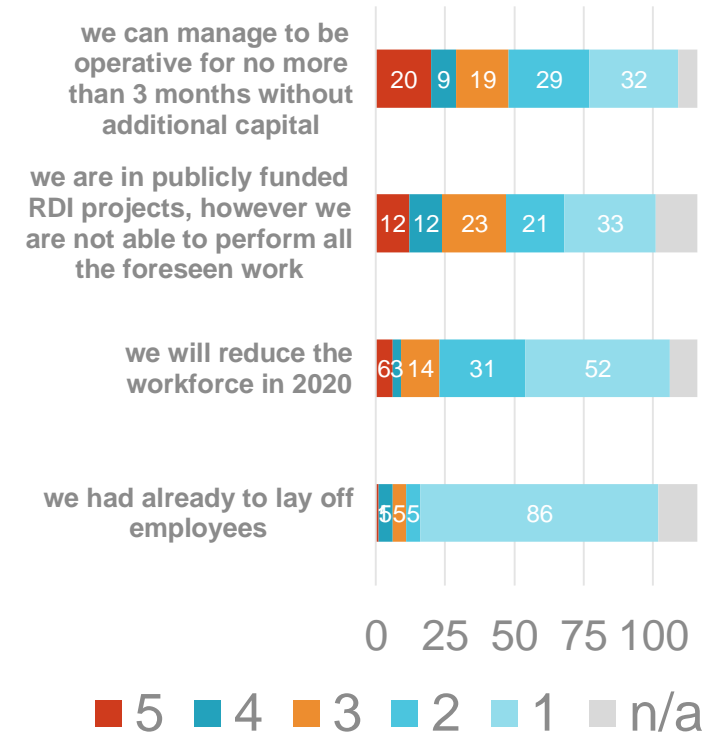
- we are open, but alternating teleworking and on site work
- We are closed, with at least some activities performed in teleworking
- we are open and fully operational
- We are closed with no activity (neither teleworking)
- Other

Number of staff Teleworking



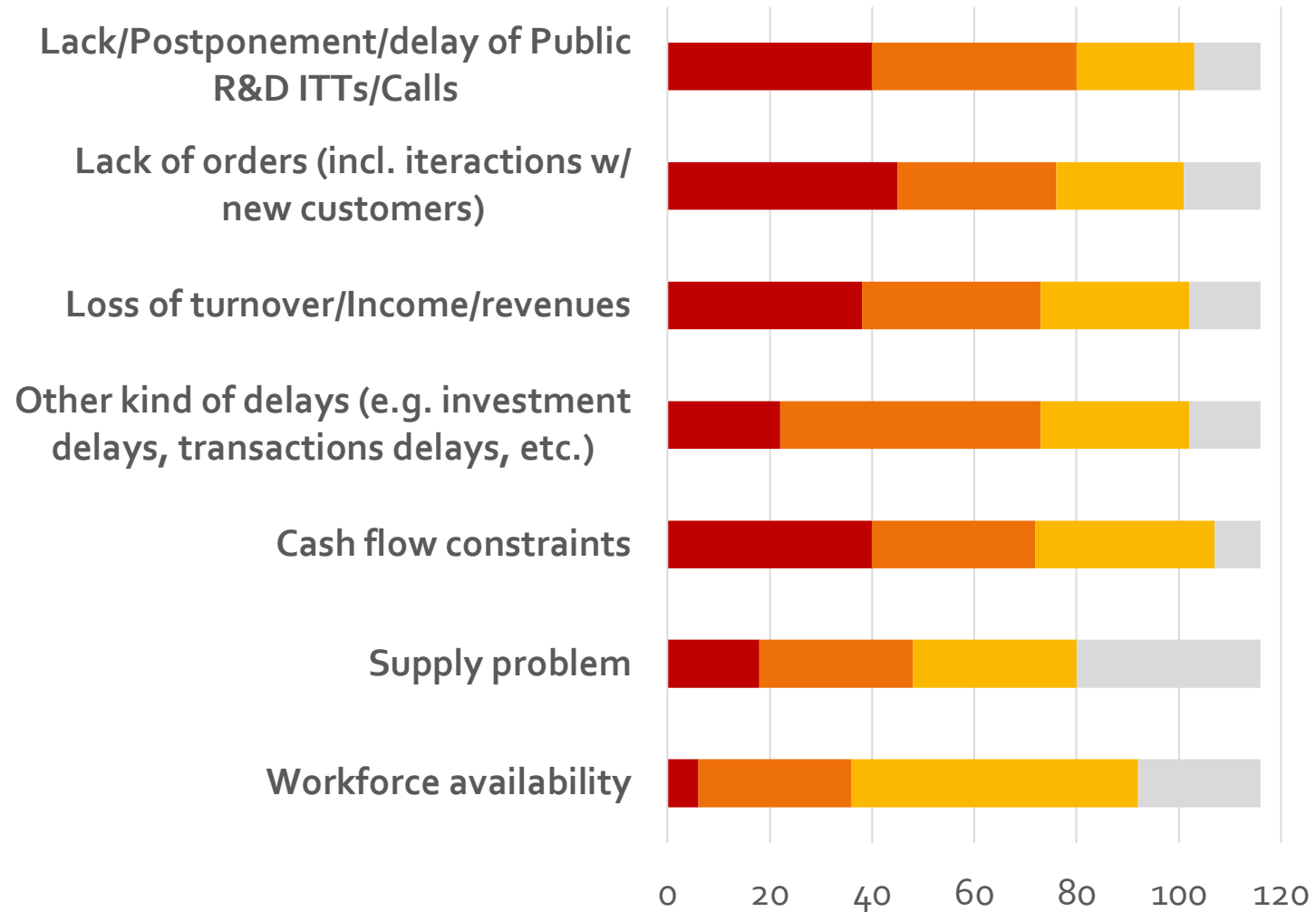
- 80-100%
- 65-75%
- 40-60%
- 10-30%

Situation of the companies



Major Problems Highlighted by Space SMEs

(with comparison between SME4SPACE first and follow on SME COVID-19 surveys)



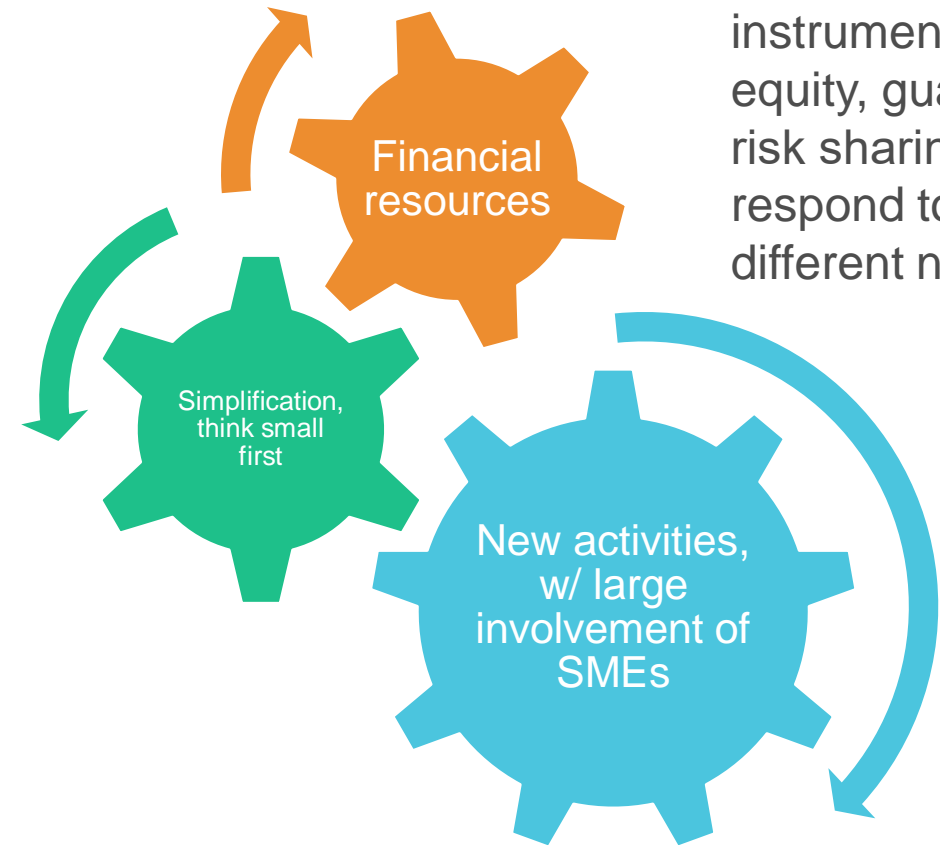
Follow on survey vs 1st Survey

↑ ↑ ↑ ↑ ↓ ↓ ↓

■ Very relevant ■ Fairly relevant ■ Slightly relevant ■ not relevant at all

Future Challenges and Actions to Mitigate COVID-19 Pandemic Effects /1

- In Europe, there are more than **1200 SMEs operating in the whole space value chain.**
- European/National Institutions should target the **resilience of Space SMEs**, with a special attention also to pre-revenue space companies (i.e. start-ups/spin-offs)



A good balance of different financial instruments (debt, equity, guarantee, risk sharing,...) to respond to the different needs

Future Challenges and Actions to Mitigate COVID-19 Pandemic Effects /2

- European Institutions should propose **ambitious Space programmes** and confirm their **long-term commitment to Space activities**:
 - **European Space programme** (maintain the initial proposal of **16B €**)
 - **Horizon Europe – Space**, w/ the right and adequate configuration (i.e. **sound and dedicated budget, specific Work Programme, Space Committee**)
 - **Synergies within the Cluster 4 Digital, Industry and Space** should be definitely sought, however **Space should receive a special treatment as strategic/critical sector**
 - **Space can have a relevant role in 4 out of the 5 earmarked Missions** (adaptation to climate change including societal transformation, healthy oceans, seas, coastal and inland waters, climate-neutral and smart cities, soil health and food)

Future Challenges and Actions to Mitigate COVID-19 Pandemic Effects /3



Demand/Market pull approach



Anchor tenancy, w/ EU institutions to sustain this demand



No technology neutrality, Space as solution provider

Thank you

ADDRESS

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