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BDLI's position on the European Competitiveness Fund 2028 to 2034

Securing the European space sector with 60 billion euros from the ECF



BDLI

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The BDLI calls for a binding budget of at least 60 billion euros for space within the European Competitiveness Fund (ECF) for 2028 to 2034. In addition, there must be dedicated research funding from Horizon Europe. Europe must continue its existing space programmes, build new capabilities and bring technologies to industrial application. To achieve this, the industry needs reliable programmes, independent management of space activities and innovation-friendly access to funding.

1. Securing at least 60 billion euros for European capabilities

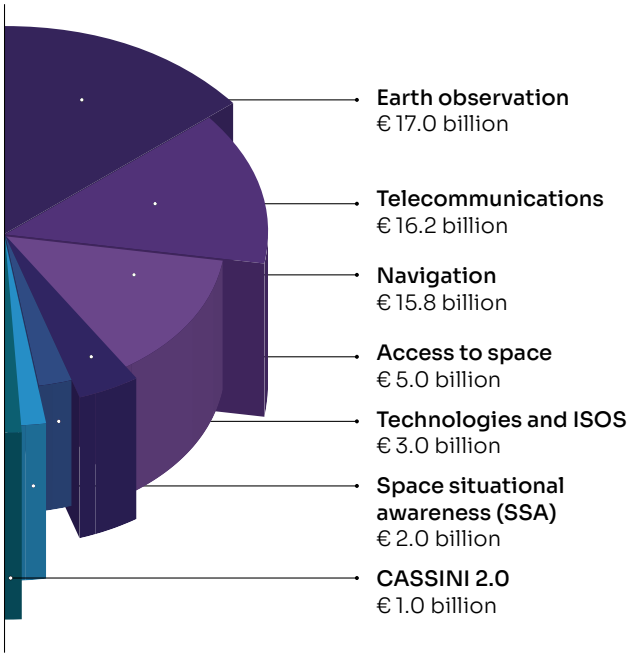
Space is critical infrastructure for communication, navigation, Earth observation and security. The BDLI supports a focus on programmatic investments, demonstration missions and industrial scaling. This focus must be underpinned by an adequately funded space budget, which is itemised separately within the joint window for resilience, security, the defence industry and space, and protected from being squeezed out.

Industrial requirements illustrate the scale involved: the continuation of IRIS², Galileo, Copernicus and EGNOS alone requires around 45 billion euros. A budget that merely safeguards existing programmes leaves significant capability gaps unaddressed. Additional funding is required, in particular, for government Earth observation and reconnaissance, more resilient navigation, direct satellite communications with end-user devices, space situational awareness, in-orbit services and autonomous access to space.

At least 60 billion euros therefore represents the necessary minimum threshold for a European space programme capable of taking effective action. Multi-year procurement contracts and binding programme commitments provide companies and investors with planning certainty. They strengthen industrial capacities and enable even small and medium-sized enterprises and start-ups to contribute their technologies to European missions.

2. Aligning the budget with specific programmes and requirements

The following breakdown illustrates a budget of 60 billion euros across seven key areas of need. The largest shares are allocated to the renewal and expansion of European infrastructure for Earth observation, telecommunications and navigation. Supplementary investments secure access to space, technological capabilities and new commercial offerings.



↑ Figure: Illustrative breakdown of €60 billion in the ECF 2028 to 2034.

The diagram illustrates a possible allocation of the required minimum budget of 60 billion euros. The final programme allocations are to be determined in line with requirements during the budget and programme negotiations. Horizon Europe and a potential Space Shield are not included.

Earth observation comprises €13.5 billion for Copernicus and €3.5 billion for the Earth Observation Governmental Service (EOGS). Telecommunications comprises €12 billion for IRIS², €3 billion for Direct-to-Device, €0.7 billion for GOVSATCOM and €0.5 billion for EuroQCI. Navigation covers Galileo, EGNOS, complementary LEO PNT capabilities and preparations for future generations.

In the area of access to space, the focus is on pooling institutional demand, new launch technologies and critical ground infrastructure.

The technological approach under Article 67 encompasses, in particular, In-Space Operations and Services (ISOS), critical components and demonstrators; it does not include research and development within the other space programmes. Space situational awareness receives €2 billion for sensors, data and services. CASSINI 2.0 provides €1 billion to support innovative missions and the scaling up of new providers.

3. Ensuring end-to-end funding for research and industrial application

Horizon Europe and the ECF must complement one another and cover the entire innovation chain, from collaborative research through demonstration and industrialisation to operations. The BDLI calls for independent, predictable research funding within Horizon Europe in addition to the ECF's space budget. Research under Article 67 and the development components of the individual space programmes must also be secured. Around 15 per cent of the total space funding framework should be allocated to research and innovation, distributed across the complementary channels in the ECF and Horizon Europe. This cross-cutting allocation is not an additional budget item in the pie chart.

Suitable grants must remain available for high-risk development, in-orbit validation and initial industrial applications. Guarantees, loans and equity investments can supplement these. Clear criteria for follow-on funding and coordinated work programmes should prevent funding gaps. Demonstration missions and long-term procurement contracts must also facilitate market access for small and medium-sized enterprises and start-ups.

4. Strengthening European value creation and facilitating cooperation

The ECF is intended to strengthen European capabilities, industrial value creation and security of supply. This requires reliable institutional demand as well as transparent and competitive procurement procedures. The BDLI advocates European preference criteria that allocate EU funds primarily to industry from EU Member States.

Key funding criteria include the contribution to European capabilities, resilient supply chains, the protection of sensitive technologies and data, and the guaranteed availability of the funded systems and services. Provided that intellectual property, responsibility for system design and the relevant technical decisions (design authority) remain within the EU, the involvement of industrial partners from third countries in ECF projects should be permitted. Any rules governing participation should strengthen the European value chain whilst also facilitating proven international partnerships. This is conditional upon compliance with clearly agreed eligibility criteria, as well as an appropriate, proportionate financial contribution from the associated country, commensurate with the level of financial support provided to its industry. Conditions of participation must be tailored to the respective programme and its security requirements.

5. Independently managing space programmes and coordinating with ESA

The BDLI calls for the independent management of space programmes within the ECF, with separately traceable budgets for space and defence. Significant reallocations must be justified transparently and be subject to parliamentary scrutiny. Civil and dual-use space programmes require clear lines of responsibility. Joint roadmaps and coordinated investment cycles between the EU and the ESA should prevent duplication of effort and ensure the transition from technology development to European missions.

The Federal Government should advocate these requirements in the ongoing MFF and ECF negotiations: securing a binding allocation of at least 60 billion euros for space, providing additional funding for research, and linking European value creation with reliable international cooperation.

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About the aerospace industry

The German aerospace industry, represented by the BDLI e.V., is an integral part of the European aerospace industry. As a key strategic industry, the sector plays a decisive role in the technological and economic sovereignty of the European Union. It promotes economic growth, technological innovation and international connectivity. In Germany alone, the industry contributes significantly to GDP with over 130,000 employees and an annual turnover of over 62 billion euros.

Over the decades, Europe has worked together with industry, member states and the European Union to achieve a leading position in the aerospace industry. This must be maintained and further expanded in the face of international competition. In view of far-reaching technological, political and industrial changes, this requires sustained investment in research and innovation.

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