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EVENT REPORT

Europe's ambition in space: unlocking potential and funding future challenges

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Event summary

Against the backdrop of Russia's invasion of Ukraine and mounting hybrid threats, participants argued that Europe must treat space as a core component of resilience, competitiveness and security, and act faster and more coherently across institutions and member states.

A recurring theme of the Policy Insight was governance. While Europe has world-leading strengths, notably in Earth Observation through the Copernicus Programme and other flagship capabilities, its reliance on space-based services is increasingly seen as a strategic vulnerability. Speakers underscored that satellite-enabled capabilities now underpin everything from navigation and weather forecasting to crisis response, critical infrastructure protection and defence planning capabilities such as navigation. Yet these capabilities risk being diluted by fragmented decision-making, uneven coordination between the European Union, the European Space Agency (ESA) and member states, and the absence of a genuine 'single market' logic in space.

The debate took place shortly after ESA's Council Meeting at Ministerial Level (CM25) in Bremen, where member states approved record contributions of €22.3bn, signalling heightened political support for Europe's space ambitions.

Key takeaways

- **Space is no longer a niche policy area.** Participants stressed that space-based services now support daily life, economic activity and national security, making resilience and continuity of services a policy imperative.
- **Fragmentation is Europe's structural weakness.** Speakers repeatedly highlighted that governance and decision-making across the EU, ESA and member states remain too slow and too dispersed for today's threat environment.
- **Earth Observation is central to security and resilience.** Copernicus was cited as a model of effective cooperation and pooled financing, while new "governmental" and security-oriented Earth Observation capabilities must be delivered quickly.
- **Europe must reduce strategic dependencies.** Discussions pointed to reliance on external actors for critical services and stressed the need for autonomous capabilities, including launch capacity, secure communications and intelligence/situational awareness.
- **Dual-use is now a practical reality.** While sensitivities remain, participants argued that Europe must connect civil and defence value chains more effectively, including at regional and local levels, to manage hybrid threats.
- **Investment must go beyond public budgets.** Speakers called for better conditions for private capital, stronger demand aggregation and improved pathways for European companies, especially small and medium-sized enterprises, to scale effectively.

Report presentation

This Policy Insight marked the launch of Friends of Europe's report "Europe's challenges in space security", authored by **Jamie Shea**, Senior Fellow for Peace, Security and Defence at Friends of Europe and former Deputy Assistant Secretary General for Emerging Security Challenges at the North Atlantic Treaty Organization (NATO).

The presentation framed space as an increasingly contested domain where Europe must align institutions, procurement, industrial policy, skills and partnerships. Shea raised the risks of monopoly power in commercial constellations and questioned why Europeans are paying to extend external services when autonomous capability is needed.

He proposed a set of debate-driving questions for Europe's space security posture, including:

- whether deterrence in space is viable;
- what "innovation" should mean in practice (continuous upgrades versus long-term system planning);
- how to manage the growing dual-use nature of space systems;
- whether Europe can build a genuine single market logic for space; and
- how far Europe can continue to rely on long-standing arrangements – particularly where dependence on the United States is becoming more uncertain.

A harsher security environment is reshaping Europe's approach to space

Europe's space policy is being rewritten by events beyond its control. What was once framed primarily as an engine of innovation and competitiveness is now inseparable from questions of security, resilience and strategic autonomy. Russia's invasion of Ukraine has acted as a catalyst, exposing both the centrality of space-based services and the risks of dependency.

As **Giorgio Gori**, Vice-Chair of the European Parliament's Committee on Industry, Research and Energy (ITRE), put it, the global order has become "much less predictable and stable and way more confrontational and threatening", forcing Europe to rethink its priorities. Space, he argued, is no longer just a frontier to explore, but "a place of observation and interception", a domain that directly shapes Europe's ability to defend itself and protect its interests.

This perspective was echoed from a defence perspective by **Pekka Toveri**, Chair of the European Parliament's Delegation to the EU–Ukraine Parliamentary Association

Committee. Drawing on his military and intelligence background, Toveri framed intelligence and situational awareness as the foundational requirements for security, arguing that "you can't fight blind". For him, intelligence and situational awareness, the ability to see across Europe, Russia and the Arctic, are the non-negotiable foundations of security, and space is "the ultimate military high ground".

The message was clear: Europe is entering a period in which space can no longer be treated as a benign or purely technical policy area. It is becoming a contested domain, shaped by geopolitical rivalry, hybrid threats and deliberate interference.

Fragmentation: Europe's enduring structural weakness

Despite its technological strengths, Europe's ability to act in space remains constrained by fragmentation. Several speakers warned that slow decision-making, divided competences and overlapping responsibilities continue to undermine Europe's effectiveness at a moment when speed and coherence are most critical.

Opening the debate, **Dharmendra Kanani**, Chief Operating Officer and Chief Spokesperson of Friends of Europe, asked whether Europe is truly acting like a strategic actor in space. While budgets are increasing and awareness is growing, he argued that Europe still lacks a "single market approach to space", risking duplicated efforts and missed opportunities to build genuinely European capabilities.

Gori reinforced this diagnosis, pointing to "fragmented governance and resources" as one of Europe's main challenges. Without stronger coordination between the EU, the ESA and member states, he warned, Europe will struggle to translate investment into autonomy, particularly in areas such as launch capability, secure communications and defence-related services.

The concern was not abstract. A number of speakers noted that, unlike in other strategic domains, Europe still lacks a clear framework to aggregate demand, align procurement and ensure interoperability. The result, as one participant implied, is a system that often delivers less than the sum of its parts.

Earth Observation: from scientific excellence to strategic capability

Earth Observation emerged as both Europe's strongest asset and a test case for its future ambitions. The Copernicus Programme was repeatedly cited as evidence that Europe can deliver world-class capabilities when roles, funding and objectives are aligned.

For **Pierre Potin**, Head of the Copernicus Space Office at ESA, the recent ESA Council Meeting at Ministerial Level sent a strong political signal. Record commitments, including significant funding for Earth Observation, demonstrate that member states increasingly recognise space as a strategic priority. Yet Potin stressed that

the real challenge now lies in execution: aligning ESA's three-year planning cycles with the EU's seven-year Multiannual Financial Framework (MFF) to avoid gaps and duplication.

From the European Commission's side, **Mauro Facchini**, Head of Unit for Earth Observation at the Directorate-General for Defence Industry and Space (DG DEFIS), described Copernicus as a model of effective cooperation. No single member state could have delivered it alone, he noted, and its success lies in shared financing, clear user requirements and long-term planning. Looking ahead, Facchini argued that new "governmental" Earth Observation services must build on this logic, combining existing commercial, national and ESA assets and filling capability gaps quickly, rather than starting from scratch.

The underlying shift is significant. Earth Observation is no longer only about monitoring climate and the environment; it is increasingly central to security, crisis response and resilience. As several speakers suggested, Europe's ability to move from scientific excellence to operational capability will determine whether it can keep pace with a deteriorating security environment.

From infrastructure to services: putting users at the centre

Another recurring theme was the need to rethink the space ecosystem from the perspective of users, rather than infrastructure alone. Space, participants noted, is no longer "space for space's sake"; it is space for society.

Facchini emphasised that today's users are no longer limited to specialists. "The users now are everyone," he said, from public authorities and emergency services to businesses and citizens. This shift, he argued, should reshape how Europe designs, funds and governs space systems, placing greater emphasis on services, data exploitation and rapid delivery.

From an industry perspective, **Emmanuel Pajot**, Secretary General of the European Association of Remote Sensing Companies (EARSC), highlighted how the European Earth Observation sector has already evolved, with companies increasingly transforming data into operational services, including for security and defence users. The challenge, he suggested, is not a lack of capability, but ensuring that existing commercial solutions are properly integrated into European frameworks and trusted by public authorities.

The discussion also touched on the implications of artificial intelligence (AI). **Andrew Brown**, Director of Research at the European Centre for Medium-Range Weather Forecasts (ECMWF), noted that while AI can extract more value from data, it does not eliminate the need for robust, high-quality Earth Observation inputs. On the contrary, as analytical tools become more powerful, the importance of timely data access, ground infrastructure and resilient data chains only increases.

Dual-use, resilience and the role of regions

The debate also highlighted the growing importance, and sensitivity, of dual-use capabilities. While civil and defence applications have long coexisted in space, speakers argued that Europe must now address this reality more explicitly.

Roya Ayazi, Secretary General of the Network of European Regions Using Space Technologies, stressed that resilience begins at the societal level. Regions and cities, she argued, are on the front line of hybrid threats targeting civilian systems such as transport, energy, water and food supply chains. A more integrated approach to dual-use technologies is therefore essential, allowing civil and defence sectors to "cross-fertilise" while respecting legal and ethical constraints.

Ayazi also warned that overly rigid rules can unintentionally exclude parts of Europe's research and innovation ecosystem, particularly universities and regional actors, from contributing to security-related efforts. In a context of hybrid threats, she suggested, resilience cannot be built solely from the top down.

Strategic dependencies and the question of trust

Underlying many interventions was a growing unease about Europe's external dependencies. Commercial constellations, foreign launch services and non-European providers play an increasingly central role in critical services — raising questions about autonomy, reliability and long-term control.

In presenting his report, Jamie Shea challenged Europe to confront these dependencies head-on. He questioned why Europeans are paying to extend external services in times of crisis and warned of the risks of monopoly power in space-based infrastructure. As space becomes increasingly crowded and contested, Shea argued, Europe must decide whether it is content to rely on others or prepared to develop its own capabilities.

The issue of trust also emerged during the discussion on international cooperation. While examples of EU–China cooperation in space were noted, participants quickly underscored that cooperation in a geopoliticised domain depends on confidence, transparency and safeguards. Space may be borderless, but trust, participants agreed, is not automatic.

Conclusion

The Policy Insight converged on a straightforward proposition: Europe's space policy is now inseparable from its security, resilience and economic strategy. The record funding commitment at CM25 signals political momentum, yet speakers cautioned that money alone will not close capability gaps if governance remains fragmented and delivery lags behind the pace of geopolitical change.

The debate concluded with a call for coherence and urgency: to organise the European space ecosystem around user needs, accelerate operational capabilities in Earth Observation and security-linked services, and align institutions and markets so that Europe can act, in Shea's words, at "warp speed" when circumstances demand it.

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