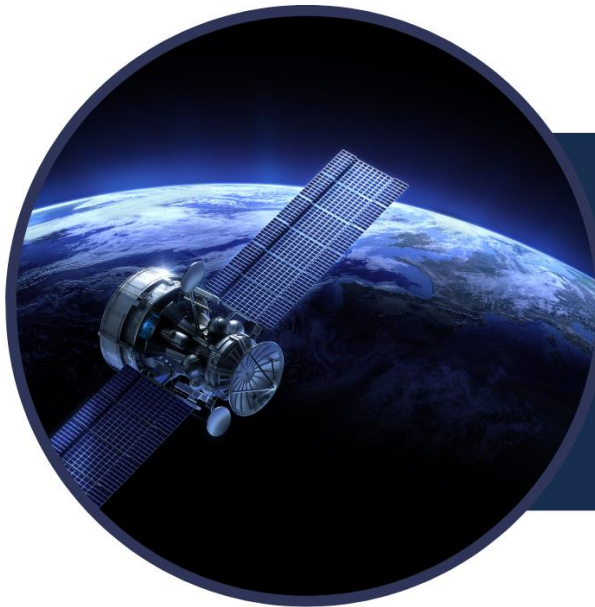


SME4SPACE

Annual Plan

2024



The representative
organisation of SMEs
in Europe's
space industry

Prepared by
SME4SPACE team

www.sme4space.org

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About SME4SPACE

SME4SPACE is the representative organisation of SMEs in Europe's Space Industry. SME4SPACE is a not-for-profit organisation registered in Leuven under the Belgian Law.

The aim of SME4SPACE is to voice Space SMEs' viewpoint in a coordinated way and to facilitate the access of SMEs to space activities in general and to ESA and EU programmes in particular. More in details, the organisation pursues the following not for profit purposes:

Defending SMEs with the European Space Agency (ESA), the European Union and its related agencies;

- Emphasising the potential of the space SMEs in the supply chain and beyond;
- Supporting Europe's industrial policy;
- Fostering the cooperation among our members, but also with large companies, research and academia;
- Organising seminars and information sessions;
- Participating in European and International collaborative projects.

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SME4SPACE Statutes foresee 2 different typologies of Membership:

- Working Member (WM) for Space Associations/Clusters;
- Individual Company Member (ICM) for Space SMEs.

SME4SPACE presently has members in **29 different Countries** (28 European Countries + Canada, as ESA long standing Collaborating State) and consists of **20 Working Members (Associations/Clusters)** and **45 Individual Company Members (ICMs)**, gathering cumulatively **more than 800 SMEs active in space**.

SME4SPACE is also the premier grouping of start-ups in Europe's space industry. We bring together more than 90 start-ups making us their leading voice.



Check our current footprint in Europe

<https://www.sme4space.org/sme4space-members>

POLICY & CONSULTATIONS

SPACE Partnership Since 2022 SME4SPACE was involved together with the other European Space Associations in the discussion with the European Commission for the establishment of a co-Programmed Public Private Partnership (cPPP). The SPACE partnership, through a schedule programme of activities, aims to accelerate the pace of innovation, fostering scientific endeavours for disruptive technologies within EU and enhancing the scientific output of the EU-funded projects, while also contributing to the autonomy of the EU, its infrastructure, and its citizens. Calendar of Activities:

- **15 February 2024:** Inputs from the members to WP 2025 were sent to the European Commission (DG DEFIS)
- **15 March 2024:** The comitology procedure started between the EC and the Member States to finalise the WP 2025 elaboration
- **March 2024:** SME4SPACE invited its members to contribute to workshops and Roadmap activities in the context of the elaboration of WP 2026. This process is supposed to run in the March-September 2024 timeframe (inputs from the members to WP 2026 are to be sent to DG DEFIS in September 2024)

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More information: SME4SPACE website section [here](#).

ESA SME Forum 2024 The SME Forum is an annual consultation process jointly organised by SME4SPACE and the ESA SME Office, during which SMEs share their views and provide feedback about topics which affect their work with ESA and in the space sector in general. In 2024, the SME Forum took place in the frame of the **SME + Midcap Days on 8-9 April 2024** at ESA Headquarters in Paris. Consolidated comments and reactions provided during the SME Forum will feed into the next **ESA High Level Forum** as well as future considerations about the activities and policies of the Agency. Preparatory meetings: in order to prepare the SME Forum and to feed the discussion 2 online preparatory meetings were organised on 6th and 20th March 2024.

ESA High Level Forum The ESA High Level Forum (HLF) is an annual event organised by the Directorate of Industry, Procurement and Legal Affairs, and aims to bring together ESA and industry key stakeholders to share insights and proposals that will shape Europe's future in space. During the event, representatives from three industry working groups – Large system integrators (LSIs), Midcaps, and Small and medium-sized enterprises (SMEs) report the challenges faced by the European space industry and put forward potential solutions.

The ESA HLF serves as a final step of the ESA SME Forum, integrating consolidated feedback and responses gathered during the SME Forum into discussions at the subsequent High-Level Forum. This process informs future agency activities and policy considerations. The event will take place on **10th September 2024, at ESA/ESTEC, Noordwijk, The Netherlands.**

ESA Harmonisation process Since 2015 SME4SPACE contributes to the European Space Technology Harmonisation process. The Harmonisation process is an ESA led initiative that every year harmonises between 8/10 technologies thanks to technology mapping and technology roadmap phases. The Harmonisation process is carried out within the activities of ESA Technology Harmonisation Advisory Group (THAG) an advisory body of the ESA Industrial Policy Committee (IPC). In the Harmonisation process, SME4SPACE supports the participation and the contribution of the Space SMEs in both phases as well as presents their viewpoint and contributions during the mapping meetings. More information on how to get involved and the Technologies under Harmonisation in 2024: SME4SPACE website section [here](#).

Critical Space Technologies For European Strategic Non-Dependence – JTF (EC, ESA, EDA) SME4SPACE participates in the Joint Task Force Consultation process for defining a complete list of critical space technologies for European Strategic Non-Dependence. SMEs have been invited to contribute in the process through SME4SPACE and gain access to the current draft list of critical technologies. The JTF-Industry Consultation Meeting was held on 15th March 2024 at ESA/ESTEC, The Netherlands. Now the consolidate draft list of actions is under review at Member States level. More information on how to get involved in the process: SME4SPACE website section [here](#).

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ESA SME Office contract SME4SPACE is collaborating with ESA SME Office on a daily basis to support its SME Industrial policy implementation. Moreover, this collaboration extends with various ESA Directorates to communicate and to bring the view point and expectations of Space SMEs. Since 2022 SME4SPACE has signed a renewed Memorandum of Agreement (MoA) that extends until 2025.

Engagement and interactions with the European commission space policy agencies and services (DG DEFIS, European Defence Agency, European investment bank) SME4SPACE is involved with the European Commission and its Agencies and Services, DG-DEFIS and the European Investment Bank (EIB) to advocate for the needs of the Space SME Community as well as to address critical issues related to the financing of SMEs in the space sector. Moreover, SME4SPACE is participating in the Space Traffic Management initiative, teaming up with the European Union space industry and start-ups in a regular and constructive dialogue.

Secure connectivity element call for proposals (IRIS²) SME4SPACE has examined the status of the implementation of the EU IRIS² regulation and the start of the procurement process. SME4SPACE highlights that to achieve a wide participation of SMEs and start-ups, these shall be able to deliver their own services to end-users, as laid down in the Regulation. Direct support therefor should be foreseen in the programme through “small programming”: contracts with an appropriate scope and budget range allowing SMEs to take full responsibility for them without being dependent on the inside system knowledge of other integrators.

Annual overview of the economic importance and financial strength of the SMEs in Europe

Since 2021, SME4SPACE, in collaboration with KU Leuven and the ESA SME Office, has been analysing the economic significance and financial health of SMEs in the European space industry, covering over 1700 firms. This analysis reveals substantial growth in the industry from 2015 to 2021, with notable increases in SME employment, turnover, and investment in tangible and intangible assets. The growth in employment is attributed to the expansion of existing companies and the establishment of new ones. Although established companies have seen a significant rise in turnover, the contribution from newly established firms is somewhat lower, a reflection of the time it usually takes for new companies to generate substantial revenue. The space sector's capital-intensive nature is evident from its total assets, yet the turnover-to-assets ratio - a measure of how efficiently companies generate revenue from their assets - is relatively low at less than 1, indicating the heavy investment required in the space industry. The industry is characterised by a diversity in company sizes, with micro-sized firms dominating in numbers but contributing less to the overall financial metrics than their small and medium-sized counterparts. Finally, there is also a marked increase in intangible assets like patents and R&D expenses, underscoring the growing role of innovation and research in the industry's future development and competitiveness. Executive summary of the last study is available on SME4SPACE website [here](#).

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Council Meeting at Ministerial Level 2025 In anticipation of the 2025 ESA Ministerial Council, SME4SPACE is committed to take the necessary actions to ensure thorough preparation for the Ministerial. This includes actively engaging with its Members to gather insights and concerns, advocating for policies and programmes that support the SME community within the space sector, and working closely with ESA to ensure that SME interests are well-represented and prioritised in the conference agenda.

EU Space Law SME4SPACE is broadly informing its Members and community about the launch of the EU Space Law initiative. In addition, SME4SPACE organised an informal discussion with DG DEFIS and a number of interested SMEs to clarify better the scope and the ambitions of the EU Space Law. This initiative is a continuous process, with subsequent phases and updates scheduled for release throughout the 2024 year.

Statement for a responsible Space Sector Since 2022 SME4SPACE has collaborated with ESA and other space stakeholders in the signature of the Statement for a Responsible Space Sector preceding the ESA Council at Ministerial level. Within the framework of the Statement, SME4SPACE will participate within 2024 in Working Groups on the topics of “Greenhouse gas reduction”, “Life cycle assessment and eco-design”, “Responsible supply chain” and “Space debris” in order to produce valuable outputs.

Addressing Non-recurring Costs with a dedicated SME4SPACE Action A key challenge identified in the collaboration with SMEs is the management of non-recurring costs (NRCs), which are often a significant barrier to the start-up and scaling of new activities within the space sector. Receiving insights from our colleagues in the aeronautics industry and understanding the critical nature of NRCs in the development and Commercialisation of innovative solutions, SME4SPACE proposes to initiate a dedicated action. The aim would be a support scheme for SMEs in managing these costs and help the build-up of the sustainable supply source required in our industry.

EVENTS



Paris Space Week 2024 SME4SPACE participated in the 2024 edition of the Paris Space Week on 12-13 March 2024.



ESA Industry Space Days 2024 SME4SPACE will participate in the 2024 edition of the ESA Industry Space Days organised at ESA/ESTEC (Noordwijk – The Netherlands) on 18–19 September 2024. Registrations opened from 1st March 2024.



International Astronautical Congress 2024 SME4SPACE will attend to the 2024 edition of the International Astronautical Congress (IAC) that will take place in Milan, Italy on 14-18 October. More information will be shared closer to the event's date.



Space Tech Expo Bremen 2024 SME4SPACE will participate in the 2024 edition of the Space Tech Expo that will take place in Bremen, Germany on 19 - 21 November. More information will be shared closer to the event's date.

PROJECTS & STUDIES



ASTRAIOS (Analysis of Skills, Training, Research and Innovation Opportunities in Space) Project

SME4SPACE is part of the ASTRAIOS Consortium, an EU-funded project that aims at fostering innovation, increasing EU competitiveness in the space sector and improving the dynamics of the space entrepreneurs ecosystems. To achieve this, the ASTRAIOS team will provide an exhaustive view and understanding of the current and future Space curricula and courses offered in the EU-27. The project will also describe the need from the European Space industry in the next 10-15 years and identify actionable ways towards a better alignment between the offered educational programmes and the skills required by the future European space industry. A dedicated workshop is scheduled to be held in the second quarter of 2024, and more information will be shared in the coming weeks.

ASTRAIOS Website: <https://www.astraios.eu/>



STARS*EU Job Placement scheme (Space Technology and Research Support for EU)

STARS*EU is an EU-funded contract supporting DG DEFIS in the field of Education and skills for space in the EU: The understanding of educational needs required by the research community and industry is fundamental to ensure that adequate educational standards and a skilled workforce are in place to compete in the future global space ecosystem. For 2024, SME4SPACE will be responsible to ensure the success and effectiveness of the Job Placement scheme by offering a fixed number of internships through its network of company Members. More information on the initiative will be announced later this year.

STARS*EU website: <https://starseu.net/>

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