RESOLUTION ON THE ROLE OF ESA IN SUSTAINING COMPETITIVENESS AND GROWTH IN EUROPE

(adopted on 20 November 2012)

Council meeting at ministerial level,

RECALLING the purpose of the European Space Agency (ESA) as outlined in Article II of its Convention,

HAVING REGARD to the Resolution on “Global challenges: taking full benefit of European space systems” (ESA/C-M/CCXVIII/Res. 1 (Final)) and the Resolution on “Orientations concerning added value and benefits of space for the security of European citizens” (ESA/C-M/CCXXV/ Res. 1 (Final)), both adopted by Council at ministerial level at the Space Council meetings held on 25 November 2010 and 6 December 2011 respectively,

HAVING REGARD to the ESA Director General’s proposal: Space for Competitiveness and Growth for the 2012 Council meeting at ministerial level (ESA/C-M(2012)2),
CHAPTER I
ESA ACHIEVEMENTS SINCE 2008

1. WELCOMES the unprecedented series of successes achieved by ESA and its partners since the 2008 Council at ministerial level, benefiting the whole of Europe, its scientific communities, industrial sector and citizens; and further UNDERLINES that these successes have already contributed to:

(a) The pushing of the frontiers of knowledge:
   - of the origin of the Universe, thanks to the unique data delivered by the Herschel and Planck missions;
   - of the Earth, its environment and climate change, with the Gravity field and steady-state Ocean Circulation Explorer (GOCE), Soil Moisture and Ocean Salinity (SMOS), CryoSat-2 missions, and the development of a set of publicly available Essential Climate Variables derived from ESA missions;
   - of fundamental, gravity-dependent phenomena, resulting from the operational utilisation of the facilities on board the International Space Station (ISS);

(b) The fostering of innovation and competitiveness of the European industrial sector:
   - in the commercial field of satellite communications with the launch of Hylas, the development of the Alphabus platform and the launch of Alphasat in early 2013, and the development of the Small GEO platform and the launch of the AG1 telecom satellite scheduled for 2014;
   - in the field of launch services with an unprecedented series of 52 successful launches of Ariane 5 by Arianespace, the successful first launches of Vega, and Soyuz from the Guiana Space Centre (CSG), complementing the launch services offered with the Ariane launcher;
in the field of ISS operations with the delivery of Node-3 and Cupola and its yearly servicing by the unique cargo transportation vessel, the Automated Transfer Vehicle (ATV), demonstrating the development and production capabilities exclusive to European industry;

- in the technology field with the Proba-2 mission and the technologies used in the Galileo satellites;

- in the field of business development with the ESA Business Incubator Centres (BICs), developed in partnership with public authorities and private investors, providing opportunities to entrepreneurs with innovative ideas to use space technology, applications and services in a non-space environment;

all implemented in partnership with Member States, national and regional organisations and industry;

(c) The enabling of services for:

- meteorological forecasting with the Meteosat Second Generation (MSG)-3 and Meteorological Operational Polar (MetOp)-B satellites, as joint undertakings between ESA and Eumetsat;

- navigation, with the start of operational EGNOS services and the launch of 4 Galileo In-Orbit Validation (IOV) satellites, as a joint undertaking between ESA and the European Union;

- management of natural disasters after more than 10 years of effective activation of the International Charter ‘Space and Major Disasters’ in partnership with more than 10 agencies in the world;

- environment and security, together with the European Union, with two operational Global Monitoring for Environment and Security (GMES) services (land monitoring and emergency response) and two preoperational services (maritime and atmosphere);

- a range of innovative user-driven and sustainable applications and commercial services;
2. RECOGNISES that the above achievements demonstrate the expanding societal and economic value of space activities, fostering the competitiveness of and growth in the manufacturing and services sectors, and as a strategic tool for Member States in many policy areas, such as the environment, security, transport, the information society, sustainable development and innovation;

3. RECOGNISES, also, that the above achievements demonstrate the role played by ESA in delivering successful European projects and providing its Member States and the European Union with attractive, flexible and reliable modes of cooperation, such as public and private partnerships;

4. CONSIDERS that these achievements constitute a solid basis for the full use of ESA and its assets for the benefit of Europe in an evolving and challenging context.

CHAPTER II
CHALLENGES AND OPPORTUNITIES

5. WITNESSES the rapid changes taking place in Europe and in the world with relevance to space activities, such as:

   (a) Europe’s evolution with the advent of the Treaty on the Functioning of the European Union, as a result of which the European Union has become a public actor in space alongside ESA and Member States, as seen also in the enlargement of ESA membership and the increased cooperation with non-ESA European Union Member States;

   (b) the economic situation of both Member States and some international partners, introducing additional budget constraints and requiring proper investment for the future;
(c) the appearance of many more nations on the space scene, coupled with their increasing strength in that domain, opening new markets but also increasing the number of competitors; and

(d) the evolution of European industry, in particular in the telecommunication sector, and innovative industrial initiatives, in particular in the launch services sector, introducing new ways of developing space infrastructures;

6. RECOGNISES that the above changes require a series of actions from Member States, the Director General and industry in order to foster the competitiveness of the European space sector;

7. UNDERLINES that these actions shall include:

   • decisions on ESA’s programmes and activities as reported in Chapter III below, and also in the Resolution on the Level of Resources for the Agency’s Mandatory activities 2013-2017 (also referred to as “Resolutions No. 2”) and the Resolution on the CSG (also referred to as “Resolution No. 3), both Resolutions adopted at this meeting;
   • decisions and directions taken on industrial policy pursuant to Chapter IV below; and
   • decisions and directions taken on the evolution of ESA pursuant to the Political Declaration: Towards the European Space Agency that best serves Europe (referred to below as “Resolution No. 4”) adopted on this day;

8. UNDERLINES that the programmes and activities decided on this day will be implemented in partnership with European and international actors, and RECOGNISES that the development and sustainability of such partnerships require long-term stability and continuity in the implementation of space activities, providing in return powerful support to growth and economic recovery;
9. WELCOMES the Director General’s proposal for annual meetings of Council, to exchange on national plans and strategies to foster mutual coordination among Member States of ESA and with those of the European Union.

CHAPTER III
DECISIONS ON ESA’S PROGRAMMES AND ACTIVITIES

10. TAKES NOTE of the programme proposals made by the Director General, in line with the European Space Policy and the draft ESA Long-Term Plan 2013-2022, which respond to the global challenges outlined in Chapter II above and provide the basis for the decisions taken this day on the Level of Resources for the Agency’s Mandatory activities 2013-2017, on the funding of CSG for the period 2012-2017 and on the subscriptions to activities and optional programmes, as detailed in ESA/C(2012)100 in its latest revision, relating primarily to:

(a) “Pushing the frontiers of Knowledge”, providing European scientific communities with stable programmatic frameworks and sustained in-orbit infrastructures, in particular the ISS, and ensuring that, through open consultation and competition, European scientists succeed in driving the identification of ideas for the future within the given financial envelopes, the selection and design of new missions and instruments and the interpretation of the results, thus guaranteeing that Europe remains at the forefront of new discoveries of space and in space, as well as achieving a better understanding of planet Earth and its environment; to that end, also ensuring availability of ESA scientific data for the future;

(b) “Supporting an Innovative and Competitive Europe”, enabling European industry to secure, consolidate and increase its share of worldwide markets, in particular in the field of satellite communication and launch services, and to foster the competitiveness of future European space projects through
technology programmes, including cross-cutting technologies, designed and implemented in partnership with industry;

(c) “Enabling Services”, in partnership with service providers, with new programmes which will provide European citizens with advanced meteorological services based on a new generation of satellites, prepare the next generation of navigation and environmental satellites, and widen the scope of applications developed in ESA programmes in response to users’ needs;

11. UNDERLINES the importance of ESA’s continuous efforts towards innovation, including in support of sustainable development;

12. INVITES the Director General, consistent with Resolution No.4, to take all actions necessary with the Member States and the European Commission for ensuring convergence and complementarity between ESA activities and programmes and relevant activities planned to be funded by the European Union during the period 2014-2020.

13. WELCOMES the adoption on 19 November 2012 of the Resolution concerning a Small Missions Initiative (SMI) programme (ESA/CCXXXIII/Res. 2 (Final)), aimed at opening up opportunities for new development activities addressing specific programmatic objectives in accordance with the corresponding Director General’s proposal (ESA/C(2012)176, rev. 1);
CHAPTER IV
INDUSTRIAL POLICY

14. UNDERLINES the success of the European space industry in the commercial field, as evidenced by:

(a) the global market share of European geostationary telecommunication satellite integrators having grown from 20% to 35% in the past decade;

(b) all non-geostationary satellite projects (Globalstar Second Generation, Iridium NEXT, O3b Networks) having been captured by European industry; and

(c) the unequalled demonstration of success of European industry in delivering commercial launch services;

15. UNDERLINES, in addition, the key role of the European space industry in the institutional field, wherein, as a result of the unwavering support accorded to ESA programmes over a long period, 2009–2012 has witnessed unprecedented successes for ESA, in number, in quality and in relevance to the economy and society;

16. WELCOMES the increased efficiency of ESA procurement resulting from the procurement reform decided in 2008, with benefits being derived, in particular, from competitive bidding, an enhanced procurement strategy and from ensuring the fulfilment of industrial policy requirements;

17. DECIDES to continue reinforcing the early phases of European space programmes so as to exert further control over cost and schedule risks;
18. CONSIDERS that the competitiveness of European industry lies at the heart of the objectives and success of European space programmes, providing a boost to employment and the economy directly attributable to space developments and associated services, and DECIDES, therefore:

(a) to create a high level forum that gathers together representatives of Member States and of the whole value chain of space industry to foster a dialogue on competitiveness and growth in Europe and provide recommendations to the Director General;

(b) to invite the Director General to initiate, consistent with Resolution No.4, a common reflection with the European Commission aimed at defining, in view of complementary activities in space, measures increasing the end-to-end efficiency in procurement of space programmes, while benefiting the competitiveness of European industry, and to make proposals to Member States;

(c) to promote partnerships with public and/or private parties with the aim of achieving strategic objectives of benefit to Europe;

(d) to identify every opportunity with regard to In-Orbit Validation and In-Orbit Demonstration, when recognised useful and needed;

(e) to improve interface standardisation and technology harmonisation together with industry; and

(f) to foster the participation of Small and Medium-sized Enterprises (SMEs) in ESA programmes and to encourage innovation and entrepreneurship;

(g) to ensure that opportunities for industry are better known at the early stages of procurement;
19. MANDATES the Director General to put in place expeditiously all the means necessary to implement the above decisions and to report on the results and achievements, to Council and its subordinate bodies.

CHAPTER V
GUIDELINES FOR DECISIONS TO BE TAKEN
AT THE NEXT COUNCIL AT MINISTERIAL LEVEL

20. RECOGNISES that some of the decisions taken at the occasion of the Council meeting at ministerial level of 20-21 November 2012 (referred to below as “CM-2012”) may require to be complemented at a Council meeting at ministerial level to be held in the first half of 2014, under the same co-chairmanship, in order to take into account the evolving environment, and UNDERLINES at the same time that most of the decisions taken at the CM-2012 provide the long term stability required for the success and efficiency of the European space programmes and activities until the subsequent Council meeting at ministerial level currently planned to take place in 2015;

21. INVITES the Director General to prepare, with the co-chairs of the Council meeting at ministerial level, all the proposals required for the decisions to be taken at the coming Council meetings at ministerial level.
RESOLUTION ON THE LEVEL OF RESOURCES FOR THE AGENCY’S MANDATORY ACTIVITIES 2013-2017

(adopted on 21 November 2012)

Council, meeting at ministerial level,

HAVING REGARD to Articles V.1 (a), XI.5 (a) (ii), I.3 and Annex II of the Convention,

HAVING REGARD to the Director General’s proposal for the level of resources for the Agency’s mandatory activities 2013-2017 (ESA/C-M(2012)8),

HAVING REGARD to the Resolution on the adoption of the revised Financial Regulations (ESA/C/CCXXXIII/Res 1 (Final)) including the establishment of a new scheme for general and administrative costs comprising a system of reporting to the Administrative and Finance Committee,

HAVING REGARD to the Resolution on the European Space Policy (ESA/C/CXCIIV/Res. 1 (Final))

1. DECIDES by a unanimous vote of all Member States to set at 3,700.0 Meuro at current economic conditions the level of resources to be made available to the Agency for the period 2013-2017 which is broken down as follows:

(a) for the scientific programme, an amount of 2,539.5 Meuro according to the following annual schedule:
b) for the Agency’s basic activities, an amount of 1,160.50 Meuro according to the following annual schedule:

<table>
<thead>
<tr>
<th></th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>232.1</td>
<td>232.1</td>
<td>232.1</td>
<td>232.1</td>
<td>232.1</td>
<td>1,160.5</td>
</tr>
</tbody>
</table>

2. STRESSES that the scientific programme has been extremely successful in putting Europe as a whole at the forefront of space science and in making it a global player, thanks to a stable and reliable sequence of missions, which has provided both the scientific community and industry with a vital combination of expanding knowledge and long-term investments, key to achieving excellence and innovation;

3. SUPPORTS the continuation of missions under preparation and the implementation of the Cosmic Vision Plan 2015 – 2025, both representative of European excellence; UNDERLINES that stability of financial resources will allow Europe to consolidate its worldwide lead in space science and that this objective also requires the continuation of on-going scientific missions based on continuously improved control of their cost and schedule;

4. INVITES the Director General to propose, by taking advantage of the characteristics of the scientific programme and its financial stability and flexibility, new opportunities for scientific projects, such as to meet the needs of all the communities the scientific programme serves within the Member States;

5. UNDERLINES the importance of the basic activities that provide the foundation for the Agency’s core activities and for the critical technical competences and infrastructure; WELCOMES the orientation of the basic activities towards supporting preparation for the future, securing investments
in technical assets, which are unique to the Agency, enhancing the competitiveness of the European space industry, preserving the value and knowledge from science data and fostering growth of jobs in Europe;

6. EMPHASISES the contribution of the General Studies Programme (GSP), the Technology Research Programme (TRP) and core technical competences in mastering the technical challenges of future missions by undertaking studies and developing innovative technology and advanced concepts as key factors in achieving success AND INVITES the Director General to work with the European Commission to maximise synergies on technology, so as to achieve coherence and complementarity of R & D investments in Europe, notably with regard to ESA programmes and EU Horizon 2020, with a view to making best use of overall public investments;

7. RECOGNISES the benefit to European scientists of the access to third party Earth observation data and international science cooperation enabled by the Earthnet programme; EXPRESSES its support for Agency activities preserving science data from ESA and Member State missions and providing them to present and future generations of researchers and RECOGNISES the need to explore European Union and additional funding sources to secure the preservation of data in the long-term (LTDP) while granting to ESA Member States full and free access to those data;

8. UNDERLINES the importance of the Technology Transfer Programme, which contributes especially through business incubation centres to growth and competitiveness creating new jobs and fostering innovation; ENCOURAGES actions, such as the SME initiative, the European Component Initiative (ECI), educational activities and technology harmonization, with a view to creating the conditions for fostering growth of jobs in high-tech industry; STRESSES the importance of the European Union’s role with regard to LTDP and ECI and in supporting innovation by SMEs; WELCOMES the EU to fund these important activities from 2014 onwards and measures associated to the introduction of the REACH/Rohs requirements by EU legislation;
9. WELCOMES the revision of the Financial Regulations establishing a framework outside the Level of Resources for the allocation of the Agency’s general and administrative costs and UNDERLINES that this mechanism will simplify cost allocation and allow cost sharing amongst all Agency programmes including those funded by or jointly funded with any third party, whilst providing the basis for limiting the evolution of the level of such cost, enhancing cost transparency and allowing for better cost control; EXPRESSES its support to the Director General in his continuous efforts to ensure the proper functioning of the Agency and to implement further measures to pursue increased efficiency of the Agency activities;

10. RECALLS AND CONFIRMS that all costs related to new activities and programmes outside the scope of Article V.1 of the Convention shall be borne by the requesting party, unless otherwise decided by Council;

11. WELCOMES the industrial policy measures for mandatory activities and programmes decided by Council at its meeting on 13-14 June 2012, which are based on enhanced pro-active management and a widened portfolio of activities to ensure suitable return.
RESOLUTION ON THE CSG (2012-2017)

(adopted on 21 November 2012)

Council, meeting at ministerial level,

RECALLING that, since 1975, the Agency has contributed to the funding of the Guiana Space Centre (hereinafter referred to as “the CSG”) and RECOGNISING the need to continue contributing to such funding in order to allow ready access to space for all Member States, the European launch base being a main element of the guaranteed access to space for Europe,

HAVING REGARD to the Resolution on the evolution of the European launcher sector (ESA/C-M/CLXXXV/Res. 3 (Final)) adopted by the Council meeting at ministerial level on 6 December 2005, hereinafter referred to as “the 2005 Launchers Resolution”, and in particular to its Chapter V on CSG Launch Range funding,

HAVING REGARD to the Agreement between the Agency and the Government of the French Republic on the Guiana Space Centre and associated services, signed on 18 December 2008 and concluded for the period from 1 January 2009 to 31 December 2020 (ESA/LEG/351), hereinafter referred to as “the CSG Agreement”,

TAKING NOTE of the Declaration by certain European Governments on the Launchers Exploitation Phase of Ariane, Vega and Soyuz from the Guiana Space Centre, finalised by Government Representatives of the Member States of the
Agency on 30 March 2007 and concluded for the period from 1 January 2009 to 31 December 2020 (see ESA/C/R(2007)2, rev. 1), hereinafter referred to as “the Launchers Exploitation Declaration”,

HAVING REGARD to the Resolution (ESA/C/CXCV/Res. 3 (Final)), adopted by the Council on 13 June 2007, through which the Agency accepts the mandate entrusted to it in the Launchers Exploitation Declaration,

TAKING NOTE of the exploitation agreements for the launchers Ariane (hereinafter referred to as “the Ariane Exploitation Agreement”) and Vega (hereinafter referred to as “the Vega Exploitation Agreement”), concluded by Member States of the Agency participating in the relevant Agency’s launcher development programmes at the occasion of the Council meeting on 13 June 2007,

TAKING NOTE of the Arrangement between the Agency and Arianespace on the launchers exploitation phase of Ariane, Vega and Soyuz from the Guiana Space Centre, concluded for the period from 1 January 2009 to 31 December 2020 (ESA/LEG/350(R), as amended), hereinafter referred to as “the ESA/Arianespace Exploitation Arrangement”,

HAVING REGARD to the Resolution on the CSG (2009-2013) (ESA/C-M/CCVI/Res. 3 (Final)) adopted by the Council meeting at ministerial level on 25 November 2008, and TAKING NOTE of the update of the composite contribution scale provided in Section 1 of Annex II to this Resolution based on the revised GNP scales approved by Council (ESA/C(2011)150),

HAVING REGARD to the Director General’s proposal for the Agency contribution to the funding of the Guiana Space Centre and associated services over the period 2012-2017 (ESA/PB-LAU(2012)17, rev. 2), hereinafter referred to as “the Director General’s Proposal”, which has been drawn up in compliance with the principles set out in Chapter V of the 2005 Launchers Resolution,
defining both the funding of the CSG and associated services over the period 2013-2017, and the final amount for the year 2012 in accordance with paragraph II.4 of the Resolution on the CSG (2009-2013),

CONSIDERING that the Agency shall contribute to the funding of the Guiana Space Centre and associated services, namely the costs of services to be provided by CNES under Article 8 of the CSG Agreement (hereinafter also referred to as the “Reference MCO Costs” in accordance with the Director General’s Proposal),

(Principles for the Agency contribution to the funding of the CSG and associated services)

I. NOTES that, according to the CSG Agreement, the French Government guarantees to the Agency the availability of the CSG Launch Range, as therein defined, for the Agency programmes and activities and for the exploitation phase of Ariane, Vega and Soyuz, and that the CSG Launch Range is rendered and kept compatible with the requirements of those development and exploitation activities, and FURTHER NOTES that CNES is designated by the French Government as the authority responsible for the implementation of this guarantee.

II. AGREES on the following principles:

II.1. The Agency shall contribute, for the year 2012, to the Reference MCO Costs and to the Agency internal costs and levies in accordance with Article II.4 of the Resolution on the CSG (2009-2013); the final amounts of the Reference MCO Costs and of the Agency internal costs and levies to be funded by ESA Member States for the year 2012 are set out in Annex I to this Resolution and detailed in the Director General’s Proposal;
II.2. The Agency shall contribute, for the period 2013-2017, to the Reference MCO Costs in accordance with the Director General’s Proposal; the yearly amounts of the Reference MCO Costs to be funded by ESA Member States for the period 2013-2017 are set out in Annex I to this Resolution and detailed in the Director General’s Proposal;

II.3. The yearly amounts referred to in paragraph II.2 shall be final for the period 2013-2015, subject to economic conditions updating according to the Agency’s rules and procedures;

II.4. The final yearly amounts related to the period beyond the year 2015 will be decided by the Council on the basis of a corresponding Director General’s proposal, established on the basis of Reference MCO Costs estimates to be supplied by CNES and subsequently negotiated between the Agency and CNES. If the negotiations aimed at setting the final yearly amounts for the period beyond 2015 cannot be completed in good time or in the absence of decision by Council on the Agency contribution to the funding of the CSG and associated services for the period beyond 2015, the provisional amounts set out in Annex I to this Resolution shall be considered as ceiling amounts by the Director General to determine the Agency contribution to the Reference MCO Costs for the period 2016-2017;

II.5. The amounts of the Reference MCO Costs and the modalities for their funding by ESA Member States within the frame of this Resolution may be revised in the event of a substantial change in the services to be provided by CNES; should such substantial change occur, the Director General shall assess the situation jointly with CNES and, if appropriate, with Arianespace; on the basis of this assessment the Director General’s Proposal and this Resolution shall be revised as necessary to take account of this substantial change;
II.6. The Agency contribution to the Reference MCO Costs shall be alleviated, if appropriate, depending on launcher exploitation turnover, as described in Attachment II to the ESA/Arianespace Exploitation Arrangement.

II.7. For the period 2013-2017, the indicative amount of the Agency internal costs and levies to be funded by ESA Member States are set out in Annex I to this Resolution and detailed in the Director General’s Proposal.

(ESA Member States’ contribution)

III. AGREES that the Agency contribution to the Reference MCO Costs as set out in paragraph II above for the period 2013-2017 shall be funded by ESA Member States in accordance with the composite contribution scale set out in Annex II to this Resolution.

IV. AGREES that the composite contribution scale set out in Annex II to this Resolution shall also be applied to the funding by ESA Member States of the Agency internal costs and levies referred to in paragraph II above for the period 2013-2017.

V. NOTES that the composite contribution scale is determined according to the funding modalities defined in the Director General’s Proposal and summarised in Annexes I and II to this Resolution, and that the composite contribution scale shall be subject to adjustment as provided for in Annex II to this Resolution.
VI. AGREES that the Agency’s consent to the use of the CSG Launch Range foreseen in Article 10 of the CSG Agreement, including the financial modalities associated with such use, shall require a Council decision and should entail an alleviation of Member States contributions to the CSG funding during the period concerned. The procedure and the criteria on the basis of which this decision will be taken shall be determined by Council.

(Disposal of CSG Launch Range facilities)

VII. AGREES that any income from the sale of CSG Launch Range facilities referred to in Article 14.2 of the CSG Agreement be shared between CNES and the Agency with the Agency receiving two thirds and CNES one third.

(ESA/CNES Contract for the CNES services under the CSG Agreement)

VIII. INVITES the Director General of the Agency to, in accordance with the Director General’s Proposal:

a. place a rider to the Contract concluded with CNES for the period 2009-2013 on the basis of Article 8 of the CSG Agreement and the Resolution on the CSG (2009-2013), in order to reflect the final amount of the Reference MCO Costs set out for the year 2012 in Annex I, and establish the termination date of that Contract as 31 December 2012; and

b. place a new Contract with CNES for the period 2013-2017, which shall lay down the detailed arrangements for implementing the provisions of the CSG Agreement and detail the related services to be provided by CNES; it shall also include the arrangements for
payments and control by the Agency, taking into account the Agency’s involvement in the CNES strategic decision-making process provided for in Article 8.1 of the CSG Agreement. This Contract shall be divided in two periods (2013-2015 and 2016-2017) in accordance with the provisions of paragraphs II.3 and II.4.

IX. RECALLS that the Launchers Programme Board is charged with approving the main principles of the Contract referred to in paragraph VIII above and INVITES the Launchers Programme Board to monitor the execution of that Contract.

(Industrial Policy principles)

X. AGREES that the Industrial Policy principles implemented over the period 2009-2012 remain applicable to the period 2013-2017 so as to target proactively a return coefficient of 1 for all Member States at the end of the period, and in particular with the objective of:

a. pursuing Agency involvement in the CNES procurement process by:

i. monitoring the inclusion by CNES of the procurement actions in EMITS, which shall include an intended invitation to tender (ITT) translated into the English language; with respect to the activities covered by the capital expenditure as defined in paragraph 5.1.2 of the Director General’s Proposal, where appropriate and on a case by case basis, some ITTs shall be issued in French and in English,

ii. adopting the concept of ESA Best Practices for the selection of CNES contractors, with the CNES Commission de Choix playing the role of the ESA Senior Procurement Board,
iii. adopting geographical return as a selection criterion to be formally used in the Commission de Choix,

iv. applying the decisions taken by the Agency on the nationality of a bidder, immediately after the first part of the CNES tendering process (pre-selection of bidders) and in any case before the selection process is completed; an additional assessment of the nationality may be performed by the Agency after the award of the contract concerned.

v. ensuring that consensus between CNES and ESA is found on the selection of contractors at the Commission de Choix.

b. providing the Agency with a comprehensive procurement plan for the period 2013-2017 at the beginning of that period and subsequent updates to that plan.

XI. AGREES to take into account in the Agency’s return statistics the running and capital expenditure committed by CNES, and INVITES the Industrial Policy Committee to examine the relevant implementing modalities on the basis of the rules and procedures in force in the Agency, taking due account of the specific nature of activities in French Guiana, and INVITES the Director General to submit an annual report on the execution of the Contract referred to in paragraph VIII.b above to the Industrial Policy Committee, whose comments shall be conveyed to the Launchers Programme Board.

XII. STRESSES the need to foster the participation of European industry in CSG activities, on the basis of the following measures:

a. by implementing a procurement policy aimed at maximising cost reduction opportunities for European industry, and possible synergies
related to the industrial activities performed at the CSG, in particular those offered by the exploitation, in parallel, of Ariane, Vega and Soyuz from CSG;

b. by implementing a system of proactive monitoring of the evolution of geographical return, making it possible to adapt dynamically to the actual return situation the targets applied to the procurement actions with a view to reaching a return objective of 1 for each Member State;

c. by introducing a guarantee for each Member State of a minimum return coefficient of 0.84 at the end of the year 2015;

d. by monitoring on a yearly basis the geographical return achieved and implementing corrective actions as necessary;

e. by performing, at the beginning of the year 2016, a formal review of the industrial return achieved over the period 2013-2015. The remaining deficits with regard to the minimum return coefficient of 0.84 shall be balanced in the following period in accordance with the applicable ESA rules and procedures, unless the Member States concerned agree on a different scheme;

f. by duly documenting in the Agency’s statistics the actions referred to in paragraphs XII.d) and e) above.

XIII. INVITES Member States to take such steps as they consider most appropriate to encourage firms potentially interested in activities carried out at the CSG to reply to invitations to tender issued by CNES.
XIV. NOTES that the Agency shall enjoy full visibility and audit rights with respect to the total costs incurred over the period 2013-2017, as detailed in the Director General’s Proposal and FURTHER NOTES that under the terms of the ESA/Arianespace Exploitation Arrangement ESA shall grant Arianespace full visibility with respect to the official reporting documents provided to ESA decision-making bodies on the above-mentioned costs.

(Europeanisation measures and public relations)

XV. NOTES that, in the CSG Agreement, the French Government undertakes to continue and build upon the Europeanisation measures implemented during the previous period to better reflect the European dimension of the CSG and the financial effort being made by the Member States. Such measures are detailed in the Director General’s Proposal; in particular, CNES on behalf of the French Government shall assign non-French nationals of Member States of the Agency to positions set aside for CNES staff on secondment to French Guiana, so as to fulfil an overall objective of 20 such non-French nationals assigned to these positions.

XVI. INVITES the Director General to further improve the European image of the CSG through public relations and communication efforts, to which end the Agency shall coordinate with CNES, Arianespace, and the other entities present on site in order to define jointly a unified policy on public relations and communication, decide how it is to be put into practice and monitor its execution; this policy shall in particular enhance the Agency's presence in the media, as well as during VIP visits and public events, and shall draw attention to the part played by ESA and its Member States in funding, developing and exploiting the CSG.
(Meetings)

XVII. INVITES the Director General of the Agency and the President of CNES to hold a joint meeting each year (or whenever necessary, at the request of either party) for the purposes of taking strategic decisions as referred to in paragraph VIII.b above, hearing reports on implementation of such decisions, and settling any specific matters; they may set up temporary ad hoc groups as necessary and are invited in particular to reinforce the group on the European image created pursuant to the terms of a previous Resolution on the CSG (1993-2001) adopted on 24 June 1993 (ESA/C/CIX/Res. 2 (Final), rev.2 (Final)).

(Continuation)

XVIII. INVITES the Director General of the Agency to draw up in due time a proposal on the Agency contribution to the funding of the CSG and associated services beyond the year 2015 as provided for in paragraph II.4, including the legal arrangements required to cover that continuation.
1. Reference MCO Costs

The final and provisional yearly amounts of the Reference MCO Costs over the period 2012-2017, referred to in paragraph II of this Resolution and established on the basis of the nominal mission model defined in the Director General’s Proposal, are the following:

<table>
<thead>
<tr>
<th>Final amounts</th>
<th>Provisional amounts</th>
</tr>
</thead>
<tbody>
<tr>
<td>TOTAL COSTS</td>
<td>132.0</td>
</tr>
</tbody>
</table>

1.1. Costs to be funded by ESA Member States according to GNP scale

Under the funding modalities defined in the Director General’s Proposal, one-third of the Reference MCO Costs is to be funded by ESA Member States according to the scale applicable to the Agency’s mandatory activities (GNP scale, see for the year 2012, Annex II to the Resolution on the CSG (2009-2013) and, for the period 2013-2017, Annex II to this Resolution). The corresponding yearly amounts are the following:

<table>
<thead>
<tr>
<th>Final amounts</th>
<th>Provisional amounts</th>
</tr>
</thead>
<tbody>
<tr>
<td>Costs funded according to the GNP scale</td>
<td>44.0</td>
</tr>
</tbody>
</table>
1.2. Costs to be funded by ESA Member States and Arianespace on the basis of their apportionment to Ariane, Vega and Soyuz

Under the funding modalities detailed in the Director General’s Proposal, one-third of the Reference MCO Costs are to be apportioned to each of the launchers Ariane, Vega, and Soyuz and shall be funded as follows:

- ESA Member States, party to the Ariane Exploitation Agreement, will cover the costs apportioned to Ariane on the basis of the industrial return established according to the applicable rules and procedures (see Annexes II to this Resolution and to the Resolution on the CSG (2009-2013)).

- ESA Member States, party to the Vega Exploitation Agreement, will cover the costs apportioned to Vega on the basis of the industrial return established according to the applicable rules and procedures (see Annexes II to this Resolution and to the Resolution on the CSG (2009-2013)).

- Arianespace will, through payments to the Agency which will be transferred to CNES, cover the costs apportioned to Soyuz.

The corresponding yearly amounts are the following:

<table>
<thead>
<tr>
<th>Amounts in M€ at 2012 e.c.</th>
<th>Final amounts</th>
<th>Provisional amounts</th>
<th>TOTAL COSTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Costs apportioned to Ariane</td>
<td>37.2</td>
<td>37.2</td>
<td>37.1</td>
</tr>
<tr>
<td>Costs apportioned to Vega</td>
<td>2.2</td>
<td>2.2</td>
<td>2.2</td>
</tr>
<tr>
<td>Costs apportioned to Soyuz</td>
<td>4.6</td>
<td>4.6</td>
<td>4.6</td>
</tr>
<tr>
<td>TOTAL COSTS</td>
<td>44.0</td>
<td>44.0</td>
<td>43.9</td>
</tr>
</tbody>
</table>
2. **Agency internal costs and levies to be funded by ESA Member States**

The final and indicative amounts for the Agency internal costs and levies over the period 2012-2017 referred to in paragraph II of this Resolution are the following:

<table>
<thead>
<tr>
<th>Final amount</th>
<th>Indicative amounts</th>
<th>Indicative amounts</th>
<th>Indicative amount</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total Agency internal costs and levies</strong></td>
<td>3.2</td>
<td>4.2</td>
<td>4.1</td>
</tr>
</tbody>
</table>

3. **Total costs to be funded by ESA Member States**

The yearly amounts for the total costs to be funded by ESA Member States over the period 2012-2017, resulting from the above, are the following:

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total costs to be funded by ESA Member States</strong></td>
<td>86.6</td>
<td>87.6</td>
<td>87.3</td>
<td>86.9</td>
<td>261.8</td>
<td>86.9</td>
<td>86.9</td>
<td>173.8</td>
<td><strong>435.6</strong></td>
</tr>
</tbody>
</table>
ANNEX II – ESA Member States Contribution Scale

1. Composite contribution scale

ESA Member States will fund the costs set out in section 3 of Annex I above:
- for the year 2012, according to the composite contribution scale determined according to Annex II to the Resolution on the CSG (2009-2013), and,
- for the period 2013-2017, according to the composite contribution scale shown below.

<table>
<thead>
<tr>
<th>Country</th>
<th>Composite Contribution Scale for 2013-2017 (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Austria</td>
<td>1.42</td>
</tr>
<tr>
<td>Belgium</td>
<td>4.10</td>
</tr>
<tr>
<td>Czech Republic</td>
<td>0.52</td>
</tr>
<tr>
<td>Denmark</td>
<td>0.92</td>
</tr>
<tr>
<td>Finland</td>
<td>0.74</td>
</tr>
<tr>
<td>France</td>
<td>34.51</td>
</tr>
<tr>
<td>Germany</td>
<td>17.90</td>
</tr>
<tr>
<td>Greece</td>
<td>0.99</td>
</tr>
<tr>
<td>Ireland</td>
<td>0.71</td>
</tr>
<tr>
<td>Italy</td>
<td>11.64</td>
</tr>
<tr>
<td>Luxembourg</td>
<td>0.12</td>
</tr>
<tr>
<td>Netherlands</td>
<td>3.26</td>
</tr>
<tr>
<td>Norway</td>
<td>1.57</td>
</tr>
<tr>
<td>Poland</td>
<td>1.36</td>
</tr>
<tr>
<td>Portugal</td>
<td>0.65</td>
</tr>
<tr>
<td>Romania</td>
<td>0.52</td>
</tr>
<tr>
<td>Spain</td>
<td>5.77</td>
</tr>
<tr>
<td>Sweden</td>
<td>1.95</td>
</tr>
<tr>
<td>Switzerland</td>
<td>3.19</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>8.16</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>100.00</strong></td>
</tr>
</tbody>
</table>

The composite contribution scale is established on the basis of the ESA Member States’ contributions calculated according to the funding modalities defined in the Director General’s Proposal and summarised in Annex I above.1

The underlying GNP scale and Ariane and Vega industrial return scales are provided below for the period 2013-2017.

1 The formula used is the following:

$$ S_i[\%] = \frac{1}{3} \left( \frac{C_{Total} \cdot GNP_i + C_{Ariane} \cdot IR(Ariane)_i + C_{Vega} \cdot IR(Vega)_i}{\sum \frac{1}{3} C_{Total} + C_{Ariane} + C_{Vega}} \right) \cdot 100 $$

Abbreviations: $S_i$=share of costs to be funded by State “$i$”, $C_{Total}$=total Reference MCO Costs (section 1 of Annex I), $C_{Ariane}/C_{Vega}$=Reference MCO Costs apportioned to Ariane/Vega (section 1.2 of Annex I); GNP$_i$=GNP percentage value applicable to State “$i$” (section 2 of Annex II); IR(Ariane)/(Vega)$_i$=normalised industrial return on Ariane/Vega for State “$i$” (section 2 of Annex II).
2. GNP scale and industrial return

The table below provides

- the GNP scale applicable over for the period 2013-2017;
- the normalised initial industrial return scale applicable to Ariane over the period 2013-2017, including only those ESA Member States party to the Ariane Exploitation Agreement, and established on the basis of the data resulting from the Final Audit Phase exercise (see ESA/PB-LAU(2011)53), this source data also being shown below;
- the normalised industrial return scale applicable to Vega over the period 2013-2017, including only those ESA Member States party to the Vega Exploitation Agreement, and established on the basis of the best estimated data, also being shown below.

<table>
<thead>
<tr>
<th>Country</th>
<th>GNP Scale [%]</th>
<th>Ariane industrial return [%] (normalised)</th>
<th>Ariane industrial return [%] (Audit data)</th>
<th>Vega industrial return [%] (normalised)</th>
<th>Vega industrial return [%] (estimates)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Austria</td>
<td>2.17</td>
<td>0.62</td>
<td>0.610</td>
<td>-</td>
<td>0.00</td>
</tr>
<tr>
<td>Belgium</td>
<td>2.69</td>
<td>5.53</td>
<td>5.480</td>
<td>8.30</td>
<td>7.75</td>
</tr>
<tr>
<td>Czech Republic</td>
<td>0.99</td>
<td>-</td>
<td>0.00</td>
<td>-</td>
<td>0.00</td>
</tr>
<tr>
<td>Denmark</td>
<td>1.74</td>
<td>0.00</td>
<td>0.00</td>
<td>-</td>
<td>0.00</td>
</tr>
<tr>
<td>Finland</td>
<td>1.40</td>
<td>-</td>
<td>0.00</td>
<td>-</td>
<td>0.00</td>
</tr>
<tr>
<td>France</td>
<td>15.33</td>
<td>57.52</td>
<td>56.940</td>
<td>29.24</td>
<td>27.31</td>
</tr>
<tr>
<td>Germany</td>
<td>19.80</td>
<td>16.71</td>
<td>16.540</td>
<td>-</td>
<td>6.61</td>
</tr>
<tr>
<td>Greece</td>
<td>1.87</td>
<td>-</td>
<td>0.00</td>
<td>-</td>
<td>0.00</td>
</tr>
<tr>
<td>Ireland</td>
<td>1.22</td>
<td>0.16</td>
<td>0.160</td>
<td>-</td>
<td>0.00</td>
</tr>
<tr>
<td>Italy</td>
<td>11.59</td>
<td>9.53</td>
<td>9.440</td>
<td>48.20</td>
<td>45.01</td>
</tr>
<tr>
<td>Luxembourg</td>
<td>0.22</td>
<td>-</td>
<td>0.005</td>
<td>-</td>
<td>0.00</td>
</tr>
<tr>
<td>Netherlands</td>
<td>4.55</td>
<td>1.73</td>
<td>1.710</td>
<td>3.27</td>
<td>3.06</td>
</tr>
<tr>
<td>Norway</td>
<td>2.39</td>
<td>0.70%</td>
<td>0.690</td>
<td>-</td>
<td>0.00</td>
</tr>
<tr>
<td>Poland</td>
<td>2.57</td>
<td>-</td>
<td>0.000</td>
<td>-</td>
<td>0.00</td>
</tr>
<tr>
<td>Portugal</td>
<td>1.23</td>
<td>-</td>
<td>0.005</td>
<td>-</td>
<td>0.00</td>
</tr>
<tr>
<td>Romania</td>
<td>0.99</td>
<td>-</td>
<td>0.000</td>
<td>-</td>
<td>0.00</td>
</tr>
<tr>
<td>Spain</td>
<td>8.35</td>
<td>2.66</td>
<td>2.630</td>
<td>6.66</td>
<td>6.22</td>
</tr>
<tr>
<td>Sweden</td>
<td>2.55</td>
<td>1.30</td>
<td>1.290</td>
<td>0.90</td>
<td>0.84</td>
</tr>
<tr>
<td>Switzerland</td>
<td>2.88</td>
<td>3.54</td>
<td>3.510</td>
<td>3.43</td>
<td>3.20</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>15.47</td>
<td>-</td>
<td>0.990</td>
<td>-</td>
<td>0.00</td>
</tr>
<tr>
<td>Total</td>
<td>100.00</td>
<td>100.00</td>
<td>100.000</td>
<td>100.00</td>
<td>100.00</td>
</tr>
</tbody>
</table>

2 Provided for reference purposes only.
3. **Adjustments of the contribution scale**

The composite contribution scale provided in section 1 of this Annex shall be adjusted each time a change is observed in the GNP scale in accordance with the Agency’s rules and procedures.

Moreover, at the end of the period 2013-2015, it shall be retroactively adjusted by taking into account the actual Ariane and Vega normalised industrial return scales updated on the basis of the most recent available data resulting from the audits carried out by the Agency. The retroactive adjustment foreseen under section 3 of Annex II to the Resolution on the CSG (2009-2013) will be performed for the period 2009-2012, at the end of this period.

In the event described in paragraph II.4, the composite contribution scale shall be adjusted for the period 2016-2017 in line with the modalities applicable to the period 2013-2015 and described in this Annex.
POLITICAL DECLARATION
TOWARDS THE EUROPEAN SPACE AGENCY THAT BEST SERVES EUROPE

(adopted on 20 November 2012)

We the Ministers representing the Governments of the 20 Member States of the European Space Agency (ESA), assembled in Council meeting on 21 November 2012, resolve to consider the further evolution of ESA in order to consolidate the competitiveness of the European space sector to face the challenges of the fast changing world environment,

STRESSING the central role that ESA, as a world class space agency, is continuing to play in the successes of Europe since nearly 50 years, in pushing the frontiers of knowledge, in enabling the delivery of daily services to citizens, in supporting the competitiveness of European industry and operators in the world-wide commercial market and in building European partnerships and a common European ambition in space,

RECALLING that ESA Member States have the responsibility to decide how ESA will successfully pursue its adaptation to an evolving environment, after having conducted its development into an efficient, flexible and growing organisation,

UNDERLINING the growing importance of space activities for society and the economy and RECOGNISING the increasing role of the European Union (EU) in integrating the European space policy into numerous core European political and economic initiatives and its growing involvement as an actor in space matters through its space programmes,
RECALLING the Framework Agreement between ESA and the EU which entered into force in May 2004 and has been renewed until the year 2016, the joint Resolutions of the Space Council, and the instruments through which the flagship programmes Galileo and GMES are implemented and STRESSING the importance for European policies and citizens of these flagship programmes and their timely and cost effective implementation, including the delivery of early services by end 2014,

NOTING that the EU has, through the entry into force of the Treaty on the Functioning of the European Union, become one of the three key actors of the European space policy, together with ESA and Member States, thereby reinforcing Europe’s ambitions and capabilities in space,

NOTING that the European Commission has adopted a Communication to the Council and the European Parliament on “Establishing appropriate relations between the European Union and the European Space Agency”,

TAKING INTO ACCOUNT the rapid changes of the environment of ESA, through the growing number of its Member States, the growing maturity and consolidation of European industry, the arrival of new competitors and of new public and private partners, and thus the need to further strengthen Europe in space,

1. STRESS the need for all the European actors to contribute to a further increase in the overall efficiency and competitiveness of the European space sector, and thus CONSIDER that ESA must further evolve, in coherence and complementarity with the other actors, towards the European space agency that best serves Europe in a competitive world-wide environment.

2. REQUEST this further evolution of ESA to take full benefit of and encompass:

   (i) ESA’s capabilities and achievements based on an intergovernmental framework offering to its Member States an efficient framework of cooperation for implementing their competence in space in pooling their objectives and resources;
(ii) the EU competence in space, in accommodating the consequences in ESA’s operation and thus providing efficient programme management of EU funded programmes under EU rules;

with the objective of providing the most appropriate framework in which to develop the space capabilities and resources at European level for Research and Development.

3. DECIDE to initiate with immediate effect, a reflection process outlined in paragraph 4 aiming at defining how the evolution of ESA can reach the above objective enabling ESA to provide:

(i) all ESA Member States with a flexible framework for investing and implementing together their respective policies and sharing the common benefits, providing ESA Member States equivalent rights and obligations whether or not they are also EU Member States;

(ii) the EU with a unique pool of research, technology and development capabilities at European level with which to define and develop the technologies and space infrastructures required to implement their policies;

(iii) European industry with a core customer and competent partner able to support its competitiveness and successes in the worldwide commercial market;

(iv) European space-based service providers and users of space infrastructures including the scientific community with a partner able to design and validate new competitive technologies, to develop and procure space infrastructures responding to their requirements, and to transfer to them the necessary knowledge
and support to ensure the proper and efficient exploitation of these infrastructures;

(v) States candidate to accession to ESA with an improved framework under which they can be associated to ESA activities before becoming ESA member States, thus consolidating the European space interests as a whole.

4. MANDATE in view of preparing the decisions to be taken by ESA Member States on the further evolution of ESA:

- the Director General to work with the European Commission in order to provide a common analysis on the situation of the European space sector and a common vision on its evolution aiming at building up coherence, convergence and complementarity among the different actors;

- the Director General to elaborate and assess, in consultation with the ESA Council, the different scenarios for ESA to respond to the objectives defined in this Resolution;

- the Co-Chairs of the ESA Council at ministerial level to provide the Director General with the political guidelines for this reflection, in close consultation with the Ministers of Member States and coordination with the EU.

5. HIGHLIGHT our willingness to play our role in ensuring the coherence and coordination between the respective processes on the ESA and EU sides concerning the evolution of ESA.

6. INVITE the Director General to report to the co-Chairs of the ESA Council at ministerial level and to the Council on a regular basis, on the progress of the above reflection process and to bring forward proposals for decisions on the further evolution of ESA to be taken by the Member States at the occasion of the next ESA Council meeting at ministerial level scheduled to take place in 2014.
7. INVITE the Director General to make proposals to Council, after consultation with the European Cooperating States, aimed at improving the cooperation with European States wishing to contribute to ESA’s policies and activities, and facilitating their accession to ESA as full Member States.

8. WELCOME the support for the objectives and associated process contained in this Political Declaration expressed by the Governments of Cyprus, Estonia, Hungary, Latvia, Lithuania, Malta, and Slovak Republic attending this Council as observers.
Reflections on the evolution of ESA after the entry into force of the Treaty on the Functioning (TFEU) of the EU are taking place both on the EU and ESA sides.

Discussions have started on the EU side on the relationship between the EU and ESA on 7 November at the EU Space Working Party, based on the main elements of a Communication by the European Commission which has been adopted on 14 November 2012.

The Member States of ESA have the responsibility to decide on how ESA should evolve in order to make it best serve Europe.

We, Ministers of ESA Member States, have therefore discussed this matter during the ESA Council meeting at Ministerial level in Naples, which was the first Ministerial meeting held after the entry into force of the TFEU and we have all supported the attached Political Declaration.

By adopting this Political Declaration, we Ministers of ESA Member States, wish to emphasize our readiness to start a reflection on the further evolution of ESA, with a clear mandate given to the ESA Director General and to the Co-chairs of the Council meeting at ministerial level, and to play our role in ensuring the coherence and coordination between the respective processes on both the ESA and EU sides.