

Letter to the European governments and the EU Commission and Parliament

drafted by the Infrastructures Commission (Brussels - 4 March 2002)

With the fast approaching meeting of the Council of European Transport Ministers on March 25-26, 2002, the time has come for a political decision: Is Europe ready to undertake the GALILEO project, a project of similar strategic importance to AIRBUS and ARIANE at their time?

After several years of discussions at expert levels and by the EU Councils at Cologne, Feira, Nice, Stockholm and Laeken, no further financial, economic or technical arguments could justify postponing the start of the development phase of GALILEO.

If the Council decides on March 2002 to set up a Joint Undertaking, the development phase can be launched immediately since the necessary budgetary means have already been set aside:

Like AIRBUS and ARIANE, GALILEO will be a technological advance heralding the beginning of a new generation of universal services. Satellite navigation will not only contribute to a safer and more efficient transport but will also yield benefits to many other sectors of the economy like fisheries, agriculture, oil prospecting, building and public works.

Market studies have identified over the last years more than 130 different application segments with a fast growing trend. This is due to a very high rate of innovation, which is a key characteristic of these new market segments that serve businesses equally well in the old and in the new economies.

The market demand for user terminals (low-end to high-end receivers) and services has developed rapidly and doubled every two to three years over the last five years. A turnover of 5 B€ is predicted for the end of 2002 in the European markets for road applications alone.

ELEC further appreciates and supports the concept of performance that is competitive with the planned third generation of GPS satellites as well as its anticipated interoperability. Interoperability is the means to enable useful reception of signals from both constellations to the advantage of the global user community.

Innovative ways to implement this important European project through a Public Private Partnership (PPP)-model have been developed. For the first time ever - based on the article 171 of the Treaty - a Joint Undertaking will combine public financing from the European Commission and the European Space Agency and ensure a single effective management body to coordinate the necessary R&D work during the development phase and prepare the establishment of the structures for the deployment phase.

ELEC considers the GALILEO programme as an essential asset for the implementation of the Trans-European network policy and also beneficial for the implementation of the EU enlargement policy. It is ELEC's conviction that the EU cannot afford not to become involved in one of the main sectors of industry in the 21st century and to become dependent on technologies only developed outside Europe for applications vital for our societies of tomorrow.

In order to ensure Europe's economic independence and to enhance the ability of its corporations to compete in the international markets, ELEC invites the EU Member States to vote in favour of a commitment to implement GALILEO as a vital component of European infrastructure, under European control, but with a global relevance.

This will also underpin a changing Europe of the future facing growing challenges and interactions, in the frame of the United Nations effort to promote peaceful developments worldwide.

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International President of ELEC

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sent to:

- * EU and CEECs Member States (via Ambassadors at EU permanent representation / mission)*
- * Romano Prodi - Loyola de Palacio - Patrick Cox - European Space Agency*
