SDA Bocconi
SCHOOL OF MANAGEMENT
SEE LAB
SPACE ECONOMY EVOLUTION

Keynote - Space Economy and strategic autonomy: a priority for European competitiveness

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Good morning everyone,

I am sorry not to be able to be present with you in person today. I would have liked to participate directly in this discussion, because the topic we are addressing together is decisive for the future of the European Union. It is not simply a matter of discussing space as an industrial sector, but of reflecting on one of the most strategic dimensions of our autonomy, our security, and our prosperity.

I would like to thank the Centre for European Policy Studies and all those who contributed to conceiving and organizing this initiative. At a historical moment characterized by a growing global competition, promoting rigorous analysis and qualified dialogue on European leadership in the space economy represents a contribution of great value.

Today's discussion recalls several priorities we perceive with increasing frequency in the European debate: reducing fragmentation, strengthening implementation capacity, making public demand a stable industrial lever, and protecting strategic supply chains along the value chain. The direction is clear. The challenge is to ensure continuity and coherence in our decisions.

In recent years, space has become an integral part of our daily life and of the functioning of our economies. Today, a growing share of essential activities relies on satellite services and space-based data: communications, transport and logistics, agriculture, disaster and emergency management, border control, climate observation. It is a concrete dependency, often invisible, but by now structural.

From this derives an evident consequence. The possibility of accessing critical space infrastructures in a secure and continuous manner, and of governing their use, directly affects the capacity of our countries and of Europe to protect their interests and to guarantee continuity to their economic and social systems.

The international context makes this awareness even more urgent. We have entered a phase of structural competition among major powers, in which space represents one of the most sensitive domains. It is not only a matter of new lunar missions or exploratory ambitions, but of orbits control, communication constellations, autonomous navigation capabilities, integration between space and security.

The dual use dimension is by now a permanent element of the system. Precisely for this reason, beyond vision, a dedicated institutional capacity is also needed to protect and make resilient critical space infrastructures and related investments, avoiding dispersion and overlaps.

In this scenario, the European Union faces an evident tension. On the one hand, it possesses technological capabilities of the highest level, an advanced industrial ecosystem, and institutional programmes of excellence. On the other hand, it bears a structural fragmentation of governance, a financial scale lower of its main competitors, and difficulty in transforming innovation and research into global industrial leadership. So, if innovation is well present, is it therefore a question of the European missing ability of acting quickly and coherently?

The European space economy develops within a complex ecosystem that covers the entire value chain: from the design and production of systems and components to the transformation of data into high value-added services for public administrations, enterprises, and citizens. It is an important asset, which deserves to be consolidated; and precisely for this reason it requires clear attention to the vulnerabilities that emerge along this chain.

The upstream segment is an essential component of the European space capability. In this field a decisive share of technological know-how is concentrated, and the most critical dependencies are consolidated. It is here that the solidity of the entire system is measured. For this reason, it is necessary to ensure continuity in investments and to strengthen the European industrial base along strategic supply chains. A sensitive point is the mechanism of geographical return, the basis upon which the European Space Agency and its programs have been founded since 1975. It is understandable that, while Europe is asked to increase industrial scale and competitiveness, this mechanism is again discussed. It is a legitimate debate, but it must be approached with caution: one thing is to seek greater efficiency, another is to question the balance on which European cooperation rests. For decades, geographical return has not only been a criterion for contract allocation: it has guaranteed political cohesion and mutual trust, making sustainable a common financial commitment to costly, risky, and long term programmes. If it is decided to intervene, it will have to be a gradual and results oriented path, capable of strengthening transnational cooperation and competitiveness, while at the same time helping countries to grow in the field, without weakening the institutional stability that has made the European model possible. In the absence of such integration, autonomy remains incomplete and may translate into dependence on external capabilities precisely in the most sensitive functions.

The downstream segment, where space based data become services and applications for sectors such as energy, mobility, environment, and security, is today the most dynamic component of the European space economy. To fully develop its opportunities, a truly functioning single market is required, with more homogeneous rules and more favorable conditions of access to capital.

Alongside upstream and downstream, we face the crucial issue of autonomous access to space. Without a reliable and continuous capacity to place its own assets in orbit, any space strategy

remains exposed to external risks. Launchers are a strategic industrial segment and, above all, the condition that makes the entire European architecture possible.

Spaceports also have an essential value: they ensure operational continuity and strengthen control over the value chain. Investing in coordinated launch infrastructures means reducing external dependencies and strengthening overall resilience. At the same time, coordination does not imply uniformity. A diversified configuration of launch assets across the European system expands operational options and reduces systemic vulnerability. This strategic rationale is reflected in infrastructures such as the Italian Malindi space centre, which illustrates how specific assets can strengthen Europe's capacity for autonomous action within a broader space architecture. The recent difficulties in ensuring operational continuity have exposed the structural fragility that emerges when diversification is incomplete and autonomy remains constrained.

Reflection on European strategic autonomy necessarily passes through this point. Autonomy means the capacity to choose. It means reducing critical dependencies in decisive points of the supply chain and being able to define timelines and priorities without undergoing external constraints. Long time ago, I published an article on the ESA Bulletin which was exactly talking about 'Autonomy for cooperation', exposing the concept that without autonomy, cooperation cannot be developed at its maximum extent.

Another structural issue concerns financial scale. The space sector requires significant capital, patient capital, and a long investment horizon, with technological risks that do not always find a response in ordinary market mechanisms. The European Union has built a solid public support system and has launched innovative instruments to accompany the growth of enterprises. However, private capital available for scale up phases remains insufficient compared to international trends. This gap has concrete consequences. Many innovative European companies struggle to reach global dimensions, or seek capital outside the European ecosystem, with consequent risks for Europe of loss of control over technologies and expertise. It is therefore necessary to make risk sharing more effective and to strengthen the interaction between public investment and private capital. Procurement policies can also play a decisive role, creating stable demand and directing innovation toward scalable applications.

Governance represents a further element of complexity. The European system is articulated among national, intergovernmental, and Union levels. This architecture has made it possible over the years to build significant achievements but today it must confront global competition that requires greater decision-making speed and strategic coherence. In this perspective a shared European vision toward 2035 becomes necessary, capable of orienting priorities and choices within an integrated strategy that combines economic objectives and security requirements, with attention to the sustainability of the orbital environment, maintaining full autonomy for member states.

Governance is also a matter of operational capacity. Today it is essential to make existing arrangements more effective, clarify priorities, and shorten implementation timelines.

Institutional realism is required: national space legislation remains anchored to international law and the margins of intervention of the Union are defined. The common framework must therefore be built where it produces the greatest value, through shared standards and interoperability, mutual recognition instruments, and coherent criteria for procurement and funding. In this way, uncertainties and fragmentations are reduced and investor confidence is strengthened along the entire value chain. In a sector characterized by long cycles and capital intensity, the distance between ambition and leadership is often measured by the capacity to transform strategic guidelines into implementing decisions.

Alongside the Union level, ESA continues to represent the main intergovernmental forum for European space programming. From the ESA Ministerial in Bremen in 2025 a very clear political message emerged: Europe intends to give continuity and strategic weight to its space ambitions. Member States approved overall financial commitments without precedent, strengthening the Agency's capacity to plan long term initiatives. In a sector where industrial cycles are long and risk is high; this type of stability reduces uncertainty and makes priorities and implementation timelines more credible. The Ministerial indicated the willingness to act with greater cohesion and continuity, transforming European scientific and technical strength into a more solid and recognizable trajectory.

There is also a frequently underestimated need: the transparency of the ecosystem. Industrial and political choices must be based on in depth knowledge of supply chains, available competences, and points of vulnerability. Having this information means understanding where critical dependencies are concentrated and where realistic margins for growth exist.

In this direction stands SEEData, a proprietary analytical platform developed by the SEE Lab of SDA Bocconi to fill the lack of structured and comparable data on the space economy. SEEData enables systematic analyses along the value chain, integrating economic and financial indicators, investments, and market transactions. The coverage allows comparative readings among European countries and in the international context, across thousands of operators active in the sector.

An informational asset of this kind can become a European reference point to understand how industrial capabilities evolve and to measure over time the effects of public and industrial choices. Robust informational bases such as this strengthen the transparency of decisions and help avoid dispersion of resources, especially when the speed in moving from analysis to action directly affects competitiveness.

SEEData also makes it possible to follow dynamically the evolution of the European industrial sector and its interdependencies, offering concrete support to the evaluation of the effectiveness of available instruments and strategic priorities. Having updated data validated with academic rigor allows strategies to be accompanied by continuous monitoring of results, so as to adapt instruments to the evolution of the market and supply chains and to support more effectively Europe's competitive positioning.

This type of reading, based on comparable evidence, helps focus priorities and ensure continuity in decisions. The priorities are by now clear: better defining responsibilities and the decision chain, accelerating procurement and delivery capacity, stabilizing public demand, closing the capital gap in scale up phases, and reducing critical dependencies along supply chains. All this is part of a broader reflection on European competitiveness. If Europe does not increase productivity and innovation capacity, it risks a structurally lower growth trajectory compared to its main competitors. Space is one of the few fields in which the continent retains a significant comparative advantage. Consolidating it means strengthening our economic and social model.

The choice before us is strategic: it defines the degree of technological autonomy we wish to guarantee, the scale at which we are able to operate, and the coherence of decisions over time, up to the capacity to transform vision and investments into results.

I am convinced that Europe possesses the conditions to play a leading role in the space economy. Continuity, responsibility, and coordination among the different levels of governance are however required, with a clear and shared direction.

Before closing, I would summarize with some bullet points as follows:

- **Space Economy is a strategic infrastructure for Europe's autonomy.** Space is no longer a sector among others, but a structural pillar of Europe's security, prosperity and geopolitical positioning.
- **From strategy to execution, competitiveness depends on delivery capacity.** Reducing fragmentation, accelerating procurement, stabilizing public demand and closing the scale-up gap are now operational priorities.
- **A European vision toward 2035: prosperity, security and sustainability require an integrated approach.** Industrial policy, governance coherence and orbital sustainability must be aligned within a shared long-term trajectory.
- **Strategic access to space: launchers and spaceports as critical nodes of autonomy.** Autonomous and continuous access to orbit is a precondition for industrial resilience and control over value chains.
- **Financial scale for industrial leadership.** A capital-intensive sector requires patient capital, effective risk-sharing and stronger interaction between public instruments and private investment.
- **Evidence-based governance: data as a strategic asset.** Tools such as SEEData transform industrial structure, supply chains and performance metrics into informed and timely decision-making.

Thank you for promoting this moment of discussion. The work you are carrying forward contributes to defining choices destined to affect Europe's positioning in the coming decades. With the hope that from this dialogue a common line will emerge, equal to the challenges ahead of us. Thank you for listening.