

Vincennes, April 06, 2018 L87\_18022

EUROPEAN COMMISSION Cabinet of President Juncker Rue de la Loi / Wetstraat 200 1049 Brussels Belgium To the att. of Mr Jean-Claude Juncker

## Subject: Europe must enable its GNSS industry of applications and services (downstream industry) to transform EU infrastructure investments into growth and employment

Dear Mr President,

The interest in Galileo worldwide was ultimately demonstrated in 2016 when two U.S. giants, Qualcomm and Broadcom decided to produce chipsets combining GPS and Galileo for mobile telephony. However positive from a Galileo uptake point of view, this will mainly benefit telephone and "Apps" manufacturers, who are mostly American and Asian.

Ensuring return on European GNSS investments entirely depends on the success of the European downstream industry. Nations such as the U.S., Russia, China and Japan understand this very well. They have dedicated, high profile strategies to support the competitiveness of their respective downstream industry. In Europe, EC and GSA have made the most out of their tiny budgets but it is nowhere near what is required in this highly competitive race for market shares.

It is therefore crucial to act now or Europe will miss the opportunities that this market offers. Capturing 33% of this global market by 2025 would result in 400,000 additional jobs in Europe. Europe must engage at political level to make this happen. This means funding at a strategic level of  $\notin$ 2-3 billion dedicated to the development of GNSS services and applications for the 2021-2028 Multiannual Financial Framework (MFF).



We are convinced of the importance of this fantastic opportunity for Europe and the massive societal and economic opportunities including jobs that the European downstream industry can bring to the Union.

We remain at your disposal to discuss this topic further at your discretion.

Yours sincerely,

A.Bore

for how

<u>Ms Aureline Borel</u> Galileo Services Permanent Representative

<u>Mr Gard Ueland</u> Galileo Services Chairman

Letters with the same content as this letter have also been sent to:

Miguel Arias Cañete Elżbieta Bieńkowska Violeta Bulc Phil Hogan Carlos Moedas Günther H. Oettinger Vice-President Maroš Šefčovič Karmenu Vella