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NOTE

From:	Presidency
To:	Delegations
No. prev. doc.:	5847/26
Subject:	Proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL on establishing the European Competitiveness Fund ('ECF'), including the specific programme for defence research and innovation activities, repealing Regulations (EU) 2021/522, (EU) 2021/694, (EU) 2021/697, (EU) 2021/783, and amending Regulations (EU) 2021/696, (EU) 2023/588, (EU) [EDIP] *- Revised Presidency text on Chapter VII section 3 (Space)*

Delegations will find below a revised Presidency text on Chapter VII section 3 (Space) with a view to the meeting of the Ad hoc Working Party on the Multiannual Financial Framework (European Competitiveness Fund) on 17 April 2026.

Changes in comparison to the previous Presidency text (document 5847/26) are marked in **bold** for additions and in ~~strikethrough~~ for deletions.

The numbering of the Commission proposal remains unchanged until the end of the negotiations.

General scrutiny reservation: All delegations.

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2025/0555 (COD)

Proposal for a

REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

on establishing the European Competitiveness Fund ('ECF'), including the specific programme for defence research and innovation activities, repealing Regulations (EU) 2021/522, (EU) 2021/694, (EU) 2021/697, (EU) 2021/783, and amending Regulations (EU) 2021/696, (EU) 2023/588, (EU) [EDIP]

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(37) Union Space technology, data and services have become indispensable in the daily lives of Europeans and play an essential role in preserving strategic interests. Space contributes to all sectors of the economy from agriculture to banking, telecommunication, preparedness and disaster management. It is a critical enabler for security and defence, and for the well-functioning of society and the competitiveness of the economy for example by providing accurate position-services for a broad spectrum of sectors and users, including all forms of transportation, and thereby playing a key role for Europe~~ and European citizens~~**'s** independence and sovereignty. Space is crucial for the achievement of EU's priorities and its strategic goals, including for~~ strategic autonomy,~~ economic prosperity, sustainable growth and economic security, decarbonisation, environment protection, green and digital transition**, as well as the Union's strategic autonomy**. Space contributes to the economic security of the Union and its Member States. It also drives scientific research and technological innovation, with spill-over effects in a wide range of sectors. Finally, space offers a platform for international cooperation and space diplomacy ~~to underpin~~**reinforcing** the Union's position as a reliable partner on the global scene.

(38) Space components under the ECF must provide robust and completely reliable services **and ensure the availability of those services over their defined service areas**. The continuity of those **services, the integrity and resilience of operational** services and a high-level of security must be ensured, even in the most serious crisis situations, including through award procedures. The consequences of ~~infringing~~**disrupting** those ~~conditions~~**services** could potentially have dramatic consequences for the security of the Union and its Member States. To that end, specific provisions notably regarding eligibility and participation conditions and extreme urgency for ~~governmental~~ services **to government-authorised users** should apply~~. On grants, experience has shown that user and market uptake work better in a decentralised manner. Existing measures with the highest success rate to new entrants and SMEs, such as vouchers, have been hindered by the ceiling on financial support, which should therefore be raised for the space section. Moreover, stakeholders in the space sector face specific indirect costs, such as with regard to security or the use of specific test facilities. Therefore, it is appropriate to allow a flat rate of 25 % of the total direct eligible costs. The Agency should perform the coordination of space systems as it is the most appropriate body to ensure coordination of complex Union systems whose exploitation has been entrusted to it. Nevertheless, it should be able to further entrust tasks to other entities, while avoiding duplication of work~~. In addition, with a view to protect the Union's and Member States' security, participation to the Space Surveillance and Tracking sub-component (SST) should be open only to Norway, given its strategic localisation and as this could bring benefits to the SST infrastructures-.

(38a) **Concerning grants awarded in the space sector, experience has shown that user and market uptake work better in a decentralised manner. Existing measures with the highest success rate to new entrants and SMEs, such as vouchers, have been hindered by the ceiling on financial support, which should therefore be raised for the space section. Moreover, stakeholders in the space sector face specific indirect costs, such as with regard to security or the use of specific test facilities. Therefore, it is appropriate to allow a flat rate of up to a maximum of 25 % of the total direct eligible costs. In addition, when the EU Agency for the Space Programme ('the Agency') is entrusted with the exploitation of a space component, it should be able to further entrust tasks to other entities, while avoiding unnecessary duplication of work, to ensure efficient implementation.**

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HAVE ADOPTED THIS REGULATION:

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Chapter I
General Provisions

SECTION 1
OBJECTIVES AND STRUCTURE OF THE FUND

Article 3
Objectives

2. Under the general objectives set out in paragraph 1, the ECF shall in particular pursue the following specific objectives:

(d) For support to 'Resilience and Security, Defence Industry and Space' policy, respectively the specific objectives of:

(3) For the implementation of EU space systems and space policy, the specific objectives of:

(a) **Designing,** developing, deploying, **operating and** maintaining ~~and operating~~ space systems, providing ~~cutting edge~~**high quality and up-to-date** space-based **data,** information~~, data~~ and services meeting user needs and supporting Union policies**, and ensuring the evolution of those systems and services**;

(b) Maximising the socio-economic benefits of space-based activities, in particular by fostering the development of an innovative and competitive Union space economy and the uptake of space information, data and services, and supporting the development of a genuine internal market for space activities, including collaborative research and innovation for space products and technologies and support to **start-ups, scale-ups, and SMEs, while supporting entrepreneurs to grow internationally**~~SMEs~~;

(c) Enhancing the safety, security and sustainability of all outer space activities;

(d) Promoting the role of the Union as a global actor in the space sector and space diplomacy.

CHAPTER VII
SUPPORT FOR RESILIENCE AND SECURITY, DEFENCE INDUSTRY AND SPACE

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Article 40
Specific activities to support resilience, security, defence industry and space

1. Actions supported under this Section shall contribute to the general objectives set out in Article 3(1) and the specific objectives set out in Article 3(2), point (d).

2. Support for actions under this Chapter shall be financed from the budget set out in Article 4(2), point (e), and any additional contributions assigned in accordance with Article 5.

Article 41
Space and defence synergies

A Space and Defence Advisory Board is set up and may advice the Commission on the coordination**, coherence** and complementarity between space activities and defence industry activities as laid down Article 3(2)(d), sub-points (2) and (3)**, on priorities and on** ~~and~~ related financial tools to increase efficiency of investments and effectiveness of results. The members of the Advisory Board shall be appointed by Member States.

SECTION 3

SPACE SYSTEMS AND SPACE POLICY IMPLEMENTATION

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Article 57

Specific provisions

1. Activities supported under this section shall contribute to the general objectives set out in Article 3(1) and the specific objectives set out in Article 3(2), point (d), point (3).

2. Support for activities under this section shall be financed from the budget set out in Article 4(2), point (e), and any additional contributions assigned in accordance with Article 5.

Article 58

Components

1. The Union space systems and space policy shall be implemented through the following components:

(a) Positioning, Navigation and Timing (PNT), consisting of Galileo and the European Geostationary Navigation Overlay Service (EGNOS) sub-components;

(b) Earth Observation (EO), ~~including~~**consisting of** Copernicus and the Earth Observation Governmental Service (EOGS) sub-components;

(c) Secure Connectivity, ~~including~~**consisting of Governmental Satellite Communication (GOVSATCOM) and** Infrastructure for Resilience, Interconnectivity and Security by Satellite (IRIS²) ~~and Governmental Satellite Communication (GOVSATCOM)~~ sub-components;

(d) Space Situational Awareness (SSA), ~~including~~**the comprehensive knowledge and understanding of the main space hazards, consisting of** Space Surveillance and Tracking (SST), Space Weather Events (SWE), and Near-Earth Objects (NEO) sub-components;

(e) **Access to** space ~~transportation~~;

(f) Space commercialisation and space economy;

(g) Technological sovereignty, research and innovation for space activities.

1a. Work programmes for the implementation of the components under this Section shall integrate collaborative research and innovation activities and their dedicated budget in a specific dedicated part. That specific dedicated part shall ensure coherence with the Competitiveness and Society activities supported under the Regulation (EU) [XXX][Framework programme Horizon Europe] and shall take into account the specific rules under this Section.

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Article 59

Positioning, Navigation and Timing (PNT)

1. The PNT component (Galileo and EGNOS sub-components) shall provide long-term, state-of-the-art**, reliable** and secure positioning, navigation and timing services without interruption **over their defined service areas**, including in adverse conditions, and be able to support the Union's policy priorities.

1a. Galileo is an autonomous civil global navigation satellite system (GNSS) under ~~civil~~**civilian** control, which consists of a constellation of satellites, centres and a global network of ground stations. EGNOS is a civil regional satellite navigation system under ~~civil~~**civilian** control, which consists of centres and stations on the ground and several transponders installed on geosynchronous satellites, which augments and corrects the open signals emitted by GNSS.

2. The activities of the PNT component shall include:

(a) the management, operation, maintenance, continuous improvement and protection of space and ground infrastructure and services provided;

(b) the evolution of the PNT services and the development and deployment of future generations of the existing systems as well as additional activities, including satellites in Low Earth Orbits (LEO-PNT)**, taking into account user needs**;

(c) the research and development activities supporting the modernization of the infrastructure ('upstream R and D') and the development of applications, user technology, including for governmental use, standardisation and certification ('downstream R and D');

(d) the cooperation with other regional or global satellite navigation systems, including to facilitate compatibility and interoperability, contributing to the role of the Union as a global actor in the space sector**, to** encourage international cooperation, and **to** support European space diplomacy.

3. The services provided by the Union's PNT component shall in particular cover:

(a) an open service (OS) for use free of charge by any user;

(b) a high-accuracy service (HAS) for users requiring higher performance than the OS;

(c) authentication services including Galileo open service navigation message authentication (OSNMA), Galileo signal authentication service (SAS), and other open service ranging authentication capabilities (OS-RA);

(d) a public regulated service (PRS) restricted to government-authorised users;

(e) a multi-hazard emergency warning satellite service (EWSS);

(f) a timing service (TS);

(g) a space service volume (SSV) for use by operators of space assets;

(h) global stand-alone search and rescue services (SAR), including **potentially for government-authorised**~~for governmental~~ users, integrating return communication capabilities to support rescue operation;

(i) safety of life services (SoL) for users for whom safety is essential, including civil aviation, maritime, and other transport applications;

(j) data dissemination services (DDS);

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(k) radio-frequency interference ~~monitoring services for different~~**alert service for the** authorised user communities of **the services provided by** all components in this Section;

(l) a contribution to complementary PNT services, including terrestrial, which shall increase the resilience in case of disruptions to the services provided by the PNT component.

4. PRS shall be free of charge for the Member States, the Council, the Commission, EEAS and, where appropriate, duly authorised Union agencies.

4a. **Other services referred to in paragraph 3 shall be free of charge for the Member States, the Council, the Commission, EEAS and relevant Union agencies, except where provided for in the pricing policies referred to in paragraph 5.**

4b. The services of the PNT component shall be provided as a priority over the territories geographically located in Europe of all Member States and third countries participating in the PNT sub-components.

5. The Commission may adopt, by means of implementing acts, technical and operational specifications ~~referring~~**relating** to PNT ~~activities or~~ services, ~~including those~~**as well as access policies for services** referred to in paragraph 3, ~~point (k), as well as measures required to establish and regulate access policies for PNT data and services,~~ including pricing ~~policy~~**policies** where applicable. These implementing acts shall be adopted in accordance with the examination procedure referred to in Article ~~83, paragraph 3~~**83(3)**.

Article 60

Earth Observation

1. The Earth Observation (EO) component shall consist of Copernicus and of the Earth Observation Governmental Service (EOGS) sub-components.

1a. Copernicus is an operational, autonomous, user-driven, civil Earth observation system under civilian control, building on the existing national and European capacities**, based on a dedicated space infrastructure and operational services**. It shall offer geo-information data and services based on a free, full and open data policy ~~and, where appropriate, integrating the needs and requirements of~~**subject to restrictions, in particular to protect the** security **interests of the Union or its Member States**. It shall be based on space and ground infrastructure, including data and information processing facilities and distribution infrastructure.

2. Copernicus shall also support the formulation, implementation and monitoring of the Union's and its Member States' policies in particular in the fields of environment, climate change, marine, maritime, atmosphere, agriculture and rural development, preservation of cultural heritage, civil protection, infrastructure monitoring, safety and security, as well as digital economy~~,~~ under the Digital Leadership window, which shall be aligned with the ~~objective~~**objectives** of Copernicus.

3. Copernicus shall promote the international coordination of Earth observation systems and related exchanges of data in order to strengthen its global dimension and complementarity taking account of international agreements and coordination processes.

4. 'Copernicus core users' are the Union institutions and bodies and European, national or regional public bodies in the Union or associated third countries entrusted with a public service mission for the definition, implementation, enforcement or monitoring of civilian public policies, such as environmental, civil protection, safety, including safety of infrastructure, or security policies, which benefit from Copernicus data and Copernicus information and have the additional role of driving the evolution of Copernicus.

4a. A Copernicus User Forum is set up ~~according to~~**to advise a dedicated sub-committee referred to in** Article 83(1), point (g), ~~to advise~~ on Copernicus user needs**, evolution of the services** and user uptake.

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5. To ensure its continuity and evolution, and meet the evolving users' needs, in particular Copernicus core users, Copernicus shall in particular be composed of:

(a) Copernicus Infrastructure, including development, deployment, and operations of the Copernicus Sentinels, ~~future capacities~~**next generation and expansion Sentinel missions**, access to third-party space-based Earth observation data and sustained access to in-situ and other ancillary data, including possible contributions to and from international in-situ networks;

(b) Copernicus Services, including ~~environmental monitoring for land, climate change, atmosphere and marine environments; emergency management services; prevention and preparedness services; security services within the Union; including maritime surveillance and border monitoring; support to Union external action including Common Foreign and Security Policy;~~**:**

(i) environmental monitoring, reporting and compliance assurance services covering atmosphere monitoring on a global level, marine environment monitoring, land monitoring and agriculture and climate change monitoring;

(ii) emergency management service supporting civil protection and emergency response operations, and disaster prevention and preparedness;

(iii) security service to support surveillance within the Union and at its external borders, maritime surveillance and Union external action including Common Foreign and Security Policy;

(c) Copernicus data access and distribution, including **adequate** infrastructure and services to ensure the discovery, viewing, access to, traceability, distribution and exploitation and long-term preservation of Copernicus data and Copernicus information, **ensuring that data access platforms are adapted to the needs of Copernicus core users, as well as research institutions, and companies, in particular SMEs, with**~~in a~~ user-friendly ~~manner~~**interfaces**, notably in synergy with other data-related initiatives, such as the European Green Deal Data Space or Digital Twins~~.~~**;**

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(ca) Copernicus user uptake for Copernicus core users ~~as well as~~**including** the collection and analysis of Copernicus users' needs and capacity building through Copernicus Services; market development, notably through the promotion of Copernicus data and services, and development of downstream applications to maximise socio-economic benefits.

5a. The Commission may adopt, by means of implementing acts, technical **and operational** specifications ~~referring~~**relating** to the ~~actions listed~~**services referred to** in paragraph 5**, point (b)**. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 83(3).

6. ~~The free, full and open data policy may include limitations.~~ The Commission may adopt delegated acts in accordance with Article 84 to supplement Copernicus data and information policy as regards the security limitations as well as the specifications, conditions and procedures for the access to and use of Copernicus data and Copernicus information.

7. EOGS is an operational, autonomous, user-driven, dual-use Earth observation system under ~~civil~~**civilian** control which shall provide enhanced situational awareness in support of the ~~policy~~**policies** of the Union~~, including to SATCEN,~~ and **of** the Member States in the fields of security and defence. EOGS shall ~~in particular~~**be developed with a stepwise and incremental approach based on user needs. It shall supplement existing capabilities provided through the European Union Satellite Centre and shall** comprise **a pooling and sharing mechanism of Earth observation capabilities from Member States and from private entities established in the Union subject to the eligibility and participation conditions referred to in Article 69, complemented by dedicated** satellites, ground infrastructure, data and information processing facilities, and distribution infrastructure. It shall provide secure, reliable, timely, persistent and targeted space-based Earth observation data, products and information, reinforcing existing and planned capabilities. ~~It shall complement existing capabilities provided through the European Union Satellite Centre, including those from Member States.~~ EOGS may also provide complementary data to Copernicus Services, in particular for civil protection and security.

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8. EOGS shall in particular be composed of:

(a) EOGS Infrastructure, ~~including development and operations of new Earth-observation space missions designed for governmental applications; access to complementary third-party space-based Earth observation data; access to in-situ and other ancillary data;~~ **comprising:**

(i) a pooling and sharing mechanism of governmental and commercial capabilities through a federation layer;

(ii) the subsequent development and operations of new Earth observation missions, including ground and space infrastructure which shall comply with the general security requirements referred to in Article 77(3), designed for services to government-authorised users following a capabilities gap analysis; and

(iii) the inclusion of access to in-situ and other ancillary data.

(b) EOGS Services **to government-authorised users**, including activities for the generation of value-added geo-spatial information ~~restricted to government-authorised users~~ for situational awareness applications in the fields of security and defence;

(c) EOGS Data access and distribution, including infrastructure and services to ensure the access to, distribution ~~and~~**,** exploitation and long-term preservation of EOGS data and information, including classified information, in a secure manner.

9. The Commission may adopt, by means of implementing acts, technical **and operational** specifications and access ~~policy referring~~**policies, including restrictions and prioritisation, relating** to EOGS ~~actions, as listed~~**services referred to** in paragraph 8**, point (b)**. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 83(3).

9a. Member States, the Council, the Commission and the EEAS shall be participants of EOGS Services and, where appropriate, provide satellite capacities, ground segment sites or part of the ground segment facilities, which shall comply with the general security requirements referred to in Article 77(3).

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9b. **Union agencies may become EOGS participants only insofar as necessary to fulfil their tasks and in accordance with detailed rules laid down in an administrative arrangement concluded between the agency concerned and the Union institution that supervises it.**

9c. **Without prejudice to paragraph 9b, Union agencies may have access to classified information provided they fulfill the conditions set out in Article 13(4a).**

10. **The participants referred to in paragraphs 9a and 9b of this Article shall authorise** the users of EOGS ~~shall be duly authorised by the Commission or Member States, and~~**in accordance with Article 76. Those users** shall comply with the general security requirements referred to in Article 77(3). EOGS shall be provided free of charge to the following entities, ~~that may be~~**when** authorised as users of EOGS **Services**:

(a) a Union or Member State public authority or body entrusted with the exercise of public authority **in the fields of security and defence**;

(b) a natural or legal person acting on behalf and under the control of an entity referred to in point (a).

10a. **Third countries and international organisations may become EOGS participants subject to a specific dedicated international agreement concluded in accordance with Article 218 TFEU and pursuant to Article 11(4) of this Regulation.**

~~Member States may contribute to EOGS with satellite capacities, ground segment sites or part of the ground segment facilities, which shall comply with the general security requirements referred to in Article 77(3).~~

~~Union agencies may have access to EOGS only insofar as necessary to fulfil their tasks and in accordance with detailed rules laid down in an administrative arrangement concluded between the agency concerned and the Union institution that supervises it.~~

~~Without prejudice to paragraph 12, Union agencies may have access to EUCI provided they fulfill the conditions set out in Article 13(4a).~~

13. Research and development activities shall support the evolution of Copernicus and EOGS, including their services, and downstream R and D for applications and user technology for the uptake of Earth Observation services.

Article 61

Secure Connectivity

1. The Secure Connectivity component shall consist of:

(a) the GOVSATCOM sub-component, a satellite communications service under ~~civil~~**civilian** and governmental control enabling the provision of satellite communications capacities and services to Union and Member State ~~authorised governmental~~**government-authorised** users, via a sharing and pooling mechanism;

(b) the IRIS² sub-component, a multi-orbital satellite constellation providing**, for government-authorised users through the GOVSATCOM Hub,** secure and resilient connectivity across the Union and worldwide, ~~through the GOVSATCOM Hub for governmental users and complementing and integrating~~**complemented by** GOVSATCOM capacities.

1a. For the purpose of this Article, the GOVSATCOM Hub shall be an operational centre, the main function of which is to link, in a secure manner, the government-authorised users to the providers of capacity and services, including IRIS², and thereby optimise the supply and demand at any given moment.

1b. The Secure Connectivity component shall:

(-a) ensure the long-term availability of reliable, secure and cost-effective GOVSATCOM services to government-authorised users.

(a) ensure the provision and long-term availability of**, and uninterrupted access to,** reliable, secure and cost-effective IRIS² governmental services to ~~government authorised~~**government-authorised** users;

(b) enable the provision of IRIS² commercial services, including services offered to ~~government authorised~~**government-authorised** users based on **the** commercial infrastructure **referred to in paragraph 3(a), point (ii)**;

~~ensure the long-term availability of reliable, secure and cost-effective GOVSATCOM services to government authorised users.~~

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(c) ~~where possible, enable,~~ via the IRIS² sub-component, **ensure** the development **and provision** of additional **governmental communication services, including direct-to-device, and enable, where possible, other** communication and non-communication services, in particular by improving activities and creating synergies between components under this Section.

(d) improve secure connectivity over geographical areas of strategic ~~interest~~**importance** such as Africa and the Arctic as well as the Baltic, the Black Sea, Mediterranean regions and the Atlantic.

2. ~~The IRIS² and~~ The GOVSATCOM **and IRIS²** sub-components shall include the following activities:

(-a) the procurement of governmental and commercial satellite communication capacities, services, and user equipment necessary for the pooling and sharing and provision of GOVSATCOM services, which shall be provided by:

(i) GOVSATCOM participants as referred to in paragraph 11, 12 and 13; or

(ii) legal persons duly accredited to provide satellite communication capacities or services in accordance with the security accreditation procedure referred to in Article 37 of Regulation (EU) 2021/696, which shall be done in compliance with the general security requirements referred to in Article 77(3) of this Regulation.

(a) the definition, design, development, validation and related deployment activities for the necessary space and ground infrastructure required for the provision of IRIS² governmental services **and for the ground infrastructure required for the provision of GOVSATCOM services**;

(b) exploitation activities providing IRIS² governmental services, comprising the operation, maintenance, continuous improvement and protection of the space and ground infrastructure, including replenishment and obsolescence management;

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(c) the integration of EuroQCI, once operational **and accredited in accordance with Article 37 of the Regulation (EU) 2021/696**, into the IRIS² system;

~~the procurement of governmental and commercial satellite communication capacities, services, and user equipment necessary for the pooling and sharing and provision of GOVSATCOM services, which shall be provided by:~~ ***[Moved to (-a)]***

~~GOVSATCOM participants as referred to in paragraph 11 to 13; or~~

~~legal persons duly accredited to provide satellite communication capacities or services in accordance with the security accreditation procedure referred to in Article 37 of Regulation (EU) 2021/696, which shall be done in compliance with the general security requirements referred to in Article 77(3) of this Regulation.~~

(ea) research and development ~~of~~ activities for the future generations of space and ground infrastructure, for the evolution of **GOVSATCOM services and** IRIS² governmental services ~~and GOVSATCOM services~~**taking into account user needs**, for technological development, notably to ensure Union technological sovereignty, and for the uptake of secure connectivity services, including activities relating to the design, development and manufacturing of user terminals;

(eb) the purchase of services to government-authorised users based on the commercial infrastructure, under market conditions, in order to guarantee the provision of those services to those users.

3. ~~IRIS² and~~ GOVSATCOM **and IRIS²** infrastructures shall include the following requirements:

(-a) The GOVSATCOM infrastructure shall include infrastructure necessary to enable the provision of GOVSATCOM services, particularly the GOVSATCOM Hub.

(a) The IRIS² infrastructure shall be modular and consist of a governmental infrastructure and a commercial infrastructure.

(i) The IRIS² governmental infrastructure shall include all the relevant ground segments, including the relevant control centres, **the GOVSATCOM Hub** and space segments which are required for the provision of the governmental services. It shall complement and build on the GOVSATCOM sub-component.

(ii) The IRIS² commercial infrastructure shall include all space and ground assets other than those being part of the governmental infrastructure. The commercial infrastructure shall not impair the performance or security of the governmental infrastructure. The contractors referred to in paragraph 15 shall entirely finance the commercial infrastructure and shall bear any risk related to it.

(c) The IRIS² governmental infrastructure may host additional satellite subsystems, in particular payloads, that may be used as part of the space-based infrastructure of the other components under this Section, as well as satellite subsystems used for the provision of non-communication services or capacities to Member States and may include interconnections with third party satellites**, provided that they comply with the general security requirements referred to in Article 77(3)**.

~~The GOVSATCOM infrastructure shall include infrastructure necessary to enable the provision of GOVSATCOM services, particularly the GOVSATCOM Hub, which shall link the GOVSATCOM users to the providers of GOVSATCOM capacity and services.~~***[Moved to point (-a)]***

(e) The ground and space segments referred to in this paragraph and their ~~operation~~**operations** shall comply with the general security requirements referred to in Article 77(3).

4. The provision of Secure Connectivity services shall be ensured as laid down in a service portfolio referred to in paragraph 6 of this Article, and in accordance with **the** operational requirements ~~and in accordance~~**referred to in paragraph 7 of this Article and** with the **general** security requirements referred to in Article 77(3). The provision of GOVSATCOM services and IRIS² governmental services shall follow the sharing and prioritisation rules referred to paragraph 8 **of this Article**.

5. Access to GOVSATCOM services and IRIS² governmental services shall be free of charge for institutional and ~~governmental~~**government-authorised** users unless the Commission sets out a pricing policy in accordance with paragraph 9.

6. The Commission shall adopt, by means of implementing acts, the service portfolio for GOVSATCOM services in the form of a list of categories of satellite communication capacities and services and their attributes, and **for** IRIS² governmental services comprising the technical specifications for each category of services, including services to ~~government authorised~~**government-authorised** users based on the IRIS² commercial infrastructure.

7. The Commission shall adopt, by means of implementing acts, the operational requirements for GOVSATCOM services and IRIS² governmental services, relating in particular to **the use of those services for** crisis management, situational awareness and key infrastructure management, including diplomatic and defence communication networks.

8. The rules on sharing and prioritisation of GOVSATCOM services and IRIS² governmental services shall prioritise users according to their relevance and criticality. The Commission shall adopt, by means of implementing acts, the detailed rules on the sharing and prioritisation of GOVSATCOM capacities, services, and user equipment. The Commission shall also adopt, by means of implementing acts, detailed rules on the provision of IRIS² governmental services. When drawing those acts related to GOVSATCOM and IRIS², the Commission shall take into account the expected demand for the different use-cases, the analysis of security risks for those use-cases and, where appropriate, cost-efficiency.

9. When the analysis of risks and expected demand **performed** by GOVSATCOM and IRIS² participants concludes there is a shortage of capacities or where demand exceeds the access capacity for GOVSATCOM services or IRIS² governmental services, which may lead to a distortion of the market, the Commission may adopt, by mean of implementing acts, a pricing policy. By adopting a pricing policy, the Commission shall ensure that the provision of GOVSATCOM services and the IRIS² governmental services does not distort competition, that there is no shortage of those services and that the price identified will not result in an overcompensation for the contracts referred to in paragraph 15.

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10. The implementing acts referred to in paragraphs 6 to 9 shall be adopted in accordance with the examination procedure referred to in Article 83(3).

11. Member States, the Council, the Commission and the EEAS shall be **GOVSATCOM or IRIS²** participants ~~of IRIS² governmental services or GOVSATCOM services~~ insofar as they authorise users in accordance with Article 76, or provide satellite communication capacities, ground segment sites or part of the ground segment facilities.

12. Union agencies may become ~~secure connectivity~~**GOVSATCOM or IRIS²** participants only insofar as necessary to fulfil their tasks and in accordance with detailed rules laid down in an administrative arrangement concluded between the agency concerned and the Union institution that supervises it.

12a. Without prejudice to paragraph 12, Union agencies may have access to EUCI provided they fulfill the conditions set out in Article 13(4a).

13. Third countries and international organisations may become ~~secure connectivity~~**GOVSATCOM or IRIS²** participants subject to a specific dedicated international agreement concluded in accordance with Article 218 TFEU and pursuant to ~~Articles~~**Article** 11(4) of this Regulation.

14. The participants referred to in paragraphs 11**, 12 and** ~~to~~ 13 of this Article shall authorise the users of **GOVSATCOM services and** IRIS² governmental services ~~and GOVSATCOM services~~**in accordance with Article 76**. Those users shall comply with the general security requirements referred to in Article 77(3). The following entities may be authorised as users of GOVSATCOM services or IRIS² governmental services:

(a) a Union or Member State public authority or a body entrusted with the exercise of public authority;

(b) a natural or legal person acting on behalf and under the control of an entity referred to in point (a).

PUBLIC

15. IRIS² shall be implemented**, in particular,** through a concession contract, which shall include the allocation of risk between the Union and the contractors. If the IRIS² concession contract fails, the Commission shall ensure an optimal implementation of the ~~objective~~**objectives** referred to paragraph 1a, ~~point (a)~~**points (a) and (d)**, by procuring, as appropriate, a supply, service or works contract or a mixed contract.

16. The Commission shall take the necessary measures to ensure the continuity of the IRIS² governmental services if the contractors referred to in paragraph 15 are unable to fulfil their obligations.

17. The contracts referred to in paragraph 15 shall in particular ensure that the provision of services based on the IRIS² commercial infrastructure preserves the Union's essential interests and the objectives of the sub-component. Those contracts shall also include adequate safeguards to avoid any overcompensation of the contractors referred to in paragraph 15, distortions of competition, conflicts of interest, undue discrimination or any other hidden indirect advantages. Such safeguards may include the obligation of accounting separation between the provision of IRIS² governmental services and the provision of IRIS² commercial services, including the setting up of a structurally and legally separate entity from the vertically integrated operator for the provision of governmental services, and the provision of open, fair, reasonable and non-discriminatory access to the infrastructure necessary for the provision of commercial services. The contracts shall also ensure that the conditions on eligibility referred to in Article 69 are met throughout their duration. **The Commission shall require, through the concession contract, that start-ups, scale-ups, SMEs and small mid-cap companies from across the Union are able to deliver their own services to end users.**

18. Where the IRIS² governmental and commercial services rely on common subsystems or interfaces to ensure synergies, the contracts referred to in this Article shall also determine which of those interfaces and common subsystems shall be part of the governmental infrastructure in order to ensure the protection of the security interests of the Union and its Member States.

19. The contractors referred to in this Article shall entirely finance the IRIS² commercial infrastructure referred to in paragraph 3(a), point (ii), in order to fulfil the objective referred to in paragraph 1, point (b).

PUBLIC

Article 62

Space Surveillance and Tracking

1. The SST sub-component of SSA shall in particular include:

(a) the establishment, development**, deployment** and operation of a network of ground-based and space-based SST sensors of the Member States**, such as radars, lasers or telescopes**, to be selected by architecture studies, including sensors developed through the European Space Agency, of Union commercial sector, and of Union-owned **space-based** sensors aiming to survey and track space objects and to produce an autonomous European catalogue of space objects;

(b) the processing and analysis of SST data in order to produce SST information and SST services referred to in paragraphs 5 and 6;

(c) the provision of the SST services **referred to in paragraph 5** to the SST users referred to in paragraph 9**, points (a) and (b)**;

(d) seeking, fostering and supporting synergies with initiatives promoting development and deployment of technologies or services for spacecraft disposal at the end of operational lifetime and of technological systems or services for the prevention **of space objects collisions and the**~~and~~ elimination of space debris;

(da) the provision of services referred to in paragraph 6 to SST governmental users referred to in paragraph 9, point (c);

(e) cooperation**, including through information sharing,** with international initiatives in the ~~area~~**domain** of space traffic coordination;

(f) activities necessary to support the safe and sustainable use of space;

(fa) activities related to space debris mitigation in order to reduce their generation, space debris remediation, the monitoring of launch after injection, specific services for constellations, the establishment of a marketplace for SST data, information and services, preparation of the SST system to cislunar operations, support to in-space operations and services, and to dark and quiet skies initiatives;

PUBLIC

(g) research and development activities supporting the evolution of the SST sub-component, including its services **and data processing, as well as of commercial capabilities**.

3. The SST Partnership initiated under Regulation (EU) 2021/696 shall continue to be in effect under the ECF and shall **support the evolution of activities based on user needs and** contribute to the implementation of the activities referred to in points (a) to (e) **and (g)** of paragraph 1**, including through the provision of technical and administrative support, expertise, studies, or relevant research and innovation activities**. The Commission may adopt, by means of implementing acts, ~~detailed~~ rules **on the participation and organisational framework of Member States in that partnership and** for the inclusion at a later stage of an additional Member State in the SST Partnership. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article ~~83, paragraph 3~~**83(3)**.

4. In order to reinforce the contribution to the SST implementation, the Commission is empowered to adopt delegated acts in accordance with Article 84 to supplement paragraph 3 with the detailed list of tasks to be performed by the SST Partnership.

5. SST services **referred to in paragraph 1, point (c),** shall be free of charge, available without interruption and adapted to the needs of the SST users **referred to in paragraph 9** and shall ~~comprise~~**include**:

(a) the risk assessment of collision between spacecraft or between spacecraft and space debris and**, where needed,** the ~~potential~~ generation of collision avoidance alerts **and manoeuvre recommendations** during the phases of launch, early orbit, orbit raising, in-orbit operations and disposal phases of spacecraft missions;

(b) the detection and characterisation of in-orbit fragmentations, break-ups or collisions;

(c) the risk assessment of the uncontrolled re-entry of space objects and space debris into the Earth's atmosphere and the generation of related information, including the estimation of the timeframe and likely location of possible impact;

~~the activities related to space debris mitigation in order to reduce their generation, space debris remediation, the monitoring of launch after injection, specific services for constellations, the establishment of a marketplace for SST data, information and services, preparation of the SST system to cislunar operations, support to in-space operations and services, and to dark and quiet skies intiatives.~~***[Moved to paragraph 1(fa)]***

6. **The** SST services ~~may comprise services for~~**to** governmental SST users referred to in paragraph 9, point (c) **shall be free of charge, available without interruption and adapted to their needs and may comprise correlation, filtering and storage of all SST data stemming from the network of sensors referred to in paragraph 1, point (a), and dissemination of SST data to governmental SST users**, based on the catalogue referred to in paragraph 1, point (a).

9. SST users shall comprise:

(a) SST core users, which shall have access to all SST services referred to in paragraph 5: Member States~~, the Council~~, the EEAS, the Commission, the Agency as well as public and private spacecraft owners and operators established in the Union;

(b) SST non-core users**, which shall have access to services referred to in paragraph 5, points (a) and (c)**: other public and private entities and international organisations;

(c) Governmental SST users for the ~~governmental service~~**services** referred to in paragraph 6: Member States~~, the Council~~ and the EEAS.

9a. In order to foster uptake of SST services **referred to in paragraph 5** or protect the security interest of the Union and its Member States, the Commission is empowered to adopt delegated acts to amend the list of non-core users or supplement the list of services that they may have access to.

10. The Commission may adopt, by means of implementing acts, ~~detailed provisions concerning the~~ access **policies relating** to SST services ~~by the SST users and relevant procedures~~**referred to in paragraph 5**. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article ~~83, paragraph 3~~**83(3)**.

10a. The Commission may adopt, by means of implementing acts, ~~the~~**access policies and provision, technical and** operational ~~and access requirements as well as the security and technical~~ specifications for SST services ~~for governmental SST users~~**referred to in paragraph 6**. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article ~~83, paragraph 3~~**83(3)**.

11. The SST sub-component shall not be open to the participation of third countries. However, it shall be open to Norway subject to the conclusion of a separate specific agreement under Article 218 TFEU and pursuant to Article 11(4).

Article 63

Near-Earth Objects

1. The objective of the NEO sub-component of SSA is the risk monitoring of natural objects in the solar system that approach the Earth.

2. The NEO sub-component shall include activities to fulfil the objective set out in paragraph 1, notably support activities related to the maintenance and data entries of the Union catalogue of physical properties of near-Earth objects, and may include impact risk assessment.

3. The NEO sub-component shall include research and development activities supporting its evolution~~, including its services,~~ and downstream R and D for applications and user technology ~~for the uptake of NEO services~~.

PUBLIC

Article 64

Space Weather Events

1. The objective of the SWE sub-component is to monitor and assess natural changes **due to solar variable activity and** related to space weather events, such as solar wind and solar flares~~-~~, and their impacts on critical systems and **on** infrastructures covered by the technical requirements of the services referred to in paragraph 4.

2. The SWE sub-component shall include all the activities required to provide space weather services, including **purchasing data from commercial sources and** research and development activities supporting the evolution of the SWE sub-component, as well as its services and downstream R and D for applications and user technology for the uptake of SWE services.

3. SWE services shall aim to be available without interruption**, free of charge,** and shall in particular comprise the space domain **and may expand gradually**.

4. The Commission may adopt, by means of implementing acts, technical and operational specifications relating to SWE services, taking into account user needs. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article ~~83, paragraph 3~~**83(3)**.

Article 65

Access to space ~~transportation~~

1. **Access to** space ~~transportation~~ is the ability to launch and transport spacecraft to, in and from space**, using launch systems**.

2. The objective of this component shall be to foster an autonomous, resilient and sustainable **access to** space ~~transportation~~, by supporting **the reliability, competitiveness and cost-efficiency of** European ~~reliable and cost-efficient~~ launch services**,** together with a cohesive and cooperative European approach, taking into account the essential security interests of the Union and its ~~Member States~~**Member States**.

3. In synergies with other Union programmes and funding schemes, **and without prejudice to ESA's activities,** the activities under this component shall include:

(a) procurement ~~and~~**or joint procurement,** aggregation of**, or incentives for, European** launch services for the needs of the Union and, at their request, ~~aggregation and joint procurement of launch services~~ for the needs of Member States and international organisations, including the needs of in-orbit demonstration and in-orbit validation activities to support the activities of Article 66(2)**, point (e)**, and Article 67(2);

(b) **access to** space ~~transportation~~ research and innovation, including the upgrade and development of new technologies and systems and services;

(c) development, adaptation, construction, maintenance and operation of critical Union based ground infrastructure, including ~~but not limited to~~ the facilities necessary to test, launch and recover **access to** space ~~transportation~~ technologies and services capabilities.

4. The Commission shall establish ~~a~~**an Access to** Space ~~Transportation~~ Coordination Board including Member States, the Agency established in accordance with Regulation (EU) 2021/696 ('the Agency'), relevant international organisations, ~~including~~**in particular** the European Space Agency, and other European public entities to coordinate European activities in **access to** space ~~transportation~~.

5. In order to protect the security interests of the Union, the Union space assets ~~subject to security accreditation as referred to in Article 37 of Regulation (EU) 2021/696~~**aiming to provide services to government-authorised users** shall be launched by service providers that comply with the eligibility and participation conditions set out in Article 69 and, only in justified exceptional circumstances and on the basis of an international agreement concluded in accordance with Article 218 TFEU and pursuant to Article 11(4) providing for such activity, from the territory of a third country.

PUBLIC

Article 66

Space commercialisation and space economy

1. CASSINI shall constitute the Union's space entrepreneurship initiative. CASSINI shall undertake actions to support the commercialisation of the Union space industry products and services, in particular focusing on entrepreneurship, and to leverage private investment, supporting entrepreneurs to grow up and scale up in the internal market and internationally. **Space commercialisation activities may be carried out in cooperation with relevant organisations, including ESA.**

2. This component shall include the following activities:

(a) creation of Union investment facilities for seed, early growth, and growth-stage private investment, and facilitating exits for founders and investors;

(b) creation of an Union industrial upscaling facility to enable **more** private investment into new and existing manufacturing facilities and reinforce Union-based supply chains;

(c) support to the development of the Union of skills targeted to the space sector, including skills intelligence, space curricula development, upskilling, reskilling, mobility and exchange programmes;

(d) strengthening the local space ecosystems bringing together different actors to promote space innovation, provide support, facilities and services to citizens and companies to foster entrepreneurship, notably through technology transfer, business ~~incubation, business~~ acceleration services, matchmaking and investor networking and by enabling improved market access and international business networks;

(e) schemes to accelerate market readiness and commercial growth through the use of anchor customer contracts and schemes to onboard customers on both private and public sector markets, involving space components and infrastructures as well as products using space data and services;

(f) actions necessary to support the Union's space economy and the internal market for space activities.

PUBLIC

Article 67

Technological sovereignty, research and innovation

1. The technological sovereignty and research and innovation component shall enable the Union to build a competitive, autonomous, and innovative space industrial ecosystem, aiming to enhance the Union's technological sovereignty, non-dependence, and self-sufficiency in the space sector. It shall foster the development and uptake of cutting-edge space technologies. It shall prioritize the reduction of critical dependencies on non-Union technologies, **build synergies with other sectors,** promote maturation of critical technologies from research to industrialisation and foster dual-use technologies that can benefit both civil and defence applications.

2. The component shall include the following activities:

(a) activities related to Union's technological sovereignty, such as ~~research,~~ innovation, development, **industrialisation** and uptake of critical space technologies, including those directly related to the EU Observatory of Critical Technologies, (OCT) and implementation of OCT roadmaps that reduce Union dependencies along the supply chains and enhance competitiveness of the Union space ecosystem;

(b) activities aiming at improving the timely availability of critical raw and advanced materials, components and technologies for the space sector, including through the reduction of their delivery lead time, reservation of manufacturing slots or stockpiling of products, intermediate products or critical raw materials;

(ba) the research, maturation and validation of emerging and new Union space capabilities, including quantum sensing and related technologies;

(c) the ~~research and~~ development of new Union space capabilities~~, including quantum sensing technologies and related enabling technologies~~ fostering a new in-space economy, specifically through the maturation, demonstration and operationalisation of In-Space Operations and Services;

(d) boosting Union industrial competitiveness in global commercial markets, including through demonstrator missions advancing the degree of digitalisation of end-to-end space systems;

(e) exploring and leveraging synergies with complementary domains such as security and defence and other relevant sectors for key areas such as robotics, Artificial Intelligence and cybersecurity;

(f) supporting standardisation and certification activities relevant for the Union space sector;

(g) facilitating availability and access to testing and data processing facilities for space technologies.

PUBLIC

Article 68

Access to services by third countries and international organisations

1. Third countries and international organisations may have access to **GOVSATCOM services,** governmental IRIS² ~~services, GOVSATCOM~~ services, fragmentation services referred to in Article 62(5), point (b)~~, in-space operation and services referred to in Article 62(5), point (d)~~, and EOGS subject to an agreement concluded in accordance with Article 218 TFEU and pursuant to Article 11(4), laying down the terms and conditions for access to those services, and on the condition that they comply with Article 13.

3. The access of third countries and international organisations to the Public Regulated Service (PRS) provided by Galileo shall be governed by Article 3(5) of Decision No 1104/2011/EU of the European Parliament and of the Council.

4. No agreement concluded in accordance with Article 218 TFEU shall be required to access SST services relating to collision avoidance referred to in Article 62(5), point (a) and re-entry referred to in Article 62(5), point (c).

4a. The services ~~referred to in Article 62(5) not mentioned in paragraphs 1 and 4 of this Article and services for governmental SST users~~ referred to in Article 62(6) shall not be accessible to third countries and international organisations**, except under the conditions provided in the agreement referred to in Article 62(11)**.

Article 69

Eligibility and participation conditions for the preservation of the security, integrity and resilience of operational space systems of the Union

1. The Commission shall apply the eligibility and participation conditions set out in paragraph 3 to the award procedures under this Section if it deems that this is necessary and appropriate to preserve the security, integrity and resilience of the operational Union space systems, taking into account the objective to promote the Union's strategic autonomy, in particular in terms of technology across key technologies and value chains, while preserving an open economy.

2. Before applying the eligibility and participation conditions in accordance with paragraph 1 the Commission shall inform the relevant configuration of the Committee referred to in Article ~~83, paragraph 1~~**83(1)**, point (g) and shall take utmost account of the Member States' views on the scope of application of and the justification for those eligibility and participation conditions.

3. The eligibility and participation conditions shall be as follows:

(a) the eligible legal entity is established in a Member State and its executive management structures are established in that Member State;

(b) the eligible legal entity commits to carry out all relevant activities in one or more Member States; and

(c) the eligible legal entity is not to be subject to control by a third country or by a third country entity.

4. The Commission may set out, by means of implementing acts, the criteria determining a decisive influence over a legal entity, directly, or indirectly through one or more intermediate legal entities that may have an impact on the security, integrity and resilience of the operational Union systems, taking into account the objective to promote the Union's strategic autonomy, in particular in terms of technology across key technologies and value chains.

These implementing acts shall be adopted in accordance with the advisory procedure referred to in Article 83(2).

5. The Commission may waive the conditions of paragraph 3, points (a) or (b) for a particular legal entity upon evaluation based on the following cumulative criteria:

(a) for specific technologies, goods or services needed for the activities referred to in paragraph 1 no substitutes are readily available in the Member States;

(b) the legal entity is established in a country which is a member of the EEA or EFTA and which has concluded an international agreement with the Union as referred to in Article 11, its executive management structures are established in that country and the activities linked to the procurement, grant or prize are carried out in that country or in one or more such countries; and

(c) the protection of EUCI is ensured in accordance with Article 13 and measures are implemented to ensure the security and resilience of the components under this Section, their operation and their services.

6. By way of derogation from paragraph 5, point (b), the Commission may waive the conditions under paragraph 3, points (a) or (b), for a legal entity established in a third country which is not a member of the EEA or EFTA if no substitutes are readily available in countries which are members of the EEA or EFTA and the criteria set out in paragraph 5, points (a) and (c), are met.

7. The Commission may waive the condition under point (c) of paragraph 3 if the legal entity established in a Member State provides the following guarantees:

(a) control over the legal entity is not exercised in a manner that restrains or restricts its ability to:

(1) carry out the procurement, grant or prize; and

(2) deliver results, in particular through reporting obligations;

(b) the controlling third country or third country entity commits to refrain from exercising any controlling rights over or imposing reporting obligations on the legal entity in relation to the procurement, grant or prize; and

(c) the legal entity complies with **the general security requirements referred to in** Article ~~77~~**77(3)**.

8. The competent authorities of the Member State in which the legal entity is established shall assess whether the legal entity complies with the criteria set out in point (c) of paragraph 5 for waivers relative to the condition set out in paragraph 3, point (b), and guarantees referred to in paragraph 7. The Commission shall comply with that assessment.

9. The Commission shall provide the following to the **relevant** committee **configuration** referred to in Article ~~83(1), point (ha)~~**83(6)**:

(a) the scope of application of eligibility and participation conditions referred to in paragraph 3 of this Article;

(b) details and justifications on the waivers granted in accordance with this Article; and;

(c) the evaluation that formed the basis for a waiver, subject to paragraphs 5 to 7 of this Article, without divulging commercially sensitive information.

10. The conditions set out in paragraph 3, the criteria set out in paragraphs 4, 5 and 6 and the guarantees set out in paragraph 7 shall be included in the documents relating to the procurement, grant or prize, as applicable, and, in the case of procurement, they shall apply to the full life cycle of the resulting contract.

11. This Article is without prejudice to Decision No 1104/2011/EU and Commission Delegated Decision of 15.9.2015, Regulation (EU) 2019/452, Decision 2013/488/EU and Decision (EU, Euratom) 2015/444 and to the security vetting carried out by Member States with regard to legal entities involved in activities requiring access to EUCI subject to the applicable national laws and regulations.

12. If contracts resulting from the application of this Article are classified, eligibility and participation conditions applied by the Commission in accordance with paragraph 1 shall be without prejudice to the competence of national security authorities.

13. This Article shall not interfere with, amend or contradict any existing Facility Security Clearance and Personnel Security Clearance procedure within a Member State.

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Article 70

Ownership of Union space assets, access to results and use of assets

1. The Union shall be the owner of all tangible and intangible assets created, developed or purchased under direct or indirect management in the implementation of activities supported under this section. To that effect, the Commission shall ensure that relevant contracts, agreements and other arrangements relating to the activities which may result in the creation or development of such assets contain provisions ensuring the Union's ownership.

2. Paragraph 1 shall not apply to the tangible and intangible assets created or developed under direct or indirect management in the implementation of the activities supported under this section:

(a) where Union support is provided in the form of grants, prizes or pre-commercial procurement, or

(b) the activities are not fully financed by the Union, except as otherwise specified, or

(c) the activities relate to PRS receivers developed by Member States.

2a. Paragraph 2, point (b), shall not apply to the governmental infrastructure developed under the IRIS² sub-component~~, except the terrestrial part of EuroQCI~~.

3. When paragraph 2 applies, Union institutions, bodies, offices or agencies shall not acquire ownership but enjoy royalty-free access rights to results for own use and the right to grant, or to require the recipients to grant, non-exclusive licences to third parties, including Member States, to exploit the results under fair and reasonable conditions without any right to sublicense.

4. The Union ~~shall be entitled to~~**may** conclude the relevant agreements in order to acquire ownership of assets developed by third parties where such assets are necessary to the implementation of the components under this Section.

5. The Commission shall ensure that the Union has the following rights:

(a) the right of use of the frequencies required for the transmission of the signals generated by the governmental infrastructure of IRIS², the PNT ~~components and~~**component,** the EO ~~components~~**component, and where necessary the SST component,** in accordance with the applicable laws and regulations and the relevant licensing agreements, enabled by the relevant filings for the frequencies provided by the Member States, which remain under the responsibility of the Member States;

(b) the right to prioritise the provision of the IRIS² governmental services over commercial services, in accordance with the terms and conditions to be established in the contracts referred to in Article 61 and by taking into consideration the needs of government-authorised users.

Article 71

Service performance, warranty and liability

-1. **The Commission or, where relevant, the Agency shall establish a service definition document for each service provided by the components or sub-components under this Section with their characteristics and expected performances. Such document shall be made public or, for services to government-authorised users, shared with the appropriate competent authorities referred to in Article 76.**

1. ~~Except if otherwise specified, the services~~**The expected performances under paragraph -1**, **as well as** data and information provided by the components and ~~activities~~**sub-components** under this Section**,** shall be **provided** without any express or implied warranty as regards their quality, accuracy, availability, reliability, speed and suitability for any purpose.

1a. **By way of derogation from paragraph 1 for services to government-authorised users and for safety of life services referred in Article 59(3), point (i), the service definition document referred to in paragraph -1 shall be accompanied by specific commitments in terms of expected performances, which may be subject to certain terms and conditions of use.**

1b. **When a service does not meet the parameters declared in the service definition document referred to in paragraph -1 due to a planned or unforeseeable event, users shall be informed without undue delay.**

1c. **The Points of Contact referred to in Article 77(1), point (ga), shall inform the Commission or, where relevant, the Agency, when a planned event referred to in paragraph 1b relating to services provided to government-authorised users may affect their activities.**

2. For SST, Member States participating in the SST sub-component shall not be held liable for~~:~~ damage resulting from the lack of or interruption in the provision of SST services, **for** delay in the provision of SST services~~;~~**, for** inaccuracy of the information provided through the SST services or **for** any other action undertaken in response to the provision of SST services. **For the purpose of paragraph 1b, those Member States shall notify any deviation of performance to the Commission and the Agency without undue delay.**

Article 72

Complementary procurement rules

1. The contracting authority may request that the tenderer subcontracts part of the contract by competitive tendering at the appropriate levels of subcontracting to companies other than those which belong to the tenderer's group. For contracts above EUR 10 million, the contracting authority shall aim to ensure that at least 30 % of the value of the contract is subcontracted by competitive tendering at various levels of subcontracting to companies outside the group of the prime tenderer, in particular in order to enable the cross-border participation of SMEs in the space ecosystem. The tenderer shall provide reasons for not fulfilling a request made to sub-contract or for deviating from the 30% target. The contracting authority may include specific requirements in the award procedure documentation to ensure that prime contractors follow the principles of the procurement set in this paragraph during the execution of the contract.

1a. The Commission shall inform the committee referred to in Article 83(1), point (g), on the fulfilment of the target referred to in paragraph 1.

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2. The procurement relating to service continuity or to ~~governmental~~ services ~~which require security accreditation~~**to government-authorised users** shall be deemed to satisfy the condition of extreme urgency established in point 11.1, point (c), of Annex I of the Financial Regulation.

PUBLIC

Article 73

Complementary grant rules

1. [The Union may cover up to 100 % of the eligible costs, without prejudice to the co-financing principle.]

2. By way of derogation from Article 184(6) of the Financial Regulation when applying flat rates, the authorising officer responsible may authorise or impose funding of the beneficiary's indirect costs up to a maximum of 25 % of total eligible direct costs for the action.

3. By way of derogation from Article 207 of the Financial Regulation, the maximum amount of financial support that can be paid to a third party shall not exceed EUR 200 000.

4. The SST partnership referred to in Article 62(3) shall be entitled to receive a grant under Article 198(d) of the Financial Regulation.

Article 74

Complementary indirect management rules

1. A tripartite financial framework partnership agreement in accordance with Article 131 of Regulation (EU, Euratom) 2024/2509 shall be concluded with both the Agency established in accordance with Regulation (EU) 2021/696 and the European Space Agency, subject to which the Agency and the European Space Agency may be entrusted with budget implementation tasks.

2. Whenever a Tender Evaluation Board is established by the Agency or ESA for a procurement performed under the tripartite agreement, experts from the Commission and, where relevant, from the other entrusted entity may participate as members in the Tender Evaluation Board meetings, have access to all ~~deliverables~~**the documents produced by the Tender Evaluation Board** and attend review meetings. Such participation shall not affect the technical independence of the Tender Evaluation Board**.**

3. By way of derogation from Article 62(1) of the Financial Regulation and subject to the Commission's assessment of the protection of the Union's interests, tasks entrusted under indirect management to the Agency, or its successors, may be further entrusted by the Agency to bodies referred to in Article 62(1), point (c), of Regulation (EU, Euratom) 2024/2509 under the conditions of indirect management applying to the Commission.

4. Whenever procurement or grant activities are implemented via indirect management by entrusted entities, communications activities, dissemination activities and any infrastructure, equipment, vehicles, supplies or major result funded by the procurement or grant must acknowledge the Union support and display the European flag (emblem) and funding statement (translated into local languages, where appropriate) in accordance with the Commission' standard communication rules.

PUBLIC

Article 75

Roles

1. The Member States may participate in the components referred to in this Section and, when doing so, shall contribute with their technical competence, know-how and assistance, in particular in the field of safety and security. This contribution shall include ~~making available to the Union~~, where appropriate and possible, **making available to the Union** data, information, services and infrastructure in their possession or located on their territory, that are necessary to the good functioning of the actions. The Member States shall take measures to ensure the smooth functioning of the actions supported under this Section, including frequency allocation and protection~~, and~~**. Member States developing national secure connectivity systems** shall **ensure interoperability and radio frequency compatibility with IRIS² for the purpose of Article 61(1a), point (a). Member States shall also** be responsible, at local level, for the accreditation of the security of sites that are located within their territory and form part of the security accreditation area for the components, and report, to this end, to the Security Accreditation Board referred to in Article 36 of Regulation (EU) 2021/696. ~~Notably~~ Member States participating in the SST Partnership shall perform security accreditation on the basis of the general security requirements referred to in Article 77(3) and in accordance with Council Decision 2013/488/EU.

2. The Commission shall have overall responsibility for the implementation of the components referred to in this Section, including in the field of security, without prejudice to Member States' prerogatives in the area of national security**. The Commission shall also** ~~and~~ supervise ~~their~~**the** implementation **of those components**, without prejudice to other policies of the Union.

3. The Commission shall:

(a) manage any of the components or ~~subcomponents~~**sub-components** not entrusted to another entity;

(b) determine the priorities of those components **in the work programmes referred to in Article 15** and their long-term evolution in line with the user requirements, and shall supervise their implementation~~.~~**;**

(ba) without prejudice to the tasks of the Agency or of other entrusted entities, ensure that the uptake and use of the data and services provided by the components under this Section is promoted and maximised in the public and private sectors;

(c) determine and coordinate the international dimension of the components, to ensure coherence with the Union policies for external action and a consistent approach thereto.

4. Where necessary to ~~further define and specify the governance, security and~~**ensure the smooth functioning of the components under this Section and the smooth** provision of services ~~under this Section~~**provided thereby**, the Commission ~~may~~**shall**, by means of implementing acts,~~ specify the services provided and shall~~ determine the technical and operational ~~requirements~~**specifications** needed for the implementation of and evolution of the components **and sub-components** under this Section and of the services they provide, after having consulted users and other stakeholders. When determining those technical and operational ~~requirements~~**specifications**, the Commission shall avoid reducing the general security level and shall meet backwards compatibility requirements. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article ~~83, paragraph 3~~**83(3)**.

5. Where necessary, the Commission shall, by means of implementing acts, adopt measures required to determine the location of the ground-based infrastructure, based on the security requirements referred to in Article 77(3), following an open and transparent process and ensuring sound financial management. Those implementing acts shall be adopted in accordance with **the examination procedure referred to in** Article ~~83, paragraph 2~~**83(3)**.

6. The Agency shall have its own tasks in accordance with Regulation (EU) 2021/696 and may be entrusted by the Commission with other tasks in accordance with the Financial Regulation.

7. Provided that the interests of the Union are protected, ESA may be entrusted with the following tasks:

(a) as regards PNT: major systems evolution and design and development of parts of the ground segment, and of satellites, including testing and validation;

(b) as regards Copernicus:

(i) coordination and implementation of the space component and its evolution;

(ii) design, development and construction of the Copernicus space infrastructure **and of parts of the associated ground segment**, including the operations of that infrastructure and related procurement, except when those operations are done by other entities;

(iii) where appropriate, provision of access to third-party data;

(c) as regards EOGS: design and development of new Earth-observation space missions and parts of associated ground segment;

(d) as regards IRIS²:

(i) the supervision of the development, of the validation and of the related deployment activities relating to the definition, design, development, validation and deployment phases for the governmental services and of the development and evolution necessary for the provision of governmental services, ensuring coordination between the tasks and budget entrusted to ESA and possible contribution by ESA;

(ii) the provision of its technical expertise, including during implementation;

(da) as regards NEO and SWE: upstream research and development activities.

8. On the basis of an assessment by the Commission, ESA may be entrusted with other tasks based on the needs of the components under this Section**, including specific research and innovation activities**, provided that those tasks do not duplicate activities performed by another entrusted entity and that they aim to improve the efficiency of the implementation of the components under this Section.

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9. Provided that the interests of the Union are protected, the Commission may also entrust, in full or in part, tasks to implement the components supported under this section to relevant entities, such as the European Organisation for the Exploitation of Meteorological Satellites, the European Environment Agency, the European Border and Coast Guard Agency, the European Maritime Safety Agency, the European Union Satellite Centre, the European Centre for Medium-Range Weather Forecasts, and Mercator Ocean International.

PUBLIC

Article 76

Competent authorities

1. Where necessary for sub-components ~~or~~**which include** services ~~that require security accreditation~~**to government-authorised users**, each participant shall designate a competent authority for each sub-component or service. The competent authority shall ensure that:

(a) the use of the relevant services is in compliance with the general security requirements referred to in Article 77(3);

(b) the access rights to the relevant services are determined and managed;

(c) user equipment necessary for the use of the relevant services and associated electronic communication connections and information are used and managed in accordance with the general security requirements referred to in Article 77(3);

(d) a central point of contact is established to assist as necessary in the reporting of security risks and threats, in particular the detection of potentially harmful electromagnetic interference affecting the services developed under the space component under this Section.

2. By derogation to paragraph 1, the actions, tasks and functioning of PRS Competent Authorities are referred to in Article 5 of Decision No 1104/2011/EU.

Article 77

Principles of governance and security

1. The principles of governance for the specific activities and components under this section shall be based on the following:

(-a) service continuity and necessary infrastructure continuity, including protection from relevant threats;

(a) clear distribution of tasks and responsibilities between the entities involved in the implementation, building on their respective competences and avoiding any overlaps or duplications in tasks and responsibilities and thus ensuring clear accountability;

(b) relevance of the governance structure to the specific needs of each component or sub-component as appropriate;

(ba) coherence between activities under this Section and activities carried out in the space domain at Union, national or international level.

(c) strong control of the activities and components, including strict adherence to cost, schedule and performance by all the entities, within their respective role and tasks;

(d) transparent and cost-efficient management;

(f) systematic and structured consideration of the needs of users of the data, information and services provided by the components, as well as of related scientific and technological evolutions;

(g) constant efforts to control and reduce risks~~.~~**;**

(ga) coordination on aspects concerning operations related to those services with the competent authorities referred to in Article 76 and with the Points of Contact designated by Member States to represent relevant government-authorised users.

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1a. The Security Accreditation Board established under Article 36 of Regulation (EU) 2021/696 shall be the security accreditation authority for ~~all of~~ the components **and sub-components** referred to in Article 58**, where applicable**.

2. The principles of security of the components under this Section, including their ground and space infrastructures, shall be based on the following:

(a) to take account of the experience of the Member States in the field of security and ~~draw inspiration from~~**build on** their best practices;

(b) to ensure the protection of the ground infrastructures which form an integral part of a component and which are located on their territory, Member States shall take measures which are at least equivalent to those necessary for the protection of European critical infrastructures within the meaning of Council Directive (EU) 2022/2557;

(c) to apply Council Decision 2013/488/EU as far as Member States are concerned and Commission Decision (EU, Euratom) 2015/444 as far the Commission is concerned, which provide, inter alia, for a separation between operational functions and those associated with accreditation;

(d) to consider the Commission as originator of all classified information created by entrusted entities as referred to in Article 74(1);

(e) to ensure that the Security Accreditation Board established under Article 36 of Regulation (EU) 2021/696 performs its tasks without prejudice to the responsibilities of the Commission or to those entrusted entities, and without prejudice to the competences of the Member States as regards security accreditation;

(f) **for the Commission to communicate** the decisions of the Security Accreditation Board, as well as the residual risks identified~~, shall be communicated by the Commission~~ to the Council for information;

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(fa) the Commission may adopt any adequate measures in accordance with this Regulation and in accordance with the security accreditation decision-making process as set out in Article 37 of Regulation (EU) 2021/696;

~~to coordinate the operations of the services, which are subject to security accreditation, of the different components with the competent authorities referred to in Article 76 and involving defence end users.~~**[Moved to paragraph 1]**

3. The Commission shall ensure that a risk and threat analysis is performed for each new component **or sub-component** and maintained **and updated** for the existing components **or sub-components**. Based on that analysis, it shall determine, by means of implementing acts, ~~for each component,~~ the general security requirements **for each component or sub-component**. In doing so, the Commission shall take account of the impact of those requirements on the smooth functioning of that component **or sub-component**, in particular in terms of cost, risk management and schedule, and shall ensure that the general level of security is not reduced and that the functioning of the existing equipment based on that component **or sub-component** is not undermined and shall take into account cybersecurity risks. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article ~~83, paragraph 3~~**83(3)**.

4. Whenever the security of the Union or its Member States may be affected by the operation of the systems, the procedures set out in Decision (CFSP) 2021/698 shall apply.

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Chapter VIII
Final Provisions

PUBLIC

Article 83

Committee procedure

1. The Commission shall be assisted by a committee, which shall be the committee within the meaning of Regulation (EU) No 182/2011, and may convene in the following configurations:

(g) Space Committee for matters concerning specific objectives set out in Article 3(2), point (d)(3), In accordance with its rules of procedure, the Space Committee may set up sub-committees per component or sub-component and working groups~~, such as the 'User Forum', to advise on user requirements aspects, evolution of the services and user uptake.~~**;**

Article 84

Exercise of the delegation

6a. This Regulation shall not affect Commission Delegated Regulation No 1159/2013 which shall remain in force, if relevant, until modified on the basis of this Regulation.