

## ESA STUDY CONTRACT REPORT

<b>ESA Contract No:</b> 4000105516/12/F/MOS	<b>SUBJECT:</b> IAP Assessment Dossier for the 2012 Ministerial Conference and the Preparation of IAP Phase II	<b>Contractor:</b> Euroconsult SA (F)
<b>ESA CR( ) No:</b>	<b>No. of Volumes: 3</b> <b>This is volume No: 1</b>	<b>Contractor Reference:</b> EC-2012-IAP-RP
<b>Abstract:</b>  The Study "IAP Assessment Dossier" aimed at assessing the Phase I of the IAP program through an extensive consultation of participants (26 in 11 countries) in order to derive lessons learned and suggestions for the future of the program initiated by ESA in 2009.  The final report is structured in two documents: <ul style="list-style-type: none"><li>- One document named "Final Report" or Volume 2 is a consolidation of the analysis where the results of the consultation are compared in order to assess the overall satisfaction of the participants and the Member States with the IAP program, the benefits they have derived from their participation and the lessons they learned through the proposal and the execution phases. This part also includes suggestions from the participants and Member States in order to improve the IAP program and four high-level recommendations to ESA.</li><li>- The second volume named "Appendix to Final Report" or Volume 3 compiles the interview debriefs of the 26 participants to IAP projects, provided anonymously.</li></ul>		
The work described in this report was done under ESA Contract. Responsibility for the contents resides in the organization that prepared it.		
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# **IAP Assessment Dossier**

**Euroconsult for ESA**

**Executive Summary (Volume 1)**

**October 31, 2012**

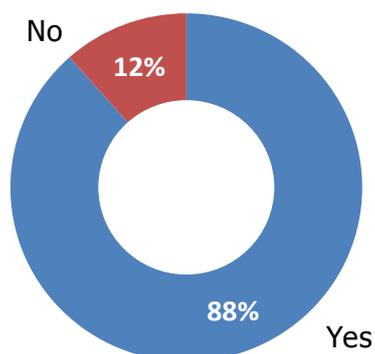
## 1. Key findings of the consultation of IAP participants

The assessment of the Phase I of IAP was carried out through an extensive consultation of 26 IAP participants in 11 countries in order to derive lessons learned and suggestions for the future of the programme initiated by ESA in 2009. Representatives of Member States were also interviewed about IAP in 8 countries. British stakeholders were not part of the consultation as they have been consulted separately by ESA.

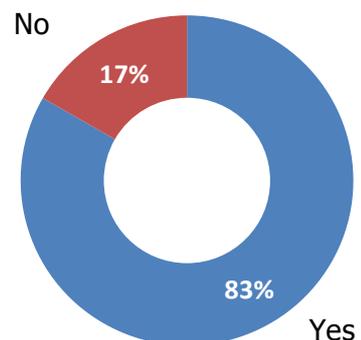
One of the most important findings of the study is that contrary to typical space activities driven by satellite systems, a large part of IAP participants are not satellite specialists, as 40% of the interviewees derive less than 50% of their sales from space activities, notably from the Energy and market research sectors, but also through other activities such as living sciences and applied research in general and engineering services.

Overall, IAP participants are generally satisfied with the programme with respects to the expectations they had at the beginning of their involvement in IAP projects. One of the main reasons for satisfaction is the participation of the end-users of satellite services, especially when they are officially part of the consortium built for an IAP project. These end-users are active on various vertical markets, including notably oil & gas, energy, maritime and land border surveillance, medicine, environmental monitoring, agriculture & wine production, airport surveillance and demining.

### Importance of end-user participation



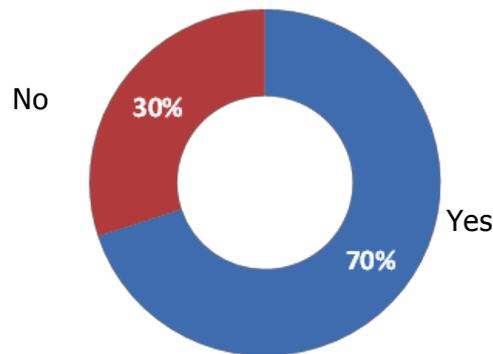
### Opportunity of new partnerships



One of the major benefits of IAP for most of the participants is that it created new partnership opportunities, essentially with other members of the consortiums, such as joint R&D development for other projects between members of the consortium.

Other benefits derived from the IAP programme include an increased international credibility and visibility for the participants, essentially due to the communication actions conducted by ESA. IAP has also helped participants to understand better user's needs and to develop their product/service portfolio accordingly.

### Improvement of international presence



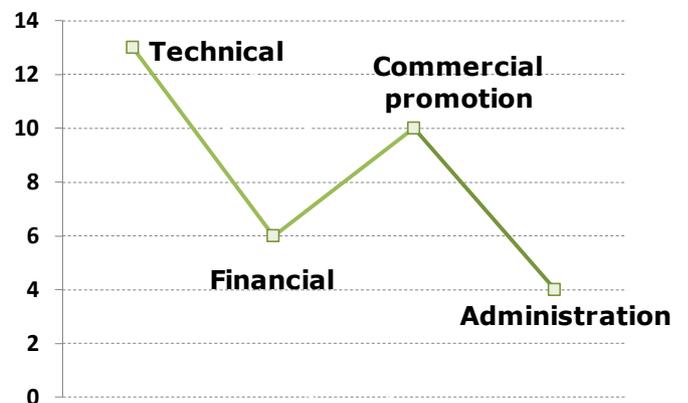
The five most appreciated elements of IAP are:

- The close cooperation with end-users of satellite services;
- The integration of different satellite technologies;
- The user-driven approach and market orientation of the programme;
- The fact that consortiums tend to remain small, contrary to other European programmes;
- The collaboration with ESA.

All participants are satisfied overall with the support they received from ESA for their participation to IAP. Satisfaction is at its highest level regarding the technical support provided by ESA and at its lowest level for the administrative support.

The IAP process is generally considered as reasonably easy to understand and to follow throughout the proposal and execution phases.

### "Very satisfied" ratings by type of support provided by ESA



Participants involved in two projects have found improvements between the two in terms of process, organization and information availability from ESA.

One of the main issues for the lack of support to the development of integrated satellite services in Europe lies with strong inequalities between the countries regarding government support to SMEs. When existent, national support schemes often share common gaps such as poor access to international markets, lack of financial and administrative support and a lack of initiatives targeted towards SMEs involved in satellite services.

## **2. Recommendations to ESA on the IAP programme**

Based on the analysis of the results of the consultation, four high level recommendations have been formulated for consideration for IAP Phase II.

### ***Stronger support of ESA to satellite service commercialization***

**Rationale:** The patchiness of national supports to SMEs across Europe and the multinational dimension of satellite services justify multilateral programs for satellite service development. IAP has been launched along this line, with the objective to support service development up to the implementation of operational services. Such framework is unique in Europe for integrated satellite applications for SMEs

**Recommendation:** It is recommended that ESA supports more the service commercialization through risk sharing schemes with the service providers. Service implementation support from ESA could include the facilitation of access to financing and the provision of satellite expertise.

### ***Stronger involvement of the end-users of satellite services***

**Rationale:** Participation of the end-users of satellite services is key for IAP but it is a challenge to have them involved along the entire process of service development.

**Recommendation:** It is recommended that ESA supports more end users for service implementation in coordination with service providers, notably for access to satellite data and bandwidth and satellite expertise provision.

### ***Consult IAP participants on a regular basis to get feedbacks on the programme***

**Rationale:** The second phase of IAP will be designed taking into account the strengths and weaknesses of the first phase of the program, as identified through the consultation of the participants.

**Recommendation:** It is recommended to revisit the consultation with participants during the second phase of IAP, i.e. within three years, in order to collect lessons learned and suggestions.

***Establish an observatory of European satellite service providers***

**Rationale:** The economic multipliers of investment in satellite infrastructure are created by the multiplication of satellite service providers and the growth of their activity

**Recommendation:** It is recommended that ESA develops an observatory of European satellite service providers to monitor the dynamics of this important segment of the value chain.