



(image by ESA: [https://www.esa.int/ESA\\_Multimedia/Images/2015/01/PICASSO\\_CubeSat2](https://www.esa.int/ESA_Multimedia/Images/2015/01/PICASSO_CubeSat2))

## SME4SPACE activities and support to the European space SMEs

Space Sector Forum, Warsaw 04/06/2024



**Dr. Rosario Pavone, SME4SPACE Secretary**

**Dr. Eng. Vesselin Vassilev** - Member of the Board of **SME4SPACE**, the representative Association of SMEs in Europe's Space Industry, and of **S.P.A.C.E aisbl**, the Association of the European Space Partnership under Horizon Europe, and CEO of **CASTRA**

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SME**4**SPACE

# What is SME4SPACE

- An Association of Associations (registered in Belgium)
- Membership of individual SMEs also possible
- Representing 20 Working Members + 45 Individual Company Members from 29 Countries so far
- Gathering in total more than 800 SMEs
- MoA with ESA (renewed in Feb. 2022)
- Providing feedback to/from SMEs
- Participating in EU/ESA projects

# Our Main Milestones

## SME4SPACE launch

On June 2007, during Le Bourget in Paris, ESA Director General J.J. Dordain and SME4SPACE Chairman, Giovanni Sylos Labini, signed a Memorandum of Agreement (MoA). SME4SPACE is launched, even though still as an informal group.



2007

2011

## SME4SPACE incorporation

On 1<sup>st</sup> July 2011, SME4SPACE is incorporated as not-for-profit organization under the Belgian law.

## New MoA with ESA

During the 2016 Industry Space Days, SME4SPACE and ESA signed a new Memorandum of Agreement (MoA) in order to support the ESA SME industrial policy.



2016

2019



## The EC recognition

The EC recognised SME4SPACE as a valuable and reliable organisation in representing the SME community's viewpoint.

## SME4SPACE is the representative SME organisation

SME4SPACE is fully involved in all space related tables and discussions both at ESA and European Commission level, providing information and support to its members and SME and start-ups network. MoA renewed with ESA for further 3 years in May 2022 until June 2025.



2024

SME4SPACE

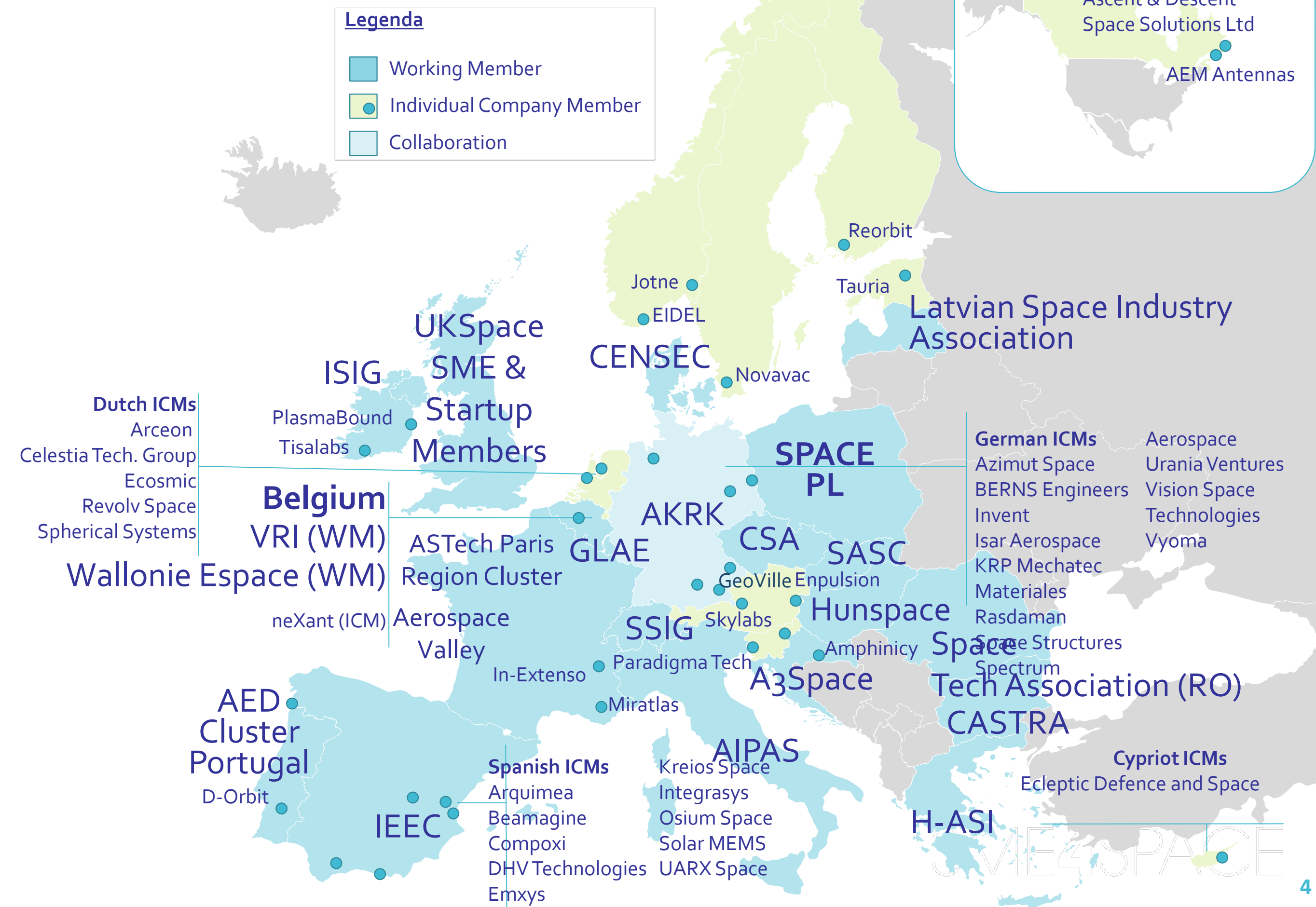
# SME4SPACE MEMBERSHIP FOOTPRINT 2024\*

29 Countries

21 Working Members  
49 Individual Company  
Members

more than 850 SMEs  
overall

\* Provisional



# Our Main Activities



SME4SPACE is collaborating with **ESA SME Office** on a daily basis to support its SME Industrial policy implementation. For instance, in preparation of the [ESA SME Forum](#). Moreover, this collaboration extends with various ESA Directorates to communicate and to bring the viewpoint and expectations of Space SMEs.



SME4SPACE is actively engaged with the **European Commission** and its associated services and agencies, addressing the needs of our Space SME Community. Ongoing consultations: [SPACE Partnership](#), [European Strategic Non-Dependence](#) (Join Task Force JTF).



Since 2015, SME4SPACE has been actively involved in the [ESA Harmonisation process](#). We do provide support to SMEs for getting access in the process that every year harmonises 10 technologies through mapping and roadmap phases.



SME4SPACE, in collaboration with **KU Leuven** and with the support of **the ESA SME Office**, conduct annual [analysis that offers significant insights into the economic importance and financial health of SMEs](#) in the European space industry, based on data **from over 1700 firms** involved in ESA and EU space programmes.



# Case Study Example: Annual overview of the economic importance and financial strength of SMEs in the European space industry -2023

The analysis reveals performance insights into SME employment, turnover, total assets, investment in tangible and intangible assets and financial indicators such as liquidity, profitability, leverage, and gross sales margin.

- Coverage : 1700 companies, data from 2015-2021, based in the EU + ESA Member States
- EMPLOYEES: 33,147 FULL-TIME EQUIVALENT
- TOTAL ASSETS : ~ €5.5 billion
- TOTAL TURNOVER : ~ €3.9 billion

Based on the analysed data, it is evident that SMEs in the European space industry play a crucial role in driving innovation and economic growth. Financially, while many SMEs demonstrate growth in terms of workforce, challenges in profitability and access to finance highlight a need for improved access to finance. This study, backed by an academic seal of expertise, offers an important step towards understanding and analysing the vital contributions of SMEs to Europe's space industry. Summary conclusions

- The industry has experienced significant expansion from 2015 to 2021, marked by remarkable growth in employment within SMEs. One out of three SMEs in the target population was established post-2015, which explains the steep increase in the number of SMEs over time.
- The space industry requires significant capital investment for companies to grow and remain competitive. In 2021, investments in total assets approached 5.5 billion euros and the turnover-to-assets ratio, which indicates the amount of turnover produced per euro of invested assets regardless of the financing method (be it equity or debt), is below 1 for the average (and medium) company.
- European Space SMEs face difficulties securing long-term debt financing, such as bank loans.
- The profitability for the median company is low 2,8% and is decreasing.
- European Space SMEs are on average in a comfortable position in terms of sales margin.

Find more details at :

- <https://www.sme4space.org/documents/>
- “European Space SMEs’ Financial Viability: Insights And Policy Perspectives”; Prof. Marleen Willekens, KU Leuven, Hans Bracquené, SME4SPACE Chairman, 4th day of the International Astronautical Congress IAC 2022, Paris, (<https://www.sme4space.org/sme4space-kul-study-eu-space-smes-financial-viability/>)



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