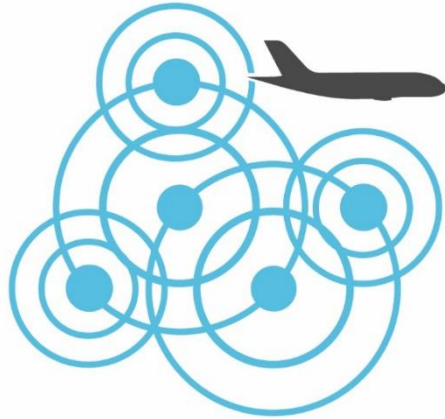




EUROPEAN  
CLUSTERS ALLIANCE



# EACP

EUROPEAN AEROSPACE  
CLUSTER PARTNERSHIP

## Status of Pan-European Aerospace Sector & Response to COVID-19 Impacts

Aerospace is one of Europe's Truly World Class Capabilities – Creating Skilled Employment, Intellectual Property and Wealth

# EACP is an unique network of Aerospace Clusters in Europe



**EACP**  
EUROPEAN AEROSPACE  
CLUSTER PARTNERSHIP

EACP members  
represent:

**5000+**

Companies

**500+**

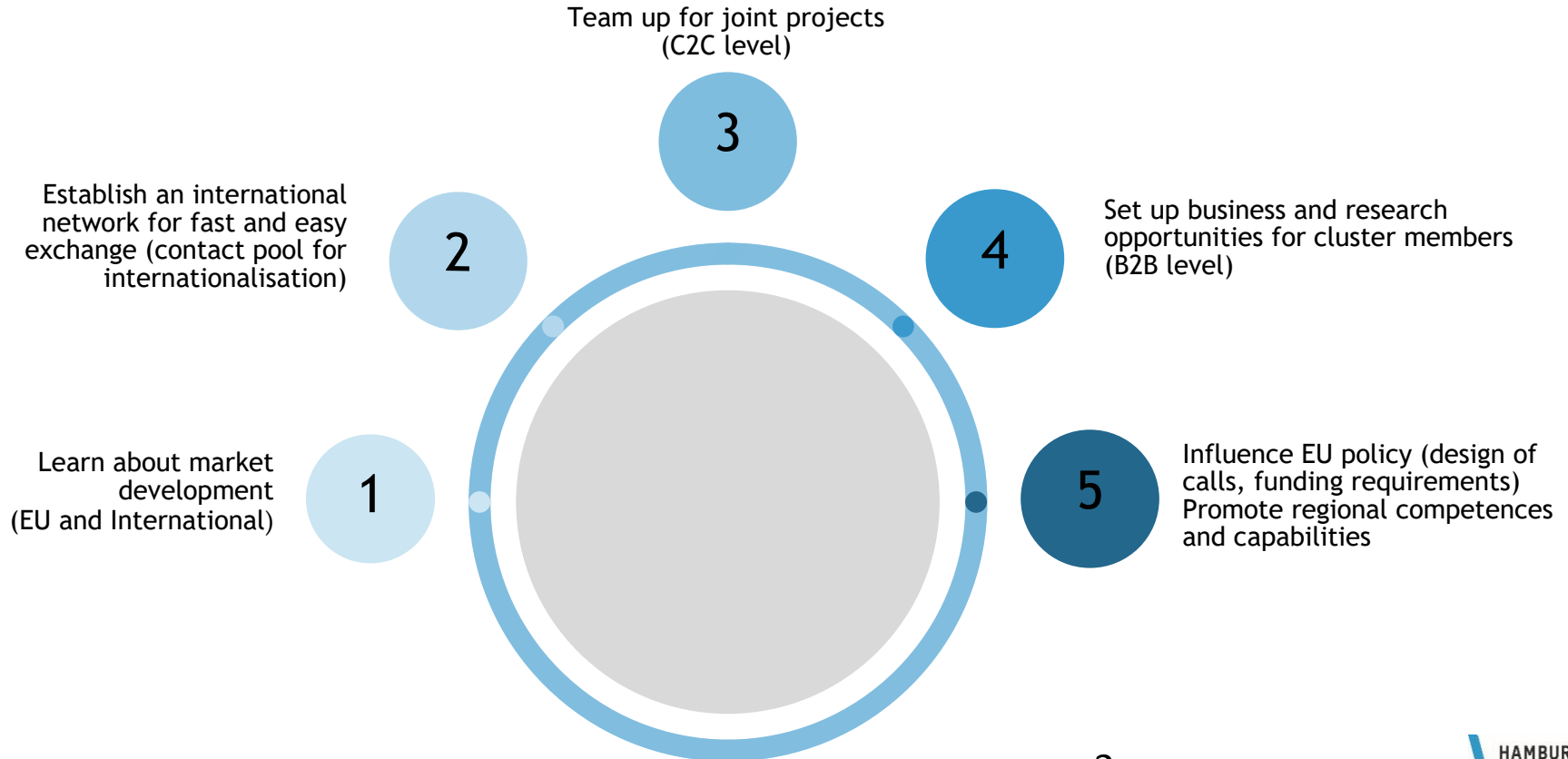
Research  
institutes and  
universities

**240+**

Public  
authorities



# What is the EACP?



# What EACP is doing

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**EACP**  
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- ✈ Sharing knowledge
- ✈ Encouraging growth
- ✈ Supporting innovation
- ✈ Strengthening relationships

## In the fields of...

**Strategy** – Thought Leadership, Awareness & Response

**Internationalisation** – Networking, Competitiveness & Missions

**Technology** – Innovation for Products, Production Processes & Business Services

**Skills** – Requirements, Retention, Reinventing, Renewing

**Supply Chain** – Development, Connectivity, Sustainment



## **Collapse of Aviation Travel** – more than 90% Down (in Europe civil almost 100!)

- ✈ Business & Leisure Travel
- ✈ Aviation = Airlines + Airports + **Aerospace** Products & Services
- ✈ Aerospace = Sales, Design, Manufacture & Support of Aircraft

## **Destruction of Capability, Capacity & Competitiveness**

- ✈ Cash-Flow Liquidity
- ✈ Staff – skills
- ✈ Capital – facilities, equipment, inventory
- ✈ R&D – Intellectual Property protection & sustainment
- ✈ Supply Chain Continuity & Connectivity of Supply Chain

## **Post-Pandemic Financial Weakness Vulnerability**

- ✈ Acquisition & Off-shoring of Intellectual Property
- ✈ Competitiveness – Repositioning, R&D, Reinventing in New Normal



## Short term:

- ✈ Focus: survival of European aerospace industry
- ✈ Awareness of limitations during lifting of pandemic measures – i.e. travel will not be instant and support will have to last until the first lifting of the lockdowns
- ✈ International coordination on a European scale to restart the aviation

## Mid term:

- ✈ Focus: renewed restart
- ✈ Support to rebuild economy with a strategic approach
- ✈ Address new disruptive value chains
- ✈ Support SMEs to become more independent of foreign investment
- ✈ Exchange support ideas and measures to strengthen cooperation (cross-sectoral, etc.)



## Public and Personal Health Protection

- ✈ Support for national & regional regulation agencies
- ✈ Support the rethinking of aviation processes (aircraft interiors, operation processes) to make the sector adequate to the new habits of living with COVID and probable other future pandemics)

## Prevent collapse of Aviation Sector

- ✈ Provide Financial support to customers and suppliers of the aviation sector to avoid widespread bankruptcies creating knock on effects on the entire civil aviation value chain including industry
- ✈ Support Reactivation of Safe Travel Desire

## Cash-Flow & Liquidity Support

- ✈ Support companies (especially SMEs) to survive the shutdown through direct financial support with no interest and long period (10-20 years) to pay back (short term action) → feed both cash by quasi-zero loan rate and asset by non-refundable contribution
- ✈ Staff retention (salaries & skills), capability protection (facilities, equipment, critical services), supply chain continuity (timely & assured payment)
- ✈ Fund for aerospace sector (aviation, aerospace and production) to become pandemic proof for the future

# ...through R & D programmes...



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## Support for innovation and higher risk R&D for recovery and growth in “New Normal”

### ✈ Programmes:

- ✈ Cashflow: work with advance payments for R&D projects
- ✈ Launch a massive EU support Plan’ for aviation and aeronautics to trigger European innovation towards future sustainable aviation building from existing initiatives such as CleanSky and SESAR
- ✈ Sustainable innovations for a life after the COVID19 pandemic
- ✈ need for important investments in a new aviation processes (manufacturing, airports, airplanes, etc.) → rethink the entire system to make the sector adequate to the new habits of living with COVID and probable future pandemics

### ✈ Value, Reinforce & Accelerate investments in Green Aviation:

- ✈ Greener topics had just been addressed in EU R&D planning (still in their early stages) – the current situation might stop highly needed development → secure sustainability & future competitiveness of the industry
- ✈ Integrated European support programmes for sustainable innovations – focused and accessible also on smaller supply chains actors



# ...with a special focus on SMEs



## More attention for the position of SME's, in particular those working in the civil aeronautics sector

- ✈ Provide Financial support (dedicated guarantee schemes and liquidity) measures: for European aerospace supply chain companies including SMEs which are more fragile
- ✈ Screen Foreign Direct Investments: be particularly vigilant to foreign takeovers, especially critical SMEs in our sector using existing EU FDI guidelines
- ✈ R&D funding programs:
  - ✈ Set up a specific SME Research program correlated with Clean Sky with special funding conditions (EACP could help for partnering and setting up the program)
  - ✈ Programs for SME's with attractive funding rates and less administrative burden
  - ✈ Requirements to the major companies to take along SME's
  - ✈ Adapt and increase the funding levels for SME's to participate in European R&D projects
- ✈ Provide incentives to OEMS and First Tiers to support SME (both for R&D and for normal business)
- ✈ Create a “think tank” to exchange support ideas and measures over a longer Period to support Commission (EACP could be a member of that “think tank”)

# Next Steps...

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- ✈ Feedback from EU
- ✈ Formalise Dialogue between EU & EACP
- ✈ Develop & Support for EU/EACP initiatives?

# Stronger together – Connecting aerospace clusters



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EACP 2017

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EACP 2018



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EACP 2019