



NEW REPORT PROVIDES A FRAMEWORK FOR ASSESSING FINANCIAL IMPACT OF FUTURE U-SPACE ENVIRONMENT ON MILITARY

As part of a study aimed at facilitating the smooth and effective coexistence of civil and military operators in the U-Space drone 'ecosystem', EDA has published its second report, titled 'D2 – Cost-Benefit Analysis' (CBA).

This report sets out to evaluate the costs and benefits for the military authorities of the EDA participating member states which can derive from the deployment of U-space. As already identified in the first report of the study, 'D1 – U-space evaluation', the military will primarily incur costs, but only limited or no benefits at all in return for its support to the implementation.

As U-space is still at a very early stage of implementation, the **CBA relies on a number of assumptions**, such as the level of involvement of the military, the timeline over which costs and benefits are incurred, etc., Based on the progress made in U-space implementation, these assumptions will be revisited at different times in the study. This will allow confirming the present assumptions or defining new ones.

In order to gain an initial understanding of the costs implied for the military, this CBA distinguishes between investment in Air Traffic Management systems and data exchanges, aircraft equipment, process reviews, staff-related costs and studies. While the precise implementation requirements for U-space are yet to be defined and the investment needs per member states are not fully understood, this CBA **establishes a framework** for costing the deployment and proposes a number of assumptions that enable the calculation of monetary values.

The resulting costs for individual member state can vary significantly and are not shown in detail in this report. However, based on the feedback from the project stakeholders it will be possible, in the next iteration of the report, to gain a better understanding of the expected implementation efforts and costs, as well as the benefits of U-space.

The report also provides a high-level **overview of funding mechanisms** at the European level, aimed at the development of technological and defence capabilities, civil-military collaboration, and the implementation of Air Traffic Management capabilities. These EU funding mechanisms might contribute to mitigate the costs for the military.