

## The Aeronautics and Space Cluster of the Basque Country gets back and approaches pre-pandemic levels of activity

- **The Cluster-Association HEGAN celebrates its 25 years of existence focused on Sustainable Aviation and People**
- **The Basque Aerospace Industry is finalizing its recovery, achieving more than 15,000 jobs.**

**Vitoria-Gasteiz, June 7<sup>th</sup>, 2023.** The Aeronautics and Space Cluster Association - HEGAN has held its annual General Assembly today. It was chaired by Jose Julián ECHEVARRÍA, President of HEGAN and CEO of SENER Aeroespacial, together with Ana VILLATE, Director of the Cluster-Association.

The figures generated last year by the Cluster Members have shown a return to those of the pre-pandemic with an increase in Employment and Billing, rewarding the effort they have made during the previous two years trying to maintain employment, diversifying and innovating.

After the Assembly, the 25<sup>th</sup> anniversary of the Association was celebrated. This act was inaugurated by the Lehendakari, Íñigo URKULLU, and was attended by prominent people from the Cluster who commented on some aspects of its history, what has happened in these 25 years and the future. The story of the Basque aerospace sector dates back to 1966, when the company SENER AEROSPACIAL signed its first contracts in the space area. For its part, in 1986, AERNNOVA did so with AIRBUS to supply composite components and, in 1988, the company ITP AERO was created in order to manufacture the nozzle for the EJ200 engine. In 1997, on December 5<sup>th</sup>, the HEGAN Association-Cluster was created, being the first regional Cluster in the State of the Sector. Since those beginnings, the Basque Aeronautical and Space Sector has not stopped growing in terms of Members, Jobs and Billing. Until the 2020 pandemic collapse, the Cluster doubled those figures every decade, consolidating it globally.

### Sector Situation

The past 2022 has been a year in which the sector associated with HEGAN continued with a progressive recovery towards levels of activity being already around those of 2019. At the same time, it has posed a significant challenge, by requiring Cluster Members to reactivate its entire industry and supply chain in a very complex environment: difficulties in the supply of raw materials, a significant escalation in production costs and skyrocketing inflation...

“Despite this situation”, explained the President, “there are reasons to be optimistic in 2023, when we celebrate the 25<sup>th</sup> anniversary of our Cluster founding, since, at HEGAN, we have been able to get to what we are today, there are reasons to trust that the future is not going to be less brilliant”.

Other subsectors, such as the Space sector, which was not so affected by the health crisis, have continued on the path of progression, as have long-term projects, as, for instance, the areas of New Urban Mobility or Zero Emissions aviation.

## The commitment to People, R&D and Sustainability continues

Innovation has become the engine and differentiating element that will allow us to maintain competitiveness, since R&D programs and activities develop not only new technologies and products, but it also improves industrial processes, making them increasingly competitive and clean. As an example, in this last year, the investments in R&D of the Members have corresponded to 5.5% of sales, reaching 132 million euros and being one of the most intensive sectors in R&D, with an accumulated investment since HEGAN's foundation in 1997 of 3,237 million euros -an average of 11.2% of R&D over the turnover in these 25 years-.

Other factors being closely linked to competitiveness are the training, care and protection of talent, with versatile profiles both in technological capacities and in other transversal skills necessary to work in an increasingly collaborative, inclusive, sustainable and global sector. It is vital to promote scientific and technical vocations among young people since they will be the ones who will write the future, not only of the Sector but of the entire Society as a whole.

## Strategic and future of the Sector

The Aeronautics and Space Cluster has recalled in its Assembly the relevant role of the sector as an inducer of technological development and a vector of technology transfer to other sectors. For this reason, it vindicates its role as a driving sector as a source of wealth creation and value for society, of quality employment and revitalization of R&D, by becoming part of the global solution in areas of decarbonization, hybridization, electrification or neutral emissions with new fuels such as H<sub>2</sub> or SAF.

Regarding this last point, the sustainability of the product must be added to that of the industrial processes of the HEGAN Members, improving them, making them more neutral and cleaner, digitizing them and applying levers such as the circular economy or eco-design. "In the coming years we are facing a paradigm shift, having as a focus the neutrality of emissions both from the operation of the aircraft, and from the industrial activity in general", concluded the Director of HEGAN.

In the Basque Country, three decades of Cluster Policy have been completed, with administrations that are committed to industry, technology and innovation, offering tools and aid to improve competitiveness and internationalization, and without forgetting the Sustainable Development Goals in all this equation. So far, this has translated into growth, employment, wealth and well-being. Therefore, to continue on this path, the Cluster continues to request to maintain this support in order to promote the development of the Aeronautics and Space of the future and sustainable, skilled and quality employment to commemorate the next 25 years with levels of success similar to those that the HEGAN Cluster celebrates today.

## 2022 Cluster Figures

The Basque Country Aeronautics and Space Cluster Association - HEGAN is made up of 73 members, positioned practically throughout the entire aerospace value chain. Among the Members there are 4 Tier1, 49 Industrial Companies, 9 Technological Centers, 5 Universities and 6 Allies-cluster. Currently, HEGAN members have a total of 169 facilities around the world, with 96 centers in the Basque Country, 45 in the rest of Spain and 28 locations abroad (Germany, Brazil, China, United States, India, Malta, Mexico, Poland, Portugal and the United Kingdom).

The Members generated in 2022 an aggregate turnover of 2,377 million euros in all their plants around the world. On the other hand, employment recovered again in 2022 until exceeding again the barrier of 15,000 (specifically 15,252) in all its plants worldwide.

On the other hand, investment in R&D reached 132 million euros in 2022 (more than 78% corresponding to self-financing) and exports stood at 1,754 million euros, representing 69,8% of total sales. By destination countries, exports during this period to the United Kingdom (30%), the USA (22%), Germany (17%) and France (12%) stand out.

### Fiscal year 2022 figures and variation with respect to 2021

FIGURES	2022	Δ	2021
<b>TOTAL TURNOVER (M€)</b>	<b>2,377</b>	<b>27.3%</b>	<b>1,867</b>
<b>INVESTMENT IN R&amp;D (M€)</b>	<b>132</b>	n/a	<b>117</b>
<b>EXPORTS (M€)</b>	<b>1,754</b>	n/a	<b>1,371</b>
<b>TOTAL EMPLOYMENT</b>	<b>15,252</b>	<b>7.5%</b>	<b>14,186</b>

### HEGAN Members

Industry: AERNNOVA AEROSPACE, ITP AERO, SENER AEROESPACIAL, ACITURRI, AALBERTS TEY, AEROSPACE ENGINEERING GROUP, AEROMEC, AIBE, CAPGEMINI ENGINEERING, ANTERAL, ARATZ, ASTORKIA, AYZAR, BATZ AERO, BURDINBERRI, DANOBATGROUP, DOILAN, DTK, DYFA, EGAMASTER, EGILE, EIPC, EKin, ELECTROHILO, EYHER, EUROUTIL, HEXAGON, INDUSTRIAS GALINDO, KHEGAL AERONÁUTICA, KORTA, INGETEAM, LAZPIUR, MESIMA, METALÚRGICA MARINA, MET-MEKA, METRALTEC, METROLOGÍA SARIKI, MICROLAN, MIZAR ADDITIVE, MATRICI INNOVATIVE TECHNOLOGIES, NUTER, ONA ELECTROEROSIÓN, RENISHAW IBÉRICA, SATLANTIS, SIKULAN, SISTEPLANT, TAES, TECNASA, TM TELLERIA, TUBACEX, TTT GROUP, WEC, WOLCO y XUBI.

Technological Entities: AZTERLAN, CEIT, CIDETEC, CTA, GAIKER, LORTEK, NAITEC, TECNALIA y TEKNIKER.

Universities: EHU/UPV, MONDRAGON UNIB., TECNUN, UNIV. DEUSTO y UPNA.

Allies: COMPITTE, EY, H&A, LABORAL KUTXA y SMARTLOG.

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25 Urte *Berdeago Hegan*

25 Years *Flying Greener*