

# EU rejects 'exorbitant' price talk for Galileo maps

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A European Space Agency technician in Noordwijk works on the Giove B satellite, part of the Galileo network - the European satellite navigation project, in 2008. A top European official slapped down reports that the much-delayed Galileo satellite navigation system could be 20 billion euros over budget, as he named a new contractor for the project.

A top European official slapped down reports on Tuesday that the much-delayed Galileo satellite navigation system could be 20 billion euros over budget, as he named a new contractor for the project.

European Industry Commissioner Antonio Tajani rejected the figure as "exorbitant" and "unimagineable", while insisting that the price tag for the system remained at 3.4 billion euros (4.7 billion dollars).

The Financial Times Deutschland, citing a German government report,

said that the overall cost of the project, aimed to rival the US-built [Global Positioning System](#) (GPS), could rise to 22.2 billion euros.

"I don't know where these figures come from," Tajani told a news conference, adding that any budget overruns would be calculated after all contracts for the projected are awarded.

Tajani pointed out that the satellite, which Europe aims to launch in 2014, is expected to bring 90 billion euros to the European economy over 20 years.

The European Commission official announced that SpaceOpal, a joint venture between German firm DLR and Italy's Telespazio, had won a 194-million-euro contract for the operations of the ground and space infrastructure.

It was the fourth contract awarded in the project. The last two contracts will be decided early next year, Tajani said.

Galileo aims to challenge the dominance of the [GPS system](#) set up by the Pentagon in the 1980s, which is widely used in a huge variety of [navigation devices](#) like those in cars and boats.

The European system is intended to offer a superior accuracy of one metre (yard), compared to up to 10 metres for GPS, making it very useful for car drivers and farmers.

The European version will have global coverage and an encrypted, pay service for commercial clients, with extra information such as weather detail.

Russia is also developing a rival system known as Navigation Satellite System ([GLONASS](#)), while China is working on the Beidou Navigation

System.

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