



AVIO SIGNS €40 MILLION CONTRACT WITH THE EUROPEAN SPACE AGENCY FOR THE DEVELOPMENT OF REUSABLE UPPER STAGE TECHNOLOGIES

Colleferro (Rome), 29 September 2025 - Developing advanced technologies aimed at the in-flight demonstration of a reusable upper stage: this is the strategic objective of the €40 million contract signed today by **Avio** and the **European Space Agency (ESA)**.

The 24-month contract marks a significant step forward in the transition of European launch systems toward full reusability, in line with the most recent global developments in the space transportation sector. The agreement was signed during the International Astronautical Congress currently underway in Sydney, in the presence of **ESA's Director of Space Transportation, Toni Tolker-Nielsen**, and **Avio's Chief Commercial Officer and Director of Launch Services, Marino Fragnito**.

The programme aims to define the requirements, system design and enabling technologies needed to develop a demonstrator capable of safely returning to Earth and being reused in future missions. The activities will cover both the flight and ground segments and will culminate in the definition of an integrated preliminary system design.

This initiative is part of ESA's broader strategic vision for the future of European space transportation, which foresees the development of high-frequency launchers supported by an orbital industrial ecosystem capable of delivering logistics services in space, similar to the role airports and train stations play on Earth today.

Avio will contribute its extensive technical and industrial expertise, developed through its work on liquid propulsion systems — particularly those using liquid oxygen and methane — as well as the knowledge acquired through the Space Rider re-entry vehicle programme, to design an advanced, lightweight and high-performance solution for next-generation launch systems.

"We are proud to contribute to the development of a reusable upper stage, building on our strong technological capabilities and long-standing industrial heritage. Our goal is to deliver high-performance solutions that enable higher launch frequency and more competitive costs for our customers", stated **Giulio Ranzo, Chief Executive Officer of Avio**.

The cooperation with ESA results from a joint coordination process aimed at maximising the technological return on both European and national investments.

Giorgio Tumino, ESA's Chief Technical Advisor for Space Transportation, emphasised:

"The objective and content of the activities are the result of a joint harmonisation work made together with Avio to maximise the technology return on ESA and national investments. We are capitalising on progress made in advanced liquid propulsion, re-entry, recoverability and reusability technologies, complementing ongoing efforts to de-risk demonstrations of reusable lower stages, supporting different possible scenarios, including evolutions of the Vega family of rockets as well as other newly-defined fully-reusable launch systems in Europe".

Toni Tolker-Nielsen, ESA's Director of Space Transportation, commented: *"I am glad to sign this contract since its importance is two-fold: on one side it addresses technological criticalities in the short-term, on the other side it paves the way for the preparation of Europe's long-term future in space. An upper stage is the last part of a rocket that delivers a payload. Also called an orbital stage these elements have so far never been reused. Europe has demonstrated the capability of all aspects of launching hardware to space and returning it safely to Earth but putting it all together into a complete reusable upper stage that also launches payloads has the possibility to be a gamechanger".*

With this new initiative, Avio further strengthens its role as a key player in the evolution of European space transportation systems, making a decisive contribution to the innovation, sustainability and global competitiveness of the European space industry.

Avio is a leading international group engaged in the construction and development of space launchers and solid, liquid and cryogenic propulsion systems. The experience and know-how built up over more than 50 years puts Avio at the cutting-edge of the space launcher sector and defense program. Avio is present in Italy, France, United States and French Guyana, employing approx. 1,500 highly qualified personnel. Avio is the launch services provider and launch operator for the Vega rocket and a sub-contractor for the Ariane program, placing Italy among the limited number of countries capable of designing, producing and operating a complete space launch system.

For further information

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