



OPENING KEYNOTE SPEECH

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Preparatory Action on Defence Research Information Day

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Check against delivery !

- Good morning and welcome to this 3rd and final Information Day of the Preparatory Action on Defence Research (PADR). It is a real pleasure to see so many of you here, representing a wide range of companies and research organisations from across Europe.
- The European Defence Agency is committed to enhance the EU's engagement with European industry at all levels, including with National Defence Industry Associations (NDIAs) as well as with the ASD. All in support of innovative research on technology and capability development.

- As you may recall, almost three years ago the Global Strategy for the Union's Foreign and Security Policy was presented by High Representative/VP/Head of Agency Federica Mogherini, providing a shared European vision for the challenges and opportunities ahead of us.
- The EU Global Strategy and its Implementation Plan on Security and Defence, together with the EU-NATO Joint Declaration, and the European Defence Action Plan are all mutually reinforcing parts of a coherent package aimed at strengthening European defence through more cooperation.
- With the Preparatory Action - the first substantial EU funded Action for Defence Research - the Commission, supported by EDA, is making an important contribution to European defence that:
 - serves agreed capability priorities at the European level, notably through the Capability Development Plan;
 - provides European added value by focusing on areas where Member States can no longer afford to act alone;
 - benefits all Member States;
 - and provides incentives for more cooperation, both among governments and industry.

- The PADR, however, was preceded by the Pilot Project which really was the first EU funded defence research action. Introduced by the European Parliament in the EU budgets 2015 and 2016, the Pilot Project aimed to test the most efficient way of funding defence research in the EU framework, including the management of EU budget funds by EDA. The Pilot Project was therefore entrusted to EDA by the European Commission through a Delegation Agreement which was signed on 16 November 2015.
- As a result, EDA became responsible for the management of the Pilot project and its activities. The call for proposals, the submission of proposals, the evaluation and the awarding of the grant agreement were thus organised and coordinated by EDA.
- I am happy to report that the Pilot Project was successfully concluded in November last year and follow-up activities to exploit the results from it are already under discussion. This so-called downstream role is also performed by EDA as defence expertise is essential for the uptake of results by the final customers who are the Ministries of Defence.
- It is of utmost importance that EU funded defence research leads to real products that can enhance European Capabilities. It is therefore very encouraging to see downstream activities from the Pilot Project

which should be a stimulus for a broad uptake of the results from the Preparatory Action on Defence Research.

- The Pilot Project paved the way for the launch of the Commission's Preparatory Action on Defence Research (PADR) in 2017. With its total budget of 90 M€ over three years, the PADR is already a larger scale endeavour than the Pilot Project which acted as a real precursor. Also, this time, management of the programme was entrusted to EDA by the Commission through a Delegation Agreement that was signed in May 2017.
- As you may now, the PADR encompasses three work programmes with different calls and topics over three years, although the funded projects themselves will take longer to be completed. The approved budget was 25 M€ for 2017, 40 M€ for 2018, and 25 M€ are to be used for 2019.
- Based on the Delegation Agreement with the Commission, the EDA published the first PADR Calls for Proposals on 7 June 2017 and the second on 15 March 2018. A total of 24 proposals involving some 190 different entities from 25 countries (24 Member States plus Norway) participated in the Calls of 2017 and 8 proposals were received in 2018 involving 85 different entities from 20 countries, providing a mix of larger and smaller industry, academia and other research organisations.

- The first Independent Observer, foreseen in the Delegation Agreement, confirmed in his report of 30 January 2018 that "the overall approach of EDA on the evaluation of PADR 2017 has been excellent". This conclusion is further underlined in a letter from the European Commission's DG GROW to the Agency on 20 March 2018, acknowledging that "due to the cooperative spirit of Member States, industry, and the efforts of EDA, the PADR is well on track". This very positive assessment has been followed by a likewise very positive report by the second Independent Observer who came to the conclusion that "the evaluation was conducted to the highest professional and quality standards"
- I am therefore pleased to say that the PP and the PADR are successful endeavours so far, and some important lessons have already been learned.
- A first lesson learnt by both the Commission and EDA is that we must keep the Defence Specificities in mind. The modalities and the defence research topics are widely affected by them. For security reasons some work needs to be at classified levels, at EU Restricted, EU Confidential or even EU Secret. However, the need to find a right balance between the protection of sensitive information and the risks of over-classification is an important lesson learned.

- The sharing of expertise from both entities, EDA with its comprehensive defence expertise, and the European Commission with its wide know-how from support to different sectors of the European industry, creates a combination of skills that are instrumental for the success of the PP and the PADR.
- In its upstream role for the PADR, and in line with what was done for the PP, EDA has worked closely with Member States' experts on the input to all work programmes of the PADR. The deliberations on the concluded work-programmes 2017, 2018 and 2019 were conducted in the As-If Programme Committee and drew to a considerable extent on the input previously developed within EDA fora such as our CapTechs and Project Teams.
- The process so far tested ways to hold consultation with stakeholders, how to finalise description of topics as well as the absolute necessity of taking defence specificities into consideration. Unlike in civilian R&T, we need to consider the military requirements in topics description or foresee follow-on activities due to the difficulties of technology uptake in the defence sector.
- Let me now say a few words on this year's call. First, the good news is that we will select more proposals for funding than in previous years. Based on further

deliberations in the Commission's As-if Programme Committee, the work programme was concluded and via the Commission's Financing Decision finalized.

- EDA ensured that the calls were published on the same day as the Financing Decision, 19 March 2019, as the European Commission requested. The deadline for the submissions of proposals for the calls and topics managed by EDA are 28 August 2019, which will give you time to build consortia and develop proposals.
- Last year we already had two Calls related to Critical Defence Technologies. This year, again one call is related to Critical Defence Technologies with the focus on Radar and Electronic Warfare and an allocated budget of 10 million Euro. In addition, we have one call on standardisation of unmanned systems with 1.5 million Euros. For both calls we will fund one action per call.
- We also have a call on Future Disruptive Technologies with two topics under this call. The so-called OPEN topic will be managed by the European Commission and will be ready for submissions on 4 June 2019. Three actions with 1.5 million Euro each can be funded here. The other topic under Future Disruptive Technologies, the EMERGING one, has 5 subtopics related to 5 different technology areas, namely: Positioning, Navigation and

Timing; Artificial Intelligence, Quantum technologies, Long-range Effects and Augmented Soldier Capacity.

- All these subtopics provide opportunities for new ideas. For each subtopic the funding of one action is foreseen with again 1.5 million Euro per action. All together we talk about 10 actions to be funded by the 2019 budget of the PADR.
- Today's agenda focuses on the abovementioned topics and you will receive all the information you need to build excellent and innovative proposals leading to concrete European Defence capabilities.
- In view of facilitating the formation of strong and competitive consortia for the Preparatory Action, there will be a "Brokerage Event" after the information sessions this morning, where you can meet and get to know each other, and perhaps, begin to create one of the winning consortia for the 2019 Calls.
- Research and Technology is key for defence. Without necessary research and technologies, there are no defence capabilities. With the Preparatory Action, we are strengthening European cooperation in defence research and throughout the defence supply chain. This will help the European defence industrial base to remain competitive and better able to provide the necessary capabilities for our armed forces.

- But the Preparatory Action and the future European Defence Fund and its Research Dimension cannot and should not substitute ongoing collaboration or national funding in research of the Member States. It has to focus on European priorities and address areas where the Member States will or should not act alone and where critical mass needs to be achieved.
- However, the PADR is only one of several new EU defence initiatives currently under way, such as the Coordinated Annual Review on Defence (CARD) and Permanent Structured Cooperation (PESCO). While each initiative is separate, they must be coherent to achieve the final objective of developing MS defence capabilities on a cooperative basis.
- Consequently, the only way to ensure coherence between all these initiatives is to have a common reference. The Capability Development Plan (CDP), for capability priorities, and the Overarching Strategic Research Agenda (OSRA), for technology priorities, will therefore be key reference documents. Both will ensure the necessary coherence between all the new developments.
- I would therefore stress once again that we should build on the good cooperation so far between the Commission and EDA. We must make the best use

possible of EDA's expertise, networks and processes, such the CDP and OSRA, also for the future EDF in order to not duplicate existing structures. We have good lessons learned during the Pilot Project and Preparatory Action that we would be wrong not to make full use of.

- EDA is well placed to provide our views and defence expertise, and best practice during the upstream phase as is acknowledged in the draft regulation of the future EDF. But, as the PP and PADR have shown, the Agency can also play an important role in the implementation and downstream phases, which is reflected in the articles of the Treaty of Lisbon and in the Conclusions and Recommendations in the Long-Term Review of EDA, endorsed by Defence Ministers in May 2017.
- Ladies and Gentlemen, European defence is going through a crucial period. The expectations are high, and to meet them will not be an easy task. But by making cooperation the norm, based on sufficient funding, agreed priorities and innovation, we can achieve a real step change. Your ideas and contributions to making this possible are indispensable.
- Thank you!