

## Speaking points for EDA CE

at the

### **Defence and Security Conference Prague (DESCOP 2017):**

European Vision. European Responsibility

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#### Panel II: European Defence Capacities

*(Check against delivery)*

- European defence is at a crossroads. The question is whether Member States and EU entities together will be able to provide our citizens with the security and defence they demand and deserve, or if we will continue to under-perform in this critical area of European responsibility.
- The Commission's Reflection Paper is an important and timely contribution to a much needed strategic discussion.
- All three scenarios for European defence in 2025 are built around the assumption that greater efforts will be made by Member States on military capability development based on deeper cooperation.
- What must then be the main ingredients of this deeper European collaboration, that could eventually lead to

common defence in the form of a Security and Defence Union?

- First, we must have clear defence capability priorities, identified and agreed by Member States. The only way to ensure that our taxpayers euros will serve the desired outcome is to prioritise our actions, deriving them from the military level of ambition of the Union.
- Fortunately, we already have a tool at our disposal, the Capability Development Plan (CDP), which as revised in 2018, will be the key reference at the EU level for systematic identification of European defence capability priorities.
- The great potential of the Coordinated Annual Review on Defence (CARD) should also be mentioned. The CARD will start its trial run this autumn and should result in more transparency, more coherence and more commitment among EU Member States regarding their defence plans.
- Second, Research & Technology is key for defence. Without necessary research and technologies, there are no defence capabilities. The dramatic real-term decrease of European defence R&T by 32 % from 2006 to 2014 is a stark reminder that underinvestment in this sector has serious consequences for European defence.

- EDA welcomes the launch of the European Defence Action Plan and the European Defence Fund in which the Preparatory Action on Defence Research is a central part of the “Research Window”.
- Work has already begun. Director-General Lowri Evans and I signed an agreement on 31 May, in the presence of Commissioner Bienkowska, by which the Commission entrusts the management of the Preparatory Action to EDA and the first call for proposals to industry was published two days ago.
- With this 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 must:
  - provide European added value focusing on capability priorities at the European level and in areas where Member States can no longer afford to act alone;
  - benefit all Member States;
  - serve agreed capability priorities, notably through the CDP;
  - provide incentives for more cooperation at European level, both among governments and industry.

- I am proud we have successfully achieved this agreement on the Preparatory Action which lays the basis for a sound and fruitful cooperation between the Commission and EDA in which we are genuine partners. The Preparatory Action on Defence Research is thus the test bed for the coming European Defence Research Programme beginning in 2021.
- In parallel to the Agency's successful work so far in managing the preceding Pilot Project and in setting up the Preparatory Action, EDA will have a key role to play in the identification of the capability priorities, as well as in harmonisation of technical requirements in the European Defence Industrial Development Programme (EDIDP). Moreover, projects conducted under the EDA framework can be considered for support under the Programme.
- As advocated by Member States, I welcome that the EDA will act as a central operator for EU funded defence related activities, including for the Capability Window.

- This leads me to the third dimension to be kept in mind as we move towards a stronger defence in the EU: enhanced European capability development, the core of EDA's business. This will be even more the case when MS decide to launch PESCO, where the Agency is foreseen by the treaties as contributing to the assessment of compliance of the stronger commitments entered into by Member States. It should also play its role as management support structure to capability development performed under PESCO. PESCO must provide a substantial change of present capability development not a mere relabelling of existing projects.
- The fourth element of a real step change towards a defence union is to build a competitive European industrial base. European strategic autonomy is unimaginable without state-of-art industrial capacities.
- This requires more integrated supply chains, increased support to SMEs, and better cross-border access to defence markets. The Agency has been working in this area for a long time, in close cooperation with the Commission and with industry, these efforts however need to be further increased, and I am pleased to see ASD President Eric Trappier here today.

- Finally, let me turn to the potential role of the European Defence Agency in the context of a more integrated and more cooperative European defence landscape.
- In each of the three scenarios presented in the Reflection paper, and especially in the third and most ambitious one labelled “Common Defence and Security” there is a clear need for making full use of Treaties’ potential and this means to also use the EDA.
- The Treaty of the European Union frames the potential and the remit of action of the “Agency in the field of defence capability development, research, acquisition and armaments”, referred to as the European Defence Agency, including participation in defining a European capabilities and armaments policy.
- However, institutions remain relevant only as long as they can adapt to the changing environment in which they operate.
- This notion led the Head of Agency, Ms Federica Mogherini, to initiate a Long Term Review of the future of the Agency last year. In May, the Member States endorsed the reinforcement of EDA to make full use of its potential in line with the EUGS and taking into account the EDAP

- The Long Term Review clearly is just a first step. EDA will need to continue to evolve depending on more or less ambitious scenarios presented here today by the Commission to Member States that need to assess and buy into such scenarios.
- The flexibility of the Agency in terms of its institutional positioning as intergovernmental actor, within the EU single institutional framework and in terms of cooperation schemes in variable geometry, will allow it to adapt to any of these scenarios, up to the most ambitious one. In this case, and it goes without saying, the Agency would fully play its role as envisaged in the Treaty. This would go along with a step change in terms of reach and resources.
- Thank you!