



PRECISION GUIDED AMMUNITION

On the implementation of the European Defense Technological Industrial Base (EDTIB) Strategy, the European Defence Agency (EDA) has commenced a major initiative to strengthen the technological and industrial base related to ammunition in Europe.

Within the framework of this strategy, BAE Systems, representing a significant part of the defence ammunition industry in Europe, signed a 12 month contract, together with the EDA, relating to the development of a Roadmap and Implementation Plan for a European solution on Precision Guided Ammunition, to meet Common Security and Defence Policy capability requirements.

The contract aims to provide an achievable step-by-step plan to develop a more robust, sustainable and competitive European defence ammunition industry, able to provide the



military capabilities Member States require. This contract sets out work on the:

- identification of capabilities requirements on Precision Engagement focusing on Precision Guided Ammunition;
- mapping of the current Global and European technological and industrial situation assessing Europe's strengths and weaknesses;
- identification of existing gaps;
- provision of a roadmap and an implementation plan identifying priority measures to be taken with special focus on key technologies and key industrial capabilities to be preserved or developed; and the
- identification of pilot cooperative programs and prioritized areas for investment.

This is one of the EDA's pilot test cases on identifying which key industrial capabilities must be preserved or developed in Europe to meet future military requirements, and conversely, where Member States can reasonably plan to source future needs from the wider world market.



BACKGROUND

With its pragmatic, cost-effective and results oriented method of work, the EDA offers multinational solutions for improvement in capabilities, at a time where defence budget constraints foster the need for better collaboration.

Having the mission to support Member States and the Council in the improvement of Defence capabilities, EDA naturally adopts a capability-driven approach with the objective of leading to an improvement in European Defence capabilities.

This approach is wide-ranging as the capability to act in a crisis is often reliant on various factors, among them the strength of the EDTIB. Without a strong EDTIB, efforts to sustain and improve Europe's military capabilities are unlikely to succeed.

On approval of the EDTIB Strategy in 2007, the Defence Ministers recognised the maintenance of a strong EDTIB in Europe as a fundamental underpinning of the Common Security and Defence Policy. Moreover, the EDTIB Strategy describes the vision for the future size and shape of the EDTIB which should be competent, competitive and capability-driven and should also set out the way to get "from here to there" interpreted in different Roadmaps agreed by Member-States.

The existence of a competent and competitive EDTIB cannot be taken for granted. Europe's defence industrial base is no longer sustainable on a national basis and it cannot be adequately preserved by separate national R&D and national procurements. With the current constraints in the defence budgets, transformation action is now necessary more than ever.

On Key Industrial Capabilities, one of the EDTIB Strategy Roadmaps recognises the need to determine "which key industrial capabilities must be preserved or developed in Europe" so as to safeguard what the EDTIB will be able to provide, now and in the future, and which cutting-edge equipment and systems the European Armed Forces require. Member States decided to use the Ammunition sector as a pilot area to be addressed from both the demand and the supply side.

Ammunition is a cross-cutting sector for the European armed forces affecting, among others, the performance of the platforms and interoperability in the field. Moreover, the ammunition sector is considered as quite sensitive, directly connected with the security of supply when decisions are made on defence procurement and thus affecting the so-called Operational Sovereignty.

Currently, ammunition is also one of the best candidates for Pooling & Sharing activities including possibilities for the use of modern, more effective procurement methods like collaborative procurement.

Precision and Guidance on ammunition is an identified area of strategic importance both from the military capabilities perspective and also from the technological and industrial perspective, playing a key role for a sustainable ammunition related EDTIB.

With the intention of expediting decisions and taking the first steps forward, in December 2010 the European Defence Agency (EDA) signed a study-contract with BAE Systems, to develop a Roadmap and Implementation Plan including concrete and prioritised collaborative actions for a European solution on Precision Guided Ammunition.

Bringing together the major European Ammunition industries under a study-contract is a clear indication on how EDA could play its role as a catalyst for better collaboration among industries as well.

Elements like harmonised capabilities requirements, achieving strong stakeholder consensus, improvement of the European collaboration including all levels of industries but also procurement gaps and improvement of pMS military expenditure within the current financial environment are among the key success factors of this study.

This is another step in fulfilling the Agency's task, set out by Defence Ministers, identifying the key industrial capabilities to be preserved or developed in Europe. Work is proceeding in partnership between EDA, Member States, their industries and important stakeholders.