Dear President Juncker,

“Defence matters” - this bold statement opened the Conclusions of the European Council in December 2013, which highlighted the importance of strengthening the Common Security and Defence Policy (CSDP). Since then, the security environment in and around the EU has further deteriorated. As a consequence, defence matters even more today than three years ago, and there is an urgent need for Europe to step up its efforts.

We recognize that there have been encouraging developments this year: Last June, the High Representative presented the Global Strategy for the EU’s Foreign and Security Policy, followed in November by the Implementation Plan on Security and Defence. More recently, the European Commission adopted its Defence Action Plan. In parallel, the EU and NATO have committed to strengthening their cooperation. European industry welcomes and supports these initiatives. Implemented properly, they can make a significant difference and contribute to a stronger and more secure Europe.

We are particularly pleased to see that all recent strategic documents recognize one crucial link: Without a competitive defence industry, Europe will not be able to develop key capabilities needed for a credible security and defence policy. To implement the ongoing and planned initiatives successfully, this link must be maintained throughout the process.

The Implementation Plan of the Global Strategy and the European Defence Action Plan contain numerous important elements. From an industrial perspective, the European Commission’s intention to foster investments in defence supply chains and to launch a European Defence Fund with specific “windows” for research and capabilities, is particularly interesting.

In this context, the clear priority for industry is the plan for an EU-funded defence research programme (EDRP). Research is crucial to ensure that industry remains competitive and that our armed forces get the state-of-the-art equipment they need to fulfil their missions. At the same time, research is where cooperation on development and procurement of capabilities starts, and where EU action can make a major difference. We therefore fully support the Commission’s intention to propose an EDRP under the next Multi-Annual Financial Framework with an estimated amount of €500 million per year.
An EDRP should fund essential technologies that Europe needs to ensure an appropriate level of strategic autonomy. The choice of technologies should also take into account their market potential and impact on industrial competitiveness. We believe two elements must be put in place to identify the relevant technologies:

1) A robust capability planning process to ensure that all relevant European defence capability needs are identified, prioritised and assessed for their suitability as trans-national cooperative developments;
2) Close partnership with industry to translate these capability needs into technology priorities and roadmaps structuring the research programme.

The preparation of the EDRP will need a lot of strategic and conceptual thinking to balance the specificities of defence with the general features of EU-funded research. To achieve this, we call for the rapid establishment of a joint stakeholder forum that brings together Member States, European Commission, EDA, and industry. As part of the “research window” of the European Defence Fund, this forum should also ensure that the defence specificities of the future EDRP will be duly respected in the preparation of the next Framework Programme.

Furthermore, we take note with great interest of the idea of a specific “capability window” in the proposed European Defence Fund to support the joint development of specific capability projects. We as industry endorse the Commission’s intention to further develop with Member States and the High Representative the modalities and governance of this mechanism.

Both our citizens and partners expect Europe to take on greater responsibility for its own security. The forthcoming European Council will be an opportunity to take stock of what has been achieved and give further guidance for the way ahead. To make real progress, we now need to move from bold statements to concrete action.

We trust in your commitment to building a strong Europe capable of defending its values and interests and stand ready to support you in this endeavour.

Yours sincerely,

Mauro Moretti
President of ASD

Copy to the High Representative and Vice-President Federica Mogherini and to the Commissioner for Internal Market, Industry, Entrepreneurship and SMEs, Elżbieta Bienkowska.

The same letter has been sent to the Presidents of the European Council and the European Parliament.