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Meeting with ASD Europe 1.4.2022 10h-11h, online

ASD: European Aeronautics, Space, Defence and Security Industries

Present: ASD members (Thales, Leonardo, Airbus, SAAB, BAE system...), G2 ()

Presentation of the proposal ()

ASD key points:

- ASD welcomes the text, points that most of its members are ready thanks to FR and DE experience, recognizes the need for harmonization. Main concerns: proportionality and efficiency.
- The inclusion of downstream value chain will create problems in implementation as it concerns use of product and customers' operations. It will create tension with clients and suppliers, and might harm EU competitiveness industry, not only for defence industry. It is difficult to control. Main problem: to request information from a client without losing it. Would prefer FR and DE concept of value chain.
- CSDD should have a group approach instead of being based on an individual approach. Cf based on FR experience.
- Responsibility of directors (cf criticisms of JUST study)
- Consistency with related legislation like taxonomy, CSRD. Broad files, like CSDD, should be adopted before the specific ones.

ASD questions:

- How to implement due diligence in downstream value chain? How deep in the upstream value chain is DD to be performed? As in UN guidelines, will governmental authorizations to sell specific products be taken into account?
- What is the exact definition of established business relationships in the Proposal? In FR law, notion difficult to interpret and apply.
- What will be the consequences on EU companies competitiveness and trade secret?

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