

Minutes of the First meeting of Group of Personalities

Bruxelles, 30 March

Commissioner Bieńkowska welcomed the participants and recalled the context of the meeting – reduced R&D defence spending in the EU, undermining the competitiveness of the EU defence industry, combined with the rise of new security challenges and massive defence spending in countries like China and Russia. There are already consultations conducted by the Commission and EDA with MS Ministries of Defence but these needs to be accompanied at a more strategic/political level. This is the rationale for the creation of Group of Personalities which needs to: (i) make a strong case for an EU CSDP research activity to European and national decision-makers and to the public. (ii) explain how an action at EU level can add value to what Member States already do (iii) explain what this new research theme should focus on. Following this introduction the Commissioner opened then the floor for more general statements and comments regarding the vision of the work of GoP.

Mr Jorge Domecq (replacing Ms Federica Mogherini) – (i) the role of GoP should be strategic advice, also taking into account issues such as governance and IPRs (ii) the group needs to think also out of the box but we should not reinvent the wheel – there are already tools existing in EDA, such as capability Development Plan and Strategic research Agenda which can be used for the Preparatory Action (PA) (iii) there is a need to work with public opinion, to make the case for CSDP related research (iv) the profile of the GoP is diversified but it does not include users (MoDs); this input would also be provided through the discussion and conclusions coming out of the next Defence FAC meeting on the May 18.

Mr Klaus Thoma (replacing Mr Reimund Neugebauer) – there is a need to promote European industrial base and strategic autonomy, otherwise we risk that the defence industry will follow the civilian trajectory, with MS buying off the shelf products from China and US. Also – need to focus on critical technologies.

Mr Nick Witney – clearly, something wrong is happening with EU defence collaboration, only 10% of R&D budget is spent on collaborative projects. ToRs of GoP could also refer to research institutes. Important to ensure that the EU funding will not be used by the MS as a pretext for reduction in their own spending, therefore it would be good if they co-funded CSDP research projects, in a form resembling Joint Investment Programmes.

Mr Paul de Krom - future CSDP research shall facilitate and support EU wide collaboration, with the focus on 4-6 TRLs, with a strong link to end users. PA needs to be complementary to what is already in place, including in civil area (i.e. security research under Horizon 2020). The governance of the PA should allow for a mixed participation, involving variety of industries, SMEs and countries.

Mr Bogdan Klich – we need to build on the lessons learnt from the PA on Security Research. It is also important to avoid confusion in the current plethora of different documents addressing defence and research, there is a risk of lack of consistency. We also need to recognize the achievements of EDA and involve it in the implementation of PA.

Ms Elisabeth Guigou – need to approach Preparatory Action in the right context, set by the Council conclusions referring to the need of pulling together capacities and strengthening cooperation. The key word is strategic autonomy. PA is important but MS themselves have to provide additional funding.

Mr Michael Gahler – there is a need for inter-institutional cooperation between the Commission and EDA. HR Mogherini epitomizes this, as she combines responsibilities of the Commission's Vice president with being a Head of EDA. We cannot allow that MS reduce their defence R&D budgets - instead they should be increased and the PA shall only play a role of a top-up with the focus on EU priorities, not the national ones.

Mr Tom Enders – PA is a very positive development, but we can expect substantial funding for defence R&D only in the next MFF, 2021-2027, it might be too late for the industry. Every day defence industry is shrinking, there are practically no new programmes with the exception of Poland. We shall also highlight the need for security of supply and industrial consolidation which is still hindered by national parochial considerations, same goes for exports across borders. We cannot focus on research only but act across the board. As the next MFF will start to deliver in the end of 20s, the focus shall not be on a gap filling programme but on future technologies which are not taken into account in the current national planning.

Mr Antoine Bouvier – strategic autonomy is of key importance, as the notion of a competitive EU industry that can deliver this autonomy. Therefore the report shall address: (i) what is the objective of EU defence industry (capability provider for the armed forces) (ii) what are the specificities of defence R&T (assuming TRL 4-6). The answers to these questions will help to clarify governance issues, including

funding rules, IPRs, eligibility of different actions (including setting criteria for a definition of European added-value), participation of third countries (on case by case basis), dissemination of results and role of the EDA.

Mr Fernando Abril-Martorell – need to avoid overlaps with national programmes and focus on complementarity. Only in this way the added value of PA and EU funded CSDP research can be enhanced.

Ms Teija Tiilikainen – PA offers a great opportunity for a holistic approach and consolidation of disparate research efforts. The focus shall be broad, not limited only to immediate capability needs, fostering strong European economy and speeding up cooperation and integration in defence industry.

Mr Mauro Moretti – EU is losing capabilities and markets, very few new programs are in place. Today we are losing the game against the US, tomorrow it will be China. The focus of PA and EU led research shall be on future technologies.

Commissioner Bieńkowska concluded the first tour de table by saying that:

- PA and CSDP related research need to stand on two legs – the importance of industry as a provider of capacities and research linked to security challenges.
- The composition of the GoP on purpose does not involve end users (MoDs) as these are already fully involved in the consultation process organised by the Commission and EDA.
- There is a clear compromise on the need for complementarity between PA and national research programmes.
- There is also a variety of views on the focus of PA, in particular there are those who prefer the existing mechanisms for defining research needs related to capabilities and those who think that the focus shall be on future (15-20 years) technologies that today remain outside the framework of MS planning.

Mr Bogdan Klich – we shall expect that June Council will go further than the one in December 2013. On the scope of PA – perhaps we can enlarge the focus to political aspects of CSDP, involving, for example, threat perception.

Michael Gahler – ToR shall make a clearer reference to CSDP missions, which somewhat disappeared in the second version that was circulated by the Commission.

Ms Elisabeth Guigou – we need to keep a political momentum, therefore it would be good to organise the second meeting of GoP before the June EC. This meeting could pass some important messages, for example relating to strategic autonomy concept.

Mr Antoine Bouvier – indeed, strategic autonomy is the key, as it is linked to the freedom of action, mastering of key defence technologies and security of supply. All these concepts need to be reflected in the criteria for the definition of governance rules and for the selection of projects.

Mr Jorge Domecq – it would be good to have sherpas set the roadmap with all the important milestones leading to the launch of PA in 2017. In order to ensure the coherence of the GoP's work, all issues should be discussed among the Sherpas in plenary sessions (i) before splitting them into sub-groups and (ii) before consolidating chapters on the basis of the sub-groups' inputs.

Mr Tom Enders – we need to know more about the R&D research ongoing in the MS, EDA could provide us with the relevant information including also the existing overlaps.

Commissioner Bieńkowska concluded on timing of GoP meetings and working methods:

The report of GoP need to be finalised by March 2016. In the coming months 5-6 meetings of sherpas are foreseen, more if necessary. DG GROW will provide secretariat and ensure the flow of information and complementarity between GoP and the consulting process with MoDs led by the Commission and EDA. Originally, the next meeting of GoP, to consider mid-term report, was foreseen for September/October but, in view of the discussion, we shall try to organise another one still before the June Council.