



REPORT

KAS EUROPEAN OFFICE BRUSSELS

Dinner-Roundtable with Alexander Weis (Chief Executive, EDA) „Implementing the European Defence Technological and Industrial Base“

On 2 March 2009

In the European Office of the Konrad-Adenauer-Stiftung

During the roundtable, European Defence Agency (EDA) Chief Executive Alexander Weis underlined the necessity for a strengthened European Defence Technological and Industrial Base and outlined necessary steps and reforms.

In the beginning Weis highlighted that a real European Defence Technological and Industrial Base (EDTIB), would be a substantial achievement both in military and economic terms.

The structure of the Defence Technological and Industrial Base (DTIB) was mostly national, consisting of only a few international global players, and should rather be called as the sum of national DTIB's. The main problems were therefore its protectionism and its fragmentation as well as the lack of a critical mass, which was all a result of member states' investment practice in the past. Thus, a fully adequate DTIB was no longer sustainable on a strictly national basis. In Addition, due to the reduced investment during the recent years into the defence sector as well as the rise of costs and complexity of the defence systems the EDTIB was facing major challenges: Weis pointed out that the Defence Industry would have to struggle in order to remain competitive. A major problem was the fragmentation of demand and supply on the European Defence markets, which created increased and unsustainable pressure on the EDTIB.

The EDTIB should hence be capability driven (aligning and combining the different member states' needs), competent (efficient on adapting technological innovation) and competitive. More integration and less duplication were needed at the European Defence Markets. However, cooperation and the access to European defence markets were still difficult and insufficient.

A strengthened EDTIB would also be a major added value for transatlantic relations.

Weis also referred to the strategy for the EDTIB from 14 May 2007, which underlined that the most important elements for a strong defence industry were competition and investment. In the future it would therefore be crucial to prioritize capability needs, develop key technologies, consolidate the demand side, establish a security of supply, coordinate member states' investments efforts and strengthen coordination and cooperation as well as establishing a higher degree of competition.





REPORT

EUROPEAN OFFICE BRUSSELS

MARCH 2009

www.eukas.eu

The 2007 strategy, its sub-strategies and other key documents, like the Code of Conduct for Offsets, should be brought into life through concrete programs and projects.

During the following discussion Alexander Weis agreed that the current financial crisis might also have a positive effect by increasing the financial pressure on member states to cooperate. However, this pressure was not sufficient if the member states were not persuaded that integration was crucial.

Concerning particular projects, Weis also gave several examples that financial and time burdens of cooperation were not as heavy as it was often claimed and that the final benefit was by far justifying the initial investment. While expressing doubts whether large-scale projects (compared to mid-level cooperation) would have an outstanding impact on boosting the performance of the European defence market, he admitted that the value of the Eurofighters program has had positive consequences for both the European as well as the member state's defence markets.

He further mentioned the planned establishment of a European Air Transport Fleet, based on a cooperation of 12 EU member states, which should be operational by 2014.

During the discussion, Weis equally underlined the necessity of global players in the European Defence market. Another challenge would be an increased synergy between civil and military security: The EDA was currently working together closely with the European Commission on this issue.

While acknowledging that a white paper on EDTIB might create a political momentum, Alexander Weis doubted whether it would be absolutely necessary. Priority should rather be given to the implementation of the existing strategies.

Asked about a possible collusion of the work of EDA and OCCAR and institutional reform, Weis argued that both organisations were complementary. Administrative arrangements for further cooperation were being prepared. Weis also denied the need for a fundamental overhaul of the EDA's institutional framework.

Lastly, Weis stressed that the most important challenge for a strong EDTIB was the integration of the different national interests in order to achieve a critical mass.

Olaf Wientzek