AeroSpace and Defence Industries Association of Europe

Press Release

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European Commission's Defence Action Plan: A Step Forward for European Defence

Brussels, November 30, 2016 – The AeroSpace and Defence Industries Association of Europe (ASD) welcomes the adoption of the European Defence Action Plan which aims to support the competitiveness of the EU Defence Industry and the development of capabilities for a credible Common Security and Defence Policy.

ASD welcomes the Action Plan as an ambitious follow-up to President Juncker's call for a more active role of the EU in Defence. ASD in particular supports the Commission's intention to propose an EU-funded defence research programme with an estimated amount of €500 million per year under the next Multiannual Financial Framework (MFF). Research is crucial for the competitiveness of our industry and future capabilities of our armed forces. At the same time, research is where defence cooperation starts, and where EU action can make a major difference. Our industry therefore believes this programme could become a game changer and an important tool to develop common standards and increase interoperability.

Furthermore, ASD takes note with great interest the idea of a specific "capability window" in the European Defence Fund to support the joint development of specific capability projects. Industry endorses the Commission's intention to further develop with Member States and the High Representative the modalities and governance of this mechanism.

Mauro Moretti, President of ASD, said: "*The Defence Action Plan is the natural complement to the Defence Implementation Plan of the Global Foreign and Security Strategy. Implemented properly, it can be an important contribution to strengthening Europe's security. We as industry stand ready to contribute and to support this work.*" In this context, industry looks forward to actively participating in the new Coordination Board, that will ensure consistency of support for research and capability development.

ASD also applauds the Commission's plans to foster investment in defence supply chains. SMEs and mid-caps are, in many Member States, the backbone of the defence sector and central to the value chain. At the same time, they often find it hard to access finance and face financial difficulties when projects are delayed. Mobilising EU instruments to mitigate these problems would be highly appreciated.

ASD shares the assessment that a competitive European industry needs a functioning European market. A truly internal market for defence is still not there, but we acknowledge the European Commission's efforts to overcome market fragmentation and foster cross-border industrial cooperation. In this context, we fully support all initiatives to improve EU-wide market access and facilitate deliveries of equipment and services between Member States.

About ASD

The AeroSpace and Defence Industries Association of Europe represents the Aeronautics, Space, Security and Defence industries in Europe. Based in Brussels, the organisation's membership today comprises 15 major European aerospace and defence companies and 26 member associations in 19 countries (Austria, Belgium, Bulgaria, the Czech Republic, Denmark, Finland, France, Germany, Greece, Italy, the Netherlands, Norway, Poland, Portugal, Spain, Sweden, Switzerland, Turkey and the UK). These industries reach a turnover of €222 billion; invest €20 billion in R&D; employ 847,700 people; count over 3,000 companies and 80,000 suppliers, many of which are SMEs.