

STEERING BOARD DECISION NO. 2005/03
OF 23 MAY 2005
ON
EUROPEAN DEFENCE EQUIPMENT MARKET

In order to increase transparency on the part of participating Member States on the extent and nature of use of Art. 296 of the TCE in defence procurement, and, in order to prepare for a proposal by the Agency in November 2005, providing the basis for a decision whether to proceed with a voluntary, non-binding intergovernmental regime,

the SB decides:

EDA will collect data from pMS on the invocation (and non-invocation) of Article 296 on the basis of the following structure:

- 1) The collection of data will make use of a common typology of the information, and include data of the years 2002, 2003 and 2004.
- 2) As a basis for the collection of data, the first group of questions will aim at clarifying
 - national procedures used to decide whether or not to invoke Art. 296 for a defence procurement;
 - the typical national security reasons for invoking (explicitly or implicitly through negotiating procedures) the Art. 296 exemption;
 - national procedures for determining the procurement strategy in cases where Art. 296 is invoked.
- 3) The second part will be the actual data collection, which will be based on contracts (numbers and values only) divided into contracts based on EC Public Procurement Rules (PPR) and Art. 296 contracts. For the Art. 296 area, EDA will, still only in terms of numbers and values, distinguish
 - between national programs and collaborative programs
 - national and international competition and
 - goods and services.
- 4) Data should be provided on the overall value and number of all contracts excluding those dealing with nuclear weapons, nuclear propulsion systems and cryptographic equipment as these would by their nature not become part of a more common EDEM.
- 5) EDA will collect data on the size of suppliers involved, to provide a picture of the industrial landscape, including, in particular, SMEs.
- 6) EDA will ensure confidentiality of the data provided and also ensure that no individual pMS data will be reported or distributed.
- 7) PMS will provide the best possible data, taking into account the limits of national registration procedures and systems; the fullest possible data will be provided to the EDA by mid-July 2005 in respect of 2004; by mid-September 2005 in respect of 2003; by mid-October 2005 in respect of 2002