

EDA-SAAB contract on The Future of The European Military Aerospace Defence Technological Industrial Base

SAAB, representing a large part of Europe's military aerospace industry, is half way through a 12 month European Defence Agency (EDA) contract, the objective of which is to safeguard Europe's ability to independently provide competitive aerospace solutions to meet Common Security and Defence Policy (CSDP) capability requirements in the 2035 timeframe.

The contract aims to provide an achievable step by step plan to develop a more robust, sustainable and competitive European military aerospace industry, one better able to provide the military capabilities Member States require.

It includes work to:

- capture a commonly shared view of the state of the industry and the challenges ahead,
- identify the strengths and weaknesses,
- provide a roadmap and implementation plan identifying priority measures to be taken to strengthen the industry,
- identify pilot programmes in the Unmanned Aerial Systems (UAS) and helicopter areas.

It is the test case for the EDA's work on identifying which key industrial capabilities must be preserved or developed in Europe to meet future military requirements and conversely where Member States can reasonably plan to source future needs from the wider world market.

Background

The role of EDA in strengthening the European Defence Technological and Industrial Base (EDTIB) is set out in the Lisbon Treaty. Defence Ministers agreed a strategy for the EDTIB in 2007.

The EDA's work concerns the future size and shape of Europe's military aerospace defence industrial and technological base and maintaining its competitiveness (linked to civil aerospace) and Europe's degree of dependence on third country suppliers like the USA.

Member States have stated their interest in maintaining a wide range of aerospace competences but have, in particular, asked the Agency to focus attention on helicopters and UAS.

The work builds on related activities underway in the Agency, contributing to European solutions to Member States' require-

ments, notably through the Future Transport Helicopter (FTH), Future Unmanned Aerial System (FUAS), MidAir Collision Avoidance System (MIDCAS), and work on UAS air traffic insertion and on the Single European Sky initiative.

EDA's objective is to initiate a number of government endorsed practical actions to sustain and develop key areas of Europe's military aeronautics industrial base. Amongst other things there is the recognition of the need to include measures to strengthen the supply chain below the major prime contractors.

Without a strong EDTIB, efforts to sustain and improve Europe's military capabilities are unlikely to succeed. The EDTIB is inextricably linked to CSDP and maintaining political options for the future. It also supports strong and enduring strategic alliances.

The defence industry is a valuable economic asset, as a major source of employment, exports and technological advance. Like any industry it needs competition and investment to be maintained and to develop. Unlike other industries the defence business depends critically on governments in their role as regulators, customers and investors.

The existence of a competent and competitive EDTIB cannot be taken for granted. Europe's defence industrial base is no longer sustainable on a national basis and it cannot be adequately preserved by separate national R&D and national procurements. Transformational action is necessary.

An important part of the future success of Europe's military aerospace DTIB will be the ability to better exploit civil military synergies, such as on R&T investment on UAS.

Time is not on Europe's side. The financial crisis has further constrained government budgets and national defence investment levels are in decline. Against this backdrop the current size of Europe's military "air sector" does not appear to be sustainable, and some rationalisation appears inevitable.

The role of EDA is to support its participating Member States by putting the business case for European co-operation and collaboration on military aviation.

The work is proceeding in a partnership between EDA, Member States, their industries and important stakeholders such as the European Commission.