



EUROPEAN  
DEFENCE  
AGENCY

2016

# Annual report





# 2016 In Review

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# A seminal moment for European defence





# Welcome word by Jorge Domecq, EDA Chief Executive



**2016 was a seminal moment for European defence and a defining year for the European Defence Agency (EDA). The events that shaped 2016 added a new sense of urgency and determination to see Europe delivering on its potential in defence. The time has gone when Europe's achievements were judged in terms of what it agreed on paper. Henceforth the success or failure of European ambitions in defence will be judged exclusively on the basis of action and implementation. Defence is now, and needs to remain, firmly on the European political agenda.**

Three major initiatives contributed to a momentous shift in European defence thinking in 2016. First, Federica Mogherini, the EU's High Representative for Foreign Affairs and Security Policy, and Head of the EDA, presented the European Union Global Strategy (EUGS) in June, calling for the full use of the "Agency's potential as an essential prerequisite for European security and defence efforts."

This was followed by the Implementation Plan on Security and Defence, which set out a new level of ambition for the EU in defence. Second, the European Commission adopted the European Defence Action Plan, paving the way for a substantive European Defence Fund. Thirdly, the EU-NATO Joint Declaration added new impetus and concrete substance to the EU-NATO strategic partnership. These defining actions of 2016 have opened a window of opportunity for Europe to achieve concrete results starting in 2017.

This means that the critical work on implementation has to begin now. And EDA, whose core tasks are to support capability development through European defence cooperation, increase cooperative efforts in research & technology, and strengthen the industrial and technological base of the European defence sector, will be fundamental.

2016 put the spotlight on the added-value and expertise of the EDA. The four key capability programmes welcomed by the European Council in 2013 have made significant progress over the last 12 months. The contracts for a Definition Study of the European MALE RPAS (Medium Altitude Long Endurance Remotely Piloted Aircraft System) and for Air-to-Air Refuelling (AAR) were both signed in the summer. Cyber security poses ever-changing challenges that require a cross-sectoral approach to developing effective cyber defence capabilities. In 2016, EDA continued to facilitate efforts in education, training and exercise to enhance Europe's cyber capability. Governmental Satellite Communications (GovSatCom) activities have also progressed well with studies to identify Member States' requirements with a view to exploring a pooling solution of existing capabilities. The Agency's work in support of operations and enhanced standardisation and certification continues to yield positive results. EDA remains



ambitious about what can be achieved in these programmes in 2017, in terms of increasing the number of Member States involved, addressing the full life cycle of defence capabilities, and developing effective education, training, and exercise initiatives.

This Agency was also a driving force in 2016, breaking new ground in an area that up to a few years ago would have been deemed inconceivable: defence research funded by the EU. The EU's Pilot Project on defence research, which marks the first time that the EU budget is used for defence research, is run and managed by the EDA on behalf of the European Commission. Its implementation is well advanced and the three contracts it foresees were signed in October. As a test bed for the conditions of defence research in an EU framework, it also paves the way for the next milestone on the road towards dedicated EU defence research: the launch of the so-called 'Preparatory Action' on CSDP-related research.

The next twelve months will have a transformational impact on European defence. EDA will be at the heart of it. Each year, this Agency grows its expertise and track record of delivery: 2016 was no different.

A pivotal moment for the EDA, but 2017 will be equally crucial in demonstrating the added-value of EU-funded research in the defence sector.

I believe that 2016 is defined by the fresh momentum behind European defence, but sustaining this momentum requires a strong partnership with industry. Europe's strategic autonomy is dependent on a globally competitive, technologically advanced and innovative industrial base, that supports the development of the military capabilities Europe needs. This year EDA has identified sources of support for the defence industry, launched a process to earmark future activities and concrete initiatives in support of defence-related SMEs, and has started to reorient its engagement with industry to better reflect the evolving defence industrial environment.

The growing interest of the European Commission in defence issues puts a premium on ensuring that the Agency plays its role to the full as the interface between Member States and the Commission. It has already done this successfully, be it in terms of the Pilot Project and the Preparatory Action on defence research, or EU legislation that has implications for defence, such as REACH, related to hazardous chemicals which may have a direct impact on the operational effectiveness of the armed forces as well as the competitiveness of the European defence industry. Equally, the establishment of the EDA Single European Sky (SES) Military Aviation Board, a milestone that will form the basis for EDA's work on relevant military aspects of SES, underscores the pivotal role of this Agency.

EDA is an outward looking agency that puts a premium on enhancing cooperation with other institutions and bodies to consolidate cooperation and optimise our overall impact. Its relationship with NATO, based on substantive dialogue at all levels, is ensuring mutually-reinforcing capability development. The Administrative Arrangements with both OCCAR and European Space Agency (ESA) have greatly improved synergies across programmes this year. In 2016, the EDA signed new agreements with SESAR JU, EUROCONTROL, and the European Union Satellite Centre (SATCEN).

The EDA has now passed the 185 mark in terms of projects facilitated and managed since its inception, representing almost €1 billion in R&T investment by the contributing Member States. In 2017 this Agency will continue to work in support of our Member States and strive to reinforce the European industrial and technological defence base. The launch of the EDA Long Term Review at the end of 2016 aims to set out the long-term objectives, priorities and way of working for this Agency as we move into the future and carry forward the implementation of the EUGS.

2016 has elevated European defence to a new level and set out an ambitious vision for the future. This Agency will work with even greater determination and will deploy its full range of expertise so that successful implementation will be the defining characteristic of the year ahead. I hope that 2017 will witness an even greater evolution in European defence cooperation.



# Introduction: A new horizon

The European Defence Agency (EDA) continues to pursue effective and output-oriented European cooperation in order to support the development of Member States' defence capabilities.

It does so through its three key Ministerially-endorsed objectives: support the development of capabilities and military cooperation; stimulate defence research and technology to prepare the capabilities of tomorrow and support the European Defence Technological and Industrial Base (EDTIB); and ensure that the interests and specificities of defence are taken into account in wider EU policies.

The EU Global Strategy and its Implementation Plan on European Security and Defence, and the Commission's European Defence Action Plan and Space Strategy for Europe, will all have a major impact on European Security and Defence matters. Throughout 2016, the Agency contributed to these important initiatives.

And, when appropriate and working closely with its Member States, it developed and submitted to the Commission consolidated military views on a range of issues. Implementation will require the continuing involvement and engagement of EDA and its Member States by identifying the required capabilities through a revised and strengthened Capability Development Plan (CDP), the necessary Research & Technology to support these, as well the European industrial capacities required to underpin them.







The European Defence Agency continues to pursue effective and output-oriented European cooperation in order to support the development of Member States' defence capabilities.



# Capabilities & Cooperation







# Defence Cooperation Key Capability Programmes Capability Development



# Defence Cooperation

In 2016 work continued on the implementation of the **Capability Development Plan (CDP)** as a key driver for capability prioritisation. The Agency began to prepare for the CDP review process, in light of the ambitions expressed in the Global Strategy. The priority actions that emerge from this review are expected to be agreed in 2018 and will take account of the defence technological and industrial landscape; also will inform implementation of the European Defence Action Plan and Space Strategy for Europe as well as a possible European Defence Research Programme.

The Agency also conducted an analysis of the implications of **Hybrid Warfare** for European defence capability development, on the basis of two Table-Top Exercises on Hybrid Threats involving Member States, EEAS and relevant DGs in the Commission, as well as NATO observers: the main objective was to stress-test military capabilities in a hybrid threat environment. EDA also contributed to the elaboration of the Joint Framework on Countering Hybrid Threats.

The Agency launched the **Defence Policy Database** containing official documents from Member States and International Organisations. This platform facilitates the sharing of information between Member States on a wide spectrum of issues related to national security and defence policies.





## VAT exemption is applicable to ad-hoc projects where the role of the EDA brings added-value

Revised EDA Council Decision  
- October 2015



### EDA: VAT FREE COOPERATION

On the basis of the revised EDA Council Decision adopted by Council on 12 October 2015, VAT exemption is applicable to ad hoc projects where the role of the Agency brings added-value. The amendment to the MIDCAS Project Arrangement, which is currently under signature, is the first such project to benefit from VAT exemption.

Others such as Micro Satellite Clusters and Global Access to Standards are expected to be concluded on the same basis in the near future. Furthermore, the Agency issued a **"Guide to VAT exemption for EDA ad hoc projects and programmes"** in support of Member States.

As regards incentives for cooperation beyond VAT exemption, work continued on the possible establishment of a Cooperative Financial Mechanism to support the launch and execution of cooperative programmes. To this end a business case has been presented, which identifies the lack of budgetary synchronisation as a major obstacle to cooperation, and the Cooperative Financial Mechanism as a possible solution; and addresses underlying challenges and issues related to modalities, governance and functioning.



# Key Capability Programmes

## AIR TO AIR REFUELLING (AAR)

**Under the lead of the Netherlands, the contract was awarded in July 2016.** EDA continued to support this, notably: achievement of Initial Operational Capability by mid-2020; facilitate the participation of additional Member States; and synergies in in-service support and training with similar fleets in Europe (UK and FR).

Work also progressed on the better employment of capabilities Europe already possesses (or will possess in the near future). The process to achieve AAR compatibility is being streamlined in order to avoid duplication and deliver AAR clearances to all European receivers more efficiently. Finally, the Agency continued its monitoring activities to optimise the use of the A400M as a tanker platform, including assessing AAR compatibility.

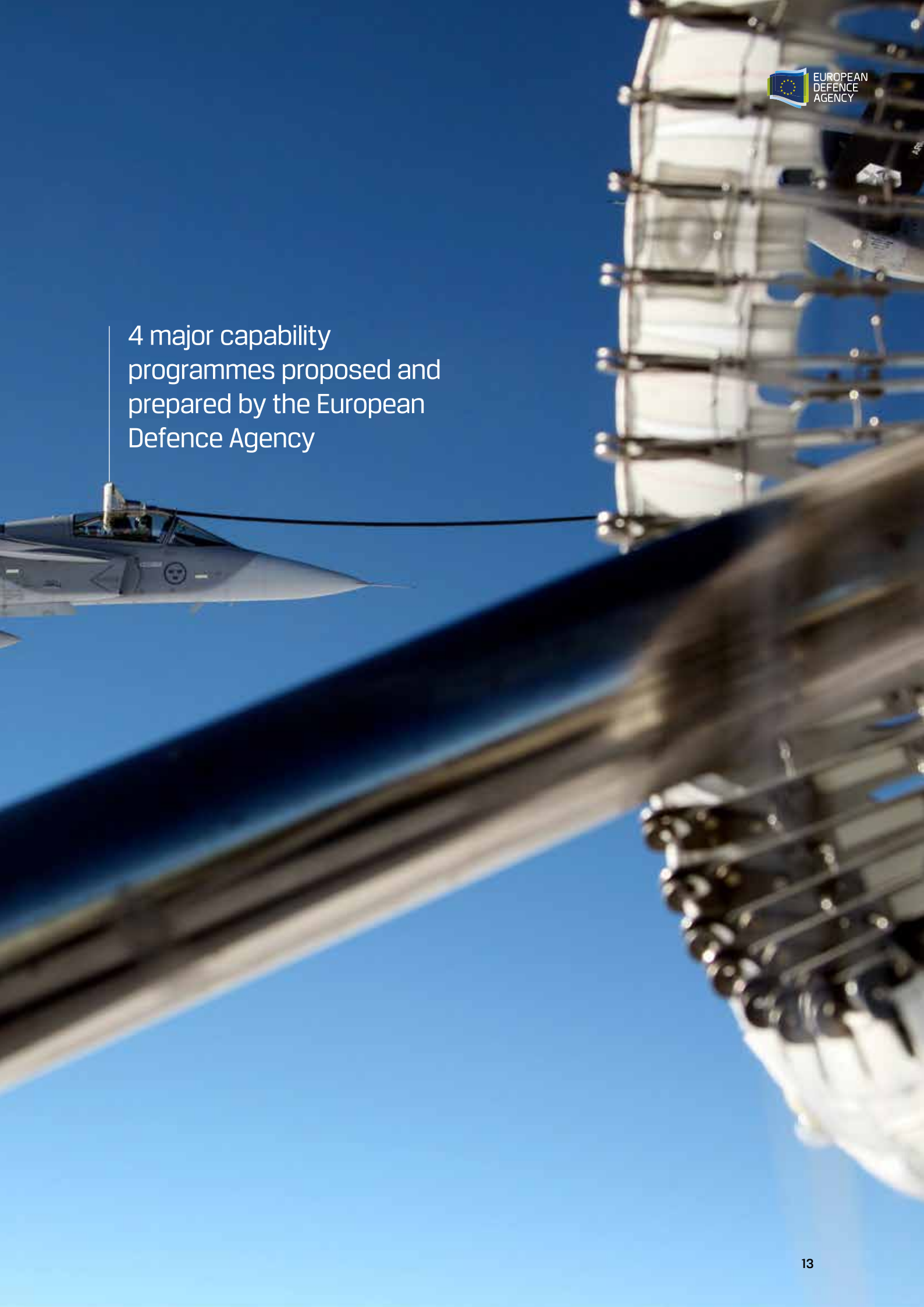
## CYBER DEFENCE

**Activities continue in the areas of education, training and exercises, in complementarity with the EUMS initiative on training & education.** Ad hoc projects are underway in cyber ranges, for which the Project Arrangement signature process has started; the development of deployable cyber defence situational awareness packages for headquarters; the preparation of a new project dealing with Advanced Persistent Threat Detection project; and with pooling demand for cyber defence training and exercise support by the private sector.

The objective is to promote the development of Member States' cyber defence capabilities, research and technologies in line with the CDP. Finally, Member States provided direction on the organisational arrangements to develop collaborative cyber defence R&T projects in the Agency, and to explore with the European Security and Defence College the details of a Cyber Defence Centre to develop further, the education, training and exercise initiatives.







4 major capability  
programmes proposed and  
prepared by the European  
Defence Agency



Development of an RPAS  
Airworthiness Regulatory Framework  
in 2016 aims at the harmonisation  
of national RPAS airworthiness  
requirements between Member States







## REMOTELY PILOTED AIRCRAFT SYSTEMS (RPAS)

**With the objective to support the development of a European MALE RPAS system by 2025, a two-year definition phase was launched in September 2016, funded by four Member States (FR, DE, IT, ES) through OCCAR.**

EDA supports this in particular by facilitating air traffic integration of the future system and the involvement of potential additional Member States in the future development phase.

EDA, EASA, SESAR JU and the Commission intensified their activities in the field of air traffic insertion of all types of RPAS into non-segregated airspace. The development of an RPAS Airworthiness Regulatory Framework in 2016 aims at the harmonisation of national RPAS airworthiness requirements between Member States. Work also continued within the European MALE RPAS Community (DE, EL, ES, FR, IT, NL and PL) towards the development of a joint training demonstrator.

## GOVERNMENTAL SATELLITE COMMUNICATIONS (GOVSATCOM)

**Under the lead of Spain, GovSatCom activities progressed well, and in close coordination with the Commission and ESA.**

EDA and Commission studies identified GovSatCom requirements with a view to exploring with interested Member States a pooling solution of existing GovSatCom capabilities and defining conditions and governance which will result in Programmatic options through a Business Case and Common Staff Requirement (CSR).

EDA also contributed to the Commission's Expert Group to finalise the high-level civil user needs and enter an Impact Assessment phase to refine policy options for EU GovSatCom governance and assess potential costs of the options before going for a possible legislative initiative.



# Capability Development

## **FIXED/ROTARY-WING TRAINING AND EXERCISES**

EDA's work continued apace with concrete results such as the European Advanced Airlift Tactics Training Courses (EATTC) hosted in Zaragoza (ES) and Orleans (FR) Airbases, the European Air Transport Training at Beja Airbase, the C27J Balkan Spartan exercise hosted in Bulgaria and the Cold Blade exercise in Finland and the Black Blade Exercise hosted in Belgium.

Eleven Member States signed a technical arrangement concerning the establishment of a European Tactical Airlift Centre in Zaragoza that will permanently host the European Tactical Airlift Program comprising the various tactical airlift courses and symposia initiated in EDA. The centre will open in February 2017 with a view to reaching Initial Operational Capability in September 2017. EDA continues its work to ensure all necessary support during the transition phase until the centre reaches full operational capability.

## **MEDEVAC**

To examine MEDEVAC interoperability in accordance with current and envisaged operational scenarios for CSDP Missions and Operations in terms of assets, procedures and interoperability. One of the most promising areas identified for cooperation is MEDEVAC modules/kits, on which work progresses on the definition of common requirements and the declaration of interests of Member States for possible common procurement.

## **ANTI-TANK**

Work is underway to explore: Future Requirements for Anti-Tank Weapons and Missiles (beyond 2030); Lessons Learned/Identified from recent conflicts and missions (in Africa and East Europe); and the establishment of User Groups concerning specific systems, in order to facilitate training, maintenance and procurement.

## **COUNTER-IEDS**

For the first time EDA's Joint Deployable Exploitation and Analysis Laboratory (JDEAL) was successfully integrated into a multinational exercise, in the framework of the Counter Improvised Explosive Devices (C-IED) exercise Bison Counter 2016 hosted by Sweden.

## **MARITIME SURVEILLANCE (MARSUR)**

To enhance information exchange, MARSUR was further integrated into Member States' systems. Technical connectivity of the Italian MARSUR node to the OHQ SOPHIA is established in support of the EUNAVFOR MED Operation SOPHIA. Actions to develop MARSUR as the defence layer in the Common Information Sharing Environment by the Commission are ongoing.

## **USER GROUPS**

The Agency established a new approach to Member States that operate the same defence systems by offering forums in which they can share information and outline cooperative activities to improve interoperability and share operating costs. This approach has been used for Carl Gustaf ammunition, and C27J and C295 aircraft.

## **COLLABORATIVE DATA BASE (CODABA)**

Following a bottom-up approach, and on the basis of the CDP and an assessment of cooperative opportunities derived from the CODABA, the Agency conducted studies concerning short-term collaborative opportunities to pool demand in areas such as Deployable Field Camps, MEDEVAC equipment and Individual CBRN protection. New areas for future assessment have been also identified.



# Helicopter Exercise Programme Marks its 10<sup>th</sup> Edition

## HEP RESULTS 2009-2016

**10** Exercises across 6 Member States

**229** Helicopters

**59** Instructors

**1,600** Aircrew

**13,500+** Military Personnel (Special  
Forces, Infantry, Maintenance,  
Logistics, MedEvac)





# Supporting European Defence





# Support to CSDP Operations & Missions Defence Cooperation Enablers





# Support to CSDP Operations & Missions

EDA continued to support Operation SOPHIA OHQ with software for human resources and geospatial information management as well as cyber defence awareness training.

EUTM Somalia was the first CSDP mission to publicize its equipment needs through the EQUIP government-to-government electronic on-line market place for the sale or transfer of surplus defence equipment.

The common purchasing of satellite communication services through the EU SatCom Market project developed significantly. In addition to the twelve contributing Member States and one Third State (Republic of Serbia), the Athena Mechanism (for EUTM Somalia and EUTM Mali) as well as EUCAP Sahel Niger, EUCAP Sahel Mali, EUAM Ukraine, EUCAP Nestor and EUMM Georgia, are now members of this project.

Building on EU SatCom Market, work has started on the establishment of additional standby commercial arrangements in other areas, such as medical evacuation and support, camp infrastructure and management, and strategic transport.



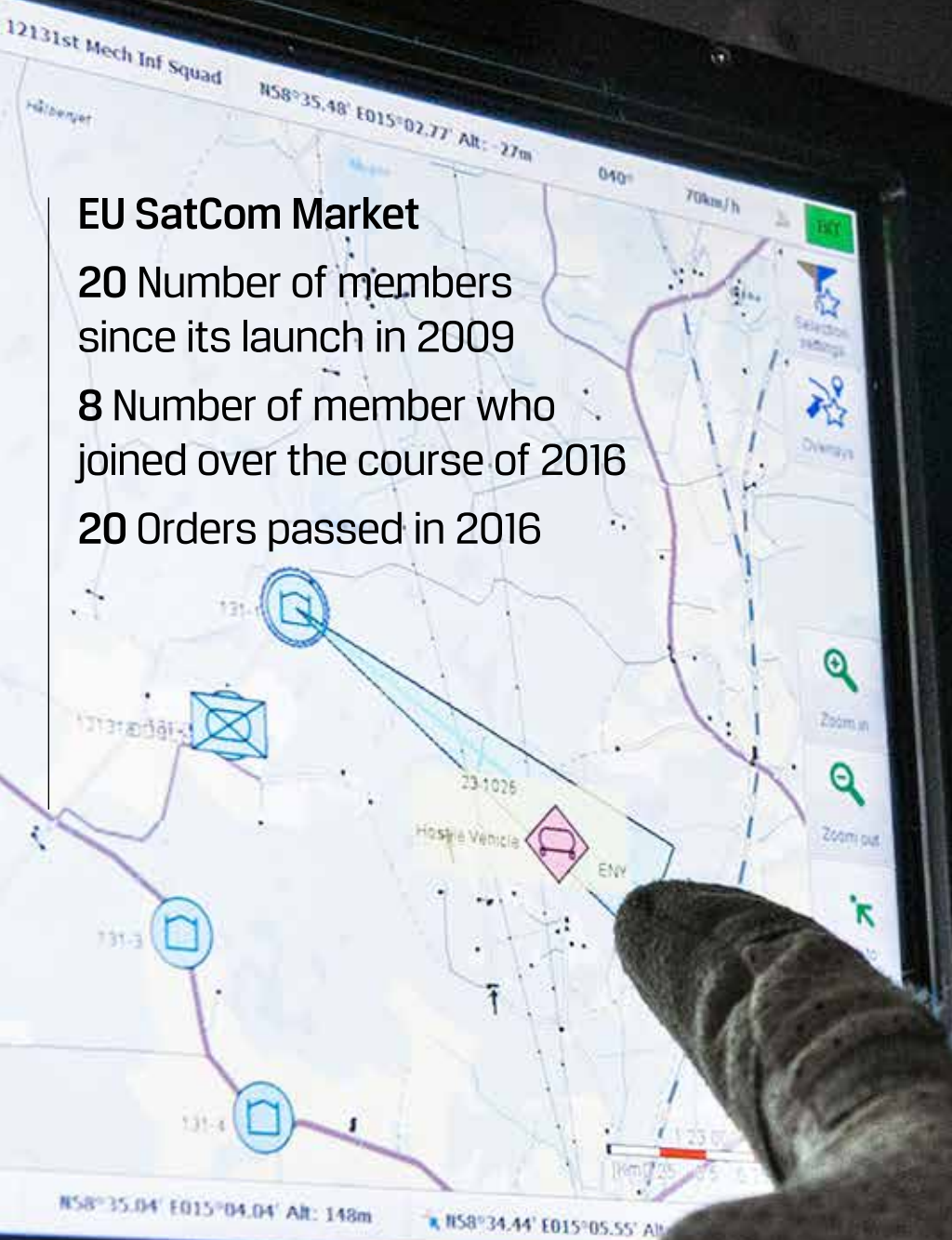


## EU SatCom Market

20 Number of members  
since its launch in 2009

8 Number of member who  
joined over the course of 2016

20 Orders passed in 2016





# Defence Cooperation Enablers

## **DEFENCE TEST AND EVALUATION BASE**

Work continued on the development of full spectrum Test & Evaluation capabilities in Europe based on a coordinated network of national centres, by fostering collaborative activities among Test Centres, promoting the creation of networks of excellence and systematically relating them to EDA projects.

## **SECURITY OF SUPPLY**

Further to supporting established mechanisms, such as the EDA Framework Arrangement and associated Code of Conduct, the Agency continued to pursue implementation of the intergovernmental actions endorsed by Ministers in May 2015. In parallel, the Agency is exploring with Member States how to further strengthen Security of Supply at European level, without prejudice to Member States' final decisions.

## **STANDARDISATION**

Work continued on enhancing standardisation as a key enabler within EDA projects. EDA strengthened its relationship with key stakeholders such as the Commission, EASA, EUROCAE, NATO and other relevant Standardisation Development Organisations. Harmonised certification requirements are to be developed in the land, air and maritime domains, with an initial focus on ammunition, following the successful example of the European Military Airworthiness Standards.





## AIRWORTHINESS

In Military Aviation, Member States through the EDA Military Airworthiness Authorities Forum have completed the development of the European Military Airworthiness Requirements (EMARs) for airworthiness management, aircraft maintenance, training/ licensing and certification. Implementation of the harmonised EMARs is in progress.

Work is also underway, in close coordination with the European Aviation Safety Agency (EASA) and the Commission, to develop the airworthiness regulatory framework necessary for military RPAS to operate in non-segregated airspace.

The Agency concluded an agreement with the Commission, the EASA and the SESAR Joint Undertaking to establish a technical 'Coordination Mechanism' with a view to aligning the research activities for Air Traffic Insertion of certified drones with the European ATM Master Plan, and assessing the impact of safety rules and requirements against essential requirements for airworthiness and environmental protection.

## AMMUNITION SAFETY

With the experience from the MAWA process EDA has developed together with Member States a "Strategy for Achieving Harmonised Certification Requirements for Ammunition Safety". The strategy and the implementation plan both take into account a systematic inclusion of the Defence Test and Evaluation Base and the standardisation work strands.

## EDUCATION AND TRAINING

Further to the activities fixed and rotary wing platforms, preparatory work took place in order to expand activities in the MALE RPAS domain through the deployment of a Training Technology Demonstrator; and Energy through a dedicated systems management course.





# Stimulating Defence Research & Technology



# Research and Technology

## Pilot Project and Preparatory Action in the Field of Defence Research

### Strengthening European Defence Industry



# Research & Technology

## DUAL-USE RESEARCH

**Ongoing work with the Commission on dual-use technologies, with an emphasis on components and materials, has provided a better insight of the impact of investment in dual-use areas.** Moreover EDA advised the Commission on Key Enabling Technologies in respect of dual-use aspects. Structured cooperation with ESA and the Commission on critical technologies continued: in the area of critical space technologies, a joint EDA/ESA/Commission Task Force is drafting the Critical Space Technologies for European non-dependence list for 2018-2020. EDA also assisted the Commission in the evaluation and review of numerous Horizon 2020 projects, either as evaluator or reviewer.

## DEFENCE RESEARCH

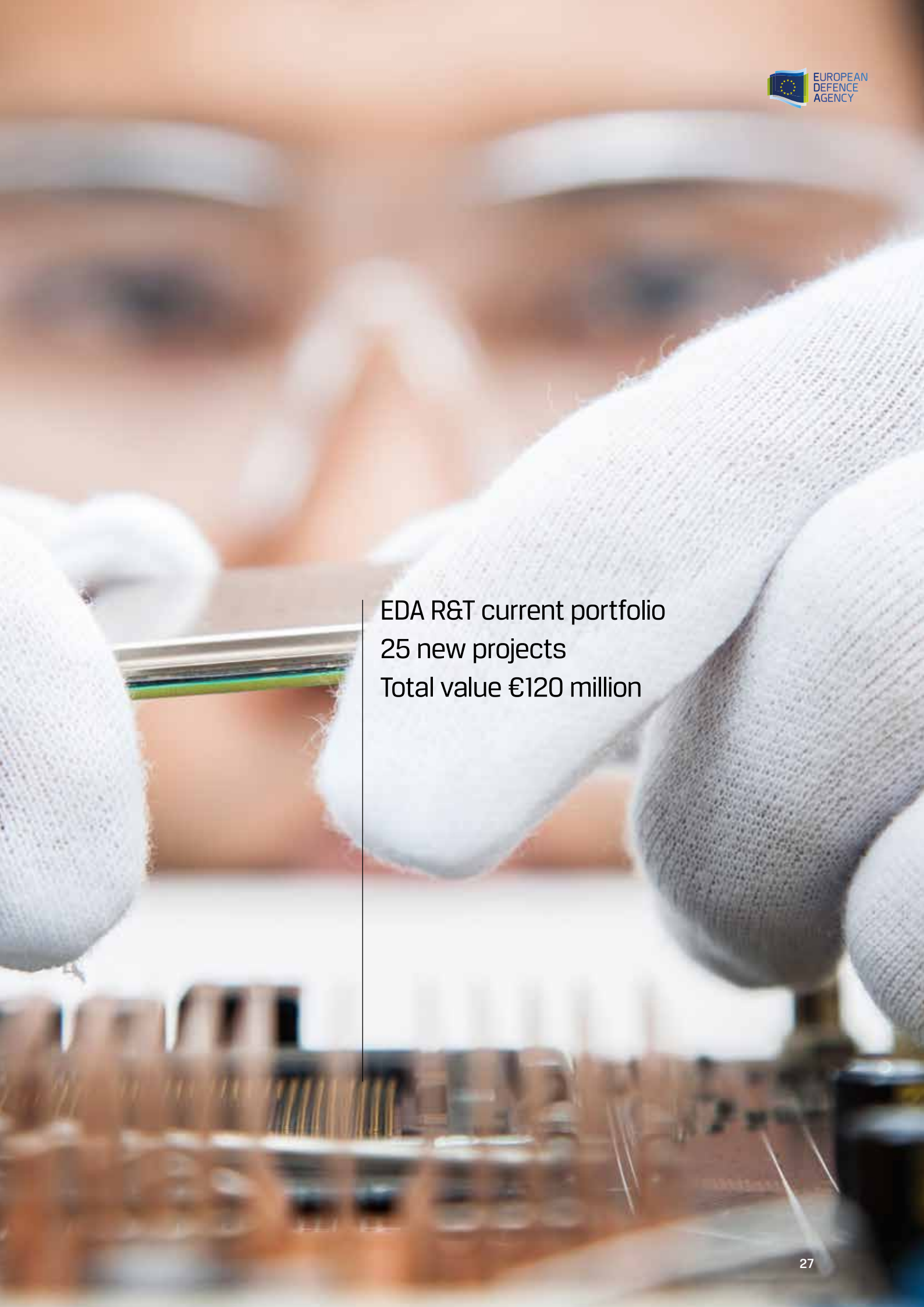
**The Agency continued to pursue cooperative R&T – both enabling and system-oriented research – to develop the technologies that will be required in future systems and platforms.** In this context activities are ongoing to assess evolving technical trends and their effect on future European Defence Capabilities. Furthermore, new activities such as the Technology Watch and the Overarching Strategic Research Agenda (OSRA), have been established to provide an overall framework for R&T identification and planning linked to the Capability Development Plan. This systematic approach will produce high-level inputs to EDA R&T work and a potential future EDRP.

## R&T PORTFOLIO

There has been a significant upward trend regarding the evolution of the R&T portfolio in 2016 in the initiation of new AdHoc projects the current portfolio, under negotiation, includes 25 new projects value of €120 million. Project Arrangements for these projects are expected to be signed in 2016 and 2017 respectively. **This brings the total value of ad hoc projects managed through EDA since its inception to almost €1 billion.**







EDA R&T current portfolio  
25 new projects  
Total value €120 million



# Pilot Project and Preparatory Action in the Field of Defence Research

EDA is managing the Pilot Project on behalf of the Commission. In March, EDA launched the call for proposals with a total budget of €1.4 million: 21 proposals were received involving 83 participants from 20 countries.

Negotiations were launched on the Delegation Agreement for the Preparatory Action. EDA supported Defence Ministries in assessing and narrowing down the number of topics, and consulting industry. For a future European Defence Research Programme (EDRP) EDA discussed defence specificities related to the governance of the EDRP with Ministries of Defence.

Regarding the future work-programme of the EDRP two approaches were addressed: bottom-up, based on Technology Watch; and top-down, related to the Capability Development Process. Both will be linked through the Overarching Strategic Research Agenda (OSRA).

Grant agreements worth a total of **€1.4 million** were signed on 28 October for three selected research activities to be carried out under the EU's first Pilot Project in the field of defence research.





21 Proposals Received  
20 Countries represented  
83 Participants





# Strengthening European Defence Industry

## **STRATEGIC AUTONOMY AND KEY STRATEGIC ACTIVITIES**

Work on Key Strategic Activities aims at developing driving principles for EU funding allocations in support of technologies, skills and industrial manufacturing capacities critical to European non-dependence and supports an appropriate level of strategic autonomy. Five test cases have been selected on the basis of Member States' proposals. As to the long-term methodology, EDA elaborated a proposal addressed by the Steering Board in November 2016.

## **ACCESS TO EU FUNDS**

Through interaction with the Commission, and other relevant stakeholders, the Agency has identified sources of support for defence industry, including in particular defence-related SMEs, Research and Technology Organisations and clusters. Examples are the EU programme for the Competitiveness of Enterprises and Small and Medium-sized Enterprises (COSME) 2014-2020 and the European Structural and Investment Funds (ESIF).

With regard to COSME, the Agency has published a dynamic web-platform with detailed and practical guidance on how defence related SMEs and clusters can access opportunities. Further to the positive outcome of facilitating access to ESIF, the Agency has enhanced its work by supporting an additional thirty dual-use R&T projects. Of these, a project led by a Portuguese consortium (which includes the Ministry of Defence) has been declared eligible for funding through ESIF. Furthermore, one dual-use R&T project (led by Polish SME) supported earlier by EDA was funded from ESIF.

EDA is also facilitating access to the EU Connecting Europe Facility financial mechanism to Ministries of Defence in the context of Single European Sky

and SESAR. For the first time, military projects were submitted for the 2015 INEA Call by Member States through EDA, which is acting as military coordinator with the SESAR Deployment Manager. Of the 24 military projects submitted, 14 have been awarded co-funding, with a total value of some 54 M€ (approximately 10% of total funds awarded).

## **CROSS-BORDER SUPPLY CHAINS/BALANCED ACCESS TO THE EDTIB**

Based on the EDA Supply Chain Action Plan, EDA has developed in cooperation with Member States and industry a comprehensive implementation plan and defined a set of prioritised actions. On the basis of the results of an EDA study, a Defence Supply Chain Network and an SME Corner have been established within the Defence Procurement Gateway. Furthermore, work with a focus on the Central and Eastern European (CEE) Member States was pursued with regard to measures to enhance balanced access to EDTIB, barriers to defence cooperation across Europe, and to support their efforts to become more active and visible within the EDTIB.

## **SUPPORT TO DEFENCE-RELATED SMES**

EDA continued its work on the implementation of the SME Action Plan in close coordination with Member States, Commission and Industry. A handbook for defence-related SMEs was published on EDA website. The Agency nominated two SME Senior Advisers to advise on future activities and identify new potential ideas and concrete initiatives in support of the defence-related SMEs. A pilot case on Modelling and Simulation SME Platform was launched, aiming to enhance the networking between innovative SMEs and their interaction with Prime and Upper Tier levels.





## EUROPEAN DEFENCE ACTION PLAN

In view of the evolving defence industrial environment, e.g. due to the forthcoming European Defence Action Plan and a potential EDRP, EDA has begun to assess and reorient, its engagement with industry. This which encompasses issues such as industry engagement in the generation of capability programmes, in R&T and innovation as well as training and exercises, and will provide initial recommendations in early 2017.



Agency nominated Senior Advisers who advise on future activities and identify new potential ideas and concrete initiatives in support of defence related SMEs



# Policies & Partnerships





A low-angle, upward-looking shot of an A400M military helicopter in flight against a clear blue sky. The helicopter's main rotor blades are visible at the top, and the tail section is prominent in the lower right. The tail fin features the large black text 'A400M'. On the side of the fuselage, the identification 'F-WWMZ' is visible.

## Wider EU Policies New and Continued Partnerships



# Wider EU Policies

In line with its mandates, the Agency is ensuring that the interests and specificities of defence are taken into account in a number of wider EU policies.

## **SINGLE EUROPEAN SKY AND SESAR**

EDA continued its activities to facilitate the coordination of military views of Member States and international organisations such as NATO and EUROCONTROL. The "EDA SES Military Aviation Board" (ESMAB) was established in 2016 to set and maintain the strategic long term vision on SES, prioritise and guide EDA work on relevant military aspects of SES, and provide advice to the Steering Board on the military implications of SES.

## **SPACE**

Beyond the GovSatCom activities described above, EDA pursued work for the elaboration of a European Satellite Military Radio-navigation Policy to define in which situations and on which systems GALILEO services may be used in coordination with other GNSS solutions. EDA submitted Member States' common military views to the Commission as regards the Space Strategy for Europe. The Agency formalised its close cooperation with the European Union Satellite Centre (SATCEN) on the basis of an Exchange of Letters.

## **REACH**

Good progress has been achieved on the implementation of the EDA Code of Conduct on REACH Defence Exemptions. EDA pursued further work to identify and alleviate the impact of REACH on Ministries of Defence and defence industry. Work on Ammunition Classification under REACH,

aiming at building a common understanding on regulation provisions and exchange best practices, progressed well. While working closely with all relevant stakeholders, EDA has now assumed a central military coordinator role at European level in REACH defence related issues, in support of Member States.

## **ENERGY**

EDA continues to work closely with the Commission on the Consultation Forum for Sustainable Energy in the Defence and Security Sector, which is the first time that the EDA has been delegated budgetary responsibility by the Commission. Three conferences were organised in Member States. The objectives are to facilitate the implementation of specific energy legislation (with a focus on energy efficiency and renewable energy, but also considering protection of critical energy infrastructure); and identify with Defence Ministries potential challenges and solutions.

The Forum raises the profile of Energy and Environment activities, such as the Smart Blue Water Camps ad hoc project launched in 2016 which seeks to examine water management on defence land from hydro-informatics, conservation, sustainability and technological innovation perspectives. In parallel the Agency continues to address the challenges deployed armed forces face as regards energy efficiency and renewable energy. In this context, the Agency's Smart Energy Camp Demonstrator, deployed in EUTM Mali, was successfully concluded; it analysed the benefits of integrating sustainable technologies into traditional power grids for deployed camps and identified savings of between 33% up to 60% of energy in the test building, with the potential of possible savings of up to 75%.







EDA is supporting the implementation of the EU Maritime Security Strategy and associated Action Plan.

#### **RADIOFREQUENCY**

The Agency is supporting Member States' activities to have sufficient access to the radio spectrum through the renewed framework contract. With this unique instrument Member States will obtain technical support on critical agenda items of the World Radio communication Conference 2019 during the whole cycle of its preparatory process from 2016 to 2019.

#### **MARITIME**

In liaison with EEAS and the Commission, it is developing initiatives to address civil-military synergies with a focus on dual-use

platforms, maritime surveillance, training and education, and research and technology. The Agency supported the Commission and the Joint Research Centre to launch activities on the development of a cross-sectoral maritime research agenda. Efforts also to identify synergies with the new European Border and Coast Guard Agency were performed.

#### **CIRCULAR ECONOMY**

As part of its overall strategy to identify other EU policies with possible impact of defence, the Agency has commenced on Circular Economy in terms of impact on it, and potential opportunities for, the defence sector.



# New and continued partnerships

## THIRD COUNTRIES

The Agency is reinforcing its relations with third countries. Cooperation with Norway, through its Administrative Arrangement, continues to be mutually beneficial with further involvement to the Agency's projects and activities. Furthermore, a national CBRN Protection expert from Norway was seconded to the Agency. The Framework for Cooperation with Switzerland and the Administrative Arrangement with the Republic of Serbia facilitate participation in Agency projects and programmes. Switzerland has been involved in EDA's work on Military Airworthiness and RPAS Air Traffic Insertion while the Republic of Serbia joined the EU SatCom Market project and the Project Team on C-IEDs. Work was launched to implement the Administrative Arrangement with the Ministry of Defence of Ukraine on the basis of four agreed areas: Single European Sky, Training, Logistics, Standardisation. On the basis of the letter sent to the Head of the Agency in 2015 from the former Yugoslav Republic of Macedonia, formally requesting the launch of negotiations of an Administrative Arrangement, exploratory talks at expert-level took place.

## EUROPEAN SPACE AGENCY

The Administrative Arrangement with the European Space Agency has helped to improve synergies. EDA's partnership with the European Space Agency (ESA) has further developed: on GovSatcom, RPAS, ISR, critical space technologies, on CBRNe and cyber.



1 EDA and EU Satellite Centre formalise cooperation with exchange of letters

2 EDA and EUMS cooperate on Personnel Recovery

3 Discussions with Members of European Parliament Subcommittee on Security and Defence (SEDE) at EDA





## OCCAR

The Administrative Arrangement with OCCAR supports Member States' collaborative programmes throughout their life-cycle. In the area of Air-to-Air Refuelling, OCCAR is supporting contributing States as the management organisation for acquisition of multi-role tanker transport aircraft. EDA and OCCAR work closely on the European MALE RPAS programme. EDA and OCCAR pursued activities to implement their interface document for cooperation with a focus on Through-Life Management.

## NATO

The Agency continued to ensure coherence of output as regards the CDP and NDPP process as well as complementary and mutually-reinforcing capability development with NATO in a spirit of transparency and reciprocity. To this end, EDA and NATO (including NATO Agencies and NATO accredited Centres of Excellence), have substantive dialogue and cooperation, from top management to expert level. On a case-by-case basis, and on issues of mutual interest, EDA and NATO also participate in each other's informal and ad hoc meetings.

## REACH

The dialogue with the United States progressed well, with a focus on areas of mutual interest such as synergies between Pooling & Sharing and related initiatives, capability development, and a range of policy and regulatory issues such as REACH.

- 4 EDA and EUROCONTROL consolidate cooperation
- 5 Commission Vice-President Jyrki Katainen attends EDA R&T Steering Board meeting
- 6 EDA and SESAR JU sign Memorandum of Cooperation



A man in a flight suit is kneeling and working on a piece of equipment inside an aircraft. The background shows various aircraft components, including a warning sign that reads "WARNING DO NOT STOW EQUIPMENT UNDER".

# Your Defence Agency



A photograph of a man and a woman sitting in the cockpit of a military aircraft. The man, wearing a tan jacket and glasses, is holding a clipboard and looking towards the woman. The woman, wearing a dark puffer jacket, is looking forward. The cockpit is filled with various instruments, controls, and equipment. A large microphone is visible in the foreground.

# Events and Visits Communicating European Defence Facts & Figures



# Events and Visits

## ANNUAL CONFERENCE 2016

Held on 10 November in the midst of encouraging EU signals and developments on defence, the EDA Annual Conference entitled 'A third industrial evolution or revolution in defence?' offered a timely and relevant platform for the whole European defence spectrum – governments, armed forces, industry, EU institutions, think tanks and media – to discuss the future of European defence.

The conference was officially opened by the High Representative of the Union for Foreign Affairs and Security Policy and Vice-President of the European Commission, Federica Mogherini, who is also the Head of the Agency. The packed agenda featured a range of speakers and two open panel debates which focused on the demand and supply side of European defence.

The event was attended by over 500 officials and has become an indispensable rendezvous for discussion and debate on the future of European defence.

## VISITS TO MEMBER STATES

EDA Chief Executive Jorge Domecq maintained the outward focus of the EDA by meeting regularly with Ministers of Defence, senior military and government staff as well as industry representatives. In his discussions Mr Domecq underscored the added value of the Agency and emphasised ways to enhance defence cooperation at European level.





500: Officials who  
attended the EDA  
Annual Conference 2016



# Communicating European Defence: EDA in the spotlight

This Agency is continuing to bring European defence issues to a wider audience. 2016 has been a year of unprecedented growth for the visibility of the EDA. Throughout the year we have seen a substantial increase in the audience we are reaching and recorded record growth across all our communication channels.

The major events that have shaped European defence in 2016 have brought the work of the EDA into focus. Press and media outlets have never covered more, or in greater detail, the work of this Agency than they have over the last years. We have seen a much larger impact from our press releases, fact sheets and brochures. EDA management and directors are requested more and more to comment or provide insights on the projects, programmes and mission of the EDA.

Our flagship magazine European Defence Matters marked its 10th publication in 2016 and continues to attract comment pieces and interviews with major decision makers in European defence, high ranking officials and senior industry representatives. EDA E-News, brings together the major news items from the EDA, is now received by over 30,000 contacts worldwide. Our dedicated Member State Newsletter ensures that EDA Member States receive reliable and in-depth coverage of the developments and news from the Agency.

Engagement on social media has also grown substantially with both the EDA Twitter account and LinkedIn page gaining significantly more followers. The EDA Annual Conference marked the high point of our visibility with the largest one-day level of engagement on EDA social media channels.

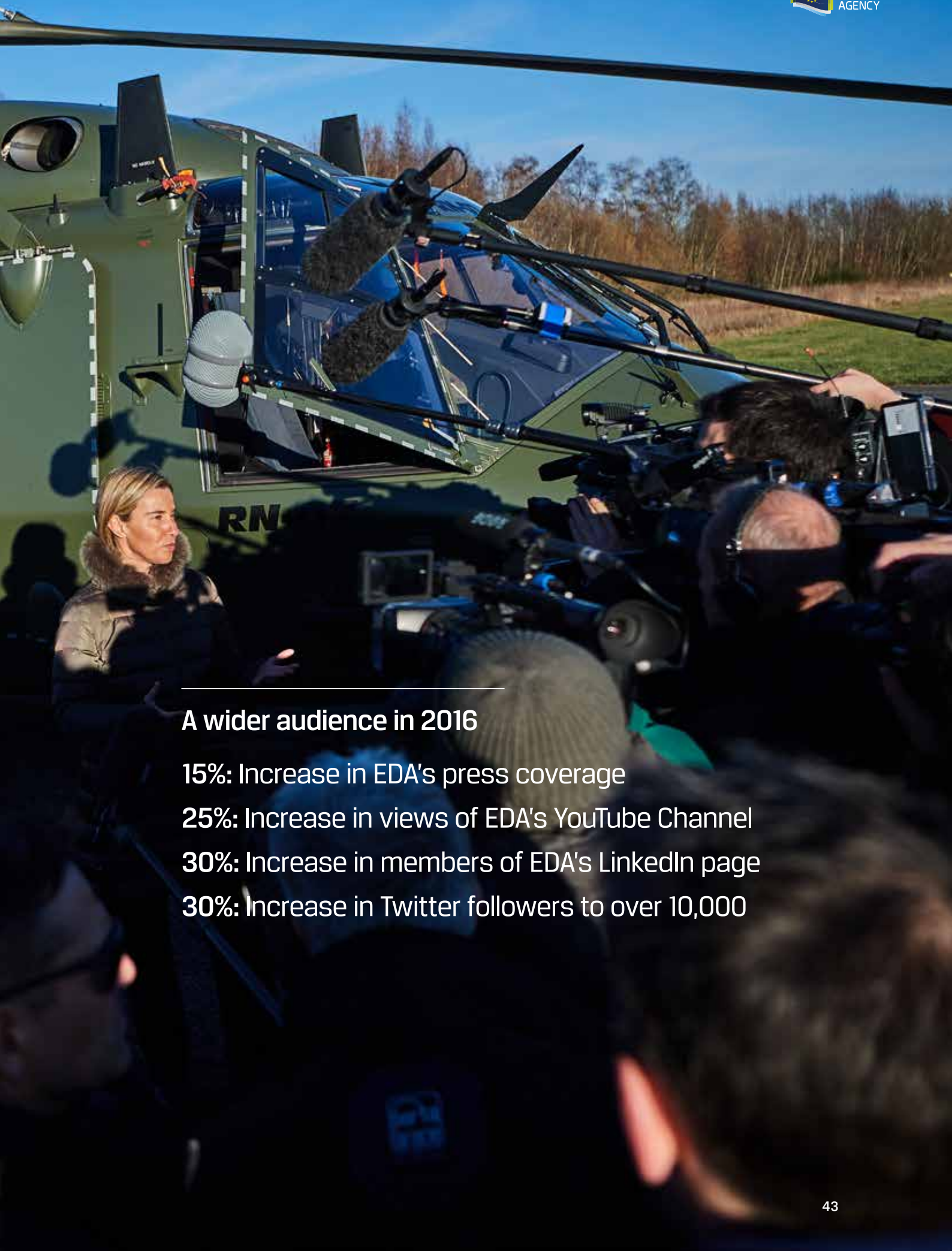
The EDA website remains the go-to source for all publicly disclosed material with a regularly updated news section, detailed project pages, information about the EDA and an ever-increasing catalogue of publications.

The dramatic increase in visibility of the Agency and growth in its audience are the results of several parallel initiatives; from producing engaging publications and regular news items, developing new press relations, growing social media channels and acting as a reliable communications partner for Member States.

The EDA puts a premium on growing its visibility and producing quality communications that reflect the dynamic and strategic work of the Agency to the widest possible audience. We hope to do even more in 2017.







## A wider audience in 2016

15%: Increase in EDA's press coverage

25%: Increase in views of EDA's YouTube Channel

30%: Increase in members of EDA's LinkedIn page

30%: Increase in Twitter followers to over 10,000



# Facts & Figures

**€30.53 million**  
General EDA Budget

**€1 Billion**  
Total value of ad hoc  
projects managed through  
EDA since its inception

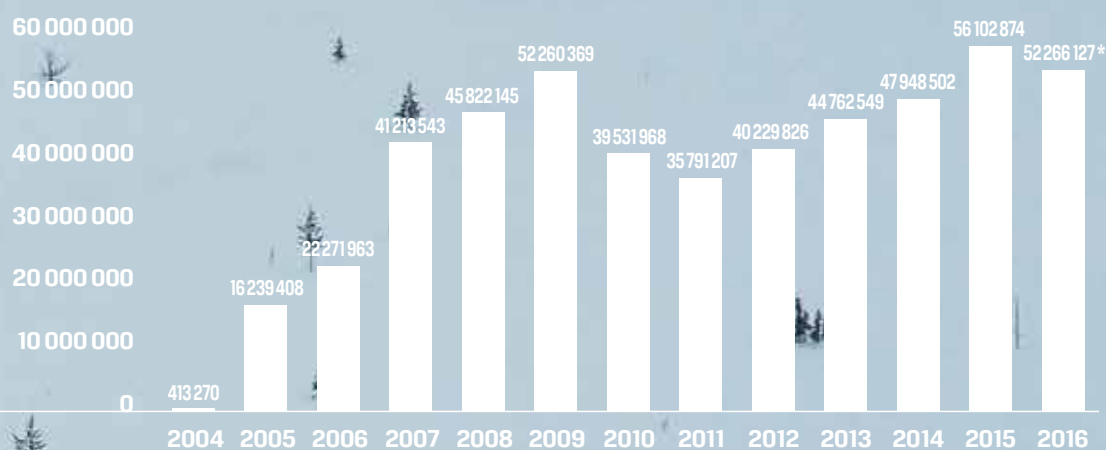
**€1.4 million**  
Awarded in Pilot  
Project grants

**€120 million**  
Current EDA R&T portfolio,  
including 25 new projects,  
under negotiation



**Staff: 133**  
(as of 31/12/2016)

## AGENCY BUDGET (GENERAL BUDGET, AD HOC BUDGETS & ADDITIONAL REVENUE)



\*Figures for 2016 are provisional



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