



**SECOND MEETING OF THE *EUROPEAN DEFENCE AGENCY'S* STEERING BOARD**

**Chaired by Javier SOLANA**

**BRUSSELS, 22 NOVEMBER 2004**

**PRESS RELEASE**

1. The Steering Board <sup>1</sup> of the newly-established European Defence Agency held its second meeting in Brussels on 22 November 2004.
2. Javier SOLANA who, as Head of the Agency, chairs the Steering Board, commented:

"This was a highly productive meeting. We:

- noted with approval that the Agency remains on track to achieve "functioning" status by the end of the year;
- agreed the Agency's first annual budget - some € 20 million - which will allow the Agency to grow to 77 personnel in the first half of next year; and
- agreed the Agency's first annual work programme.

This work programme constitutes an ambitious programme that should maintain the momentum of the EDA initiative, and reflects the Steering Board's determination that the Agency should make a real difference."

3. The agreed work programme is annexed. In agreeing it, the Steering Board identified in particular four "flagship" endeavours for the Agency's four main directorates in the year ahead, as follows:

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<sup>1</sup> The Steering Board, chaired by Mr. Solana as Head of the Agency, comprises the Defence Ministers of the 24 participating Member States, and a representative of the Commission.

- = Capabilities Directorate. Command, control and communications (C3): precise direction of the work to be defined by joint study between the EDA Capabilities Directorate and the EU Military Staff - but focussed in particular on adequacy of communications for command and control, and interoperability.
- = R & T Directorate. Preparing and launching, as an "ad hoc" or opt-in project, technology demonstration for long-endurance Unmanned Aerial Vehicles (UAVs).
- = Armaments Directorate. Investigation of the armoured fighting vehicle sector, aiming at convergence of requirements, programmes, and (potentially) industries.
- = Industry/Market Directorate. European Defence Equipment Market: exploring both the options that the Commission - with their Green Paper on Defence procurement - have put forward, and possible initiatives that the Agency might take.

4. In connection with this last point, the Steering Board took the opportunity to initiate immediate work on defence market issues, as set out in the Conclusions attached to this release.
5. Finally, as the Agency Establishment Team approaches the end of its mandate, the Steering Board repeated its thanks to all involved for a job well done.

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**EDA WORK PROGRAMME FOR 2005**

**- APPROVED BY THE STEERING BOARD ON 22 NOVEMBER 2004 -**

**A. As early priorities, the Steering Board expects the following to have been achieved:**

**1. The Agency to be properly established.** This means:

- full staffing;
- accommodation in appropriate premises;
- effective management and administrative processes;
- the ability to let and manage contracts;
- a coherent and effective "top team";
- the right organisational culture.

**2. The Agency to have the right relations with participating Member States.** This means:

- the Steering Board meeting in its different compositions;
- appropriate working-level networks and working groups established;
- well-understood and accepted business management processes in place.

**3. The Agency to have the right relations with other key stakeholders.** This means the Agency establishing itself as an effective, respected and trusted interlocutor - on the basis as necessary of defined Administrative Arrangements - with partners such as:

- relevant Council Working Parties and the Council General Secretariat;
- Commission;
- WEAG/WEAO;
- OCCAR;
- LoI/FA;
- NATO
- Industry (including ASD);
- Academic, research and other institutions;
- other third parties.

4. **The Agency to have the right profile**. This means an effective external communication strategy, supported by good media and other contacts; a web-site; and appropriate information materials.
5. **The Steering Board to understand and approve the Agency's plans to meet its strategic objectives**. This means development and submission to the Steering Board of detailed draft "operational concepts" for pursuing, in the short- to medium-term, the four main functional responsibilities.
6. **The Agency to have identified and engaged with urgent agendas ("departing trains"), bringing proposals to the Steering Board as necessary**. Examples include:
  - Capability issues relevant to urgent operational needs;
  - HLG 2010 and Battlegroups development;
  - Ongoing Commission initiatives:
    - = Green Paper on Defence Procurement;
    - = future ESRP<sup>2</sup>;
    - = Space policy;
    - = DTIB<sup>3</sup> Monitoring;
    - = Intra-EU transits and transfers;
  - Transfer of responsibilities from WEAG/WEAO<sup>4</sup>.

**B. By the end of the year, the Steering Board expects the following to have been achieved:**

1. **The Agency to have established comprehensive and systematic business management processes**, in particular:
  - for capability development (including appropriate use of operational analysis with potential acquisition of specific tools, and effective co-ordination of the implementation of ECAP);
  - for establishment of R&T priorities at the European level.

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<sup>2</sup> European Security Research Programme

<sup>3</sup> Defence Technological and Industrial Basis

<sup>4</sup> Western European Armaments Group / Western European Armaments Organisation

2. **The Agency to be leading (or managing as ad hoc projects) initiatives in as many as possible of the following areas:**

- UAVs/ISTAR. Technology demonstration work on long-endurance UAVs, in the context of development of a wider ISTAR architecture, taking account of relevant work in other multinational fora.
- Advanced European Jet Pilot Training. Assuming leadership of the current collaborative effort involving 11 Participating Member States (plus Switzerland) to develop a common European system, subject to the decision of those countries on the evolution of this project.
- Command, Control and Communication. Work to find solutions to current ESDP operational shortfalls, and to develop capacity and interoperability for the future.
- Defence Test and Evaluation Base Rationalisation. Development of proposals for budgetary savings by elimination of duplication/redundancy of facilities in Europe.
- Armoured Fighting Vehicles. Based on review of future requirements and the relevant technological and industrial base, development of proposals for collaborative technology development and/or procurement programmes, potentially facilitating industrial restructuring.
- COTS/MOTS. Work to develop proposals for a European market in Commercial/Military Off-the-Shelf equipment, including feasibility study of an "electronic market place".

3. **The Agency to have investigated the scope for adding value in as many as possible of the following areas:**

- Naval Defence Technological and Industrial Base (DTIB). Review of anticipated future demand and capacity, and current national strategies.

- Air-to-Air Refuelling. Review of European capability needs, national requirements and programmes, interoperability issues and potential for collaboration.
- A400M. Review of the scope for common approaches to all aspects of A400M operations (including logistics, configuration control, etc.).
- CBRN. Review of all activity underway in defence and security fora, with particular reference to research.
- Maritime surveillance. Review of all activity underway in defence and security fora, with particular reference to the contribution of defence assets -

**and to have made proposals to the Steering Board.**

**4. The Agency to have developed proposals for the way ahead, including:**

- the generation of a long-term vision for European capability and capacity needs in consultation with relevant Council bodies;
  - a medium-term plan for the Agency;
  - strategic targets (both input and output based) which participating Member States might choose to adopt.
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**Steering Board Conclusions**  
**on the Commission Green Paper on defence procurement**

The Steering Board:

- Welcomed the important and timely initiative of the European Commission on issuing a Green Paper on defence procurement;
  - Recognised the benefits of harmonising defence procurement procedures amongst the EU Member States with a view to reducing the fragmentation of European markets and thus encouraging the creation of an internationally competitive European Defence Equipment Market (EDEM), including a strong Defence Technological and Industrial Base. The Steering Board expressed its full support for these goals, and reaffirmed the role of the Agency in contributing to their achievement as specified in the Joint Action establishing the EDA;
  - Directed the Agency to work in partnership with the Commission on these issues, exploring both the ideas the Commission have put forward, and possible initiatives that the Agency might take directed to the shared goals;
  - Invited the Agency to report back to the Steering Board - in National Armaments Directors formation in early 2005, with proposals for a Steering Board position as an initial input to the Commission's consultation process and for pursuing the Agency's own work on the EDEM agenda;
  - Expressed its wish that the Commission work closely with the Agency and take into account the Steering Board's position on the EDEM agenda when developing its conclusions.
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