

Mr. Sven Giegold
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Dear Mr. Giegold,

ASD represents the interests of more than 3000 aerospace and defence companies from across Europe. These companies form a highly competitive industrial ecosystem that comprises both civil and defence activities and constitutes the industrial backbone of Europe's security.

The health of our industry is essential for Member States' ability to equip their military and security forces adequately. In this context, the smooth transfer of defence items across the Union is a key element: It is a precondition for a functioning European defence market, the successful implementation of cooperative defence projects and the security of supply between Member States. Equally important are defence exports to third countries, which are often directly linked to transfers (through industrial cooperation) and an essential component for the competitiveness of our industry.

Whereas Member States may have diverging policies on exports to third countries, it should be easier for them to come to converging policies on transfers destined to the armed forces of other EU Member States. We believe that an EU-wide system of free circulation of defence supplies to Member States' armed forces, covering all follow-on deliveries for defence equipment purchased in another Member State would be a major contribution to a European security of supply regime.

Industry fully supports the European Defence Fund (EDF) and other intergovernmental initiatives, namely PESCO and CARD, as means to foster European cooperation. To ensure the success of these initiatives, Member States must fully exploit the potential of the transfer directive (2009/43), but also come to workable and durable agreements on exports to third countries. We believe that Member States should refrain also from putting export control limitations on EDF-related transfers, mirroring in a certain way the principle that EDF actions shall not be subject to restriction by third countries or third country entities. It is crucial for the success of cooperative projects that participating Member States reach already at the beginning of their cooperation a reliable agreement on export destinations of the final product that is developed together.

Industry is fully aware of the sensitivity of defence exports and the hostility of parts of the public and published opinion towards defence exports to countries outside the EU and NATO in particular. This hostility is continuously nurtured by NGOs who argue that such exports would be in contradiction to European human rights standards. We believe that this perception is wrong for several reasons:

1. The export of defence systems developed and produced in the European Union is subject to strict regulation and careful decisions of democratically elected governments. We, as industry, abide without any reservation by all rules and decisions of our governments. Especially for arms exports to countries outside the EU and NATO, we fully support the application of the highest political standards to safeguard human rights and non-proliferation principles established by Member States.



2. The export of defence systems, including the related transfer of technology and services provided by our industry, is also an important instrument of foreign and security policy. It allows our governments to establish strong strategic and political ties also with countries outside the EU and NATO. These countries could easily satisfy their defence needs from non-European sources, which may not share those values and standards which we, as Europeans, respect and uphold.
3. Moreover, export to countries outside the EU and NATO remains economically indispensable for the ability of our industries to fulfil its core mission of supporting security and peace in Europe itself. The European market is relatively small and fragmented, subject to often unsynchronised procurement cycles and budget constraints. Exports only to EU and NATO members will therefore not be sufficient to ensure the economic viability of our industry.
4. Human rights and non-proliferation are essential considerations and reflected in the Common Position as amended on Sept. 16, 2019. Nevertheless, it must be recognized that decisions on defence exports to non-EU and NATO countries are today a matter of national foreign and security policy, which remains an exclusive responsibility of Member States.
5. We fully support efforts to further align Member States' foreign and security policy objectives and strengthen European defence. We are convinced that the European Union has a major role to play as a framework and catalyst for European cooperation, as stated in the EU treaties.

Yours sincerely,

Jan Pie

ASD Secretary General