Opening address by High Representative Catherine Ashton at the
European Defence Agency (EDA) Annual Conference, Brussels,
31 January 2012

Ladies and gentlemen,

It is a great pleasure to open this year’s EDA Conference and share with you some reflections on the
importance of European defence collaboration at this time.

Last year, the debate about defence focused on the financial crisis and we have seen a wave of defence
budget cuts across Europe. Even the United States is not immune. President Obama has just announced
significant cuts of $450 bn over 10 years.

The past year has also seen a renewed focus on closer European cooperation.

This EDA conference therefore reflects this shift in how we want to tackle the challenges we face: by doing
more together and doing it better; by looking for greater efficiencies and value for money; by pooling and
sharing of military capabilities.

This is the only pragmatic way forward given the growing demand for the European Union to become a
more capable, coherent and strategic global actor.

To be able to respond to the complex threats of the 21st century we must mobilise all our levers of influence
– political, diplomatic, economic, as well as our civil and military crisis management tools. This is the idea
of the "comprehensive approach" foreseen in the Lisbon Treaty.

My objective today is to encourage you in your work to develop the military capabilities that will ensure
CSDP remains an effective component of the EU’s response. If Europe is to be a credible player in the world,
it requires more than just soft power.

Military capabilities matter and that is why pooling and sharing – allowing the development of key
capabilities with limited resources – is so important. It is a political imperative if CSDP is to progress,
especially in a climate of austerity. The European Defence Agency has a key role to play in bringing member
states and industry together to deliver projects.
The budgetary constraints pose both a challenge and an opportunity. They offer a chance to reform, and to launch a new dynamic.

To succeed, our efforts have to be underpinned by robust and credible defence capabilities. The European Defence Agency which I head has been established for this very purpose: to improve Europe’s military capabilities through an integrated and coherent approach bringing together at the European level capability planning, strengthening defence industrial base, armaments co-operation and Research & Technology.

The agency has already generated impressive results; in particular, its work to turn the Pooling and Sharing concept into a reality.

Defence Ministers have already recognised that it is better to have excellent collective capabilities than unsustainable or unattainable national ones. Since the informal EU Defence Ministerial in Ghent in 2010 there has been a strong political will to pool and share capabilities more systematically. This excellent work should ensure a significant European contribution to defence capabilities at the NATO summit in Chicago.

The EU relationship with NATO is essential. The breadth of EU instruments can be usefully combined with the depth of NATO's role on defence. The two organisations must continue to reinforce each other's work. I know SG Anders Rasmussen is as committed to this as I am.

The Libya crisis again showed the clear need for this. We work hand-in-hand in many theatres, and we owe it to our people in the field. I am also pleased to confirm that on capabilities in particular, whether labelled Pooling & Sharing or Smart Defence, we have achieved an unprecedented level of cooperation.

A capability driven, competent and competitive European Defence Technological and Industrial Base is vital to ensure that Europe is able to respond to today’s and tomorrow’s security and defence challenges. Its reinforcement is not only an economic but also a strategic necessity for Europe. The European Defence Agency is currently working on ensuring a more effective strategy to strengthen European defence industry. This will be presented later this year.

A strong European defence industrial base, in particular in the current economic climate, must be underpinned by an increasingly competitive defence market that can provide its customers with robust, flexible and interoperable equipment in the most cost-effective and efficient way.

With the Agency’s work on Defence Procurement and the Commission’s new directives on defence procurement and intra-Community Transfers, real progress has been made towards the development of a European Defence Equipment Market. As Head of the EDA, High Representative, and Vice-President of the Commission, I am deeply committed to a seamless approach.

However, making a real difference will require the continued close involvement of our partners in industry to chart a course together to incentivise defence industrial efficiencies, competitiveness and innovation.

This conference is an important step towards advancing our collective thinking on how to harness defence resources through Pooling & Sharing, setting the strategic priorities for Europe’s defence technological and industrial base and increasing the efficiency and cost-effectiveness of the defence market.

The issues that you will be debating here are important. Economic and financial austerity is a challenge we cannot duck; it is one we must confront and overcome. The only way to do so is through cooperation.

Thank you.

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