

**INTERVENÇÃO ANA NO KANGAROO GROUP SOBRE
ASPECTOS ECONÓMICOS DE UMA POLÍTICA COMUM DE
DEFESA EUROPEIA**

- Let me start by thanking Mr Karl von Wogau for inviting me to be here;
- Mr von Wogau and I have been following the debate about how to build a common European market for defence equipment with much interest and for some time;
- That's why I am happy to say that **Mr von Wogau** - a staunch free-marketeer, but an even stauncher European - is **also a convert** to the idea that sooner or later we need to introduce some elements of the **principle of *Buy European in our approach***, if we don't want our European Defence and Technological Base to become a victim of a naive faith in the **dogma of open markets**.
- **A dogma few, if any, of our global partners and competitors share when it comes to defence;**
- Let me call your attention to Mr von Wogau's report on *The Implementation of the European Security Strategy in the context of ESDP*, adopted by the EP in Strasbourg last November; in it we state clearly that in order to protect the essential interests of Europe and its Member States, we need to agree on specific, common rules for defence procurement and that those common rules AND I QUOTE:

"should grant preference to defence-related products of European origin over those originating from third countries."

- Of course this issue was outside the scope of the interpretative communication that came out in December - but if and when a specific Directive for defence procurement comes out, **the Parliament expects the Commission to include the principle of *préférence Européene in it***: if the Commission doesn't defend the interests of Europe, no one will; apart from Parliament, of course;
- I am not a trained economist, but it seems clear to me that the principles of scale and healthy, loyal competition need to be injected into the European defence technological and industrial base, for it to survive and thrive;
- We know how many high-tech and highly qualified jobs depend of success in integrating and protecting the European defence equipment market;
- We know how important the defence industry is for technological spin-offs for the civilian industry;
- But a **merely economic approach does not suffice**;
- This is a **strategic issue** and the **strategic autonomy of the EU depends on our ability** to do what all major global actors do in this field - rationalize production and supply, integrate and increase the predictability of demand, thus creating scale and volume **and, yes, to some extent, protect**;
- The final strategic goal in this field is a European Union practicing effective multilateralism, **developing and procuring the equipment it needs to successfully pursue the principles of the European Security Strategy** within the context of ESDP, assuming its **global responsibility to protect, supporting the UN and exporting arms**

responsibly according to a Code of Conduct on Arms Exports that should be legally binding on all Member States;

- The creation of a European Defence Equipment Market is just one piece of the complex puzzle of building a Europe of Defence - but it is one of the most important pieces;
- The cost of non-Europe in this area is extremely high, not just strategically, but also economically: **we are wasting precious resources on duplications** and overlaps, from an already low level of spending on defence procurement: €26 billion in 2005;
- **The European Defence Agency**, which has been at the forefront of efforts in this area with its Code of Conduct should be strengthened and given **its own annual budget for procurement of at least €200 million**
- The fact that the EDA has only now been given two collaborative projects to oversee (one on force protection, and another one on software defined radio), reflects the **narrow-mindedness and lack of vision of some EU states** - let's hope it's not too late to make up for the cost of non-Europe;
- I am looking forward to the debate and to learning more about the more economic aspects of this debate.