



EUROPEAN PARLIAMENT

Antonio Tajani
Vice-President of the European Commission

Brussels, 27 January 2014

Dear Commissioner Tajani,

I bring to your attention two related cases of violation of rules and fundamental guidelines of EU policy in your field of competence at the European Commission, both impacting negatively in the development of the industrial base of Defence in Europe.

1 - That of the Portuguese public owned shipyards Estaleiros Navais de Viana do Castelo (ENVC), which the Government decided to dismantle, subconceding land, port and equipment to a private company just established on the 31 January 2013, with no experience in naval construction.

The Portuguese Government blamed the need to close the ENVC on the European Commission, invoking a decision on alleged state aid between 2006 and 2012, which was not taken (see enclosed correspondence with Commissioner Almunia), despite the fact the ENVC were the only Portuguese shipyards supplying the Portuguese Navy and despite the vital role of the ENVC for the regional economy.

Moreover, the subconcession of the ENVC to the private sector was conducted in violation of basic EU competition and internal market rules.

I am explaining those accusations in enclosed correspondence that I have exchanged with Commissioner Almunia and in a criminal complaint that I have filed last December with the Attorney General in Portugal (and supporting documents).

2 - The second case started earlier but is going on with a direct impact in the economic difficulties of the ENVC, which were also used by the Portuguese Government as an excuse to close them, lay off their 609 employees and subconcede land, port and assets: the ENVC were supposed to have been the main beneficiaries of the offsets contract agreed in the context of the purchase of two submarines for the Portuguese Navy in 2004 with a German Submarine Consortium (GSC). At best only 60% of those offset projects destined to the ENVC were executed, of a total worth 632 million euros.

To counter the dismal implementation of the offsets contract, in October 2012, the Portuguese Government announced it had renegotiated the offsets contract and new projects



EUROPEAN PARLIAMENT

were announced. These new projects completely neglected the ENVC and focused instead on the refurbishment of a hotel (!!!) and a renewable energy project. By then, Directive 2009/81/EC on Defence Procurement was already in force, banning offsets; besides, never did the Portuguese State comply with the procedure foreseen by Article 346 TFEU, invoking "an essential security interest".

Furthermore, these renegotiated offset projects are not going to be fulfilled after all, as communicated recently by the GSC to the Ministry of Economy (see attached correspondence).

In connection to this, I am also sending herewith information regarding a formal complaint that I filed with the European Commission in December 2010, concerning the purchase of submarines for the Portuguese Navy, in a contract signed in 2004 by the Portuguese State with "German Submarine Consortium (GSC)."

It is my belief that those are complex and transversal cases with multiple norms and EU policy guidelines clearly infringed by a Member State, with corruption involved and with great damage to Portuguese and European interests, namely in the realm of fair competition and the industrial base of Defence. That is why I am also reporting this to you and hope that you act.

To discuss the matter further, I ask you to set a date to meet with me, accompanied by a representative of the workers' committee of the ENVC and the Mayor of Viana do Castelo, at your earliest convenience.

*Best regards,
Ana Gomes*

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Member of the European Parliament

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