

TADIC Follow on
CHALLENGES AND OPPORTUNITIES IN TRANSATLANTIC
DEFENCE INDUSTRIAL COOPERATION CONFERENCE

16th October 2009

Brussels

Call for speakers and panellists

BACKGROUND

1. In October 2008 the National Armaments Directors' (NADs) endorsed the proposal that Conference of National Armaments Directors (CNAD) sponsor a high-level conference to examine how to improve and promote TransAtlantic defence technological and industrial cooperation and to explore the issues involved in promoting a strong Defence Technology and Industry Base, both in North America and Europe.

GENERAL CONSIDERATIONS

2. TransAtlantic defence industrial cooperation involves a wide range of issues including national technology releasability policies, national market access policies and associated aspects, national defence industry strategies, including national preference restrictions and restrictions on foreign direct investment, and application of intellectual property rights.

3. Of specific relevance to the Conference of National Armaments Directors (CNAD) is the ability to conduct information exchange in NATO fora on technologies related to Alliance capabilities and to pursue cooperative armaments programmes. This is of particular value in the current environment in which the need is for more rapid defence systems' capability development and procurement.

4. However, at issue is what aspects of TransAtlantic defence technological and industrial cooperation CNAD can influence, or play a role in, bearing in mind that many of them are, in most nations, beyond the National Armaments Directors' (NADs)

responsibilities; and that, the issue calls for a thorough management because of its sensitiveness in both political and public opinion.

CONTEXT

5. Seen from the Royal United Services Institute's perspective, the landscape for TransAtlantic defence industrial co-operation is in the midst of a profound transformation.

6. Specifically, the United States is set to radically reform its acquisition system and defence priorities. On 4 March 2009, President Obama unveiled his plans for acquisition reforms, which aim to lower spending, improve oversight, scale back outsourcing and, ultimately, to improve competition. Will these reforms result in greater openness of the American market to Western European countries competing for Pentagon purchases? Will defence procurement be characterized by more give and take or will the pressures of the economic crisis undercut these efforts. The recent rethink in French defence policies will also have a bearing on transatlantic co-operation. Meanwhile, other nations face an overhaul of their procurement systems. If the US and Europe are to strengthen their defence industrial relationships in the context of an economic downturn, they will need new thinking and strategic dialogue to advance a collaborative agenda.

CONCEPT

7. Seeking potential solutions to improve government-industry defence technological and industrial cooperation and foster interoperability, on behalf of CNAD, the NATO Defence Investment Division and the Royal United Services Institute will organise a Conference on **Challenges and Opportunities in TransAtlantic Defence Industrial Cooperation** on the 16 October 2009, at NATO Headquarters, Brussels.

8. This high level conference will involve the contributions of NATO National Armaments Directors and other **key senior level representatives/ decision makers and subject matter experts** from Ministries of Defence/Department of Defense, defence industry, NATO (International staff, Agencies, NATO Military Authorities) as well as the European Union and the European Defence Agency.

FRAMEWORK

9. The Conference will take place in the secure area of NATO HQ (tbc) and will be launched with a dinner at a local venue (tbd) on the 15th October, where **Peter C. W. Flory**, Assistant Secretary General Defence Investment and **Michael Clarke**, Director, Royal United Services Institute will deliver brief welcoming remarks. Thereafter, **Dr. Ashton Carter** (tbc), Under Secretary of Defense for Acquisition, Technology and Logistics, US Department of Defense will deliver the keynote dinner address.

10. The Conference will continue the following morning at NATO HQ with an opening address by the Alliance's Secretary General **Anders Fogh Rasmussen** (tbc). **Keynote speakers will then take the floor**, introducing **four academic policy-oriented papers** to set the scene for discussions. The aim of the conference is to identify concrete solutions in breakout sessions, represented by four panels, conducted in parallel:

- **Panel I. Defence spending in the lean years:
cooperative, multinational solutions;**

With the aim of identifying solutions, including industrial solutions, in accordance with the lessons learnt from previous experience and case studies, this panel will address challenges associated with the financial crisis and its impact on defence spending and the rationale for encouraging multinational approaches. Specific case studies will be introduced to enrich the debate in the search for solutions.

- **Panel II. Principles for applying restrictions on technology transfer:
balancing the protection of technology with enhancing interoperability;**

This section raises the question of identifying the appropriate balance between nations' interests in protecting sensitive technologies while also achieving greater interoperability in NATO operations through innovative new approaches.

- **Panel III. National approaches to TransAtlantic acquisition**

Aiming to engage in a policy debate on the different approaches to the European or North American preferences, this panel is to address EU and North American strategies of acquisition and their rationale. What are their implications for TransAtlantic cooperation and how must solutions be fostered to incorporate each others' concerns? Moreover, how can

International Organizations contribute to the development of new multinational cooperative initiatives?

- **Panel IV. Defence industry contribution**

Focused on the TransAtlantic Defence Industrial Base, this panel addresses central issues including joint acquisition- collaborative /merger ventures, the security of supply, the EU rationalisation and TransAtlantic cooperation as well as the future defence industrial scenarios, restructuring scenarios and their implications.

Plenary Session: Debate+ Solutions Summary + Way forward

This concluding section will bring together the findings of the previous panels through the reports of the Chairmen, while the second half of the session will be dedicated to fostering a debate focused on developing concrete solutions and tools to breach obstacles to TransAtlantic cooperation.

WAY AHEAD

11. The next step is to identify and invite the **principal speakers, senior officials (decision makers, principal advisors- including NADs) and subject matter experts** to address the Conference topics and form the panels.

12. NADREPs and NIAG Heads of Delegations are invited to **make suggestions for keynote speakers and panellists to the Conference. We will need your advice on the field of expertise of the potential speakers and panellists.**

13. In addition, NADREPs and NIAG representatives are requested to invite appropriate participants to DI/ARM Beganu.Elena@hq.nato.int , in accordance with the form attached in ANNEX 2.

14. It is currently envisaged that the Conference will take place in the security area of NATO HQ. Participants should be made aware that access to the meeting rooms will be granted based on security credentials they will need to obtain through their respective national representation at NATO. Otherwise, escorting arrangements will be required by the respective delegations.

DISCLAIMER: all topics and modalities are subject to change, as long as these issues are being discussed with NATO nations.

TIMESCALE

15. NADREPs and NIAG are invited to offer suggestions of speakers and panellists **by Wednesday, 27th June 2009**. NADREPs and NIAG are invited to make their nominations for participants in general until **Wednesday, 15 July 2009**.

16. NADREPs and NIAG will be informed of the nominations and the proposals concerning who is to be invited to speak and to form the panels. Thereafter, invitations will be sent to principle speakers, panellists as well as to those invited to participate in the conference.

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ANNEX 1:

15th October 2009

- Dinner- Launching of the *Challenges and Opportunities in TransAtlantic Defence Industrial Cooperation* Conference;
 - Principle speaker: **Dr. Ashton Carter** (tbc), Under Secretary of Defense for Acquisition, Technology and Logistics, US Department of Defense

16th October 2009

- Welcoming address by NATO Secretary General **Anders Fogh Rasmussen** (tbc)
- Introductory remarks by **Peter C. W. Flory**, Assistant Secretary General Defence Investment and **Michael Clarke**, Director, Royal United Services Institute (Joint Conference Chairmen)
- Keynote speakers (corresponding to the 4 panels)
- SMI Conference Outcome: Relevant Conclusions
- Panel Breakout Sessions + working lunch
- Plenary session: findings of the previous panels through the reports of the Chairmen + Debate
- Solutions Summary + Way Forward

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ANNEX 2:

NAME:	NATION:	ORGANISATION:
ADDRESS:	E-MAIL:	
Related area of expertise:		
Panel of interest : <ul style="list-style-type: none"><input type="radio"/> Panel 1<input type="radio"/> Panel 2<input type="radio"/> Panel 3<input type="radio"/> Panel 4		