



## EUROPEAN COMMISSION

*Brussels, 14.5.2018  
C(2018) 2443 final*

*Dear Chair,*

*The Commission would like to thank the Riksdag for its Opinion on the Commission Communication - Launching the European Defence Fund {COM(2017) 295 final}.*

*The Commission welcomes the support expressed by the Riksdag in its Opinion and is pleased that it shares the Commission's view about the importance of both strengthening the European defence capacity in a context of emerging challenges, and of enhancing cooperation in the development of defence products and technologies in the European Union.*

*The European Defence Fund represents a milestone in the Commission's policy to support Europe's defence industry and to enhance European defence cooperation. It aims to leverage the competitiveness of the sector by incentivising and supporting collaborative projects. It will mitigate existing inefficiency resulting from significant fragmentation of the European market, which hampers the competitiveness of the European defence industry, thus rendering the Union more vulnerable to both internal and external threats.*

*The Commission welcomes the Riksdag's focus on supporting cooperation within the European Union and shares the opinion that the European Defence Fund should provide equal opportunities for all companies in the European Union, irrespective of their size and location, including also universities and research organisations, which can provide an important contribution to innovation in the sector. Considering also the strategic importance of the European defence industry for the security of the Union and its Member States and the need to ensure the security of sensitive information, the Commission's proposal for a Regulation of the European Parliament and the Council establishing the European Defence Industrial Development Programme {COM (2017) 294 final} provides that European Union funding should be limited to undertakings that are effectively controlled by European Union nationals or Member States and that the infrastructure, facilities, assets and resources used by the participants in the funded actions should be located on the territory of the Union. This question is under discussion in the European Parliament and in the Council and the Commission will analyse carefully any suggestion to amend the proposal.*

*Mr Allan WIDMAN  
Chair of the Committee on Defence of the Riksdag  
SE – 100 12 STOCKHOLM*

*Cc. Mr Urban AHLIN  
Speaker of the Riksdag  
SE – 100 12 STOCKHOLM*

*The Commission would like to reassure the Riksdag that the freedom of Member States to promote national defence would remain intact. The Commission will not have ownership or intellectual property rights over the products or technologies resulting from the funded actions. In addition, the Commission proposal envisages comitology procedure for the adoption of the work programme and for the adoption of the acts awarding the funding of the selected action of the European Defence Industrial Programme, thus reserving a central role to Member States.*

*The Commission believes that the initiatives outlined in the Communication will contribute to addressing the most salient obstacles hindering the competitiveness of the European defence industry and to enabling the Union to face emerging challenges and threats in a more efficient manner.*

*The points made above are based on the initial proposal presented by the Commission which is currently in the legislative process. The General Affairs Council on the 12 December 2017 approved its 'General Approach' on the proposal. The Committee on Industry, Research and Energy of the European Parliament has adopted its report on 21 February. The decision to enter into negotiations has been approved by the European Parliament on 13 March. Interinstitutional negotiations are currently ongoing.*

*The Commission looks forward to continuing the political dialogue with the Riksdag in the future.*

*Yours faithfully,*

*Frans Timmermans  
First Vice-President*

*Elżbieta Bieńkowska  
Member of the Commission*