

Five facts about transatlantic defence cooperation

The strong relationship between Europe and the United States is founded on shared values between like-minded nations across the Atlantic. A culture of **strategic partnership, cooperation and trust** has been built over the years in formal contexts such as NATO. Effective transatlantic cooperation has generated a large number of successful industrial cooperative projects contributing significant capabilities and interoperability to Europe and the US.

In spite of great cooperation between Europe and the US in the defence sphere, a number of common misconceptions about the nature of the relationship continue to persist. With the five facts presented below, we aim to highlight **the importance of the transatlantic defence technological and industrial cooperation (TADIC)**.



Did you know



1 US manufacturers are open to partnerships with European defence companies

- US and European defence industries have a proud history of enduring transatlantic partnerships to deliver the best in industry:
 - Boeing and SAAB together delivered the all-new T-7A Redhawk trainer jet;
 - Collins Aerospace, a Raytheon Technologies company, and Sabena Technics partnered to modernise 14 C-130H transport aircraft in service with the French Air Force.
- US armament programmes allow for US manufacturers to produce weapon systems with Europe-sourced components.

2 European countries can import US hardware, in spite of US export controls

- Provisions within the US export control regime allow for exemptions or less stringent reporting requirements in certain circumstances for NATO member countries.
- 25 of 27 EU Member States have bilateral agreements with the US allowing for exemptions.
- Exemptions to controls allowed Europe to import €15 bn of products from the US between 2015 and 2017.

3

The US government procurement market is open to European defence companies

- Demands of increased interoperability between the US and NATO allies has led the US to further open its defence market to European companies.
- 21 European countries have Reciprocal Defence Procurement agreements thereby allowing them to supply defence articles and services to the US and vice versa:
 - The US procures UH-72A Lakota Light Utility Helicopters from Airbus, and Helmet Mounted Display Systems and FLASH Sonars from Thales.
- US funding for R&D is freely accessible for entities from allied countries. The US Foreign Comparative Testing Programme funding has led to over €9 bn of procurement contracts for European companies.
- The Buy American Act is not a barrier to trade for European defence supplies as bilateral agreements allow for derogations.

4

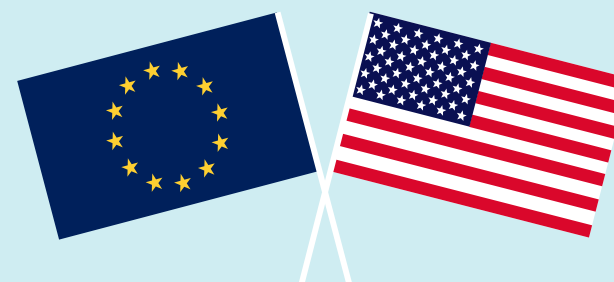
The US Foreign Military Sales Programme puts European companies on an even footing

- The US government's programme for transferring defence articles and services to international partners does not focus uniquely on articles and services delivered by American defence companies.
- European defence companies based in the US are as eligible for the programme as their US competitors. Under this programme, four Airbus North America CN235-300 aircraft were sold to the Mexican Navy in 2011.

5

American defence companies welcome the European Defence Fund initiative

- The European Defence Fund aims to coordinate and increase national investment in defence R&D, improving interoperability between national armed forces.
- US companies share Europe's vision for greater interoperability, reduced duplication costs and increased consolidation of the European Defence Technological and Industrial Base.
- US companies promote an inclusive and collaborative approach for defence-related R&D funding and procurement as the foundation for transatlantic reciprocity.



The American Chamber of Commerce to the EU (AmCham EU) supports all new European defence initiatives focused on investment and cooperation.

The new European defence industry initiatives represent an **opportunity to deepen transatlantic defence technological and industrial cooperation, to innovate and to enhance the competitiveness of Europe's defence industry**. This industrial landscape includes American companies who employ over 50,000 Europeans and develop intellectual property for the industry.

Do you want to know more? SDC@amchameu.eu