

NORDEFECO

NORDIC DEFENCE COOPERATION

Date: October 4, 2019

To: PSC ARMA & JNDICG

Subject: **Revised NORDEFECO Concept for Industry Dialogue**

1. Introduction

The defence industry is of importance with respect to the development and life cycle management of military capabilities and military Security of Supply. Thus, a structured dialogue between the Nordic nations and Nordic defence industry is of mutual interest to all parties.

The purpose of the Nordic Defence Cooperation (NORDEFECO) is to strengthen the participating nations' national defence, explore common synergies and facilitate efficient common solutions. Furthermore, the NORDEFECO MoU of 2009 states that the objectives of NORDEFECO among others are to achieve technological benefits and to promote the competitiveness of the defence industry.

If framework conditions are favorable, and a structured dialogue between the Nordic nations and the Nordic defence industry can be established, the industry can support the Nordic armed forces with its know-how, technologies and products. This will also contribute to security of supply and more efficient use of limited R&D resources, economies of scale and optimized lifecycle costs.

The industry dialogue does not intend to favor any nation nor company with regards to procurement. It shall be viewed and interpreted as a tool to enhance and strengthen NORDEFECO's member nations' capabilities in a cost-effective way.

2. Objective

The objective of the dialogue is to contribute to achieve NORDEFECO objectives as stated in the approved NORDEFECO Vision, to achieve technological benefits and to promote the competitiveness of the defence industry as outlined in the NORDEFECO MoU and the Agreement between the Governments of Denmark, Finland, Norway and Sweden concerning Cooperation in the Defence Materiel Area.

3. Purpose

The purpose of the NORDEFECO industry dialogue concept is to facilitate a structured dialogue between NORDEFECO stakeholders and the Nordic defence industry.

UNCLASSIFIED

4. Dialogue Principles

The basic principle for the dialogue is that the NORDEFECO structure aims for a constructive and value adding dialogue between the appointed levels in the NORDEFECO structure and the Nordic defence industry. The dialogue shall be fully compliant with national laws and regulations of the NORDEFECO nations, and take into account the principles of the emerging European defence cooperation, particularly the European defence fund.

To achieve the industrial objectives of NORDEFECO, the dialogue shall facilitate:

1. Increased Nordic defence cooperation in the definition and development phases of collaborative projects.
2. Increased cooperation in procurement to support a well-functioning Nordic defence home market based on sound market principles.
3. A dialogue between the Nordic nations and industry on best practices, experiences and cooperation on armaments initiatives in the EU and other relevant international institutions.

The Nordic defence industry is encouraged to keep NORDEFECO updated on initiatives and actions relevant to the evolution of armaments and defence industrial cooperation within the NORDEFECO.

5. Dialogue Partners

NORDEFECO dialogue partners are primarily:

PSC – Political Steering Committee (PSC Armaments Session)

COPA ARMA – Cooperation Area Armaments.

The dialogue partner acting on behalf of the industry is JNDICG – Joint Nordic Defence Industry Cooperation Group. It is comprised of the Nordic nations' Defence Industrial Associations. Companies' representatives may on a case by case basis communicate and/or cooperate directly with COPA ARMA in coordination with the JNDICG.

6. Structure of the dialogue

The PSC ARMA Secretariat is the designated Point of Contact for the execution of the dialogue at PSC level and COPA ARMA is the designated Point of Contact at the military level.

Meetings between COPA ARMA and JNDICG may be conducted annually on an invitational basis. Similarly, JNDICG meetings with the PSC level may be conducted annually but on invitational basis only. The responsibility for administration of the meeting is determined on a case by case basis.

Discussions will be concentrated on overarching issues concerning both NORDEFECO and the JNDICG. Both dialogue partners are required to provide input to meeting agendas. For industry, this may include but is not limited to:

- keeping NORDEFECO updated on initiatives and actions relevant to the evolution of armaments and defence industrial cooperation within NORDEFECO and;

UNCLASSIFIED

- presentation of proposals for how industry can offer beneficial models for cooperation either with industry or by industry driven solutions, in order to increase the potential for cooperation further

7. Schedule

Recurrence	NORDEFECO level	Industry
Annually (by invitation)	COPA ARMA	JNDICG
Annually (by invitation)	PSC ARMA	JNDICG