

A EUROPEAN DRONE BY 2025?

The View from Italy on EUROMALE

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Comment

In May 2015, Italy agreed with France and Germany the launch of a definition study for a weaponized MALE RPAS which would be able to carry out both ISR missions, target acquisition and engagement. Spain joined the group in December 2015. This cooperative effort is in principle open to other participants, following agreement of common operational requirements, and Poland could be an interesting new partner considering its planned investments on RPAS. The Italian Ministry of Defence will bear 23 per cent of the EUROMALE costs, namely 13.8 million euro, similar to French and Spanish MoDs, and supported the decision to task OCCAR to manage a 2-year long contract for the EUROMALE definition study. The contract is supposed to be assigned to a consortium of European industries including Airbus, Dassault and Finmeccanica. However the industrial agreement is not yet entirely defined.

Such an approach to EUROMALE reflects the main features of the “Italian way” of participating in European cooperative programmes. The “Italian way” is not formally detailed in official documents. The 2015 Italian White Book for International Security and Defence established a number of strategic guidelines on European defence cooperation, i.e. by introducing the distinction between “cooperative” and “sovereign” technologies, but the Industrial and Technological Strategy to implement the White Book has yet to be defined. Despite this, it is possible to outline a *de facto* Italian way of doing European defence cooperation, which is the result of a common praxis and mindsets shared by national stakeholders, and underlies Italy’s approach to EUROMALE.

THE “ITALIAN WAY”

Firstly, EUROMALE it is a cooperative effort including two of the three EU member states to which Italy traditionally looks to for defence cooperation, namely France and Germany – the third one being the UK. It is not by chance that Rome has been cooperating with Paris on space (i.e. joint ventures Thales Alenia Space and Telespazio) and naval assets (FREMM), and with Berlin on fighter aircrafts (Eurofighter), helicopters (NH90) and submarines. Italy wants to remain engaged with the largest military spenders and DTIBs in Europe, despite budgetary constraints caused in recent years by both economic stagnation and austerity measures. Thus Rome has advocated a multinational RPAS procurement programme, and worked to be part of it since the beginning.

A second character of EUROMALE cooperation which fits with the Italian way is the fact that it is a mini-lateral format, involving the most willing and able countries, and at the same time it is open to other possible partners. These two elements are strictly related. On the one hand, Italy assumes that the establishment of effective cooperation is possible only within a small group of like-minded countries, whereby high operational

requirements would be set up without lowering the ambition to the minimum common denominator among a larger group. What is more, the “transaction costs” are reduced, for example in terms of time and complexity of negotiations with partners. On the other hand, Italy has criticized bilateral agreements in principle exclusive of other participants, such as the 2010 Lancaster House Treaty, because they constitute stumbling blocks to mini-lateral and European cooperation among countries which could be willing and able to join the pioneer group. In the EUROMALE case, the Italian Air Force has significantly contributed to the definition of operational requirements, also thanks to its 13-years long operational experience with US drones. However, once the bar is set sufficiently high to ensure a valid output, there are no *a priori* entry barriers for other partners from Rome’s point of view. For example, Italy is interested in deepening cooperation with LoI countries, with whom contacts are well established since the 1990s, as well as with Poland which is considered a relevant spender and industrial partner. It is not by chance that Finmeccanica has built partnership with Polish interlocutors and seeks to consolidate its presence there.

The third feature of the Italian way to defence cooperation reflected in the EUROMALE programme is the importance attached to the industrial return for the national DTIB. In 2013, Italian aerospace, defence and security industry had a turnover of roughly 15 billion euro and directly employed around 50.000 personnel (plus the indirect employment), while its 2014 export amounted to 2.9 billion of euro. Such a reality encompasses systems integrators such as Finmeccanica (9th largest defence company worldwide, 3rd in Europe) and Fincantieri shipyard, second tier companies and a number of PMI. It is therefore obvious Rome’s defence industrial policy looks to maintain such DTIB also through national procurement, European cooperation and export support. In this equation, cooperative programmes like EUROMALE (and Eurofighter or NH90) play a fundamental role as the only tool to achieve the necessary critical mass of investments in cutting edge technologies, by ensuring participating countries such as Italy will keep pace with US competitors. Moreover, if properly managed, this cooperative programmes could help to set European standards, which are absolutely needed to avoid a market fragmentation which will in the end damage all European industries in favour of American competitors relying on a much larger internal market.

AND A EUROPEAN PERSPECTIVE

Fourth, in recent years Italy has devoted increasing attention to dual-use technologies and products, because of the economies of scales possible by pooling defence, security and civilian users of the same item, of the technological advancements out of the defence sector, of the EU funding for dual-use research, and because of the fact investments in dual technologies are less exposed to criticisms by domestic public opinion than purely

military spending. In this context, EUROMALE has to first and foremost satisfy the armed forces' needs, but its use for border control and security-related purpose is positively seen by Rome. It would enlarge the pool of buyers to national law enforcement agencies in Europe and EU institutions, thus increasing the economies of scale and decreasing unitary costs. To this end, the work on regulatory and technical issues related to the flight into non-segregated airspaces is crucial. Italian national authorities such as *Ente Nazionale per l'Aviazione Civile* (ENAC) and *Ente Nazionale di Assistenza al Volo* (ENAV) have developed one of the most advanced national regulations in Europe in this regard, which may provide useful elements for an European approach.

Finally, when it comes to defence cooperation it should be noted that Italy tends to keep in mind the European perspective, and to frame its national interests in a way compatible with the European one. Rome has traditionally been a supporter of European defence cooperation and integration, and the 2015 White Book establishes a clear priority and political mandate in this regard. Accordingly, EUROMALE is considered instrumental to pursue European interests in three main ways: first, by equipping armed forces in Europe with an adequate and common platform which they can operate, maintain and upgrade together and autonomously; second, by ensuring EU strategic autonomy from non-European suppliers in this crucial field; third, by enabling EDTIB to compete in the growing RPAS world market.

In conclusion, in a period when European defence cooperation is flagging, with no successors of large scale cooperative programmes such as Eurofighter and NH90, EUROMALE is one of the few real mini-lateral investments on the future of armed forces and DTIB on the Old Continent. As such, it is as important for Italy as it is for Europe. ■

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The Armament Industry European Research Group (Ares Group) was created in 2016 by The French Institute for International and Strategic Affairs (Iris), who coordinates the Group. The aim of the Ares Group, a high-level network of security and defence specialists across Europe, is to provide a forum to the European armament community, bringing together top defence industrial policy specialists, to encourage fresh strategic thinking in the field, develop innovative policy proposals and conduct studies for public and private actors.

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