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'I/A' ITEM NOTE

From:	General Secretariat of the Council
To:	Permanent Representatives Committee/Council
Subject:	Draft REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL on supporting ammunition production (ASAP) **(first reading)** - Adoption of the legislative act = Statements

Statement by Austria, Ireland and Luxembourg

Austria, Ireland and Luxembourg have concerns about the text in Recital 35 stating that the European Investment Bank (EIB) should enhance its support to the European defence industry and joint procurement beyond its ongoing support to dual use, where such investments would clearly serve to implement the Strategic Compass priorities. We would not be supportive of the European Investment Bank enhancing its support beyond its ongoing support to dual use.

Statement by Belgium and Estonia

Belgium and Estonia welcome the ambitious initiative of the Commission to bolster ammunition production (as a response to track 3 agreed by the Council on 20 March 2023) with a view to speeding up the joint procurement and a swift delivery to Ukraine.

We fully support the proposed dual track (programming and regulatory) approach of the Commission in the submitted Regulation on supporting ammunition production (ASAP).

We need to engage in reinforcing our responsiveness and ability to support Ukraine and at the same time we deem that there is a window of opportunity to seize, in order to stimulate and strengthen the European defence technological and industrial base (EDTIB) to fulfil the commitments we all have made.

This proposal is key to increasing our military assistance to Ukraine and fostering collaborative capability development and procurement, thus ensuring more efficiency and greater effectiveness by increasing economies of scale, while enhancing the EU's resilience and security of supply. Measures proposed in its regulatory part in order to reduce bottlenecks, ensure swift delivery and secure supply as well as critical components are essential building blocks of such approach.

We therefore invite the Spanish Presidency to further explore common ground on a regulatory approach with a view to future instruments.

Statement by Greece

Greece is committed to the dual purpose of providing support to the Ukrainian Armed Forces as well as reinforcing the capabilities of the European defence industry. We fully support the adoption and implementation of EU initiatives designed to benefit the European Defence Technological and Industrial Base and bolster the defence cooperation of the Member States.

Greece believes that all EU initiatives in the area of defence must remain fully compatible with the defence and security interests of the Member States. In this vein, industrial policy instruments dealing with defence must respect the requirements of the Common Security and Defence Policy and Title V of the Treaty of the European Union. In defence initiatives, industrial policy concerns and market concerns cannot override the principles of the Common Security and Defence Policy.

Greece recalls that this Regulation on supporting ammunition production (ASAP) refers to a short-term instrument to urgently support the ramp-up of the production capacity of ammunition and missiles by the EU defence industry, in order to address urgent and critical defence capability gaps, under specific conditions and criteria determined by specific circumstances, namely those created by the response to the current aggression by Russia, and does not create in any way a precedent as to the proposal of other instruments in the area of defence capabilities and the conditions and the criteria of application thereof, including the definition of security and defence interests of the Union and its Member States in the case of entities controlled by a non-associated third country or a non-associated third-country entity.

Full respect of the principle of good neighbourly relations by third countries remains a crucial factor in the determination of the Union's and Member States' security and defence interests.