

INSIGHT

THE RUSSIAN WAR AGAINST UKRAINE AND THE LAW OF THE EUROPEAN UNION

edited by Charlotte Beaucillon, Teresa Cabrita, Melanie Fink, Stefano Montaldo and Jed Odermatt

THE EU'S ROLE IN AMMUNITION PROCUREMENT

ROBERTO CARANTA*

ABSTRACT: Russia's invasion of Ukraine has shaken up the EU approach to defence matters. Funds have been released to help in providing Ukraine with ammunition. More interesting, the European Defence Agency (EDA) has taken up a more active role in the procurement of defence materials. While these developments are still limited, a partial centralisation of defence procurement at EU level seems to be in the cards.

KEYWORDS: defence procurement – security – ammunition – European Defence Agency – Ukraine – CFSP.

I. Introduction

Russia's invasion of Ukraine came as a shock for Europe. Not that anyone was still believing in Fukuyama's End of History, but we were simply not prepared to witness war on European soil, just on the doorsteps of the EU. The shock jolted EU institutions and Member States into action, providing impetus for an otherwise comatose EU defence policy. An informal meeting of the Heads of State or Government of the EU was convened in Versailles on 10 and 11 March 2022 and a Declaration was issued. Confronted with growing instability, strategic competition and security threats, the Heads of State or Government of the EU decided to "take more responsibility" for security in Europe and to take "further decisive steps towards building our European sovereignty, reducing our dependencies and designing a new growth and investment model for 2030". Three areas of action were singled out: a) bolstering our defence capabilities; b) reducing our energy dependencies; and c) building a more robust economic base.¹

EUROPEAN PAPERS

www.europeanpapers.eu

ISSN 2499-8249 doi: 10.15166/2499-8249/700 (CC BY-NC-ND 4.0)

(CC BY-NC-ND 4.

^{*} Full Professor of Administrative Law, University of Turin, roberto.caranta@unito.it.

¹ European Council, 'Informal Meeting of the Heads of State or Government – Versailles Declaration' (11-12 March 2022) consilium.europa.eu.

These short reflections focus on a very specific – but not minor – aspect of the overall EU strategy, namely the procurement of ammunition and the related need to strengthen Europe's defence industrial base. The one unfolding in Ukraine is a high intensity conflict, fought with constant artillery exchanges and involving tanks and other armoured vehicles. In such a conflict, ammunition stocks are rapidly depleted, and Ukraine was pleading to be delivered more and more, specifically 155-mm-calibre artillery rounds. Those rounds are used by howitzer guns that are often mounted on armoured vehicles, including those moving on continuous tracks rather than wheels, thus enhancing artillery mobility on the battlegrounds. In point 9 of the Versailles Declaration, the Heads of State or Government of the EU agreed on the need to "invest more and better in defence capabilities and innovative technologies" and therefore also to "develop further incentives to stimulate Member States' collaborative investments in joint projects and joint procurement of defence capabilities".

Following a request from Ukraine, on 20 March 2023 the Council agreed to a proposal from High Representative Borell for what was termed a three-track approach to speed up ammunition production and delivery. Track 1 was to finance the reimbursement of donated materiel from existing stocks or from reprioritisation of existing orders, regarding ground-to-ground and artillery ammunition, and, if requested, missiles. Track 2 called for aggregating demand and jointly procuring 155-mm-calibre ammunition. Finally, Track 3 aimed at ramping up the EU's production capacity and addressing the current shortage of ammunition and missiles as well as their components.

II. THE PROCUREMENTS OF EUROPEAN DEFENCE AGENCY (EDA)

Track 2 is of direct concern here as it designs an innovative approach to ammunition procurement having the European Defence Agency (EDA) play a central role. Track 2 cannot, however, be seen in isolation, and besides being a "normalised" follow up to the emergency Track 1 measures, it presupposed the developments foreseen under Track 3, so much so that rather than three loosely related tracks we have a synergic strategy to arm Ukraine with EDA taking the lead after the initial emergency support.

EDA was established by Council Joint Action 2004/551/CFSP to support the Council and Member States in their effort to improve the Union's defence capabilities in the field of crisis management and to sustain the European Security and Defence Policy (ESDP). EDA is a very specific agency.² Most EU agencies relate to tasks the treaties give to the Commission. EDA instead has more of an intergovernmental character and is therefore linked to the Council meeting at the Defence Ministers level and is headed by the High Representative of the Union for Foreign Affairs and Security Policy. Today, the legal basis for the creation of EDA is to be found in the second phrase of art. 42(3) TEU according to

² See the chapters in N Karampekios and I Oikonomou (eds), *The European Defence Agency: Arming Europe* (Routledge 2015).

which "Member States shall undertake progressively to improve their military capabilities. The Agency in the field of defence capabilities development, research, acquisition and armaments [...] shall identify operational requirements, shall promote measures to satisfy those requirements, shall contribute to identifying and, where appropriate, implementing any measure needed to strengthen the industrial and technological base of the defence sector, shall participate in defining a European capabilities and armaments policy, and shall assist the Council in evaluating the improvement of military capabilities". Art. 45(1) TEU further details the tasks bestowed on EDA. In practice, EDA acts as an enabler and facilitator for Ministries of Defence willing to engage in collaborative capability projects, being the hub for European defence cooperation.³

Council Decision (CFSP) 2015/1835 of 12 October 2015 on the statute, seat and operational rules of the EDA, recasting Council Decision 2004/551/CFSP, enacts the provisions presently applicable to the functioning of the Agency. The first mission statement in art. 2(1) indicates that "The mission of the Agency is to support the Council and the Member States in their effort to improve the Union's defence capabilities in the field of crisis management and to sustain the CSDP as it currently stands and as it develops in the future".

The specificity of EDA is also apparent from the budget rules applicable to it. EU institutions, bodies and agencies are subject to Regulation (EU, Euratom) 2018/1046 on the financial rules applicable to the general budget of the Union. The second phrase in art. 12 of Council Decision (CFSP) 2015/1835 instead simply indicates that EDA's budget "shall be established consistently with the European Union budgetary principles" which are referred to in a footnote. Council Decision (EU) 2016/1353 concerning the financial rules of the European Defence Agency was thus adopted to lay down the rules applicable to EDA.

Concerning specifically procurements, art. 45(1)(b) TEU tasks EDA with promoting "harmonisation of operational needs and adoption of effective, compatible procurement methods". "Operational needs" is a somewhat ambiguous expression in military jargon, as it can cover both the wider human, material and immaterial resources needed for a given activity involving military forces and a narrower meaning only referring to the materials or hardware needed. Since the 27 Member States may be involved in many different scenarios, harmonising the former is much more complex than just trying to streamline the vehicles, weapons and ammunition requirements. The reference immediately thereafter to "procurement" confirms a narrower reading of art. 45(1)(b).

Art. 5(3)(b) of Council Decision (CFSP) 2015/1835 articulates the competencies of EDA in reference to procurement by first recalling the words in art. 45(1)(b) TEU and then by articulating the tasks with reference to (i) promoting and coordinating harmonisation of military requirements; (ii) promoting cost-effective and efficient procurement by identifying and disseminating best practice; and (iii) providing appraisals on financial priorities for capabilities development and acquisition. The list confirms the narrow reading of

³ See further A Georgopoulos, 'The EDA and EU defence procurement integration' in N Karampekios and I Oikonomou (eds), *The European Defence Agency* cit. 118.

"operational needs". In the EU before the invasion of Ukraine, the tasks do not expressly include actual procurement operations. This is confirmed by art. 5(3)(d), generally referring to EDA's role in the area of research and study. However, art. 42(3), second phrase, expressly refers to the Agency's actions "in the field of defence capabilities development, research, acquisition and armaments", thus potentially including procurement.⁴

Finally, art. 33 of Council Decision (EU) 2016/1353 lies down the rules for procurement by EDA. Art. 33, read together with art. 48, makes the procurement rules in the Financial Regulation applicable to the award of contracts by EDA. Art. 33(3) excludes the necessity of a public procurement procedure for acquisitions from other EU institutions, or bodies. Moreover, under art. 34 on joint procurement, EDA may be associated with the procurement of other EU institutions, bodies or agencies or use joint procurement with contracting authorities of the Member States. In the latter case, the rules laid down in the Financial Regulation will normally apply, unless the value of the part pertaining to one Member State exceeds 50 per cent, in which case the procurement directives will apply. Art. 34(3) is referring here to Directive 2014/24/EU on public procurement, but also to Directive 2009/81/EC on defence procurement.

The latter, a sector-specific directive, basically departs from the other procurement directives in protecting confidentiality and secrecy and in leaving more room for flexibility in the conduct of award procedures.⁵

III. PROCUREMENT OF AMMUNITION RELATED TO THE WAR IN UKRAINE

Among its many effects, the war in Ukraine has made ESA the procurer of ammunition for both Ukraine and the Member States in the implementation of Track 2 of the initiatives designed by the Council. From the scant information available online, we learn that already on 20 March 2023, that is on the same date the Council was agreeing on the need to speed up ammunition procurement, EDA and a number of Member States (originally 18, in the end going to including 24 of them as well as Norway) signed an EDA project arrangement for the collaborative procurement of ammunition. The "Collaborative Procurement of Ammunition" included a two-year, fast-track procedure for 155-mm artillery rounds to be used either to replenish Member States' national stockpiles and/or aid Ukraine.

The rationale is that through aggregating procurements from different purchases – and here from different Member States – participants may achieve economies of scale.

⁴ B Heuninckx, *The Law of Collaborative Defence Procurement in the European Union* (Cambridge University Press 2016) 41 ff.

⁵ Generally M Trybus, *Buying Defence and Security in Europe: The EU Defence and Security Procurement Directive in Context* (Cambridge University Press 2014) 257 ff.

⁶ European Defence Agency, 'EDA brings together 25 countries for Common Procurement of Ammunition' (20 March 2023) eda.europa.eu; EDA indicates that "to comply with legal obligations and to protect commercially sensitive information, EDA cannot disclose the names of the contractors nor the unit prices at this stage, and does not comment on ongoing negotiations".

Additionally, centralisation may help the professionalisation of the purchasers. Unsurprisingly, the EU procurement directives have dedicated provisions for central purchasing bodies – CPBs.⁷ Even more important, with recourse to framework agreements open to the Member States, the procedures are much simplified as call-offs contracts may be concluded based on the provisions in the framework agreement without the need to have recourse to multiple fully competitive award procedures, one for each contract. The framework agreement will itself include rules on how to award individual contracts, *e.g.* directly to the only supplier (in case of framework agreements with only one supplier) or based on rotation or a mini-competition among the suppliers (in case of framework agreements with multiple suppliers). Art. 39 of Directive 2014/24/EU already allows joint procurement by contracting authorities from different Member States.⁸ What is special here is the involvement of EDA as the CPB serving an open-ended number of Member States.⁹

It is not known how the award procedures were designed, but in September EDA announced that they had already signed eight framework contracts for joint procurement of 155-mm ammunition for the Panzerhaubitze 2000 as well as for the projectile and fuse components of ammunition for the Krab howitzer system, respectively German and Polish self-propelled howitzers a number of which was delivered to the Ukrainian armed forces. ¹⁰

Early in May, the Council had already decided to use EUR 1 billion from the European Peace Facility (EPF) to pay for the procurement. The EPF is an off-budget fund established in 2021 aimed at enhancing the EU's ability to prevent conflicts, build peace and strengthen international security. The EPF is going to reimburse the Member States that avail themselves of the "Collaborative Procurement of Ammunition" and could also cover the acquisition of missiles if so required. Financing from the EPF may also be used to pay for procurement through complementary joint acquisition projects led by a Member State. In any case the weapons must be produced or at least assembled in the EU or in Norway.¹¹

⁷ See generally M Comba and C Risvig Hansen, 'EU perspectives on CPBs' in C Risvig Hansen and M Comba (eds), *Centralising Public Procurement. The Approach of EU Member States* (Elgar 2021) 15 and F Schotanus, 'Joint procurement: an economic and management perspective' in C Risvig Hansen and M Comba (eds), *Centralising Public Procurement* cit. 54; MA Simovart and J Kubinec, 'Pathways for (quasi-)institutionalised joint cross border public procurement in the security sector - is there a will and a way?' (2023) Public Procurement Law Review 166. These contributions highlight the differences in the rules on CPBs between the classic and the defence directives.

⁸ A Sanchez-Graells, 'Comment to Article 39' in R. Caranta and A Sanchez Graells (eds), *European Public Procurement. Commentary to Directive 2014/24/EU* (Elgar 2021) 435; there are no corresponding provisions in the Defence Directive.

⁹ That was not EDA's original mission: see M Trybus, *Buying defence and security in Europe* cit. 257; see also MA Simovart and J Kubinec, 'Pathways for (quasi-)institutionalised joint cross border public procurement in the security sector - is there a will and a way?' cit. 167.

¹⁰ European Defence Agency, 'EDA signs framework contracts for joint procurement of 155mm ammunition' (5 September 2023), eda.europa.eu.

¹¹ Council, 'EU joint procurement of ammunition and missiles for Ukraine: Council agrees €1 billion support under the European Peace Facility' (5 May 2023) consilium.europa.eu.

The purchasing of ammunition is part of a wider acquisition process launched by EDA. Since November 2022, EDA has been working on three areas for common procurement: ammunition, soldier systems and chemical, biological, radiological and nuclear (CBRN) equipment. Moreover, the "Collaborative Procurement of Ammunition" project provides a seven-year framework for Member States to jointly procure multiple types and calibres of ammunition (5.56 mm to 155 mm) to replenish national stocks. This framework too is open for the Member States to join.¹²

IV. PROCUREMENT OF AMMUNITION RELATED TO THE WAR IN UKRAINE

As already recalled, Track 3 of the overall strategy developed by the Council early in 2023 is aimed at ramping up the EU's production capacity and addressing the current shortage of ammunition and missiles as well as of their components.

The first relevant measures are included in Regulation (EU) 2023/1525 on supporting ammunition production (ASAP) adopted in July of this year. This piece of legislation was prompted by a rather late realisation of the risks associated with reliance on global supply chains. As recital 7 avows, in the recent past "[s]upply flows have been adapted on the basis of a more modest demand, with a minimal level of stocks and globally diversified suppliers to reduce costs, exposing the Union defence industry sector to dependencies". Blindly pursuing cost savings has dented the ability of the EU to protect itself and support Ukraine. The Regulation releases funds for the manufacturing of ammunition and missiles in the EU and associated EEA countries by entities not only therein established, but having their executive management structures in the Union or associated countries so as to avoid contracting with entities which might be directed from the outside by potentially not friendly foreign governments and their associates (recital 22 and art. 10).

Concerning public procurement specifically, Regulation (EU) 2023/1525 moves from the realisation that the flexibility embedded in the procurement directives to accelerate purchases in situations of urgency might not be enough in the present context of extreme urgency. The answer is to allow opening up existing framework agreements to new purchasers from different Member States and allow a rise in the value of what can be acquired under such framework agreements beyond the limits to permissible contract modifications generally applicable according to both the case law of the Court of Justice and the ensuing legislative enactments. ¹³ The departure from the usual non-discrimination-obsessed rules is compensated by the obligations placed on the contracting authority to both inform the market of the changes and to add to the framework any qualified producer so requires (art. 14; see also recitals 33 and 34). The latter might be problematic

 $^{^{12}}$ European Defence Agency, 'EDA brings together 25 countries for Common Procurement of Ammunition' cit.

¹³ See generally K-M Halonen, 'Fundamentals of contract modifications in EU procurement law' in DC Dragos K-M Halonen, B Neamtu and S Treumer (eds) *Contract Changes. The Dark Side of EU Procurement Law* (Elgar 2023) 17.

with framework agreements concluded with only one supplier that would not normally contain rules on how to award call-off contracts. The derogation is to apply to call off contracts concluded by 30 June 2025 (art. 14(7); but the deadline might change following the evaluation of the situation committed to the Commission under art. 23).

The Regulation 2023/2418 on establishing an instrument for the reinforcement of the European defence industry through common procurement (EDIRPA) is adopted.¹⁴ The regulation is to create a dedicated short-term financial instrument to contribute to the procurement of the Member States from 27 October 2023 to 31 December 2025 (arts 1 and 8(1)(c)). It is intended to provide funds for the acquisition of all defence material and not just ammunition. Under art. 2(6), "defence products" cover all products that fall within the scope of Directive 2009/81/EC.

Two are the objectives of the instrument, namely:

"(a) to foster the competitiveness and efficiency of the European Defence Technological and Industrial Base (EDTIB), including SMEs and mid-caps, for a more resilient and secure Union, in particular by speeding up, in a collaborative manner, the adjustment of industry to structural changes, including through the creation and ramp-up of its manufacturing capacities and the opening of the supply chains for cross-border cooperation throughout the Union, thereby allowing the EDTIB to provide the defence products needed by Member States; (b) to foster cooperation in defence procurement processes between participating Member States in order to contribute to solidarity, prevent crowding-out effects, increase the effectiveness of public spending and reduce excessive fragmentation, ultimately leading to an increase in the standardisation of defence systems and greater interoperability between Member States' capabilities, while preserving the competitiveness and diversity of products available to Member States and in the supply chain." ¹¹⁵

Collaboration is eligible for financing if it amounts to "common procurement", *i.e.* a "procurement jointly conducted by at least three Member States" (arts 2(1) and 6). EU funding is considered to be necessary to "offset the complexity and risks associated with common procurement while allowing for economies of scale in the actions undertaken by Member States to reinforce and modernise the EDTIB, with a particular focus on SMEs) and mid-capitalisation companies (mid-caps), thereby increasing the Union's capacity, resilience and security of supply" (recital 17). ¹⁶ Financing for any action (contract) is not to

¹⁴ Regulation (EU) 2023/2418 of the European Parliament and of the Council of 18 October 2023 on establishing an instrument for the reinforcement of the European defence industry through common procurement (EDIRPA).

¹⁵ Art. 3 Regulation (EU) 2023/2418 cit. with reference to para. (b), see also recital 15 therein.

¹⁶ Centralising procurement may make SMEs engagement more problematic: see A Sanchez-Graells, 'Public Procurement by Central Purchasing Bodies, Competition and SMEs: Towards a More Dynamic Model?' in C Risvig Hansen and M Comba (eds), *Centralising Public Procurement* cit. 71; for the analysis of the specific defence aspects see M. Trybus and B Heuninckx 'Small and Medium-sized Enterprises and EU Defence Procurement Law: The Soft Impact of Recommendation 2018/624/EU' (2023) Public Procurement Law Review 115.

exceed 15 per cent of the available budget nor of the value of the contract, but can go up to 20 per cent where either (a) Ukraine or Moldova are one of the recipients of additional quantities of defence products in the procurement action or (b) "at least 15 per cent of the estimated value of the common procurement contract is allocated to SMEs or midcaps as contractors or subcontractors" (art. 7).

To foster the competitiveness and efficiency of the EDTIB, common procurement contracts will once more in principle be eligible for financing only if awarded to contractors or subcontractors which are established in the Union or in associated countries and are not subject to control by non-associated third countries or by non-associated third-country entities (art. 9(5); see also recital 20).

To ask for financing, Member States and associated countries should appoint a procurement agent to conduct a common procurement on behalf of the concerned Member States. Both contracting authorities in a Member State, or EDA or international organisation may be designated by the concerned Member States to act as "procurement agent" (art. 2(5)). Under art. 9(1), "The procurement agent shall carry out the procurement procedures and conclude the resulting contracts with contractors on behalf of the participating countries. The procurement agent may participate in the action as a beneficiary and may act as the coordinator of the consortium and may therefore be able to manage and combine funds from the Instrument and funds from the participating Member States and associated countries". Under art. 9(2), an agreement among participating Member States and associated countries determines the practical arrangements governing the common procurement and the decision-making process on the choice of the procedure, the assessment of the tenders and the award of the contract in compliance with Directive 2009/81/EC. The agreement may also authorise the procurement agent to procure additional quantities of the concerned defence product for Ukraine or Moldova (art. 9(3); see also recital 25).

V. CONCLUSIONS

EU institutions have adopted different measures to purchase ammunition in the wake of the Russian invasion of Ukraine. The EU has financed and is financing (some of) the purchases, it has purchased directly through EDA and it has simplified the procurement rules concerning framework agreements to facilitate the acquisition by the Member States.

As it was the case with COVID, the EU has been fast in taking the initiative. EDA has played and is playing an important role in bringing about a measure of centralisation of procurement. There are, however, some important differences between now and the COVID times. The Commission was then involved directly, purchasing PPE and vaccines through framework agreements from which the Member States, the former Member

State and third countries could draw or be made beneficiaries of goods and vaccines. ¹⁷ Today EDA plays an important role in negotiating procurement contracts, but the Member States remain the main players in deciding what and from whom to buy – even if EU money can nudge them towards preferring "Made in Europe".

Many reasons may be given for this difference. Defence is a closely guarded preserve for the Member States. As Aris Georgopoulos reminds us, "[t]he purchase and the development of weapons and related material are activities linked to core functions of the notion of the Westphalian nation-state, namely national defence". 18 COVID procurement concerned both low-technology supplies like PPEs and innovative vaccines. The Member States had no pre-existing domestic production to try to protect. Moreover, defence procurement is part of established practices and vested interests shared not just by the Member States, but by third countries and international organisations. One example of the latter is OCCAR (Organisation Conjointe de Coopération en matière d'Armement/Organisation for Joint Armament Co-operation), an organisation created in 2001 and counting as its parties the largest EU Member States and the UK. Still, one might well argue that Regulation 2023/2418 was a lost opportunity to give EDA a more prominent and central role in coordinating the acquisition of materials. Both the Member States and even international organisations may be the procurement agents in joint procurements co-financed by the EU. Funds could have been channelled through EDA instead or at least EDA could have been expressly allowed to take the initiative of leading a "common procurement". That would have been consistent with EDA's mission to "contribute to identifying and, if necessary, implementing any useful measure for strengthening the industrial and technological base of the defence sector and for improving the effectiveness of military expenditure" (art. 45(1)(e) TEU emphasis added; on the same lines art. 2(2) Decision (CFSP) 2015/1835). Having multiple organisations in this area is not helping in standardising and making more efficient defence procurements across the EU.¹⁹

Notwithstanding these shortcomings, still the Russian invasion of Ukraine has opened the doors for involving the EU and EDA in those procurement processes, and rarely the EU integration process goes into reverse gear. It is true that many of the

¹⁷ See the contributions in S Arrowsmith LRA Butler, A La Chimia and C Yukins (eds), *Public Procurement Regulation in (a) Crisis? Global Lessons from the COVID-19 Pandemic* (Hart Publishing 2021); see also J Yueh Ling Song, 'Public purchasing in the EU during the COVID-19 pandemics' in C Risvig Hansen and M Comba (eds), *Centralising Public Procurement* cit. 100; N Spataru and L Cioni, 'Covid-19 – the Impetus for Public Service Innovation. Advancing the Shift Towards Social Procurement' (2021) European Journal of Public Procurement Markets 47-58. More information on the contracts passed is available here: European Commission, *Ensuring the availability of supplies and equipment* commission.europa.eu; concerning vaccines it is also relevant to browse the European Court of Auditors special report on EU COVID-19 vaccine procurement available at eca.europa.eu.

¹⁸ A Georgopoulos 'The EDA and EU defence procurement integration' in N Karampekios and I Oikonomou (eds), *The European Defence Agency* cit. 118.

¹⁹ For a fuller picture, see MA Simovart and J Kubinec, 'Pathways for (quasi-)institutionalised joint cross border public procurement in the security sector - is there a will and a way?' cit. 167 ff.

measures discussed above, including pieces of legislation, have a limited time horizon not going beyond 2025. However, it is totally unrealistic to think that a few years will be sufficient to foster the competitiveness and efficiency of the European Defence Technological and Industrial Base, fully adjusted to structural changes and capable of ensuring a more resilient and secure Union. Much longer-term EU actions will be needed to these effects. We can expect more joint procurements and a stronger role for EDA in awarding framework agreements open to the Member States and somewhat beyond.

In the meantime, the experience accrued with the acquisition of ammunition – about which we lack details – might be beneficial in reconsidering whether Directive 2009/81/EC is up to these new and more challenging times. The "temporary" derogations introduced by Regulation (EU) 2023/1525 seem to point to the need for more flexibility in the design and use of framework agreements. For sure, there is the need to expressly regulate joint procurements.

More generally, the way the EU approaches the World has changed following COVID and the Russian invasion of Ukraine. In the 2022 Versailles Declaration, the Heads of State or Government of the EU were signalling changes in continuity:

"[a]t global level, we will continue to pursue an ambitious and robust trade policy, multilaterally as well as through trade agreements, and promote our standards, market access, sustainable value chains and connectivity. We will complete our trade and competition policy toolbox with instruments to address distortive effects of foreign subsidies on the Single Market, to protect from coercive measures by third countries, and to ensure reciprocity in opening up public procurement with trading partners".²⁰

However, resilience requires repatriating strategic productions and creating and/or reinforcing a domestic industrial base. Procurement is a powerful tool to this end and we expect it to be used more and more in the future.²¹

²⁰ European Council, 'Informal Meeting of the Heads of State or Government – Versailles Declaration' cit. para. 23.

²¹ See R Caranta, 'Geo-Strategic Public Procurement' (25 April 2023) sapiensnetwork.eu.