

France-Germany industrial cooperation in the defence field

Common understanding of principles applicable to transfers and exports

France and Germany:

- Highlight that they are bound by the same European and international commitments in the field of arms export control and licensing of exports, in particular the Council Common Position 2008/944/CFSP of 8 December 2008 defining common rules governing control of exports of military technology and equipment and the Arms Trade Treaty;
- Recognize their respective competence to authorize transfer or export, from their territories, of defence products from major programmes conducted in cooperation, or that have been developed by the French-German industrial fabric;
- Recognize that Germany conducts its national export control on the basis of its national legislation and the Policy Principles of the Government of the Federal Republic of Germany for the Export of War Weapons and Other Military Equipment of January 19, 2000 and that France conducts its national export control on the basis of its national legislation and regulations, including relevant provisions of the Defense Code;
- Recognize the importance for the economic and political success of their industrial and governmental cooperation of reliable transfer and export perspectives;
- Undertake to reduce administrative burden on export controls, thus ensuring the success of their common programmes and facilitate French-German industrial partnerships.

1. Principles applicable to major programmes conducted in cooperation (including NGWS and MGCS) and to their subsystems

The following principles will be implemented:

- The parties will mutually inform one another, well in advance of formal negotiations, of the opportunity of sales to third countries, and transfer the information needed for the other party's analysis. This mutual transfer of information includes discussions on the conditions permitting, from the exporting country's point of view, to conduct the operation in compliance with common European and international commitments;
- The parties will not oppose a transfer or export to a third country proposed by one of the cooperating States, except on an exceptional basis, where their direct interests or national security are compromised.
- In the event of one State opposing a transfer or export, it shall inform the other party as soon as possible and within at most two months of learning about the proposed transfer or export. The Parties will immediately launch high-level consultations to share analysis and identify appropriate solutions. A State opposing an export undertakes in this case to do everything possible to propose alternative solutions.

2. Principles applicable to defence products from cooperation, developed by one Party's manufacturer and incorporated into a system of the other Party

The following principles will be implemented:

- The Parties will not oppose an export or transfer by the other State of a system incorporating defence products developed in its territory under or following cooperation projects, except on an exceptional basis where their direct interests or national security are compromised
- In this case, the opposing party shall inform the other party as soon as possible, and within at most two months of learning about the proposed export. The Parties will immediately launch high-level consultations to share analysis and identify acceptable solutions.

3. Principles applicable to defence products developed by one Party's manufacturer and incorporated into a system of the other Party

Defence products developed by one Party's manufacturer (outside the framework of cooperation projects) and incorporated by the manufacturers of the other Party shall be subject to the de minimis principle: so long as the portion of the activity of the manufacturers of one State in the defence systems transferred or exported by the other State remains below a percentage jointly determined beforehand, the Party will issue the respective export authorizations without delay.

4. The parties decide to establish a permanent body to consult each other on all matters pertaining to the principles on transfers and exports as outlined above.