

Security of Supply

from a Swedish perspective

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Sweden's security doctrine after WWII

- * *Military non-aligned
neutrality an option*
- * *Self-sufficiency*
- * *National defence industrial base*

Self sufficiency

** Peace time preparation for a crisis and war time capability to produce, modify and maintain defence equipment*

** Pre-storage of drawings, raw materials, components etc.*

Cont.

** Homeland defence organisation*

- Swedish Total defence

** High tech, efficient defence industry*

** High tech, efficient, LCC-proven,
defence materiel*

** Skilled and well-trained personnel*

Cont.

** In some areas highly depending on deliveries from the US*

** Strategic location*

** Preferential treatment*

** Good relations on all levels!*

Change of focus

- * Sweden's present security environment*
- * Lower risk - lower premium*
- * From isolation to cooperation*
- * Accept consolidation and foreign ownership*

still

- * a policy of non-alignment*

*National security reasons to
participate in international operations*

Interoperability issues

International cooperation

Also beneficial to lower cost

Globalisation and Industrial restructuring results in

- * creation of transnational defence companies*

- * possible loss of domestic industrial capabilities*

- * increasing acceptance of mutual defence interdependence*

*Increased Cross-border cooperation
between*

- governments*
- companies*

*Need to develop and utilize a
Priorities System for preferential
treatment!*

- Letter of Intent (Framework Agreement) between six European countries

- Declaration of Principles between United States of America and Sweden

Security of Supply

- a nations ability to assure a supply of defence products, materials and services sufficient to discharge its military commitments in accordance with its foreign and security policy requirements

Allocations System

Procedures under which a government can ensure equitable distribution of scarce and critical items between defence and essential civilian requirements.

Priorities System

- procedures under which a Government can assign priority to, and provide preferential acceptance and performance of, certain contracts (including subcontracts and purchase orders) over other contracts to meet approved defence requirements.

Assurance of Supply

** One country shall facilitate the supply of specified defence articles and services to another country*

** As important for industry as for governments*

(US-Swe DoP)

US

*Defense Priorities and Allocations System
(national law)*

Sweden

*Government - Industry Code of Conduct
(voluntary accredited Swedish companies)*

Priority Performance of Contracts and Orders

Both in peacetime and in times of crises or war

Industry strategy

- *Defence industries with core competences **inside** Sweden, crucial to the Armed Forces*
- *Profitable and Competitive*
- *Ownership important*
 - *Strategically and strong*
 - *Genuinely competent and interested*
 - ***Not** necessarily Swedish*
- *Therefore important with good opportunities and comprehensive infrastructure **inside** Sweden for industry*

Way ahead

- *To focus and take long-term decisions as before*
 - *now with governmental as well as industrial partners, and*
 - *on products that also other Armed Forces need*
- *To foster and contribute to open and transparent processes inside Europe and between the US and Europe*
- *To find new niche areas where Sweden will become world champion*
- *Enter into arrangements that secure supplies*

Last but not least

*Always foster good relations
between our countries!*



*We must all hang together,
or most assuredly we will all hang
separately!*

Quote from Benjamin Franklin



Thank you for your attention!

Questions?

