

Securing Australia's Naval Shipbuilding and Sustainment Industry

The Turnbull Government has released Australia's first Naval Shipbuilding Plan, outlining the nation's largest ever programme of naval shipbuilding and sustainment.

The plan includes a massive injection of funds – \$1.3 billion – to develop vital infrastructure in the nation's shipyards so that we can build the Navy's next generation of naval vessels here in Australia.

The Naval Shipbuilding Plan will end the boom-bust cycle that has afflicted the industry for many years, providing certainty for local businesses and shipbuilding workers.

The Turnbull Government is investing around \$90 billion in the rolling acquisition of new submarines and the continuous build of major ships such as future frigates, as well as minor naval vessels.

This Plan will ensure delivery of these modern defence capabilities set out in the 2016 Defence White Paper, creating thousands of jobs and securing the naval shipbuilding and sustainment industry for future generations of Australians.

We are embarking on a great national endeavour. We will transform our naval shipbuilding and sustainment industry here in Australia, with Australian workers, in Australian shipyards, using Australian resources.

In total, the Turnbull Government will invest more than \$1.3 billion to modernise construction shipyards in South Australia and Western Australia.

Work will commence this year on the development of infrastructure at the Osborne Naval Shipyard in South Australia. The Henderson Maritime Precinct in WA will also be upgraded.

This will encompass construction of new cranes and heavy lift transportation capability, welding stations and upgrades to workshops and storage facilities including new steel framed sheds.

The plan is a pathway to prosperity in naval shipbuilding and represents a major milestone for the nation's defence industry.

The Government is delivering on its unwavering commitment to both national security and economic prosperity through the continuous building of naval vessels in Australia, while also strengthening the nation's advanced manufacturing industrial base.

The Centre for Defence Industry Capability, opened by Government in December 2016, is based in Adelaide and has a national presence. The Centre will play a critical role in developing the national supply chains to support the naval shipbuilding programs.

Modern shipbuilding facilities and processes will play an important role in the transformation of Australia's naval shipbuilding industry.

The naval shipbuilding workforce is expected to grow to around 5,200 workers by the mid to late 2020s, with more than double this number of workers in sustainment activities and throughout supply chains across Australia.

The Naval Shipbuilding College announced on 24 March 2017 will commence operation in early 2018, working with existing education centres to expand and develop the pool of available skilled workers to meet the growing demand.

The Naval Shipbuilding Plan is available at the [Department of Defence website](#).

[Doorstop with the Hon. Gladys Berejiklian MP, Premier of New South Wales Senator the Hon. Marise Payne, Minister for Defence and the Hon. Christopher Pyne MP, Minister for Defence Industry](#)

PRIME MINISTER:

I'm delighted to be here with the Premier and her colleague the Minister for Western Sydney, Stuart Ayres, and my ministerial colleagues; Minister for Defence, Marise Payne, Defence Industry, Christopher Pyne, Minister for Urban Infrastructure, Paul Fletcher and the Assistant Minister for Cities, Angus Taylor, the Vice President of Northrop Grumman, Dave Perry – who will speak to us in a moment – and the Australian CEO, Ian Irving, to announce Northrop Grumman's decision to establish a \$50 million electronic sustainment centre of excellence at the new Western Sydney Airport. Northrop Grumman will be an anchor tenant.

Now this is a very key element in our defence industry plan. It's a key part of our plan for Western Sydney, Premier, which we are both passionately committed. Because what we have been in Australia, we have been a big customer for defence capabilities. But we have not built enough defence material here in Australia. We have not been a big enough part of global supply chains and we are changing that. Our defence industry plan is a plan to expand the capabilities of the Australian Defence Force but also to build a sovereign defence industry capability here in Australia, across all theatres; land, sea, air and cyberspace. All of the above are part of our

plan to secure Australia's future.

Now, we are building a new airport at Western Sydney, at Badgerys Creek. That is going to ensure that there will be a centre of employment and industry and technology, creating thousands of jobs in Western Sydney. It's going to be working closely with the universities of course, particularly the University of Western Sydney. Northrop Grumman has committed to double its workforce in Australia, up to a thousand and beyond, and the centre for excellence is a key part of that. It's great to see here, some of Northrop Grumman's partners, John Bale from Soldier On is here. Dave Perry has described to me, and he will say a little more, about Northrop Grumman's commitment to employing veterans. They have a great many veterans, including Dave himself of course in the Northrop Grumman team. And John Bale from Soldier On is partnered with the government in our Veterans Employment Initiative and it's ensuring our veterans make successful transitions to life in the private sector and civilian sector after they leave the ADF.

It's also great to be joined by two important partners in the Northrop Grumman supply chain, Australian partners. Quickstep, which is a maker of advance composites, its CEO, Mark Burgess is here. It is part of the whole Joint Strike Fighter program right around the world, it is making advance composite materials for aerospace, automotive and part of the joint strike fighter, that extraordinary global project of which we are increasingly playing a critical role. Steve Renkert is also here from Electrotech, another Australian company which is a communications and navigations system company, again, a very important part of Northrop Grumman's supply chain and an example of how our commitment to the defence industry investment builds the growth, the jobs, employment in advance manufacturing and technology, here in Australia.

Now, this new centre for excellence will be in a prime position to service and maintain aircraft and systems, including for the Joint Strike Fighter the F35 and the MQ-4C Triton, another critically important airplane Australia is acquiring, and the United States Defence Forces, including the US Navy and other allies around the world. This is going to add our involvement in the Joint Strike Fighter program alone in sustainment and maintenance. It will add by 2023, it has been estimated, another 5,000 new jobs and a billion dollars to GDP each year.

So this is a vital part of our national economic plan, as is Western Sydney Airport. It is going to return, it is estimated, \$1.80 for every dollar of government investment we put in. It is going to secure Australia's aviation capacity for the future and transform the economy of Western Sydney, creating 20,000 new jobs by the early 2030s, building up to 60,000 in the long term.

The Premier and I understand, clearly, our governments are committed to ensuring that we build for the future. There will be an additional population the size of Adelaide moving into Western Sydney in the decades to come and we need to ensure there are the jobs, the infrastructure to support that population and we need to ensure we have the great technologically advanced jobs and industries that build that ecosystem around the airport that will attract more investment, more opportunities for Australians to work in

Western Sydney as it becomes the heart, the centre of Sydney, in the years to come.

So thank you all very much for being here and Premier, over to you.

THE HON. GLADYS BEREJIKLIAN MP, PREMIER OF NEW SOUTH WALES:

Thanks very much, Prime Minister and welcome everybody.

I am so thrilled with today's announcement. It means jobs, jobs and more jobs for Western Sydney and it also means New South Wales will have the capacity to be a regional centre for what is a fast-growing and much necessary technology. But what today's announcement also does is demonstrate the confidence that people have in our government's ability, not only to deliver the Sydney Airport but also to support all the industries that will go towards really developing this precinct and also attracting the jobs that we know will allow the community to grow and prosper into the future.

I am just so excited because I knew and appreciated that the Sydney Airport, the second Sydney airport and its construction would attract a lot of interest. But to have such a phenomenal announcement so early, really demonstrates confidence in our process, and also demonstrates confidence in the jobs that will be created and also the technologies that will be developed not far from this precinct. It is a really exciting opportunity for all of us in New South Wales, but especially for Western Sydney residents.

Not only will people have the opportunity to get employment in key industries right on their doorstep but I am absolutely convinced so many others will be attracted to Western Sydney as a result as well. This is really for us an exciting opportunity to see suppliers and other industries come to this precinct.

This is the start of something really great. It is a start of something very positive and to have today's \$50 million investment announced so soon in the process allows us to continue to plan, continue to talk to organisations that we know in the future will be champing at the bit to come and join this wonderful precinct.

Now I want to thank the Federal Government, the Prime Minister and everybody else for being involved and facilitating today's opportunity. I know the Minister for Western Sydney has also been in dialogue with Northrop Grumman before as well in order to attract this investment and we are absolutely delighted that this the start of something extremely positive. It is jobs, jobs and more jobs for New South Wales.

PRIME MINISTER:

Very good, thank you. Dave?

DAVID PERRY, CORPORATE VICE PRESIDENT AND CHIEF GLOBAL BUSINESS DEVELOPMENT OFFICER, NORTHROP GRUMMAN CORPORATION:

Thank you, Prime Minister. It is very exciting for me to be here with you

today. I want to acknowledge, first of all, Premier, thank you for being with us to help get this started. Prime Minister, we really appreciate your presence here.

This is a reflection of the commitment that our company Northrop Grumman has, we are determined to make sure our partnership with Australian industry and with the Australian government is fully representative of the 100 years of partnership we have had. I think it is reflected well last week in New York when we celebrated the heroism and valour from the Battle of Coral Sea, where Americans and Australians fought together to preserve security in the Pacific.

This program will create capability that will create an ecosystem of the most advanced technology that will exist in the Pacific and become the backbone of security for the most advanced aircraft systems in the world. For more than 20 year Northrop Grumman has partnered with the Commonwealth to advance Australia's national security and to contribute to regional security and stability. With today's announcement, we are proud to build upon this relationship and further advance Australia's industrial capabilities with the injection of Northrop Grumman technology, coupled with further development of a strong local Australian workforce.

As Australia procures advanced defence systems, including autonomous and next generation aircrafts, advanced networking communications and command and control capabilities, electronics systems will be fundamental to the success of each system. Facilities such as this brand new centre of excellence will be critical to the local sustainment of those advanced systems throughout their lifetime and will ensure the security and stability of the most advanced systems in the world. This centre will help the development of ADF platforms and systems by lowering the turnaround time and the repair costs for mission-critical equipment by doing the work here in Australia, with, as I said before, a local Australian workforce.

This workforce will not just be Northrop Grumman's, but it will be consistent with high-tech Australian companies. It will enable the security of not only Australia but for all our allies including the United States as we operate these advanced platforms in the Pacific. As one of the largest global manufacturers of defence mission complex systems, and a provider of CSR cyberstrike autonomous systems and logistic solutions, Northrop Grumman's is deeply committed, and always will be, to Australia. Through investment in Australia, we have grown our local work force by 500 in the last 5 years and we see that trend continuing. Our strong commitment to Australia has also been underscored by investment in companies including CEA Technologies and (inaudible) as well as the establishment of local capabilities in Northrop Grumman's itself.

We have partnered with companies such as Electrotech, as mentioned already and we have helped them grow their footprint in (inaudible) and also Quickstep, who we have supported and mentored on the Joint Strike Fighter program. Your local Australian Quickstep company produces 26,000 parts for this program. Just fantastic output. That's the kind of ecosystem we want to engender and create and grow over the next decade. I am delighted that representatives

from both companies are here celebrating with us today. So Steven Ranker and Mark Burgess, we really appreciate you not only being here and the partnership it represents, we have been trusted partners in business for many, many years and we could not do it without them, so thank you very much. The establishment of this New Electronic Sustainment Centre of Excellence prevails upon these exciting investments and is the next step in our vision to build a world-class capability unlike anything else in the Pacific.

We are also helping to develop the next generation of Australian leaders through our support of local STEM education programs and providing grants in support of science and engineering programs and the establishment of local universal scholarships for both regional and disadvantaged students.

Northrop Grumman is passionate about working with and providing opportunities for Indigenous Australians. Last year, we sponsored Indigenous high school students from Playford and Salisbury in South Australia to attend (inaudible) camp in the United States, studying science, technology engineering and mathematics. We are delighted to be in discussion with Indigenous ICT services on how we can work together and bring more Indigenous companies into our supply chain.

We are also proud to support our returned servicemen and women and we are honoured to be a major sponsor of Australia Veterans, Soldier On. We are a founding sponsor of Hands Up, a program mentioned by the Prime Minister and we are also very proud to be a partner with their CEO of Soldier On, Mr John Bale. John thank you for your partnership and guidance along the way to help us be a good partner here in Australia.

We are excited to continue to extend our partnership with Australia and to contribute to the development of Australia's future advanced manufacturing economy through the establishment of the brand new electronic sustainment centre of excellence right here in Western Sydney. Western Sydney is Australia's premier light industrial region and Northrop Grumman is excited to become an anchor tenant as part of the development of the new Badgerys Creek Airport project.

This is going to be an exciting time and the next decades will represent significant capability growth in Australia. The capability growth associated with the maintenance sustainment and development of advanced electronics requires an environment supported by first-grade secondary schools and universities. We are looking forward to partnering not only with your universities to create an R&D system to feed this and make it the best in the world. We thank you for your time and we look forward to success with you in Australia.

PRIME MINISTER:

Great, thank you. Well done. Thank you, appreciate it. So, we can take some questions?

JOURNALIST:

Prime Minister, is the ramping up of the defence industry hub around Badgerys Creek part of a plan to shut down Richmond?

PRIME MINISTER:

No, certainly not. Can I ask the Defence Minister to say something about Richmond but the commitment to western Sydney airport is a commitment to a whole-industry technological business environment that will enable us to ensure that there are tens of thousands – as you just heard, 60,000 in the long term – additional jobs in western Sydney.

JOURNALIST:

Why will you need Richmond if you have a 24-hour airport very close by?

PRIME MINISTER:

Perhaps Marise Payne, do you want to say something about Richmond?

DEFENCE MINISTER:

Thank you. I made the Government's views on Richmond clear last year. The Government has no intention to dispose of the air base. The Government is going to maintain a military base here, it is an important airport point. We have no intention to close it.

JOURNALIST:

The review recommended selling part of the defence estate. Wouldn't selling off Richmond help housing affordability?

DEFENCE MINISTER:

You would have seen our announcement, in defence sites, Maribrynong in Melbourne. We examine each piece of the estates, one by one. There are over 400 in Australia and they change and are dynamic but the position in respect to Richmond is clear. Thank you very much.

JOURNALIST:

[Inaudible]

PRIME MINISTER:

You have asked about the ransomware threat. I can say that at the present time, we have seen several impacts in respect to small businesses. At this stage, the answer to your question is no, but it is early stages. I am staying in constant contact with my cybersecurity advisor, Alastair MacGibbon, who I know you have seen in the media. But at this stage, we haven't seen the impact that they have seen in the United Kingdom, for example. But it is important that businesses or enterprises make sure that those patches for the Windows systems that were made available by Microsoft in March have been installed, if they haven't been already and they obviously

should have been.

JOURNALIST:

You spent time in western Sydney on a budget road show, are you looking for a delayed post budget Newspoll?

PRIME MINISTER:

Thank you for your cheeky question. Our commitment is in Western Sydney and indeed, in all the other parts of Australia I will visit this week, is to continue to develop growth for Australians to get ahead. Everything we are doing is focused on that. It is a very fair Budget and a very pro-growth Budget. It is delivering the investment, whether it is infrastructure in Western Sydney or the defence industry plan or the Inland Rail, right across the board, this Budget is ensuring the future of our children and grandchildren. We are guaranteeing Medicare, we are ensuring that school spending is needs-based, transparent and consistent across the country. We are ensuring that the National Disability Insurance Scheme is fully funded.

I do say to Mr Shorten, who I know is trying to play politics with this, he was reasonably statesmanlike a few years ago when he said we should increase the Medicare levy to fund part of the NDIS. Now we have got the opportunity to fund all of it. Surely the least we can do is to say to parents of disabled children: "The money is there, the funding is there, the support for your child, and indeed, the support for any Australian who finds themselves suffering from disabilities." That way, the funding is there, we have secured it. This is a great historic opportunity to do that. We call on him to capture the statesman-like qualities he showed some years ago and once again support funding the NDIS, but this time getting it right and funding it completely.

JOURNALIST:

[Inaudible]

PRIME MINISTER:

My focus is ensuring delivery of the great outcomes from the Budget. Polls are not news. There are lots of polls. The focus is on delivering on the great commitments we have made to infrastructure, \$5 billion for the Western Sydney airport alone. But these are the commitments of a fair Budget that is investing for the future. I mentioned some of had the things we are doing in the Budget a moment ago. Let me add another point which is equally important; we are living within our means. This is a very realistic Budget. This is one that will bring the Budget back into balance, in fact, into surplus, in 2020/21. So that means there won't be a mountain of debt thrown on to the shoulders of our children and grandchildren. We will be bringing that down, debt will start coming down and that is because we have made the necessary, responsible economic decisions to live within our means.

JOURNALIST:

45 per cent of the people surveyed felt they were worse off.

PRIME MINISTER:

Again, look, polls are no substitute for – there are lots of polls. Australian journalists are interested in polls. The Australian people are interested in what the budget means for them. What you have seen in those polls – that you are more interested in than me – what you have seen is strong support for the budget measures, strong support for them. But the budget is a fair budget, it is a responsible budget and it is a budget that is focused and directed, every element of it, to ensuring that we maintain strong economic growth. Whether it's the incentives for small business, the tax cuts for small-to-medium business, whether it is investment in infrastructure, whether it is bringing the Budget back into balance and providing the security that Australians need and deserve for their essential services, whether it is schools, NDIS, Medicare, we are delivering on a responsible and fair budget and that is how it has been received.

JOURNALIST:

You want to increase the Medicare levy for all workers but if you can't get the numbers, is the government willing to compromise?

PRIME MINISTER:

The proposal we have is a very fair one and it has been received and recognised as fair. We are often asked about hypotheticals. John Laws was asking me this morning; "What will you do if the Senate does this or that". Over the last year, we have got many more things through the Senate than the distinguished members of the media predicted. Without wanting to disappoint you in my response, we will focus on the Senate and treating the senators with respect, we will negotiate with them. We are confident that the merit of the budget, they will find compelling and we will be able to secure support for the increase in the Medicare levy. It does mean a Disability Insurance Scheme that benefits every Australian, either actually or potentially, or benefit somebody we love. We all have a direct interest in that National Disability Insurance Scheme. So it is fair that everyone is able to support it.

JOURNALIST:

So you are willing to compromise?

PRIME MINISTER:

No, what I said is we will be dealing with the Senate and we with confidence they will pass our measure. Okay.

JOURNALIST:

The latest – does the latest missile test raise alarm it has longer nuclear range capability? If it does, what should be done to halt its development?

PRIME MINISTER:

The North Korean regime has continued its reckless and provocative and unlawful conduct. We will continue to work with our ally, the United States, and our partners, to impose sanctions on North Korea. But as both the US President and I and others have said, the greatest responsibility for bringing North Korea to its senses lies with China. Now, I am not saying that North Korea is a satellite state of China like East Germany was of the Soviet Union. The Chinese have had plenty of frustrations in dealing with Kim Jong-un as well. But they have the greatest leverage and the greatest responsibility. We look forward to enhanced cooperation between China and the United States and the other nations, including ourselves, focused on ensuring that there is peace and stability on the Peninsula and that has got to be the objective. As you know, I have discussed this with the new President, President Moon, just a few days ago.

Okay, thank you all very much.

[ENDS]

[Commission welcomes European Parliament vote on extension and reinforcement of the European Fund for Strategic Investments \(EFSI\), the heart of the Juncker Plan](#)

The European Commission welcomes the vote by Members of the European Parliament's Budgets and Economic and Monetary Affairs committees to agree their position on extending, expanding and reinforcing the European Fund for Strategic Investments (EFSI), the so-called "EFSI 2.0".

The Commission now calls on the Parliament and Member States to continue working towards the final adoption of the EFSI 2.0 proposal as quickly as possible to the benefit of public and private promoters driving investment projects in Europe.

European Commission Vice-President Jyrki **Katainen**, responsible for Jobs, Growth, Investment and Competitiveness, said: *"The European Fund for Strategic Investments has already proven to be an important tool to boost investment, support jobs and spur growth across all 28 Member States. The extension of the EFSI represents an opportunity to build on that success. I look forward to continue working with Members of the European Parliament and Member States in the weeks to come to secure a final agreement."*

Given its success so far, President Jean-Claude Juncker announced a proposal to extend and reinforce the EFSI in his [State of the Union](#) address in September 2016. The proposal seeks to extend the EFSI's duration and enhance its financial capacity. The plan is to extend the EFSI's initial three-year timeline (2015-2018) to 2020, the end of the current Multiannual Financial Framework. The target of investment mobilised is to be increased from EUR 315 billion to at least half a trillion euro by 2020. The proposal also seeks to place a greater emphasis on additionality – the concept that a project should only be selected if it would not have been realised at all, to the same extent or within the same timeframe without the support of the EFSI – and enhance the EFSI's transparency and geographic balance.

The EFSI's extension is among President Juncker's top priorities. EU Finance Ministers already gave their backing to the EFSI 2.0 at a [meeting of the Economic and Financial Affairs Council](#) (ECOFIN) in December 2016, a decision that was later [endorsed by the European Council](#).

Background

The Investment Plan for Europe, the so-called “Juncker Plan”, consists of three pillars:

- First, the European Fund for Strategic Investments which provides an EU guarantee to mobilise private investment.
- Second, the European Investment Advisory Hub and the European Investment Project Portal which provide technical assistance and greater visibility of investment opportunities and thereby help investment projects reach the real economy.
- Third, removing regulatory barriers to investment both nationally and at EU level.

Under the first pillar, the operations approved under the Juncker Plan now represent a total financing volume of EUR 33.9 billion. They are located in all 28 Member States and are expected to trigger total investment of around EUR 183.5 billion (state of play as of 5 April 2017).

Under the EFSI's Infrastructure and Innovation Window, the European Investment Bank (EIB) has approved 206 infrastructure projects for financing, representing a financing volume of over EUR 25 billion. Under the EFSI's SME-window, the European Investment Fund (EIF) has approved 271 SME financing agreements, with total financing under the EFSI of over EUR 9 billion. Some 427,000 small and medium-sized businesses and midcaps are expected to benefit from improved access to the finance they need to expand, create jobs and innovate.

Three evaluations were prepared in line with the requirements of the original EFSI Regulation. The [Commission published its evaluation](#) on 14 September 2016, the [EIB published its evaluation](#) on 5 October 2016 and EY published its [independent evaluation](#) on 14 November 2016. These three evaluations allowed stakeholders to gain a comprehensive overview of the functioning of the EFSI and have fed into the legislative discussions on the extension of the EFSI. The [Commission published a Communication](#) taking stock of these evaluations

which concluded that they gave grounds to support the reinforcement of the EFSI.

More information

The Communication: *“Strengthening European Investments for jobs and growth: Towards a second phase of the European Fund for Strategic Investments and a new European External Investment Plan”* is available [here](#).

For more information about the proposal to extend the EFSI, see this [Memo](#).

The Commission’s evaluation of the first year of the EFSI is available [here](#).

The EFSI’s results so far including a break-down of operations by country are available [here](#).

Remarks by the High Representative/Vice-President Federica Mogherini at the press conference following the Foreign Affairs

Brussels, 15 May 2017

Check against delivery!

Je vais commencer en français pour dire que le Conseil aujourd’hui a surtout été dédié au partenariat avec l’Union Africaine et à notre travail avec l’Afrique. Nous avons eu le plaisir d’avoir avec nous le Président de la Commission de l’Union africaine [Moussa Faki Mahamat] que j’avais déjà eu l’honneur et le plaisir de connaître dans ses fonctions précédentes, comme Ministre des Affaires étrangères du Tchad et surtout dans le contexte du G5 Sahel, et à qui j’avais rendu visite quelques jours après sa prise de fonction à Addis Abeba en signe d’investissement de notre part pour un partenariat privilégié avec l’Union africaine. Sa décision de venir nous voir ici avec tous les Ministre des Affaires étrangères des 28 a été très importante. C’est l’une des premières visites qu’il ait fait, juste deux mois après avoir changé de position. Il y a eu un message très fort de notre part – la volonté de l’Union européenne de faire de l’Union Africaine un partenaire crucial, clé, stratégique – et de leur part aussi, cette volonté politique forte de travailler avec l’Union européenne sur toute une série de questions qui vont bien au-delà des dossiers traditionnels – c’est-à-dire l’humanitaire et l’aide au développement –. Nous voulons inclure dans notre partenariat, de façon centrale, le travail commun sur la paix et la sécurité sur les crises ouvertes dans la région, qui concernent aussi la sécurité de

l'Union européenne: cela va de la Corne de l'Afrique, au Sahel, à la Libye et d'autres. Cela passe aussi par les questions de développement économique, de l'énergie, de la digitalisation, et surtout par un focus sur la jeunesse et la femme dans le contexte africain. Nous avons bien préparé avec Moussa Faki [Mahamat] le sommet que l'Union européenne va avoir avec l'Union africaine fin novembre en Côte d'Ivoire.

Le thème principal sera la jeunesse. Ceci nous permettra de travailler sur des projets très concrets ainsi que sur la création d'emplois et sur l'offre de possibilités, d'opportunités pour la jeunesse africaine – ceci est une forte volonté politique des deux côtés – Afrique et Union européenne – . L'Afrique est un continent extrêmement jeune, le plus jeune du monde, avec une tendance démographique très importante. On considère en général cette réalité comme un problème, mais c'est aussi source d'opportunités si il y a des décisions politiques, des projets, qui rendent possible le développement de ce potentiel pour la jeunesse africaine. C'est cela le but principal de notre coopération avec l'Afrique.

Nous avons aussi discuté l'importance d'un partenariat fort sur la gouvernance, la démocratie avec Moussa Faki [Mahamat].

Vous l'avez peut-être aussi entendu dire un mot d'appréciation sur les partenariats sur la migration que nous venons de développer entre l'Union européenne et certains pays africains. L'Union européenne et l'Union africaine vont continuer à travailler ensemble dans ce domaine, de façon constructive, respectueuse et utile, pour résoudre les questions qui sont à la base des mouvements migratoires dans un vrai partenariat.

Je dis souvent qu'il y a beaucoup de pays africains qui sont en même temps pays d'origine, pays de transit et pays de destination de mouvements migratoires; nous avons un intérêt commun à travailler ensemble pour gérer les flux, combattre le trafic, mais surtout pour offrir des opportunités économiques et sociales, de participation politique à la jeunesse africaine.

Le titre [headline] pourrait être qu'aujourd'hui nous avons vraiment tourné la page d'une relation qui était déjà bonne, mais qui maintenant devient centrale, à la fois pour l'Union européenne et l'Union africaine. C'est une amitié renforcée et l'Union européenne considère vraiment la relation avec l'Union Africaine et l'Afrique comme sa priorité. J'étais heureuse de constater l'existence d'une conviction, d'une unanimité, autour de la table des 28 sur ces sujets. La présidence maltaise et la présidence estonienne qui va commencer à partir du 1er juillet vont aussi continuer à travailler sur ces sujets d'une façon très déterminée.

I will move to English to say that apart from having this very important conversation with the President of the African Union Commission, we also had two points on the agenda that we discussed with the ministers only on the EU-Africa relations and the situation on the Horn of Africa. We discussed in particular the humanitarian support we are giving to the region to face the droughts and the famine that is developing there [but also on security]. Starting from Somalia: the President of Somalia [Mohamed Abdullahi Mohamed] was in London last week; I met him there and we had good exchanges on the

support that the European Union is giving to the country and to his new administration both in humanitarian terms, as I said, but also in the security. The European Union is by far the larger supporter of AMISOM (African Union Mission to Somalia) and we continue to believe that our work there is essential also for our security.

We also had two other points on the agenda. We had a point on the Eastern Partnership, preparing with the ministers the summit with the Eastern Partnership countries that we will have here in Brussels in November, working on very concrete deliverables, showing the benefits that the partnership with the European Union is bringing to the population in these countries, each of them in a different manner. That was, I would say, a very constructive, a very positive session with the EU Member States Foreign Ministers. We will have in June at the Foreign Affairs Council a joint session with the Foreign Ministers of the Eastern Partnership countries.

We also had another point – actually, we started with that this morning – about the security and defence of the European Union, on the implementation of the Global Strategy on Security and Defence. We will come back to this point also with the defence ministers later in the week, on Thursday, to adopt conclusions. But it was important for me to have a conversation about that with the Foreign Ministers, given the fact that all our work in security and defence is always in the bigger picture of our foreign policy, of our humanitarian and development policy as well, because the European way to security is never limited to military or defence approach. We also take an integrated approach to security.

There was a large, consensual support to the ongoing work we are doing on defence and security that I believe it will be reflected in the conclusions we will discuss with the defence ministers later this week and, in particular, on our civil missions and operations, the relevance of them and on the military side the need to work to find better arrangements for the financing of the Battlegroups with the Athena mechanism. We also discussed and advanced on the launching of a Permanent Structured Cooperation (PESCO) in the field of defence and security and also on the other decisions we had taken already, in particular the Coordinated Annual Review on Defence (CARD) that I believe will take shape in the coming months, under the Estonian presidency.

And, obviously, the European Defence Fund that might be presented in early June and the crisis management structures, meaning the Military Planning and Conduct Capability on which we had taken unanimous decisions in March, at our Council, and now we are working on the legal text, finalising the last arrangements to have it place as soon as possible. So I would expect that both for the European Council in June and also obviously then for the second part of the year, this will be one of the files where the European integration will move more consistently and substantially as it has been in the last seven, eight months.

One last thing I mentioned already this morning. We also adopted conclusions on Venezuela. The situation in Venezuela worries us a lot, also because it involves many EU citizens who are also Venezuelan citizens. There was a full

unity of the Member States on this. I have to tell you that in general terms it was a very consensual Council; sometimes it happens. This one was really long, but also very constructive, very substantial and very much united in the determinations we have taken and in the orientations we have expressed.

Q&A

Q. Going back to Venezuela, do you think that the tone of the declaration, the conclusions that have been approved are sufficiently strong to get a change in the attitude of [President of Venezuela, Nicolás] Maduro's government? I understand that the U.S. government, the new U.S. administration of President [of the United States, Donald] Trump is thinking of the possibility of sanctions because of the new announcement of Maduro to put in place a new constituency process. I would like to know if the EU is willing to second the U.S. in the sanctions way if in a period of time we see that there is no change on the ground, given that there have already been 39 people killed in the recent manifestations, demonstrations?

A: Well, in your question you indicated the fact that the U.S. administration is 'thinking'. Obviously we are always ready to support anyone's 'thinking', but I do not see at the moment decisions or ideas for decisions being tabled on this file. What we are working on very consistently, and not from today but since years, is a very serious work to support the difficult, delicate mediation efforts that were put in place by the three former Presidents, by the Vatican, by the regional organisations with whom we are constantly coordinating.

We know very well that, yes, there is an EU interest at stake in trying to help the facilitation and to find a way out for Venezuela of this political crisis. But we trust the regional dynamics and, most of all, I hope the wisdom of the parties to find a way out from the situation as it is now. We also stand ready to provide support because our first concern is the people and people's lives. If required the European Union would obviously stand ready to support in terms of either humanitarian support or medical support, whatever can be needed by the population. This is the attitude we have now.

This does not mean that we are not clear on our assessment of the situation. I think what we state is clear enough. You don't always need hard language; you need clear language and you need clear vision on what can be useful to have a situation to move forward. This is – as I said – the common position of all of us. We hope that, I would say, we can... I do not have Italian here, no? I have Italian, wonderful! Then I will use it, also because on Venezuela I can. L'atteggiamento in cui siamo come l'Unione europea è quello di tendere una mano, innanzitutto alla popolazione. E questo è l'atteggiamento che speriamo possa avere intanto l'attenzione della popolazione venezuelana che sta soffrendo un momento di grande difficoltà e di grande tensione. Siamo popolazioni sorelle, ci conosciamo e alcuni dei nostri cittadini sono gli stessi, per noi l'atteggiamento è questo. Cercare di aiutare un dialogo politico nel rispetto delle regole costituzionali del paese stesso, con rispetto e appoggiandoci il più possibile alle mediazioni regionali che speriamo possano riprendere il loro corso.

Sorry for switching to Italian. I think it is the first time I speak Italian without a question from an Italian public.

Q. On the Horn of Africa: as you know, apart from Somalia and South Sudan, the situation in Ethiopia and Eritrea is not also reliable. You know the one-year-long protest in Ethiopia and the arrests of like Dr Merera Gudina, the long-time legal opposition leader. Did you discuss the political situation of these two countries and how will EU engage to improve the situation because this could lead to instability? And my second question: Just one month ago you have just issued a declaration regarding the Ethiopia-Eritrea conflict calling for the two states to end the deadlock. How is now EU to engage in finishing this deadlock and did you discuss it?

Yes, we discussed this. Both issues, the internal situation in Ethiopia and our role as facilitator or accompanying entity somehow for trying to solve the conflict between Eritrea and Ethiopia. I also had the opportunities to discuss this with the Ethiopian Prime Minister when I was in Addis a couple of months ago, but also last week when we were together at the [2017 London] Somalia Conference. We exchanged on this and we discussed this obviously also with the ministers.

On the situation between Eritrea and Ethiopia, you made the reference to the position I expressed some time ago. This is the line on which we are working. Today, in the debate with the ministers, there was a clear intention to play a more prominent role as a European Union, to try and facilitate some kind of solution, not only between Eritrean and Ethiopia, but also in general terms on the need for the Horn of Africa to find its own security regional architecture which is something we believe would be crucial.

I had the honour to meet all the foreign ministers of the countries of the Horn of Africa the last time I was in Addis [Abeba]. We discussed with them the possibility of starting a reflection among them on the way of taking care together of their regional security. This is not only a regional necessity. It is also something that would benefit the wider region. The Horn of Africa is quite strategically positioned and security concerns around the Horn of Africa touch many different regions of the world. The European Union is fully committed to accompany such a process, if the countries of the region would be, at a certain moment, ready to engage in this dynamic.

On the internal situation in Ethiopia, I discussed with the Prime Minister, as I did in Addis two months ago, the need to have a national political dialogue that is open and inclusive. I also met in that occasion the representatives of the opposition parties and I am encouraging all [parties] to engage – through the political channels – into a serious dialogue. I am convinced that the country has to and can find a way to have normal exchanges on the political level without this derailing into other dynamics on one side or the other.

Q: Question on the MPCC (Military Planning and Conduct Capability): this morning we heard Boris Johnson [UK Secretary of State for Foreign and Commonwealth Affairs] being pretty soft and saying that there is no political problem but only the language. But then in the end, as far as I know, the

legal text has not been agreed yet. I was wondering two things: first of all whether the London position will change by Thursday, by the next Foreign Affairs Council (Defence format), and second whether you are upset by the Brits do want to call it 'veto', but anyway by this 'no' to this text?

Do I look upset? You said it in the beginning. Boris Johnson said very well this morning: the political decision was taken back in March. It was a decision on the establishment of this MPCC taken by unanimity, including by London. And I remember very well, I was in the press room saying 'I am proud, we are advancing on the political decision and we are advancing all together at 28'. By the way, there is no other way of advancing on security and defence issues so far because the UK is still a Member State. Then, I added it: 'Now, the challenge is to implement this decision and we will work on that in the upcoming weeks'.

We have been working on this on these last couple of months in terms of defining a legal text that can translate the political decision, the political decision that is unanimous and stays unanimous, into text that can make the decision operational. Boris Johnson said this very well this morning: the political agreement is there, still a little bit of work to be done on the legal language. We will continue to work to find the most appropriate legal wording and we will see.

The important thing for me is that by the end of this week the defence ministers might be able to adopt the Council conclusions, covering the progress we have made from March to now, because that would constitute the basis for our work to continue. Sorry to bring you to the bubble and getting technical: sometimes you have to see conclusions that set the common vision for the next steps and sometimes you have Council conclusions that are meant to consolidate, somehow to take picture of where the consensus is so that this creates the basis for the further work to be continued.

The Council conclusions I would expect the defence ministers to take later this week are exactly that second kind of Council conclusions, while in the previous months we adopted more visionary conclusions. This time is more to share and consolidate the place where we are now on all the work – that seems very technical and you will find it a bit boring – to implement the decisions taken. Around the table today there was a consensus about this: strong indication of unanimity from all the 28 Member States this is the right direction, that we are doing things in the right manner on security and defence and that this is the direction which we need to continue in with the same pace which is a very sustained pace in order to be able to deliver on the decisions we have taken together.

So, I don't see a political problem. And if there is one, it has been hidden quite well but normally this is not the style we know. And the debate as I said was very constructive, very positive and very consensual, so I think this will be reflected in the work we will do in the coming days and weeks.

Q. It is actually on the same subject – a follow-up. Do you think that despite of the UK reservations, the newest structure will be able to be up and running in June, for the EU-leaders' Summit?

I hope so, I hope so. You know, for me, what is important and I pointed this out very clearly to the Foreign Ministers today but I also had a telephone conversation with the Defence Minister of the UK yesterday evening, with Michael Fallon. For me, the important thing is once we take all together, the 28 Ministers, a political decision, then, the same 28 put the same energy in making it operational. If you take a political decision, then it is your responsibility to allow this to become reality.

I would, as a European citizen, not understand the attitude of any Minister putting an obstacle between the political decision and the implementation of the same political decision he or she has taken. I would expect that things might move in the coming days and weeks as we have worked very well in these weeks after March, not only on this, because a lot of work has been done, a lot of consensus has been built. Sometimes this takes time, a lot of work, this is part of the bubble but this is the same at the national level, almost everywhere.

So, I am satisfied with the level of work that has been done both on the MPCC but also on all the other strands of work that have been discussed this morning with the Foreign Ministers and will be discussed again with the Defence Ministers on Thursday. I'm satisfied because we have done a lots of steps forward, both on Permanent Structured Cooperation, on CARD [Coordinated Annual Review on Defence], on the MPCC, even if we still have a little bit of technical work to be done. We are talking about a couple of months work that is behind us; if you consider complexity and the sensitivity of this issue, it seems to me slow but it is in reality very fast, compared to how these things have been moving or rather not moving in the last decade. So, I think we can be patient and put a lot of energy in solving the last language, legal issues that be might there.

Link to the video (remarks):

<https://ec.europa.eu/avservices/ebs/schedule.cfm?page=1&date=05/15/2017&institution=Council#s366103>

Link to the video (Q&A):

<http://ec.europa.eu/avservices/video/player.cfm?ref=I138222>

Press release – Head of the African Union Commission to address Parliament

Moussa Faki Mahamat, Chairperson of the African Union Commission will address MEPs at 12.00 on Tuesday in the Strasbourg Chamber.

A joint press point by EP President Antonio Tajani and Mr Faki Mahamat will take place afterwards.

Migration, sustainable development, economic diplomacy as well as youth and cooperation issues to do with peace and security on the continent should be among the issues to be raised by Chad's former foreign minister Mr Faki Mahamat.

Earlier this month, the EU proposed a [reinforced partnership with Africa](#) on peace and security, and job creation for youth in the two continents. The fifth EU-Africa Summit will take place in Abidjan, Ivory Coast, in November 2017, with youth as the key theme. The summit will be a critical opportunity for African and European leaders to reshape and deepen their relationship.

You can watch the plenary debate and the [press point](#) via [EP Live](#), and [EbS+](#).