

SUPREME ALLIED COMMANDER TRANSFORMATION

SACT REMARKS to

NATO INDUSTRY FORUM Berlin,

Hotel Sheraton

13 Novembre,

Général d'armée aérienne André LANATA

As delivered

2066 mots: 17 minutes



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Head of the German Federal Chancellery and Federal Minister for Special Affairs, Doctor Helge Braun,

Ambassadors from Croatia, Mister Mario Nobilo, and France, Madame Hélène Duchêne,

Assistant Secretary General for Defence Investment, Mister Camille Grand, mon cher Camille,

EU commissioner for Internal Market, Industry, Entrepreneurship and Small and Medium-sized Enterprises,

Mrs Elżbieta Bieńkowska

Your presence with us today reaffirms the strength of the link between NATO and UE.

Chairman of the NATO Military Committee, Air Chief Marshal Sir Stuart William Peach, Dear Stu,

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Senior Industry leaders from all around the world,

National Armement directors,

NCIA General Manager, Mister Kevin Scheid,

Generals, Admirals,

NATO and EU colleagues,

Distinguished Guests,

I hope you enjoyed the evening reception as much as I did and were responsible consumers of German beer and wine because I still need you today and you will understand why in a few minutes! ©

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I want to start by thanking the German authorities for hosting this event with the professionalism and friendship that has always characterized your country's relation with NATO.

I am glad the NATO Industry Forum has become such a capstone event and an important forum of exchange where we can freely share ideas and views.

I am convinced that together, Industry, whether it works in the field of defence or not, companies of all sizes, NATO Members and Partner Nations, agencies, EU representatives, academia, think-tanks and many others, all here gathered, will produce real deliverables.

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Looking to the attendee's registration, I count more than 200 representatives for the industries, with some 20 we can qualify as belonging to small and medium sized companies who I want to warmly and especially welcome.

I am also happy to meet in Berlin, the symbol of the reunification of a great Nation and one of Europe's most inspiring cities.

As we just celebrated the centenary of the end of WWI, I think it is appropriate to also reflect today on how NATO guaranteed the security and peace of Europe for almost 70 years, especially as our security is increasingly being challenged.

This unity at 29 is the key to our security and our prosperity in the Euro Atlantic area.



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I do not intend to give you a lesson on geopolitics, but I do want to share a few context thoughts that seem important to me.

Since NATO's inception in 1949, our military power was essentially based on our technological superiority.

But we have to observe that this times have changed.



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Increases in Defence spending and the availability and proliferation of technologies, have provided our rivals and potential adversaries with growing capabilities and the ability to challenge the Alliance technologically, militarily and so, politically.

Part of the increased modernization of our potential competitors' military capabilities is supported by a rapid and easy access to emerging and disruptive technologies.

Above all, innovation in the commercial sector, especially in the digital domain, has driven a massive acceleration of the pace of technological development.

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A number of state and non-state actors are developing new capabilities, by combining and exploiting available technologies with disruptive tactics and concepts.

To underpin this, let me tell you this story about a Ukrainian officer who developed in 2013 an Uber software-like artillery "app" which was extremely effective for coordinating fires.

In 2014, this app was contaminated by a malware able to retrieve data.

It led to the identification of accurate locations of some Ukrainian artillery units... which were then engaged.

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What this illustrates is the unprecedented and extremely dynamic possibility for anyone to develop and field a capability solution, including its countermeasures, which is solely derived from the civilian world.

In several key military areas, not all of course but several, the gap between NATO Allies and the rest of the world has narrowed, testing our ability to respond.

As a former Chief of Staff of the French Air force, I know how much our aerial operations are deeply dependent on our AWACS.

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They were a key element for example, of the US, France and UK joint strikes in Syria, last April, in response to chemical attacks by the Syrian regime.

The increase in the threat level displayed by our peer competitors has made areas of operations less permissive, I mean much more contested than in the past.

This must lead us to ask ourselves: do we want our C2 and surveillance capabilities to rely on very high value assets such as AWACS?

As we initiate the process for their replacement, are other solutions available to cover this requirement?

I will come back to this question later on.

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To achieve that, we must radically change our methods and our mind-sets, especially in domains where the commercial sector has taken a strong technology development lead.

Each modern organization has to adapt, change and exploit opportunities in order to best cope with a dynamic environment.

This is a necessity and a matter of urgency!

This is what our forum those days is all about!

Some of you may have doubts when I am talking about NATO's adaptation.

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You may think: "NATO is a bureaucratic Institution with a slow consensus decision making process at 29, which is so difficult to work with".

Yet, it is precisely this unity at 29 Nations that makes our strength!

A decision at 29 is a strong warranty for sustainability and stability.

In addition, those Nations have pledged to respond to the new security context.

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As a result, western defence military budgets are actually increasing while the share devoted to capabilities is also increasing. It is a fact!

This opens up many perspectives and should generate increasing business opportunities.

And, that's good news for all of us including Industry... ©

Since 2016 the pace has accelerated again.

At the NATO Warsaw Summit, Member Nations agreed to "identify advanced and emerging technologies, evaluate their applicability to the military domain, and implement them through innovative solutions."

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They decided an evolution of the deterrence and defence posture to ensure "an Alliance that is fit for purpose".

This led to the adaptation of the NATO Command Structure (NCS-A), a big step forward to clarify roles, responsibilities and authorities between the two NATO Strategic commands.

As part of this adaptation, NATO has adopted a new governance model for Common funded capabilities delivery, which will allow us to be more agile and more convenient to work with you.

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Since the NIF 2016, building upon the recommendations of last year's event, NATO has worked tirelessly to further improve relations with your companies and to spread a culture of innovation internally, with ACT being one of the major force driving Innovation for the Alliance along with DI.

Following the Brussels Summit last July, we made some commitments, and we have delivered.

Here are just two examples:

 Three NIF-branded events, dedicated to Logistics & Sustainment, Distributed Networks and Cyber were conducted;

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- The approval, last year of the second spiral of the Federated Mission Networking.

It will be followed, this month, by the third spiral.

These 3 spirals, in 2 years and a half, are an incredible progress.

It allows our armed forces to implement interoperability standards in a synchronised manner, in order to achieve "Day Zero Interoperability".

Finally, following last year's NATO Innovation challenge, we are currently working with the winner on how to transform their innovative idea into an operational capability.

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Through this quick loop, this challenge, of which we had the third edition here in Berlin yesterday, has proven to be an excellent way to develop future products faster, and improve the defence and security posture of the NATO Alliance.

Moreover, two weeks ago, the Trident Juncture Exercise in Norway, where we worked, shoulder to shoulder, with more than 15 companies from 9 Nations, illustrated the way we adapt.

Let me highlight some of the 21 experimentations we conducted in Norway, alongside 50.000 soldiers, sailors and airmen deployed within the exceptional framework of this exercise:

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- Autonomous systems for logistics and base force protection associated to "*Amazon-like*" special delivery, by drones, of 3D printed spare parts directly to our deployed troops, using a simple "*online order*" to replace broken pieces of equipment (not only plastic or glass fibre but steel, carbon and even concrete…);
- The Information Environment Assessment project, which is one of the lines of efforts of our recently developed Emerging and Disruptive technologies roadmap, is federating our ability to profile the information environment. It will advise operational and senior political leaders about how NATO messaging is received by our audiences or how it should adapt to address on the adversary's message at the speed of relevance.



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As you can see, NATO is moving forward and we will not stop here of course!

Along those examples, ACT, with NATO Headquarters and diverse entities, such as agencies and Science and Technology Organisation, has been a major innovation driving force within the Alliance for some years now, but great challenges are ahead of us.

We will continue to seek new and imaginative solutions and improvements.

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While large projects will of course remain important, we believe the traditional capability development model must also be complemented by a new, more flexible one.

I said complemented, not replaced...

A model that allows us to make the most out of civilian innovation to rapidly reinforce our military.

Our goal is to deliver faster the right capabilities to the War fighters, through a paradigm shift:

 From stove pipes to open communities of interest, with a strong emphasis on bringing operatives, solution providers,
 I mean from researchers to major companies, and capability designers, that is to say procurement agencies or plan and programs entities, closer together;



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- From platform-centric to data-centric capability architectures, paving the way to what I call the "collaborative connected warfare".

Typically, this is the approach that I am convinced we need to adopt for the Alliance Future Surveillance & Control (which will replace our AWACS), on the basis of the outcomes of the distributed networks NIF-branded event I mentioned earlier;

- From traditional top-down, V-model, risk-adverse approaches, to bottom-up, spiral development.



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Doing so, we have to accept that risk is part of exploratory phases, with the multiplication of proofs of concept and experimentations.

But, this is quite easy to accept, instead of realizing too late that we get partially unadapt product.

We then can seize the opportunities offered by solutions coming from the civilian domain.

We can react to the concrete problems end users are facing, and rapidly deliver operational capabilities through successive increments, in a "mobile app" philosophy.



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This new paradigm can become a reality only through a renewed partnership with you, the industrial community – traditional defence industries, large groups, Small and Medium Enterprises and start-ups.

This is the main purpose of this event.

I've already noted a few takeaways from yesterday's Breakout Sessions:

- the idea of taking ACT innovation hub to the next step,
 making it a real "lab" by giving it rapid prototyping capacities;
- The idea of a NATO Open Innovation Alliance offering a framework of shared principles and values for open



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innovation agreements between SMEs, especially startups, and major defence companies, under the "moral umbrella" of ACT.

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I expect the next three plenary discussions will generate additional fresh ideas for new mechanisms, initiatives as well as recommendations for amending or creating required policies.

What, in your view, is hindering innovation in NATO?

The common thread during this Forum is Emerging and Disruptive Technologies.



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With that in mind, I need to hear from you what are the critical technological areas we need to investigate together, both from the opportunity and threat standpoints.

Beyond that, I also count on you, as solutions providers, to share with us your ideas.

You have yourselves, in your own organizations, faced these challenges, how to leverage these new technologies in future systems or new services, to provide cutting edge capabilities.

As I said before, NATO is an Alliance of countries and values.



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And, without ignoring the reality of industrial competition, we, 29 Nations, with our increasing military budgets, with the best in best competences in terms of technology and industry, will succeed.

I have no doubt.

The solutions are at our fingertips. We have to create the conditions to make them accessible, fast, faster...

And for that there is only one answer: we must work together with the innovators in industry to maintain the edge.



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This has allowed the Alliance to guarantee peace and security in its territory for 70 years.

This is our common ultimate goal!

To extend this dialogue, Henry Kissinger used to joke: "Europe? Give me a name and a phone number!?"

Well, I am here to tell you that if you want to call NATO about Innovation, Capability Development Requirement and management, my name is André Lanata, at ACT Norfolk, and my phone number is +1 (757) 747-3400! ©

Thank you for your attention.