

HEARING OF THE MINISTER OF DEFENCE BEFORE THE JOINT COMMITTEES OF THE
SENATE OF THE REPUBLIC (4TH Committee- Defence) AND CHAMBER OF DEPUTIES
(IV Committee- Defence)

Rome, 26 July, 2018

In the first place, I would like to thank the Chairpersons of the Defence Committees, Senator Donatella Tesei and Member of Parliament Gianluca Rizzo, as well as the members of the respective Committees, for this meeting on the guidelines of the Ministry that I represent.

This is our first opportunity for discussion, and I hope we will have frequent and fruitful meetings in the future.

Let me start from a vital pre-condition: **Italy is a democratic, peaceful country, with a firm European stance.**

Our Constitution firmly rejects war as an instrument of aggression. At the same time, we have the sacred duty of defending our Fatherland also by actively contributing to international security, with our European neighbors and Transatlantic Allies.

Item 9 of the Government Contract signed by the two political forces that make up the current majority openly declares that we must: “Improve and increase the effectiveness of the Defence sector” .

We will do that by implementing the following Guidelines:

- Safeguarding the civilian and military personnel of the Ministry of Defence;
- Reflecting on Italy’s role within NATO and the European Union;
- Protecting our territory and national sovereignty, also by hiring more personnel (depending on available financial resources);
- Safeguarding the Italian Defence industry by stimulating the design and construction of the required military systems;
- Financing research and the implementation of our national know-how;
- Reassessing our presence in international missions depending on their actual importance for our national interests;
- Rationalizing the use of resources for military spending, in order to prevent wasting economic resources and useless duplications, also with regard to real estate assets no longer suitable for use;

These guidelines rely on two key words that will characterize our government action in the sector of Defence in the next five years.

Resilience is the first one.

The second one is *Dual Use*.

The first one, *Resilience*, is the ability to adapt to changes, more precisely to the changing threats that our country has to face. Hybrid, multifaceted threats that oblige us to set new objectives and confront new challenges, giving impulse to a thorough review of the Defence concept itself.

Dual Use, on the other hand, is the awareness that we must support and, at the same time, broaden dual use opportunities for non-military use of Defence capabilities, also to support the above-named Resilience. This approach will allow our Country to step up its collective security with regard to all the threats and natural disasters that may disrupt our citizens' every-day life.

Resilience and Dual Use, therefore, so that the Defence Ministry may no longer be perceived exclusively as a military tool, but rather as a system in its own right, integrated and connected at various levels.

The new threats that we are faced with require these kinds of skills and, in this regard, my work will aim at making Italy a safer, more secure country in all respects, including cyber security.

SCENARIO

Starting from the 1990s, geopolitical scenarios have deeply changed.

As I have explained earlier on, we are faced with hybrid threats, the gradual replacement of the human element with increasingly complex technological ones within the decision-making process, growing instability and crises and the consequences of natural disasters.

International equilibrium is under the constant threat of extremisms which attack countries both within and outside their borders, where they protect their so-called "long-distance" interests.

We are tackling emergencies and humanitarian crises that will continue to force especially more stable countries to take over the burden of mass migrations, putting to the test their domestic social balance and security.

Last but not least, we must take into consideration the influence and increasing impact of crime and climate changes on collective security.

Within this scenario, a reliable analysis of future trends must adopt a multi-dimensional approach at all levels: joint, inter-agency and international.

As you all know, the activities of the Armed Forces are concerned with four main tasks:

- 1) Defending the State;
- 2) Defending Euro-Atlantic and Mediterranean spaces;
- 3) Contributing to peace and international security;
- 4) Supporting other departments .

The latter is a fundamental item since, based on future trends, it is foreseeable that the Defence Ministry will be increasingly engaged in these kinds of activities, whose boundaries are more and more blurred because of hybrid threats.

Therefore, to tackle these complex changes, the Armed Forces must develop a strong adaptation model, while maintaining their institutional priority, i.e. defending the State.

VISION

In this regard, and in line with our Government Program, I will commit myself to promoting the planning and implementation of an **actual systematic national strategy aimed at enhancing collective security and – as I have explained earlier- national resilience**. Said strategy will be developed in cooperation with other Ministries as well as the industry, academia, research and private sectors.

In the last decade the Defence has been asked more and more often to make its competences and capabilities available to other Ministries in order to carry out non-military tasks, thus implementing the “**resilience**” concept in its broader meaning.

I have already explained that “resilience” is the capacity for adaptation of the entire State apparatus, i.e. its capacity to stand up and respond to whatever might disrupt its security, domestic stability and governability by **cooperating with other Ministries** - within their individual areas of responsibility- especially as regards providing support to the President of the Council of Ministers in his/her capacity as National Security Authority.

As regards the Ministry of Defence, our country faces different risk scenarios: from a possible armed attack to a cyber attack, to other potentially destabilizing actions, including in the economic dimension.

One can easily conclude that a single Ministry can tackle neither a single one nor a set of said threats individually: we must respond jointly, by implementing a **systemic approach**.

We therefore want to turn the “defence” concept as we know it into an actual Defence System, part of the **Collective Security** Concept as applied to the entire national economic system.

SAFEGUARDING THE CIVILIAN AND MILITARY STAFF OF THE DEFENCE MINISTRY

As regards the Ministry of Defence military and civilian personnel, it is common place to say that there is still a gulf between them.

On the contrary, I like to dwell on what unites them, i.e. serving the country, a dimension that includes every single member of the Defence Ministry, be he/she civilian or military.

There is a family behind them all. There are duties as well as rights.

In our barracks, offices or bases, both at home and abroad, our staff is made up of parents, children, siblings, friends: people that make us proud.

In line with the principles of our program, I intend to commit myself to safeguarding the legitimate expectations of our men and women, in uniform or not, on themes regarding their every-day lives, such as:

- Safeguarding family relationships (by optimizing relocations and engagements, and solving housing issues);
- Safeguarding parenthood (maternity and paternity);
- Safeguarding their health.

We must make sure that families, and the preservation of family unity, are given maximum protection, because they are our cornerstone.

I must recognize that various commendable initiatives have been implemented in the last few years to foster serenity in our families: for example, the establishment of kindergartens within military facilities, the enforcement of rules safeguarding parenthood and the establishment of social protection facilities.

However, the lack of an appropriately careful planning of relocations aimed at providing sufficient stability to our personnel, wherever it occurs, may nullify these provisions.

It is unacceptable to penalize the children of our military by not providing due notice of relocations, thus hampering their continuity in school attendance.

In this regard, I deem it necessary that the Armed Forces finalize as soon as possible a plan addressing all categories of personnel, allowing them to think ahead in the short-to-medium term (three/five years) with regard to their expected employment.

Still within the sphere of safeguarding the legitimate expectations of our personnel, I would like to dwell on the advancement system of our military personnel.

Advancement is the tool that allows identifying those who most deserve a promotion to the next higher rank. This career progression clearly aims at ensuring that the most able personnel be assigned to positions of higher responsibility at the different levels.

It is equally clear that greater responsibilities entail higher salaries.

I intend to make sure that promotions be exclusively based on merit, granted within coherent timelines, and that they comply with legal obligations and personnel expectations.

Therefore, I shall monitor promotion procedures and direct my work toward all those advancement processes which allow for the optimization of timelines and modalities (advancement based on seniority).

On this subject, I deem the continued updating of the reorganization process of military personnel roles and careers, within a coherent context embracing the whole Defence and Security context, to also be a priority.

A common effort is needed with regard to salaries, careers and improving quality of life, especially of personnel in the lower categories.

As regards the most senior age groups, I will commission the Defence General Staff to assess the possibility of employing them in dedicated organizational units deployed across the national territory for prevention and emergency tasks.

This project can be implemented - using existing organizational structures - by introducing specific, appropriately structured and trained organizational elements allowing the Public Administration to take advantage of the competences and professional skills of the Defence sector **to implement non-military tasks**. At the same time, the most senior military personnel can be employed while respecting family demands.

As mentioned earlier, personnel is a protagonist in the institutional review process.

I believe it is a priority to invest in the civilian personnel of the Defence.

Within this framework I intend to re-launch and enhance the Defence civilian component, who also work in highly specialized sectors and include particular professions that are not easily found in other Public Administrations.

Training of personnel, aimed at increasing professional competences, is the core of this investment project.

Training is a strategic item, since competence and continued training allow all personnel to contribute significantly to make the Administration more efficient, and above all more innovative.

As of now, I will put forward a multi-year training plan designed to meet the broadly different specific requirements of the Defence Administration. We will take advantage of the margin for further development of the existing Public Administration's tools and resources, in close cooperation with the Scuola Nazionale dell'Amministrazione (National School of Administration).

Change is also fostered by the employment of new personnel, who can, at the same time, build upon the experience of those who have served the Administration for many years.

Within this context I intend to promote youth employment in the Defence Administration with a recruitment plan, in particular in the technical/industrial area, linked to a training programme providing for long-time employees to act as trainers.

Under this project, we will carry out training of new recruits across the country, working in synergy with local authorities and the business community that revolves around the Defence sector, in areas where arsenals, plants, maintenance facilities, and military establishments with an industrial character must offer opportunities for development.

As mentioned earlier, this Government will work to implement recruitment programmes aimed at offering new opportunities for personal fulfillment especially to our youth. We intend to develop this approach across the country's different sectors of activity, including Defence and Security.

I will also foster new recruitments in the sector of law enforcement pertaining to my Ministry, i.e. the Carabinieri Corps, in order to contribute, in synergy with the Ministry of the Interior, in the fight against terrorism, mafia and volume crime: the latter phenomena are especially entrenched in our national territory.

I am determined to pursue these objectives.

As regards the pursuit of trade union rights by personnel of the Armed Forces and Police Forces with a military status, let me underscore the recent decision of the Constitutional Court that has finally recognized the right for the military to establish professional associations with a trade union character according to the terms and limits established by the law.

That decision bridges the broadening gap between the Italian military and those of the other European states.

The recognition of said rights must be fully defined in the national legislation, which must be drafted and approved by the relevant entity, i.e. the Parliament.

The bill, in my opinion, shall take into consideration the specific nature of the military as well as the constitutional principles regarding the defence of the homeland. As a

consequence of the latter, specific restrictions and implementation procedures must be applied in exercising trade union rights.

Protecting the health of the Defence personnel is another theme that, I believe, must be given particular attention.

Concerning health protection and safety in work places, the Armed Forces, based on their peculiarities, seem to neglect the demand for reviewing the current approach.

In this regard, I believe that such peculiarities must not be regarded as an instrument to justify a reduction of protection, but rather as the basis for requiring that personnel health and safety be guaranteed by effective preventive measures.

I believe we need a new legal framework to strengthen Defence personnel health protection, of course with particular regard to members of the military exposed to major occupational hazard.

Within this context, the conclusions of the Investigation Committee on Depleted Uranium, and the relevant bill developed by the previous legislature, can be a useful starting point to elaborate a new legal framework, ensuring the protection of personnel without interfering with the functioning of the Armed Forces.

DEFENCE, NATO, THE EU

During the first weeks of my mandate I have taken part in the NATO ministerial meeting and, successively, the NATO Summit and EU Foreign Affairs Ministerial in Defence Format.

Our country is one of NATO's funding nations. Next year the North Atlantic Treaty will celebrate its 70th anniversary.

For us, NATO is the reference organization to guarantee an appropriate security framework for the entire Euro-Atlantic region and implement dissuasion, deterrence and military defence against all threats.

Italy contributes to the different initiatives originating from NATO's three Core Tasks: Collective Defence, Crisis Management and Cooperative Security.

In order to implement the above-named tasks NATO must anticipate and prevent crises and guarantee collective defence, ensuring that its Member States' Armed Forces maintain adequate technological and operational capabilities.

Cooperation strategies with International Organizations and the EU, and initiatives in favour of Partner and Allied Countries fall within this context.

In this regard, **the Defence Ministry will continue to promote all initiatives aimed at strengthening and directing the Alliance toward the Mediterranean area and the Middle East, to tackle the ongoing crises and enduring regional instability, as well as the threat of terrorism and violent extremisms in a systematic manner.**

NATO has identified the strategic characteristics to be met by the Armed Forces of Member Countries, including their ability **to integrate with non-military components in *Non-Combat Operations* and operations aimed at supporting civilian resilience across the so-called *multi-purpose by design* paradigm.**

The latter refers to the development of multi-purpose military capabilities, a sector in which our industry, in adopting the operational requirements of our Single Service Staffs, is already a leader at the global level.

In order to tackle the complexity of change, adaptation must also include an evolution of the “protection” concept from **defence** to **collective security** and then **resilience**.

That is why, during the last Brussels NATO Summit, we have strongly supported the Italian interests, underscoring that our country is already providing a large contribution to the Alliance.

Above all, we have submitted a proposal: we want national investments made in the field of resilience – in particular cyber and energy resilience- to be included in the 2% of GDP that NATO countries have decided to allot for defence expenditures.

This investments also include the civilian sector, and our objective is that the 2% objective shall include Italy’s efforts aimed at strengthening our domestic security.

This must obviously apply to all Member States because the security of each and every one of us is the security of the Alliance, and it adds up to the prospect of NATO being able to also look to the South, to the Mediterranean.

That is why we must work in order to include in the Collective Security items – Cash, Capabilities and Contribution- also Space and Cyberspace, two new environments, and therefore operational domains. We must do so also by designing *Multipurpose by Design* assets.

Energy security also deserves to be discussed, as it is the fundamental condition to guarantee national security.

In the medium-to-long term the Italian Defence aims at achieving a high level of energy resilience, production and supply from sustainable sources, in order to incorporate or mitigate the effects of possible attacks or natural disasters while ensuring that the capabilities and operational preparedness of the military be maintained, both in the Homeland and in Theatres of Operations.

In particular, as regards the infrastructure sector - starting from sites of strategic value- the Italian Defence Ministry aims at establishing some *Smart Military Districts* where self-consumption will be maximized and management of energy flows will be carried out in real time, within a well-defined cyber security context.

Within this framework, as regards the protection of critical energy infrastructures, the Italian Defence can play a crucial role - also by supporting other Ministries- both as an institutional agency possibly tasked to host critical strategic nodes of the supply/distribution network, and for its effective contribution to the Country's cyber defence, so as to apply the consolidate paradigm *energy security- cyber security*.

THE EUROPEAN UNION

The Lisbon Treaty has introduced the so-called Permanent Structured Cooperation (PESCO) within the provisions of the EU Public Security and Defence Policy, in order to strengthen its European dimension by translating into concrete activities the already approved EU Global Strategy (EUGS). PESCO allows EU Member States to strengthen their reciprocal cooperation in the sector of security and defence, and aims both at developing new military capabilities and integrating operational capabilities.

Italy has always been, and remains, one of the Member States that have promoted the initiative and supported its implementation in an inclusive mode.

For our Country, this is also a significant opportunity in the field of industrial development and growth –with, therefore, a positive impact on employment opportunities- thanks to the huge potential of our national Defence Research and Development sector with regard to design, production and use of innovative operational capabilities.

To this end, Italy intends to support and enhance European initiatives: in particular, the *European Defence Fund (EDF)*, which provides funding both for technological research in the defence sector (*Research Window*), and for the common development of European Defence strategic capabilities (*Capability Window*); and the *European Defence Industrial Development Programme (EDIDP)*, a European Commission plan which aims at supporting multilateral cooperation projects submitted by industrial consortia requiring the support of their Member States.

NATO AND EUROPEAN DEFENCE

On the occasion of the recently held Brussels NATO Summit, NATO and the EU have renewed their joint commitment -signed in 2016 - to reinforce their strategic partnership

and fully implement cooperation according to the *No Duplication, No Competition* postulate, in order to strengthen common security.

Also within this context, significant opportunities may exist for our Country's industrial and economic system in connection with the design and production of innovative capabilities within the framework of the capability development processes of the two Organizations, i.e. the EU *Capability Development Plan* (CDP), and NATO *Defence Planning Process* (NDPP).

Within this context, strengthening the *Hub for the South* becomes particularly important.

Our national position, in fact, is to focus NATO's efforts to support stabilization activities by implementing concrete projects – among them, namely, NATO *Naples Strategic Direction South Hub*- as well as by defining an appropriate advanced planning for the South.

SAFEGUARDING ITALY'S DEFENCE INDUSTRY AND RESEARCH

The upgrading of the Armed Forces must take place in synergy with the Country's industrial and economic system to foster the necessary development and pave the way for new employment opportunities.

A spending review will be fundamental to minimize the waste of public resources. In the future, no one will be able to say that defence expenditures are useless if we rationalize them, make them productive and tailor them to fit our collective defence requirements.

I will foster the dissemination within the defence industry of the *Multipurpose By Design* paradigm for the development of multipurpose military capabilities, able to support the Armed Forces in implementing the four main tasks that I have mentioned at the beginning of this paper.

Therefore, we must take into consideration the "support and specific tasks" already carried out by a greater number of military than those deployed in Out-of-Area missions (approximately 7,000 deployed in *Operation Safe Roads* and *Task Group Genio*, as compared to 6,000 engaged in out-of-area missions).

Coherently with a unitary, collegial and systemic vision – i.e. the *Whole of Government* approach- and with the *Multi-Purpose by Design* paradigm, it is necessary to create and integrate advanced expertise in the defence industry sector by establishing **highly specialized Competence Centers set up by the Academia/Research Centers and Industry** (large companies and Small and Medium Enterprises – SMEs).

The above-mentioned Centers will foster technology transfer and innovation in production processes, products and business models deriving from the development, adoption and

dissemination of enabling technologies, e.g. *Artificial Intelligence, Big Data, Data Clouds, Internet of Things (IoT), Block Chain, Cyber Security and Satellite Technologies*.

A crucial enabling factor will be the establishment at the Ministry of Defence of an Operations Center tasked to:

- Supervise the above-mentioned Competence Centers;
- Support SMEs and Academia/Research Centers to safeguard and enhance intellectual property, i.e. the strategic asset for development and competitiveness;
- Support the integration of SMEs and Academia/Research Centers within the Value Chain of the Defence industry;
- Support our industries to penetrate international markets.

This Government will create a “*Defence of Industry*”, a “*Defence of Research and Strategic Innovation*”.

As regards the F-35 Programme - a most discussed 20 year-old programme that has been confirmed, so far, by all successive Governments- I have asked the competent services to carry out an in-depth assessment, taking into account the capability requirements of our Armed Forces, the connected job potential, possible industrial returns and other useful variables, in order to fuel a comprehensive reflection on this dossier.

Any political assessment issued before acknowledging the conclusions of the competent services, despite our ongoing concerns on this programme, would appear superficial, careless and misguided.

Furthermore, I will promote the use of firing ranges and training areas with a high technology content - in full compliance with environmental and territory protection rules- as research, testing and certification facilities for multi-purpose/systemic dual use technology and capabilities. All this, in cooperation with the Academia, research centers, industry and local authorities, will be implemented based on the **service outsourcing** concept, in compliance with the effectiveness and optimization principles applying to the entire Defence-Industry-Academia-Research Centers system.

Speaking about resilience I have mentioned the **Collective Security** concept.

I would like to combine it with the **Collective Budget** concept, seen as a National Systemic Commitment for the strategic/capability development of the whole Country.

In fact, besides the well-known national and European investments allotted strictly for the operational development of the military, the “investment” item also covers the national and EU cash funds dedicated to the development of **Collective Security** technology and the relevant **in-kind** component pertaining to industry/academia/research centers, which includes the know-how and infrastructural background made available for investment programmes.

AREA/THEME: CYBER DEFENCE

Cyber threats are a further risk factor that we must take into consideration. At the same time, big investments must be made in the cyber sector to provide enhanced defence and security levels to the country.

In line with the development process of Cyber Defence themes within the NATO framework and, in general, with “digital transformation” programmes, the Defence Ministry has already identified the operational requirements aimed at reinforcing security in the cyber space.

In particular, we have launched a number of acquisition programmes to procure high technology operational tools able to guarantee the protection, resilience and effectiveness of the Defence information management and operating systems and networks.

We must continue to invest in this context in order to further enhance our cyber protection and internet security tools and procedures, by gradually increasing our ability to counter threats in an effective manner.

It is also necessary to acquire the operational capabilities to support the newly established Joint Cyber Operations Headquarters (CIOC).

INTERNATIONAL MISSIONS’ REVIEW

I am aware that, currently, on the other side of the Mediterranean Sea, crises of momentous historical significance are ongoing, and their consequences affect Italy and Europe’s security and stability.

On the other hand, I am also aware that the men and women of the Italian Armed Forces are already there, in those challenging Theatres of Operations, where their contribution for the establishment of the law, freedom and peaceful coexistence is highly appreciated.

Outside the national context, Italy will maintain its protagonist role in missions aimed at re-establishing international stability, and in responding to and tackling the many challenges that we have to face today.

The Italian military will continue to take part – with their professional skills, devotion and high sense of responsibility- in the missions that the current Government, with the assistance of the Ministry of Defence, will deem to be vital in accordance with our national interests.

However, I would also like to underscore the decisions that were firmly reiterated by this Government: security, but also informed decisions on the employment of resources and actual national interest level in each single mission.

Afghanistan, for example, is one of the missions where we must review the size of our contingent, by coordinating replacements with the Allies.

RATIONALIZATION: RESOURCES AND GOOD MANAGEMENT

We must thoroughly enhance the Defence Ministry real estate assets, also based on the restructuring of the Armed Forces established by Law 244.

That is a very sizeable estate, with a significant impact in Italy's different geographical areas.

To follow on the previously-mentioned resilience, the enhancement of our real estate will take into account and support local requirements.

For example, naval bases located in the vicinity of merchant or tourist harbours can enhance the appeal of neighbouring civilian ports. We will thus stimulate and enable the further development of local businesses which revolve around merchant marine activities.

As regards bureaucratic hurdles and budget shortages, they must be tackled by both enhancing virtuous cases and supporting local businesses and entities, also by participatory democracy initiatives, allowing citizens to express their opinions.

CLOSING REMARKS AND DUAL USE CAPABILITIES

To sum it up, I am going to close my speech by underscoring that collective security and national resilience challenges concern, besides the military, the whole Country, intended as a system made up of civilian, public and private components. Therefore, it is increasingly important to establish operational synergies and systemic collegial and institutional cooperation. On the basis of their reference legal framework and peculiar capabilities, for a long time now the Armed Forces have been providing the Italian society with services that exceed the collective security sector.

Our military support interventions coordinated by other Ministries in case of extraordinary/urgent circumstances, reconstruction and stabilization.

We need to establish greater operational synergies and reduce duplications: this will result in State budget savings and, at the same time, better and more efficient services for the collectivity.

In this context, I intend to seek every favourable occasion to design and employ the same equipment to meet the same kind of requirements. While this has been the Space Sector approach for a long time, other sectors adopt it only from time to time, often as a response to a contingency event.

As I have clarified at the beginning of my speech, two key words will guide the actions of the Government and the Ministry that I represent: *resilience* and *dual use*.

Ahead of us there are years of work aimed at seeking dedicated resources, for example a single fund for the analysis and classification of all actual/potential cooperation initiatives and capability standardization.

In brief, we will change today's fragmentary approach into a systemic, efficient practice.

Therefore, a renewed interest in research and innovation, together with leadership and a cultural approach directed toward designing, producing and employing multi-purpose military assets, will allow the Defence Ministry to contribute to National Security in an increasingly effective and efficient manner, thus providing a significant opportunity to our Country in the industrial, labour and commercial sectors: a necessary driver to increase Italy's recognizability and competitiveness in the world.

To conclude, in reiterating the resilience concept I intend to support the President of the Council of Ministers in his position as the National Security Authority, by effectively cooperating with other Ministries to defend the Italian People and support Italy's strategic interests.

For a more prosperous country, a more efficient Defence, and a better future. Our future, and that of our future generations.