

**European commission new initiative, with the European Defence Fund (EDF), has for objective to increase EDTIB competitiveness and to propose incentives to European cooperative programmes. It could have consequences on the EDTIB structure with further consolidation. EDTIB future will also be shaped by the external landscape, particularly with the acquisition by EU countries of US made equipment and their cooperation with US DTIB on armament programme. This report evaluates the links between EU and US DTIB, it highlights the challenge of the future relationship between US and EU on defence industrial matters in view of the EC communication on the European Defence Fund and of the PESCO. Finally, the report makes recommendations to foster the creation of a more fruitful and balanced relationship between EU and US DTIB in the future.**