



PRESS RELEASE

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PUBLIC BODIES AND POLICIES

IN-SERVICE SUPPORT FOR MILITARY EQUIPMENT

Continuing rationalisation

The *Cour des Comptes* - French Supreme Audit Institution - hereby issues a thematic public report regarding in service support for military equipment.

In a previous report, in 2004, the *Cour des Comptes* noted that the crisis of availability of military equipment observed at the beginning of the 2000s was explained by reduced allocation of in-service support funds at the end of the 1990s, and by structural causes connected with the organisation of the Ministry of Defence in particular. Although the allocation of funds has since increased, and the Ministry of Defence has thoroughly reorganised in-service support, difficulties nevertheless remain, characterised by inadequate availability and increasing cost. In a context of intensive involvement of French armies in operations, an effective in-service support, able to guarantee optimal availability of military equipment, is a legitimate demand.

Availability problems, increasing cost and structural constraints

The availability of military equipment has not noticeably improved in the course of the period under review. Although operations and the preparation thereof in mainland France have the benefit of guaranteed priority levels of availability, on the whole these levels remain inadequate. Yet, in-service support budgetary expenditure has increased by 22% in constant euros since 2000, reaching €6bn. in 2012. The majority of this expenditure involves aeronautical equipment.

More than 45,000 people work on in-service support within the Ministry of Defence: this item of expenditure has increased by 19% in constant euros since 2000, the axing of almost 6,500 jobs between 2008 and 2012 not having led to any overall savings.

In-service support teams are obliged to manage the maintenance of heterogeneous stocks of equipment, distributed throughout the territory as a whole, often greatly in demand for operations and of which a proportion is ageing.

Rationalisation of the organisation of in-service support to be continued

The dispersal of sites, in addition to that of forces, acts as a brake upon the industrialisation of processes and complicates logistical constraints.

In the aeronautics field, this scattering of sites echoes the high number of airbases. However, the dispersal of in-service support workshops and sites is most marked with regard to ground forces.

The *Cour des Comptes* suggests that the terms of the new workforce reduction within the Ministry of Defence (-24,000 jobs) and the impact thereof upon the in-service support workforce should be specified in order to enable real forward-management of jobs and investments. The current practice of announcing restructuring on a year-by-year basis does not make this easy.



The building of a new partnership with manufacturers

Within the Ministry of Defence, the grouping together of “design and purchasing of new equipment” and “supply of in-service support parts and components” functions, does not appear to be desirable in the form in which it is sometimes envisaged. On the other hand, the Ministry would be well-advised to structure the maintenance of military equipment throughout its lifespan. Choices of design and replacement of this equipment also need to take into account, as from their negotiation, the impact of equipment selection with regard to in-service support.

The Ministry also needs to reinforce its capacity for negotiation with suppliers, with which the State has a complex relationship. Being at the same time client, shareholder and strategist, it has to take care of reconciling several different, and sometimes contradictory, objectives. By taking a more demanding attitude in its procurement, and buying services at optimal cost, the Ministry of Defence would also prompt its industrial partners to become more competitive, on export markets in particular.

Recommendations

The *Cour des Comptes* sets out nine recommendations, aimed at:

- ensuring the reliability of information concerning full costs, workforce and budgetary expenditure with regard to in-service support, while implementing appropriate cost accounting;
- making workforce changes visible to in-service support professionals as quickly as possible, in order to enable them to conduct the necessary restructuring in an effective way ;
- resolutely implementing densification, specialisation and reduction of the number of in-service support sites;
- ensuring renewal of skills for civilian staff, on permanent sites, where need is demonstrated, using qualified contract staff;
- taking greater account of in-service support at the equipment design stage;
- improving coordination between initial and in-service maintenance contracts;
- standardising maintenance rules between the various armed forces;
- improving the contracts established with suppliers, selected through greater competition, grouping together purchases of services and spare parts and applying a more exacting penalties policy;
- improving the Central State’s capacity for negotiation with suppliers, in particular by reinforcing cost investigators’ prerogatives on monopolistic markets;

[Read the report](#)

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