LETTER OF INTENT

between the Ministry of Defence of the Kingdom of Sweden and

the Ministry of Defence of Hungary

on

Defence Cooperation

The Ministry of Defence of the Kingdom of Sweden and the Ministry of Defence of Hungary (hereinafter referred to as "Parties"), note the new agreements on the continued cooperation regarding the Gripen Multirole Aircraft System.

Being members of both the North Atlantic Treaty Organisation (NATO) and the European Union (EU), Hungary and Sweden are strong partners with shared security interests. Both Parties emphasize that NATO and EU are key for Euro-Atlantic security and stability, reaffirm their commitment to the North Atlantic Treaty as well as the Treaty on European Union, and agree on the necessity to continue to strengthen the transatlantic link as well as NATO-EU cooperation. The objective of the Parties is to work together more effectively and efficiently, strengthen interoperability and develop a shared understanding, in order to contribute effectively to NATO's deterrence and defence, as well as to EU Common Security and Defence Policy (CSDP), and to deploy alongside each other in military operations when needed.

The Parties recognise that strategic defence and industrial collaboration between Sweden and Hungary promotes stability in Europe and aims to better meet common challenges of the 21st century. It will further strengthen our long-term partnership, as well as our military capabilities, by promoting security, resilience and stability for both countries.

Sweden and Hungary will further deepen the cooperation between their defence industries to strengthen their resilience and also contribute to the strengthening of the European defence technological and industrial base to make it more innovative, competitive and resilient.

Therefore, hereby the Parties decided to initiate dialogue on further strengthening cooperation between our governments, involving our defence research-development-innovation entities, as well as scientific and technological institutions and defence industries, within the areas of aeronautics and space, including but not limited to the research, development and operation of next generation multirole aircraft, as well as unmanned aerial systems, military transport aircraft, auxiliary and training systems.

Through a committed and long-term Gripen development program, the Ministry of Defence of Hungary, as a strategic partner, will contribute to and benefit from the continuous development and

operation of one of the most modern fighter systems in the world. Within the scope of this Letter of Intent the cooperation will focus on the joint development and establishment of Maintenance, Repair and Overhaul (MRO) capabilities and the continuation of the already initiated work in the area of innovation and development of new dual-use technologies (e.g. Virtual Reality, Artificial Intelligence, Additive Manufacturing, Material developments). Joint development of procedures for aircraft operations, engagement and MRO will be also part of the cooperation.

The Parties remain committed to further deepening the defence cooperation concerning the operational relations bilaterally and through multilateral partnership with other users of the Gripen system.

Upon coming into effect of this Letter of Intent, the Parties will set up a working group with the participation of the Hungarian Ministry of Defence and the Swedish Defence Material Administration (FMV), involving defence innovation stakeholders, with the purpose to discuss and identify the opportunities, requirements and timelines to develop and further explore the possibilities of this long-term strategic partnership. Composition, procedures and competences of this working group will be defined in details by the Parties in its Terms of Reference.

This Letter of Intent does not establish a legally binding or financial commitment between the Governments of Hungary and Sweden under international or national law.

Signed in two copies in English language.

Kingdom of Sweden

Stockholm, 16 October 2024		
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Minister for Defence of the	Minister of Defence of Hungary	