

Arnaud Danjean
Member of the European Parliament

Michael Gahler
Member of the European Parliament

Krzysztof Lisek
Member of the European Parliament

Towards a stronger Union defence policy

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The European Council summit of 19 - 20 December 2013 will be dedicated to security and defence issues. European and national parliamentarians of the EPP welcome this initiative and recommend the heads of state and government to seize this unique opportunity to give the Common Security and Defence Policy (CSDP) a fresh impetus. There is a deep need to implement decisions already taken with the entry into force of the Treaty of Lisbon and to launch a strong Union defence policy.

Summary of recommendations and political demands

The **need for a fresh start** derives from outside and within the EU:

- the **changing strategic environment** with old threats and new risks to Europe's security;
- the clear message from the **US that Europeans should assume their responsibility** and care for their own security in their neighbourhood;
- the **uncoordinated cuts in national defence budgets** as a consequence of the sovereign debts and financial crisis;
- **member states' ignorance to implement the new provisions of the Lisbon Treaty** in the field of security and defence.

The summit gives **the chance to lay the fundamentals for better and quicker formulation of political will**, leading to more coherent action. Heads of state and government have to guarantee institutions, procedures and capabilities which live up to Europe's security and defence needs.

In the short term, the heads of state and government have to politically guarantee to...

- **review national defence capabilities and identify the capabilities needed** for the protection of EU's interests
- better link **civilian and military capabilities and personnel** for CSDP missions;
- better implement the **comprehensive approach**;

- activate the **Permanent Structured Cooperation (PESCO)** as well as the other instruments which the EU has at its disposal and which have not been used yet.

In the mid-term, the heads of state and government have to commit themselves to...

- set up an **EU strategic civilian and military headquarters** with separate chains of command;
- launch the preparation of an **EU White Book on Security and Defence** in defining EU's security interests, prioritizing its strategic objectives and linking these with the operational deployments;
- deliver **more and better fitted civilian and military personnel and capabilities** in service of CSDP missions.

In the long run, the heads of state and government have to give political guidance on how to...

- exercise **permanently their strategic oversight**, with a view to taking the necessary decisions on **establishing a common Union defence policy** and **establishing regular formal Council meetings on defence**;
- build a **solid European Defence Technological and Industrial Basis (EDTIB)** as the basis for a **well functioning European Defence Equipment Market (EDEM)**;
- further develop the **EU as a regional security provider and also as a strong European pillar of NATO**
- go beyond the Lisbon Treaty and establish **European stand-by forces under Union command**.

1. The EU in a changing strategic environment

As the awarding of the Nobel Peace Prize 2012 to the EU highlights, the current European Union and its preceding institutions brought peace and stability to the European continent. In recent years the EU has developed from a security consumer of the Pax Americana into a global security provider. Yet, the fast pace of change of EU's strategic environment necessitates an increased involvement of the EU abroad.

Changes such as in North Africa and the Middle East have a considerable impact on Europe's security. Iran's and North Korea's nuclear policy also have the potential to escalate and impact on Europe. Our relationship with Russia is based on strategic cooperation. However a degree of mistrust prevails, due to the lack

We need a new quality of agreement with Russia which goes beyond the current partnership-based cooperation.

of democracy and accountability in Russia and a number of disagreements in relation to important security interests – our stance on the conflict in Syria and the issue of joint missile defence. When the ice cap in the High North melts, this offers new prospects for the extraction of resources, new transport routes and long-term transatlantic cooperation. Here the EU should lose no time in developing cooperation projects with the USA and Canada and conducting strategic consultations with Russia. Another consideration is Turkey's new image of itself as a leading regional power and

the consequences arising from this, while in parallel we witness a battle of ideas regarding the future orientation of the country. At the same time, with the clear shift of USA's foreign policy toward the Asia-Pacific region, the EU can no longer rely to the same extent as before on the support of its ally to uphold Europe's security interests.

Although the threat of a conventional attack against the European territory is low, the EU has to remain vigilant and strengthen its efforts in the field of non-proliferation of weapons of mass destruction, terrorism and organized crime as well as regional conflicts. At the same time, the EU has to increase its efforts to reduce the risks of energy dependency, cyber attacks, piracy and uncontrolled trade of conventional weapons.

2. The entry into force of the Lisbon Treaty - added value of the comprehensive approach still to be realized

The entry into force of the Lisbon Treaty on the European Union provides us with a wide range of civilian and military means in order to implement the comprehensive approach. However, the member states have not made full use of the new possibilities so far; culminating in the absence of any sign of progress towards a common Union defence policy (art. 42(2) TEU). Among the EU institutions, only the European Parliament has yet assumed its responsibilities in

this domain, e.g. with the establishment of the CFSP/CSDP Inter-Parliamentary Conference which met already twice.

The establishment of the triple-hatted position of the High Representative of the Union for Foreign Affairs and Security Policy who is at the same time a Vice-President of the European Commission (HR/VP) and Chair of the EU Foreign Affairs Council within the Council of the European Union has to be regarded as an important milestone in giving the EU a face abroad, with the capability to act and with the right to initiative both in the intergovernmental and the communitarian sphere. The HR/VP also heads all Union agencies in the field of foreign, security and defence policies, and chairs the related decision making bodies. The established European External Action Service (EEAS) gives the HR/VP a powerful administrative tool to react to international crises and conflicts. However, within the EEAS, CSDP structures and procedures need to be improved in order to go beyond the pure identification and analysis of risks. Four years after the entry into force of the Lisbon Treaty, there are no clear rules for the use of the mutual defence clause, concerning the case of an armed attack on an EU Member State, and of the solidarity clause, regarding EU reactions towards terrorist threats and disasters. This needs to be settled.

The EEAS and CSDP structures must indeed be able to deal with prudent planning ahead of emerging conflicts and to react quickly to conflicts.

Despite continued initiatives and projects in the field of European capability developments no real progress is visible. All loose ends of different capability development initiatives have to be put under one overarching umbrella. Therefore it is high time that the heads of state and government activate the "Permanent Structured Cooperation" (PESCO, art. 46 TEU). Such activation should lead to a European defence review process and to the coordination of the national defence planning processes at EU level. From a European perspective it is not efficient if member states cut defence budgets and reform their armed forces unilaterally disregarding parallel efforts of European partners.

The European Defence Agency (EDA) has been embedded as an EU "Agency in the field of defence capabilities development, research, acquisition and armaments" (EDA, art. 42 III; 45 TEU) into EU primary-law. However, the desire of member states to use this well established muscle of multinational capability development has been limited. Moreover, it seems highly unlikely that the EDA will be able to take on the new tasks it has been assigned, such as the pooling and sharing, with a frozen budget.

Recent conflicts in Somalia, Libya and Mali have revealed that the EU tries to engage in a comprehensive manner using diplomatic, developmental, humanitarian and military means. This engagement is also reinforced by the involvement of EU's financial instruments: with the Stability Instrument, the European Commission is able to react quickly to international crises and trans-regional as well as global challenges. In 2011, the Commission provided EUR 282

million for the prevention and response to crises and risks worldwide. With a budget of EUR 22.7 billion from 2008 to 2013 the European Development Fund (EDF) provides Community development assistance in the African, Caribbean and Pacific (ACP) countries and the overseas countries and territories (OCTs). As a reaction to the so-called Arab spring, the EU provided EUR 3.5 billion already programmed for the period 2011-13 and in addition around EUR 700 million in new grants for the Southern neighbourhood. From 2007 to 2012, EU's annual budget for humanitarian aid reached an average of EUR 1 billion reaching out to nearly 150 million of the world's most vulnerable people in over 80 countries in 2011.

3. CSDP missions proving EU's activities in security affairs

Although it is obvious that the EU's indisputable hallmark in conducting its foreign policy consists in its "comprehensive approach", the effective use of this tool has still to be realized. Past and current CSDP missions and operations reflect Europe's implementation of the comprehensive approach: 16 ongoing and 12 completed civilian and/or military operations prove that the EU is an international actor in security and defence affairs. Assessing past CSDP decision-making processes it becomes obvious that current institutions and procedures work excellent when there is a broad political consensus among the member states. In 2008, it took the member states and EU institutions only two weeks to set up the European Union Monitoring Mission (EUMM) in Georgia. On the contrary, it took them half a year - and it needed the military intervention of France - to answer to the request of the government of Mali to assist in re-establishing the government's authority beyond Bamako.

Regarding the effectiveness of CSDP missions, some positive examples can be stated: Among others, the operation EUNAVFOR Atalanta has so far critically reduced the number of piracy attacks off the coast of Somalia. As part of the EU comprehensive approach towards the Horn of Africa, the Military Training Mission in Somalia (EUTM Somalia) has contributed to the training of approximately 3,000 Somali soldiers since 2010 which have been serving already in combat in Somalia along the forces of the African Union. Others have become obsolete - and yet maintained - such as the EUFOR Althea operation in Bosnia, or are on the brink of failure such as the one in Juba/South Sudan,

Why has there only been EU engagement at the "less hardcore end" of the conflict spectrum?

However, a lot of critical questions still remain regarding CSDP missions: How to generate the European political will quicker for more coherent CSDP actions? Why has the EU never deployed the existing EU Battlegroups, 1.500 strong infantry units which can be deployed within 15 days?

Governments should politically commit themselves to the EU's comprehensive approach and ask the relevant executive actors for better implementation. The review of the External Action Service (EEAS) in 2013 has to foresee suggestions on how to better link the EEAS, and

notably the crisis management instruments, with Commission activities as well as with the actions of member states. There is the need to improve the chains of command bridging the gaps between the EEAS and different Directorate Generals of the Commission.

The further development of Europe's comprehensive "toolset" must be speeded up to ensure its international effectiveness. The focus must be on cooperative security, civil and military conflict prevention and the projection of economic and political stability. This includes the establishment of a civilian and military strategic Headquarters with separate lines of command. In the 21st century the EU must be in a position to deploy military power to uphold and enforce its interests and values, preferably if it is foreseen under international law and within a UN framework.

The comprehensive approach shall by no means undermine its necessary military dimension because "military power" remains a structural principle of international relations.

In order to fulfil these tasks the EU must be able to deploy military crisis intervention and combat units rapidly over long distances, and to command and sustain them in the area of deployment, have the capability to undertake strategic troop transports by sea and air and have at its disposal strategic and operational reconnaissance assets as well as state-of-the-art munitions and command and control resources.

4. White Book on Security and Defence - linking Europe's strategic interests with the development of capabilities

The European Security Strategy (ESS), first published in 2003 and updated in 2008, needs an overhaul and refinement because it is overtaken by events and it needs an update following the entry into force of the Treaty of Lisbon and the adoption of several strategic documents.

Indeed, the EU has started to develop autonomous strategic thinking. Aside the ESS the EU in 2010 adopted the European Internal Security Strategy (ISS) referring to the thin line existing between external and internal security risks. In addition, the EU set out risk-based strategies like the Strategy against the Proliferation of Weapons of Mass destruction (2003), the EU Counter-Terrorism Strategy (2005) or the Cyber Security Strategy (2012) as well as specific regional strategies like the EU strategic framework for the Horn of Africa (2011) or the EU Strategy for Security and Development in the Sahel (2011).

What is missing, however, is any real prioritisation which would allow effective civilian and military forces planning and the appropriate coordination processes. Therefore it is necessary that the EU starts a continuous process guiding the EU's security action based on the comprehensive approach aiming at forward strategic planning. That is why it is time to develop an EU White Book on Security and Defence. The development of an EU White Book on Security and Defence has to be understood as the beginning of a process leading to a

continuous Europe-wide strategic debate between EU's and national decision and law makers incorporating the broader European public.

Why, when, where and how is the EU ready to deploy legitimate military force and / or use civilian efforts in crises or conflict situations?

The White Book has to give a definition of Europe's security interests. It should address the following issues: Based on a thorough risk and threat assessment the EU has to define its strategic interests. Although the threat of a conventional attack against the European territory seems to be low, the EU has to remain vigilant in the field of non-proliferation of weapons of mass destruction, terrorism and organized crime as well as regional conflicts. There is the need to reach an agreement on geographic priorities where the EU wants to engage collectively. Based on

a broad understanding of security risks, the latent and acute conflicts in North Africa and the Middle East should be high on EU's security agenda. The difficulties and uncertainties on the African continent, the Caucasus and Central Asia and the potentials of escalation should enjoy Europe's particular attention, as well as areas like the High North, where conflicts are not imminent, but strategic interest is growing globally. For starting a White Book process, heads of state and government shall give the VP/HR the task to suggest a strategic concept which sets out for the meantime the definition of European interests and the definition of geographical priorities. Based on this strategic concept it is up to the VP/HR to develop further an EU White Book on Security and Defence.

Based on the analysis of our security interests and priorities, the White Book should then be able to draw the necessary conclusions concerning the organization, equipments, and capabilities that would be necessary to be at the height of our ambition.

5. Civilian and military capability development in service of CSDP missions

Current reductions of defence budgets and the European lack of needed military capabilities are not unpredictable natural disasters but rather the result of past mistakes and political prioritization on how to get out of the states debts and financial crises. Indeed, member states cut down their defence budgets between 1.4 and 2.0 per cent during 2007 and 2010. At the same time already agreed defence procurements were cut back and new investments into needed capabilities have been put on hold. This situation raises the question whether the EU member states still have the necessary military capabilities for reaching their own level of military ambition as outlined in December 2008. There is the risk that in future within Europe we will lack small and medium sized enterprises as well as large listed companies guaranteeing a European chain of supply. Against these prospects, the link is obvious between a strong CSDP and a solid European Defence Technological and Industrial Basis (EDTIB).

As a short term solution, in 2010 member states started the pooling and sharing (P&S) initiative in order to strengthen the cooperation of military capability

development and use. Although the P&S initiative had a promising start, so far it remains far behind expectations. It had no significant effect at all on the very well known military shortfalls. Heads of state and governments have to give the P&S initiative political guidance, prioritise European capability cooperation over national procurement and enter into concrete pooling and sharing agreements among willing partners. As long as member states do not consider pooling and sharing as a first choice in the field of capability development, also in future the results will not meet expectations. Possible areas of future cooperation are air defence, coastal defence, training establishments, command and control structures and a single control, command and information system. It is necessary that heads of state and government take collectively the decision to give the pooling and sharing initiative a political-strategic framework within the Permanent Structured Cooperation.

In the mid- to long term, member states and the Commission will have to realize the benefits of a strong EDTIB and a well functioning European Defence Equipment Market (EDEM). In no EU member state can the defence industry any longer be sustainable on a strictly national basis. Although (ECAP, art. 42 (3) TEU), so far member states have not yet taken any political initiative in this regard.

With the EU defence package of 2009, member states and the European Parliament took the first supranational legislative step towards an internal EU defence market. However, the Commission still has to provide evidence of the strict interpretation of art. 346 (TFEU) limiting member states to make extensive use of the exemptions from internal market rules for national security reasons.

The Treaty of Lisbon opens the ways for the development of a European capabilities and armaments policy.

The Commission's effects on EDTIB and EDEM are rather limited compared to the member states being both primary actors at the demand and partly at the supply side of industries. Member states have to guarantee the consolidation of demand and the harmonisation of requirements. It is an unacceptable situation to have 10 different versions of one European attack helicopter or to have six different versions of one European military transport aircraft.

With the entry into force of the Lisbon Treaty the EU's industrial, space and research policies extend to the defence remit. Union programmes in other areas such as internal and border security, disaster management and development offer a significant prospect of jointly developing capabilities relevant for those policies and CSDP missions.

However, in many respects, the thinking in pillars is still to be overcome, and coherence between political talk, legislative proposals and operational implementation needs to emerge. The exclusion of funding defence-related research within the EU Framework Programme for Research and Innovation - Horizon 2020 must be removed. The legislative proposal stigmatizes such research and innovation as being unethical, even though a common security and defence policy exists. In this context, the position of the European Defence

Agency needs to be reflected, and the liaison with the European Commission strengthened.

The heads of state and government should give the Commission the task of developing and purchasing remotely piloted aerial systems (RPAS) on behalf of the EU for both the support of Frontex border assistance missions and civilian and/or military CSDP missions.

In addition to member states efforts in supplying capabilities, the assisting roles of the Commission, ESA and the EDA have still to be better exploited. The established civilian and military European Framework Cooperation for Security and Defence Research has to bear fruits. In addition, it is necessary to make sure that the Horizon 2020 programme delivers deployable civilian and military assets for CSDP missions. Finally, it is necessary to give EDA the means for fulfilling its tasks as defined in the Treaty of Lisbon. Against the background of a stagnant EDA budget this is not the case at the moment. Therefore, it is necessary to make use of the new provisions of the Lisbon Treaty and finance the Agency's staffing and running costs from the Union budget, starting with the forthcoming multiannual financial framework.

Against the background of the existing administrative arrangement between EDA and the Organisation for Joint Armament Cooperation (OCCAR), heads of state of government shall ensure the successful implementation of common projects and envisage a stronger rapprochement of both organizations.

6. The EU as a regional security provider and also as a strong European pillar of NATO

For the future, there is the need to increase the cooperation between NATO and the EU and to develop the EU also as a strong European pillar of NATO. The reasons for enhanced cooperation between these two pillars of European security and defence are obvious: Overlapping memberships - at the moment 22 member states are both EU and NATO members. Furthermore, four EU countries participate in the NATO Partnership for Peace; among them countries serving successfully in NATO led operations. Within the 22 member states, there is only one single set of tax payers in addition to the single set of forces. Lastly, both organizations are present at the global security hot spots. In Afghanistan, EUPOL Afghanistan exists in parallel to the NATO led ISAF operation delivering training for police forces as well. Both organizations fight piracy at the Horn of Africa with the EU-led operation EU NAVFOR Atalanta and the NATO operation Ocean shield. As a consequence of the described situations, both organizations suffer from the same lack of urgently needed capabilities.

The current unsatisfactory situation of EU-NATO cooperation may be described as follows: At the operational level, both organizations are able and willing to cooperate together although there is no chance to have an enhanced cooperation based on operational agreements. When it comes to the political and strategic

level, we face the schizophrenic situation where NATO's General Secretary Rasmussen and EU's HR/VP Ashton have regular talks. However, officially both organizations cooperate only within the EUFOR operation Althea in Bosnia and Herzegovina. This cooperation is based on the so-called Berlin Plus agreement opening NATO planning and conduct capabilities to the EU. The main obstacle towards an enhanced EU-NATO cooperation consists in the unsolved question of Cyprus re-unification and the divergent interests of the involved actors. Heads of state and government should not once more stress the importance of enhanced EU-NATO cooperation during the December summit, but give the solution of this unsatisfactory situation a top priority to their foreign services.

The still ongoing debate on no duplication of NATO or EU structures and capabilities is misleading. First, our US American partner calls continuously for more European engagement in our own neighbourhood and in global hot spots. Second, according to the identified risk or threat, EU member states should have options to decide whether to use the European or the transatlantic assets.

7. Outlook: European stand-by forces under Union command

Based on enhanced sharing and pooling of military capabilities, heads of state and government have to start building stand-by forces under Union command. This could be done with the creation of EU force components which would serve both EU autonomous actions and/or NATO led operations already within the current legal framework of the Lisbon Treaty and their use be decided collectively. Therefore, heads of state and government shall generate the necessary political will for timely decisions and streamline the political decision-making process at EU level, and national procedures accordingly, to make rapid reaction a reality.

In order to serve the EU and NATO operations, it is necessary to build these components at a modular basis and in addition to existing US capabilities. Against this background, there could be the chance to develop EU components in the field of medium altitude, long- endurance (MALE) remotely piloted systems as well as of sea and air lift transportation.

EU member states could start permanent structured cooperation on EU force components for filling the gaps of well-known European limited military assets.