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SECURITY AND DEFENCE

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1. ARGUMENT

If, in December 2003, the European Security Strategy stated that "Europe has never been so prosperous, so secure, nor so free", in June 2016, the Global Strategy on Foreign and Security Policy for the European Union is stating that "The purpose, even existence, of our Union is being questioned … Our wider region has become more unstable and more insecure. The crises within and beyond our borders are affecting directly our citizens' lives." In continuation, the June 2017 "Reflection Paper on the Future of European Defence" notes that "Citizens feels increasingly concerned about the security and look to the Union for protection."

Consequently, security and defence have rapidly turned from a topic discussed among a relatively small group of specialists into a public concern, a major priority in EU politics, where a political majority in the EU is convinced that, against the general trend, "more Europe" is needed in order to provide our citizens with a more efficient protection.

A vigorous debate ensued and important measures were adopted, integrating internal and external security of our Union and making the Commission commit common funds for defence related activities; the Commission presented a communication on a European Defence Fund in June 2017, and an agreement is foreseen on the proposal for a European Defence Industrial Development Programme with a view to its implementation; the European Council agreed on the need to launch an inclusive and ambitious Permanent Structured Cooperation (PESCO), together with the decision that the deployment of the Battlegroups be borne as a common cost by the EU-managed Athena mechanism on a permanent basis (in order to strengthen the EU's rapid response toolbox). Furthermore, in general, the EU is working on the development of indispensable security and defence capabilities enabling it to contribute more effectively to security and peace inside and outside the Union.

We, the Socialists & Democrats in the European Parliament, are proud of the EU's leading role as a global "soft power". The Union's enlargement, neighbourhood and development policies as well as international diplomacy and other forms of civilian conflict prevention and crisis management are all part of this soft power. It is of vital importance that these policies and tools continue to be strengthened and further developed. The basis for our security policy needs to be an all-encompassing understanding of security that includes social, ecological, economic and democratic

aspects. With a joint European security and foreign policy, synergy effects - such as in the development and acquisition of equipment - can emerge.

However, we do acknowledge the evolving reality is that "soft power" alone is no longer sufficient to provide the well-being and security of our citizens. In order for the EU to remain a credible player on the world stage and an efficient security provider for its citizens, its "soft" power needs to be complemented and backed up by a credible force complemented by the readiness to be used, and the development of the capabilities in the face of security challenges.

Therefore, we are of the opinion that "hard" power should complement the already existing and indispensable "soft" power of the EU in order to assert the role of our Union in the world. Our Group, together with the Party of European Socialists cannot be absent from this debate and our positions towards the measures in the field of security and defence should be made public. In this paper, the S&D Group formulates a set of operational policy goals to be seriously considered by both the EU decision makers and the public.

2. THE (INTERNAL AND EXTERNAL) SECURITY ENVIRONMENT

The de-structuring of the bipolar international system due to the fall of Communism, the end of the Cold War and the implosion of the former Soviet Union has diminished considerably the degree of control within the system.

Regional conflicts have relative "independence" from the disappearing "central balance" of the bipolar order, permitting the regional powers involved in it to slowly start asserting themselves. It appears that a multi-polar world is about to emerge.

The globalization process proved that it could not be the "buffer" for the continuing fragmentation of the international system (first in Europe, now in Northern Africa and the Middle East), as the new centres of power aspiring to more than status, aimed at creating smaller sub-systems around them, leaving the UN as the only integrating international institution.

Dramatic changes have occurred during the last decade in the large majority of the countries neighboring the EU. Conflict, rising political and religious extremism and

terrorism, human rights violations and other challenges to international law, and constant degradation of the economic situation have resulted in refugee flows in particular in North Africa and the Middle East with the aftermath of the Arab Uprisings and the rise of Da'esh. In the East, an increasingly assertive Russian foreign policy has resulted in the violation of Ukrainian sovereignty, independence and territorial integrity. In addition, prolonged so-called frozen-conflicts, like the ones in the former Soviet space, continue to impede development in the region. All these put the EU's interdependence with its neighbors in the spotlight.

The S&D Group relies on policies of cooperation in the spirit promoted by Willy Brandt, and we appreciate that we need an inclusive European security architecture.

As a result, even more conflicts are expected, which will impact directly on EU interests and thus oblige the Union to respond.

It is to be noted, in both some EU Member States, but mainly outside the EU, that there is an increased disturbing political tendency of contesting the "liberal democracy". According to the Munich Security Report 2017: "Post-Truth, Post-West, Post-Order?", "Western societies are troubled by the emergence of populist movements that oppose critical elements of the liberal-democratic status quo. From the outside, Western societies are challenged by illiberal regimes trying to cast doubt on liberal democracy and weaken the international order"." Furthermore, "according to Freedom House, 2015 was "the 10th consecutive year of decline in global freedom," i.e., for a decade, there were more countries with net declines than those with net gains each year".

While assessing the effects deriving from decisions taken by the new US Administration it is obvious that we are witnessing a "business oriented" approach that brings a shift in international relations, a less "generous", but more protectionist US.

Consequently, one notices a review of the US engagements and assumed foreign obligations, which are becoming more introspective and possibly less predictable in actions resulting in less control over the international system and, subsequently, the need for more involvement on the part of the EU in that respect.

3. EU ROLE IN PROMOTING PROGRESSIVE VALUES WHILE TACKLING SECURITY ASPECTS AT GLOBAL LEVEL

In an increasingly unstable multi-polar world, with nationalist, xenophobic and anti-democratic forces on the rise, it is crucial for the European Union to spearhead a bold progressive agenda on the world stage, including a commitment to core European values of democracy, human rights, the rule of law, gender equality and implementing the UN Sustainable Development Goals. Doing this effectively requires a holistic approach, striving for policy coherence across all internal and external policies, including the development of security and defence policy.

Since the release of the 1994 United Nations Human Development Report, the concept of "human security" has gradually become more widespread, and is now obvious in many Member States' policies. The UN defines security as an ever-present issue that affects daily human life, in areas such as food security, personal safety, political rights etc. The lack in any area of human security can create conflict situations where violence spreads causing destabilization and intervention of military force. In this context, particularly, from a Socialist & Democrat perspective, **a key security risk that should be addressed by the EU** through all its instruments - not only those linked to security and defence - **is the increasing inequality and poverty at global level.**

The S&D Group supports the view of security as a holistic and continual process. We encourage the use of the UN's listed Human Security parameters to develop internal and external security.

The S&D Group must strive to mainstream a clear perspective on human rights, sustainability and gender equality in security and defence policy areas, and propose also innovative progressive policy tools, for example to increase the representation of women in forums tasked with security and defence issues and to place greater emphasis on conflict prevention, democracy support, respect of human rights, intercultural and interreligious dialogue, grassroots and civil society engagement, and youth empowerment.

4. THREATS AND CHALLENGES

New threats have added themselves to the old ones which is complicating an already complex picture even further: proliferation of weapons of mass destruction, regional conflicts, competition for natural resources, energy dependence, climate change, failed states, terrorism, cyber-attacks, erosion of regional and global arms control agreements, disinformation campaigns, and organized crime have been and still are important threats and challenges that Europe has to address.

These threats and challenges are diverse and affect the Member States differently. Consequently, this explains the difficulty of reaching a common position with respect to countering them. Therefore, it is vital for Member States to spend more time evaluating these threats and challenges together and reach an agreement on their prioritization.

We, the Socialists and Democrats, consider that many of the internal and external dimensions of the EU's security have to be seen as a single "continuum".

In order to stabilize its surrounding environment, development countries have to pay more attention to security. Consequently, considering that many target countries for development are ravaged by internal conflicts, there is a need to put more effort into stabilizing these regions to make development aid more effective.

The EU's attractiveness, both internal and external, has diminished. There is a common perception that the EU has slowly distanced itself from its citizens; whilst that may be true in some Member States, it should also be noted that - as in the example of the Austrian presidential elections showed - one can clearly win a campaign with an overtly European stance. In addition, more recently a movement in favour and defending European ideas has gained ground in many major cities on the continent. The austerity accompanying the solutions to the challenges raised by the crisis has only deepened social polarization, permitting populists and foreign adversaries to exploit the accompanying frustration, thus weakening the internal texture of our Union.

Therefore, we, as Socialists and Democrats consider **social polarization** as a major security vulnerability for the Union, which needs to be eliminated through economic and social measures of growth, employment and social solidarity. Failing to do so would only deepen the existing internal divides, making our Union more vulnerable to the tactics and policies of our internal and external adversaries.

Another cause of concern is **the distortion** of our democratic processes through outside interference, especially through propaganda, dissemination of false information, external financing of political parties, operating biased media outfits and NGOs in the Member States, confusion sawing and even cyber-attacks. We are, therefore, in favour of strengthening our resilience in the face of such open interference both at the Union and national level.

That resilience, especially in the face of widespread misinformation, must be built through an inclusive approach, encouraging high editorial standards from media organisations, whilst simultaneously investing in media literacy, citizenship education, especially on European politics and institutions and with all ages across Europe, both in formal and informal learning environments. This must be done through cooperation with all levels of government, political parties, civil society, and communities, with an emphasis on young people, particularly women and girls, and also include marginalised and vulnerable groups susceptible to extremism and radicalisation. In an information age, cultural diplomacy stays with the means of projecting values.

Another challenge, which is taking shape and which will confront the EU massively, is the perspective that the current network of multilateral international agreements regulating world trade will be called into question, following the actions of the new US Administration. This implies a new test for the international security situation.

Jeopardizing the multilateral system and other multilateral agreements, might bring about further trade confrontation and instability, and open the way for other rising powers to shape globalization under their standards. The EU should continue and further strengthen its trade policy while fighting to promote multilateralism and the highest standards in sustainability and human rights in all its free trade and investments agreements. We are fighting to bid for diligence obligations in global value chains.

Following the debate within the S&D Group in the wake of the discussion over CETA, we have tried to draw up a new outline for the trade policy. Our approach should therefore be based on the Namur principles that could bring about a more sustainable trade policy taking into account European citizen interests.

5. CURRENT DEVELOPMENTS

Between 2008 and 2013, a period dominated by the world economic and financial crisis, the EU has never discussed defence during a European Council. It had focused primarily on internal matters (the Euro, national sovereign debts etc.) and defence was almost ignored. More than that, in several Member States the defence budgets were diminished in an uncoordinated way due to the austerity measures imposed.

In December 2013, the Member States acknowledged that this trend was detrimental to the EU's security and declared that "Defence Matters"! The Council decisions were to be reviewed in June 2015. Although dominated by the outbreak of the refugee crisis, that EU Council tasked the HR/VP to elaborate a document to address the dramatic changes in the EU's security environment since 2008, which was the last time the European Security Strategy was reviewed.

Consequently, the document "Shared Vision, Common Action: A Stronger Europe. A Global Strategy for the European Union's Foreign and Security Policy" presented by the HR/VP Federica Mogherini in June 2016, indicates that "The European Union will promote peace and guarantee the security of its citizens and territory. Internal and external security are ever more intertwined: our security at home depends on peace beyond our borders."

To promote our shared interests, the document lists five priorities: the security of our Union, state and societal resilience to our East and South, an integrated approach to conflicts, cooperative regional orders and global governance for the 21st Century. The document promotes an integrated vision – internal and external – of security complementing the nexus between development and security. While an effective CSDP has become more necessary than ever, a robust common EU-foreign policy could and would have prevented major turmoil in our neighbourhood and their consequences for our member states. It would be worth considering strengthening our common diplomatic tools in order to curtail future crises before they mushroom into hard to manage conflict zones.

Moreover, that document has been accompanied by an "Implementation Plan on Security and Defense" containing a new Level of Ambition for the EU which aims to develop a stronger Union in security and defense and addresses three core tasks: responding to external conflicts and crisis, working with partners to build their security and defense capacities, and protect the Union and their citizens. The Implementation

Plan encompassed substantive actionable proposals to set capability development priorities, deepen defense cooperation, adjust structures, tools, and (financial) instruments, draw on the full potential of the Treaty in particular PESCO and promote CSDP partnerships.

Furthermore, by giving substance to the NATO-EU Joint Declaration adopted at the NATO Warsaw summit in 2016, a subsequent document on the implementation of that Declaration was adopted by the EU Council in December 2017. It contained 42 common measures in 7 fields: hybrid threats, operational cooperation including maritime issues, cyber security and defence, defence capabilities, defence industry and research, exercises and defence and security capacity building.

All of these were followed, in June 2017, by the "Reflection Paper on the Future of European Defence", which, in its "Europe in 2015 - moving towards a Security and Defence Union" proposed three scenarios which are "all incremental steps in the same direction": (a) Security and Defence Cooperation; (b) shared Security and Defence and (c) Common Defence and Security.

In conclusion, the Reflection Paper stated clearly that "Enhancing European Security is a must" and "The Future of the European Union as a peace project for generations to come now rests also on the foundation of a Security and Defence Union: looking at 2025, Member States will decide the path and speed they want to follow to protect our citizens."

The European Defence Action Plan, approved by the Commission in November 2016, followed by the proposed regulation establishing the European Defence Fund, aimed to support development in joint research and Member States' more efficient spending in joint defence capabilities. EDAP aimed to foster investments in SMEs, start-ups, mid-caps and other suppliers to the defence industry and strengthen the Single Market for defence.

In fact, in application of the EDAP, on 7th of July 2017 the Commission launched the European Defence Fund whose aim was to better help and spend more efficiently, reduce duplications, and get better value for money. The Fund, announced in September 2016 and backed by the European Council in December 2016, aimed at coordinating, supplementing and amplifying national investments in defence research, in the development of prototypes and in the acquisition of defence equipment and technology.

Funding essential defence technologies through a future EU-funded defence research programme in the next multiannual financial framework to support a stronger European

industrial base will perpetuate essential critical technologies in the EU for Europe's decision-making and action-making autonomy. It will also ensure cross-border cooperation at all levels of the supply chain and will bring together the interested Member States. Furthermore, consensus is foreseen on the proposal for a European Defence Industrial Development Programme with a view to its swift implementation.

6. INTERNAL SECURITY (BORDER CONTROL AND TERRORISM)

We, Socialists and Democrats, strongly believe that the internal security of Member States is indivisible. It can no longer be divided into internal and external security. Threats to peace and security, organised crime and terrorism are transnational phenomena that often go beyond the single nation state. Therefore, they require a common European solution. Living in an increasingly interconnected world with new challenges and threats, internal and external security is more and more intertwined. In response, the EU should act effectively along the entire spectrum of internal-external security instruments, up to the level of Article 42(7) of TEU. However, for the EU Member States that are also Member States of NATO, the latter will likely remain the preferred framework for ensuring territorial defence in the near future. We understand security not narrowly as military capacity, but consider also the civilian instruments, such as police or intelligence services. More than ever, we need efficient, enhanced cooperation between CSDP, border management, law-enforcement, judicial and intelligence authorities at national and European levels.

Terrorism is targeting Europe and it represents a direct attack on the core values of the European Union and the direct threat to the security of European citizens has become paramount. The EU needs to reinforce its defence capabilities to counter violent extremism (CVE) and counter-terrorism, build internal resilience; improve the quantity and quality exchange of relevant intelligence sharing inside and outside the Union, while fully respecting fundamental rights; tackle the root causes of radicalisation leading to violent extremism and terrorism in third countries and within our own Member States; and promote international agreements on the exchange of terrorism-related information between the EU and third countries, while fully respecting human rights. The challenge is to deliver security for citizens without giving-in to the politics of fear, and without compromising on democratic values of tolerance and openness.

As Progressives, we must guard against the rationale of security being exploited or manipulated to enact severe measures that violate, or risk violating, fundamental human rights, such as intrusive surveillance or long periods of detention without trial. European and Member States' security apparatus must always be democratically accountable, with stringent oversight, and thus uphold the highest human rights norms.

The fight against radicalisation and violent extremism must include a holistic long-term view, including inter-cultural and inter-religious dialogue, involvement of civil society, political parties' representatives and cultural and religious leaders, grassroots involvement between communities, civic education, and measures to combat social exclusion and marginalisation.

7. INTELLIGENCE SHARING

For the Member States internal and external security are becoming more and more intertwined, necessitating better intelligence sharing at national level, between Member States, *and an upgraded mechanism of cooperation at EU level.*

The scale of threats facing us has clearly changed, as shown by the significantly larger number of external or externally coordinated terrorist operatives on EU soil, estimated at 500 Al Quaeda operatives ten years ago, and currently with as many as 10 000 Daesh & associate followers. We also face the unprecedented hybrid-, cyber- and disinformation attacks originating outside the EU, going so far as to target critical infrastructure - or even the electoral process in EU Member States. Together with large-scale money laundering, trafficking and other activities linked to organised crime, these threats both represent a danger to the very essence of the European project and are a legitimate concern on the part of EU citizens which must be addressed *by the EU as a whole,* whilst preserving our liberties, civil rights and fundamental values of freedom, openness and solidarity.

Protecting our citizens must be one of the EU's main priorities. But the developments over the last years, particularly the terrorist attacks, have shown serious shortcomings as regards cooperation and exchange of information between EU Member States intelligence services, both betwixt themselves and between them and their partners in third countries. It also exposed the deep fragmentation of the EU's existing structures

that bear on its intelligence work. The new nature and scale of threats facing the continent clearly demonstrate the need for more effective intelligence sharing at national, bilateral, EU and international levels. We recognise that trust is essential, both among different agencies and instances within Member States, and across borders. We commend the expanding practice of bilateral cooperation and efficient exchange between law enforcement agencies among Members States. However, a step change is required. It entails, firstly, more coherence and greater consolidation of intelligence structures that currently exist within EU institutions, to better mirror and coordinate EU-level action and link the internal and external, physical and cyber, as well as civil and military dimensions of EU intelligence sharing. Further European defence integration is both desirable and achievable in the near future especially in the field of cyber defence. In the longer run, closer cooperation amongst Member States and institutional streamlining at EU level should deepen levels of trust, with a remit commensurate with EU competences in the domain of security as well as with the EU's responsibility to protect its own values and citizens.

Necessarily further integration in this area must be accompanied by robust democratic oversight by the EP. *It must also*, recognise and respect the different national traditions, specialisations and approaches (defensive/offensive, specialising in different parts of the world etc.), given that anti-terrorist, -organised crime or -cyber warfare capacity resides with the Member States.

We note as well the proposal to give the new European Public Prosecutor (EPPO) the additional task of prosecuting cross-border terrorist crimes. Since we are aware how long the Member States reflected before accepting the EPPO even with limited capacities, we appreciate this this proposal as a long term project. On the short run, we urge that Member States use any resources offered by the EU, to combat cross border terrorist crimes and associated activities.

8. CONFLICT PREVENTION AND CRISIS MANAGEMENT

Understanding that the destabilization of the EU's neighbourhood in both (south and east), in spite of the efforts channelled primarily through the European Neighbourhood Policy (ENP) and the Eastern Partnership (EP), must be controlled and eventually stopped and reversed, the EU has decided to increase the scope of its crisis management activities, from prevention to resolution and reconstruction.

To ascertain that there would be a need for a more attentive monitoring of the situation in conflict areas, a commitment to preventive diplomacy, a willingness to further engage in peace making and peace building operations and in state/institution building as well as be determined to stay engaged as long as needed. All this costs money and requires unity and firm political commitment.

In order to accomplish this ambitious commitment, the S&D is of the opinion that both the current capabilities and the financing arrangements have to be reassessed. Thus, the Battle Groups should become a usable instrument, requiring working out the arrangements for their deployment, increase their modularity and a more flexible financing. The S&D Group supports the intention to revise the Athena mechanism, currently providing that the expenses for military operations lie almost exclusively with the participating countries. Extending common financing in the area of military CSDP would reduce financial disincentives on the part of Member States to contributing to military CSDP missions and operations. Particularly now, such a revision of the Athena mechanism is necessary, while it was decided that the deployment of the Battlegroups to be borne as a common cost by the EU-managed Athena mechanism on a permanent basis (in order to strengthen the EU's rapid response toolbox).

Bearing in mind that uncontrolled and unresolved conflicts, such as those mentioned above, can become a threat to the EU as such, and not just to the single Member Stats. Therefore, our philosophy of strictly national approach should make room for focussed on more common action, especially when it comes to funding such operations.

The S&D's approach to the security and development nexus must include an emphasis on conflict prevention and conflict resolution which includes the empowerment of young people and women and girls, and their participation in these processes, in line with UN resolutions 2250 and 1325.

As highlighted in the EU 'Strategy for international cultural relations' launched in June 2016 by Federica Mogherini, the EU approach must also be holistic and long-term, promote cultural diplomacy, education, and inter-cultural dialogue as a tool for conflict prevention and resolution. Greater consideration and support should also be given to people-to-people contacts and to the role of civil society and grass roots initiatives.

A key role in conflict prevention and crisis management stays with the EU missions and operations on land and sea (like EUNAVFOR MED, EUCAP SAHEL Mali, EUTM RCA etc). These missions and operations, in full compatibility with international law, provide humanitarian protection, help to build national capacities and also aim at securing the safety and health of the migrants and refugees.

Europe should engage with its partners to strengthen the statute of the migrants and refugees in the different locations at global level, as well as provide safe and legal avenues to reach Europe. We call for policies that focus on the root causes of forced migration, and, in the case of development policy that are not dependent on the collaboration of any third country on readmission or border control.

9. SECURITY AND DEVELOPMENT

The EU, as the world biggest provider of development and humanitarian aid, has to play a fundamental role in this area.

For some time now, the opinion that one cannot have security without development, as one cannot have development without security has been widely acknowledged. However, the S&D Group amended the recent proposal of the European Commission to modify the Instrument contributing to Stability and Peace (IcSP), by imposing a clear conditionality not to fund initiatives concentrating on capacity building in support of security and development from the Development Cooperation Instrument (DCI). A second amendment supported by the S&D Group and adopted by an overwhelming majority is meant to provide full transparency of any such spending.

There are serious and legitimate concerns that this redefining of development cooperation to include military support would contravene the EU's Treaty-based commitment to maintain poverty eradication as the primary goal of development assistance, weakening not only the ODA funds used for sustainable development in

absolute terms, but prompting - for some - the possibility of a worrying redefinition of EU development policy and reorientation towards security as the primary focus.

The S&D Group agrees that one cannot have security without development, as one cannot have development without security. However, the proposal of the European Commission to allow the Instrument contributing to Peace and Stability (IcSP) to channel – under exceptional circumstances and without transparency – DCI funds in support (read non-lethal) of the military in unstable third countries would have been challenged by several arguments.

We agree that security is a pre-requisite for sustainable development, and thus recognise the need for military capacity building in third countries on a sound legal base (in line with relevant rulings of the European Court of Justice). However, there are worries that a blurring of the boundaries of development cooperation and security-related activities will not provide us with a sustainable solution, but instead risk undermining the development agenda in the longer run and de facto reduce development funds in the shorter term. Within the context of the Instrument contributing to Stability and Peace, such measures are only acceptable only if their use respects the OECD/DAC rules or if the funding for this instrument comes from instruments other than the Development Cooperation Instrument.

We, as Socialists & Democrats, are of the opinion that we should investigate the most appropriate way to fund military capacity building and find an efficient and operational solution in this matter. At the same time, we call for a substantial widening and more efficient implementation of the European Development Cooperation. Furthermore, the relabeling of funds for development purposes to security and defence funding must be avoided.

10. CSDP

The S&D Group is of the opinion that the EU cannot fulfil its mission to effectively protect its citizens without proper military capabilities, and that cannot happen by abandoning the tradition of assuring legitimacy before engaging militarily. Therefore, the S&D Group takes note of the measures initiated and assumed by the EU Commission with respect to provide 90 million Euro over the next three years to finance the pilot Project run by EDA on defence related research including the approved EU Defence Action Plan which is meant to stimulate the MS to increase their defence efforts in order to face the increasing challenges that we are confronted with. In order to progress in this direction, it is necessary that the Member States for the next MFF consider additional contribution, equivalent to these new expenditures, to the EU budget starting 2020, bearing in mind that funding should not be drawn from the existing programmes. We should also take into account that the Treaties provide for EU Member States to contribute to the CSDP according to its possibilities whilst respecting its specific approach of foreign policy.

With a view to ensuring coherent EU external action, we must embed current initiatives to develop military capabilities in a broader review of EU security and defence policy. Our goal must be to spend money more efficiently by bringing the discussion at EU level, including the instrument of "Pooling and Sharing" European defence capabilities, and not spend more for the sake of spending more. Creating a single European defence market means consolidating the defence industry and reducing excess capacities. Consequently, when it is considered necessary and in agreement, we propose to develop a policy to convert the excess capacities for civilian use when the Member State affected decides to act in this direction.

We welcome the Council's decision to establish a Military Planning and Conduct and Capability (MPCC) for non-executive military missions and to create a Joint Support Coordination Cell (formed by the MPCC and CPCC together) as an important step towards the enhancement of civ-mil synergies as regards operational planning and conduct.

The European Parliament has consistently asked for the creation of a permanent EU OHQ for civilian and military missions and operations. We, as Socialists and Democrats, agree that a permanent EU OHQ, tailored to the type of operations that the EU currently does, would be more effective than the current arrangements. In this regard, we await the review of the establishment of MPCC that will take place earliest end 2018.

In this respect, the S&D Group supports the need to use the potential of the Lisbon Treaty entirely, primarily as already announced in the European Council's agreement (23 June 2017) on the need to launch an inclusive and ambitious Permanent Structured Cooperation (PESCO)[1]. The only "adagio" is that, when it comes its institutionalization, one should keep it open to those who do not participate from the outset and that the functioning of the new arrangements to be created should not become detrimental to the others. Furthermore, PESCO should be open to third countries in Europe, such as the EEA countries.

The S&D Group is supporting the current activity of **EDA** as the focal point of the EU's efforts in terms of defence and salutes the plan to increase its role, asking the EU Member States to provide it with the required additional resources and political backing, thereby allowing it to play a leading and coordinating role in capability development, research and procurement, based on the defence capability priorities agreed through the CSDP. In this context, the EDA should play a key role as central operator of the European Defence Fund and of the development of capabilities in PESCO if and when established. The agency should oversee a "European Semester on Defence", a peer review process that would put national defence budgets and European taxpayers' money to better use, foster transparency in defence spending plans and address capability development shortfalls in a more structured, coherent and complementary way. We reiterate the view that this would be best done by financing the Agency's staffing and running costs from the Union budget, asking the Members States to consider increasing their national contributions to the EU budget.

The Socialists and Democrats stress that additional tasks require equivalent additional financial means for the Union's budget. Participating Member States need to provide the necessary additional financial means that meet these new expenditures in order to finance the administrative and operational costs of EDA and PESCO from the Union budget.

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[1] A common list of criteria and binding commitments, fully in line with Articles 42(6) and 46 TEU and Protocol 10 to the Treaty - including with a view to the most demanding missions - will be drawn up by Member States, with a precise timetable and specific assessment mechanisms, in order to enable Member States which are in a position to do so to notify their intentions to participate without delay.

11. EU PARLIAMENTARY CONTROL

The parliamentary control over the CSDP is of crucial importance, as it stays normally in line with the principle of democratic control over the security structures. Indeed, according to article 36 of the Treaty on European Union, the European Parliament is only informed and consulted "on the main aspects and the basic choices" of the Common Foreign and Security Policy (CFSP) and since the Lisbon Treaty also formally on the Common Security and Defence Policy (CSDP). The treaty also foresees a biannual debate in the Parliament with the High Representative for Foreign Affairs. It also exercises a limited authority over the policy's budget (Article 41 TEU). Under the Lisbon Treaty, Parliament is a partner in shaping the Union's external relations and addressing the challenges as identified in the "Global Strategy for the European Union's Foreign and Security Policy".

The Socialists & Democrats, taking into account the community dimension and intergovernmental dimension of the present CSDP, consider that: the parliamentary oversight of CSDP should deeply involve the European Parliament, as it already implicates the national Parliaments in each Member State. Moreover, the extension of the definitions of common costs for CSDP military operations, will increase the EP parliamentary budgetary oversight role.

In a future scenario, where military missions would be sent straight from Brussels, we Socialists & Democrats, demand the right of assent in the event of military operations outside EU territory for the European Parliament. This consideration should be included in the next revision of the Lisbon Treaty.

The Socialists and Democrats should lead by example by holding regular exchanges on European security and defence between S&D members from national parliament and the European Parliament. The Party of European Socialists should be equipped with additional human and financial resources to allow it to organise such exchanges and feed the results into parliamentary debates at national and EU-level.

12. EU – NATO RELATION, AND THE COOPERATION WITH OTHER INTERNATIONAL ORGANISATIONS

The S&D group supports a rules-based global order with multilateralism as its key principle. Therefore, in our view the European Union's Common Foreign, Security Policy must be firmly anchored in the framework of the United Nations. EU military interventions in third countries should be backed by UN Security Council resolutions and/or have the approval of the government in the country in question.

The EU-NATO Joint Declaration and the subsequent implementation actions mark a new and substantive phase of the strategic partnership.

We, Socialists and Democrats, strongly believe that the EU and NATO are natural partners for European security and defence and that enhancing their cooperation is vital.

As territorial defence is the task of NATO and the EU-Member States, NATO remains the main structure for collective defence. An increased EU commitment, especially in terms of research and capability planning, can lead to more efficiency.

EU-NATO cooperation should continue in a complementary and inclusive manner, avoiding duplication and competition and without prejudice to the specific character of the security and defence policy of any Member State. As Member States have a single set of forces at their disposal, closer EU-NATO coordination would enhance the security outcome and output and help them achieve the necessary economies of scale in defence.

EU-NATO cooperation should take place in the spirit of full openness and transparency, in full respect of the decision-making autonomy and procedures of both organisations and in close cooperation with and the full involvement of Member States and respective institutions.[2]

The EU's action within NATO should also be guided by the core principle of our Global Strategy: **strategic autonomy**.

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[2] EU-NATO cooperation "will be based on the principles of inclusiveness and reciprocity without prejudice to the specific character of the security and defence policy of any Member State. The Council recalls that NATO cooperation with the non-NATO EU Member States is an integral part of EU-NATO cooperation and in this regard, the Council welcomes the positive contribution of non-NATO EU Member States to NATO activities. Such activities are an integral part of EU-NATO cooperation and the Council strongly supports their continuation." (http://www.consilium.europa.eu/en/press/press-releases/2017/06/19-eu-nato-cooperation)

The S&D believes that in carrying forward its actions the EU should work on security and defence with non-EU Members and EU partners, including, in addition to NATO, the United Nations, the OSCE, African Union etc. and actively enhance its partnerships.

In operations like crisis management, conflict prevention, aid and reconstruction in a zone of conflict, there is a multitude of international actors who have made commitments to provide the necessary human and financial resources. The EU or anyone of the others, pending on the situation, could provide a flexible coordinating framework for various international activities in such a region. Active participation of the EU at all stages of such a process would be of particular importance, as it would be hardly imaginable that many serious international efforts in zones of conflict, particularly in our neighbourhood or Africa, could be made without the EU and its Member States direct or indirect involvement.

13. EUROPEAN SINGLE DEFENCE MARKET

The S&D Group supports the efforts and the measures taken to reduce the current fragmentation of the defence market in Europe. This is because defence is the embodiment of sovereignty, jealously guarded by Member States. We recognize the difficulty of deciding which type of capacity production should remain and which should be closed, if one wants to eliminate that fragmentation and increase efficiency.

Stimulating technological developments in Europe is vital for the defense sector and to enhance cooperation between Member States while promoting a more integrated internal market by developing joint cooperation programme where the Joint Research Centre could focus on technology across the EU, for example in the field of robotics.

We support the implementation of the two Directives regulating the intra-EU transfers of defence-related products and the defence and security procurement and ask that the elimination of the existing opt-outs should proceed hand in hand with guarantees that takes into consideration the interests of all. With regard to the ongoing reform of the Regulation governing trade in dual use goods, the S&D supports lifting restrictions on intra-EU transfer of such products whilst insisting on the insertion of human rights criteria in the control of extra-EU exports thus showing that security interests, industrial competiveness and human rights considerations can go hand in hand.

The creation of a Single European Defence Market will necessarily depend on the capacity of the market to operatively supply, at accessible prices, the items requested by the Member States, according to their different threat assessments.

The access of SMEs from the defense industry to the cross-border market is very important. Member States have only to a limited extent used the available instruments, such as joint procurement through purchasing centers such as the European Defense Agency, which should open up SMEs' access to EU instruments and funds by supporting their access to the supply and sub-contracting chains and their involvement in research.

14.   ARMS CONTROL AND NON-PROLIFERATION

We, as Socialists & Democrats, are fighting for a total ban of nuclear weapons. The Socialists & Democrats believe that a world without Weapons of Mass Destruction is a safer one for everybody and therefore we are fighting to expand the EU's role on global disarmament and non-proliferation of weapons ranging from small arms to nuclear warheads and ballistic missiles. As long as nuclear states are developing their nuclear arsenals and are threatening to use their nuclear weapons against other states, we would welcome an open discussion about the Member States' cooperation with NATO allies on the nuclear deterrent with a view to ensuring European security against all threats as well as contribute to the general efforts towards nuclear disarmament. In this context, we want to strengthen the Non-Proliferation Treaty (NPT) and the Missile Technology Control Regime (MTCR).

The Socialists & Democrats are asking that Member States ensure compliance and monitoring according to the EU Code of Conduct for Arms Exports so regimes that routinely violate Human Rights are not supplied with more tools to suppress dissent. This commitment also entails proactive measures against landmines, cluster munitions, depleted uranium ammunition and securing loose weapons in conflict zones.

The decision for or against exporting weapons from EU Member States to third countries is an essential element of a comprehensive EU security and defence policy. In this context, the EU Code of Conduct for Arms Exports should be reviewed and updated. Nevertheless, the EU should develop a stronger export control regime for security - and defence - related goods and services. The European Parliament should be closely

involved in this process, especially concerning export decisions relating to arms and weapon systems produced with funding from the Union budget.

15. THE WHITE PAPER ON THE FUTURE OF EUROPE

The Commission's White Paper on the Future of Europe presented on 1st March 2017 intended to launch a debate on the future trajectory for the development of the Union. The document proposed 5 scenarios and initiated a process of reflection with different stages culminating with a common decision of the MS in late 2017 on the path forward.

We, as Socialist and Democrats, value a united Europe at 27, with a common EU security and defence. A complex structure with variable geometry based on an ambiguous architecture with uncertain links between Members might convey messages, both internally and externally that could be counterproductive from a multitude of perspectives. This aspect requires an in-depth assessment that the Group of Socialists & Democrats should assess in order to provide a solution.

Now, as threats and challenges are worsening, we would need a more united position. The EU needs a strong impetus; an EU of Defence could embody this new endeavour to strengthen Europe. Therefore, we note the announced European Council's agreement on the need to launch an inclusive and ambitious Permanent Structured Cooperation (PESCO). These small groups can act as a locomotive to steer other Member States towards deeper integration.

But, as mentioned above, when it comes to the institutionalization of PESCO, one should keep it open to those who do not participate from the outset and the functioning of the future new arrangements should not be detrimental to the others.

16. COMMUNICATING EU SECURITY AND DEFENCE

Although there is public support for closer cooperation on security and defence matters, there is confusion over what the EU defence policy is. Phrases such as "European army" can be easily misunderstood and do not reflect the reality of EU's defence policy. The communication challenge is considerable and will not be neglected by the S&D Group. It is necessary to debunk myths and misunderstandings floating around the EU initiative.

The S&D Group also believes that it is necessary to engage in an active dialogue with stakeholders from all sides of security and defence spectrum: from the defence industry and trade unions to NGOs arguing against the arms trade and from national parliaments to European citizens.

17.   FACT SHEETS - OPIS

17.1.   EP recent positions on CSDP

1. Context

The European Parliament has adopted a series of reports after the publication of the EUGS that address the role of CSDP in the new strategic environment. This fact sheet analyses Bresso-Brok[3], Verhofstadt[4], Galher-Gonzalez Pons[5], Paet[6] and Pascu's[7] reports. Even though each of these reports focuses on certain aspects of the foreign and security policy of the Union, all of them stress the need to consolidate CSDP and pay particular attention to the means (in full line with the Treaty of Lisbon) to achieve that. All reports gathered a large consensus from the two major political groups, EPP and S&D.

2. EP positions on CSDP

- Strongly supports the <u>full implementation of the Lisbon Treaty provisions on CSDP</u> that would lead to a reinforcement of the CSDP and, gradually, to the establishment of a common defence policy and eventually a common defence.

- Gahler-Gonzalez Pons and Paet reports also called upon Member States to enhance their commitment to the provisions of the Treaty regarding CSDP.

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[3] Bresso-Brok report on improving the functioning of the European Union building on the potential of the Lisbon Treaty (2014/2249(INI))/AFCO

[4] Verhofstadt report on possible evolutions of and adjustments to the current institutional set-up of the European Union (2014/2248(INI))/AFCO

[5] Galher-Gonzalez Pons draft report on constitutional, legal and institutional implications of a common security and defence policy: possibilities offered by the Lisbon Treaty (2015/2343(INI))/AFET + AFCO

[6] Paet report on the European Defence Union (2016/2052(INI))/AFET

[7] Pascu report on the implementation of the Common Security and Defence Policy (based on the Annual Report from the Council to the European Parliament on the Common Foreign and Security Policy) (2016/2067(INI)) /AFET

- Urges the Council to develop a <u>White Book on Security and Defence</u> (based on EUGS) that would further strengthen CSDP and enhance the EU's ability to act as a security provider in accordance with the Lisbon Treaty.

- Gahler-Gonzalez Pons report specifies that an EU White Book on Security and Defence should include a roadmap with clear phases and a calendar for progressive steps towards the establishment of a European Defence Union and a common defence policy.

- Believes the EU should move towards the establishment of <u>the European Defence Union</u>.

- Gahler-Gonzalez Pons, Verhofstadt and Paet reports call for a *swift* establishment of the European Defence Union, while Paet proposes the launching of the Defence Union in two stages and on the basis of a system of differentiated integration:

    i. Activation of permanent structured cooperation;

    ii. Implementation of the action plan for the VP/HR's global foreign policy and

    iii. Security strategy.

    - Stresses the importance of creating a permanent <u>EU headquarters</u> for civilian and military CSDP missions and operations, as a precondition for effective planning, command and control of common operations.

Bresso-Brok report further specifies that a permanent civilian and military headquarters should have two components: Military Planning and conduct capability/MPCC and Civilian Planning and Conduct Capability/CPCC (the second one already exists).

    - Supports increasing the <u>funding and fair burden sharing of resources on CFSP/CSDP</u>.

Bresso-Brok report supports the extension of common funding of military area of CSDP, including through the [ATHENA mechanism](). The report also suggests that Article 41(3) TEU be used to establish a start-up fund consisting of Member States' contributions to finance preparatory activities pertaining to CSDP activities not charged to the Union budget.

Paet and Pascu reports call for the revision/expansion of the ATHENA Mechanism. Paet report suggest that consideration should be given to alternative funding for military expenditure in order to modify the 'costs lie where they fall' principle.

Gahler-Gonzalez Pons report states that decisions under the CSDP, in particular those under Articles 45(2) and 46(2) TEU, all expenditure to which the implementation of such decisions gives rise should be charged to the Union budget and considers that, to that end, there is a need for additional funding or co-funding from Member States.

- Encourages the establishment of <u>Permanent Structured Cooperation/PESCO</u> (Articles 42(6) and 46 of TEU) that would lead to a stronger cooperation between Member States.

Gahler-Gonzalez Pons report takes the view that the EU Battlegroup system should be brought under PESCO, alongside the creation of a European-level headquarters and considers that other European multinational structures such as the European Air Transport Command, Eurocorps and OCCAR should also be brought under PESCO.

Bresso-Brok report suggests that the provisions of Article 46 TEU regarding the establishment of PESCO through a QMV vote in Council be implemented, as this instrument would allow more ambitious Member States to cooperate more closely in a coordinated way in the area of defence under the umbrella of the EU.

Verhofstadt report suggests that the requirements for establishing enhanced and structured cooperation should be less restrictive by lowering the minimum number of participating Member States.

- Stresses the necessity to increase the usability of <u>EU Battlegroups</u>.

Pascu report states that the Battlegroups should become an employable military instrument as soon as possible through increased modularity and more functional financing. In this respect, Pascu's report urges the Council to initiate the setting-up of the start-up fund (provided for in Article 41(3) TEU) with a view to urgent financing of the initial phases of military operations.

Paet report proposes a reform of the EU Battlegroups concept, aiming at the establishment of permanent units which would be independent of any lead nation and subject to systematic joint training.

- Supports the strengthening of <u>cooperation between intelligence services</u> authorities in Europe, with a special focus on counterterrorism.

Bresso-Brok calls for the establishment of a systematic, mandatory and structured exchange of information and data between national law-enforcement and intelligence bodies and Europol, Frontex and Eurojust, including using enhanced cooperation if necessary.

Verhofstadt report proposes security be made a shared competence in order to facilitate the establishment of a European investigation and intelligence capacity within Europol under the control of the judiciary. The report also stipulates that in the meantime, in accordance with Article 73 TFEU, there is nothing to prevent the Member

States from creating this type of cooperation between their services. Furthermore, Verhofstadt report proposes that a European Intelligence Office be set up to support the CFSP.

- Strongly considers that strengthening the role the <u>European Defence Agency/EDA</u> (including through political backing, funding and resources) would benefit an efficient CSDP.

Gahler-Gonzalez Pons report pays particular interest to the role and scope of EDA. The report specifies that Article 4(4) of Council Decision (CFSP) 2015/1835 defining the statute, seat and operational rules of the European Defence Agency provides a necessary and powerful basis for the EDA steering board to act as the Union's third permanent representatives' committee, the Defence Steering Board.

Furthermore, the report considers that the EDA and PESCO should be treated as Union institutions sui generis, as is the case with the European External Action Service /EEAS; that this requires amending the Financial Regulation in order to include EDA and PESCO in Article 2(b) thereof, with a specific section in the Union budget.

- Supports increasing the role of the European Parliament in the supervision of the implementation and in the evaluation of the CSDP.

17.2. EU Global Strategy on Foreign and Security Policy (EUGS)

- **Context**

High Representative Federica Mogherini presented the EU Global Strategy on foreign and security policy[8] to EU leaders meeting in Brussels at the EU summit on 28 June 2016. The EUGS introduces a new overall approach to foreign and security policy, which can be read as a correction on the 2003 European Security Strategy (ESS) that preceded it.

- **The Priorities of our External Action**

1. The Security of our Union. An appropriate level of ambition and strategic autonomy is important for Europe's ability to promote peace and security within and beyond its borders. We will therefore **enhance our efforts on defence, cyber, counterterrorism, energy and strategic communications**.

- Security and Defence. As Europeans we must take greater responsibility for our security. We must be ready and able to deter, respond to, and protect ourselves against external threats.

- Counter-terrorism. We will encourage greater information sharing and intelligence cooperation between Member States and EU agencies.

- Cyber Security. The EU will increase its focus on cyber security, equipping the EU and assisting Member States in protecting themselves against cyber threats while maintaining an open, free and safe cyberspace.

- Energy Security. In line with the goals of the Energy Union, the EU will seek to diversify its energy sources, routes and suppliers, particularly in the gas domain, as well as to promote the highest nuclear safety standards in third countries.

- Strategic Communications. The EU will enhance its strategic communications, investing in and joining up public diplomacy across

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[8] https://europa.eu/globalstrategy/sites/globalstrategy/files/regions/files/eugs_review_web.pdf

different fields, in order to connect EU foreign policy with citizens and better communicate it to our partners.

2. State and Societal Resilience to our East and South. It is in the interests of our citizens to invest in the resilience of states and societies to the east stretching into Central Asia, and to the south down to Central Africa.

- Enlargement Policy. Under the current EU enlargement policy, a credible accession process grounded in strict and fair conditionality is vital to enhance the resilience of countries in the Western Balkans and of Turkey. The strategic challenge for the EU is therefore that of promoting political reform, rule of law, economic convergence and good neighbourly relations in the Western Balkans and Turkey, while coherently pursuing cooperation across different sectors.

- Our Neighbours. The European Neighbourhood Policy (ENP) has recommitted to Eastern Partnership and southern Mediterranean countries wishing to develop stronger relations with us.

- We will support these countries in implementing association agreements, including Deep and Comprehensive Free Trade Areas (DCFTAs). We will also think creatively about deepening tailor-made partnerships further. Possibilities include the creation of an economic area with countries implementing DCFTAs, the extension of Trans-European Networks and the Energy Community, as well as building physical and digital connections.

- Resilience in our Surrounding Regions. The EU will pursue a multifaceted approach to resilience in its surrounding regions. We will therefore pursue tailor-made policies to support inclusive and accountable governance, critical for the fight against terrorism, corruption and organised crime, and for the protection of human rights.

- A More Effective Migration Policy. A special focus in our work on resilience will be on origin and transit countries of migrants and refugees. Through development, trust funds, preventive diplomacy and mediation we will work with countries of origin to address and prevent the root causes of displacement, manage migration, and fight **cross-border** crime.

3. An Integrated Approach to Conflicts. The EU will foster human security through an integrated approach.

Implementing a *multi-dimensional* **approach** through the use of all available policies and instruments aimed at conflict prevention, management and resolution is essential. The EU will act at all stages of the conflict cycle, acting promptly on prevention, responding responsibly and decisively to crises, investing in stabilisation, and avoiding premature disengagement when a new crisis erupts. The EU will act at different levels of governance: conflicts such as those in Syria and Libya have local, national, regional and global dimensions which must be addressed.

Sustainable peace can only be achieved through comprehensive agreements rooted in broad, deep and durable regional and international partnerships, which the EU will foster and support.

- Pre-emptive Peace. Early warning is of little use unless it is followed by early action. This implies regular reporting and proposals to the Council, engaging in preventive diplomacy and mediation by mobilising EU Delegations and Special Representatives, and deepening partnerships with civil society.

- Security and Stabilisation. The EU will engage more systematically on the security dimension of these conflicts. In full compliance with international law, European security and defence must become better equipped.

- Conflict Settlement. An inclusive political settlement requires action at all levels. Through CSDP, development, and dedicated financial instruments, we will blend **top-down** and bottom-up efforts fostering the building blocks of sustainable statehood rooted in local agency.

- Political Economy of Peace. In the midst of violent conflict, this means ensuring humanitarian aid access to allow basic goods and services to be provided. It also means working to break the political economy of war and to create possibilities for legitimate sustenance to exist.

4. Cooperative Regional Orders. In a world caught between global pressures and local pushback, regional dynamics come to the fore. Voluntary forms of regional governance offer states and peoples the opportunity to better manage security concerns, reap the

economic gains of globalisation, express more fully cultures and identities, and project influence in world affairs.

- The European Security Order. Peace and stability in Europe are no longer a given. Russia's violation of international law and the destabilisation of Ukraine, on top of protracted conflicts in the wider Black Sea region, have challenged the European security order at its core.

Managing the relationship with Russia represents a key strategic challenge. A consistent and united approach must remain the cornerstone of EU policy towards Russia. Substantial changes in relations between the EU and Russia are premised upon full respect for international law and the principles underpinning the European security order. We will not recognise Russia's illegal annexation of Crimea nor accept the destabilisation of eastern Ukraine. At the same time, the EU and Russia are interdependent. We will therefore engage Russia to discuss disagreements and cooperate if and when our interests overlap.

- A Peaceful and Prosperous Mediterranean, Middle East and Africa. The EU will intensify its support for and cooperation with regional and sub-regional organisations in Africa and the Middle East, as well as functional cooperative formats in the region. We will therefore also act flexibly to help bridge divides and support regional players in delivering concrete results.

- A Closer Atlantic. A solid transatlantic partnership through NATO and with the United States and Canada helps us strengthen resilience, address conflicts, and contribute to effective global governance. NATO.

With the US, the EU will strive for a Transatlantic Trade and Investment Partnership (TTIP). TTIP demonstrates the transatlantic commitment to shared values and signals our willingness to pursue an ambitious rules based trade agenda.

- A Connected Asia. There is a direct connection between European prosperity and Asian security. In light of the economic weight that Asia represents for the EU – and vice versa – peace and stability in Asia are a prerequisite for our prosperity.

The EU will engage China based on respect for rule of law, both domestically and internationally. We will pursue a coherent approach to China's connectivity drives westwards by maximising the potential of the EU-China Connectivity Platform, and the ASEM and EU-ASEAN frameworks. In parallel, the EU will deepen its economic

diplomacy in the region, working towards ambitious free trade agreements with strategic partners such as Japan and India, as well as ASEAN member states, with the goal of an eventual EU-ASEAN agreement.

We will expand our partnerships, including on security, with Japan, the Republic of Korea, Indonesia and others.

- A Cooperative Arctic. EU has a strategic interest in the Arctic remaining a lowtension area, with ongoing cooperation ensured by the Arctic Council.

5. Global Governance for the 21st Century. The EU will strive for a strong UN as the bedrock of the multilateral rules-based order, and develop globally coordinated responses with international and regional organisations, states and non-state actors.

- Reforming. A commitment to global governance must translate in the determination to reform the UN, including the Security Council, and the International Financial Institutions (IFIs).

- Investing. Believing in the UN means investing in it, notably in its peacekeeping, mediation, peacebuilding and humanitarian functions.

- Implementing. The EU will lead by example by implementing its commitments on sustainable development and climate change.

- Deepening. The EU is a prime mover in global trade and investment, areas in which rules can be deepened further. We will pursue comprehensive free trade agreements with the US, Japan, Mercosur, India, ASEAN and others as building blocks of global free trade.

- Widening. The EU will strongly support the expanding membership,

- universalisation, full implementation and enforcement of multilateral disarmament, **non-proliferation** and arms control treaties and regimes.

- Developing. The EU will be a forward-looking cyber player, protecting our critical assets and values in the digital world, notably by promoting a free and secure global Internet. We will engage in cyber diplomacy and capacity building with our partners, and seek agreements on responsible state behaviour in cyberspace based on existing international law.

- <u>Partnering</u>. The EU will lead by example on global governance. But it cannot deliver alone. On the vast majority of global governance issues, we will work with the UN as the framework of the multilateral system and a core partner for the Union, with other core partners such as the US, with regional organisations, and with like-minded and strategic partners in Asia, Africa and the Americas.

- **From Vision to Action**

The EU must take greater responsibility for our security. We must be ready and able to deter, respond to, and protect ourselves against external threats. Europeans must be better equipped, trained and organised to contribute decisively to such collective efforts, as well as to act autonomously if and when necessary. An <u>appropriate level</u> of ambition and strategic autonomy is important for Europe's ability to foster peace and safeguard security within and beyond its borders.

Alongside external crisis management and capacity-building, the EU should also be able to assist in protecting its Members upon their request, and its institutions.

 To fulfil our goals, however, the EU must collectively invest in a credible, responsive and joined-up Union.

- <u>A Credible Union</u>.

 In this fragile world, soft power is not enough: Europe must enhance its credibility in security and defence. The idea that Europe is an exclusively "civilian power" does not do justice to an evolving reality. For Europe, soft and hard power go hand in hand.

 Member States must channel a sufficient level of expenditure to defence and meet the collective commitment of 20% of defence budget spending devoted to the procurement of equipment and Research & Technology.

 While a sectorial strategy, to be agreed by the Council, should further specify the civil-military level of ambition, some such areas can already be highlighted in line with commitments made by the European Council.

 Capabilities should be developed with maximum interoperability and commonality, and be made available where possible in support of EU, NATO, UN and other multinational efforts.

While Member States remain sovereign in their defence decisions, but in order to acquire and maintain many of these capabilities, defence cooperation must become the norm. The EU will systematically encourage defence cooperation and strive to create a solid European defence industry, which is critical for Europe's autonomy of decision and action.

- <u>A Responsive Union</u>. A more responsive Union requires change:

    - The EU's diplomatic action must be fully grounded in the Lisbon Treaty. EU foreign policy is not a solo performance and cooperation between Member States can strengthen our engagement in the world.

    - CSDP must become more rapid and effective. Europeans must be ready to rapidly respond to crises in full compliance with the UN Charter. This requires Member States to enhance the deployability and interoperability of their forces through training and exercises. EU must develop the capacity for rapid response also by tackling the procedural, financial and political obstacles which prevent the deployment of the Battlegroups, hamper force generation and reduce the effectiveness of CSDP military operations. At the same time, EU must further develop our civilian missions

    - Development policy will become more flexible and aligned with our strategic priorities. We reaffirm our collective commitment to achieve the 0.7% ODA/GNI target in line with DAC principles. Development funds must be stable, but lengthy programming cycles limit the timely use of EU support, and can reduce our visibility and impact.

The EU will invest in the EEAS and coordinate better across institutions and Member States. It means investing in the EU Conflict Early Warning System, and making all our external engagement conflict and rights-sensitive. We will also pursue greater information sharing and joint reporting, analysis and response planning between Member State embassies, EU Delegations, Commission services, EU Special Representatives and CSDP missions.

- <u>A Joined-up Union.</u>

A strong EEAS working together with other EU institutions lies at the heart of a coherent EU role in the world. A more prosperous Union calls for greater coordination between the EU and Member States, the EIB and the private sector.

In security terms, terrorism, hybrid threats and organised crime know no borders. This calls for tighter institutional links between our external action and the internal area of freedom, security and justice. Closer ties will be fostered through joint Council meetings and joint task forces between the EEAS and the Commission.

EU must use the full potential of Europol and Eurojust, and provide greater support for the EU Intelligence Centre.

Capacity Building for Security and Development can play a key role in empowering and enabling our partners to prevent and respond to crises, and will need to be supported financially by the EU.

- **<u>Relation with NATO presented throughout the EUGS</u>**

When it comes to collective defence, NATO remains the primary framework for most Member States. At the same time, EU-NATO relations shall not prejudice the security and defence policy of those Members which are not in NATO. The EU will therefore deepen cooperation with the North Atlantic Alliance in complementarity, synergy, and full respect for the institutional framework, inclusiveness and decision-making autonomy of the two.

In this context, the EU needs to be strengthened as a security community: European security and defence efforts should enable the EU to act autonomously while also contributing to and undertaking actions in cooperation with NATO. A more credible European defence is essential also for the sake of a healthy transatlantic partnership with the United States.

17.3.   EU - NATO

The political context

In the current strategic environment, cooperation between the European Union and the North Atlantic Treaty Organisation (NATO) is essential. The two organisations are faced with unprecedented challenges emanating from the South and the East. The security of EU and NATO are inter-connected: not only are 22 EU Member States also NATO Allies; together, they can also mobilise a broad range of tools and make the most efficient use of resources to address those challenges and enhance the security of their citizens.

EU-NATO cooperation constitutes an integral pillar of the EU's work aimed at strengthening European security and defence, as part of the implementation of the EU Global Strategy. It also contributes to the strengthening of the Trans-Atlantic bond and to burden sharing. A stronger EU and a stronger NATO are mutually reinforcing.

EU-NATO cooperation

On 8 July 2016 the President of the European Council and the President of the European Commission, together with the Secretary General of the North Atlantic Treaty Organization signed a Joint Declaration in Warsaw with a view to giving new impetus and new substance to the EU-NATO strategic partnership. It outlined seven concrete areas where cooperation between the two organisations should be enhanced: 1. countering hybrid threats; 2. operational cooperation including at sea and on migration; 3. cyber security and defence; 4. defence capabilities; 5. defence industry and research; 6. exercises; 7. supporting Eastern and Southern partners' capacity-building efforts.

On the basis of the mandate by the Joint Declaration, the European Union and NATO established a common set of proposals which was endorsed by the EU and NATO Councils on 6 December 2016. The set includes 42 concrete actions for the implementation of the Joint Declaration in all seven areas of cooperation with a clear focus on deliverables. A follow-up mechanism ensures that progress is monitored and reviewed on a regular basis.

A new era of interaction

As a direct follow-up to the Joint Declaration, the two organisations are opening their activities to each other to gain better knowledge and understanding of each other. Cooperation is now indeed the established norm and daily practice, fully corresponding to the new level of ambition referred to in the Joint Declaration, providing a solid basis for further enhanced interaction.

Photo: Donald Tusk, Jens Stoltenberg and Jean-Claude Juncker (from left to right)

Progress

The High Representative/Vice President/Head of Agency and the Secretary General of NATO submitted to the respective Councils in June the first progress report on the implementation of the 42 actions. It highlighted the enhanced EU-NATO relationship and outlined some key specific actions in implementing the common set of proposals, including the following.

Hybrid threats

EU-NATO cooperation on countering hybrid threats is more important than ever. Ten out of the forty-two proposals are linked to the fight against hybrid threats. EU and NATO, along with Member States and Allies, will contribute to and participate in the activities of the European Centre of Excellence for Countering Hybrid Threats set up in Helsinki. Better situational awareness is critical for our work to counter hybrid threats effectively. The establishment of the EU Hybrid Fusion Cell and its interaction with the NATO Hybrid Analysis Cell will help us draw up a shared situational picture.

Cyber security

Recent coordinated cyber-attacks across the globe demonstrate the need to tackle vulnerabilities of our societies and institutions. The exchange of concepts on the integration of cyber defence aspects into the planning and conduct of missions and operations has opened the door to increased cooperation in this domain.

Supporting partners' capacity building

Assisting partners in building their capacities and fostering resilience, in particular in the Western Balkans, and in our Eastern and Southern neighbourhood is a common objective. Cooperation on the ground and at Headquarters level in this respect has strengthened substantially. Key areas of interaction have been identified such as strategic communications, cyber, ammunition storage and safety in three pilot countries, namely Bosnia and Herzegovina, Republic of Moldova and Tunisia as first step.

Strategic Communication

Collaboration between strategic communications teams will help convey the message that we stand united, notably in support of our partners and in delivering coordinated messages.

Maritime coordination

Cooperation and coordination between Operations EUNAVFOR Med Sophia and Sea Guardian have been enhanced through regular information sharing and logistical support. This builds on existing cooperation in the Aegean Sea and experience acquired in the Indian Ocean.

Exercises

The first for parallel and coordinated exercise took place in October 2017. EU and NATO staffs exercised together their response to a hybrid scenario. It led to strong interaction between respective staff in a crisis-simulation situation and enhanced understanding of respective crisis response procedures.

Defence Capabilities

EU Member States and NATO Allies have one single set of forces. On defence capabilities, staffs are increasing efforts to ensure coherence of output between the NATO Defence Planning Process and the EU Capability Development Plan.

Next steps

The June 2017 progress report focused on the implementation of the 42 actions, which will continue to proceed. The next report due in December will offer an opportunity to consider possible additional suggestions for future cooperation as well.

EU-NATO cooperation continues to take place on the basis of key guiding principles: openness, transparency, inclusiveness and reciprocity, in full respect of the decision-making autonomy and procedures of both organisations without prejudice to the specific character of the security and defence policy of any Member State.

17.3.1. Common set of proposals for the implementation of the Joint Declaration by the President of the European Council, the President of the European Commission and the Secretary General of the North Atlantic Treaty Organization

1. Countering hybrid threats

Since spring 2016, EU and NATO are implementing and operationalising parallel procedures and playbooks for EU-NATO interaction in the areas of situational awareness; cyber security; crisis prevention and response and strategic communication.

• Encourage participation by EU and NATO as well as EU Members States and NATO Allies in the work of the "European Centre for Countering Hybrid Threats" to be established in 2017

Situational Awareness

• Concrete measures will be put in place by May 2017 to enhance staff-to-staff sharing of time critical information between the EU Hybrid Fusion Cell and the relevant NATO counterpart including by exchanging the analysis of potential hybrid threats. This will include the establishment of technical means to allow systematic exchange of information relating to hybrid threats

Strategic communication

Cooperation has been established between the EU and NATO staffs with regard to strategic communication. Between now and mid-2017, they will:

• Intensify cooperation and undertake shared trend analysis of misinformation, including through social media targeting the EU and NATO; produce, by the end of 2016, an analysis on the above; cooperate to improve quality and outreach of positive narrative

• Enhance mutually reinforcing efforts regarding support for stratcom capabilities of partner countries including through coordinated or joint trainings and sharing of platforms

• Encourage cooperation between the NATO Strategic Communications Centre of Excellence and the EEAS Stratcom division (specifically task forces East and South) including further joint trainings/seminars

Crisis response

• Enhance preparedness, inter alia, by holding regular meetings at staff-to-staff level

• Bearing in mind the EU's crisis response procedures, including the Integrated Political Crisis Response arrangements (IPCR) and NATO's Crisis Response System, seek to synchronize the two organisations' parallel crisis response activities with the goal of providing coherent support in response to hybrid threats

Bolstering resilience

EU and NATO will raise awareness on existing and planned resilience requirements for the benefit of

Member States/Allies. To that end, as of 2017

• Staff contacts will be intensified, including cross-briefings to respective bodies on resilience requirements

• Assess requirements, establish criteria and develop guidelines in the context of greater coherence between the EU Capability Development Plan (CDP) and the NATO Defence Planning Process (NDPP)

• Work to be ready to deploy, by mid-2017 in a parallel and coordinated manner, experts to support EU Member States/Allies, upon request, in enhancing their resilience, either in the precrisis phase, or in response to a crisis

2. Operational cooperation including maritime issues

• By December 2016, enhance cooperation and coordination between Operation Sea Guardian and EU NAVFOR MED Sophia in the Mediterranean, through information sharing and logistical support and through practical interaction between the two operations

• Building upon synergies between the EU operation and NATO in the Aegean, NATO and EU will study opportunities, in the first semester of 2017, for further maritime cooperation between them

• In support of the above goals, EU and NATO will continue to make full use of the mechanism on Shared Awareness and De-confliction in the Mediterranean (SHADE MED)

• Organize during the first semester of 2017 a lessons learnt seminar building on experience from the fight against piracy in the Indian Ocean, and on the interactions in the Mediterranean

• Compile during the first semester of 2017 an overview of relevant maritime exercises by respective organisations with a view to identifying further opportunities for possible interaction

• Develop further cooperation between NATO and EU staff on aviation in the Western Balkans, including through the Balkans Aviation Normalisation Meetings (BANM) process

• Increase the frequency of meetings with partners participating in respective operations, starting in 2017

3. Cyber security and defence

• With immediate effect, EU and NATO will exchange concepts on the integration of cyber defence aspects into planning and conduct of respective missions and operations to foster interoperability in cyber defence requirements and standards

• In order to strengthen cooperation on training, as of 2017, EU and NATO will harmonize training requirements, where applicable, and open respective training courses for mutual staff participation

• Foster Cyber Defence Research and Technology Innovation cooperation by further developing the linkages between EU, NATO and the NATO Cooperative Cyber Defence Centre of Excellence to explore innovation in the area of cyber defence: considering the dual use nature of cyber domain, EU and NATO will enhance interoperability in cyber defence standards by involving industry where relevant

• Strengthen cooperation in cyber exercises through reciprocal staff participation in respective exercises, including in particular Cyber Coalition and Cyber Europe

4. Defence capabilities

• Pursue coherence of output between the NATO Defence Planning Process and the EU Capability

Development Plan through staff to staff contacts and invitation to EU staff to attend NDPP and

PARP screening meetings upon invitations by the individual countries concerned

• Seek to ensure that capabilities developed multinationally by Allies and Member States are available for both NATO and EU operations

• Pursue complementarity of multinational projects/programmes developed within NATO Smart Defence and EU Pooling & Sharing, in areas of common interest, such as air-to-air refuelling, air transport, satellite communications, cyber defence and Remotely Piloted Aircraft Systems, notably through continued and intensified staff-to-staff contacts.

• Further contribute to the coherence of multinational efforts, by reflecting multinational projects developed in an EU context, as relevant, in the capability roadmaps supporting NATO defence planning priorities, and by taking into account multinational projects developed in a NATO context in deriving Priority Actions in the framework of the EU's Capability Development Plan

• Continue closer cooperation between NATO and EU/EDA experts in the field of Military Aviation with a view to ensuring complementary efforts in the interest of defence and security in Europe especially as regards the development

of a Military Aviation Strategy, the implementation of Military Airworthiness arrangements, Remotely Piloted Aircraft Systems Air Traffic Integration,

Aviation security including cyber, as well as civil initiatives, such as SES/SESAR

• Enhance interoperability through increased interaction on standardisation. With the aim to avoid duplication in the development of standards, identify projects where standardisation related activities could be harmonised.

5. Defence industry and research

• Further develop a dialogue between EU and NATO staff on industrial aspects using existing fora • Enhance cooperation at staff level on defence-related R&T in common areas of interest

6. Exercises

• Implement parallel and coordinated exercises (PACE) as a pilot project for 2017 and 2018. This will be done with NATO in the lead through the Crisis Management Exercise 2017 (CMX 17) and the EU in the lead through Multi-Layer Crisis Management Exercise 2018 (ML 18) or other types of exercises in 2018. The exercises will include a hybrid element

• NATO or EU staff experts of the non-leading organization for the respective years to be invited to contribute to the planning and conduct of the leading organization's exercise, in a spirit of reciprocity

• Lessons and recommendations to be shared to the extent possible

• Organise staff to staff exercises in 2017 to test the key modalities already defined in the respective Playbooks/Operational Protocols

• Complement training and education inter alia through invitations to each other's staff to appropriate events (e.g. workshops, presentations, exercises)

• NATO will, as of 2017, continue to invite the EU (EEAS and European Commission) to participate in observing its military exercises. The EU will reciprocate accordingly

7. **Defence and security capacity-building**

•   NATO and EU staffs will foster cooperation , including on the ground, on building partners' capacity and resilience, in particular in the Western Balkans, the Eastern and Southern Neighbourhoods, including Georgia, Republic of Moldova, Ukraine, Jordan, Morocco and Tunisia

•   Encourage cooperation and exchange of expertise through respective Centres of Excellence and other relevant training activities and programmes in support of partners

•   Identify possibilities for EU and NATO to participate in their respective projects and practical partnership programmes

•   Ensure complementarity of maritime capacity building efforts

•   Strengthening political dialogue between EU and NATO

•   Continue regular formal and informal PSC-NAC meetings

•   Further pursue in a balanced manner the practice of mutual invitations to relevant ministerial meetings

•   Strengthen cross briefings to respective Committees and Councils, including on operations

* * *

Follow-on/Staff to staff cooperation

Since July 2016, the EU and NATO have significantly strengthened staff to staff interaction by means of regular meetings, at various levels, including on the preparation of the present set of proposals. Contact-points have been established both in the EU and NATO to ensure smooth communication and better cooperation. This staff-to-staff interaction will continue at regular intervals in order to monitor the implementation of the proposals above, build on those and suggest new directions for progress and report to respective Councils on an annual basis.

17.4. Implementation Plan on Security and Defence

<u>**Context**</u>

In December 2013, the European Council proclaimed a new focus on European security and defence: "Defence matters!" As a follow-up, in June 2016 the European Union approved the Global Strategy for the European Union's Foreign and Security Policy, "Shared Vision, Common Action: A Stronger Europe."[9] **The EU Global Strategy looks to consolidate the Union's strategic autonomy and enhance its capability and profile as a credible security provider.** The strategy emphasizes four dimensions of European Union's policy of engagement:

(1) **The Union's soft power - hard power nexus**;

(2) The coordinated use of the Union's **civil and military tools**;

(3) **The internal-external security nexus** whereby the internal security of Member States can be disrupted by crises and conflicts in our neighbourhood; and

(4) **The security-development nexus**, the more coherent, coordinated employment of Union tools as part of the comprehensive approach to external conflicts.

Against this background, the European Council tasked HR/VP Mogherini to develop an **Implementation Plan on Security and Defence** outlining the new level of ambition of the EU's security and defence policy. The Implementation Plan on Security and Defence was adopted by the Council on Foreign Affairs on 14 November 2016 as part of the Security and Defence "Winter Package" of the EU.[10]

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[9] http://eeas.europa.eu/archives/docs/top_stories/pdf/eugs_review_web.pdf.

[10] The Winter Package on Security and Defence consists of three complementary documents: the Implementation Plan on Security and Defence, the EU-NATO Joint Declaration (and common implementation measures) and the European Defence Action Plan (EDAP).

Provisions and implementation

The **Implementation Plan on Security and Defence**[11] establishes **a new level of ambition for European Union's foreign and security policy**, as well as a clear timeframe for action. Three core tasks are identified:

**EU Global Strategy:
implementation plan on security and defence**

Level of ambition

respond to external conflicts and crises

build capacities of partners

protect EU and its citizens

Proposed actions

set capability development priorities

deepen cooperation among member states

adjust structures, tools and instruments

take forward partnerships

Examples of concrete deliverables

a more efficient defence spending

a better rapid response

a joint planning and conduct of non-combat missions

possibility of a new permanent structured cooperation

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General Secretariat

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Source: http://www.consilium.europa.eu/en/infographics/eu-global-strategy/

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[11]   http://www.consilium.europa.eu/en/press/press-releases/2016/11/14/conclusions-eu-global-strategy-security-defence/

a) ***Responding to external conflicts and crises when they arise;***

b) ***Building capacity of partners*** including by ***strengthening partners' resilience***; and

c) ***Protecting the European Union and its citizens through external action.***

The **Implementation Plan on Security and Defence** includes the following actions:

1. **Setting Capability Development Priorities**:

    1.1. *Rapid response*

      1.1.1. Review the priority areas of civilian CSDP missions;

      1.1.2. Identify options for more flexible and rapid targeted civilian crisis management by spring 2017;

      1.1.3. Make the EU Battlegroups more usable, with proposals submitted by summer 2017;

    1.2. *Planning and conduct of CSDP missions:* Better coordinate the conduct and implementation of the EU's ongoing 16 CSDP missions and operations, military and civilian;

2. **Deepening defence cooperation:**

    2.1. Establish a Members-driven Coordinated Annual Review on Defence (proposals presented by spring 2017) to strengthen defence cooperation;

    2.2. Task the European Defence Agency (EDA) to review, in close cooperation with Member States, the Capabilities Development Plan by spring 2018 with a view to translating defence capability priorities into output-oriented collaborative projects;

    2.3. Improve security of supply;

3. **Adjusting structures, tools and financing:** Establish a new permanent operational planning and conduct capability (permanent headquarters) for non-executive military missions, with proposals to be presented in early 2017;

4. **Drawing on the full potential of the Treaty: PESCO.** Develop an inclusive, modular PESCO through which the willing Member States could work together, in

different groupings, to jointly develop capabilities, invest in shared projects and/or create multinational formations;

5. **Taking forward CSDP partnerships**, especially in the fields of strengthening partners' resilience, Security Sector Reform and relations with other international and security organizations such as the UN, NATO, African Union (AU), OSCE, and others.

European Parliament and the Implementation Plan on Security and Defence

The European Parliament, in several of its reports[12], welcomed the Implementation Plan on Security and Defence and the concrete measures it puts forward. However, the European Parliament continues to call for an EU White Book on Security and Defence to ensure the rapid and effective implementation of the EU Global Strategy's political level of ambition, priorities and comprehensive approach as well as for an adequate level of parliamentary scrutiny over the implementation of CSDP-related funding, actions and operations.

17.4.1. Setting Capability Development Priorities

Context

Setting Capability Development Priorities is considered key to enabling the EU's strategic autonomy as well as the further enhancing of its foreign policy, from partner capacity building, to Security Sector Reform, to the efficiency of CSDP missions and operations. The EU Global Strategy emphasizes the need to rebalance the EU's toolkit by using the full spectrum of tools at its disposal, from soft to hard power and from civilian to military power.

Provisions and implementation

The provisions of the Implementation Plan on Security and Defence concerning **setting Capability Development Priorities** are underlined by the principles of streamlining civil-military relations in a more coordinated and integrated comprehensive approach as well as developing new required capabilities. These provisions focus on the following concrete actions:

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[12] See 2016/2067(INI), 2016/2052(INI), 2016/2036(INI), 2015/2343(INI), 2014/2249(INI), 2014/2248(INI).

a) **Revisit of the Feira priority areas of civilian CSDP missions** in light of the profoundly changed security environment.

b) **Enhance the responsiveness of civilian crisis management** by building on ongoing work in this field, including on the list of generic civilian CSDP tasks to identify the needed requirements.

c) **In the framework of the EDA, implement a Member States' driven revision of the Capability Development Plan (CDP)** by identifying required new military capabilities and strategic enablers in line with the EU Global Strategy's level of ambition:

- The focus is on the EU's ability to collectively retain and further develop full-spectrum military land, air, space and maritime capabilities, in particular those in the areas Intelligence, Surveillance, Reconnaissance (ISR), Remotely Piloted Aircraft Systems (RPAS), satellite communications, autonomous access to space and permanent earth observation, high-end military capabilities (including strategic enablers), and cyber and maritime security capabilities;

- The priorities identified by Member States in these areas will form the basis for the next European Defence Action Plan (EDAP);

- The European Defence Fund as well as the EU's future Defence Research Program should finance joint capability development programs and joint research projects from the priority areas identified by Member States respectively;

d) In the framework of the Political and Security Committee as well as the EU Military Committee and as a contribution to the Capability Development Plan (CDP), implement a Member States' driven revision of the military requirements stemming from the EU Global Strategy's level of ambition:

- Work first on implementing previously agreed ambitions and goals as well as address persistent shortfalls;

- This should be performed based on the review of the Illustrative Scenarios and Strategic Planning Assumptions which can identify a number of priorities shortfalls; - Ensure coherence with NATO's Defence Planning Process (NDPP);

European Parliament and CSDP Capability development priorities

The European Parliament has called for a more coordinated capabilities development and procurement in order to strengthen the efficiency as well as the credibility of the EU as a security provider in its neighbourhood. These measures are considered to enable a stronger European defence market, but also to complement NATO and enhance Member States' contributions to UN and other institutional partners' peacekeeping missions, thus enhancing their contribution in burden-sharing on security and defence.

17.4.2. Deepening Defence Cooperation

Context

The European defence market is deeply affected by duplication and fragmentation. According to the EDA data and the Implementation Plan on Security and Defence, "80% of defence investment in Europe is still spent nationally and our collective output needs to be increased substantially. **For both strategic and economic reasons, we need to reverse the long-standing fragmentation of Europe's defence sector to enhance our collective output and performance.**"[13]

Provisions and implementation

The Implementation Plan on Security and Defence states the need for **cooperation to become the norm** in the framework of **an EU end-to-end cooperative approach** in capability development and use. In this context, the following concrete actions are to be implemented:

a) Establish a Coordinated Annual Review on Defence (by spring 2017).

b) Adopt an out-put oriented approach to capability development, including through:

- Develop the CDP as the central tool within the EU to translate the identified defence capability priorities into concrete European collaborative capability development or procurement programmes;

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[13] https://eeas.europa.eu/sites/eeas/files/eugs_implementation_plan_st14392.en16_0.pdf, p. 21.

- Better connect the collectively identified capability priorities to Member States' national defence planning to promote coherence and convergence;

- To ensure an appropriate level of EU strategic autonomy, identify the Key Strategic Activities (KSA) based on the revised capability priorities;

- Ensure a better alignment of defence and R&T efforts by ensuring coherence and complementarity of R&T undertaken in different fora, by coordinated prioritisation among Member States and by transforming EU-funded collaborative R&T projects into collaborative capability programs in support of the Capability Development Plan (CDP);

- Consider existing models of European capability development and use cooperation (ex. European Air Transport Command and European Medical Command);

- Develop proposals for a European barter mechanism to optimise the collective use of existing capabilities;

- Improve security of supply;

- Enhance critical enablers for cooperation such as standardization, certification, test and evaluation, training;

European Parliament and the Implementation Plan on Security and Defence

The European Parliament strongly supports efforts to eliminate the fragmentation and duplication of the European defence market, streamline collective capability develop and procurement programs oriented towards fielding new capabilities and strategic enablers that achieve the goal of EU strategic autonomy.

17.4.3. Permanent Structured Cooperation (PESCO)

Context

The **Consolidated version of the Treaty on European Union** established the provisions for the Common Security and Defence Policy of the European Union (art. 42-46 TEU) and that Member States will unanimously establish a common defence if and when they so decide.

Art 42(6) TEU and **art 46 TEU**,[14] together with the provisions of **Protocol 10**, represent the legal foundations of Permanent Structured Cooperation (PESCO). The decision to establish PESCO is made by the Council, by Qualified Majority Voting (QMV), in the aftermath of a notification by willing Member States and the consultation with VP/HR. All subsequent PESCO decisions are made unanimously by the participating Member States.

While the Treaty provisions on PESCO have not been activated so far, the public and institutional debate on PESCO has resurfaced in the context of the 2013 European Council's "defence matters", the process of implementation of the 2016 European Union Global Strategy and the Bratislava process. PESCO is one of the priority actions of the Implementation Plan on Security and Defence.

Treaty Provisions and implementation

In the overall framework of the EU Global Strategy, its subsequent Implementation Plan on Security and Defence and the European Defence Action Plan, **PESCO** is considered a mechanism whose **activation would,** among others, **allow for the full use of the Lisbon Treaty provisions on consolidating and integrating European security and defence**.

The European institutions, including the European Parliament, as well as a number of country initiatives such as the European Security Compact, the Letter of Four, and the

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[14] See http://www.lisbon-treaty.org/wcm/the-lisbon-treaty/treaty-on-european-union-and-comments/title-5general-provisions-on-the-unions-external-action-and-specific-provisions/chapter-2-specific-provisions-on-thecommon-foreign-and-security-policy/section-2-provisions-on-the-common-security-and-defence-policy/129-article42.html and respectively http://www.lisbon-treaty.org/wcm/the-lisbon-treaty/treaty-on-european-union-andcomments/title-5-general-provisions-on-the-unions-external-action-and-specific-provisions/chapter-2-specificprovisions-on-the-common-foreign-and-security-policy/section-2-provisions-on-the-common-security-and-defencepolicy/133-article-46.html.

Italian initiative on strengthening European security and defence have called for the launch of PESCO.

PESCO is regarded as **instrumental in deepening European defence cooperation, the ongoing process of consolidating European security and defence and the establishment of the European Defence Union** (EDU). **PESCO** is considered **a game changer with respect to deepening European security and defence integration**. The European Defence Agency (EDA) is to play a central, leading role in the coordinated implementation of PESCO, alongside other measures for the deepening of European defence cooperation, such as the establishment of a Coordinated Annual Review on Defence (CARD).

The focus of these measures is **on streamlining European defence spending, planning and joint capability development to increase the efficiency, the quantity and the quality of the European defence output** - i.e. military capabilities and key strategic enablers - **and outcome** - i.e. enhance EU's strategic autonomy. EDA data shows Member States spend on average 25-100 billion Euros on defence because of the lack of cooperation, but have an inferior output for the invested money than other international actors such as the US. PESCO is meant to reduce such inefficiencies by eliminating redundancies, duplication and better employing limited available defence funding resulting in more and better military equipment available to Member States.

	EU-28	UNITED STATES
Defence Expenditure % of total defence expenditure ■ Personnel ■ Operations and maintenance ■ Investment (equipment procurement and R&D) ■ Other	6 / 19 / 23 / 51	7 / 29 / 31 / 33
Investment per Soldier Equipment procurement and R&D	23,829 Euro	102,264 Euro
Duplication of Systems in Use Number of types of weapon systems*	154	27
Examples: Armoured personnel carrier (APC) = 2,000 units	17,160 units 37 types	27,528 units 9 types
Tanker aircraft (air-to-air refuelling) = 50 units	42 units 12 types	550 units 4 types
Combat aircraft = 500 units	1,703 units 19 types	2,779 units 11 types

*For selected weapon systems categories

Source: European Commission. 2015. EPSC Strategic Notes, issue 4, p. 5

At this time, the exact structure and governance of PESCO is yet to be determined. The European Council is emphasizing "an *inclusive* Permanent Structured Cooperation (PESCO), including *a modular approach* as regards concrete projects and initiatives, subject to the willingness of Member States to undertake concrete commitments."[15] The structural flexibility, the criteria for joining PESCO, the voting system and funding are still under debate.

The European Council of 22-23 June 2017 agrees on the need to launch an inclusive and ambitious Permanent Structured Cooperation (PESCO). (A common list of criteria and binding commitments, fully in line with Articles 42(6) and 46 TEU and Protocol 10 to the Treaty - including with a view to the most demanding missions - will be drawn up by Member States within three months, with a precise timetable and specific assessment mechanisms, in order to enable Member States which are in a position to do so to notify their intentions to participate without delay.)

The process around the establishment of PESCO is expected to be a long and complex one.

European Parliament and PESCO

The European Parliament has repeatedly called for the activation of PESCO, in an integrated, flexible and modular manner. Differences between political groups remain over the composition, purpose and functionality of PESCO. While some consider it an umbrella concept for the purpose of progressive European security and defence integration, [16] Socialists and Democrats take a more differentiated approach, emphasizing the single, inclusive, but flexible institutional framework for deepening European defence cooperation based on the principles of a strong collective defence, efficient financing and coordination with international institutions in the field of security and defence, and in full complementarity with NATO. Establishing PESCO is seen as a way to develop self-defence or a permanent structure for self-defence which can strengthen crisis management operations and the European Union's strategic autonomy.

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[15] European Council Conclusions on Security and Defence, 14 Nov 2016, art. 17

[16] 2016/2052(INI), 2016/2036(INI), 2015/2343(INI), 2014/2249(INI), 2014/2248(INI).

17.4.4.   EU Headquarters for missions and operations

CSDP missions and operations - command and control

Member States in the Political and Security Committee (PSC) exercise the political control and strategic direction of both civilian and military crisis management missions and operations, under the responsibility of the Council and of the High Representative. Since 2003 the EU has launched some 30 civilian and military operations in Europe, Africa and Asia under the Common Security and Defence Policy (CSDP), from which 16 are still ongoing.

→ Military Planning is conducted at four levels[17]:

- the Political and Strategic Level (EU institutional level);

- the Military Strategic Level (Operation Headquarters – OHQ – level);

- the Operational Level (Force Headquarters – FHQ – level), and

- the Tactical Level (Component Headquarters level and below).

→ The **Crisis Management and Planning Directorate (CMPD)**[18] was created in 2009 following European Council conclusions encouraging the establishment of a new, single **civilian-military strategic planning structure** that is in charge of the integrated civilian-military planning within the EEAS.

→ In the absence of a permanent military command and control structure (OHQ), the EU has **three strategic options for commanding and controlling military executive operations**:

•   use the OHQs of five of its MS - Germany, France, Greece, Italy and UK, but the final decision belongs to the MS state in question who decides on a case-by-case basis;

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17 ['European Union Concept for Military Planning at the Political and Strategic Level', Council Doc 10687/08, Brussels, 16 June 2008](#)
18 https://eeas.europa.eu/headquarters/headquarters-homepage_fr/8477/The%20Crisis%20Management%20and%20Planning%20Directorate%20%28CMPD%29

• make use of NATO structures under the Berlin Plus arrangements (2013), as it did in Operation ALTHEA in Bosnia and Herzegovina.

If an EU operation is planned and conducted with NATO recourses, assets and capabilities, the OHQ is automatically the NATO HQ [Allied Command Operations](#) (ACO), formerly known as SHAPE.

• If none of the MS offers its OHQ, the EU can activate its Operation Centre (OpsCentre) in Brussels.
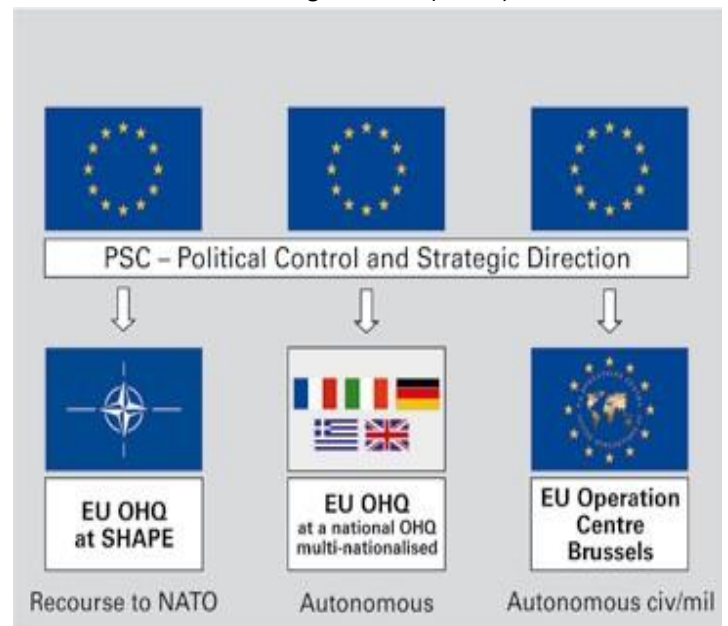
Since 1 January 2007, the EU Operation Centre is ready for activation by the Council for the conduct of autonomous operations, but it is not a standing, fully manned Headquarters.

The OHQ directs the FHQ (planning and command of missions at an <u>operational level</u>), also provided by a member state, which carries out the operation on the ground.

In the field, the Force/Mission Commander (for military operations/missions) Exercise command and control at theatre level.

There is also a fourth option that was chosen for the two training missions in Africa (EUTM Somalia, EUTM Mali). In these specific cases, the OHQ and Force Headquarters (FHQ) were merged to form a "mission headquarters" located in theatre. This option means that the Mission Commander must shoulder the additional burden of covering both strategic and operational/tactical aspects.

→ A **Civilian Planning and Conduct Capability (CPCC)** was created and became operational in 2008 as part of the EEAS. It is the permanent Operation Headquarters for <u>civilian missions only</u>, responsible for the operational planning and command of civilian missions at the <u>strategic level</u>.

In the field, the Head of Mission (for civilian missions) exercise command and control at theatre level.

→ The Council approved (6 March 2017) the Concept Note on the operational planning and conduct capabilities for CSDP missions and operation[19] and decided to establish - as a short time objective - a **Military Conduct and Planning Capability (MPCC)** for <u>non-executive military missions</u> and a **Joint Support Coordination Cell** (formed by the MPCC and CPCC together).

Before the adoption of the Concept Note, CSDP military non-executive missions only had Mission Headquarters in the field.

<u>OHQ and the Implementation Plan on Security and Defence[20]</u>

→ In order to implement the level of ambition set by the EUGS, an adjustment of the EU's structures for situational awareness, planning and conduct, as well as the rapid response toolbox is necessary. In order to achieve this, the Implementation Plan proposes that Member States:

- agree to review the structures and capabilities available for the planning and conduct of CSDP missions and operations, in view of enhancing civ/mil synergies, ensuring more seamless planning and conduct, and improving on current shortcomings. As a short term objective, address the gap at the strategic-level for the conduct of nonexecutive military CSDP missions from within EEAS structures.

- consider relevant multinational structures or initiatives in the area of security and defence in view of reinforcing cooperation with the EU or deepening existing frameworks of cooperation. In particular, to consider developing a concept to make better use of existing national or multinational deployable headquarters made available to the EU, on a rotational basis, with a focus on training, mentoring and advising.

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[19] http://www.consilium.europa.eu/en/press/press-releases/2017/03/06-defence-security/
[20] https://eeas.europa.eu/sites/eeas/files/eugs_implementation_plan_st14392.en16_0.pdf

Establishment of the Military Planning and Conduct Capability (MPCC) within the EU Military Staff

On 8 June 2017, the Council adopted the decision establishing of the military planning and conduct capability (MPCC) within the EU military staff (EUMS)[21]. The MPCC will assume command of EU non-executive military missions, currently: EU Training Mission (EUTM) Somalia, EUTM République Centrale Africaine (RCA) and EUTM Mali. The MPCC will be the static, out-of-area command and control structure at the military strategic level, responsible for the operational planning and conduct of non-executive missions, including the building up, launching, sustaining and recovery of European Union forces. This will allow the mission staff in the field to concentrate on the specific activities of their mission, with better support provided from Brussels.

The MPCC improves the crisis management structures of the EU. It will work under the political control and strategic guidance of the Political and Security Committee (PSC), which is composed of EU member states' ambassadors and is based in Brussels.

The MPCC will be composed initially of up to 25 staff but will also benefit from the support of other departments of the EUMS. The Director General of the EU Military Staff will also be the director of the MPCC. He will exercise command and control over the current three training missions and other possible future non-executive military missions. He will also exercise the responsibilities related to deployment and recovery of the missions as well as overall budgeting, auditing and reporting.

The MPCC will work closely with its existing civilian counterpart, the Civilian Planning and Conduct Capability (CPCC) through a joint support coordination cell. This cell will be able to share expertise, knowledge and best practices on issues relevant to both military and civilian missions, as well as capabilities when civilian and military missions are simultaneously deployed in the same area, including medical support or protective measures.

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[21] On 6 March 2017, the Council adopted conclusions on progress in implementing the EU Global Strategy in the area of security and defence, endorsing a concept note for the operational planning and conduct of CSDP missions and operation. In its conclusions of 18 May 2017, the Council decided to establish the MPCC, pending a formal legal decision. Today this formal legal decision has been adopted by the Council.
(http://www.consilium.europa.eu/en/press/press-releases/2017/06/08-military-mpcc-planning-conduct-capability/)

Current challenges and EP position

→ Among the most important factors affecting EU effectiveness in the field since 2003 were a lack of cohesion and consensus at the political level, insufficient coordination among a variety of European efforts, and a lack of appropriate funding, civilian experts, or relevant military equipment[22].

→ The EP has launched multiple calls for the creation of a permanent EU headquarters for civilian and military CSDP missions and operations, from where an integrated operational staff would support the entire planning cycle, from the initial political concept to detailed plans. The EP has stressed that this would not be a replication of NATO structures, but instead would constitute the necessary institutional arrangement to strengthen CSDP missions and operations planning and conduction capabilities.

17.4.5. Taking forward CSDP partnerships

Context

Capacity building for partners is a fundamental part of the EU level of ambition as defined by the EU Global Strategy. The Implementation Plan on Security and Defence identifies **actively taking forward CSDP partnerships** as one of the key areas of implementation of the EU Global Strategy's level of ambition, in a manner that is complementary, avoids duplication and is mutually reinforcing: "the EU will work with partners and actively enhance its partnerships, while strengthening its own ability to take responsibility and share the burden with our partners in security and defence."[23] Thus, the overall goal of the EU to enhance its strategic autonomy is complementary to its intention to enhance its CSDP partnerships. **The EU is working to actively take forward its CSDP partnerships with both institutional and national partners in the framework of a comprehensive approach**, as part of the security-development nexus and as part of the internal-external security nexus.

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[22] http://www.strategicstudiesinstitute.army.mil/index.cfm/articles/An-EU-Military-Headquarters/2016/11/14

[23] https://eeas.europa.eu/sites/eeas/files/eugs_implementation_plan_st14392.en16_0.pdf, p. 17.

Provisions and implementation

The Implementation Plan on Security and Defence specifies the need for **"a more strategic approach to CSDP partnership cooperation with partner countries** which share EU values and are willing and able to contribute to CSDP missions and operations."[24]

In this context, a number of concrete actions are proposed in order to enhance partnerships:

a)   Strengthen the unique and long-standing cooperation with the United Nations by implementing the jointly agreed priority areas for strengthening the UN-EU Strategic Partnership on Peacekeeping and Crisis Management until 2018, in view of exploring possibilities for a next step to enhance this partnership.

b)   Take forward cooperation with NATO, strategically in areas of mutual interest and operationally in areas where EU and NATO are both deployed, in particular on military capability development, on the implementation of the EU-NATO Joint Declaration of July 8, 2016[25] and the subsequent set of implementation measures for the latter. The emphasis of the Implementation Plan on Security and Defence is on the complementarity with NATO, in full respect to the principles of inclusiveness and decision-making autonomy of each organisation and without prejudice to the specific character of the security and defence policy of any of their members.

c)   Further cooperation should be explored with other regional organisations in particular the OSCE and the African Union.

d)   Develop opportunities for partners to contribute to CSDP missions and operations, especially with "partner countries that share EU values and are able and willing to contribute to CSDP missions and operations also to promote resilience in the EU's surrounding regions, taking into account the importance of security in the ENP review and the forthcoming initiative on resilience-building as part of the broader implementation of the EUGS."

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[24] *Idem*, p. 30.
[25] http://www.consilium.europa.eu/en/press/press-releases/2016/07/08-eu-nato-joint-declaration/.

European Parliament and EU's CSDP Partnerships

The European Parliament has repeatedly called for further enhancing cooperation on security and defence with institutional partners, including the UN, NATO, the African Union and the OSCE, as well as strategic bilateral partners, particularly the US, in areas such as hybrid threats, maritime security, rapid reaction, counterterrorism and cyber security.

17.5.   European Defence Action Plan (EDAP)

Context

European Commission approved the new European Defence Action Plan (EDAP), as part of the "winter package" on European security and defence in December 2016.

•   The 2016 EDAP aims to develop the new priorities in the European Union Global Strategy (June 2016), in particular to develop specific policies in support of the consolidation and increased competitiveness of the European Defence Technological and Industrial Base (EDTIB)[26], the completion of the European Single Market for Defence (ESMD) and the Union financial support for joint planning, development and procurement of defence capabilities. In the words of the EU Global Strategy, for the Union "to acquire and maintain many of [needed military] capabilities, ***defence cooperation must become the norm***. The EU will systematically encourage defence cooperation and strive to create a solid European defence industry, which is critical for Europe's autonomy of decision and action."

•   Together with the Implementation Plan on Security and Defence[27] and the EU-NATO Joint Declaration (and its subsequent implementation measures)[28], the 2016 EDAP is one of the three main implementation documents of the EU's strategy to consolidate CSDP.

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26 https://www.eda.europa.eu/what-we-do/eda-priorities/strategies/technologicalandindustrialbase.

27 https://eeas.europa.eu/sites/eeas/files/eugs_implementation_plan_st14392.en16_0.pdf.

28 http://www.consilium.europa.eu/en/press/press-releases/2016/07/08-eu-nato-joint-declaration/   and   respectively http://data.consilium.europa.eu/doc/document/ST-15283-2016-INIT/en/pdf.

Provisions and implementation

The 2016 EDAP emphasized the need to address pressing issues:

a)   ***The negative defence spending trends in Europe***. Between 2005-2015, EU27 have spent -11% on defence, an aggregated 1.4% of their combined GDP. At the same time, the US spent on average 3.4% of GDP on defence. China and Russia have doubled their defence spending in the same period of time; China increased its defence budget by 150% and Russia raised its defence spending from

3.5% of GDP in 2006 to 5.4% in 2015, according to 2016 EDAP.

Defence expenditure breakdown (billion EUR and % change on previous year)
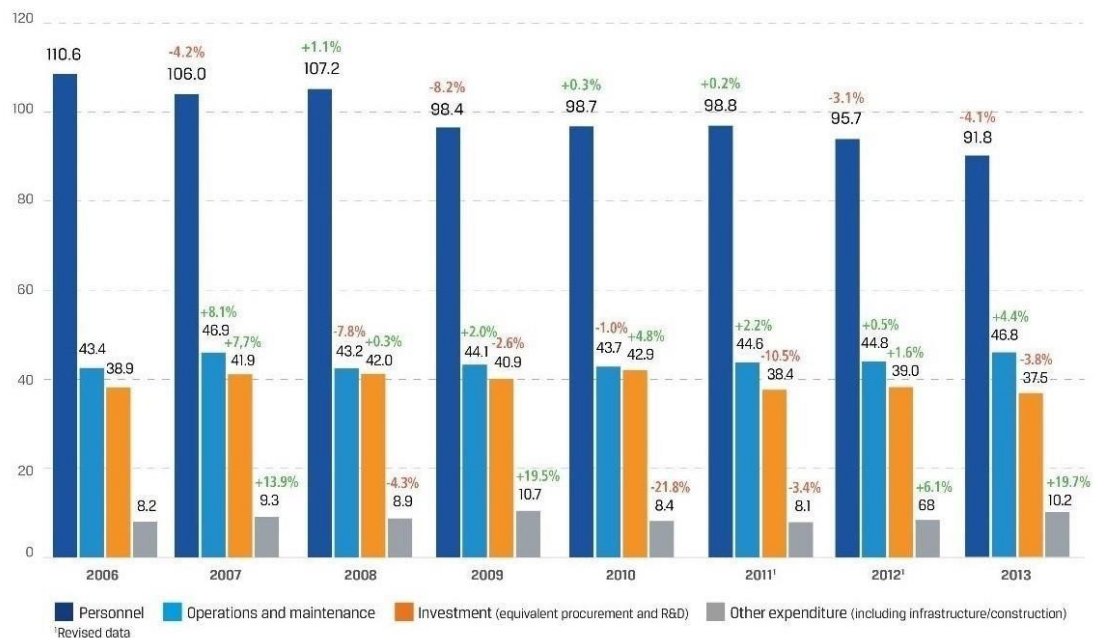
Source: European Defence Agency, 2017, available here

b)   ***The fragmentation, duplication, lack of cooperation and competitiveness of the European defence industry***.[29] Despite the EU27 being the 2nd largest global defence spender, the lack of economies of scale in the defence industry translates into a reduced quantity and quality of the defence output. 80% of defence procurement in Europe is still done nationally. European states have reduced defence-related R&D by 29.1% in the past decade and despite agreement to increasingly invest in defence R&D

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29 Thee aspects have been signalled repeatedly by the European Parliament in, for instance, its reports 2016/2067(INI), 2016/2052(INI), 2016/2036(INI), 2015/2343(INI), 2014/2249(INI), 2014/2248(INI).

jointly, only 9.7% of total R&D spending in Europe is collaborative, according to AmCham Europe.[30] The focus of the 2016 EDAP is on:

a)   *Launching a European Defence Fund;*

b)   *Fostering investments in defence supply chains*, including through the

maximization of **civil-military** synergies;

c)   *Reinforcing the single market for defence*, including through ensuring the security of supply, open and competitive procurement, access for SMEs, standardization procedures, preservation of skills in the defence sector, the promotion of regional clusters of excellence, the promotion of investment in defence (through the use of European Structural and Investment Funds);

The 2016 EDAP promotes a progressive, long-term implementation process of consolidating CSDP.
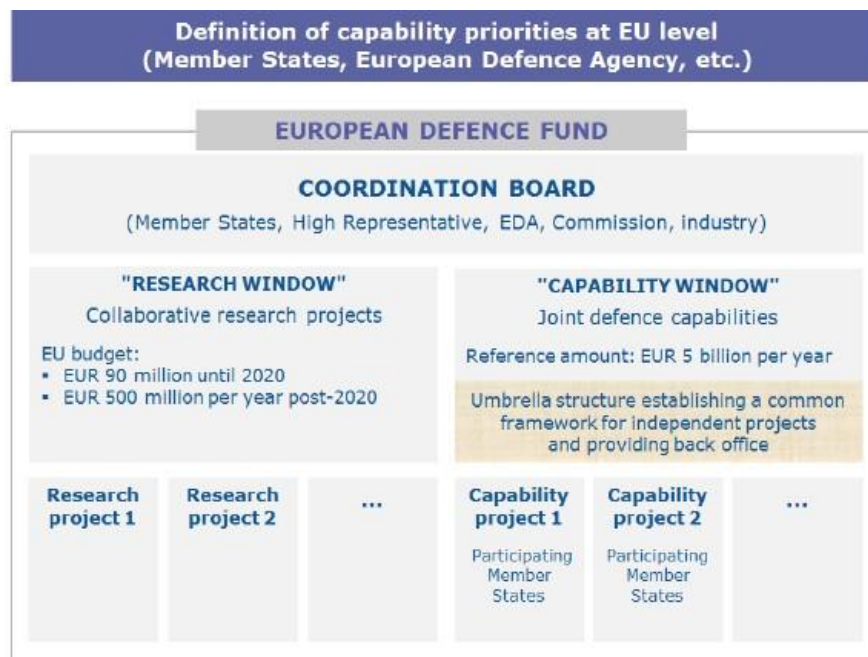
Source: European Commission. 2016. European Defence Action Plan, p. 6

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[30] American Chamber of Commerce (AmCham Europe). 2017. "Security and Defence. Together for European Growth", p. 9.

European Parliament and EDAP

The European Parliament repeatedly underlined that the fragmentation and duplication, need to be gradually eliminated through a process of incentives and rewards to all national components. An integrated European Defence Market must cater for the different security needs of all Member States simultaneously and affordably. The Parliament continues to call for and support the development of a stronger defence industry that would strengthen the strategic autonomy and technological independence of the EU, provide adequate, sufficient capabilities and sustain a competitive, efficient and transparent defence industry ensuring a sustainable supply chain.

17.5.1.   The European Defence Fund

The very same day that the Reflection Paper on the FUTURE OF EUROPEAN DEFENCE was released (7th of June 2017), the Commission has launching as well the European Defence Fund [31] to help Member States spend taxpayer money more efficiently, reduce duplications in spending, and get better value for money. The Fund aims to coordinate, supplement and amplify national investments in defence research, in the development of prototypes and in the acquisition of defence equipment and technology.

The European Defence Fund has two components[32]:

1.   Research: The research aspect of the Fund is already delivering. Starting in 2017, the EU will for the first time offer grants for collaborative research in innovative defence technologies and products, fully and directly funded from the EU budget. Projects eligible for EU funding will focus on priority areas previously agreed by Member States, and could typically include electronics, metamaterials, encrypted software or robotics.

2.   Development and acquisition: The Fund will create incentives for Member States to cooperate on joint development and the acquisition of defence equipment and technology through co-financing from the EU budget and practical support from the Commission. Member States may for example jointly invest in developing drone technology or satellite communication, or bulk buy helicopters to reduce costs. Only

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[31] https://eeas.europa.eu/sites/eeas/files/launching_the_european_defence_fund.pdf
[32] European Commission - Press release "A European Defence Fund: €5.5 billion per year to boost Europe's defence capabilities" (Brussels, 7 June 2017)

collaborative projects will be eligible, and a proportion of the overall budget will be earmarked for projects involving cross-border participation of SMEs.
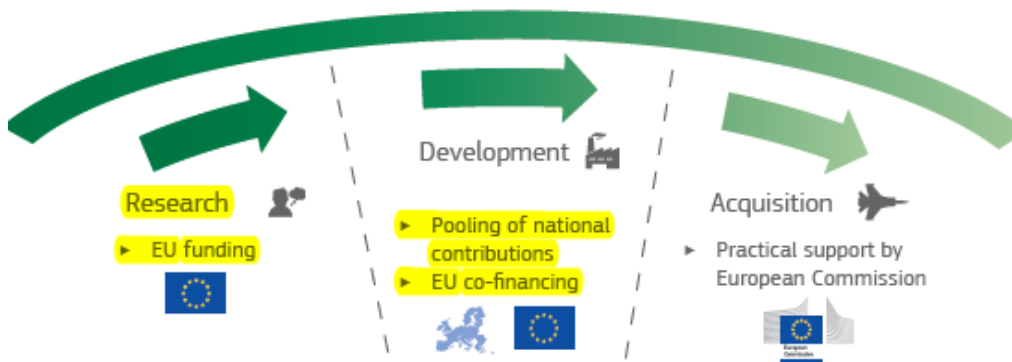
An ambitious European Defence Fund will contribute to a European Union that protects and defends its citizens, complementing other ongoing work strands, namely the Global Strategy's Implementation Plan on Security and Defence, which sets out a new level of ambition for the Union and identifies actions to fulfil it, as well as with the implementation of the EU-NATO Joint Declaration signed by the President of the European Council, the President of the Commission and the Secretary-General of NATO.

The European Defence Fund might become the engine powering the development of the European Security and Defence Union.

17.6.   Defence industry and defence market

Context

Article 173 TFEU gives the legal basis for EU industrial policy and Article 346(1) TFEU provides the rules for the defence equipment market.
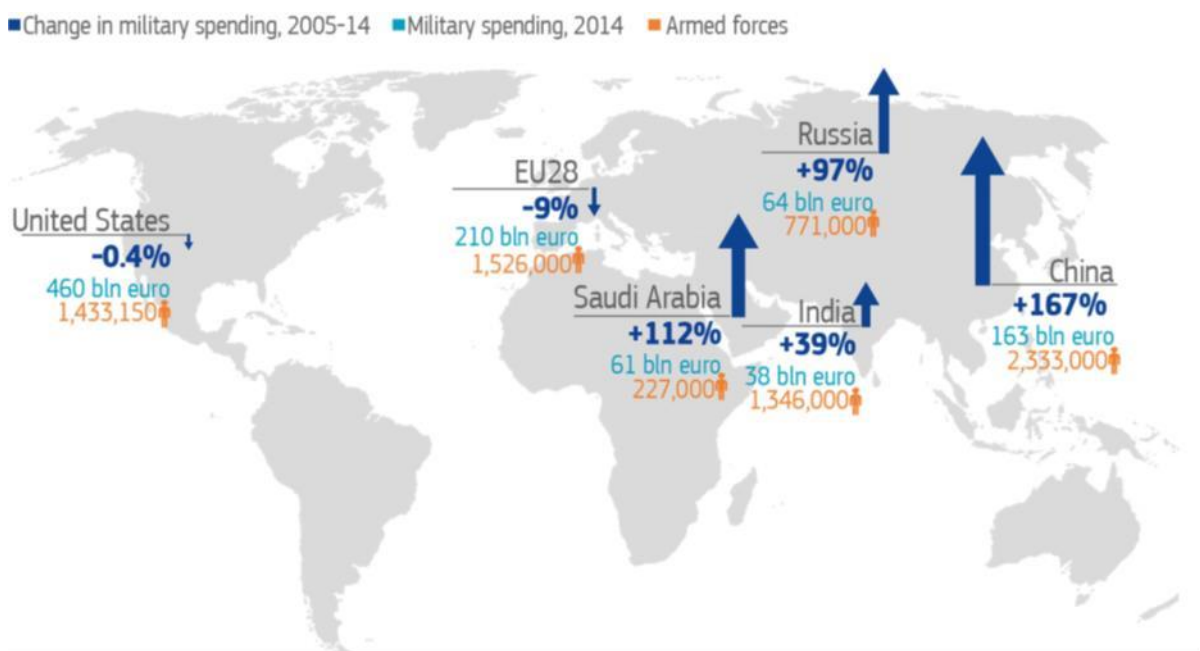
EU Defence industry

The defence industry is a key sector for Europe's ongoing development as world leader in manufacturing and innovation. Also, a competitive European defence industry is vital for the credibility of the Common Security and Defence Policy (CSDP).

Background issues

The current budgetary constraints in EU Members States require a greater defence industrial cooperation with a better coordination among Member States for the strategic choices that concern the acquisition of military and dual-use equipment in order to deliver increased efficiency and to ensure better value for money.

Shifts in global military power

■Change in military spending, 2005-14 ■Military spending, 2014 ■Armed forces

United States
-0.4%
460 bln euro
1,433,150

EU28
-9%
210 bln euro
1,526,000

Russia
+97%
64 bln euro
771,000

Saudi Arabia
+112%
61 bln euro
227,000

India
+39%
38 bln euro
1,346,000

China
+167%
163 bln euro
2,333,000

Source: European Political Strategy Centre, 2015.

Achievements for European defence industry

The Defence Package was intended to boost the competitiveness of the European defence sector and to mitigate the problems caused by the fragmentation of the European defence market. Commission's defence-related initiatives such as the Defence Action Plan[33] and the Defence Industrial Policy[34] aim to strengthen Members States efforts in delivering

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[33] http://europa.eu/rapid/press-release_IP-16-4088_en.htm.

[34] https://ec.europa.eu/growth/sectors/defence/industrial-policy_en.

capabilities through greater cooperation and encourage the development of a competitive and innovative European defence industrial base.

EU Defence market

A more comprehensive range of programmes aimed at European defence companies and more particularly the small and medium enterprises (SME's) can represent a solid contribution to the strengthening of European defence market.

Background issues

The fact that European defence market remains fragmented hampers the innovation and leads to the duplication of defence research programmes. The consequences are detrimental to Europe's global competitiveness and the effectiveness of the Common Security and Defence Policy (CSDP). Policy-makers should enhance the openness and encourage competition in security and defence markets.

Objectives for the defence sector

The key objectives of the EU defence policy should be the development of a competitive and innovative European Defence Technologies and Industrial Base (EDTIB) and to pursue with the establishment of a European defence equipment market.[35]

Currently, the defence sector is highly regulated at national level with more than 83% of investment in defence equipment spent on national territory[36]. The standardisation of the defence equipment would facilitate the integration of national markets.

The European handbook on defence procurement proposed by the European Commission is welcomed, but in order to provide a more flexible procurement process suitable for defence equipment and markets, it is imperative to better implement the Directive 2009/81/EC on defence and security procurement and Directive 2009/43/EC on intra-European Union transfers of defence-related products.

Further advance for a single defence market would not only ensure more transparency while preventing duplication of effort, but it may also help companies to operate across

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[35]http://www.europarl.europa.eu/RegData/etudes/etudes/join/2013/433838/EXPOSEDE_ET(2013)433838_EN
.pdf.
[36] http://www.amchameu.eu/sites/default/files/publications/files/security_and_defence_brochure_2016_0.pdf.

borders and this could help Members States get best value for money in their defence procurement.

It is worth mentioning the EU programmes such as Horizon 2020, COSME and the European Structural and Investment Funds that offer considerable potential for defence companies, SMEs in particular, to fund dual-use projects. Furthermore, the Handbook for Defence-related SMEs[37] released by the European Defence Agency was designed to give simple, smart and short advice on how to get easier access to the defence market.

Role of the European Parliament[38]

The European Parliament has adopted several resolutions referring to the defence industry. In the resolution adopted on 22 November 2012 on the implementation of the CSDP, EP called on Member States to fully implement Directive 2009/81/EC in order to achieve greater interoperability of equipment and combat market fragmentation. Also, the EP resolution of 21 November 2013 calls for the reinforcement of European industrial cooperation and stresses the need to support CSDP missions through European research and development using the Horizon 2020 research programme.

European Parliament's resolution of 21 May 2015 emphasises that the current security threats are common to the EU as a whole and should be addressed in a united and coordinated way, pooling and sharing civilian and military resources. It also underlines the necessity to make progress on the establishment of a European defence equipment market and on the development of a competitive European Defence Technological and Industrial Base (EDTIB).

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[37] https://www.eda.europa.eu/docs/default-source/eda-publications/eda-smes-2016.

[38] http://www.europarl.europa.eu/atyourservice/en/displayFtu.html?ftuId=FTU_5.9.5.html.

17.7.   Instrument contributing to Stability and Peace (IcSP)

<u>**Context**</u>

The **Instrument contributing to Stability and Peace (IcSP)** was established in March 2014 through Regulation (EU) No 230/2014 of the European Parliament and of the Council, to take over from the previous Instrument for Stability (IfS) (2007-2014). The IcSP, considered part of a new generation of Union instruments for funding external action, provides "direct support for the Union's external policies by increasing the efficiency and coherence of the Union's actions in the areas of **crisis response, conflict prevention, peace-building**

and   crisis

preparedness, and in **addressing global and transregional threats**."[39] **For the**

period   20142020,   the   IcSP was assigned an overall budget of 2.3 billion Euro.

<u>**Provisions and implementation**</u>

The IcSP can provide short-term assistance in crisis management or long-term assistance in fighting global and trans-regional threats. The IcSP's crisis response planning activities, as well as those of the **Peace-building Partnership**[40] are managed by the Service for Foreign Policy Instruments, while activities linked to global and trans-

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[39] REGULATION (EU) No 230/2014 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 11 March 2014 establishing an instrument contributing to stability and peace, art. 1(1) and art. 1(4).
[40] http://ec.europa.eu/dgs/fpi/documents/euinaction-buildingpeace-infographic-p-17sept14_en.pdf.

regional threats and emerging threats are managed by DG International Cooperation and Development (DG DEVCO). The IcSP is currently supporting 273 projects in 74 countries.
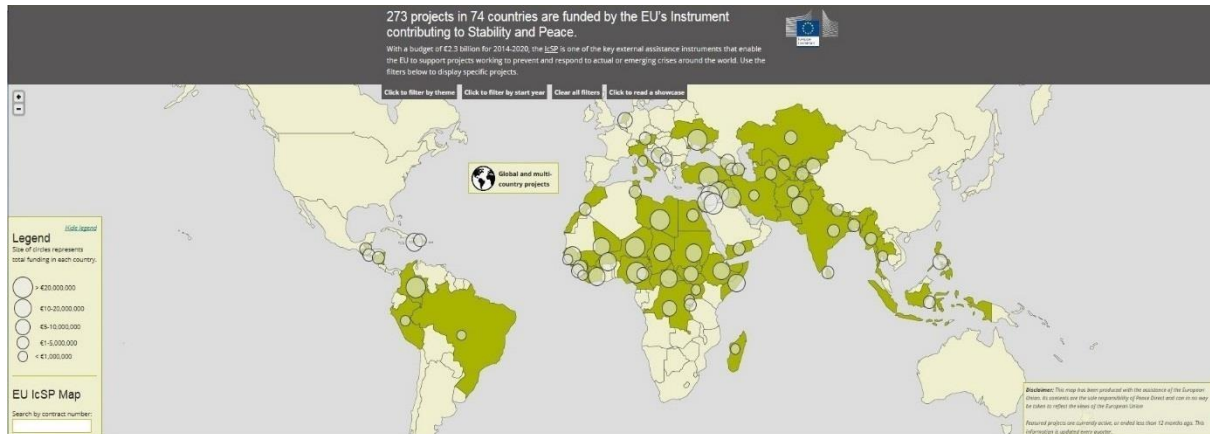
Now an important part of **the security-development nexus**,[41] the European

Commission submitted a proposal to amend Regulation (EU) No 230/2014 of the European Parliament and of the Council of 11 March 2014 establishing an instrument contributing to stability and peace, in particular updating its specific objectives to be:

"i) to contribute to improving the capacity of partner countries to prevent and manage crises by themselves; ii) to contribute to improving the effectiveness of the Union's development actions by working with all security actors, including the military, through the delivery of capacity building in support of security and development by the EU, as soon as possible, flexibly and comprehensively; and iii) to contribute to ensuring the respect of the rule of law, good governance as well as enhanced civilian control and oversight over the military in third countries."[42]

The proposed amendment aims to **"enhance coherence and coordination between EU security and development actions, as well as to improve the delivery of capacity building in support of security and development"** by **deploying EU CSDP, CFSP, development and aid instruments in a coordinated, comprehensive, results-oriented fashion**.

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[41] http://ec.europa.eu/europeaid/policies/fragility-and-crisis-management/links-between-security-anddevelopment_en.
[42] REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL amending Regulation (EU) No 230/2014 of the European Parliament and of the Council of 11 March 2014 establishing an instrument contributing to stability and peace, COM(2016) 447 final,2016/0207 (COD), Strasbourg 5 July 2016, p. 3. [43] *Idem*, art. 3a (3).

The European Commission seeks to strengthen partner capacity building in support of security and development by deploying "Union assistance under this Regulation may be used to build the capacity of military actors in partner countries, under the [following] exceptional circumstances":

"(a) where requirements cannot be met by recourse to non-military actors to adequately reach Union objectives under this Regulation and the premise of the achievement of stable, peaceful and inclusive societies is denied by a serious threat to the existence of functioning State institutions, as well as to the protection of human rights and fundamental freedoms, or State institutions can no longer cope with this serious threat; and

(b) where a consensus exists between the country concerned and the international community and/or the European Union that the security sector, and in particular the military, are key for stability, peace and development, particularly in crises and fragile contexts and situations."[43]

The European Union seeks to employ the IcSP for **crisis response, conflict prevention, peace-building and crisis preparedness,** including for "the provision of capacity building programmes in support of security and development, including training, mentoring and advice, as well as the provision of equipment, infrastructure improvements and provision of other services."[43] However, the IcSP funding cannot be used under any circumstances to finance "(a) recurrent military expenditure; (b) the procurement of arms and ammunition; (c) training which is solely designed to contribute to the fighting capacity of the armed forces."[44]

European Parliament and IcSP

The European Parliament is currently working on a legislative report on the Instrument contributing to Stability and Peace. The EC position was adopted with only two amendments in AFET, both proposed by S&D Group and imposing a clear conditionality not to fund the initiatives aiming to capacity building in support of security and development from the Development Cooperation Instrument (DCI); and the second amendment aiming to provide full transparency of any such spending.

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[43] *Idem*, art. 2.

[44] *Idem*, art. 4.

In this context, it is important to underline the intertwined nature of security and development actions for security is a fundamental prerequisite of development and development is a criteria for maintaining and deepening security.

The modification to the Instrument contributing to Stability and Peace (IcSP) enters in the trialogue procedure.

17.8. EC Directives on Arms Transfer

Context

In 2007, the Commission issued a set of documents known as the 'Defence Package'. This was the first step towards the establishment of a sound industrial policy and legislative framework to improve competitiveness, introduce greater transparency, and cut unnecessary red tape in the defence sector. The package included a Communication[45] and two directives.

Legislative framework

→ Directive 2009/81/EC[46] **on defence and security procurement aims to coordinate procedures for contract awards** in defence and security. The 'procurement directive' focuses on the coordination of procedures for certain work, supply, and service contracts that are awarded by contracting authorities or entities.

The Directive provides rules that **enhance transparency and openness in defence markets between EU countries**, while also ensuring that individual countries' security interests are protected. Most importantly, it is meant to limit the use of the exception clause of Article 346 of the Treaty on the Functioning of the European Union to exceptional cases.

Directive 2009/81/EC limits itself to setting the rules and procedures for the award of defence contracts and leaves it up to Member States to ensure that possible offset requirements stay in line with the rules of the Directive and the Treaty.

Directive 2009/81/EC will cover only specific contracts in the fields of security and defence, namely the procurement of military equipment (i.e. arms, munitions and war

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[45] http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:52007DC0764
[46] http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32009L0081

material) and security equipment which is particularly sensitive and has similar features to defence equipment (subject to article 296 of the above-mentioned Treaty).

The European Parliament and the Council of the European Union issued a report on the implementation of Directive 2009/81/EC in 2016[47].

→ Directive 2009/43/EC[48] **on intra-EU transfers of defence related products** is aimed to **simplify the terms and conditions for transfers of defence-related products within the EU**. The 'transfer directive' is meant to alleviate obstacles caused by the fragmentation of the European defence market, to progress towards a genuine European market for defence equipment, without sacrificing national control over essential defence and security interests.

The Transfer Directive introduced a partially new licensing system differentiating between and rationalising the use of general, global, and individual licenses. The Directive encourages EU countries to replace, as far as possible, the use of individual licenses by issuing **general licenses** for intra-EU transfers, considered unproblematic and where the unauthorised risk of re-exportation to non-EU countries is strictly controlled. This includes purchases by armed forces from other EU countries and transfers of components in the context of industrial cooperation to companies certified in accordance with Article 9 of the Directive.

Certification is granted at national level and is meant to testify to the special ability of defence undertakings to receive defence-related products and, where appropriate, to respect all the conditions attached to those products, such as end-use and end-user conditions. The Commission collects information from EU countries about certified recipients of defence-related products and makes them publicly available through CERTIDER[49], the central EU register of certified undertakings. As certificates have to be mutually recognised, the Commission provided the national authorities with common certification guidelines[50] in January 2011.

On the 27th of May 2016, the European Commission has amended Directive 2009/43/EC with Directive 2016/970[51].

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[47] https://ec.europa.eu/transparency/regdoc/rep/1/2016/EN/COM-2016-762-F1-EN-MAIN.PDF
[48] http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32009L0043&from=EN
[49] http://ec.europa.eu/growth/tools-databases/certider/index.cfm

[50] http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:32011H0024

[51] http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=celex:32016L0970

Impact and EP position

→ EPRS published a study on the impact of the "defence package" Directives on European Defence[52] that concludes that the implementation of the two Directives is still incomplete and even incorrect, with de facto a limited or even non-existent impact on the Defence Technological and Industrial Base/DTIB.

Number of notices published on TED[53] per type
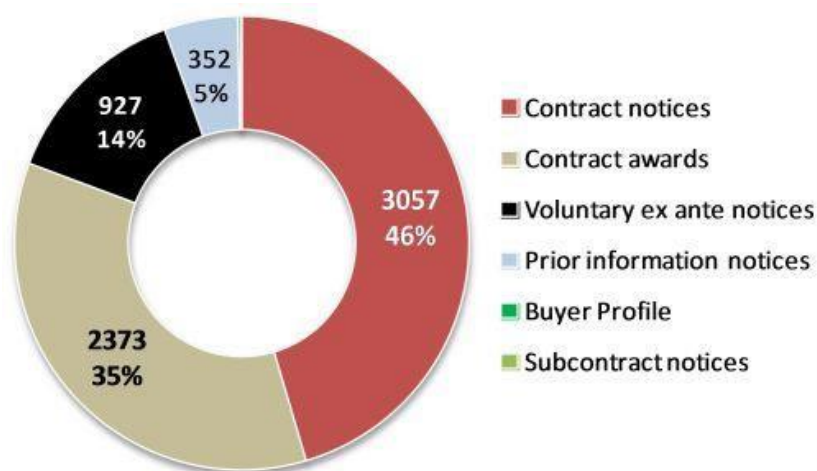
While the number of documents published on TED over these past years has been increasing, this increase is not as significant as expected, and above all it is due to a small group of Member States (France, Germany, and the United Kingdom). In value, contract awards notified between the 21st

August 2011 and the 31st December 2014 represent around €10.53 billion. During this period, all of the major military equipment contracts, thus those that have had a structural effect on the DTIB, were notified without going via the Directive. Previous practices have continued, notably the use of Article 346.

Furthermore, the use of general licences appears to be quite limited considering its potential. To date, only 50 defence companies are registered on CERTIDER.

→ While the EP admits that introduction of new legislation is a lengthy process, the EP fully encourages the full implementation of the two Directives and has launched multiple calls on the Commission to apply the guidance note on Article 346 and to assume its role

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[52] http://www.europarl.europa.eu/RegData/etudes/STUD/2015/549044/EXPO_STU%282015%29549044_EN.pdf
[53] Contracts covered under the Directive 2009/81/EC are advertised in TED (Tenders Electronic Daily).

as guardian of the Treaties by starting to implement infringement proceedings in the event of violations of the Directives. The EP has also launched calls on the Member States to improve multinational efforts on the demand side of military procurement, and on European industries on the supplier side to strengthen their global market positions through better coordination and industrial consolidation.

17.9.   European Defence Agency/EDA

EDA and CSDP

The EDA is an Agency of the EU established under a Joint Action of the Council of Ministers on 12 July, 2004[54], "to support the Member States and the Council in their effort to improve European defence capabilities in the field of crisis management and to sustain the European Security and Defence Policy as it stands now and develops in the future".

Article 42 (3) and 45 of TEU[55] set out the baselines of EDA`s activity and accountability (subject to the authority of the Council), as well as her key role in the implementation of CSDP.

The Council Decision (CFSP) 2015/1835[56] stresses that the Agency should contribute to the implementation of the Common Foreign and Security Policy (CFSP), in particular the CSDP, including through proving support to CSDP operations.

The European Defence Agency, within the overall mission set out in the aforementioned Council decisions and TEU provisions, has three main missions:

•   supporting the development of European defence capabilities and military cooperation;

•   stimulating defence Research and Technology (R&T) and strengthening the European defence industry;

•   acting as a military interface to EU policies.

All EU Member States are EDA members, with the exception of Denmark.

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[54] https://www.eda.europa.eu/docs/documents/COUNCIL_JOINT_ACTION_2004_551_CFSP.pdf

[55] http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=celex%3A12012M%2FTXT

[56]   https://www.eda.europa.eu/docs/default-source/finance-documents/eda-council-decision-2015-1835-dated-1310-2015.pdf

Recent developments

While the Global Strategy states that EDA has a key role in the implementation of CSDP[57], the **Implementation Plan on Security and Defence[58]** proposed by HR/VP Federica Mogherini (14 November 2016) clearly specifies that concrete actions are necessary:

-       identifying the related capability development priorities, including Member States to agree to take forward work in the EDA to specify and complement capability priorities based on the Level of Ambition and the EUGS, as part of the revision process of the Capability Development Plan (CDP);

-       developing (by EDA with its participating Member States) further proposals concerning output-oriented capability development, Key Strategic Activities, R&T, more structured cooperation, critical enablers, and Security of Supply, and prepare for their implementation.

The Council Conclusions on the **Implementation of the Joint EU-NATO Declaration[59]** (6 December 2016) call for closer cooperation between NATO and EU/EDA experts in the field of Military Aviation with a view to ensuring complementary efforts in the interest of defence and security.

At the **EDA Ministerial Steering Board** (5 November 2016), EU Defence Ministers approved EDA's **general budget first increase since 2010**: €31 million in

2017 compared to €30.5 million in 2016. Furthermore, they agreed to set up a working group within EDA in view of submitting a legal and financial package for a cooperative financial mechanism that will help harmonization of defence budgets in cooperative projects within EDA, in spring 2017.

Furthermore, considering that the effective implementation of a number of key actions in the Implementation Plan on Security and Defence will require making full use of the EDA's potential, the Head of the Agency set in train a "360 degrees" long term review of the Agency 's priorities and way of working, with a time horizon 2025. The review will

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[57] By strengthening the Capability Development Plan, acting as an interface between Member States and the Commission, and assisting Member States to develop the capabilities stemming from the political goals set out in the Strategy.

[58] https://eeas.europa.eu/sites/eeas/files/eugs_implementation_plan_st14392.en16_0.pdf

[59] http://www.consilium.europa.eu/en/press/press-releases/2016/12/06-eu-nato-joint-declaration/

provide a long-term vision of EDA's development in the context of the wider follow on to the Global Strategy.

EP position

The EP has launched repeated calls to increase EDA financing from the Union budget, as well as enhancing the role of the Agency in coordinating capability-driven programmes, projects and activities, so it would benefit an efficient CSDP. The EP has also called upon Member States to review the organisation, procedures and activities of the Agency, opening more options for further cooperation and integration.

17.9.1.   Winter package on Security and Defence - The role of the European Defence Agency (EDA)

EUGS Implementation Plan [60]

This Implementation Plan sets out proposals to implement the EU Global Strategy (EUGS) in the area of security and defence. Concrete actions are necessary to implement the Level of Ambition set out in the EUGS, together with the Member States in a credible way. In what concerns EDA, the Implementation Plan states that:

• The EDA has a key role to play by assisting Member States to develop the required capabilities, strengthening the Capability Development Plan (CDP) and acting as an interface between Member States and the Commission without being a substitute for national positions being conveyed to the Commission through other channels.

• Member States are expected to agree to take forward work in the EDA to specify and complement capability priorities based on the Level of Ambition and the EUGS, as part of the revision process of the CDP.

• EDA with its participating Member States are encouraged to develop further proposals concerning output - oriented capability development, Key Strategic Activities, R&T, more structured cooperation, critical enablers, and Security of Supply, and prepare for their implementation.

• In order to support Member States to deliver more cooperation and output, further development of the full spectrum test & evaluation capabilities in Europe based on a fully

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[60] https://eeas.europa.eu/sites/eeas/files/eugs_implementation_plan_st14392.en16_0.pdf

coordinated network of national centres is needed. This entails fostering collaborative activities among Test Centres, creating networks of excellence and systematically relating them to EDA projects.

Implementation Plan Council Conclusions[61]

Drawing on the Implementation Plan, the Council sets the level of ambition of the EU through the conclusions presented and prioritises concrete actions needed to implement the EUGS in the area of security and defence. These should assist the EU and its Member States in addressing further Europe's current and future security and defence needs, enhance its strategic autonomy and strengthen its ability to cooperate with partners. In what concerns EDA's role, the Council states:

• Invites Member States, working through the EDA and in close coordination with the EU Military Committee (EUMC), to specify and complement the identified preliminary capability priorities on the basis of the level of ambition and in the framework of the forthcoming review of the CDP by spring 2018, taking also into account Member States' priorities.

• Calls on the EDA, in close cooperation with Member States, to develop proposals to strengthen European defence cooperation with a view to their expeditious implementation:

i. Translating defence capability priorities into concrete collaborative programmes, through a more output-oriented CDP. EDA is invited to initiate consultations with Member States and the EUMC in order to improve the EU capability development process and present proposals by February 2017, including in view of taking into account R&T and industrial aspects in the CDP review;

ii. Refining the link between existing processes on defence capability priorities, overarching R&T priorities and Key Strategic Activities (e.g. technologies, skills and industrial capacities to be identified, including by establishing a structured dialogue with Industry) in order to promote investments and to inform the implementation of the European Defence Action Plan;

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[61] http://www.consilium.europa.eu/en/press/press-releases/2016/11/14/conclusions-eu-global-strategy-security-defence/

iii.   Supporting Member States on the coherent and complementary use of R&T resources in Europe;

iv.   Developing proposals and business cases for replicating the success of the multinational European Air Transport Command (EATC) in other domains;

v.   Improving critical enablers for co-operation such as standardisation, certification, test and evaluation, as well as training and military education, while ensuring coherence and avoiding unnecessary duplication with national and multinational structures;

vi.   Improving Security of Supply through a holistic approach based on Member States' political commitment and existing programme/sector-specific agreements.

• The Council underlines that its conclusions concerning the enhancement of military capability development and the deepening of defence cooperation addressed to the EDA constitute the Council guidelines for EDA for its work in 2017 (Council Decision (CFSP) 2015/1835 of 12 October 2015).

European Defence Action Plan[62]

This European Defence Action Plan contributes to ensuring that the European defence industrial base is able to meet Europe's current and future security needs and, in that respect, enhances the Union's strategic autonomy, strengthening its ability to act with partners. In order to assure that, the Action Plan proposes the creation of a European Defence Fund (that President Juncker called for in his State of the Union speech of 14 September 2016). This Fund would consist of two distinct financing structures ('windows'), which are complementary and would be phased in over time:

i)   **A "research window"** to fund collaborative defence research projects at the EU level. This would be developed through the launch of a Preparatory Action and should result in a dedicated EU programme in the post-2020 EU multiannual financial framework.

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[62] http://www.consilium.europa.eu/en/press/press-releases/2016/12/06-eu-nato-joint-declaration/

ii)   **A "capability window"** to support the joint development of defence capabilities commonly agreed by Member States. This would be financed through the pooling of national contributions and, where possible, supported by the EU budget.

  The "windows" will be complemented by a coordinating mechanism in the form of **a Coordination Board**, **bringing together the Commission, the High Representative, the Member States, the EDA, as well as industry as appropriate**. In what concerns EDA's role in enhancing the Union's strategic autonomy, the Action Plan states that:

•   The Commission will consider a delegation agreement with EDA on certain tasks related to the implementation of the preparatory action. The research topics will be established in the work programme following the comitology principles.

•   The Commission stands ready to support the "capability window" with its financial and technical expertise. Member States' experience and ongoing work in the context of EDA for the creation of a Cooperative Facility Mechanism should also be taken into account.

•   For the "capability window" the Commission will work closely with the Member States, together with the High Representative, also in her capacity as head of EDA, to develop further the modalities and governance of the capability window in order to support Member States' joint development of specific capability projects.

•   A new mechanism to monitor and initiate the development of defence and hybrid standards was agreed between the Commission, EDA and Member States. One option being explored is the possible development of European standards through the processes established by the European Standardisation Organisations.

•   The Commission, in cooperation with the High Representative, EDA and the European Space Agency, is preparing an initiative to ensure reliable, secured and cost - effective satellite communications services for EU and national authorities managing security critical missions and infrastructures by the end of 2017.

•   By 2018, the Commission will, in cooperation with the High Representative, EDA and Member States, develop specific actions to support a co-ordinated civil military maritime security research agenda and interoperable maritime surveillance capabilities.

- The Commission will, in close cooperation with Member States and the High Representative, including in her capacity as head of EDA, set up an Implementation Steering Group, meeting on a regular basis, to monitor and facilitate progress in the Actions. A first meeting will take place in the first quarter of 2017.

NATO/EU Joint Declaration Implementation Plan[63]

The Plan proposes closer cooperation between NATO and EU/EDA experts in the field of Military Aviation with a view to ensuring complementary efforts in the interest of defence and security in Europe especially as regards the development of a Military Aviation Strategy, the implementation of Military Airworthiness arrangements, remotely Piloted Aircraft Air Traffic Integration, Aviation security including cyber, as well as civil initiatives, such as SES/SESAR.

17.10. EUROCORPS

Context

→ On May 22 1992, during the **La Rochelle Summit** the Joint Report of the French and German Defence Ministers was endorsed and François Mitterrand and Helmut Kohl **formally founded the Eurocorps**.

→ On June 19 1992, the **Petersberg Declaration** defines the WEU's role as a EU defence component (Petersberg missions). Based on this orientation, the Eurocorps Member States decided on May 19th, 1993, in **Rome**, to **put the Eurocorps at the WEU's disposal**.

→ On January 21 1993, the signing of **SACEUR Agreement** specifies the conditions of Eurocorps' employment within the NATO framework[64].

Eurocorps was certified NATO High Readiness Force (HRF) in 2002 and NATO Response Force (NRF) in 2006.

→ In November 1995 Headquarters Eurocorps was declared operational.

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[63] http://www.consilium.europa.eu/en/press/press-releases/2016/12/06-eu-nato-joint-declaration/

[64] This agreement specifies possible Eurocorps missions within NATO, competencies for contingency planning, the commitment of the Eurocorps under NATO command as well as the relations between NATO commanders and the Commander Eurocorps in peacetime. [65] Rotational basis, 2 year mandate.

→ On May 29, 1999, at the **French-German Summit in Toulouse**, it was proposed to place the Eurocorps at the disposal of the European Union for crisis response operations. This was accepted by the other member states and formally announced at the European Union (EU) **Summit in Cologne** (3-4 June 1999).

→ On 22 November 2004 the civil representatives of the five Framework Nations signed the so-called **Treaty of Strasbourg** related to Eurocorps and to the status of its headquarters. This document was ratified by each country and came into force on 26 February 2009.

Membership and organization

→ Initially a French-German initiative, the Eurocorps was declared open for membership to other WEU-countries. Belgium became a Framework Nation in 1993, Spain in 1994 and Luxembourg in 1996. Poland was supposed to join Eurocorps as a Framework Nation in January 2017, but the process was postponed for 2020.

The five Framework Nations take together all major decisions about the operation and the employment of Eurocorps and they provide most of the assigned personnel, of the funding and of the equipment. Additionally, four states are associated, and have thus pledged to contribute personnel to the staff (Greece, Italy, Poland, Romania and Turkey).

→ The European Corps is not subordinate to any other military organisation. It is deployed on the authority of the Common Committee representing the member nations, the Chief of Defence, and the Political Director of the Ministry of Foreign Affairs. This committee considers requests for support from multinational organizations such as UN, NATO, OSCE and EU. The Corps can also be deployed at the request of the framework nations. The Commanding General of Headquarters Eurocorps/COMEC[65] (currently Lieutenant General Alfredo Ramirez) is responsible to the Eurocorps Common Committee.

→ Eurocorps includes two major entities:

- the Headquarters;

- the Multinational Command Support Brigade.

Eurocorps Missions and CSDP

→ Eurocorps participated in peacekeeping missions in Bosnia and led KFOR III in [Kosovo](#) from 18 April 2000 to October 2000 and led the ISAF6 Force in Afghanistan from 9 August 2004 to 11 February 2005. From 1 July 2006, to 10 January 2007, the headquarters of the corps was the land component stand by element of the NATO [Response Force 7.](#) From 1 July 2010 to 10 January 2011, the headquarters of the corps was the land component stand by element of the NATO Response Force 15 (NRF 15). In 2012, the corps has deployed to ISAF in Afghanistan.

Even though initially created for European defence, Eurocorps actually deployed four times with NATO.

→ During the second semester of 2015, Eurocorps participated in **EUTM Mali**, leading a mission intended to train and advise the Malian armed forces. This has been the **first step towards developing a more balanced approach to** Common Security and Defence Policy/**CSDP** institutions.

→ The signing of a **Letter of Intent** between **Eurocorps and the European Union Military Staff** on 18 January 2016 represented a significant move in this direction.

The two institutions express their common and mutual interest to closely relate and co-ordinate work of common purpose and to establish an agreed framework for bilateral cooperation. This framework includes among other domains the exchange of information, joint training and education and an increase of efficiency for response to crisis.

The agreement also facilitates the aspiration of Eurocorps to become a preferred military asset for the EU within the whole spectrum of EU crisis management operations.

→ Eurocorps assumed the role of **EU Battle Group Force Headquarters** for the second semester of 2016 and the first semester of 2017.

→ In the **Implementation Plan on Security and Defence**[65] it is stated that the current contribution of national and multinational structures to CSDP (such as Eurocorps) is welcomed and Member States to reinforce cooperation of their relevant multinational structures/initiatives with the EU.

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[65] https://eeas.europa.eu/sites/eeas/files/eugs_implementation_plan_st14392.en16_0.pdf

EP position

Elmar Brok has launched calls in his latest reports[66] to strengthen and make greater use of Eurocorps for CSDP missions and operations, as well as to upgrade Eurocorps so it would be fit to support, when necessary, the European Border and Coast Guards Agency.

17.11. Learning and training in the field of CSDP

Context

The Council adopted the EU Training Policy in 2003 and in 2004 the EU Training Concept in the field of CSDP[67], the objective being "the adoption of a holistic and coordinated approach on training" which "would contribute to the overall goal of improving civil-military as well as civil-civil coordination".

Background issues

The current training policy for CSDP has been largely overtaken by developments in EU policies affecting both civilian and military activities. Therefore, it is necessary to update the policy and to make it effective with the best use of scarce resources.

Training initiatives for CSDP/CFSP

The EU Training Programme runs online via the "Schoolmaster"[68] application aiming to ensure a better link between training and deployment.

The other training programmes for the CSDP-related activities involve several actors at EU level trying to complement the training efforts of the Member States as follows:

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[66] Report on improving the functioning of the European Union building on the potential of the Lisbon Treaty (2014/2249 (INI)) and Report on the Implementation of Common Foreign and Security Policy (2016/2036(INI)).
[67] http://eeas.europa.eu/archives/docs/csdp/documents/pdf/trainingconcept_en.pdf

[68] https://goalkeeper.eeas.europa.eu/schoolmaster/about.do;jsessionid=SFfaMrzw4RM1cHWTYSLn6PKLucrivomic2llHV YqNXQ3Wuht33F!1562094901

1. European Security and Defence

College (ESDC)[69] plays a major role for a better understanding of CSDP in the overall context of CFSP and promoting a common European security culture.
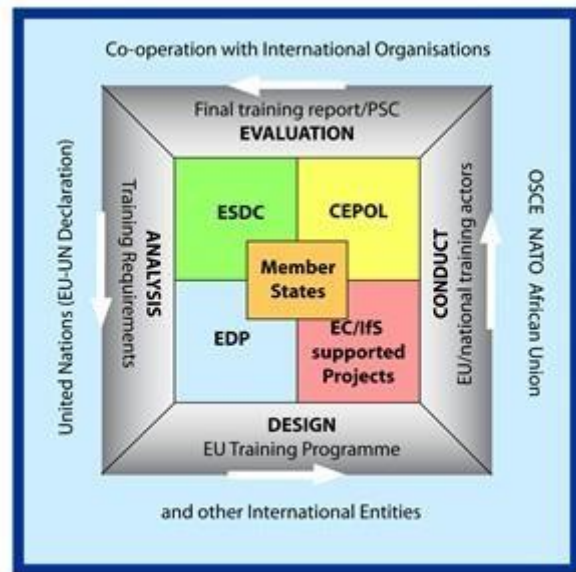
2. European Police

College (EPC) [70] provides specific police training to encourage cross-border cooperation in the fight against crime, public security and law and order.

3. **European Diplomatic Programme (EDP)**[71] is a joint programme between Member States and EU institutions for young diplomats from EU Member States. The project aims to develop a European identity among diplomats including in his curriculum CSDP and EU crisis management courses.

4. European Commission is supporting the training programme **"Europe's New training initiative for Civilian Crisis Management" (ENTRi)**[72] aimed to build up the capacities of personnel who are to work in civilian crisis management missions outside the EU, whether under the auspices of the EU, UN, OSCE and others.

5. The **EU Military Staff (EUMS)**[73] is offering specific military training to their new staff but also to the CSDP Foundation Training for Operation Headquarters (OHQ) key nucleus personnel.

6. The **European Defence Agency (EDA)**[74] in collaboration with EU Member States and other EU agencies initiated training courses covering topics such as European Armaments Co-operation or creating cultural and situational awareness, aimed to develop certain skills and capabilities within Member States and EU institutions.

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[69] https://eeas.europa.eu/topics/common-security-and-defence-policy-csdp/4369

[70] https://www.cepol.europa.eu/

[71] http://collections.internetmemory.org/haeu/content/20160313172652/http://eeas.europa.eu/jobs/delegations/european-diplomatic-programme/index_en.htm

[72] http://www.entriforccm.eu/

[73] https://eeas.europa.eu/topics/common-security-and-defence-policy-csdp/5436_en

[74] https://www.eda.europa.eu/

7.   The **European External Action Service (EEAS)**[75] provides a wide range of CFSP/CSDP for staff due to work in the EEAS structure or the EU delegations worldwide.

Conclusions

Considering the existence of numerous but mostly unconnected training initiatives in the field of CSDP at the EU level, a better coherence between training needs and training activities would certainly improve the preparation of the staff deployed in a mission. It is essential to clarify the responsibilities of the different bodies involved in the EU training policy on CSDP taking in consideration the evolving needs of CSDP in all its aspects. The training programmes should be linked with the lessons identified from past activities.

17.12. European Commission White Paper on the future of the EU

Context

On March 1, 2017 the European Commission adopted the White Paper on the future of Europe, a document intended to launch a debate on the future trajectory for the development of the Union.

Provisions and implementation

The Commission's White Paper on the future of Europe identifies five potential scenarios for the development of the EU:

Scenario 1: Carrying On - The EU27 focuses on delivering its positive reform agenda in the spirit of the Commission's New Start for Europe from 2014 and of the Bratislava Declaration agreed by all 27 Member States in 2016. By 2025 this could mean:

•   Europeans can drive automated and connected cars but can encounter problems when crossing borders as some legal and technical obstacles persist.

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[75] https://eeas.europa.eu/headquarters/headquarters-homepage_en

• Europeans mostly travel across borders without having to stop for checks. Reinforced security controls mean having to arrive at airports and train stations well in advance of departure.

• *Modest, incremental and sectoral European security and defence cooperation.*

Scenario 2: Nothing but the Single Market – The EU27 is gradually re-centred on the single market as the 27 Member States are not able to find common ground on an increasing number of policy areas. By 2025 this could mean:

• Crossing borders for business or tourism becomes difficult due to regular checks. Finding a job abroad is harder and the transfer of pension rights to another country not guaranteed. Those falling ill abroad face expensive medical bills.

• Europeans are reluctant to use connected cars due to the absence of EU-wide rules and technical standards.

• *Maintaining the status quo on European security and defence cooperation.*

Scenario 3: Those Who Want More Do More – The EU27 proceeds as today but allows willing Member States to do more together in specific areas such as defence, internal security or social matters. One or several "coalitions of the willing" emerge. By 2025 this could mean that:

• 15 Member States set up a police and magistrates corps to tackle cross-border criminal activities. Security information is immediately exchanged as national databases are fully interconnected.

• Connected cars are used widely in 12 Member States which have agreed to harmonise their liability rules and technical standards.

• *Limited group of countries deepen defence cooperation, focusing on military coordination and joint equipment.*

Scenario 4: Doing Less More Efficiently - The EU27 focuses on delivering more and faster in selected policy areas, while doing less where it is perceived not to have an added value. Attention and limited resources are focused on selected policy areas. By 2025 this could mean

• A European Telecoms Authority will have the power to free up frequencies for cross border communication services, such as the ones used by connected cars. It will also protect the rights of mobile and Internet users wherever they are in the EU.

• A new European Counter-terrorism Agency helps to deter and prevent serious attacks through a systematic tracking and flagging of suspects...

• *The EU speaks with one voice on all foreign policy issues and creates a European Defence Union.*

Scenario 5: Doing Much More Together – Member States decide to share more power, resources and decision-making across the board. Decisions are agreed faster at European level and rapidly enforced. By 2025 this could mean:

• Europeans who want to complain about a proposed EU-funded wind turbine project in their local area cannot reach the responsible authority as they are told to contact the competent European authorities.

• Connected cars drive seamlessly across Europe as clear EU-wide rules exist. Drivers can rely on an EU agency to enforce the rules.

• *The EU speaks with one voice on all foreign policy issues and creates a European Defence Union.*

ANNEX: Five scenarios offering a glimpse into the potential state of the Union by 2025

Carrying On

The EU27 focuses on delivering its positive reform agenda

+ The positive agenda of action continues to deliver concrete results
+ The unity of the EU at 27 is preserved
− The unity of the 27 may still be tested in the event of major disputes
− The gap between promise and delivery will only progressively be closed if there is collective resolve to deliver jointly

Nothing but the Single Market

The EU27 cannot agree to do more in many policy areas beyond key aspects of the single market

+ Decision-making may be simpler to understand
− It becomes harder to address issues of concern to more than one Member State and therefore the gap between expectations and delivery widens on common challenges
− Citizens' rights guaranteed under EU law may become restricted over time

Those Who Want More Do More

The EU27 proceeds as today but allows willing Member States to do more together in specific areas

+ The unity of the EU at 27 is preserved while progress is made possible for those who want more
+ The gap between expectation and delivery closes in countries who want and choose to do more
− Questions arise about the transparency and accountability of the different layers of decision-making
− Citizens' rights guaranteed under EU law vary depending on where people live

Doing Less More Efficiently

The EU27 focuses on delivering more and faster in selected policy areas not acting in where it is perceived not to have an added value

+ European citizens feel that the EU is only acting where it has real added value
+ A clearer focus of resources and attention on a number of selected domains helps the EU27 to act faster
− The EU at first has difficulty in agreeing which areas it should prioritise

Doing Much More Together

Member States decide to do much more together across all policy areas

+ There is far greater and quicker decision-making at EU level
+ Citizens have more rights under EU law
− Parts of society which feel that the EU lacks legitimacy or has taken too much power away from national authorities risk being alienated

17.13.   Reflection Paper - FUTURE OF EUROPEAN DEFENSE

Following the Commission's White Paper on the Future of Europe, on the 7th of June it was released the Reflection Paper on the FUTURE OF EUROPEAN DEFENCE[76], document that outlines different scenarios on how to address the growing security and defence threats facing Europe and enhance Europe's own abilities in defence by 2025. The aim was that the following debate to make an important contribution to deciding on how the Union will strengthen the protection and security of European citizens, which has been at the heart of the Commission priorities in the last 3 years. The reflection paper is complemented by concrete proposals presented the very same day to launch a European Defence Fund which will support more efficient spending by Member States on joint defence capabilities.

The Commission is proposing three possible scenarios for the future of European defence[77]:

- **"Security and Defence Cooperation"** scenario - the Member States would still decide on the need for security and defence cooperation on a voluntary and case-by-case basis, while the EU would continue to complement national efforts. Defence cooperation would be strengthened, but the EU's participation in the most demanding operations would remain limited. The new European Defence Fund would help develop some new joint capabilities but Member States would still oversee the bulk of defence capabilities' development and procurement individually. EU–NATO cooperation would retain today's format and structure.

- **"Shared Security and Defence"** scenario, Member States would pool together certain financial and operational assets to increase solidarity in defence. The EU would also become more engaged in Europe's protection within and beyond its borders. It would take on a greater role in areas like cyber, border protection or the fight against terrorism, and strengthen the defence and security dimension of internal EU policies like energy, health, customs or space. This would be matched by a political will to act, as well as decision-making fit for a rapidly changing

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[76] https://ec.europa.eu/commission/sites/beta-political/files/reflection-paper-defence_en.pdf
[77] European Commission - Press release "A Europe that defends: Commission opens debate on moving towards a security and defence union" (Brussels, 7 June 2017)
http://europa.eu/rapid/press-release_IP-17-1516_en.htm

context. The EU and NATO would also increase mutual cooperation and coordinate across a full spectrum of issues.

- **"Common Defence and Security"** scenario foresees the progressive framing of a common Union defence policy, leading to common defence based on Article 42 of the EU Treaty. The existing provision allows a group of Member States to take European defence to the next level. Under this scenario, protecting Europe would become a mutually reinforcing responsibility of the EU and NATO. The EU would be able to run high-end security and defence operations, underpinned by a greater level of integration of Member States' defence forces. The EU would support joint defence programmes with the European Defence Fund, as well as set up a dedicated European Defence Research Agency. This would also foster the creation of a genuine European defence market, able to protect its key strategic activities from external takeovers.
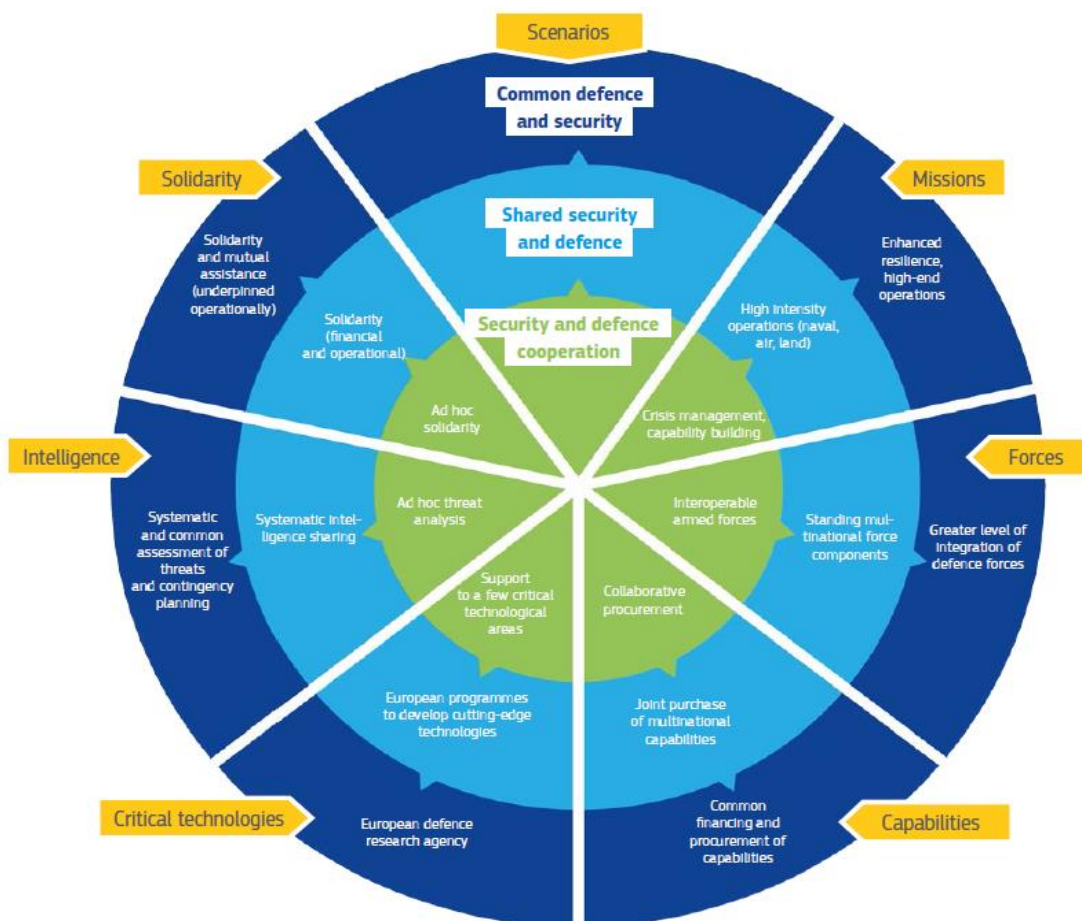
Source: Reflection Paper on the FUTURE OF EUROPEAN DEFENCE/ European Political Strategy Center

These above scenarios are not mutually exclusive, but illustrate three different levels of ambition in terms of solidarity. Member States will be in the driving seat, defining the level of ambition with the support of the EU institutions. Looking to the future, they must now decide the path they want to take and speed they want to go at to protect Europe's citizens.

17.14. European Council Meeting of 22-23 June 2017 - Council Conclusions - Security and Defence

European Council Meeting's Conclusions dedicated a substantive part to the "Security and Defence" aspects. It is to be noticed that **the nexus in between the internal and external dimension of security was reflected by the fact that under the Chapter "Security and Defence" were tackled the 2 interlinked dimensions** under two different headings: "Internal Security and the fight against terrorism" and "External Security and Defence".

- **"Internal Security and the fight against terrorism"** is focused on what it is generally perceived as the domestic dimension of security like fighting radicalisation online, countering violent extremism, curb the financing of terrorism. Concerning this last aspect, it refers to the international cooperation.

A "new dimension" included in these conclusions is represented **the cooperation and the responsibility that stays with the industry** in providing instruments to combat terrorism and crime, particularly online.

- **"External Security and Defence"**

- Salutes the progress in implementing the EU Global Strategy in the area of Security and Defence and the Joint Declaration signed in Warsaw by EU and NATO leaders;

- The **EU-NATO cooperation key to our overall security**, allowing us to respond to evolving security threats, including cyber, hybrid and terrorism;

- Welcomes the **establishment in Helsinki of a European Centre of Excellence for Countering Hybrid Threats**;

- The European Council **welcomes the Commission's communication on a European Defence Fund**;

- **Calls for rapid agreement on the proposal for a European Defence Industrial Development Programme** with a view to its swift implementation;

- **The European Council agrees on the need to launch an inclusive and ambitious Permanent Structured Cooperation (PESCO)**. (A common list of criteria and binding commitments, fully in line with Articles 42(6) and 46 TEU and Protocol 10 to the Treaty - including with a view to the most demanding missions - will be drawn up by Member States within three months, with a precise timetable and specific assessment mechanisms, in order to enable Member States which are in a position to do so to notify their intentions to participate without delay.)

- To strengthen the EU's rapid response toolbox, the European Council agrees that **the deployment of Battlegroups should be borne as a common cost by the EU-managed Athena mechanism on a permanent basis**.