A European Defence Union by 2025? Work in progress

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Summary

This analysis investigates the likelihood that a European Defence Union will be created by 2025, the proclaimed goal of the European Commission, now with a new Directorate General for Defence Industry and Space (DG DEFIS) at its disposal. It does so by combining an analytical framework for understanding the drivers behind a potential European Defence Union with an inventory of current and evolving elements of the EU's defence policy, the 'D' in Common Security and Defence Policy (CSDP).

The European ambition, in view of a deteriorating security situation, to take on a greater responsibility for European security will affect both the EU and NATO, part of the same institutional web. The arrival of the Biden Administration could open up a window of opportunity for regulating some thorny transatlantic issues, as Asian security was moving up the European agenda.

Pragmatic progress will be noted as well as deficiencies. Emphasis will be given to elements of importance for defence: 10 billion new euros allocated in the EU's budget, the evolution of defence planning, encompassing threat analysis and the meaning of Article 42(7) in the Lisbon Treaty, which evokes solidarity in case of armed attack. Insufficient operational commitment, few collaborative procurement projects and lack of strategic enablers remain European weaknesses.

The EU's ambition to establish a combined Security and Defence Union, albeit often crude and work in progress, covers a vast and growing field of what could be called 'total defence'. It ranges from societal security via crisis management to defence proper. It is suggested in the overview that the EU calls out defence more clearly, now shrouded under the cover of external crisis management and industrial policy.

Implementing the many new defence initiatives will keep the EU busy for the next couple of years. The proclaimed Defence Union of 2025 could thus amount to the mere accumulation of pragmatic progress, or result from jolts produced by political initiatives or/and external challenges. This paper can hopefully offer the reader a roadmap for assessing the evolution of these issues over time.

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Abbreviations

AI Artificial Intelligence
AMISOM African Union Mission in Somalia
APC African Peace Facility
APSA African Peace and Stability Architecture
AU African Union
CAP Common Agricultural Policy
CAR Central African Republic
CARD Coordinated Annual Review on Defence
CDP Capability Development Plan
CHG Civilian Headline Goal
CJEU Court of Justice of the European Union
CMPD Crisis Management and Planning Directorate
CMC Coordinated Maritime Concept
CPCC Civilian Planning and Conduct Capability
CPG Comprehensive Political Guidance
CSDP Common Security and Defence Policy
DARPA Defense Advanced Research Projects Agency
DGAP Deutsche Gesellschaft fur Auswärtige Politik
DG DEFIS Directorate-General for Defence Industry and Space
DPKO Department for Peacekeeping Operations
DRC/RDC Democratic Republic of Congo/République démocratique du Congo
EDA European Defence Agency
EDC European Defence Community
EDIDP European Defence Industrial Development Programme
EDTIB European Defence Technological and Industrial Base
EEAS European External Action Service
EEZ Exclusive Economic Zone
EFP Enhanced Forward Presence
EGNOS European Geostationary Navigation Overlay Service
EII (EI2) European Intervention Initiative
EMASOH Maritime Situation Awareness in the Strait of Hormoz
EMC European Medical Command
EU BG European Union Battle Group
EU C2 European Union Command and Control
EUFOR European Union Force
EUGS European Global Strategy
EUINTCENT European Union Intelligence and Situation Centre
EUNAVFOR European Union Naval Force
EUMC European Union Military Committee
EUMS European Union Military Staff
EUTM EU Training Mission
EPF European Peace Facility
EPP Eastern Partnership Program
ESC European Security Council
ESDP European Security and Defence Policy
ESS European Security Strategy

FAC Foreign Affairs Council
FCAS Future Combat Air System
FHQ Force Head Quarter
FNC Framework Nations Concept
FOC Full Operational Capability
FONOP Freedom of Navigation Operations
FPA Framework Participation Initiative
FSFP Full Spectrum Force Packages
GDP Gross Domestic Product
GNA Government of National Accord
HR/VP High Representative/Vice-President of the Commission
IISS International Institute for Strategic Studies
ITAR International Traffic in Arms Regulation
JCPOA Joint Comprehensive Plan of Action
JEF Joint Expeditionary Force
JHA Justice and Home Affairs
JSCC Joint Support Coordination Cell
LoA Level of Ambition
LoI Letter of Intent
LTV Long Term Vision
MAWS Maritime Airborne Warfare Systems
MFF Multiannual Financial Framework
MGCS Main Ground Combat System
MoD Ministry of Defence
MPCC Military and Conduct Capability
NDPP NATO Defence Planning Process
NIP National Implementation Plan
OAU Organization of African Unity
OHQ Operational Head Quarter
OpsCen EU Operations Centre
OPCW Organization for the Prohibition of Chemical Weapons
OSCE Organization for Security and Co-Operation in Europe
OUP Operation Unified Protector
PADR Preparatory Action on Defence Research
PARPP Partnership for Peace Planning and Review Process
PESCO Permanent Structured Cooperation
QMV Qualified Majority Voting
R&D Research and Development
R&T Research and Technology
SCC Strategic Context Case
SME Small and Medium-Sized Enterprise
TEN-T Trans-European Transport Network
TEU Treaty of the European Union
TFEU Treaty of the Functioning of the European Union
ToR Terms of Reference
TRL Technological Readiness Level
UNCLOS UN Convention of Law of the Sea
WEU West European Union
WFP World Food Program

1. Introduction

The search for a European defence identity
The aim of creating a Defence Union is inscribed in the Lisbon Treaty, and the ambition is as old as the Union itself. Attempts over the years to create such a Union have, however, been frustrated by remaining divisions in post-War Europe. When the new Commission in 2019 underlined the goal of creating a Defence Union by 2025, it resonated with public support for increased defence cooperation in view of a deteriorating security situation along the Union's rim, from the Ukraine to the Sahel. It also created anticipation: would a new Directorate-General for Defence be created?

As the new Commission unveiled its plans, a new Directorate-General for Defence Industry and Space (DG DEFIS) emerged under the Commissioner for the Internal Market, Thierry Breton. Commission President von der Leyen stated that this was but one step toward the creation of a Defence Union: more would follow. When the EU's next Multiannual Financial Framework (MFF) was finally decided in the summer of 2020, it emerged that 10.014 billion new euros (out of a total of 13.185 for security and defence) had been devoted to defence with the purpose of strengthening defence research and capability developments, facilitating the deployment of troops, improving military mobility, and supporting military crises management undertaken by non-EU actors. By the end of 2020, many of the new structures resulting from the combined effort of responding to a deteriorating security situation and building a Defence Union were coming into place.

So, what does this mean? Is it an indication that the Europeans are prepared to take on greater responsibility for their own security, as echoed throughout the EU's political declarations? Or will European ambitions in the end fall short of needs? Does the Commission's entry into the area of Common Security and Defence Policy (CSDP), primarily an intergovernmental area, presage a federal evolution? What is the difference, or resemblance, between creating European autonomy/sovereignty in the EU and building a European pillar in NATO? Will a push for deeper European defence cooperation and integration prevent or, instead, precipitate a much feared American disengagement and/or Asian distraction? And could the transatlantic relationship be reset in a changed global context with the arrival of the Biden administration?

Overview of the state of affairs
The jury remains out regarding most of these questions, but they will guide this overview of the current state of affairs of EU defence policies. The focus will be on defence, or the 'D' in CSDP, but will retain a bird's eye view of the vast area of security of which defence forms but one, if important, component. This analysis will therefore briefly note the growing web of cooperation in internal security, part of the policy area of Justice and Home Affairs (JHA), guided by the goal to create a Security Union, a twin to the Defence Union.

Defence is a scattered field of atolls rather than a cohesive policy area, and much of it represents work in progress. The purpose of this publication is therefore to provide an overview of the many bits and pieces that constitute EU defence policy and to help clarify the political and structural context in which they can be understood. It aims to account for both progress and deficiencies.

An obvious omission needs to be to be explained at this point, that of the EU's civilian crisis management, part of the EU's concept of comprehensive security, also encompassing defence aspects. This is not a reflection of less interest in or less importance of the field, but just the simple need to limit the scope of this analysis to defence proper.[1]

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[1] For more on this, see European Council, 2019, *Civilian CSDP Compact: Council adopts Conclusions*, https://www.consilium.europa.eu/en/press/press-releases/2019/12/09/civilian-csdp-compact-council-adopts-conclusions/; European Parliament Brief, 2018, *The Civilian CSDP Compact. A Stronger EU Footprint in a Connected, Complex, Contested World*, https://www.europarl.europa.eu/RegData/etudes/BRIE/2018/ 630295/EPRS_BRI(2018)630295_EN.pdf

Disposition

This policy overview will start in section 2 by discussing the strategic drivers behind European ambitions to take on greater responsibility for its own security. In section 3, it will examine the so-called New Level of Ambition (New LoA in the following), covering the whole gamut from crisis management, via the solidarity clauses Article 42(7) in the Treaty of the European Union (TEU), and Article 222 in the Treaty of the Functioning of the European Union (TFEU), to a Union that Protects. The introduction of Permanent Structure Cooperation (PESCO) will be accounted for in the context of new ambitions. Section 4 will describe the new financial resources put at the disposal of defence and its many organizational consequences. After that, section 5 offers an analysis of work in progress and missing pieces in the form of defence planning, command and control arrangements, and so-called strategic enablers. Section 6 presents a brief analysis of the EU's unruly rim as a background for determining the scope for applying the EU's military instruments in the form of training missions and operations. The important consequences for defence policy of the changing relationship between the E3 in the form of the UK, France, and Germany will be described in section 7, as will their overall relationship with the larger EU community. Recent Franco-German debates on strategic autonomy and sovereignty will be reflected. Finally, some concluding remarks responding to questions raised in the introduction will be made in section 8.

It is the author's hope that this analysis can provide a roadmap that will facilitate the reader's own orientation and ability to assess the concrete evolution of EU defence policy and the meaning of the proposal of creating a European Defence Union by 2025. Some Swedish accents have been added to this report when deemed important in view of Sweden's presidency of the EU in the spring of 2023.

2. A Europeanization of European Security

2.1 Strategic drivers

Harsh realities separate the European Security Strategy (ESS) of 2003 from the EU's Global Strategy (EUGS) of 2016. In 2003, the wars in the former Yugoslavia had been put to rest and the European economy was growing:

> Europe has never been so prosperous, so secure nor so free. The violence of the first half of the 20th Century has given way to a period of peace and stability unprecedented in European history.[2]

In 2016, all that had changed:

> We live in times of existential crisis, within and beyond the European Union. Our Union is under threat. Our European project, which has brought unprecedented peace, prosperity and democracy, is being questioned…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.[3]

So, what had happened in the intervening years? The short answer, to be revisited in the next section on the evolution of the EU's security and defence policies, is the financial crisis in 2008, creating economic and political setbacks; the Russian aggressions in 2008 against Georgia and in 2014 against Ukraine; the Brexit decision in 2016; and the election that same year of an American president putting 'America first'.

But first a summary of strategic drivers contributing over the years to increased security and defence cooperation in the EU:

1. A deteriorating security situation along its rim.

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[2] 'A Secure Europe in a Better World', European Security Strategy, Brussels, 12 December 2003, https://www.consilium.europa.eu/en/documents-publications/publications/european-security-strategy-secure-europe-better-world/

[3] *Shared Vision, Common Action: A Stronger Europe. A Global Strategy for the European Union´s Foreign and Security Policy*, Brussels, June 2016, https://euagenda.eu/publications/shared-vision-common-action-a-stronger-europe-a-global-strategy-for-the-european-union-s-foreign-and-security-policy

2. Shocks resulting from the UK's departure from the EU.

3. Doubts regarding the robustness of transatlantic alliance arrangements.

4. Changing global power relationships, leading to geopolitical and geo-economic competition with the resulting erosion of the multilateral system.

One could possibly also discern some positive drivers, namely:

5. A long-term tendency towards the growth of cooperation and integration in the area of security and defence policies.

6. The increased importance of regional organizations as security providers in the global system.

The above factors will inform the analysis in the following, but first, back to the evolution over time.

2.2 A budding security community[4]

It can be argued that provided that integrating factors are stronger than disintegrating factors in general, the policy area of defence would eventually receive a place in the EU on a par with other policy areas. Attempts at doing so were made in the early days of the Community. The Pleven plan in 1950 aimed to create a European Defence Community (EDC), but its realization was impeded by enduring post-War divisions in Europe, including that of Germany, and the reluctance of France to add defence to the Franco-German agenda only five years after the end of the Second World War. Instead, the Federal Republic of Germany was admitted to the West European Union (WEU), established in 1954 and based on the Brussels Treaty, founded in 1948.

The end of the Cold War in 1991 changed the dynamics and contributed to the emergence of security and defence on the European agenda. Resources released from the reduction of territorial defence in Europe was put at the disposal of global peace-keeping under the aegis of the UN but structured on the regional level by regional organizations such as the EU and legitimized in Africa by the Organization of African Unity (OAU), succeeded in 2002 by the African Union (AU). The emerging pattern seemed to indicate that regional organizations have assumed an increasing role as security providers in a global division of labour under the aegis of the UN.[5]

Europe's dismal failure at managing the conflicts in the former Yugoslavia, terminated in 1995 by a US-led 'coalition of the willing', contributed to the launch in 1998 of the Franco-British St Malo Declaration. The stated goal was to allow the Europeans to act autonomously when the US was otherwise engaged. The need to Europeanize French and British African policies also played a role. Another important factor was the deepened bilateral Franco-British defence cooperation stimulated by perceived erratic US nuclear policies in the 1980s, when President Reagan at one point said that he wanted to do away with nuclear weapons altogether. France produces its own nuclear weapons while the UK depends on the US for most of its nuclear arsenal, including the crucial component of fissile material. Furthermore, Franco-British defence cooperation had traditionally been viewed as a way of balancing (West) German economic might. The St Malo initiative was a forerunner of the European Security and Defence Policy (ESDP), launched in 1999. With the entry of the Lisbon Treaty into force in 2009, the ESDP was renamed the CSDP.

The EUGS of 2003 echoed the wording of the St Malo Declaration:

> …the EU needs to be strengthened as a security community: European security and defence efforts should enable the EU to act autonomously

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4 The concept of the 'security community' was coined in 1957 by Karl Deutsch. Deutsch, Karl W. ed., 1969, *Political Community and the North Atlantic Area*, Westport, Connecticut: Greenwood Press Publishers. Deutsch identified economic and political transactions as an important currency in building security communities. The concept has at times been applied to the EU.

5 Engberg, Katarina, 2014, 'Trends in Conflict Management: Multilateral Intervention and the Role of Regional Organisations', in Wallensteen, P., and Bjurner, A., *Regional Organisations and Peacemaking*, London, Routledge.

while also contributing to and undertaking actions in cooperation with NATO.[6]

Since memberships of the EU and NATO overlap and only one set of forces is at disposal of nations, the formula found to describe the relationship was that EU capabilities would be separable but not separate from NATO, and that the relationship between the two institutions should be complementary in nature.

Military crisis management

Among early achievements for the ESDP were six EU military operations carried out in the Balkans and Africa between 2003 and 2007, all part of the EU's comprehensive crisis management, encompassing both civilian and military components. France often performed the role of lead nation for participating member states. The European Defence Agency (EDA) was created in 2004 with the mission to improve European military capabilities for the operations. The EU's command and control arrangements remained weak, a consequence of British opposition to anything resembling an EU Operational Headquarter (OHQ) on the grounds that this might weaken NATO. Instead, the EU came to rely on a couple of predesignated national OHQs. The US-led wars on terror in Iraq and Afghanistan diverted allied resources and the attention, in particular that of the UK, away from the ESDP.

France, frustrated by failed attempts to mobilize EU forces and support for counterterrorism operations in the Sahel, launched its national Operation Serval in Mali in 2013, carried out in parallel with the ongoing UN operation MINUSMA. The aim was to counter the southward drive by indigenous Northern insurgent forces, augmented by groups pushed out of Algeria as a result of counterterrorism campaigns carried out in the wake of the Algerian civil war in the 1990s. They were further emboldened by the influx of fighters and weaponry from a chaotic Libya, where the Gaddafi regime had been deposed by Western forces in 2011.

Territorial defence

Russian aggression against Georgia in 2008 and Ukraine in 2014 reignited traditional concerns with territorial defence, both nationally and on an intergovernmental level. As a result, some member states in Northern and Eastern Europe became more reluctant to provide resources for the EU's crisis management outside of Europe, since they wanted instead to reallocate resources to national and territorial defence. NATO created its Enhanced Forward Presence (EFP) in Central and Eastern Europe. Defence spending, reduced as the result of the end of the Cold War and the financial crisis, increased. President Trump harshly criticized perceived insufficient European economic contributions to the Alliance, and in particular pointed out German defence spending at 1.3% of GDP as 'delinquent'. A relationship between allied contributions and the American security commitment to Europeans had been established at the creation of the Alliance, although the defined percentage of GDP has varied over time from 3% in the mid-1980s to today's 2% goal, expected to be met in 2020 by ten allies: France, Norway, the UK, Estonia, Greece, Latvia, Lithuania, Poland, Romania and the United States.[7]

The then German defence minister von der Leyen announced that Germany would reach the 2% target in 2031, and the German Chancellor stated that Europeans in the future would have to assume greater responsibility for their own security. The stark American message was reinforced by the American decision in July 2020 to withdraw 12,000 of the 32,000 US troops stationed in Germany. Some 5,400 would reinforce so-called frontline allies like Poland and the Baltic states as part of the Enhanced Defence Cooperation Agreement (ECDA), the rest returning to the US. Frictions with Germany on several fronts had played a role. However, the decision also formed part of an overall ambition to reduce the number of US forces stationed in Afghanistan, South Korea and Africa ahead of presidential elections in November 2020, as President Trump wanted to make good on his campaign promise to reduce America's foreign military commitments. The decision to reduce forces in Germany would

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[6]   See note 2.

[7]   NATO, Brussels, 2020, *Defence Expenditure of NATO Countries (2013–2020),* https://www.nato.int/nato_static_fl2014/assets/pdf/2020/10/pdf/pr-2020-104-en.pdf

take years to implement and could, obviously, be revisited by President Biden.

New realities: geopolitics and geoeconomics

The sense of crisis for the Anglo-Saxon leadership of the Western world was reinforced by the British decision in 2016 to leave the EU. It contributed (the rise of populism being another important factor) to the launch by the Commission of a public debate on the future of the EU in the form of the White Paper on the future of Europe, including one on defence.[8] Germany and France multiplied joint proposals for the reinforcement of the EU, centring on economic policies, but also including security and defence aspects.[9] The initiatives reflected the traditional centrality of the Franco-German axis for EU affairs, now made all the more important by Brexit, but also the realization that the EU formed an indispensable platform for defending and promoting European interests in an increasingly contested world. European states could no longer carry that burden individually.

In spite of sub-regional interests, there was more of a common realization that Europeans, regardless of their perceived dependence on an American security guarantee, the backbone of NATO, would have to assume greater responsibility for their own security and defence. However, important differences remained with regard to the correct way to go about this. Would greater European assertiveness pre-empt and impede an eventually decreased American emphasis on Europe, caused also by the rise of China, or, instead, unwittingly spur gradual American disengagement? Predicting the role and place of the EU in this changing security landscape is difficult. It would probably, as a start, be useful to de-emphasize the dichotomy between the EU and NATO and rather talk about the Europeanization of European security

that will affect both institutions, part of the same institutional web.

There was a realization that although the US presidential election had resulted in a president geared towards allied cooperation, which would make a big difference, some of the underlying forces that had produced the thinking of his predecessor would persist. The culture of dependency based on post-World War II realities would have to come to an end. The increasing focus of the US on geopolitical and geoeconomic competition with China added urgency to the task; hence the need to adjust.

Geoeconomics and geotechnology

While geopolitics represented familiar terrain for Europeans, geoeconomics rose to the top of the agenda. The new and, for Europeans, more challenging context was marked by changing global power relationships, with Europeans and Westerners representing a diminishing portion of the world's population and wealth. The Trump administration's hostile use of trade policies, including the use of secondary sanctions, had prompted the EU to seek out new trade partners interested in preserving the multilateral trading order, promote the euro in the global currency system, and to consider ways of improving European sovereignty in strategic value chains. European counterreactions to China's acquisition of high-tech European companies, demands for a reciprocal trade relationship, and the end to the theft of intellectual property had already marred the Sino-European relationship and caused the EU to dub China 'a systemic rival'.[10] Concerns regarding cyberthreats and the vulnerability of European critical infrastructure added a new security dimension, reflected in the Commission´s New Industrial Strategy for Europe[11] and advice to member states regarding the role of Huawei

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[8]   European Commission (2017), *Reflection Paper on the Future of European Defence*, https://ec.europa.eu/commission/sites/beta-political/files/reflection-paper-defence_en.pdf

[9]   Engberg, Katarina, 2019, *The Franco-German Dialogue on the Future of the EU*, SIEPS, 3Epa.

[10] European Commission and HR/VP Contribution to the European Council, 2019, *EU-China: A Strategic Outlook*, https://ec.europa.eu/commission/sites/beta-political/files/communication-eu-china-a-strategic-outlook.pdf

[11] European Commission, 2020, *A New Industrial Strategy for Europe*, https://eur-lex.europa.eu/legal-content/EN/TXT/?qid=1593086905382&uri=CELEX%3A52020DC0102. For more on this, see Wiberg, Maria. ed. (2020), *EU Industrial Policy in a Globalised World: Effects on the Single Market*, Stockholm, SIEPS, https://www.sieps.se/publikationer/2020/eu-industrial-policy-in-a-globalised-world/

in the roll-out of 5G. The coronavirus pandemic reinforced efforts at building greater European resilience, now also in the health sector. The much-touted 'Hour of European Sovereignty' proclaimed by Commission President Juncker in his 2018 State of the Union address to the European Parliament was certainly applied to many different policy areas.

There was some hope that the arrival of the Biden administration would offer a window of opportunity to regulate sensitive transatlantic defence issues, an opportunity not to be missed in view of uncertainties regarding the policy orientation of future American administrations. A new 'geo-technological' agenda was expected to form part of the conversation, since the West shared concerns regarding the regulation of new technologies such as AI. Would Chinese or Western standards prevail?

3. A New Level of Ambition

In section 2, a background to EU security and defence policies was provided. In the following sections 3 and 4, new elements of importance will be recorded and analysed. In section 3, A New Level of Ambition, the broadened political ambitions and their consequential tasks will be described. After that will follow section 4, New Financial Resources, with an inventory of the new financial resources that have been put at the disposal of EU defence. These are recent and tangible examples of the evolution of the EU's defence policies and will therefore be given particular emphasis in the analysis of elements relevant for the building of an EU Defence Union by 2025.

3.1 From Petersberg tasks to Article 42(7), from internal security to A Union that Protects

In this section, some fundamental political goals for the EU's security and defence policies will be accounted for, as will their legal foundations. Firstly, crisis management and collective defence will be described; after that will follow internal security and the new broad prescription for a Union that Protects.

Petersberg tasks and Article 42(7)

The 2003 version of the ESS defined the EU's LoA with regard to the ESDP as, by and large, corresponding to the Petersberg tasks, building on European experience of crisis management in the former Yugoslavia and Africa. The consolidated version of the TEU, Article 42(1), speaks of peacekeeping and conflict prevention missions outside the Union. Article 43(1) lists joint disarmament operations, humanitarian and rescue tasks, military advice and assistance tasks, conflict prevention and peace-keeping tasks, and tasks of combat forces in crisis management, including peace-making and post-conflict stabilization. These tasks will contribute to the fight against terrorism, including by supporting third countries in combatting terrorism in their territories.

Since the tasks defined are primarily external in nature, they are dealt with by the High Representative Borrell. There are, consequently, no specific fora for Defence Ministers, instead operating under the aegis of the Foreign Affairs Council (FAC), and no specific council group for defence, its functional components divided between the ambassadors of the Peace and Security Committee (PSC) and officers in the Military Committee (EUMC).

Article 42(7) in the consolidated version of the TEU contains a mutual assistance clause in case of armed aggression against a member state. The paragraph is almost identical to the one included in the Modified Brussels Treaty of 1954,[12] the basis for the WEU, defunct in 2011. It resembles Article V in NATO's North Atlantic Treaty. An important caveat is added to Article 42(7): that the ambition described should not impinge on security arrangements made for collective defence by EU member states that are also members of NATO, or otherwise affect their specific security and defence policies, a reference to the non-aligned EU member states.[13] The Article has long been dormant, but discussions on its eventual operationalization will be described in section 3.2.

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[12] Brussels Treaty, 1954, Paris, https://www.cvce.eu/content/publication/2003/11/26/7d182408-0ff6-432e-b793-0d1065ebe695/publishable_en.pdf

[13] Six out of 27: Austria, Cyprus, Finland, Ireland, Malta, and Sweden.

Article 222 and internal security

Article 42(7) has a corollary regarding solidarity in the policy area of internal security in the form of Article 222 of the TFEU. It was created after the terrorist attacks in Madrid in 2004 and calls for mutual assistance in case of major disasters and cases of terrorism. The latter paragraph includes civil protection and many of the relevant instruments fall under JHA. The pandemic added new layers, and potentially also new EU competencies, to the vast field of what could be called societal security, now broadened to encompass public health, too. At the end of 2020, a new directive aimed at enhancing the resilience of critical entities was proposed by the Commission.[14] The proclaimed goal for internal security is to create a Security Union. To this end, a proposal for a Security Union strategy has been put forward for the consideration of member states.[15]

The further strengthening of internal security is hampered, however, by fragmentation in terms of responsibilities between the EU and member states; between different agencies and ministries in member states; and between different EU institutions. Most of JHA, for example, is dealt with by the Directorate-General for Migration and Home Affairs (DG HOME), crisis management by the Directorate-General for European Civil Protection and Humanitarian Aid Operations (DG ECHO), rule of law by the Directorate-General for Justice and Consumers (DG JUST), and AI and cyber by the Directorate-General for Communications Networks, Content and Technology (DG CONNECT). Furthermore, the abolishment of one of the two Commissioners for Home Affairs in the former Commission, specialized in internal security, could diminish efficiency in this area, as Commissioner Johansson will have to dedicate much of her time to gain traction for the New Pact on Migration and Asylum. For a full overview, it should be noted that President von der Leyen´s Cabinet included responsibilities for both the Security Union and Defence Union.[16] The European Council at its December 2020 meeting adopted conclusions regarding security, centring on counterterrorism.[17]

A Union that Protects

With the new EUGS and consequent Council conclusions on security and defence from 14 November 2016,[18] the EU's security ambition was raised to protect the Union and its citizens. That would in turn require the protection of networks, critical infrastructure and borders, keeping the global commons open, and countering hybrid and cyber threats. Areas such as hybrid threats span several policy areas. In order to overcome organizational impediments, a joint framework for the External Action Service (EEAS) and the Commission has been created. The aim is to create overall resilience against hybrid threats. The issue is also high on NATO's agenda, and the EU offers comparative advantages in the field.

As is evident from the above, the EU's security policies cover a vast range of both external and internal aspects, ranging from external crisis

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[14] European Commission, 2020, Brussels, *Proposal for a DIRECTIVE OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL on the resilience of critical entities,* https://ec.europa.eu/home-affairs/sites/homeaffairs/files/pdf/15122020_proposal_directive_resilience_critical_entities_com-2020-829_en.pdf

[15] European Commission, 2020, Brussels, *Communication from the Commission to the European Parliament, the European Council, the Council, the European Economic and Social Committee and the Committee of the Regions on the EU Security Union Strategy*, https://ec.europa.eu/info/sites/info/files/communication-eu-security-union-strategy.pdf. European Commission, 2019, Brussels, Communication from the Commission to the European Parliament, the European Council and the Council, *Twentieth Progress Report towards an Effective and Genuine Security Union*, https://ec.europa.eu/home-affairs/sites/homeaffairs/files/what-we-do/policies/european-agenda-security/20191030_com-2019-552-security-union-update-20_en.pdf

[16] Interviews in Brussels, February 2020.

[17] European Council, 2020, Brussels, *European Council Meeting (10 and 11 December 2020), Conclusions*, https://www.consilium.europa.eu/en/press/press-releases/2020/12/11/european-council-conclusions-10-11-december-2020/

[18] Council of the European Union, 2016, Brussels, *Implementation Plan on Security and Defence*, https://www.consilium.europa.eu/media/22459/eugs-conclusions-st14149en16.pdf

management to collective defence, from internal security to a Union that Protects. Altogether, a New LoA has been established, with the twin Defence and Security Unions supporting the edifice. To a Swedish audience, the broad perspective resembles the concept of total defence, defunct after the Cold War, only to be resurrected in the 2020s under pressures from a less benign security environment.

However, the stated broad ambitions are only partially applied for a number of reasons stemming from the division of labour between the Union and member states, between agencies and departments within member states, and between the EU and NATO. This state of affairs reflects the gradual evolution of the Union's ambitions regarding security and defence and, as a consequence, the varying degrees of institutional maturity across several policy boards. This is, of course, not unique to the referred policy areas, but the sensitivity of the issues at hand and the fact that cooperation is often intergovernmental in nature contribute to the meandering evolution of security and defence. It makes it difficult at times to ascertain what is real progress as opposed to mere process.

This is, nevertheless, the purpose of this overview. It will now leave the broader perspective of total defence and proceed with an inventory of core defence issues, reflecting the evolution of EU defence policy proper. It will do so first in section 3.2 by noting the discussion on the eventual operationalization of Article 42(7), then account for the new Strategic Compass, after which will follow a description of the current state of Permanent Structured Cooperation (PESCO).

3.2 Operationalizing Article 42(7)

The formal meaning of Article 42(7) was described in the previous section. We shall now discuss current work on the eventual operationalization of the article. This aspect represents an essential component of the potential deepening of EU defence policies regarding collective defence, and therefore merits special attention.

It should first be noted that eventual future activation of Article 42(7) is an exclusively national decision, since any member state can invoke the paragraph in case of perceived need. Article 42(7) was first triggered by France after the terrorist attacks in Paris in 2015, in parallel to the first ever activation of Article V in the North Atlantic Treaty in the wake of the terrorist attacks in 2001 against the World Trade Centre in the US. But while Article V of the North Atlantic Treaty corresponds to operational planning according to specific scenarios, no such effort has yet been undertaken by the EU.

The discussion on the operationalization of Article 42(7) has proceeded gingerly in view of its sensitivity. The Commission's Reflection Paper on the Future of European Defence, published in 2017, discussed the eventual activation of Article 42(7) in a so-called grey zone under Article V— for example, in case of cyberattacks, a perspective of continued relevance.[19] Under the Finnish presidency in the first half of 2019, the meaning of Article 42(7) was tested through a hybrid exercise, examining EU vulnerabilities that could be explored by an adversary. France offered experiences from triggering Article 42(7) and suggested its operationalization. A specific scenario for collective defence of EU members, but not NATO members, figured in the discussion. A scoping paper requested by the EEAS and elaborated by the EU's Military Staff (EUMS), based on French lessons from counterterrorism, was tentatively discussed in the PSC.

However, Poland and the Baltic states have at times objected to further deliberations on the grounds that they risk undermining NATO's commitment to their defence through Article V in the North Atlantic Treaty. Sweden and Finland, both non-NATO but EU members with close bilateral relationships with the US, differ in their perspectives on this issue. Finland stresses the importance of solidarity and the validity of establishing Article 42(7) as a legal basis for Finnish-Swedish bilateral defence cooperation regarding the important aspect of providing and receiving military aid. Sweden, having itself integrated Article 42(7) into its national security doctrine and extended it to all Nordic countries,

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[19] European Commission, Brussels, 2017, *Reflection Paper on the Future of European Defence*, https://ec.europa.eu/commission/sites/beta-political/files/reflection-paper-defence_en.pdf

including NATO-Norway, displays less appetite for a more ambitious interpretation of Article 42(7), referring—somewhat paradoxically in view of its expansive security doctrine—to its military non-alignment and the importance of bilateral arrangements made with the US. Turkey's intrusive drilling in the waters around Cyprus and Greece raised for a while the spectre of Cyprus, an EU member but not a NATO-member, invoking Article 42(7) against a NATO-member. Turkey had for its part at times clamoured for NATO solidarity in its confrontation with Russia and Syria in the Syrian conflict.

Germany, holding the presidency during the latter part of 2020, had to balance its traditional attentiveness towards East European concerns with the ambitions proclaimed by the so-called PESCO4: Germany, France, Italy and Spain. In their joint declaration,[20] they called for the operationalization of Article 42(7) through regular scenario-based discussions, wargames and exercises, including possible worst case scenarios of crisis. Council conclusions on security and defence from 17 June 2020 echoed some of the same wording, with the notable exception of the 'worst case scenarios' mentioned in the PESCO4 letter. In addition, the letter called for experiences gained from military support of civilian authorities during the COVID-19 crisis and the activation of Article 222 to form part of the scenarios, a task that would involve the Commission. It was suggested that the exercise could include an assessment by relevant services of the type of assistance that they could provide if so requested by a member state in the context of an activation of Article 42(7).[21]

3.3 The Strategic Compass

While not formally part of the so-called Strategic Compass, launched in the autumn of 2020 by the German presidency and expected to be adopted by the Council in 2022 during the French presidency, deliberations on the evolution of Article 42(7) will form a functional part in developing a common strategic culture reflecting the New

LoA, the professed goal of the Strategic Compass. Discussions during the German presidency centred on clarifying procedural issues related to the activation of Article 42(7), such as the division of responsibility and labour between relevant European bodies. France is expected to make substantive issues related to Article 42(7) core to the defence agenda of the French presidency in the spring of 2022.

Through the Strategic Compass, the EUGS will be translated into strategic guidance informing likely and not only illustrative scenarios, as is currently the case (for more on this, see section 5.2, Defence planning). This may go some way to fill the current void of strategic and sub-strategic defence planning between the EUGS and operational planning. The ambition to produce a common strategic culture corresponding to the whole gamut of the New LoA will present a particular challenge since several policy areas should be covered and integrated, a demanding exercise when produced on a national level, let alone one involving 27 member states; or, as framed in Council conclusions:

> …the Strategic Compass will define policy orientations and specific goals and objectives in areas such as crisis management, resilience, capability development and partnerships. The ongoing work on the security and defence initiatives will also feed into this process while the Strategic Compass should provide a coherent guidance for these initiatives and other relevant processes.[22]

To start, the Strategic Compass will be assisted by the first ever joint EU analysis of threats and challenges, produced by the European Union Intelligence and Situation Centre (EU INTCENT) in collaboration with national intelligence authorities, delivered by the end of 2020. It aims to integrate a panoply of thematic issues, ranging from climate change to terrorism, bringing together diverging Eastern and Southern perspectives, exacerbated by the congruence of simultaneous

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[20] *Communiqué—Lettre des ministres de la défense française, allemande, espagnole et italien*, 29 May 2020, https://www.defense.gouv.fr/espanol/salle-de-presse/communiques/communique_lettre-des-ministres-de-la-defense-francaise-allemande-espagnole-et-italien-le-29-mai-2020

[21] Council of the European Union, 2020, Brussels, *Council Conclusions on Security and Defence*, https://www.consilium.europa.eu/media/44521/st08910-en20.pdf

[22] Ibid.

conflicts along the EU's rim, from Belarus, via Ukraine and the Eastern Mediterranean, to Mali and the Sahel. The production of a so-called common strategic culture was deemed essential to further progress in the area of defence policy and the ultimate goal of producing a European Defence Union.

It is fair to say that there is today more of a common threat perception in the EU than previously, in spite of asymmetric interests and attempts by foreign powers such as Russia to influence the views of individual member states with regard to, for example, sanction policies. Sub-regional European interests are difficult to deal with separately, even if the degree of engagement naturally varies depending on member states' specific history and geographic location. However, the long-term trend towards more congruence of European threat perceptions co-exists with zero-sum games, at times paralyzing the Union, as was the case when Cyprus refused to agree on sanctions related to the case of Belarus, demanding that sanctions also be applied to Turkey (for more on this, see section 6).

Member states were expected to continue discussing the meaning and consequences of the common threat perception, leading to conclusions during the French presidency in 2022. It remains to be seen if this exercise will produce more of a common European understanding of threats and challenges, not least the consequential resource allocation, and whether staff work on the elaboration of the Strategic Compass will be devoted more to process than to implementation.[23] We shall return to the issues of defence planning and perceptions of threats and challenges in sections 5 and 6.

3.4 Enhanced Cooperation: Permanent Structured Cooperation (PESCO)

The launch in 2017 of PESCO represented a new step towards deepening defence cooperation in the areas of capabilities and materiel. Firstly, in terms of the legal background, PESCO is a generic term for Enhanced Cooperation defined in the TEU. Article 42(6) stipulates that member states whose military capabilities fulfil higher criteria and that have a more binding commitment to one another in this area can established a permanent structured cooperation within the EU framework. In December 2017, this paragraph was translated into Council conclusions establishing PESCO, reflecting the professed New LoA.[24] Participation in PESCO is voluntary and should not affect national sovereignty or the specific character of the security and defence policies of certain member states, according to the conclusions.

In the early assessments of PESCO, much attention was focused on the list of specific projects.[25] Many of them represented existing legacy projects—for example, the German-led European Medical Command (EMC), also part of NATO's framework nation concept (FNC), in accordance with the German ambition to merge EU defence with the building of a European pillar in NATO.[26] Others were modest in nature. The 7.014 billion euros devoted to the European Defence Fund (EDF)

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[23] Interviews in Brussels, February 2020. For an analysis of the strategic compass, see Fiott, Daniel (2020), *Uncharted Territory? Towards a Common Threat Analysis and a Strategic Compass for EU Security and Defence*, Paris, European Union Institute for Security Studies, https://www.iss.europa.eu/content/uncharted-territory-towards-common-threat-analysis-and-strategic-compass-eu-security-and

[24] Council of the European Union, 2017, Brussels, *Council Conclusions Establishing Permanent Structured Cooperation (PESCO) and Determining the List of Participating Member States*, https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32017D2315&from=DE

[25] There are currently 46 projects covering training facilities, land formation systems, maritime and air systems, and cyber systems, and enabling joint multiple services or space projects. Council of European Union, 2019, *Permanent Structured Cooperation (PESCO) Projects: Overview*, https://www.consilium.europa.eu/media/41333/ pesco-projects-12-nov-2019.pdf

[26] For more ideas of ways to merge EU and NATO efforts, see Biscop, Sven, 2020, *Battalions to Brigades: The Future of European Defence,* Brussels, Egmont Institute; *Survival 62:5*, London, The International Institute of Strategic Studies (IISS), Routledge, https://www.egmontinstitute.be/newpub-sbiscop-battalions-to-brigade/

during the MFF for 2021–2027 had the potential to stimulate more cooperative and productive endeavours, but only in the medium to long term.

Equally important, however, are the less discussed binding common commitments listed in the Annex to Council conclusions. The five areas set out by Article 2 of Protocol 10 to the treaties, and referred to in the Annex, will here be quoted in their entirety, since they provide political-military guidance in the effort to deepen the EU's security and defence cooperation in core areas of national defence such as levels of defence spending and procedures for decision-making. They flow naturally from the EUGS:

A) Cooperate, as from the entry of the Treaty of Lisbon, with a view to achieving approved objectives concerning the level of investment expenditure on defence equipment, and regularly review these objectives, in the light of the security environment and of the Union´s international responsibilities.

B) Bring their defence apparatus in line with each other as far as possible, particularly by harmonizing the identification of their military needs, by pooling and, where appropriate, specializing their defence means and capabilities, and by encouraging cooperation in the field of training and logistics.

C) Take concrete measures to enhance the availability, interoperability, flexibility and deployability of their forces, in particular by identifying common objectives regarding the commitment of their forces, including possibly reviewing their national decision-making procedures.

D) Work together to ensure they take the necessary measures to make good, including through multinational approaches, and without prejudice to undertakings in this regard within the North Atlantic Treaty Organization, the shortfalls perceived in the framework of the Capability Development Mechanism.

E) Take part, where appropriate, in the development of major European equipment programmes in the framework of the European Defence Agency.[27]

The general commitments have been translated into the more detailed Implementation Plan on Security and Defence (IPSD).[28] In accordance with PESCO's Terms of Reference, commitments will be legally binding, and decisions made on the basis of qualified majority voting (QMV). No instruments for sanctioning non-abiding parties have been indicated, however, apart from the risk of being suspended from a project. Instead, peer pressure is applied to member states, as they submit a yearly report card in the form of the Coordinated Annual Defence Review on Defence (CARD) and the sequential National Implementation Plan (NIP). (For more on the mechanics of the different and interrelated defence planning processes, see sections 4 and 5).

Every year, the High Representative presents a report describing the status of PESCO, including fulfilment by member states of their commitment. In the second annual report, insufficiencies regarding the operational domain (referring to commitments towards planning documents and actual operations), equipment procurement, and defence research and technology (R&T) were highlighted.[29] The provisions for PESCO, including the binding commitments, were revised in the PESCO 2020 Strategic Review and the next PESCO phase launched for 2021–2025. Housekeeping, in the form of elimination of non-performing projects, the creation of synergies and clusters of others, and a review of the binding commitments in the Annex were indicated as ways of preparing for the next cycle of PESCO. The need to strengthen operational commitment and a collaborative European approach was again underlined. Common strategic planning and exercises were recommended as a way of facilitating joint deployments in the field. The goal to move towards Full Spectrum Force Packages (FSFP) was defined as a contribution to the fulfilment of the EU LoA, expected to be

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[27] See note 24.
[28] See note 21.
[29] Council of the European Union, 2020, Brussels, *Council Conclusions on Security and Defence*, https://www.consilium.europa.eu/media/44521/st08910-en20.pdf

further defined in the context of the Strategic Compass.[30]

Under the German presidency, the thorny issues of the participation so-called Third States—i.e. non-EU members—in PESCO projects was resolved. Member states are free to choose suppliers in Third States provided that this corresponds to relevant regulations, but Third States' participation in PESCO projects is a different issue altogether. The matter was long blocked by certain member states. Poland had opposed any agreement that would close the door to US participation and access to EU funding, while Cyprus, before agreeing to any compromise, wanted to make sure that no Turkish entities could slip through the EU door.

By early November 2020, Council conclusions were reached that regulate conditions under which Third States could exceptionally be invited to participate in individual PESCO projects. Conditions were established and a process for decision-making agreed. Third States shall meet political conditions such as sharing the EU's values and principles, and the proposed project shall provide added value for the EU. Legal conditions such as having a Security of Information Agreement with the EU must be met. A proposal by a member state to invite Third State collaboration will be subject to a Council decision, after which administrative arrangements can be made between PESCO project members and the Third State.[31] There is no automatic industrial involvement between PESCO projects and funding provided by the EDF, that can otherwise provide an extra 10% bonus for PESCO projects. We shall return to the issue of Third States' and Third Parties' participation in section 4.2, The European Defence Fund.

4. New Financial Resources: National and Common

In this section, an inventory and analysis of the new financial resources put at the disposal of EU defence in the MFF will follow. The issue will be given a particular emphasis since the connection between the stated political goals and the consequential resource allocation is of importance for defence policies in general, and for judging the potential for achieving a European Defence Union by 2025 in particular. In addition, the issues offer a lens through which transatlantic and inter-European political forces can be observed.

Before embarking on an overview of the proposed EU financial resources planned for defence, it is important to note that the bulk of defence spending resides with member states themselves, a reflection of the fact that defence remains primarily in the purview of nation states. Defence cooperation, whether in NATO or the EU, is intergovernmental in nature, although the Commission is playing an increasing role in the EU's joint defence effort, as described throughout this analysis.

4.1 National

European defence budgets were continuously diminished following the end of the Cold War. The financial crisis in 2008 reinforced the picture of overall reduced defence spending. In 2014, the trend was reversed in reaction to the Russian annexation of Crimea and military involvement in Eastern Ukraine. Most EU members are also NATO members and committed to the alliance goal of devoting 2% of their GDP to defence in 2025, as described previously in this study. By 2017, Europe had become the fastest growing region in the world in real terms of defence spending. Germany alone accounted for a third of the rise, albeit defence representing merely 1.3% of its GDP. In 2019, German spending rose by 10%, the largest defence budget increase among the world's top 15 states when it comes to

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[30] Council of the European Union, 2020, Brussels, *Council Conclusions on the PESCO Strategic Review 2020,* https://data.consilium.europa.eu/doc/document/ST-13188-2020-INIT/en/pdf

[31] Council of the European Union, 2020, Brussels, *Council Decision Establishing the General Conditions under which Third States could Exceptionally be Invited to Participate in Individual PESCO Projects,* https://data.consilium.europa.eu/doc/document/ST-15529-2018-INIT/en/pdf

military expenditure.[32] The stated German goal to spend 2% of its GDP on defence in 2031 is not only ambitious, but possibly also controversial, since that would make Germany one of the top spenders globally, and by far the prime European payer.

The top global military spenders in 2019 (in billion US dollars) were the US ($732 bn), China ($261 bn), India ($71 bn), Russia ($65 bn) and Saudi Arabia ($62 bn). Three European countries followed suit, France, Germany and the UK each spending around $50 billion, and Italy coming in 12th with $27 bn. In a rough comparison, EU member states jointly spent about as much on defence as China. After Brexit, that sum will be diminished by the UK's $50 billion.[33]

In spite of European defence spending, this merely amounted to a return to defence spending levels before the financial crisis in real terms. [34] Underfunding of defence had for a long time left defence forces hollowed out, and readiness and the supply of personnel weakened. Many of the new resources therefore risked being absorbed before a firm platform for renewed growth could be established. Furthermore, as the COVID-19 pandemic ravaged European economies, it was unclear what would be its impact on national defence spending in the coming years. However, the UK, Germany and France all committed to sustained and even increased defence spending. The British government announced the largest increase in its defence budget since the end of the Cold War, corresponding to some 2.2% of GDP.

4.2 Common

The MFF's fifth heading, Security and Defence, amounts to 13.185 billion euros and encompasses internal security (for example, terrorism, organized crime, cybercrime, external management of illegal migration and human trafficking), crisis response, nuclear decommissioning (nuclear power plants) and defence.[35] It should be noted that under the first heading, 'Single market, innovation and digital', 13.202 billion euros are allocated to the EU Space Programme managed by DG DEFIS. While not formally part of defence, the systems are described as part of the EU's critical infrastructure, and some of its functions are dual use (i.e. can be used both for civilian and military purposes).

Defence-related items under the MFF's fifth heading, plus so-called off-budget means, include:

- The European Defence Fund (EDF) of 7.014 billion euros.

- The European Peace Facility (EPF) of 5 billion euros, an increase from the current 3.5 billion euros devoted to the African Peace Facility (APF). The EPF is off-budget—financed by member state contributions outside the budget—because of its defence implication for international cooperation.

- The 1.5 billion euros earmarked for military mobility in the Connecting Europe Facility.

Out of a total of 13.185 billion euros, 10.014 billion euros is 'new money'. Defence-related

[32] Data regarding defence expenditure vary considerably depending on whether, for example, pensions form part of the defence budget, or not. For the purpose of this study, data from the Stockholm International Peace Research Institute (SIPRI) will be used as a point of reference. The data reflects a stricter definition of defence expenditure than that of NATO or the International Institute for Strategic Studies (IISS).

[33] Stockholm International Peace Research Institute (SIPRI), 2020, 'Trends in World Military Expenditure', *Fact Sheet*, Stockholm, SIPRI, https://www.sipri.org/sites/default/files/2020-04/fs_2020_04_milex_0_0.pdf. IISS data will be presented here as a means of comparison. In 2019, Europeans states (including Turkey) jointly spent USD 291 bn on defence, as compared to $685 bn for the US, followed by China at $181 bn, Saudi Arabia at $78 bn, India at $61 bn, the UK at $55 bn, France at $52 bn, Germany at $49 bn, Japan at $49 bn, and Russia at $48 bn. International Institute for Strategic Studies, 2020, *The Military Balance 2020. The Annual Assessment of Global Military Capabilities and Defence Economics*, London, Routledge.

[34] Ibid.

[35] Council of the European Union, 2020, Brussels, *Special Meeting of the European Council (17– 21 July 2020): Conclusions*, https://www.consilium.europa.eu/media/45109/210720-euco-final-conclusions-en.pdf

expenditure is modest at less than 2% of the overall budget, and particularly in comparison to big-ticket items such as the Common Agricultural Policy (CAP) and cohesion funds. During negotiations on the MFF, the fifth heading suffered substantial cuts in comparison to the Commission´s initial proposal (20 billion euros in total, of which 13 billion euros was for the EDF), as did other proposals for new, so-called top-up investments dedicated to new policy areas, including defence, research and health. Vested interests in the EU's traditional and large budgetary instruments in MFF negotiations beat proposals to add new areas of common interest.[36] Some of that was restored through the European Parliament's pressure to agree on the MFF, albeit not defence. Nevertheless, the glass can be described as half-full rather than half-empty, since the 10 billion euros are new and represent a reinforced EU defence ambition. The sum will therefore be given a particular emphasis in this analysis.

4.2.1 The European Defence Fund (EDF)

The infusion of 7.014 billion euros through the EDF represents an important development in terms of the resources allocated and their potential impact, if properly applied, on defence-related R&D. The new DG DEFIS marked the entry of the Commission into the field of defence. It is in charge of the EDF and its precursor programmes, Preparatory Action on Defence Research (PADR)[37] and the European Defence Industrial Development Programme (EDIDP).[38] Precursor programmes, and in particular the specific projects, will for some years overlap with the EDF.

DG DEFIS forms part of the portfolio of the Commissioner for the Internal Market, Thierry Breton. The initial size of the staff comprised 40 personnel, most of them, and their functions, relocated from the Directorate-General Internal

Market, Industry, Entrepreneurship and Small and Medium-sized Enterprises (SMEs), DG GROW. It was planned that some 40 seconded national experts would join, COVID-19 permitting.

The purpose of DG DEFIS is to promote defence research and capability developments, up to design and prototypes, between three or more member states in the form of private and public cooperation. In addition, it will support the overall EDF goals of strengthening the European Defence Industrial and Technological Base (EDTIB) and its innovation and competitiveness, while contributing to European strategic autonomy and supporting SMEs.

The lengthy and potentially conflicting agenda is similar to that promoted by the intergovernmental EDA, established in 2004. Results have been mixed: beneficial in terms of the development of capabilities—no small feat—but less so in promoting multilateral cooperation and competition in the internal market, a weakness indicated by the Commission:

> In 2015, only 16% of defence equipment was procured through European collaborative procurement, far away from the collective benchmark of 35% agreed in the framework of the European Defence Agency (EDA). The estimated share of European collaboration in the earlier stage of the defence research was only 7.2% against a benchmark of 20%.

These trends are reflected in the difficulties that the sector faces, which are substantial as regards defence research and defence development projects. The development of prototypes is particularly costly and there is an important risk of failure. Also, bridging 'the valley of death' between research and development entails significant costs and financial risks that individual

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[36] For an analysis of the dynamics of budget negotiations and the relationship between old and new budgetary items, see Tarschys, Daniel, 2020, *Pre-Allocated Return Flows vs. European Public Goods: How the Veto Impairs the Quality of the EU Budget*, Stockholm: SIEPS, Epa (10).

[37] European Defence Agency, Brussels, 2020, *Pilot Project and Preparatory Action on Defence Research*, https://eda.europa.eu/what-we-do/activities/activities-search/pilot-project-and-preparatory-action-for-defence-research

[38] European Commission, Brussels, 2020, *European Defence Industrial Development Programme (EDIDP): 2020 Calls for Proposals, Conditions for the Calls and Annexe*, https://ec.europa.eu/research/participants/data/ref/other_eu_prog/edidp/wp-call/edidp_call-texts-2020_en.pdf

Member States may not wish to bear on their own.[39]

So, what is new? Why would the new effort change the name of the game? That remains to be seen, of course, but what is new is the Commission's focus on promoting more competition and co-operation in this specific area of the internal market and on increasing the meagre 16% of tenders currently placed through public multilateral procurement, the rest allocated to national industries. Commission President von der Leyen and Commissioner Breton have threatened member states with the Court of Justice of the European Union (CJEU) if they are perceived to hamper competition in the area of R&D.

Also new are the 7.014 billion euros ascribed to the effort in the MFF, with roughly one third dedicated to research and the rest to development, potentially transforming the EU into an important factor in European R&T. In spite of rising European defence expenditure in general, investments in R&D had decreased as part of overall investment. Twelve member states represented 81% of total EU defence investment.[40] A first tranche of 500 billion euros was allocated to PESCO projects for 2019–2020, bridging the years leading up to the application of the MFF for 2021–2027. PADR disposed of 90 million euros for 2017–2019.

The level of EU funding will cover research at 100% since investments are deemed risky and not commercially viable, while developing activities will start with 20–80% co-financing from the Commission (excluding potential SME and PESCO bonuses), the rest coming from member states. Member states here refers not only to governments, but also to commercial actors interested in benefitting from the Commission's funding. The mix of public (Commission and government) funding and private investment in a

PESCO-regulated context offers new institutional and commercial challenges to the many different actors involved.

With regard to research, it is worth noting that the EU, through its Horizon programme, is already a major actor in the area of dual-use, civilian-military research, but this is the first time that military applications are stated as a precondition for applying for grants from the research part of the fund. Eight per cent would be devoted to so-called disruptive technologies—for example, in the areas of AI, maritime navigation and cyber defence. This was the first time that calls for disruptive technologies had been made on an EU basis. The American Defense Advanced Research Projects Agency (DARPA), under the authority of the Department of Defense (DoD), represented an inspiration for the creation of a European equivalent.[41]

The first experiences
The response to the first calls from the EDIDP 2019 programmes was deemed positive and promising regarding the participation of industrial actors, accustomed to cooperating on a multinational basis. Member states, with their national specifications and non-synchronized budget cycles, were more constrained in taking advantage of the new resources. Independent in-house DG DEFIS assessments by experts on calls for grants from the EDIDP were seen as essential to preserve the integrity of the process and the aim of promoting excellence and global European competitiveness.[42] Member states would, however, have a say through a Programme Committee. In addition, the existing 46 PESCO projects would be decided by member states and could count on the extra 10% bonus from the EDF. The relationship between PESCO and non-PESCO projects had yet to be established. Would PESCO projects gain the upper hand in relation to other applicants, and

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39 European Commission, Brussels, 2018, *COM (2018) 476 final 2018/0254 (COD) Proposal for a Regulation of the European Parliament and of the Council establishing the European Defence Fund*, https://ec.europa.eu/commission/sites/beta-political/files/budget-may2018-eu-defence-fund-regulation_en.pdf

40 European Defence Agency, 2019, Brussels, 'CARD: From Trial Run to First Full Circle Starting in 2019', 2018, *European Defence Matters*, Issue 16, Brussels, European Defence Agency, https://eda.europa.eu/webzine/ issue16/in-the-spotlight/card-from-trial-run-to-first-full-cycle-starting-in-2019

41 Defence Advanced Research Projects Agency (DARPA), https://www.darpa.mil/

42 Interviews in Brussels, February 2020.

what would be the trade-offs between promoting long-term industrial competitiveness and the need to cover more short-term operational capability needs? The resulting unresolved governance issues were still to be updated and determined.[43]

On 15 June 2020, the Commission, in the form of Breton and Vestager (Executive Vice-President of A Europe Fit for the Digital Age) announced the outcome of the first calls.[44] A total of 205 million euros were dispersed to 16 pan-European defence industrial projects and three disruptive technology projects deemed important for boosting the EU's strategic autonomy and industrial competitiveness. In total, 223 entities from 24 member states were included, and nine were related to PESCO projects (in terms of scope and member states' participation).[45] New calls within EDIDP 2020 were issued for the next round of projects. Proposals for a work programme for EDF 2021–2027, encompassing 11 thematic clusters, were introduced to member states for further deliberation.

Saab took part in three EDIDP 2019 consortia awarded grants (SEA DEFENCE (NL lead), EUDAAS (SE lead) and REACT (ES lead) corresponding to one of the four PESCO projects that Sweden had signed up for.[46] The need to get something back from the estimated yearly contribution of 380 million Swedish krona to

the EDF was a motivating force in a Stockholm otherwise characterized by muted enthusiasm for the EDF.[47] Part of the explanation could be the novelty of the programmes, with a more industry-driven than capability-driven approach, but it may also reflect the considerable degree of foreign ownership of the Swedish defence industry,[48] with Third Party participation yet to be tested by Sweden in the EDIDP/EDF context.

A contributing factor could be the reluctance by companies that are European but globally oriented to share niche competences with EU partners. Suspicions lingered in some industrial sectors that specifications for subsystems could ultimately precondition the outcome of competing systems being pursued outside the EU framework—for example, the next generation of fighter aircraft—an issue that we shall turn to in the next section. Questions were asked as to whether the EDA, its role muddled by the creation of the DG DEFIS, could eventually become a federal EU procurement agency. However, Swedish SMEs and non-traditional defence suppliers, important for cyber capabilities, were showing increasing interest in the programmes.[49]

Third parties

The issue of collaboration with so called third parties—states or companies with subsidiaries in the EU but headquarters outside the EU—has been

[43] European Council, 2018, Brussels, *Council Decision (CFSP) 2018/909 of 25 June 2018 Establishing a Common Set of Governance Rules for PESCO Projects*, https://eur-lex.europa.eu/legal-content/EN/TXT/?qid=15989627 88526&uri=CELEX:32018D0909

[44] European Commission, 2020, Brussels, *European Defence Fund: €205 Million to Boost the EU's Strategic Autonomy and Industrial Competitiveness*, https://ec.europa.eu/commission/presscorner/detail/en/ip_20_1053

[45] The list included drones, space technology, unmanned ground vehicles, high precision systems, future naval platforms, airborne electronic attack capability, tactical and highly secured networks, cyber situational awareness platforms, and next generation stealth technologies.

[46] European Medical Command, European Training Missions Competence Centre (EU TMCC), Military Mobility, EU Test and Evaluation Centre.

[47] Interviews in Stockholm, September 2020. For two analyses of Swedish interests, see Schmidt-Felzmann, Anke, 2019, *PESCO: The Swedish Perspective*, Paris, The Armament Industry European Research Group (Ares Group); The French Institute for International and Strategic Affairs (Iris), https://www.iris-france.org/wp-content/uploads/2019/03/Ares-38.pdf; Fägersten, Björn, Danielson, August, and Håkansson, Calle, 2018, *Sweden and European Defence Cooperation: Interests in Search of a Strategy*, Stockholm, UI Brief Nr. 10, https://www.ui.se/globalassets/ui.se-eng/publications/ui-publications/2018/ui-brief-no.10-2018.pdf

[48] Bofors and Hägglund are, for example, owned by British BAE Systems, Saab's prime collaborator for a new generation of fighter aircrafts.

[49] Interviews in Stockholm, September 2020.

highly contentious and is yet to be fully settled. The agreement on Third States´ participation in PESCO projects represented an important step forward. The announcement of the outcome of the first EDIDP 2019 calls made a point of the fact that the results demonstrated that it would be possible to involve EU-based subsidiaries controlled by third countries and third country entities, provided that they provide security-based guarantees approved by member states (Article 7.4 or the EDIDP regulation).[50] This was said to have been the case of four participants controlled by entities from Canada, Japan and the United States, included in some member states' applications for funding.

Subsidiaries of foreign companies established in the EU—for example, Boeing—can in principle and under certain conditions (Article 7.4) participate in EDIDP projects, as testified by the above examples, but rules regarding Intellectual Property Rights (IPR) are strict in order to ensure that IPR remain in the single market. Similarly, the regulation governs that projects (technologies, results) will not be subject to third-party restrictions and that European export licenses cannot be sold completely to non-EU countries. American export control in the form of International Traffic in Arms Regulation (ITAR) is not mentioned in the generic regulation, but is central to negotiations between the DG DEFIS and American representatives, sensing in the EDF the beginning of something bigger.[51] Anxious about potential competition, Americans lobby hard for their interests in Brussels, in particular versus the European Parliament.

Formulating the principle of reciprocal transatlantic rules is easy; applying them to differing American and European competition laws is more difficult. It is important to note that European concerns are not related exclusively to American jurisdiction, but also potential Chinese, Russian, Israeli and other interests wishing to access the internal defence market.

The relationship between the EU and third-party participation is a complication also in defining the future relationship between the EU and the UK. Security issues may arise, as has been the case with British engagement in the European Global Navigation Satellite System (Galileo) that figures jointly with the European Earth Observation Programme (Copernicus) and the European Geostationary Navigation Overlay Service (EGNOS) among the systems designated necessary to secure the strategic sovereignty of the Union's critical infrastructure. The extension of geopolitical tensions into space, where the US and the EU are being challenged by China and Russia, has been cited by the High Representative Borrell as a driver behind the EU Space Programme. It cites four goals: 1) maximizing the benefits of space for society and the EU economy; 2) fostering a globally competitive and innovative European space sector; 3) reinforcing Europe's autonomy in accessing and using space in a secure and safe environment; and 4) strengthening Europe's role as a global actor and promoting international cooperation.[52] A total of 13.202 billion euros was allocated in the MFF to the EU Space Programme managed by DG DEFIS.[53]

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[50] From the EDIDP Regulation Article 7.4c: 'ownership of the intellectual property arising from, and the results of, the action remaining within the beneficiary during and after completion of the action, are not subject to control or restriction by a third country or by a third-country entity, and are not exported outside the Union, nor is access to them from outside the Union granted without the approval of the Member State in which the undertaking is established and in accordance with the objectives set out in Article 3.' Eur Lex, 2018, *Regulation (EU) 2018/1092 of the European Parliament and of the Council of 18 July 2018 Establishing the European Defence Industrial Development Programme Aiming at Supporting the Competitiveness and Innovation Capacity of the Union's Defence Industry*, https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32018R1092

[51] Interviews in Brussels, February 2020.

[52] European Commission, 2016, Brussels, *Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions Space Strategy for Europe*, https://ec.europa.eu/transparency/regdoc/rep/1/2016/EN/COM-2016-705-F1-EN-MAIN.PDF

[53] European Council, 2020, Brussels, *Special Meeting of the European Council (17–21 July 2020): Conclusions*, Brussels, https://www.consilium.europa.eu/media/45109/210720-euco-final-conclusions-en.pdf

The UK had contributed to the 10 billion euro project, but withdrew since, as a consequence of Brexit, it would no longer have access to the encryption necessary for the functioning of the project. The UK, urged on by British industry in the form of its Aerospace, Defence, Security & Space Group (ADS Group), remains engaged in Copernicus, which is procured by the European Space Agency (ESA), not formally an EU agency but functioning as one in practice. The ESA is funding the first phase of six prototype satellites, while subsequent spacecraft will be paid for by the EU. The tender for this, the world's most ambitious Earth observation programme, amounts to 1 billion euros. With 18 satellites currently in orbit and over 30 planned over the next decade, Europe is home to the second largest public space budget in the world.

Competing projects

It is worth noting in this context that the main European defence materiel projects are not run within the EU framework but in the form of bilateral or multilateral projects. The choices made in capitals regarding, for example, the next generation of fighter aircraft are of major importance to European security. No individual European country will be able to carry out such a project on its own, but will have to rely on multinational cooperation. In July 2017, Germany and France announced bilateral long-term cooperation regarding a number of significant programmes, such as the Main Ground Combat System (MGCS), and Maritime Airborne Warfare Systems (MAWS).[54] Efforts were eventually made to have them included in the EDF work programmes and thus eligible for funding. Most significant, however, was the Franco-German

agreement to develop a Future Combat Air System (FCAS) to replace the Eurofighter and the French Rafale in the 2040s. Spain would join at a later stage of the programme. It is perceived as a complex 'system of systems' comprising a new generation of fighter aircraft, future air-launched missiles, and swarms of small drones.[55]

The harmonization of defence export control is central to the ability to foster European defence cooperation, within the EU or multilaterally. It remains a national prerogative, complemented by the EU Council's Common Position on the control of arms export.[56] The Franco-German project is professed to be ITAR-free—i.e. exempted from American export control regulations. This is a necessary precondition, according to French representatives,[57] since future customers will not wish to be dependent on US spare parts or export control. Franco-German cooperation has entered the phase of drawing up operational requirements and specification requirements, but the outcome of the project will in no small part depend on the possibility of bridging French and German export control regimes, the latter traditionally more restrictive than the French. The Debree-Schmidt agreement from the 1970s states the intention not to get in each other's way. In recent years, the parties have tried to circumvent differences in export control based on a business model 'not to block licenses', but instead to allow for a more fluent process.[58] Franco-German differences are said to diminish over time, but the German decision to halt its exports to Saudi Arabia in wake of the Khashoggi killing highlighted the politically treacherous waters to navigate. Some progress in coordinating European defence materiel exports was necessary to promote more cooperation in the area.

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[54] Drent, Margriet, and Zandee, Dick, 2018, *More European Defence Cooperation: The Road to a European Defence Industry?* The Hague, Clingendaal, Netherland´s Institute of International Relations 2018, https://www.clingendael.org/publication/more-european-defence-cooperation-more-european-defence-industry

[55] For an account of the many important sub-issues involved, see Machikuk, Dave, 2020, 'Germany Rejects F-35s, Okays €5.4bn Eurofighter Pact', *Asia Times Financial*, November, https://asiatimes.com/2020/11/germany-rejects-f-35s-oks-e5-4-billion-eurofighter-pact/

[56] Council of the European Council, 2019, Brussels, *Council Conclusions on the Review of Council Common Position 2008/944/CFSP of 8 December 2008 on the Control of Arms Exports*, https://www.consilium.europa.eu/media/40660/st12195-en19.pdf

[57] Interviews in Paris, October 2018. Béraud-Sudreau, Lucie, 2020, *French Arms Exports. The Business of Sovereignty*, The International Institute for Strategic Studies, London, Routledge.

[58] Interviews in Paris, October 2018.

While France and Germany were joining forces in the elaboration of FCAS, the UK launched an FCAS project of its own and invited Sweden and Italy to join. The new aircraft Tempest, boosted by increased British defence spending, is a central component of the UK-led FCAS-C, a joint venture with British aerospace companies BAE Systems Plc, Rolls Royce Holdings Plc and MBDA UK Ltd, and Anglo-Italian firm Leonardo SpA. Saab representatives announced a £50 million investment in the UK to develop technology for future combat air systems, and motivated the decision by the UK offer to involve Saab in development and design, while the Franco-German offer meant that Saab could participate once the concept had been decided.[59] In the run-up to the Swedish Parliament's passing of a new total defence bill, Totalförsvaret 2021–2025, in mid-December 2020, an item of 4 billion Swedish krona for participating in the FCAS-C was noted in the context of additional costs.[60]

In the end, it is possible that the two competing Anglo-Saxon and continental projects, with Saab and Dassault forming its industrial counter-points, could come down to the consolidation of one remaining entity, unless a more profound rupture would result in two different spheres, one with continental bearings and another, Anglo-Saxon, with the US at its helm. The outcome and nature of the UK's departure from the EU and consequential security relationship will condition the overall context of industrial cooperation.

4.2.2 The European Peace Facility (EPF)

The previous section accounted for financial resources allocated for defence materiel and capabilities. In this section, resources for the deployment of troops, a central component of EU defence, through the EPF will be described.

In accordance with the agreement on MFF, the EPF succeeded the current African Peace Facility

(APC), a source for funding African peace-keeping missions and operations. It would, in addition, absorb the inter-governmental so-called Athena mechanism, used to finance part of the EU´s own military operations. EPF does not form part of the MFF because of its defence implications for international cooperation, but draws on and enhances existing off-budget mechanisms related to security and defence.

The purposes of the EPF would be:

1. To fund the common costs of EU military operations under the CSDP.

2. To contribute to the financing of military peace support operations led by other international actors.

3. To engage in broader actions aimed at supporting partner countries´ armed forces with infrastructure, equipment or military assistance, as well as in other operational actions under the Union's CFSP with military implications, when so described by the Council.[61]

Five billion euros would be allocated to the EPF, now with a global geographic scope in accordance with Poland's wish that the EPF is not directed primarily to Africa but could also play a potential role in the EU's Eastern Partnership Programme (EPP). Its predecessor, the APC, with a 3.5 billion euro budget, played a major role in financing African operations led by the AU or sub-regional African organizations such as the G5 Sahel. African organizations have assumed an increasing regional role in security on the African continent, and legitimization by the AU or sub-regional organization had become a prerequisite for the conduct of the EU's own military operations in Africa. In addition, there are areas such as the Horn of Africa where Western forces cannot operate, but the AU, through its military operation AMISOM,

59 Hollinger, Peggy, and Milne, Richard, 2020, 'Saab Chief Urges UK and EU to Avoid Defence Co-operation Disaster', *Financial Times*, 20 July, https://www.ft.com/content/7cd97593-b3f7-4b2a-afaf-c00f7da57fbb

60 Holmström, Mikael, 2020, 'Oklart om nya miljardnotor för stridsflyg', *Dagens Nyheter*, 1 December.

61 European External Action Service (EEAS), 2020, *European Peace Facility: An EU Off-budget Fund to Build Peace and Strengthen International Security*, https://eeas.europa.eu/headquarters/headquarters-homepage/46285/ european-peace-facility-eu-budget-fund-build-peace-and-strengthen-international-security_en

has done so, suffering heavy casualties. Many of these operations have received funding from the APF.

European financing of African operations has not been without its problems, however, the main one being the resulting African dependence on European resources. In 2018, the European Court of Auditors (ECA) delivered a scathing critique of the way 100 billion dollars of EU funds, including the APF, had been used in support of the African Peace and Security Architecture (APSA) between 2014 and 2016. The lack of African ownership had, in the view of ECA, made the AU overly dependent on European funding for its operational costs, with African nations only covering a third of their envisaged contributions to the APF.[62]

In the Commission's proposal, the transfer of military equipment to partners for training purposes represented a new and controversial element. It was advanced against the background of the poor equipment African soldiers often bring to the EU's Training Missions (EUTM):

> The EPF will assist in building the capacities of partner countries' armed forces to preserve peace, prevent conflict and address security challenges. For example, EU Military Training Missions are sometimes faced with the reality that partners cannot benefit sufficiently from the lessons learned during training, due to lack of often very basic equipment or facilities. The EPF will allow the EU to provide comprehensive support through integrated packages, which can include training, equipment and other means of support. This will enable partners to address crises and security challenges by themselves.[63]

The proposition generated internal controversy, as some member states considered the possibility of opting out from participating in the new arrangement. Compromises were sought during the German presidency and the issue was cleared at the end of 2020.

The Athena mechanism
The Athena mechanism covers part of the member states' costs for deploying troops for EU military operations. In the Commission proposal, the Athena mechanism would be folded into the new EPF, which raises important questions regarding governance. In addition, suggestions for the increased funding of costs for deployment of troops in EU military operations highlighted the central issue of solidarity between member states.

Firstly, with regard to the matter of governance, the Athena mechanism, covering part of the costs of the EU's military operations, had previously been governed by member states; in the new proposal, however, the EU High Representative, in his additional capacity as Vice-President of the Commission, would assume greater importance in comparison to the previously member state-governed mechanism.

The sensitivities involved were reflected in the Council conclusions from the FAC meeting of 19 November 2018:

> 27. Emphasizes that the governance of the proposed EDF must fully respect Member States´ ownership and their key role in CFSP and notes in particular that, in accordance with the Treaty on European Union, the financing of each action under the proposed EPF would require a prior decision by the Council.[64]

Under current proposals, actions funded by the Athena mechanism will be decided by the Council or the PSC, acting with unanimity on the basis

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[62] European Court of Auditors, 2018, Luxembourg, *The African Peace and Security Architecture: Need to Refocus EU Support*, https://www.eca.europa.eu/Lists/ECADocuments/SR18_20/SR_APSA_EN.pdf

[63] EEAS, 2020, *European Peace Facility: An EU Off-budget Fund to Build Peace and Strengthen International Security*, https://eeas.europa.eu/headquarters/headquarters-homepage/46285/european-peace-facility-eu-budget-fund-build-peace-and-strengthen-international-security_en

[64] Council of the European Union, 2018, Brussels, *Council Conclusions from the FAC Meeting of 19 November 2018*, https://www.consilium.europa.eu/en/meetings/fac/2018/11/19/

of proposals from the High Representative.[65] The eventual inclusion of the Athena mechanism into the EPF is yet to be solved, and deliberations continue in the DG RELEX and the Council group RELEX.

Secondly, the changes to the Athena mechanism may have implications for the funding of the EU's operations. According to the Commission's proposal, resources allocated to the Athena mechanism intended for the partial covering of deployment costs could increase with 20%. Under current arrangements, member states pay when participating in an operation. According to the proposed set-up, all member states would contribute in an act of solidarity with those carrying out the operation. If approved, this could lower the threshold for the use of, for example, the EU's Battle Groups (EU BG) that have never been deployed. Lack of financial resources hampered use of the EU's forces in the early 2000s—for example, at the time of the planned deployment of the Nordic Battle Group in 2007, with Germany acting as the fiscally restrictive power and the UK scooping up the troops for American-led operations in the Middle East.[66]

Member states differ in their attitude towards both the increased amount allocated to the Athena mechanism and the principle of contributing on the basis of solidarity. Italy and Spain, having both been engaged in Operation Sophia in the Mediterranean, naturally argued for the proposal. Sweden formed part of the reluctant camp for reasons of governance, and reflecting its fiscally conservative attitude.

In view of the above related hesitations regarding both governance and the funding of operations, the current arrangement for the Athena mechanism was prolonged throughout 2020 while negotiations on ways to reform it continued.

4.2.3 Military mobility/the Connecting Europe Facility

For an overview of resources allocated to defence needs, it is important to note the 1.5 billion euros earmarked for military mobility in the proposal for the new MFF under the Connecting Europe Facility. It covers both civilian and military structures and aims to invest in infrastructure and to remove administrative impediments to its rational use. The need to facilitate the transport of forces between member states had long been identified by the EU and NATO as essential to improve defence cooperation on the continent. Military requirements had been integral to civilian infrastructure during the Cold War but had been overlooked since. A deteriorating security situation prompted European countries to revisit the issue. The EEAS/EUMS and the EDA were tasked by the Council to identify gaps between military requirements and the parameters for the so-called Trans-European Transport Network (TEN-T).

The project is important in terms of the resources that may be allocated to it, for its insertion into other major EU programmes, and for its political ramifications in view of the EU's cooperation with NATO. The Joint Declaration between the EU and NATO provides the political framework for this cooperation.[67] Using EU funds to finance military specifications in the context of a general reinforcement of European infrastructure was seen as an example of the EU's comparative advantage in a complementary relationship between NATO and the EU, and as a concrete way of building a European pillar in NATO. The outcome of the MFF negotiations was thus perceived as disappointing in comparison to the 6 billion euros initially proposed by the Commission.

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65 EEAS, 2020, Brussels. *Questions & Answers: The European Peace Facility*, https://eeas. europa.eu/ headquarters/headquarters-homepage/46286/questions-answers-european-peace-facility_en

66 Engberg, Katarina, 2014, *The EU and Military Operations. A Comparative Analysis*, London, Routledge.

67 *Fifth Progress Report on the Implementation of the Common Set of Proposals Endorsed by EU and NATO Councils on 6 December 2016 and 5 December 2017,* Brussels, 16 June 2020, https://www.nato.int/nato_static_fl2014/assets/pdf/2020/6/pdf/200615-progress-report-nr5-EU-NATO-eng.pdf

5. Work in Progress

We have, in sections 3 and 4, accounted for the new elements in EU defence policies: the stated political intention to establish a New LoA and the allocation of new financial resources to the effort. In section 5, we turn to work in progress regarding some established functions and processes that have lately received impetus from developments described previously in this text—defence planning and command and control—but also note a glaring deficiency in the form of so-called strategic enablers.

5.1 Defence planning

The state of defence planning is an important way of measuring the depth of the EU's defence cooperation and integration. Firstly, an explanation of the term 'defence planning' is needed. It is a technique that serves several purposes: 1) force planning; 2) operational planning; and 3) R&D and procurement of defence materiel. Short to medium time perspectives tend to dominate the first two, while long-term perspectives are applied to the planning for defence materiel. Elements of defence planning already exist in the EU, but has been a scattered exercise due to the general sensitivity of developing an EU defence dimension, the need to transfer some authority from capitals to Brussels with regard to scenario planning, and the sheer pragmatic nature of the development of EU defence cooperation through a trial-and-error process. It has proceeded in steps:

The Headline Goal process, created in 1999, was based on the Balkan experience, and aimed at planning for one corps of 50–60,000 personnel (4,000 km from Brussels) and the rapid response force of two EUBG of 1,500 personnel (8,000 km from Brussels). In addition, the EU should be able to evacuate its citizens from areas of conflict (up to 10,000 km from Brussels) and support humanitarian assistance (up to 15,000 km from Brussels). Operational planning, denominated advanced planning, was at the time deemed controversial by some member states, in particular the UK, since it would resemble strategic functions at an Operational Headquarters (OHQ) level, an option ruled out in favour of earmarking national OHQs put at the disposal of the EU by member

states. The practice of advance planning was eventually placed under the responsibility of the Deputy Secretary General for CSDP and Crisis Response (CSDP-CR) in the EEAS. These forms of planning correspond to purposes 1 and 2, as indicated above, for defence planning.

The EDA was set up with the dual ambition of overcoming capability shortfalls and strengthening the European Defence and Industrial Base (EDIB), ambitions also inherent in today's initiatives, as described in the previous section. A Long-Term Vision (LTV) was created in 2006 with the aim of looking 10–20 years into the future to assess the challenges to be met and the needs to be covered through defence materiel coordination by the EDA. A Capability Development Process (CDP) was established in 2008 with the purpose of coordinating requirements resulting from the LTV, lessons learned and national processes. A certain coordination was made with NATO's Comprehensive Political Guidance (CPG) and NATO's Transformation Command in Norfolk, USA. This form of defence planning corresponds to purpose 3 in the above specification.

Elements of EU defence planning have gradually come into place, but they have lacked a framework that would synchronize the different pieces and instil more discipline in an exercise that is inter-governmental and ultimately voluntary in nature.

A more disciplined process?

As indicated in section 3, the EUGS calls for the 'gradual synchronization and mutual adaptation of national defence planning cycles and capability development practices'. The declared intention has been given a more precise format through the creation of a process in which the Coordinated Annual Review of Defence (CARD) and its consequential National Implementation Plan (NIP) help scrutinize national defence plans, highlighting capability gaps and the potential for cooperation. Previous work conducted in the field by the EDA through the establishment of CDP had been limited to CSDP experiences, but CARD allows a more comprehensive overview of Europe's capability landscape.[68]

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[68] Fiott, Daniel, 2018, *EU Defence Capability Development Plans, Priorities, Projects*, Paris, European Institute for International Security Studies (EUISS), https://www.iss.europa.eu/sites/default/files/EUISSFiles/Brief%206_CDP.pdf

The relationship between the different planning elements was described by the then EDA Chief Executive Jorge Domecq in the following way:

> CDP tells us what to focus our common effort on. CARD gives us an overview of where we stand and identifies next steps. PESCO in turn gives us options on how to do it in a collaborative manner, while the EDF can provide the funds to support the implementation of cooperative defence projects in general, but with a bonus, if in PESCO.[69]

With the introduction of the new CARD element, coordinated with and mimicking NATO´s Defence Planning Process (NDPP) and so-called Partnership for Peace Planning and Review (PARP) process, a stricter exercise of defence planning may have been put in place. NATO processes are not mandatory for the Alliance's members since defence cooperation is inter-governmental in nature, but the introduction of its methodology of peer review and common scrutinizing may have a disciplining effect on the EU's defence planning.

A first CARD trial run was carried out in 2017–2018; its results were reported to the FAC in November 2018, and 11 EU Capability Development Priorities were defined. The creation of so-called Strategic Context Cases (SCC) was intended to facilitate the implementation.[70] The EU Military Committee pointed out that the EU does not have available all the military capabilities necessary for the implementation of the EU CSDP military LoA. The deficiencies resulted in two sets of High Impact Capability Goals (HICG) addressing major shortfalls in the short term

and medium term, and included in the Progress Catalogue.

The first full CARD cycle was reported to defence ministers´ meeting in the format of EDA's Steering Board in November 2020. It provided an overview of member states' defence planning and capability efforts. Member states had made progress in reacting to the deteriorating security landscape in terms of increased defence spending and focusing on high-end capabilities. Areas of cooperation were identified as a means of both producing essential capabilities and overcoming the continued fragmentation of the European defence landscape. The new instruments of PESCO and EDF could provide incentives to improve the situation in the mid-2020s. The report, echoing previous reports by the High Representative and the EU Military Committee, noted:

> The EU CSDP Military LoA is currently not achievable and the commitment to CSDP missions and operations is very low with a substantial disparity between pMS (participating Member States) in term of engagement frameworks and overall operational effort.[71]

Swedish experiences
Based on their first experiences, participants from the Swedish Armed Forces deemed CARD a useful means to determine operational demands and assess the nature of the future battlefield. The CARD process corresponds in part to the Swedish Armed Forces' strategic investment plan of 12 years, and could therefore support both development and acquisition in accordance with the so-called Technology Readiness Level

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[69] 'CARD: from Trial Run to First Full Circle starting in 2019', 2018, *European Defence Matters*, issue 16, Brussels, European Defence Agency, https://eda.europa.eu/webzine/issue16/in-the-spotlight/card-from-trial-run-to-first-full-cycle-starting-in-2019 F L IN 20

[70] Defined as ground combat capabilities, enhanced logistic and medical supporting capabilities, naval manoeuvrability, underwater control contributing to resilience at sea, air superiority, air mobility, integration of military air capabilities in a changing aviation sector, enabling capabilities for cyber responsive operation, space-based information and communication services, information superiority, and cross-domain capabilities contributing to achieve EU's level of ambition. https://www.eda.europa.eu/info-hub/press-centre/latest-press-releases/2019/06/27/strategic-context-cases-approved-for-implementation-of-eu-capability-development-priorities; European Defence Agency, 2019, *Annual Report*, https://www.eda.europa.eu/docs/default-source/eda-annual-reports/eda-2019-annual-report

[71] European Defence Agency, Brussels, 2020, *2020 Card Report Executive Summary*, https://www.eda.europa.eu/docs/default-source/reports/card-2020-executive-summary-report.pdf

(TRL) scale. Among potential interests are long-range, sensor, satellite and space capabilities. The identification of capability needs through the EU's defence planning process can be used for pursuing bilateral and trilateral forms of cooperation. However, there is a perceived need to update CARD beyond crisis management and in accordance with the whole New LoA, including Article 42(7) and Article 222. The elaboration of SCC provided some guidance in assessing Article 42(7). This was perceived as an important development, since the Article had been identified by Helsinki as the legal base for providing and receiving military aid in the context of Swedish-Finnish bilateral defence cooperation. In addition, it was noted that it would be helpful for planning purposes to identify what Sweden might want to ask for and from whom.[72]

While the different elements of a full-fledged EU defence planning process seem to be emerging, a gap still exists between the political ambitions declared in the EUGS and the forms of more hands-on defence planning described above. The Strategic Compass mentioned in section 3 will introduce the element of strategic planning and thereby close that gap. The elaboration of a common threat analysis, and eventual operational planning based on not merely illustrative but also likely scenarios according to specific threats, will contribute to developing a more cohesive defence planning process. It will correspond to the declared New LoA, encompassing not only CDSP, but potentially also elements relating to Article 42(7) and Article 222, such as the issue of cyber security, that knows no formal or geographical boundaries. Gradually, a more cohesive and disciplined EU defence planning is coming into place. Nevertheless, decisive for the outcome of the process will be the member states' degree of willingness to live up to the commitments made.

5.2 EU command and control (EU C2)

The state of command and control arrangements for missions and operations is of great importance for defence policies. The EU suffers from weak such structures, the result of decisions made in the past in order to accommodate British opposition based on the argument that such arrangements would duplicate those of NATO. Instead, as mentioned previously in this text, the EU's military operations have been run out of a couple of national OHQs. With the British decision to exit the EU, an important impediment to strengthening the EU C2 has been removed.[73]

A number of initiatives aimed at reinforcing the EU's military planning capability and conduct of both non-executive missions and executive operations have been undertaken in the context of the EU's New LoA. In 2017, the Military Planning and Conduct Capability (MPCC) was established, assuming command for the three EU Training Missions (EUTM) in Somalia, the Central African Republic (CAR) and Mali. The Joint Support Coordination Cell (JSCC) functions as a coordinating mechanism between the MPCC and the Civilian Planning and Conduct Capability (CPCC), a reflection of the EU's comprehensive security concept.

A review of the arrangements was established with the purpose to:

> 1) facilitate the strategic guidance and conduct of the EU's Training Missions, 2) institutionalize the civ-mil relation of the EU's missions and operation on the strategic level, 3) close the gap between the pol-mil level and the national OHQs designated for a specific task. The latter is relevant both for non-executive missions and future executive operations.

The suggested three-phase plan for building up the MPCC foresees:

1) within the current mandate, the filling of 12 vacant single-hatted posts in order to be able to plan, command and control 5 non-executive military missions, totalling 40 personnel, 2) plan, command and control any non-executive mission, plus one small-scale EU BG operation. Total maximum number of personnel, 154, 3) any non-

72 Interviews in Stockholm, September 2020.

73 For an overall assessment of EU C2, see Reykers, Yf, 2019, 'Permanent Headquarters under Construction? The Military Planning and Conduct Capability as a Proximate Principle', *Journal of European Integration*, April 2019. Maastricht.

executive military mission, plus two small-scale and one medium-scale operation. Total number of personnel, 248.[74]

While some of the political constraints to the development of appropriate EU C2 have been removed, others remain, not least in the form of scarce personnel and financial resources. Several of the positions in the MPCC are vacant due to a lack of commitment by member states. Recent reinforcements of NATO's command and control structures have, in addition, made some Central and Eastern European member states reluctant to supply personnel to the EU. Furthermore, decisive for developments will be the intent and ambition of the EU, and that of member states, to carry out military operations in the future, an issue that we shall turn to in section 6.

As the first three phases of the build-up of the MPCC were set to be concluded by 2020, a forthcoming review of EU C2 was announced. Plans for arranging an exercise that would certify that the MPCC had achieved Full Operational Capability (FOC) during the German presidency had to be cancelled due to COVID-19. Nevertheless, Germany planned to lead its Battle Group, in readiness for all of 2025, from an EU OHQ in Brussels.

5.3 Strategic enablers

The EU, for all its institutional and planning prowess, has fallen notoriously short in producing the necessary strategic enablers—for example, air-to-air refuelling, long-range air and sea transport, intelligence, surveillance, target acquisition, and reconnaissance that would give credibility to the Union's ambition to take on a greater role in Europe's security and defence. Europeans have traditionally relied on American capabilities in the context of NATO for most of the strategic enablers.

In a stress test based on a new series of scenarios and carried out jointly by the International Institute for Strategic Studies (IISS) and Deutsche Gesellschaft fur Auswärtige Politik (DGAP) of

the EU's ability to deliver on the New LoA after Brexit, considerable shortfalls are identified.[75] As of 2018, the EU's strategic autonomy is said to be limited to the lower end of the operational spectrum. Some improvements are likely by 2030, according to the study—for example, in the maritime domain, where plans for the procurement of destroyers, frigates and submarines are being made on a European basis. Five aircraft carriers are projected, and the ongoing procurement of heavy transport helicopters is expected to have an impact. According to the report, Brexit will make it necessary to find a constructive combination of European partnerships and transatlantic engagement.

These are unsurprising conclusions. Building up European strategic enablers for the full operational spectrum would indeed be a very ambitious goal. It would require a substantial infusion of financial resources and take decades to achieve. An addition of British capabilities would not change the overall picture. Taken literally, a glaring deficiency between declared ambitions for strategic autonomy and the reality can be noted in the areas described. Interpreted instead as a goal to strive for, Europeans still have hard work ahead of them.

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[74] Council of the European Union, EEAS, 2018, Brussels, *Review of the Military Planning and Conduct Capability and the Joint Support Coordination Cell: Report of the High Representative*, https://www.consilium.europa.eu/media/37030/st13978-en18.pdf

[75] Barrie, Douglas, et al., 2018, *Protecting Europe: Meeting the EU's Military Level of Ambition in the Context of Brexit*, IISS, London, Routledge, https://dgap.org/en/research/publications/protecting-europe
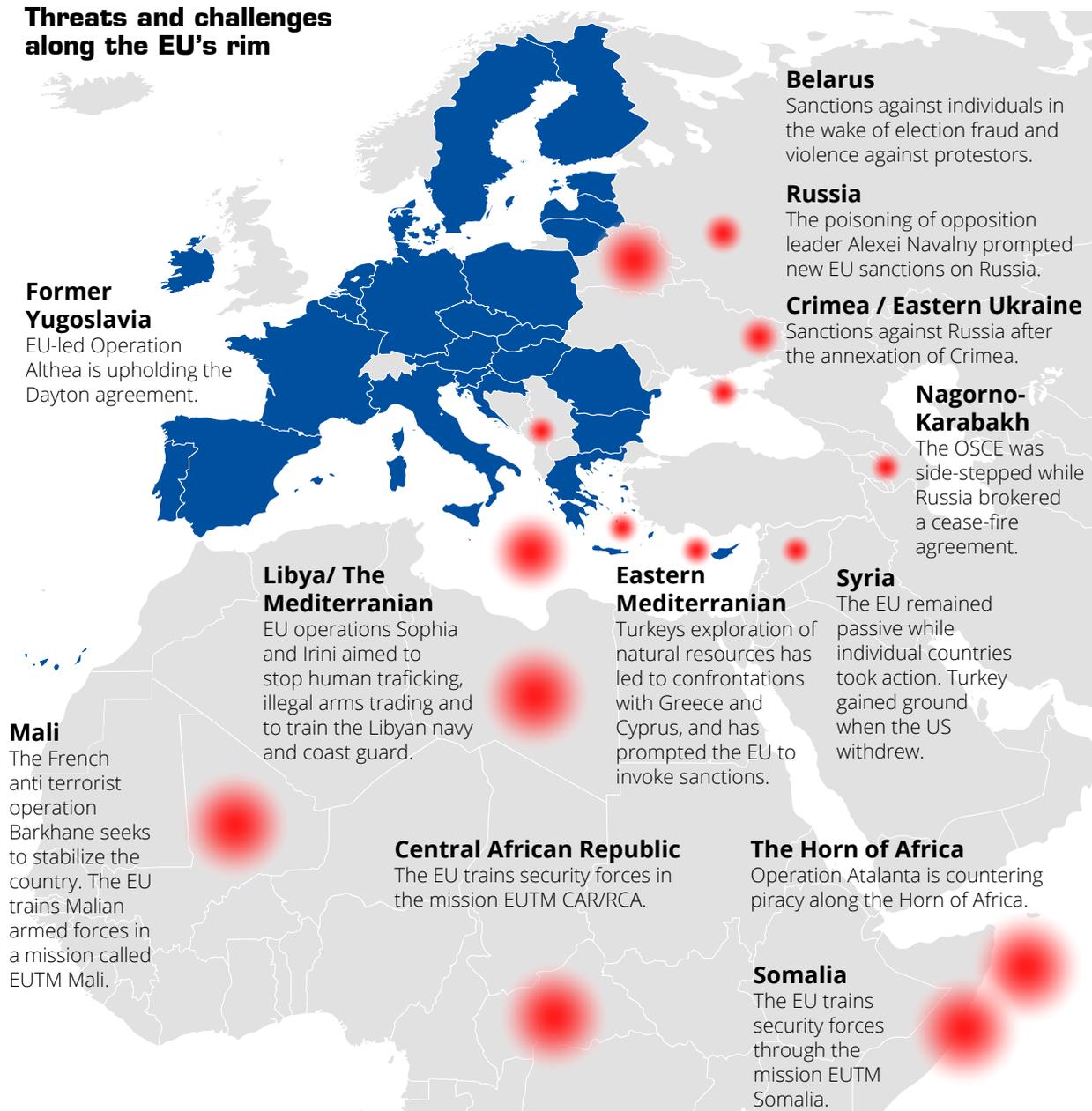
6. The EU's Unruly Rim

In this section, the EU's defence policies will be reviewed from the perspective of assessing the demand for its military training missions and operations, individually by member states or through the EU. As a backdrop for this analysis, we will examine the threats and challenges along the EU's rim. We subsequently offer an account of actual EU military training missions and operations. Finally, there is a discussion on the potential for the EU to become a global maritime actor.

6.1 From Minsk to Bamako

Defence spending, as indicated earlier in this study, has gone up throughout Europe, a consequence primarily of Russia's annexation of Crimea and military involvement in Eastern Ukraine, but also of emerging doubts regarding the solidity of the American commitment to European security, in the form of both territorial defence and crisis management along Europe's increasingly unsettled rim. Europeans have come to realize that, regardless of political winds in Washington, they would have to take on greater responsibility for their own

Threats and challenges along the EU's rim

Belarus
Sanctions against individuals in the wake of election fraud and violence against protestors.

Russia
The poisoning of opposition leader Alexei Navalny prompted new EU sanctions on Russia.

Crimea / Eastern Ukraine
Sanctions against Russia after the annexation of Crimea.

Nagorno-Karabakh
The OSCE was side-stepped while Russia brokered a cease-fire agreement.

Former Yugoslavia
EU-led Operation Althea is upholding the Dayton agreement.

Libya/ The Mediterranean
EU operations Sophia and Irini aimed to stop human traficking, illegal arms trading and to train the Libyan navy and coast guard.

Eastern Mediterranian
Turkeys exploration of natural resources has led to confrontations with Greece and Cyprus, and has prompted the EU to invoke sanctions.

Syria
The EU remained passive while individual countries took action. Turkey gained ground when the US withdrew.

Mali
The French anti terrorist operation Barkhane seeks to stabilize the country. The EU trains Malian armed forces in a mission called EUTM Mali.

Central African Republic
The EU trains security forces in the mission EUTM CAR/RCA.

The Horn of Africa
Operation Atalanta is countering piracy along the Horn of Africa.

Somalia
The EU trains security forces through the mission EUTM Somalia.

security. The refocus on territorial defence had, however, contributed to the difficulty of mobilizing resources for military operations in Europe's troubled Southern neighbourhood around the Mediterranean and in the Sahel. The new centrality of territorial defence thus had the same effect on CSDP as the US-led interventions in the Middle East had in the 2010s, acting as a constraint on the resources available for the EU´s crisis management.

In the East, the EU's repressive instruments were limited to sanctions. Election fraud and violence against protesters in Belarus led the EU to sanction the individuals responsible. The diplomatic call for the use of the Organization for Security and Co-Operation in Europe (OSCE) as a means of establishing a dialogue between Belarusian leaders and the opposition seemed to fall on deaf ears. The OSCE again stood idle as Russia brokered a ceasefire agreement between the conflicting parties in Nagorno-Karabakh, also involving Turkey. Sanctions had been used against Russia as a reaction to the annexation of Crimea and were again applied in response to the poisoning of the Russian opposition leader Navalny. EU demands for Russian authorities to carry out an impartial investigation into Navalny´s poisoning were not met by Russian authorities. The Europeans referred the case to the Organization for the Prohibition of Chemical Weapons (OPCW) in the Hague, which had proved useful during the withdrawal of the Assad regime's chemical weapons from Syria in 2013–2015. The OPCW confirmed that chemical weapons in the form of Novichok had been used in the poisoning of Navalny. The creation of a European Magnitsky Act, establishing a regime for sanctioning breaches of human rights, was evoked by Commission President von der Leyen in her State of the Union speech to the European Parliament. She pointed to the need to introduce QMV in the area of sanctions and human rights in order to speed up decision-making, an allusion

to veto rights applied by member states. Cyprus' blocking of sanctions against Belarusian officials as a means of achieving sanctions against Turkey represented a salient case. On 7 December 2020, the EU foreign minister adopted a decision and a regulation establishing a global human rights sanctions regime, adding yet another repressive instrument to its diplomatic arsenal.[76]

In the Eastern and Southern Mediterranean, multiple conflicts raged. The war in Syria continued to destabilize the Levant; competing demands for access to natural resources led to skirmishes between Turkish and Greek naval forces; and Libya was a theatre of internal strife, but also of external meddling in the respective sides of the civil war.

With regard to Syria, the EU remained by and large a passive onlooker, while individual countries such as the UK and France had, at the beginning of the war, joined American special operation forces cooperating with Kurdish forces. The partial and unilateral withdrawal of American troops and the advancement of Turkish forces into Northern Syria forced the Kurds to conclude accommodating agreements with the Syrian government. The Turkish president verbally exposed French forces in the area.

Turkey intensified its drilling activities related to hydrocarbon exploration and production within the territorial sea, Exclusive Economic Zone (EEZ) and continental shelf of Cyprus. Turkish non-recognition of Greek territorial waters and intrusive moves by its exploration ships escorted by naval vessels caused a collision between Greek and Turkish warships. The EU expressed its solidarity with Cyprus and Greece, imposed restrictions on its relationship with Turkey, and declared that 'all options are on the table'.[77] Sanctions were widened at the European Council meeting in December

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[76] Eur Lex, *Council Regulation (EU) 2020/1998 of 7 December 2020 Concerning Restrictive Measures against Serious Human Rights Violations and* Abuses, https://eur-lex.europa.eu/eli/reg/2020/1998/oj

[77] Council of the European Union, 2020, Brussels, *Council Decision (CFSP) 2020/275 of 27 February 2020 amending Decision (CFSP) 2019/1894 Concerning Restrictive Measures in view of Turkey's Unauthorised Drilling Activities in the Eastern Mediterranean*, https://op.europa.eu/en/publication-detail/-/publication/41187d1d-5979-11ea-8b81-01aa75ed71a1; Council of the European Union, 2020, Brussels, *Conclusions by the President of the European Council Following the Video Conference of the Members of the European Council on 19 August 2020*, https://www.consilium.europa.eu/en/press/press-releases/2020/08/19/conclusions-by-the-president-of-the-european-council-following-the-video-conference-of-the-members-of-the-european-council-on-19-august-2020/

2020 in view of 'Turkey's unauthorized drilling activities in the Eastern Mediterranean'.[78]

Germany, holding the presidency of the EU and eager to save the migration deal with Turkey, engaged in shuttle diplomacy between Greece and Turkey, while France joined Greece and Italy in military exercises aimed at deterring further Turkish explorations. The spectre of Cyprus potentially evoking the EU's Article 42(7) against a NATO member caused concern, as mentioned previously in this text.

Libya, in turmoil since the uprising in 2011 and the subsequent NATO-led and French and British-initiated Operation Unified Protector (OUP), provided fertile ground for both internal and external power struggles, involving multiple actors from the region and beyond. The EU, through its EU NAVFOR Med Operation Sophia, followed by Operation Irini, has long been deployed in waters adjacent to Libya, an issue that we shall return to in section 6.2, EU military operations and missions.

Mali: a French-led response

Countries in the Sahel had long been prone to conflict resulting from harsh natural conditions and worsened by climate change, governance failure and ethnic and religious divisions, often between the Muslim North and the Christian South. The flow of weaponry from broken Libyan weapon caches contributed to the further destabilization of the Sahel, as did the long-term fallout of the Algerian civilian war in the 1990s in the form of the dislocation of insurgents from Maghreb into the Sahel. Mali was the epicentre of these confluent destructive forces. The lack of EU response to previous requests for support in view of a deteriorating situation in Mali contributed to the French decision in 2012–2013 to launch Operation Serval in order to halt Northern Malian insurgent forces' march on the Mali capital

Bamako. France today heads the counterterrorist Operation Barkhane in the Sahel in cooperation with the so-called G5 Sahel (Burkina Faso, Chad, Mali, Mauritania, Niger) and the US, but outside the EU. For more demanding, high-intensity operations such as Barkhane, the current weak EU C2 and the cumbersome EU decision-making process would, in view of French observers, be detrimental to the efficiency of the operation.[79] Instead, the operation was launched in the framework of the French European Intervention Initiative (EI2).

American plans to reduce its military presence in the Middle East and Africa have, together with a deteriorating security situation in the region, led France to request increased European contributions to its counterterrorism operations. Germany, while participating in the UN-led operation MINUSMA in Mali, has steadfastly refused to comply, referring to the need for parliamentary support for this kind of more offensive operation. Nevertheless, a German air transport base in Niamey, Niger, supports German operations in the area and provides logistical support to France's Operation Barkhane, a way of complementing the French operation.[80]

In February 2020, France reinforced Operation Barkhane with 600 additional troops, increasing the number to 5,100. Belgium, Denmark, Estonia, France, the Netherlands, Portugal and Sweden committed special forces to the French-led Task Force Takuba under the command of Operation Barkhane. Swedish participation was deemed beneficial for strained Franco-Swedish relations (Sweden had, for example, procured the American Patriot system, turning down alternative European systems).[81] The force was expected to become operational in the early 2021. It will advise, assist and accompany Malian armed forces, in coordination with G5 Sahel partners, in fighting

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[78] Council of the European Council, 2020, Brussels, *Conclusions on the European Council Meeting on 10 and 11 December 2020*, https://www.consilium.europa.eu/media/47296/1011-12-20-euco-conclusions-en.pdf

[79] Interviews in Paris, October 2018.

[80] Hagström Frisell, Eva, 2019, *Germany: Linking Military Deployments in Africa to National Security*, Stockholm, Swedish Defence Research Institute (FOI).

[81] Interviews in Stockholm, September 2020.

terrorist groups in the Liptako region.[82] The EU's role in the Sahel has been to take on the training of the Malian armed forces, EUTM Mali (more on this in the following section).

However, all international missions and operations in Mali were put on hold as a result of the military coup and arrest of President Keita on 18 August 2020. Condemnations of the mutiny and calls for the restoration of the rule of law were accompanied by attempts by international organizations to secure basic practical and political conditions for the continuation of their activities in Mali.[83]

6.2 EU military operations and mission

We have in the previous section investigated the varying forms of European repressive response to different threats and challenges in the EU's neighbourhood. In the East, the EU has used political instruments in the form of sanctions. In the Eastern Mediterranean and the Sahel, individual member states have at times reacted individually to perceived threats by military means. Two EU operations and missions were noted: EU NAVFOR Irini and EUTM Mali. In the following, we summarize the EU's military missions and operations.

The launch in 1999 of CSDP was followed by a flurry of military operations and missions in the Balkans and in Africa. Since 2003, the EU has carried out seven military operations, called EUFOR for ground forces (Concordia and Althea in the former Yugoslavia, Artemis in RD Congo, and Chad/CAR in Chad and the Central African Republic). Naval forces are called EU NAVFOR (Atalanta in the Indo-Pacific and Sophia/Irini in the Mediterranean), with three EUTM training missions (Somalia, Mali, CAR/RCA). Three of the operations are still running (Althea, Atalanta, Sophia/Irini), as are the three EUTM.[84]

Operations Althea, Atalanta, Sophia/Irini

Operation Althea was launched in the aftermath of the wars in the former Yugoslavia and is of some, albeit lingering, importance for upholding the Dayton agreement. Political more than operational needs favour the continuation of the operation. It is currently the only Berlin+ operation (relying on NATO headquarters for command and control arrangements) in place.

Its tasks are described as the following:

- To provide capacity-building and training to the Armed Forces of Bosnia and Herzegovina, BiH.

- To support BiH efforts to maintain the safe and secure environment in BiH.

- To provide support to the overall EU comprehensive strategy for BiH. Operation Althea monitors and supports the local authorities in carrying out tasks derived from the GFAP (Dayton Agreement) such as: countermining activities, military and civilian movement control of weapons, ammunition and explosive substances, as well as the management of weapons and ammunition storage sites.[85]

Operation Atalanta was launched as a way of protecting vulnerable shipping such as World Food Program transports and countering piracy along the Horn of Africa. It has by and large been a successful operation and is currently limited to one vessel in place at a time and there are few signs of renewed piracy activities along the Horn of Africa. The concern, however, is that a European withdrawal could again spur such activities. The operation also provides a platform for engaging with Third Parties such as South Korea, participating in the EU operation, and connecting with US and Chinese forces. The operation since its inception was led from the British headquarters Northwood; as a

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[82] https://www.regeringen.se/artiklar/2020/03/sverige--planerar-delta-i-ny-insatsstyrka-i-mali/; UN, May 2020, *Monthly Forecast*, https://www.securitycouncilreport.org/monthly-forecast/2020-05/group-of-five-for-the-sahel-joint-force.php

[83] UN, September 2020, *Monthly Forecast*, https://reliefweb.int/sites/reliefweb.int/files/resources/ 2020_09_forecast.pdf

[84] For an overview, see Engberg, Katarina, 2014, *The EU and Military Operations. A Comparative Analysis*, London, Routledge.

[85] European Union Common Security and Defence Policy, *EU Military Operation in Bosnia and Herzegovina (Operation EUFOR ALTHEA)*, http://eeas.europa.eu/archives/docs/csdp/missions-and-operations/althea-bih/pdf/factsheet_eufor_althea_en.pdf

consequence of the UK's withdrawal from the EU, command and control was transferred to Brest in France and Rota in Spain.

Its tasks are described as the following:

- Protects vessels of the World Food Programme (WFP) and other vulnerable shipping.

- Deters, prevents, and represses piracy and armed robbery at sea.

- Monitors fishing activities off the coast of Somalia.

- Supports other EU missions and international organizations working to strengthen maritime security and capacity in the region.[86]

With regard to Operation Sophia/Irini, the EU as an entity became militarily involved in the Mediterranean as a result of the migration flows in 2015, some of which stemmed from the ungoverned spaces of Libya's coastlands.[87] It was launched with the following tasks:

> The mission core mandate is to undertake systematic efforts to identify, capture and dispose of vessels and enabling assets used or suspected of being used by migrant smugglers or traffickers, in order to contribute to wider EU efforts to disrupt the business model of human smuggling and trafficking networks in the Southern Central Mediterranean and prevent the further loss of life at sea…

In June 2016, two supporting tasks were added:

- Training of the Libyan Coast Guard and Navy

- Contribute to the implementation of the UN arms embargo on the high seas off the coast of Libya.[88]

Operation Sophia has engaged thousands of personnel, most of the time led by Italian force commanders and run out of Rome and an Italian OHQ. The link between internal and external security has taken on some practical meaning in Operation Sophia. When operating in international waters, the crime info cell on board has conveyed terrorism-related information back to Brussels.

Throughout the years, the operation has been haunted by the human migrant drama playing out in the Mediterranean. In 2019, it ran into a political obstacle, as hardly any EU member state was prepared to accept the arrival of rescued refugees and migrants. European vessels remained stationed in their home ports. Instead, Operation Irini was launched in March 2020 with the prime focus of enforcing the UN-mandated arms embargo.[89] Three secondary tasks were added to the original ones:

- Prevent the illicit export of petroleum from Libya

- Contribute to the capacity building of the Libyan Coast Guard and Navy in law enforcement tasks at sea

- Contribute to the disruption of the business model of smuggling and trafficking networks through information gathering and patrolling of planes.[90]

It has at times been argued that the enforcement of the UN arms embargo would benefit the renegade Gen Haftar operating out of Benghazi and receiving military aid from Russia and the United Arab Emirates by air and land. The UN-backed Government of National Accord (GNA) based in Tripoli has, on the other hand, been supplied over sea by Turkey. The GNA struck an agreement with Turkey on the exploration of natural resources in

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86   EEAS, *EU NAVFOR Somalia*, https://eunavfor.eu/european-union-naval-force-eu-navfor-somalia-assuming-command-at-sea-the-fhq-34th-rotation-story/

87   For an analysis of European responsibilities, see Stevens, Philip, 2020, 'Home Truths in the Eastern Mediterranean. Europe can no Longer Rely on the US to Act as a Referee in the Greek Stand-off with Turkeys', *Financial Times*, 3 September.

88   EEAS, *EUNAVFOR MED, Operation Sophia,* https://www.operationsophia.eu/about-us/

89   United Nations Security Council, 2016, https://www.un.org/securitycouncil/s/res/2292-%282016%29

90   EEAS, *EU NAVFOR MED, Operation IRINI*, https://www.operationirini.eu/mission-at-a-glance/

Libyan waters. France, looking for allies in the struggle against terrorism in the Sahel, initially leaned towards Gen Haftar, as did Cyprus and Greece, for reasons pertaining to their own conflicts with Turkey.[91] Egypt joined the anti-Turkish alliance. France at one point tried to reinforce the arms embargo but had to back down in view of overwhelming Turkish forces. In November 2020, the German frigate Hamburg boarded the Turkish ship Rosalyn A on the orders of Operation Irini, but the search had to be abandoned after Turkish protests.

Attempts were made by the UN and the German Government at a peace conference in Berlin in early 2020 to foster reconciliation between the warrying parties, and a ceasefire between the conflicting Libyan parties was announced on 21 August. Peace remained ellusive, however.

EUTM: Mali, Somalia, CAR/RCA

Of the EU's three training missions, all are in Africa. EUTM Mali has already been mentioned. In March 2020, the scope of its mandate was broadened to provide military assistance to the G5 Sahel Joint Force and to national armed forces in the G5 Sahel countries through military advice, training and mentoring. In Somalia, the African force AMISOM, legitimized by the AU, has been fielded in areas where Western forces could not go, and casualty rates hover around numbers unacceptable to Western countries. Again, the EU has settled for a role as trainer of local and regional forces in the form of EUTM Somalia. Similarly, the EU fields a training mission in the Central African Republic, EUTM CAR/RCA. It should be noted that the distinction between missions and operations has been blurred in the field, albeit not in terms of mandate, as European trainers are coming under attack and in increasing need of force protection and robust equipment.

The overview of current operations points to some limitations to the scope of EU operations. Demands for European contributions to traditional peacekeeping operations in Africa have diminished in comparison to the 2010s, when several of the EU's first operations occurred. African themselves have assumed greater responsibility for security on their continent, and European contributions have been folded into UN operations, as is the case with MINUSMA. High-end counterterrorism operations are undertaken through the EI2, outside the EU. The refocus on territorial defence has added to the picture. Successive EU intern assessments, referred to in this text, have pointed to the need for improved operational engagement from member states.

The current weak military engagement in the EU's crisis management could change as a consequence of an eventual rebalancing between territorial defence and crisis management resulting from the emergence of acute contingencies, in particular in the Eastern Mediterranean. Additional needs may occur in well-known territories, and new areas of engagement could appear in European neighbourhoods and in areas contingent to the continent itself.[92] Defence cooperation—for example, in the form of increased means for financing the deployment of troops through the Athena mechanism and the reinforcement of EU C2—could improve the EU's capability to carry out operations in the future.

6.3 EU: a global maritime actor

Two of the EU's current military operations, Atalanta and Irini, are maritime in nature, indicating the growing importance of the maritime arena, also beyond the immediate European neighbourhood.[93] Through its Coordinated Maritime Presence concept (CMP), the EU intends to establish a presence in maritime areas of strategic interest, defined as the security, safety and freedom of maritime routes. This will likely expand the geographic scope of the EU's military operations into African and Asian waters. It may at times build on operations until now carried out by individual member states—for example, the counter-piracy operation carried out by Portugal, Spain and

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[91] The Editorial Board, 2020, 'The EU in a Muddle Over Libya', *Financial Times,* 1 June, https://www.ft.com/content/b9ab9060-a1cb-11ea-94c2-0526869b56b0

[92] Interviews in Brussels, November 2018.

[93] For a background paper see Pejsova, Eva, 2019, *The EU as a Maritime Security Provider*, Paris, The EU ISS, https://www.iss.europa.eu/content/eu-maritime-security-provider. For an overview of the EU's Maritime Security Strategy (EUMSS), see https://ec.europa.eu/maritimeaffairs/policy/maritime-security_en

France in the Gulf of Guinea, described by the EU as a pilot case, and potentially also the French-led operation in the Strait of Hormuz. Individual member states are already engaged in the Indo-Pacific in response to US demands for support in the area. A discussion on the need for NATO to become Asia-oriented has moved to the top of the Alliance's agenda.

Under the Trump administration, the US had urged parties interested in keeping the Hormuz Strait open to join its International Maritime Security Construct (MSC) operation, consisting of forces from the US, Australia, Bahrain, the UK and Saudi Arabia. However, France, Germany and other European countries refused to submit to the US policy of applying maximum pressure on Iran. Instead, France took the lead of a coalition of forces patrolling the Strait of Hormuz with the task of securing the freedom of navigation. Operation Agénor is the military component of the European-led Maritime Situation Awareness in the Strait of Hormuz (EMASOH) initiative. It is supported by Belgium, Denmark, France, Germany, Greece, Italy, the Netherlands and Portugal; as of January 2021, it will be under Danish command.

The application of the CMC will extend the EU's traditional focus on its neighbourhood farther into the Indo-Pacific, beyond the scope of Operation Atalanta. This is the natural habitat for France and the UK, two Indo-Pacific powers by their own designation. The two countries have joined the US in its Freedom of Navigation Operations (FONOP) in the South China Sea, albeit operating under different rules of engagement than those of US forces sailing through the 12-mile nautical area established by China around fortified islands, claimed by a number of countries in the area. Such disputes, according to international law, shall be solved through the UN Convention of Law of the Sea (UNCLOS).[94] While voices have been raised in favour of EU support of the American 'pivot' to Asia, operations in East Asia remain primarily a French and British endeavour. In its Policy Guidelines for the Indo-Pacific, the German government announced 'an intensification of bilateral visits and an expansion of defence contacts in the region itself.'[95] This includes liaison officers, military attachés' staff, port visits and participation in exercises, as well as other forms of maritime presence in the Indo-Pacific region. Germany intends to deploy in 2021 a vessel to the Indo-Pacific, thereby joining other European naval forces already in the area.

The EU has expanded its military diplomacy to the Indo-Pacific in attempts to show Asia that the EU is not merely a trader but also a security actor. Contacts with South Korea, India, Japan, New Zealand, China and ASEAN proliferate, and a so-called Framework Participation Initiative (FPA) has been agreed between the EU and Vietnam, the first ever with a South Asian partner. The FPA allows a partner country to contribute resources to the EU's missions and operations.

7. A European Concert?[96]

This study started out with an identification of strategic drivers behind the evolution of the EU's defence policies: changing global power relationships, a deteriorating security landscape, and the realization that Europeans will have to assume greater responsibility for their own security. We now turn to the consequences for the changing relationship between the three prime European defence players: France, Germany and the exited UK, at times dubbed the E3, and their relationships with the larger EU community. We do so by looking through the lens of a couple of core security and defence issues: Russia, the formation of subregional

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[94] For a background of the concepts, see Belfer Center, Harvard University, 2020, Cambridge, *Freedom of Navigation in the South China Sea: A Practical Guide*, https://www.belfercenter.org/publication/freedom-navigation-south-china-sea-practical-guide

[95] The Federal Government, 2020, Berlin, *Germany – Europe – Asia, Shaping the 21st Century Together*, https://www.auswaertiges-amt.de/blob/2380514/f9784f7e3b3fa1bd7c5446d274a4169e/200901-indo-pazifik-leitlinien--1--data.pdf. The Netherlands in the autumn of 2020 presented its own guidelines for the Indo-Pacific.

[96] The concept 'Concert of Europe' refers to consensus among the great powers of nineteenth century Europe to maintain the European balance of power and the integrity of territorial boundaries.

defence groupings, European representation in the UN SC and, finally, nuclear deterrence, striking at the heart of the debate on transatlantic relations versus European sovereignty/autonomy. By doing so, defence issues of great importance for the EU as a whole, and not just for the E3, will be highlighted.

The emergence of an E3 format consisting of France, Germany and the UK has, jointly with German suggestions in the name of efficiency to create a European Security Council (ESC) and to introduce QMV in the Common Security and Foreign Policy (CSFP), raised concerns regarding the potential formation of a Concert of Europe at the expense of the EU community and its institutions. Some of the German proposals had no immediate traction, but the E3 formation appeared in the form of a meeting of defence ministers in Berlin in August 2020, hosted by Defence Minister Kramp-Karrenbauer in the context of the German presidency of the EU.[97]

Several dynamics are at work in the potential formation of an E3. Traditionally, any major security decision in the EU would start with Brussels calling London, Berlin and Paris. Brexit reinforced continental attempts to keep the UK in the European family, given its considerable security resources, while, simultaneously avoiding its potential drift into an Anglo-Saxon sphere led by the US. Furthermore, the E3 acted in concert when the UN SC rebuffed attempts by the US to impose 'snap-back sanctions' on Iran on the grounds that it was not in compliance with the Joint Comprehensive Plan of Action (JCPOA) dealing with Iran's nuclear programme. London, for its part, had not yet elaborated its future security and defence relationship with the EU. Cyber were among the few security items mentioned in the EU-UK Cooperation and Trade Agreement signed on 30 December 2020. The UK retains a privileged position in Northern Europe as lead nation for the subregional multinational contingency Joint Expeditionary Force (JEF) [98] and as the initiator of the Northern Group.[99]

France

Securing France's close security links with the UK, enshrined in the Lancaster agreement of 2010, had been a central French argument for creating a subregional intervention format, the European Intervention Initiative (EI2), outside the EU. Retaining French overall strategic flexibility, including its close operational cooperation with the US, was another.[100] The creation of EI2 initially inspired doubts about France's loyalty to the Union, as did seemingly free-wheeling French initiatives during France's Presidency of G7 in the autumn of 2019 regarding the relationship with Russia. France and the US had called for the reintegration of Russia in the G7, partially motivated by a wish to avoid an ever-closer partnership between Russia and China, perceived as the greater future challenge. Furthermore, the initiative was launched in the context of the 2019 election of the Ukraine President Zelensky, who had campaigned on the promise to relaunch negotiations with Russia on the conflict in Eastern Ukraine. The Normandy format, comprising Russia, Ukraine, France and Germany, dedicated to the resolution of the conflict in Eastern Ukraine and the implementation of the Minsk II ceasefire agreement, would play a central role in any such negotiations. Some progress was made in the form of a de-escalation of the conflict and the release of war prisoners, but a planned meeting in the Normandy format was called off in the wake of the poisoning of Navalny.

There were few signs that Russia would respond to Western overtures to relinquish or weaken its partnership with China, as the regimes in Moscow and Beijing were in agreement on framing the multipolar world order emerging in the wake of Pax Americana. In addition, the two powers, while sharing an imperial tradition, had both experienced Western encroachments during times of weakness, the dual identities at times meshed; hence the perceived need to create strategic depth for mutual benefit.

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[97] Sandbu, Martin, 2020, 'How the 'E3' can Help British-EU Co-operation Overcome Brexit', *Financial Times,* 26 August.
[98] Comprising the UK, the Nordic and Baltic states, and the Netherlands.
[99] Comprising the UK, the Nordic and Baltic states, the Netherlands, Poland, and Germany.
[100] Interviews in Paris, October 2018.

Germany

Germany's own attempt at raising its security profile and compensating for not being a permanent member of the UN Security Council (UN SC) is a noteworthy element to add to the picture. Having failed in the early 2000s to gain momentum for its campaign for a seat in a potentially reformed UN SC, Germany now seeks to compensate for its post-War limitations by forging close cooperation with France in its deliberations as a permanent UN SC member. A precedent had been created in 2015 with the establishment of the P5+1 or EU3+2 steering group for the JCPOA. The formula included a newcomer to nuclear deliberations, Germany. In addition, it put the country on a par with the five permanent members of the UN SC and the EU in form of its High Representative. That same year, Germany joined the Normandy format. The German view is that a long-term goal should be to translate the two European permanent seats into an EU seat, and a more short-term one to do the same with the non-permanent European seat (held by Sweden in 2019). The creation of E3, an ESC and a closer cooperation with France in the UN SC context will contribute to elevating Germany's role. An attempt at restraining France may form part of considerations. German politicians had in the early days of EU operations in Africa resented French initiatives at mobilising German forces, formally in readiness for EU-operations, for what was perceived as French post-colonial adventures. A reinforced German position would likely require some German compensation in the form of, for example, more pronounced German support for France's travails in the Sahel, beyond the engagements in MINUSMA and EUTM.

The increased importance of territorial defence in Europe has emphasized Germany´s central role in NATO's Eastern positions, a role shaped by geography as much as history that required a special sensitivity towards its Eastern neighbours´ security concerns. Germany heads NATO's Joint Enabling Command in Ulm and has launched the subregional Framework Nation Concept (FNC), also open to non-NATO members such as Sweden.

Germany sees the combination of PESCO and the FNC as a means of building a European pillar in NATO.

European autonomy and sovereignty

After Brexit, France will be the only EU member with a permanent seat on the UN SC. In addition, It is the only EU member that produces its own nuclear weapons. The UK is dependent on the US for, among other things, the delivery of fissile material necessary for warheads. In view of France's specific and now reinforced European role, President Macron in February 2020 resuscitated the idea of 'concerted deterrence' and invited European partners to take part in a strategic dialogue on the role of the French nuclear deterrence in Europe´s collective security and to be associated with French nuclear exercises. [101] This could, according to the proposal, contribute to the development of a true European strategic culture. France's independent national decision-making regarding its nuclear arsenal was said to be compatible with a European dimension. The proposal was also presented as a response in view of the fragmentation of nuclear disarmament regimes and the emergence of new Russian weapons. Determining whether the proposal could be complementary to, or instead undermine, American nuclear deterrence represented yet another variation on the theme of whether European autonomy/sovereignty was compatible or incompatible with building a European pillar in NATO, albeit a very sensitive one.

It remained to be seen whether the offer would have any takers, not least in pivotal Berlin, where the defence ministry recommended in May that the ageing and dual-capable (in terms of carrying nuclear weapons) Tornado aircraft (a European project in which France had taken part) should be replaced by the Eurofighter Typhoon (a European project abandoned by France in favour of Dassault's Rafale) and US F-18 aircraft, certified to carry American nuclear weapons. A decision on the matter would only be made after German elections on September 2021, but was already stirring

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[101] Elysée, Paris, 2020, *Speech of the President of the Republic on the Defense and Deterrence Strategy*, https://www.elysee.fr/emmanuel-macron/2020/02/07/speech-of-the-president-of-the-republic-on-the-defense-and-deterrence-strategy.en; Elysée, Paris, 2020, *Discours à la Conférence de Munich sur la Sécurité*, https://www.elysee.fr/emmanuel-macron/2020/02/15/conference-sur-la-securite-de-munich-faire-revivre-leurope-comme-une-puissance-politique-strategique

internal German debate, also touching on the sensitive issue of the presence of American tactical nuclear weapons on German soil.[102]

On the eve of the US presidential elections 2020, the German Defence Minister Kramp-Karrenbauer rebuffed the idea of European strategic autonomy in the following terms:

> Europeans will not be able to replace America's crucial role as a security provider. For the US, this means that it needs to keep Europe under its nuclear umbrella for the foreseeable future. Germany, for its part, must urgently make the decision to stay inside NATO's nuclear sharing programme and assign the required budgetary and military assets quickly in order to remain a reliable nuclear power. This is where the German debate will be the toughest. And that's why, on this topic, we need to stay firmest.[103]

She did, however, emphasize the need for Europeans to take on more security challenges, especially in the wider European area:

> There is no real reason why Europeans should not be able to show more of a presence—and more muscle when needed—in the Baltic Sea and the North Sea, in Central and Eastern Europe, in the Balkans, the Middle East, the Mediterranean and the Sahel.[104]

President Macron described the German defence minister's view as 'a historic misinterpretation… the United States would only respect us as allies if we are earnest, and…sovereign with respect to defence.'[105] He went on to elaborate on his views,

confessing that the term 'strategic sovereignty' (common to describe national French defence policies) had been 'a bit excessive' when applied to the EU, since that would require 'a fully established European political power'. The term should therefore be understood as 'transitive' and applied, for example, to specific technological areas such as 5G and the digital cloud. Instead, the notion raised by the French President could 'perhaps be found in a more neutral way in the 'strategic autonomy' that could have a wider application, ranging from technology, health and geopolitics to cooperate with whomever it (Europe) chooses.'[106]

The German Defence Minister replied that:

> the idea of strategic autonomy for Europe goes too far if it is taken to mean that we could guarantee security, stability and prosperity in Europe without NATO and without the US… But if we take it to refer to our capacity to act independently as Europeans where our common interests are concerned, then yes, that is our common goal and reflects our common understanding of sovereignty and ability to act. Germany and France both want Europe to be able to act autonomously and effectively in the future whenever it becomes necessary.[107]

This is not the time or place to sort out the history and doctrinal evolution of the concepts of strategic autonomy and sovereignty. Suffice to say that more than 75 years have passed since the end of the Second World War, and almost 30 since the end of the Cold War, a historic evolution that stimulates a European search for a more mature defence stance. The concept of strategic sovereignty was

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[102] The issue of dual-capable fighter aircrafts here relates to so-called mid-life upgrading of existing systems, but could resurface in the context of the competing European FCAS projects, expected to come online after 2040.

[103] Kramp-Karrenbauer, Annegret, 2020, 'Europe Still Needs America. No Matter Who is in the White House, We are in this Together', *Politico*, 2 November, https://www.politico.eu/article/europe-still-needs-america/. The article builds on the German defence minister's *Presentation of the Steuben Schurz Media Award*, Federal Ministry of Germany, Berlin, 26 October 2020, https://www.bmvg.de/en/news/speech-akk-presentation-steuben-schurz-media-award-3856630

[104] Ibid.

[105] The Macron doctrine. 'A Conversation with the French President', *Le Grand Continent*, Paris, 16 November 2020. https://legrandcontinent.eu/fr/2020/11/16/macron/f

[106] Idem.

[107] Federal Ministry of Defence, Berlin. Keynote Speech by German Federal Minister of Defence, 19 November 2020, https://www.bmvg.de/en/news/second-keynote-speech-german-minister-of-defence-akk-4503976

advanced in EU documents in 2013, [108] mentioned in President Macron's Sorbonne speech of 2017, and 'The Hour of European Sovereignty' was proclaimed by Commission President Juncker in his State of the Union speech in 2018.

The interpretation of the two sometimes overlapping concepts of strategic autonomy and sovereignty has evolved over time, with the New Industrial Strategy for Europe[109] formulating some of their concrete application to areas such as strategic value chains and critical infrastructure. 'Strategic autonomy' has recently mutated in Council conclusions into 'open strategic autonomy', thereby laying down the marker against potential protectionism. As noted in the above section, President Macron has himself attenuated the interpretation of 'strategic sovereignty' to functional areas such as health and critical infrastructure. The German Defence Minister, on the other hand, promptly defined what European strategic sovereignty is not about: nuclear deterrence, an issue related to sensitive domestic issues such as the presence of American tactical weapons on German soil, and the dual-capable role of future aircraft generations, an issue of relevance for the current mid-life upgrading of Germany´s air force and the future Franco-German FCAS project.[110] Luckily enough, there is no European doctrine for European autonomy and sovereignty, and European soul-searching is likely to continue, driven by the need to understand the European role in a changing world.

8. Concluding Remarks

The seemingly exegetical Franco-German dispute related above reflects a European search for a reinforced security and defence identity in the context of some important constraints, but also existing disparities between Germany, restrained in its role as a security actor, and France, sovereign with regard to some defence fundamentals such as nuclear weapons. Nevertheless, a 'landing zone' of Franco-German entente regarding the muddled concepts of European autonomy and sovereignty had been established as both Paris and Berlin awaited the coming dialogue with the new American administration, perceived in Europe as intent on restoring good relationships with allies, possibly relaxed regarding greater European self-reliance in areas of defence, but also expected to ask for more European support in Asia, in particular in relation to China.[111] Europeans prepared for the coming dialogue with its proposal for a new EU-US agenda for global change, including the idea of establishing a specific EU-US Security and Defence Dialogue.[112] While progress could be expected, there was also the realization that the world was less amenable to Western framing and that the transatlantic agenda also included thorny issues such as the regulation of American Big Tech.

Work in progress

This analysis began by asking whether the establishment of DG DEFIS would be followed by bolder steps leading to a beefed-up Defence Union by 2025. If plans exist, they are well kept in Brussels drawers or in those of national capitals, as defence continues to be primarily

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[108] European Council, 2013, Brussels, *European Council Meeting (10–11 December 2020): Conclusions*, https://www.consilium.europa.eu/uedocs/cms_Data/docs/pressdata/en/ec/140245.pdf; Eur Lex, *Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions towards a More Competitive and Efficient Defence and Security Sector/* COM/2013/0542 final *, https://eur-lex.europa.eu/legal-content/en/TXT/?uri=CELEX:52013DC0542

[109] See note 11.

[110] For the German discussion, see, 'Germany in Gridlock over Nuclear Capable Fighter Jet', *Deutsche Welle*, 10 January 2020, https://www.dw.com/en/in-germany-gridlock-over-nuclear-capable-fighter-jet/a-51897327

[111] For a foretaste of American thinking, see the report from the Senate's Committee on Foreign Relations, 2020, Washington, *A Concrete Agenda for Transatlantic Cooperation on China*, https://www.foreign.senate.gov/imo/media/doc/SFRC%20Majority%20China-Europe%20Report%20FINAL%20(P&G).pdf

[112] European Commission, High Representative of the Union for Foreign Affairs and Security Policy, Brussels, 2 December 2020, *Joint Communication to the European Parliament, the European Council and the Council: A New EU-US Agenda for Global Change*, https://ec.europa.eu/info/sites/info/files/joint-communication-eu-us-agenda_en.pdf (europa.eu)

intergovernmental in nature, albeit endowed with a new federal layer in the form of DG DEFIS. Current efforts in Brussels seem rather to be geared towards translating the many new plans generated by the stated New LoA and a deteriorating security environment into concrete realities.

Assessing pragmatic progress by the end of 2020 is a way of measuring the foundations for a European Defence Union by 2025. Putting plans into practice is no small feat, in particular in view of the new financial resources put at the disposal of defence. They hold out the prospect of improving defence research and capability development, facilitating the deployment of troops inside and outside the Union. At the same time, it is important to recall that the main European financial resources for defence, having risen since the mid-2010s, are national and fielded outside of the Union. In addition, member states are at times commercial competitors with differing continental and Anglo-Saxon orientations. To have a full overview of the evolution of European defence, one must therefore note the cumulative effect of national and EU resources, the latter of which is the focus for this analysis.

PESCO initially assembled already existing projects, but access to financial means through the EDF held the prospect of generating more innovative and collaborative projects in the medium to long term. Lack of competition and multilateral cooperation remained a weakness as national preferences prevailed in defence markets. The thorny issue of Third States' participation in PESCO projects was solved and the first examples of Third Parties' inclusion in projects benefitting from the EDF were tested. However, strategic enablers such as air to air refuelling—necessary should the Europeans wish to assume greater responsibility for high-end counterterrorism and collective defence—would take decades and substantially more resources to realize.

Structures for a more disciplined defence planning process, aligned with that of NATO, were coming into place with the help of CARD and the Strategic Compass, including a common threat analysis aimed at overcoming subregional asymmetries and creating that ellusive common strategic culture. The meaning of the existential Article 42(7) was probed, and command and control arrangements for training missions and military operations reinforced, potentially leading to the establishment of an EU OHQ. However, as member states dedicated more resources to their territorial defence, nationally and through NATO, the commitment to external crisis management remained weak and the prime responsibility of a few member states. A maritime orientation could be noted, including a greater Indo-Pacific presence.

A European total defence?

In assessing the evolution of defence cooperation in the EU, it was noted at the beginning of this text that it is important to retain a sense of the wider context of security before narrowing down the analytical scope to defence. The increasingly dense web of cooperation in the area of internal security and the goal to create a Security Union, a twin to the Defence Union, was highlighted. A vast and scattered field of total defence, ranging from societal and internal security to crisis management and collective defence, was emerging in the form of organic growth from the bottom up, as important to note as the top-down initiatives.

At the same time, the EU's organizational costume designed for a post-Cold War era seemed to be bursting at the seams: crisis management and defence overlapping, the distinction between internal and external security blurred on the ground, in the maritime domain and in the cyber space. Cooperation across policy areas—for example, in dealing with hybrid threats—had been a way of dealing with complex realities, the inclusion of Article 42(7) and Article 222 in the deliberations on the Strategic Compass representing another example. However, one could possibly argue for the need to strengthen further the overview and synergies between the proclaimed goals of the twin Security and Defence Unions with the aim to create a European total defence.

A home of its own for defence

It would probably be wise to highlight the defence aspects of the Union, now shrouded under the cover of crisis management and industrial policy, and to give defence a home of its own in European structures, possibly including an emancipated Council of Defence Ministers, a Council group for defence advisers and a Directorate-General for Defence. This would go some way towards revealing the true shape of defence and make

deliberations more transparent. That could, in turn, touch on sensitive issues regarding the resilience of American security guarantees to Europe, with nerves particularly raw in parts of Eastern and Northern Europe. However, paralysis in view of a changing security landscape is not conducive to improving survival skills—even more so as it would take decades and considerable resources for Europeans to beef up defence capabilities to underpin the ambition for European states to assume greater responsibility for their own security—let alone contributing more to Asian security.

Yet, this is something that the Americans are likely to demand from the Europeans. The arrival of the Biden administration offers a window of opportunity to be used to regulate a reformed transatlantic relationship in view of long-term uncertainties regarding American orientations. A complementary role for the EU in areas such as hybrid threats and as the supplier of capabilities has traditionally been tolerated in Washington, unless, of course, Europeans appear as industrial competitors. This more mechanical understanding

of a transatlantic division of labour misses the functional changes to the relationship already underway. It would be wise to de-emphasize the dichotomy between the EU and NATO and instead talk about a Europeanization of European security that will affect both institutions, part of the same institutional web.

A European Defence Union by 2025?
Eventual plans in Brussels or capitals' drawers are not the only factors determining the outcome of the proclaimed ambition to create a European Defence Union by 2025. Unexpected events may speed up developments in ways difficult to predict at this time but characteristic of a Union traditionally spurred on by a combination of crises, top-down initiatives and the mundane organic growth of things. The congruence of many conflicts along the EU's rim will sooner rather than later determine the EU's ability to live up to the proclaimed goals of becoming a more savvy geopolitical player and taking on greater responsibility for European security. Flagrant failure would predetermine the ability to create a Defence Union by 2025.

End note

Interviews and lively conversations with a number of knowledgeable individuals have greatly stimulated the author and form the backbone of this analysis. They were conducted in Brussels in February 2020, in part updated over the phone in September. Interviews in Stockholm occurred in September 2020. A previous round of interviews in Paris, carried out in October 2018, proved useful. The author is immensely grateful to busy individuals that took their time to help her navigate through the haze of recent political developments, obfuscated by the pandemic, and the endless sea of mutating acronyms.

List of interviews:
Brussels: DG DEFIS, EEAS, the Permanent Representation of Sweden to the European Union

Stockholm: The Swedish Government Offices, the Swedish Armed Forces Headquarters, The Swedish Defence Materiel Administration (FMV), representatives of Swedish defence industries

Paris: The French Government Offices