

New Momentum for European Defence Cooperation

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Summary

For better or for worse, the politics of Brexit, in combination with the implementation of the new *EU Global Strategy for Foreign and Security Policy*, have generated renewed momentum for European defence cooperation. EU member states have tabled a range of proposals. Some consolidation will be necessary, especially if effective defence integration is the aim – and that is the way to overcome current fragmentation. National forces can cooperate and be made interoperable with other forces in various formats simultaneously, but they can be integrated only once. Two levels of defence cooperation and integration must be addressed. At the level of the EU as such, and using EU incentives such as Commission funding for R&T, large-scale projects for the development and acquisition of strategic enablers can be mounted, with the European Defence Agency acting as manager. At the level of state clusters, large deployable multinational formations can be created (such as army corps and air wings), with fully integrated maintenance, logistics and other structures in support of the national manoeuvre units that each participant can contribute. By pooling all-too-limited national military sovereignty in this way, defence cooperation and integration can revive sovereignty, understood as the capacity for action, at a higher level.

Introduction

Since the Ukraine crisis, defence spending in the EU is stabilizing; in several countries, including Germany, it is even rising. And yet increased spending will not lead to any major increase in capability if it does not go hand in hand with increased cooperation between countries. For without cooperation, their defence efforts are just not cost-effective enough. As a result of fragmentation and duplication, defence expenditure is not yielding sufficient employable capability. Meanwhile, key capability shortfalls remain unaddressed. Thus, there is no point in spending more if the structure of spending remains unchanged.

This is what the European Union explicitly recognizes in its *EU Global Strategy for Foreign and Security Policy (EUGS)*,¹ presented to the EU Heads of State and Government in June 2016. ‘Member States will need to move towards defence cooperation as the norm’, posits the EUGS (p. 45). In practice, cooperation will have to be deepened at two levels simultaneously: that of the EU as such, and that of clusters of countries, involving EU members as well as non-members.

The EU Level: Strategic Enablers

The EUGS sets out ‘strategic autonomy’ as the objective. That implies both operational autonomy – the capacity to deploy without relying on non-European assets – and industrial autonomy – the capacity to produce all of the equipment that this requires. What European countries are lacking most, if they seek effective autonomy, is strategic enablers. The EUGS itself explicitly mentions ‘Intelligence, Surveillance and Reconnaissance, including Remotely Piloted Aircraft Systems, satellite communications, and autonomous access to space and permanent earth observation’.

In view of the huge cost of developing strategic enablers, any project will require the participation of a large number of countries to be economically viable. This is why the EU is the appropriate level to cooperate on enablers. Moreover, it has strong incentives to offer, as noted in the EUGS: ‘Union funds to support defence research and technologies and multinational cooperation, and full use of the European Defence Agency’s potential’. (p.21)

Under the next framework programme for research (2021–2027), the European Commission will, for the first time, provide significant funding (at least €500 million) for defence

¹ Text available at https://eeas.europa.eu/top_stories/pdf/eugs_review_web.pdf All quotes here from the online version.

research. The procedures for this initiative will shortly be tested by a preparatory action. The Commission can use its budget for defence research to co-finance research projects, for up to 50% for example, thus stimulating member-state capitals to step up their own defence research spending. The European Defence Agency (EDA), which the EUGS sees as ‘the interface between Member States and the Commission’ (p.46), can be the manager of all defence research projects. The EU member states should also increase the EDA’s own budget, finally providing it with the means to act of its own accord and launch feasibility studies and pilot projects. Because of Brexit, the UK will no longer be able to veto this.

There should be no objections to Commission participation in actual capability projects, beyond research. If, for example, a cluster of countries embarks on a project to build an observation drone, which various branches of the Commission also require, the Commission could participate on the same level, paying its share of the cost and receiving (drawing rights on) its share of the capability; when this is managed through the intergovernmental EDA, national capitals need not fear that they will lose control.

Taken together, all these instruments make the EU the best available framework for multinational capability projects. Only for capability projects geared to collective defence and involving the non-European Allies, such as missile defence, is NATO the better framework. Although never an eager participant in European projects, if the development of EU enablers takes off, the UK may find it in its defence-industrial interest to participate in specific projects. After leaving the EU, it could conclude an agreement with the EDA, like Norway, allowing it to take part in projects on a case-by-case basis.

The Cluster Level: Integrated Forces

At the level of clusters, countries should implement the ‘gradual synchronisation and mutual adaptation of national defence planning cycles and capability development practices’ that the EUGS calls for (pp. 20–21).

To this day, the national focus remains predominant in defence planning. States draw up national defence white papers or equivalent in splendid isolation and without much regard for guidelines from either the EU or NATO. Only when such documents are finalized do some then explore possibilities for cooperation with others, but by then many opportunities have already been precluded by the national choices that were made. This is how Europe, with a very few exceptions, has ended up with a plethora of small national forces which do not cover the full spectrum of capabilities, which struggle to offer all support functions (logistics, maintenance, training etc.) for the few capabilities that they do maintain, and from which only small deployments can be generated.

As a result, smaller states (and in Europe, that means nearly all countries) have at most negative military sovereignty. They can, in all autonomy, decide not to do something—

although even that autonomy is limited by the political pressures that come with being a member of NATO or the EU. But their real military sovereignty, i.e. their capacity for action, is almost non-existent: there are close to zero expeditionary operations that they could undertake without major support from other countries.

The aim should be to turn this situation around. States should stop doing national force planning separately and then deciding on which aspects they want to cooperate with others. Instead, states should plan together, as if for one force, and then decide which contribution every individual state will make to that single force – including by participating in EU-level projects to acquire the strategic enablers on which the force would have to rely.

The best way to proceed would be to build permanent multinational formations with dedicated multinational headquarters, such as army corps and air wings. To these each participant could contribute national manoeuvre battalions or fighter aircraft, but all the support functions would be ensured by a combination of pooling (permanent multinational units) and specialization (division of labour among participating countries).² As no longer every country has to contribute to every support function, national spending will be less fragmented, substantial synergies and economies of scale will be created, funds released for investment, and capabilities enhanced.

Relying on such integrated support will allow smaller states to focus a larger share of expenditure on their maintaining and deploying their remaining manoeuvre units, and therefore to have influence on multinational decision-making about operations. In other words, integration, by pooling all-too-limited national military sovereignty, can actually revive sovereignty or the capacity for action at a higher level.

At the same time, integration and flexibility can be reconciled. Because the manoeuvre units within the multinational formation are national, one participant can still flexibly deploy an infantry battalion, for example, without the others having to follow suit, as long as all staff in the support units do their job. The corps or wing should be seen as the framework of choice for generating all larger-scale European deployments, so that countries can do defence planning, capability development and operations within the same multinational framework. Today, the many existing multinational formations rarely deploy as such, which is one reason why integration within each has remained limited.

² Belgian–Dutch naval cooperation is an example, on a smaller scale, of how this works in practice: both countries contribute frigates and minehunters sailing under their own flag with their own crew, but there is only one binational headquarters and one operational school (pooling), while the Netherlands is in charge of training, logistics and maintenance for the frigates and Belgium for the minehunters (specialization).

Ideally, once acquired, strategic enablers would also be managed on a similar multinational basis. European Air Transport Command (EATC) already does this for the transport fleet of the participating countries. It could easily be broadened by bringing in more countries, and deepened by expanding the cooperation to pooled logistics and maintenance.

There are various routes to pursuing this deeper integration in clusters. Perhaps the most obvious one – for that was exactly its purpose – would be to activate Permanent Structured Cooperation (PESCO), a hitherto unused mechanism introduced by the Lisbon Treaty. That would imply agreeing on how to quantify the criteria for participation listed in the Treaty. As the decision to establish PESCO must be taken by a qualified majority of all EU member states, a sufficient number of those not participating would have to agree as well.

Another way would be to create new clusters outside the Treaty and/or build on existing ones, such as the Eurocorps (which has evolved in the opposite direction: from a corps with units assigned to it, it became a headquarters only). It might be easier to avoid the debate about criteria and to find consensus in several clusters outside the Treaty, instead of on a single PESCO for addressing all capability areas.

Yet a third way would be to build on NATO's Framework Nations Concept (FNC): one or more larger countries can offer the framework, such as a force or a headquarters, in which a number of smaller countries plug in with specific contributions, in order to achieve together the capability targets set by the NATO Defence Planning Process (NDPP).³ Three FNC groups have been established so far. A German-led group of 16 started out by focusing on capability development (with sub-groups of various sizes addressing specific capability areas), and is now also used as a framework for generating temporary multinational formations, notably to deploy to the east in the context of NATO. A UK-led group of seven focuses on deployment, through participation by the others in the British Joint Expeditionary Force (JEF). An Italian-led group of six focuses on stabilization and reconstruction operations. It should be noted that France is not a member of either group.

Conditions for Success

Whichever route, or a combination thereof, is chosen: real synergies, thus real savings, thus additional capability, can result only from effective integration. That in turn demands that several conditions be fulfilled:

- (1) Within every group, participating countries must exploit all opportunities for pooling and specialization of support functions to the maximum and adapt their national defence planning to the commonly agreed capability objectives, without any taboos. That means doing away with any existing or envisaged national capability that proves to be redundant. Only a very few of the many existing bi- and multinational cooperation initiatives have already reached this stage – and the FNC groups are not among them, nor is the Eurocorps.
- (2) The savings thus generated must be reinvested in commonly agreed multinational capability projects, in order to harmonize equipment across the cluster. Like the projects for acquiring strategic enablers, these projects can be managed by the EDA.
- (3) The membership of the various clusters must be consolidated and their objectives de-conflicted. Today, several countries participate in two FNC groups for example, plus in other clusters, overlapping in terms of the capability areas that they cover. Any given national capability may cooperate with several clusters, but it can be integrated into a cluster only once.
- (4) Finally, whichever format is chosen, integration will eventually necessitate a legally binding international agreement among the participating countries, specifying who contributes what, in order to guarantee that each will continue to finance its agreed contribution over time, and as a safeguard against national budget cuts. That agreement will also have to define the procedures for deployment in actual operations. The starting point for cooperation is trust, but integration requires guarantees. Otherwise, a model like the FNC, while avoiding the debate about PESCO-like criteria, would risk ending up like the EU's European Capability Action Plan (ECAP) of the early 2000s, where voluntary participation in working groups per capability area led only to the voluntary absence of any results.

Thinking prospectively, we can imagine a future grand scheme in which the German FNC group merges with the Eurocorps. That would bring in France and Spain, and consolidate German–Dutch and German–Polish cooperation into the same framework. Together with the British and Italian FNC groups, a northern, central and southern cluster could thus emerge, with the central one being central in political terms as well, representing the Franco–German axis that is the engine of the EU. These three main clusters could each focus on building the large deployable formations from which can be generated both the rotations of NATO's Very High Readiness Joint Task Force (VJTF) and any expeditionary operation undertaken by Europeans through NATO or the EU, or in an ad hoc coalition. Each could include sub-clusters of two or three, together contributing a capability to the main cluster.

³ Diego A. Ruiz Palmer, *The Framework Nations Concept and NATO: Game-Changer for a New Strategic Era or Missed Opportunity?* Research Paper No. 132 (Rome: NATO Defense College, 2016).

Alongside the three main clusters, there would be big clusters managing certain strategic enablers, such as EATC, and perhaps in the future a satellite or an ISTAR cluster. And there would of course remain various national formations, especially those geared to territorial defence, including the remaining conscript and militia-type units. That the FNC, PESCO-esque as it is, has been established in the context of NATO would not prevent any FNC group from making full use of the Commission and the EDA to help fund and manage any capability projects on which it decides. (Obviously, the participants would have to be either EU member states or states with an agreement with the EDA. The northern UK-led group would include most of the countries that have been least interested in integration among themselves or in participation in EDA projects, but if their interests compel them they could always jump on the waggon – which they probably will, eventually. The Franco–German cluster, on the other hand, could in time solidify its commitment by transforming itself into PESCO.

Conclusions

More ‘structured’ defence cooperation definitely is in the air – witness the FNC itself (initially proposed by Germany in 2013), and recent calls for more European defence by the French, German and Italian foreign and defence ministers, echoed by Commission President Jean-Claude Juncker in his State of the Union speech on 14 September 2016. Rather more surprisingly, Poland and Hungary have called for a ‘European army’ too, even if they generally want the EU to return power to its member states. The EUGS and Brexit in particular have clearly created new momentum. In fact, many of the proposals now on the table could have been implemented, and were actually on the table, years ago, with the UK still in the EU. But the politics of Brexit have cre-

ated a window of opportunity that should not be wasted. The EU as such may facilitate cooperation, but only the member-state capitals can initiate it. This author chooses to believe that all those governments which have launched proposals for more defence cooperation since the adoption of the EUGS are very serious about it and that hence we will see action very soon.

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