

Working Group VIII

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WORKING GROUP VIII « DEFENCE »

Subject : Paper by Ms Gisela Stuart

Members of the Working Group will find attached a paper submitted by Ms Gisela Stuart, member of the Convention.

FUTURE OF EUROPE CONVENTION

UK CONTRIBUTION TO THE DEFENCE WORKING GROUP

Introduction

1. Since St Malo, the EU has done much to establish a European Defence and Security Policy (ESDP) within the context of its Common Foreign and Security Policy (CFSP). Significant progress has been made. It is noteworthy that the Civilian Headline Goal has been achieved, and significant progress made towards meeting the military Headline Goal. ESDP is already capable of some operations – the first civilian mission, to Bosnia, is about to start. A military operation could be mounted soon.
2. But a great deal remains to be done – both on the political framework and on military capabilities. Making ESDP a reality means that the level of political ambition must be matched by deployable and interoperable assets and capabilities. EU member states must spend more on defence, or at least to spend their existing defence budgets more effectively, so that the EU has the capabilities it needs to carry out the Petersberg tasks.
3. EU and NATO defence structures need to be complementary and mutually reinforcing to reflect the significant overlap in membership between the two organisations, NATO's role as the collective defence organisation for its Member States, its significant assets and capabilities, and the fact that all the countries concerned only have one set of armed forces. Close links between the EU and NATO are therefore indispensable in order to avoid unnecessary duplication. Agreement on Berlin Plus (which will allow EU access to NATO assets and capabilities, in which eleven Member States have already invested) is a crucial part of that process, and necessary for EU operations requiring close coordination with NATO.
4. There are also new security challenges following September 11. In the next twenty years the risks to international stability seem likely to come as much from terrorism and WMD as from more conventional military threats. We have to be ready and flexible enough to meet these emerging challenges.
5. ESDP serves the aims of the Union's Common Foreign and Security Policy and must be grounded in a clear vision of the Union's role as a force for stability within and beyond Europe. ESDP must also reflect the Union's position as an increasingly influential global player capable of pursuing the Union's interests world-wide, including as an advocate of human rights and democracy, and in contributing to other operations, such as by the UN. **The High Representative (and any Deputy) must remain tasked with responsibility for both CFSP and ESDP, and the two should continue to be handled together in the Treaty,** to maintain coherence across the range of the EU's external action.

EU Missions and Tasks

6. The EU's capacity to respond to new threats and challenges needs to be updated. I see scope for **modernising and extending the current Petersberg tasks**, to reflect the range of roles the EU should be aiming to play in crisis management and to broaden the ESDP's proactive role in wider conflict prevention, eg by adding:
 - “**stabilisation**” – the sort of role that Task Force Fox has in Macedonia;
 - “**conflict prevention**” - intervening early in a cycle of violence;
 - “**defence outreach/diplomacy**” – providing forces to dispel hostility, build and maintain trust and assist in the development of democratically accountable armed forces, for example through training and assistance, or weapons destruction and arms control programmes.
7. Including these new activities will ensure the Petersberg tasks continue to have their current flexibility, covering a wide spectrum of activity from humanitarian and rescue tasks to combat forces in crisis management, where the EU has the capabilities to deliver a credible response.
8. Second, we should clarify how to provide **military support to EU civilian authorities**, notably in terms of civil protection, such as by helping manage the consequences of a terrorist attacks or major disasters. In the wake of September 11, the EU has already done valuable work to face the increased threat from terrorism. This should remain a cross-pillar effort, with leadership coming from Member States and Community-level civil agencies. If a nuclear, biological or chemical attack occurred on EU territory, a member state might wish to call on the resources, including military, of other EU members, as well as those of NATO. Political leaders would expect both military and civilian capabilities to be mobilised. I would welcome a proposal from the Convention on the most effective and responsive way to manage the coordination of national military assets within the EU for civil protection, which would clearly have to be under the civilian control of the affected state. This might include consideration of whether there is scope for drawing on the military expertise in the Council Secretariat, or whether such co-ordination is best handled through the Community Civil Protection Mechanism.
9. There are strong arguments in favour of keeping defence guarantees in the organisation equipped to deliver them with integrated military forces – that is, NATO. The number of EU members who are also NATO members is expected to rise to 19 after the next waves of enlargement. For these reasons **I would not support an extension of EU activity to common defence (or beyond Article 17 of the Treaty)**. Equally, I believe adopting a protocol in the treaty, on an opt-in basis, providing for certain member states to offer military assistance in the event of an external attack is both divisive and militarily unworkable. It duplicates the work of NATO and adds nothing to the real security of European states. The real threats faced by EU Member States today include terrorism, proliferation, and instability in neighbouring countries. These have to be tackled in a comprehensive EU approach which includes CFSP, ESDP, and work in the first and third pillars.
10. The analysis of those threats is a key driver for the activity of the EU and its member states. The Council structures and Secretariat do much good work to analyse instability and conflicts in other states, as the analytical underpinning of ESDP. I would support extension of this work to analysis of the threats to the EU of terrorism and proliferation.

Flexible Participation

11. Flexible co-operation has been proposed by some to promote synergies amongst member states' defence capabilities and to enable the EU to respond rapidly to a crisis. On practical grounds, we may need to consider the scope for smaller groups, who meet agreed criteria (such as the commitment to deploy capabilities needed by the force commander within specified time scales), to launch and initially conduct certain operations using EU mechanisms. Other member states would be encouraged to participate as and when they were ready to do so.
12. There are substantial provisions already in ESDP which are effectively reinforced co-operation: differing statuses, the Danish opt-out, constructive abstention, national decisions on whether to contribute troops, and differing participation in ECAP groups. All the existing methods of co-operation by small groups require consensus of all on what to do, and national decisions on whether to actually join the group implementing the policy. But there is a variety of possibilities for further development. These may range from greater use of existing non-Council formations to revision of the rules on constructive abstention and new forms of so-called "enhanced co-operation" which would not require an initially unanimous decision. The Convention needs to give detailed thought to each of these possibilities and what they might mean for the development of the EU's external policies, including an effective ESDP.

Capabilities

13. Achieving our military capability goals is key to making ESDP credible. For the EU to succeed, both in meeting the Headline Goal in 2003 and in maintaining and improving our capabilities thereafter, it needs the full commitment of all Member States. In order to stimulate and measure greater commitment, the EU needs a more objective basis on which to assess national and collective performance.
14. I would propose the EU **draw on its model of economic co-ordination benchmarking to assess and compare national achievements in the area of military capabilities** which must include adequate states of readiness, deployability, interoperability and sustainability. Defence spending alone doesn't tell us whether the money is being effectively used to buy real military capabilities. Instead, we need also to measure the capabilities themselves and consider whether they are what the EU needs.
15. Useful indicators on spending include the overall amount spent on defence; that amount as a percentage of GDP; and the relationship between the equipment, personnel and infrastructure elements of that expenditure. But to evaluate actual capabilities, we will need to develop some form of auditing process comparing capabilities to performance benchmarks, and seeking best practice in any given area. To be fully effective EU and NATO methodologies must be coherent. Comparing an analysis of capabilities obtained to the amount spent will allow Member States to consider how they can improve their systems in order to deliver capability for ESDP in the most effective way. Such a mechanism would require a suitable supporting structure, either created explicitly for this purpose or making use of the Council Secretariat. **The results could be used by the EU Military Committee and PSC to inform discussions by Defence Ministers on capability improvements for ESDP.**

Defence Capability Development Agency

16. This renewed commitment to capabilities improvement needs to be supported by a concerted effort to establish a more effective institutional approach to developing stronger military capabilities in the EU. I see a need for the ESDP to be underpinned by an inter-governmental Defence Capability Development Agency (DCDA), which can promote harmonious and co-ordinated national efforts, not just on equipment but also personnel and contracted-service work, which go to make effective forces. The Head of the Agency would support the High Representative, encourage (and sometimes cajole) Defence Ministers, oversee the benchmarking and measurement of capability and, with the Chairman of the EUMC, audit offers of capability to ensure the EU functions effectively to meet its military tasks. The agency would also address armaments policy as well as building on Letter of Intent (LoI) procedures for improving market access for defence products while recognising the special nature of some of these products and the global nature of the market itself.
17. For reasons of national security, armaments are, and must remain, a Member State competence. But we need to foster greater co-operation on capabilities between groups of Member States. Capabilities co-operation offers financial savings, improved inter-operability and industrial integration. The groundwork for progress in this area has already been laid by organisations such as the Western European Armaments Group (WEAG), Organisme Conjointe de Co-operation en Matière d'Armement (OCCAR) and the LoI. I believe that the EU must now work towards adopting and building on the principles of good practice upon which these organisations are based.
18. The proposed Defence Capability Development Agency could embrace existing armaments work and other relevant initiatives, based on the WEAG, OCCAR and LoI, as part of EU intergovernmental co-operation. By consolidating and extending their work, the EU should be able to build on a number of important characteristics of those existing organisations, namely: efficiency, flexibility and good practice. The Agency should either be served by the Secretariat or by the Agency's own staff (the bulk of which should be experts seconded from member states).
19. By incorporating WEAG into the EU, the DCDA would offer all member states a forum in which National Armaments Directors (NADs) could consider how to improve co-operation across the full spectrum of issues. In the case of the OCCAR and LoI, only a small group of MS would participate at first – to allow innovative but technically difficult co-operation to develop fruitfully. Membership would depend on the ability of individual member states to meet agreed criteria. This would ensure co-operation that can deliver real results on EU capability goals.
20. In establishing the terms of co-operation, we must also remember that co-operation on capabilities goes wider than the EU. It is vital that we ensure procurement programmes remain **open to participation by countries outside the Union – in particular those in NATO**. Any solution should increase competition and open markets across the whole Euro-Atlantic area, not lead to European preference.

EU Decision making procedures

21. The Defence Working Group has been asked to consider whether the EU decision making procedures for military operations could be improved and what the implications should be for the Secretary General/High Representative (SG/HR). I believe that **the SG/HR (and any Deputy) should have greater power in the area of CFSP, including ESDP. That should include a right of initiative. But any system will need checks and balances.** It must be clear that the SG/HR exercises responsibilities under the direction and control of the Council and, where appropriate, the Political and Security Committee. Whenever member states are asked to place members of their armed forces at risk, it remains essential that the strategic political and military decisions affecting their security are based on a consensus view of those contributing.
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