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The Secretary-General of the Convention has received the contribution annexed hereto from Messrs. Hannes Farnleitner and Reinhard E. Bosch, members of the Convention.

A new Impetus to the European Security and Defence Policy

Contribution from Hannes Farnleitner and Reinhard E. Bösch

Members of the Convention

Introduction

The events of September 11, 2001 have clearly shown the serious threat which transnational Islamic terrorism poses to open and pluralistic societies. The terrorist network now operates at a global level and is able to secure a territorial foothold in weak States.

Hence, the European Union is presently not only confronted with a threat environment that has radically changed, but also faces the fact that it must accept increasing responsibility both for its own security and for the stabilisation of the European area.

The new risks and threats require a comprehensive and wide-ranging security policy which makes coherent use of political, military, police, economic, financial and social instruments. Since September 11, 2001 a clear-cut dividing line between internal and external security has ceased to exist and it has become necessary to dovetail internal and external security measures.

The EU is both a leading economic global power and an important global player. The EU has ample “soft power” at its disposal, which it also employs in the interests of the Union. Thus, the EU not only employs its political influence within the framework of its foreign policy, but substantial financial resources as well. Despite the fact that the Union only represents 6% of the world population it contributes more than half of all global spending on development aid, humanitarian relief and post-conflict reconstruction. Nevertheless, in terms of foreign and security policy the Union has not played a role which is in keeping with its economic and political weight and its intellectual potential.

The weaknesses of the Union’s foreign policy were manifest during the crisis in the former Yugoslavia when it became clear that effective diplomacy must be backed up by credible military assets and capabilities.

Hence, if it is to fully assume its increased responsibility towards Europe and the areas around Europe, the European Union must be supplied with all the necessary military capabilities. Nowadays, the Union must not only have an autonomous capability to deploy military assets for conflict prevention and management, but must also be in a position to safeguard the common values, fundamental interests, independence and integrity of the Union and to strengthen the security of the Union in all ways (Art. 11 of the Treaty on European Union). Therefore it is absolutely essential to further develop the common defence policy and the military capabilities in such a way that they will meet the objectives of the Union and the security challenges of the 21st century. The Union must be enabled and politically willing, if necessary, to project military power in addition to its “soft security” assets in the interest of securing peace.

A large majority of the Union's citizens expect the further development of the EU's foreign, security and defence policy to be in keeping with the economic and political potential of the Union. The public approval rate of 73% for a common security and defence policy is exceptionally high (Eurobarometer January 2002).

1. Which tasks in the field of defence could be transferred to the Union over and above the Petersberg tasks?

Petersberg tasks

The first defence priority of the EU must be to give the EU those capabilities that will enable it to fully assume the Petersberg tasks enumerated in Art. 17, para. 2 of the Treaty on European Union. The ESDP, which was inaugurated in late 1999 in Helsinki, pursues the goal of enabling the EU to handle these tasks by 2003. It will, however, be quite some time before the EU possesses the requisite strategic capabilities for autonomous EU operations.

The build-up of military capabilities for the implementation of the Petersberg tasks will make the EU, which has a wide range of civil capabilities at its disposal, an international security player with a specific comparative advantage in the field of crisis management.

Since the Petersberg tasks are defined rather generally in the Treaty on European Union their scope requires clarification. In particular, the formulation "tasks of combat forces in crisis management, including peacemaking" at the upper end of the full range of Petersberg tasks could be interpreted as being rather open-ended. In addition, the operational and geographical framework should be defined more clearly and a European doctrine for peace support operations elaborated.

Fight against International Terrorism

The fight against international terrorism has become an important task of the ESDP since September 11, 2001. Hence, it is also necessary to give full consideration to those military requirements which are indispensable in the fight against terrorism in the development military capabilities within the framework of the headline goal.

In this connection, the question arises whether a EU military response to new threats, such as international terrorism in particular, would be covered by Art. 17, para. 2 of the Treaty on European Union. After September 11, 2001 NATO States have invoked Art. 5 of the Treaty of Washington and thereby demonstrated their willingness to offer collective support to the USA. From the perspective of Allied EU States, an ESDP operation after September 11 was therefore out of the question (for which the EU would in any case have lacked the capacity), as NATO had characterized the situation resulting from the terrorist attacks as a case of common defence and not of international crisis management. In the event of a future terrorist attack against an EU State which does not result in the application of Art. 5 of the NATO Treaty, Art. 17, para. 2 could nevertheless also allow military action by the EU against the origin of the terrorist attack and against eventual further threats. Such action would not fall under the "common defence" clause Art. 17, para. 1 which requires an appropriate decision by the European Council.

The existing Petersberg tasks thus need to be precisely defined with regard to deployment scenarios and the necessary force levels, as well as adapted to the new security challenges (“Petersberg Plus”). In the face of increasingly blurred borders between crisis management and defence an evolutionary way towards a common defence should be initiated. The first steps in this direction would be allowing for operations in an extended range of Petersberg tasks on a case by case basis, also on EU territory, and to formalise a mutual military assistance guarantee in the event of a serious terrorist attack.

Rapid Response Force

Within the framework of the Headline Goal, a permanently available, immediately deployable special unit equipped with the highly modern equipment should be established. This unit should comprise between 3,000 and 5,000 troops. It could be recruited from special forces existing in almost all EU Member States and could be made ready for missions by the end of 2003. The core tasks of such a EU special unit would be: rescue from terrorist threats, evacuation, protection of conventional forces and persons in special situations, collection of key information in trouble spots and territories in conflict, warding off terrorist threats, command operations and combat operations in enemy territory. The unit could also serve as a nucleus for the conventional European crisis response forces, which will be established according to the Headline Goal.

In the medium term, it would be recommendable to transform such a quickly deployable professional unit (Rapid Response Force) into a small permanent joint EU unit under the authority of the Council, which shall also appoint the commander. Politically, it would report to the High Representative and militarily to EU Military Staff. As with the projected European border guard corps, the cost of this permanent force should be borne jointly out of EU funds. The regulations on remuneration, labour law and discipline should be uniform.

Common Defence

A “common defence” policy for the EU States would require the inclusion of a mutual security guarantee clause in the Treaty on European Union or in a supplementary protocol.

In conformity with its Security and Defence Doctrine (Resolution of 12 December 2001 adopted by the National Assembly), Austria would support future efforts to realise the possibility of a common defence envisaged in Art. 17.

Since the majority of EU Member States have entered into corresponding obligations in the framework of NATO, a common defence policy for the EU States is only feasible if it is embraced by the Atlantic Alliance. For collective defence within the framework of the EU, a subsidiarity clause similar to the one applied in EU crisis management could also apply: the EU can only act “where NATO as a whole is not engaged”.

From today’s perspective, it appears likely that fundamental aspects of a comprehensive common defence will also in the foreseeable future remain within the framework of NATO. It would therefore be advisable to work towards a harmonisation of EU and NATO membership in the long-term.

If some EU States should fail to agree to a common defence in the future, it could still be embodied in an optional protocol to the Treaty on European Union. The signatories to this protocol could join the WEU Treaty together with its mutual assistance clause (Art. V).

European Security and Defence Strategy

Each further development and reinforcement of the CFSP and of the ESDP, requires a transparently formulated and generally accepted “strategic concept”, the centrepiece of which is the definition of the security interests of the EU. The work currently taking place on the “European Defence Book” is an important first step in this direction.

Almost all EU States elaborated new security and defence doctrines and either implemented or initiated reforms of the armed forces after the paradigm shift in security policy in 1989/90. For this reason, the design of a common European security and defence strategy should build on the existing body of national doctrines. The strategic concept could be the subject of a European green or white paper with the aim of informing the Union’s citizens and ensuring their support for the ESDP.

An further important step for reinforcing common perceptions in the field of security and defence policy would be the establishment of a European security and defence college, which should also include civil security policy courses in addition to the core military elements. This institution should be at the centre of a network of national defence academies and should co-operate closely with them.

2. How is it possible to ensure that Member States have the requisite military capabilities at their disposal to guarantee the credibility of the Union’s defence policy against the background of the Union’s decision to equip itself with effective operative capabilities, including those of a military nature?

Should admission criteria and a pact, which must be subsequently kept, be taken into consideration similarly to the procedure adopted by the Monetary Union?

Provision of the requisite military capabilities

At the European Council meeting in Laeken, the EU States decided on a European Capabilities Action Plan (ECAP), in order to close the shortfalls in those military capabilities, which the ESDP needs in order to reach its objectives. EU States will make voluntary contributions in connection with national and multinational armament projects in order to implement the solutions identified by the ECAP. The ECAP’s voluntary approach, however, runs the risk of not all EU member states contributing to the creation of the required EU military capabilities in line with their economic weight. Therefore, in the spirit of the mutual obligation to solidarity stipulated in Art. 11, para. 2, all EU members should contribute their share, according to their respective economic potential, in the attainment of the military goals of the ESDP (designation of a percentage of GDP for each EU member).

A common control mechanism (Capability Development Mechanism - CDM) was introduced to ensure fulfilment of the political obligations assumed by the EU Member States in the area of military capabilities as well as elimination of the shortfalls by developing additional European capabilities. The principles of the mechanism were defined in Nice. One task of the CDM is to ensure that the implementation of the EU Headline Goal is compatible with NATO's force planning process or PARP (Planning and Review Process).

The Capability Development Mechanism should be established and activated as a matter of urgency. This monitoring mechanism should regularly review whether the political obligations assumed in connection with the Helsinki Headline Goal are fulfilled and report to the Defence Ministers at Council meetings on an annual or at least on a bi-annual basis. The solidarity necessary in the EU also justifies that EU partners which fail to fulfil their obligations are induced to fulfil them through peer pressure. The ECAP process should also be monitored constantly within the scope of the CDM.

It would also be in line with the obligation of solidarity stipulated in Article 11 (2) TEU if acquisitions of important and costly strategic capabilities were financed out of mandatory contributions from all EU Member States. This would necessitate involving Finance Ministers in the relevant ESDP decisions.

These strategic capabilities should not only be acquired jointly but also managed by joint structures. The AWACs of NATO could serve as a model for joint acquisition of important strategic capabilities. Such a procedure would also allow smaller EU members to make contributions in accordance with their economic capacity.

Some of the important strategic assets could also be financed out of the Community budget. For instance, a number of large military transport aircraft of the Airbus 400 M type could be acquired with Community funds because they would then also be available for humanitarian missions and would no longer have to be leased. Those aircraft could be managed by a European Air Transport Command and would also be available to military operations if the need should arise.

Common Criteria for the Armed Forces

In addition, it would be desirable to work towards a substantial restructuring of the armed forces of EU States based on commonly agreed criteria. These criteria should be oriented towards present and future requirements of ESDP; for allied EU States they would also have to be compatible with NATO capability targets.

Within the scope of the European Union the introduction of "input" indicators, which are rather roughly defined as "convergence criteria", has turned out to be quite useful. Thus, appropriate criteria for the input of the EU Member States for attaining the common goals in the field of ESDP could also be agreed in the interest of the solidarity required. In this way, it would be ensured that each country contributes to the common defence policy and to defence according to its economic weight.

Harmonisation of the data concerning defence expenditure contained in financial budgets and, thus, rendering the expenditure really comparable would be an important step in this direction. In this regard, additional efforts going beyond current NATO practices would be required.

With respect to the determination of the percentage of GDP to be used for defence expenditure, it should first of all be agreed that in future no EU Member State will be permitted to further reduce defence expenditures in terms of percentage of GDP. Currently, only 6 EU Member States spend more than 2% of GDP on defence (Great Britain, France, Portugal, Greece, Sweden and Finland); the percentage of the remaining EU Member States is around or over 1%. Therefore, it could be agreed that those EU Member States whose percentage is below the EU average will progressively raise their percentage to the EU average of 1.8% within a period yet to be determined.

Another major incentive to support modernisation of the armed forces within the scope of the EU could be to exempt large acquisitions from value-added tax, which has not been regulated uniformly in the EU so far. In connection with the definition of the convergence criteria it could be agreed that in the case of acquisitions which are financed over several years only those contributions actually made in the relevant year will be taken into account.

3. Is provision made for the possibility of extending closer cooperation to the field of defence?

The Treaty of Nice, amending the EU Treaty, expressly excludes the possibility of closer co-operation in matters with military implications and in the area of defence. This amendment to the Treaty on European Union which was made on Ireland's insistence appears unfortunate in retrospect since it might prevent any new dynamic developments in the ESDP.

Closer co-operation, which is possible on certain conditions since the Treaty of Amsterdam (1997), turned out to promote consensus in practice. Although never applied in practice, indications of a possible application of this instrument alone induced states to reconsider isolated positions and withdraw objections to EU decisions. The ESDP must be able to develop further beyond its present stage if a clear majority of EU Member States wishes so.

The EU is preparing for a major enlargement and especially in the field of ESDP the formation of an avant-garde which is ready to use closer co-operation to develop ESDP further could be of great importance. A new Treaty should also allow closer co-operation in the field of ESDP for states that are ready for progress and action. If individual states should block further development of the ESDP, arrangements might be concluded outside the Union among parties that are ready for progress and action. Uncontrolled *ad-hoc* coalitions and activities outside the agreed institutional framework would be highly detrimental to the integration process. Applying the concept of closer co-operation in the field of CFSP and ESDP could give fresh impetus to the further development of ESDP.

The utmost transparency and the possibility of participating in closer co-operation would have to be guaranteed for all EU States. A decision on a strategic concept for a common security and defence policy would be a major step towards removing possible reservations vis-à-vis closer co-operation.

Being the equivalent for closer co-operation in terms of military strategy and military policy, coalition building is the most likely scenario for future military actions.

4. How can a rapid response procedure be guaranteed during a crisis-management operation?

Art. 25 of the Treaty of Nice, amending the Treaty on the European Union, provides for the Council (Foreign Ministers) to authorise the Political and Security Committee (PSC), for the purpose and for the duration of a crisis management operation to take the relevant decisions concerning the political control and strategic direction of the operation. The PSC – a permanent institution in Brussels composed of representatives from all EU States at ambassador level – is thus able to take all relevant decisions in the course of an ESDP operation. Decisions on practical issues are left to a Committee of Contributors.

In the case of a crisis-management operation the Secretary General/High Representative should chair the PSC. The PSC should be provided with sufficient support structures both by the Union and the EU Member States in order to be able to carry out the full range of its important tasks.

The competences of the PSC and the Committee of Contributors could be specified and possibly extended in light of experiences with ESDP operations. The principal decision on the launching of an operation will most likely continue to require approval at a political level (Council), but in some exceptional urgent cases the decision could be reached in form of a written procedure.

In connection with the use of military tools within the scope of the intergovernmental ESDP the decision-making processes should be reformed to ensure efficiency in reaching a decision among the states that are willing and able to co-operate without leaving the interests of the other EU Member States unconsidered. If military *ad-hoc* coalitions outside the framework of the Treaty are to be prevented, the EU decision-making process should facilitate the formation of a coalition of willing EU Member States within the institutional framework of the Union.

The politico-strategic decision-making process should rest at a newly formed EU security council, whereby the principle of unanimity should be maintained.

Since there is no common European intelligence service in place and co-operation among military intelligence services is still of a predominantly bilateral nature, there appears to be a pressing need to improve co-operation among European intelligence services and to strengthen the situation assessment and early warning capabilities at the European level. A Situation Centre was established in the Council Secretariat under the authority of the Secretary-General/High Representative and a well organised intelligence department was established within the framework of the EU Military Staff, but these departments are dependent on reliable analyses and information being made available by national intelligence services. Arrangements would have to be made to ensure that intra-European exchange of analysis and information flows are ensured and reinforced. The medium-term objective would necessitate the development of a common European “intelligence policy” and the creation of an appropriate architecture to this end.

5. How can coherent planning of crisis-management operations carried out by the Union be ensured?

Planning of EU crisis-management operations must be done under the political authority of the EU, must include third country contributors, and utilise both national and multinational planning facilities in the EU States as well as the existing capabilities within the framework of NATO.

Since the European Union has a number of civil and military instruments at its disposal for crisis management, it is of the utmost importance to ensure coherent deployment of these instruments. A coherent procedure is currently hampered by the pillar structure of the European Union, which does not facilitate the conception, planning and implementation of a coherent deployment of the broad range of EU instruments which give the Union a comparative advantage. The procedures and processes which require the involvement of all the appropriate departments are inevitably complex and time-consuming. The interdependence of internal and external security as well as the effective and coherent use of all existing resources and instruments calls for a co-ordinated and coherent EU policy.

At a time when there is no clear dividing line between internal and external security, the coherence of military and civil measures is increasingly important and when it appears advisable to use Community resources also for military purposes, the cooperation between the Council Secretariat, the High Representative and the Commission needs to be reshaped.

In this respect, the role of the Commission in the conception and planning of the non-military aspects of crisis operations could be strengthened. A strengthened PSC should be in charge of the conception and planning of the deployment of political and military instruments. As the Commission participates in PSC meetings, the PSC should likewise be able to participate in the deliberations of the Commission on civil crisis management issues. Cooperation between the Commission and Council Secretariat should be intensified and reinforced at all levels. Thereby the necessary coherence during operation planning should likewise be ensured.

Operative planning capabilities should also be created within the framework of the EU Military Staff whose main task at present is planning. A operational command could also be assigned to the Military Staff for which additional resources would have to be made available.

6. How can greater efficiency and a major advantage be achieved in the acquisition of weapons and in research and development in the field of defence? Should provision be made for the establishment of a European Armaments Agency in this connection?

Development, industrial production and the procurement of armaments by the EU States should become part of the ESDP.

Art. 17 of the Treaty on European Union considers co-operation in the field of armaments between the EU States, however, in a rather non-binding way.

"The progressive framing of a common defence policy will be supported, as Member States consider appropriate, by cooperation between them in the field of armaments".

The declaration by the European Council meeting in Cologne (June 1999) on ESDP contains the following passage on European armaments policy:

"We also recognise the need to undertake sustained efforts to strengthen the industrial and technological defence base, which we want to be competitive and dynamic. We are determined to foster the restructuring of the European defence industries amongst those states involved. With industry we will therefore work towards closer and more efficient defence industry collaboration. We will seek further progress in the harmonisation of military requirements and the planning and procurement of arms, as Member States consider appropriate."

The European Council meeting in Helsinki (December 1999) made a further statement in its ESDP progress report on EU armaments cooperation:

"Member States welcome the recent progress made towards the restructuring of European defence industries, which constitutes an important step forward. This contributes to strengthening the industrial and technological defence base. Such developments call for increased efforts to seek further progress in the harmonisation of military requirements and the planning and procurement of arms, as Member States consider appropriate".

However, the following half yearly ESDP progress reports omit any reference to European cooperation in the field of armaments. Apparently, such cooperation is not deemed appropriate by all Member States.

Co-operation on armaments within the framework of the Western European Armaments Group (WEAG) – Austria became a full member of this Organisation in the year 2000 – has recently declined in importance. The EU States with clout in the armaments industry co-operate within the framework of OCCAR (France, Great Britain, Germany, Italy) and in the "Letter of Intent Group" (France, Great Britain, Germany, Italy, Spain, Sweden). No interest has apparently been shown by the LoI Group in including EU States that have less clout in terms of their armaments industry.

Since Austria does not play a decisive role in the field of armaments neither as a market nor as a producer, it can only benefit from any form of closer co-operation in the armaments sector. From the Austrian perspective, co-operation with the armaments industry is an opportunity for “closer co-operation” as defined by the TEU. The LoI Group should be open to EU States that are willing and able to co-operate and should develop into a European Armaments Agency.

The creation of an internationally competitive European armaments industry is clearly both in the economic as well as the defence policy interest of the EU. A European armaments industry associated in syndicates and thus consolidated would be an equal partner for the US armaments industry with the end result likely to be a less restricted exchange of military high technology between the EU and the USA. Effective co-operation with the armaments industry in the EU area would lead to standardisation of the equipment of the EU armed forces and to reductions in the cost of the acquisition of armaments.

Concluding remark:

The current lack of public awareness of security policy issues and the actual requirements of ESDP should be addressed by a wide-ranging and comprehensive information strategy.

ESDP as part of the CFSP (2nd pillar of the EU) and should help the latter in attaining a greater measure of credibility. But even an ESDP which is equipped with the appropriate military capabilities will hardly be put into practice unless the EU States agree on the goals to be achieved with an ESDP operation. The EU States should thus take steps towards a progressive harmonisation of their interests in the field of foreign and security policy. A true Union can only be achieved with a single foreign and security policy and a common defence.