

Europe's defence:

What the December 2013 European Council should yield



an SDA discussion paper



Supported by:





Disclaimer

The views expressed in this publication are the personal opinions of individuals and do not necessarily represent the views of the Security & Defence Agenda, its members or partners.

Reproduction of this report, in whole or in part, is permitted providing that full attribution is made to the authors, the Security & Defence Agenda and to the source(s) in question, and provided that any reproduction, whether in full or in part, is not sold unless incorporated in other works.

All job titles given refer to positions held at the time of the publication.

A Security & Defence Agenda discussion paper

Publisher: Geert Cami

Project Manager: Andrea Ghianda

Project Assistants: Areva Paronjana and Paul Cohen

Date of publication: December 2013

Pictures: © European Defence Agency - © European External Action Service

© Security & Defence Agenda

SECURITY & DEFENCE AGENDA

4 Rue de la Science, 1000 Brussels, Belgium T: +32 (0)2 300 29 92 F: +32 (0)2 300 29 90 E: info@securitydefenceagenda.org W: www.securitydefenceagenda.org Follow us on Twitter @secdefagenda

Contents

Foreword—The December EU Council: Don't hold your breath	p.4
by Giles Merritt, Director, Security & Defence Agenda (SDA)	
The three outcomes that the European Council on defence should deliver	p.6
by Claude-France Arnould, Chief Executive, European Defence Agency (EDA)	
This European Council offers an opportunity we can't afford to miss	p.8
by Michel Barnier , Commissioner for Internal Market and Services, European Commission	
What's needed is a Russia-EU security partnership	p.10
by Vladimir Chizhov, Ambassador,	
Mission of the Russian Federation to the European Union	
Only by keeping up the pace of defence cooperation can Europe keep the peace	p.12
by Pieter de Crem, Belgium's Defence Minister	
Why Cold War armaments policies are no longer fit for purpose	p.14
by Robert Draper, President, American Defence Industries forum	
Strengthening the EU's civil-military capabilities should be a summit priority	p.16
by Christian Ehler, Member, Subcommittee on Security and Defence (SEDE), European Parliament	

Sweden hopes the summit will deliver on three key goals	p.18
by Karin Enström, Sweden's Defence Minister	
Europe's global interests call for a global security role	p.20
by Daniel Fiott, Alexander Mattelaer and Luis Simón , researchers at the Institute for European Studies at the Vrije Universiteit Brussel (VUB) and editors of European Geostrategy	
A stronger EU is in America's security interest too	p.22
by Franco Frattini, President, Società Italiana per l'Organizzazione Internazionale and former Italian Foreign Minister	
December's defence summit: It's the political will, stupid!	p.24
by Michael Gahler , Member, Subcommittee on Security and Defence (SEDE), European Parliament and the Coordinator on security and defence of the EPP Group	
We shouldn't expect a radically new agenda for EU defence policy	p.26
by Daniel Keohane , Head of Strategic Affairs, Fundacion para las Relaciones Internacionales y el Dialogo Exterior (FRIDE)	
What the summit must deliver is political will	p.28
by Bogdan Klich , Deputy Chair of the Committee on Foreign Affairs, Polish Senate	
A 15 point ITC plan for Europe's defence policymakers	p.32
by David Lawford Mee , Business Development Manager in Defence Europe, Middle East Africa and Russia, Cisco	
The summit's goals are ambitious but realistic	p.34
by Thomas de Maizière , Germany's Defence Minister	

This defence summit is a golden opportunity that mustn't go to waste	p.36
by Mario Mauro , Italy's Defence Minister	
The summit must deliver a roadmap for the future	p.38
by Pedro Morenés Eulate , Spain's Defence Minister	
What we need from this summit is a grand strategy embracing all aspects of security	p.40
by Lord John Reid , former UK Secretary of State for Defence	
Transatalantic defence industrial cooperation: Delivering the EU's and NATO's future capabilities	p.43
by Caroline Vandedrinck, Vice President for Europe, Russia and Central Asia Sikorsky Aircraft Corporation, UTC	
Three steps the European Council must take	p.45
by Lt. Gen. (ret.) Ton van Osch, former Director of the EU Military Staff (EUMS)	
This summit must set the EU on a course of greater cooperation	p.47
by Sir Graham Watson , President of Alliance of Liberals and Democrats for Europe party	
The financial case for a "European army" should be convincing	p.49
by Stefani Weiss , Director of the Europe's future programme, Bertelsman Stiftung	
It's a welcome event but defence summits should be more frequent by Lt. Gen. Wolfgang Wolosobe, Director General, European Union Military Staff (EUMS)	p.51



Foreword The December EU Council: Don't hold your breath

Giles MerrittDirector
Security & Defence Agenda

The loss of faith in the European project by citizens and politicians alike is nowhere more visible than in the defence sector. Political and industrial leaders have, despite the grand slogans, disengaged significantly from Brussels. The thought-leadership once demonstrated in matters of security seems nowhere to be found.

Whenever quizzed, though, most stakeholders agree on key points; that in the EU we're out of money for defence budgets, and so we can't have the full arsenal we once did, and that we'll probably need more software-defined equipment than traditional hardware like tanks in the coming decades, and so fewer soldiers. They also agree that the only way to stay globally relevant is to act as a European Union rather than as national instruments.

Europe's failure isn't analysis or willingness, but that of political courage. EU governments must decide on the outdated or duplicated equipment to retire, which weapons programmes to stop, how many generals and admirals to retire and which factories in which EU countries to close. These are hard decisions with real political and economic consequences.

This long awaited summit will show whether our leaders are ready to spend some of their political capital to make history. Sadly, I for one won't be holding my breath.

A former Brussels correspondent of the Financial Times, Merritt is a journalist, author and broadcaster who has specialised in the study and analysis of public policy issues since 1978. He was named one of the 30 most influential "Eurostars" by the Financial Times. He is also Editor-in-Chief of the policy journal Europe's World, and Secretary General of the SDA's sister think-tank Friends of Europe.



SECURITY & DEFENCE AGENDA

FEEL THE PULSE OF EUROPE'S DEFENCE DEBATE!

The **Security & Defence Agenda** (SDA) is Brussels' only specialist defence and security think tank. Its activities since its founding in 2002 have ranged widely across the international agenda, and focus on the issues of concern of NATO and the EU as well as those of national governments, NGOs, industries, academia and defence analysts around the world.

REPORTS OF OUR LIVELY DEBATES AND IN-DEPTH STUDIES OF PRESSING SECURITY ISSUES

can be found at: www.securitydefenceagenda.org

Cyber-security: The vexed question of global rules I Next steps in missile defence I France in Mali:

Now or never for European foreign and security policy I Safeguarding defence technologies I SecDef' 13:

Redrawing the security map I Turkey's growing security role: Where does NATO fit in?













The SDA recently welcomed



General Philip M. Breedlove
NATO Supreme Allied Commander Europe

General Jean-Paul Paloméros
NATO Supreme Allied Commander Transformation

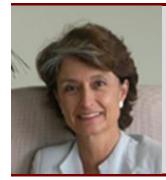


They are the latest in the long line of distinguished leaders who have spoken at our debates



www.facebook.com/s.d.agenda

Twitter: @secdefagenda



The three outcomes that the European Council on defence should deliver

Claude-France Arnould
Chief Executive
European Defence Agency (EDA)

To be a credible security provider and to protect its interests, the EU needs a full suite of diplomatic, economic, development and military tools. But as recent operations have shown, Europeans still face critical gaps in their military capabilities and fragmentation of supply and demand. Investment in tomorrow's technologies is in decline; the rising costs of major defence systems and ongoing defence budgets cuts mean no single member state can have the full inventory of capabilities. The choice is simple: cooperate to acquire or maintain these capabilities, or risk losing them altogether.

The issues are political; defence needs a political boost. That's why the upcoming discussion by EU at the European Council is so important. Only the EU's leaders can decide in favour of defence.

Defence cooperation isn't new - the European Defence Agency was created to facilitate it

"The issues are political; defence needs a political boost."

more systematically. We have launched a large number of cooperative projects in certain vital capability areas such as air-to-air refuelling, counter improvised explosive devices, satellite communications or medical field hospitals, none of which could have been realised

by any one member state alone. All of them are, though, absolutely vital for operations.

Welcome as these projects are, a more systematic approach to cooperation or Pooling & Sharing is needed, to make cooperation second-nature; to avoid reproducing past mistakes like producing over twenty variants of the same helicopter; to extend cooperation beyond the acquisition phase to the whole life of the system; to improve interoperability; to get as much as we can for our hard-pressed euros.

Three outcomes from the December European Council would be really significant. First, a commitment to major projects: air-to-air refuelling, Remotely Piloted Aircraft Systems (RPAS, or drones), satellite communications, and cyber-defence. Not only are these capabilities a military necessity, our American partners have clearly warned us that they will not go on providing the key enabling capabilities, so Europeans must act by themselves.

Second, investment in innovation and new technologies, including dual-use ones. Europe must stay independent when it comes to critical technologies, but we Europeans have already missed the first generation of RPAS. The EDA has made concrete proposals for the next generation of European medium altitude, long endurance RPAS, and we have also made suggestions on government satellite communications and cyber-defence. All have significant civil and military applications, so it is important to harness synergies, maximise dual-use technologies, generate economies of scale and extend the comprehensive approach into the area of capabilities development.

Third, support for industry, and especially for small and medium enterprises (SME's). Defence is vital and the ability to project force is in part based on a healthy defence and security industry that is itself an essential component of Europe's industrial fabric because it generates growth, innovation and jobs.

It is probably unrealistic to expect defence budgets to increase in the near future, but we need the EU's leaders to take defence up to the next level. We have to move away from expensive fragmentation towards cost-effective cooperation.

Arnould is Chief Executive of the European Defence Agency. She previously led the Crisis Management and Planning Directorate (CMPD) at the General Secretariat of the Council of the European Union between 2009 and 2010, and as Director for Defence Issues from 2001 to 2009.





This European Council offers an opportunity we can't afford to miss

Michel Barnier Commissioner For Internal Market and Services European Commission

Geopolitical tensions, new security challenges and the U.S. pivot to Asia make the need for a stronger Common Security and Defence Policy (CSDP) all too evident. With financial constraints and political divergences still so difficult to overcome, it might be wise for December's council to take as its starting point our single most important common denominator: the urgent need to save money, and to do this in an intelligent way. If not, Europe as a whole will be unable to maintain, let alone strengthen its military and defence capabilities.

In its Communication of July this year, the European Commission showed how it can help to achieve this objective, by making market structures more efficient, fully exploiting civ-mil synergies and exploring such new avenues in defence as energy efficiency. This Communication is our input to a European Council meeting, which should, in my view, seek to make progress in five areas.

"We must develop an integrated approach across the civ-mil line, covering all phases from the definition of capabilities to their actual use on the ground."

First, to achieve a breakthrough in security of supply (SoS). Many fora have dealt with SoS over the years, but to date success has been at best limited. To make a real quantum leap, we need a top-down approach. EU member states' armed forces must be able to rely on timely deliveries no matter where else in the EU their suppliers are established. EU leaders should commit to

this as it would be a major step forward in the internal market's functioning and an important symbol of political solidarity.

Second, explore the option of EU-funded defence research. In our Communication, we proposed a preparatory action for CSDP-related research on defence capabilities. The European Council should endorse this proposal, in particular to test the governance of such research. This could lay the groundwork for a full-scale research programme as of 2020.

Third, assess the feasibility of European dual-use capabilities. The idea here is not to set up a European army but rather to analyse whether it would make sense for the EU to purchase and operate a number of civil capabilities that could also be used by member states in operational theatres. This could open the door to cost-effective pooling and sharing solutions.

Fourth, the European Council should launch a major cooperative programme on key defence capabilities, with the choice and the definition of the programme of course left up to the member states. A military unmanned aerial vehicle (UAV) could, for example, be developed in close cooperation with the EU's civil research programmes and regulatory activities linked to the Single European Sky.

Last but not least, we need to tackle the issue of defence and security governance. We must develop an integrated approach across the civ-mil line, covering all phases from the definition of capabilities to their actual use on the ground. This also implies making our processes more efficient; within the EU institutions, among them and with member states. As a first step, the Commission will increase cooperation between its services and with stakeholders. We will also set up a specific consultation mechanism with national authorities to implement the measures set out in the Communication. All this will help the Commission to contribute effectively to making Europe's defence and security sector more efficient.

Barnier is European Commissioner for Internal Market and Services. He was previously Vice President of the European People's Party as well as political advisor of the French UMP (Union pour un movement Populaire). Barnier was in charge of the development of the constitutional framework for defence cooperation in Europe.





What's needed is a Russia-EU security partnership

Ambassador Vladimir Chizhov

Ambassador

Mission of the Russian Federation to the European Union

December's European Council meeting on CSDP is expected to address the main security dilemma confronting the EU today — taking on a growing array of nascent security challenges with increasingly scarce military and technological resources. In Russia's view, the answer is straightforward — the only way to "do more with less" is to team up with those who share your goals. Exclusive bloc paradigms anchored in an outdated "fortress Europe" approach are no longer a valid option. The perfect storm of across-the-board budget cuts and the unravelling security situation along the EU's southern rim demand a genuinely multilateral response. Simply put, to sustain its credibility as a global crisis manager the EU needs to embrace cooperative budget-friendly solutions that closely involve like-minded strategic partners and neighbours.

Russia and the EU together bear primary responsibility for maintaining indivisible security

across a wider Europe. The logic of not entrenching one's security at the other's expense lies at the heart of our bilateral documents, including the 2005 Roadmap towards a Common Space of Cooperation on External Security. A comparison of Russian and EU security doctrines shows that many of our core objectives — whether combating drug flows or

"In Russia's view, the answer is straightforward – the only way to "do more with less" is to team up with those who share your goals."

resolving the Middle East conflict – are closely aligned. More importantly, Russia-EU security cooperation works in practice, as demonstrated by the dwindling number of pirate attacks off the coast of Somalia, where Russia and the EU operate coordinated maritime patrols.

Many of the defence shortfalls identified in the High Representative's October 15th report on CSDP can, with Russian support, be mitigated. Drawing on Russia's strategic airlift capabilities, for instance, could help reduce EU mission deployment costs while fostering long-term trust. Russia's participation in the EU's Pooling & Sharing initiative could galvanize promising joint projects, already under discussion between the EDA and the

Federal Service for Military-Technical Cooperation of Russia, such as helicopter production, maintenance and crew training as well as maritime surveillance. Signing a Russia-EU crisis management agreement based on the premise of equality would help cut red tape and enable a rapid concerted response to regional crises.

This impressive potential for interaction right at the EU's doorstep remains to be fully tapped. The Russia-EU military-to-military Working Group established in 2010 has proven a useful catalyst for cooperation. But to really move things forward a decisive mental shift is needed. All too often partners still find themselves faced with "take it or leave it" precooked EU proposals lacking in spirit of respect and equality. This is hardly a recipe for success.

The High Representative's recent call to abandon a "one size fits all" policy and adopt a "tailor-made approach" to the EU's collaboration with partners on CSDP issues is therefore encouraging. It will hopefully translate into more creative, inclusive and equitable ideas on how Russia and the EU can boost their security and defence links. If so, the current moment of truth in CSDP's fate could herald a fresh beginning for Russia-EU long-term security cooperation. That would be a result well worth waiting for.

Chizhov is the Permanent Representative of the Russian Federation to the EU. He was previously Deputy Minister of Foreign Affairs of the Russian Federation. Chizhov has conducted research on European security, OSCE, Russia-EU and Russia-NATO relations.



SECURITY & DEFENCE AGENDA



Only by keeping up the pace of defence cooperation can Europe keep the peace

Pieter de Crem Belgium's Defence Minister

Our world is changing at an unprecedented pace, with technological, economic, demographic and political forces shifting the geostrategic landscape and often fuelling new tensions. And in a globalised world where local events often have global consequences, we no longer assume that intra-state conflicts will remain within their national borders. Europe's own history in the first half of the 20th century should make the Europeans all too well aware of the dangers of changing power balances. Our reaction to those horrors was to create a partnership the world had never before seen: a European Union whose members voluntarily surrounded some sovereign powers to focus on progress, prosperity and peace.

"If Europe wants to tackle often highly unpredictable future threats, it must speak with one voice and act accordingly. But first it needs to determine its global role." Defence has been crucial to the European integration process, and should increasingly be part of the European agenda. If Europe wants to tackle often highly unpredictable future threats, it must speak with one voice and act accordingly. But first it needs to determine its global role. Europe is not currently living up to the political role it set out in the Lisbon treaty. We must strengthen the Common Security and

Defence Policy, which frames the EU's strategic priorities and is designed to help member states pool and share their resources and build stronger defence capabilities. Given the pace of technological change and the current economic and financial constraints, concerted and focussed efforts from the EU and its members will be essential.

All the relevant players have to demonstrate the political will to do this successfully. Member states still too often cling to outdated aspects of national sovereignty, and so we need a radical rethink. No one nation can any longer single-handedly guarantee its own security, so it is only logical that we should step up our cooperation. Building on the 2010 Ghent Framework, the European summit in December should provide a turning point, moving from short-termism to strong, long-term commitment. We need a roadmap that

clearly lays out the future of European security and defence. It's time to accelerate the pace, and EU member states must overcome their inhibitions on this. Keeping up pace on defence cooperation is the only way Europe can keep the peace.

> De Crem is Belgium's Defence Minister. He is a member of the Christian Democratic Belgian party. In 2007, De Crem was re-elected for the constituency for East Flanders, continuing his work as chairman of the CD&V political group in Parliament. He was appointed in 2003 as Chairman of the Commission for the Interior in the House of Representatives.



SECURITY & DEFENCE AGENDA



Why Cold War armaments policies are no longer fit for purpose

Robert DraperPresident
American Defence Industries forum

The global economic crisis is provoking unprecedented military downsizing and capability sharing and, among European members of NATO, some shedding. Everything indicates that this trend will continue, and that the U.S. will follow, perhaps more rapidly than might have been imagined.

The American defence industry is increasingly focusing on more near-term business opportunities outside Europe. A drawdown by the U.S. majors of their European presence is underway, though some see new opportunities in shared C4ISR – the jargon term for communications, command, control, computers, information, surveillance & reconnaissance.

Europe's defence industry is responding with aggressive export drives involving technology transfers to emerging economies, acquisition initiatives in the U.S. and diversification into dual-use and civil security sectors. These same companies often implement an 'ITAR-Free' policy in their own procurements.

"In the new economic and political paradigm, traditional levels of independent sovereign security and capability duplication will become unsustainable."

The European market will not be able to support an

independent EU defence industrial base, in spite of necessary rationalization efforts led by the European Defence Agency (EDA), even when prosperity returns. The U.S., too, is likely to abandon non-core industrial sectors in the face of unprecedented budget constraints.

The Lisbon treaty's vision of Permanent Structured Cooperation and the EDA's role are being challenged by ad hoc arrangements such as the UK-French 'Entente Frugale' and lingering, even resurgent, national protectionism. Demand-side consolidation remains elusive.

The NATO Strategic Concept calls for members to "cooperate more fully in capability development, to minimize duplication and maximize cost-effectiveness.... so that our taxpayers get the most security for the money they invest in defence".

While seeking to maintain a robust defensive capability against traditional threats, the future of NATO will increasingly depend upon its members' ability to act effectively together on emerging challenges such as failed states, terrorism, cyber-crime, infrastructure attacks and natural disasters.

In the new economic and political paradigm, traditional levels of independent sovereign security and capability duplication will become unsustainable. Even for the U.S., 'going it alone' will no longer be an option in the NATO area or its near-abroad.

Mission-sharing initiatives, specialisation and the coordinated acquisition of interoperable capability will become the norm. This process will inevitably progress up the chain to joint requirements, acquisition, production, development and research. Industrial poles will develop to pursue technology acquisition, economies of scale and export markets.

Alliance capacity and interoperability will become increasingly unsustainable unless these poles are linked in a shared industrial base. A window of opportunity exists for NATO to act before the industrial base is irreversibly diluted and dispersed. Other friendly nations could be invited to join.

The ongoing reform of U.S. export control policy is a pre-requisite to this evolution. Exportability to allied nations needs to be 'built in' to future U.S. and European armaments programmes, and third-country export policies will need to be aligned.

An integrated transatlantic armaments market with legal competition rights, security of supply and a minimum number of exclusions should be our common goal. The EU has moved in this direction with its defence procurement and intra-community transfer directives, and now it's time to plan the next steps.

Vision and courage are required. Political consensus needs to be developed, and industry needs to be enrolled as a full partner. Concrete goals should be set and responsibilities identified. The business case must be made, the Europeans must be engaged, and the U.S. must lead.

Draper is president of the American Defense Industry Forum and a specialist in transatlantic security and defence affairs. He is a member of the Spectrum Group, a Washington-based lobbying and consulting firm and a co-founder of SecEUR, a Brussels-based EU civil security information service.



Strengthening the EU's civil-military capabilities should be a summit priority

Christian Ehler Member, Subcommittee on Security and Defence (SEDE) European Parliament

This December's European Council meeting will focus on the future of the EU's common security and defence policy (CSDP), and is the perfect opportunity for European leaders to strengthen civil-military cooperation. As a member of the European Parliament's Subcommittee for Security and Defence and rapporteur on civil-military cooperation (CMC), I would re-emphasise our previous call for the European Council to create a genuine security union not just for 500m-plus European citizens but also for people in the countries the EU sends missions to.

"Today more than ever, the world needs the EU as a strong partner to tackle a wide range of security issues, from providing disaster relief to enforcing the rule of law and fighting piracy." Today more than ever, the world needs the EU as a strong partner to tackle a wide range of security issues, from providing disaster relief to enforcing the rule of law and fighting piracy. Already with an all-time high of eleven civilian and three military EU missions, the need for EU action is only going to increase. Yet despite rising demand and the EU's own ambitious goals, we seem further away from a comprehensive security strategy than in 2010. There has been a decade of calls

by the European Parliament, but shrinking defence budgets in the wake of the financial crisis don't augur well for Europe's strategic standing and security capabilities. A lack of commitment by member states and inadequate response mechanisms remain the biggest obstacles.

I want to see a EU that is capable of tackling the gamut of threats facing Europe today. To do so, we must integrate our civilian and military instruments into complementary parts of a simple strategy. This strategy must respond to complex geostrategic realities by taking into account the multifaceted nature of security. Our aim should be to develop the capabilities to respond quickly to humanitarian, political and military crises. This, in turn, rests upon member states' full commitment to CMC. We must find solutions to the shortage of quality personnel – police, judges, administrators, mediators and missions' management – as well as equipment. The Council should assist member states' efforts to

remove barriers to sending personnel on EU missions and re-integrating them after they return.

We must put permanent structures in place. First, a coordination headquarters for the EEAS has to be set up to streamline the EU's civil and military instruments at all times, including for rapid responses to outbreaks of violence or natural disasters. Organisational capabilities independent of NATO structures would enable the EU to act autonomously and in accordance with its values.

Second, joint training facilities for civil and military personnel are needed to ensure the interoperation of personnel and equipment during missions. The Council should also take clear action on the EU Battlegroups and determine the application of their financing mechanism. Their usability and flexibility must be increased so they can secure the ground for civilian aid work, especially for operations in direct post-conflict or post-disaster situations like Haiti.

A comprehensive European Security Union would directly benefit the EU in several ways: first, enhanced cost efficiency through sustainable outcomes and the stabilisation of our neighbourhood. Second, a more consistent, coherent and efficient CSDP through improved coordination among member states and between the civilian and military branches. Finally, enhanced credibility of the EU as a capable and confident global actor by avoiding duplication and contradictory actions.

By ratifying Art. 21 of the TEU, the EU committed itself to preserving peace, preventing conflicts and strengthening international security. We can only do this through a comprehensive approach to today's complex threats. The European Council should lead by making CMC a summit priority if the EU is to uphold its own values and be a credible security actor.

Ehler is a member of the European Parliament. He is a member of the German Christian Democratic Union, which is part of the European People's Party and currently serves on the Subcommittee on Security and Defence.



Sweden hopes the summit will deliver on three key goals

Karin Enström, Sweden's Defence Minister

The continuing development of the EU's common security and defence policy (CSDP) is a top priority for Sweden. We have participated in all of the EU's civilian and military missions or operations so far, and been active in the development of the EU Battlegroups.

The European Council in December is an opportunity for the EU to move forward on a joint vision of the capabilities Europe needs, and to lay the framework for a more efficient CSDP. December's Council should reaffirm EU governments' commitment to the CSDP, and provide strategic guidance on how to strengthen the EU as a relevant security actor on the world stage.

First, we need a common understanding of the CSDP's strategic context. We must define the threats and challenges we face, and what we as member states envisage for the CSDP. We in Sweden see a need to position the CSDP within a broader European Global Strategy.

Second, we should engage in a strategic discussion on what military capabilities Europe needs to be a credible security actor, and how to maintain them. Enhanced cooperation

"We need to encourage close cooperation between the EU and NATO to avoid setting different national standards."

can streamline the use of resources, and will help countries preserve and develop their defence capabilities, improving the EU's overall capacity to act. Pooling and sharing of resources and regional frameworks are fruitful ways of cooperation.

Sweden's experience in Nordic defence cooperation is an example of successful cooperation in a smaller

group, based on a pragmatic and flexible approach. Projects and activities result from defined needs assessments and are without obligations for countries to commit to certain projects. This is not to be seen as a substitute for, but rather complementary to existing cooperation with other countries and organisations. Nordic cooperation may serve as a model for others in the EU context.

Standardisation, certification and interoperability are all prerequisites for meaningful cooperation, not least for the smaller EU countries. We need to encourage close

cooperation between the EU and NATO to avoid setting different national standards. Rather than initiate new projects, the EU must start to use existing resources, particularly the EU Battlegroups. Pushing the EU Battlegroup concept towards being a ready and capable crisis management tool is a priority for Sweden.

Third, a sustainable European defence technological and industrial base (EDTIB) is a prerequisite for a credible and effective CSDP. Sweden therefore supports an open and competitive European defence equipment market through the implementation of the Defence and Security Procurement Directive and the Intra-Community transfer Directive. We in Sweden believe that market principles should foster the global competitiveness of the European defence industry, and this should be underpinned by dual-use research with more focused efforts on bridging the gap between research and products, to deliver better capabilities to both military and civilian users.

Threats to peace and security should be met through partnership and cooperation. December's European Council devoted to the CSDP will draw much-needed political attention to the challenges facing Europe, and hopefully will contribute to more substantial defence cooperation among member states.

Enström is Sweden's Minister of Defence. She previously chaired the Swedish Committee on Foreign Affairs, the Swedish Delegation to the NATO Parliamentary Assembly and the Swedish Defence Commission.



SECURITY & DEFENCE AGENDA



Daniel Fiott, Alexander Mattelaer and Luis Simón, researchers at the Institute for European Studies at the Vrije Universiteit Brussel (VUB) and editors of European Geostrategy

We've been here before, but this time things are different. Today's difficulties are far from being the first European defence crisis; a reluctance to face its security responsibilities, decreasing military spending and defence market fragmentation have long afflicted Europe. But America's Asian pivot eastwards, the economic crisis, China's rise and the arc of instability from the Sahel to the Levant are, when taken together, real game-changers. If there is to be a serious European response, it must begin with December's European Council meeting and progress from there.

The sad truth is that we Europeans are still living off the fat of the Cold War era. As legacy platforms and weapon systems go into retirement, Europeans should invest in future, full-spectrum, capabilities. These should not only include state-of-the-art air, naval and land systems but also assets for navigating space, cyberspace and the emerging world of

"Pooling and sharing must not become a rhetorical cloak that hides an ongoing free-fall in combined capabilities." nanotechnology. EU governments' seemingly endless defence budget cuts have been unhelpful but so too is the increasing emphasis on civilian rather than military tools. Pooling and sharing must not become a rhetorical cloak that hides an ongoing free-fall in combined capabilities. Europeans must look at ways of moving their bilateral defence capabilities up to the European-level, and they must do more to overcome

the impasse over the EU Battlegroups' future. Cost-burden issues have been a root cause of their neglect, so it's clear that member states must now agree to a common funding mechanism.

Defence-industrial policy deserves much greater attention. Europe needs to safeguard its technological and industrial base, and even if the member states can't agree on a European Defence Industry Strategy, there are a number of initiatives that could be taken. They could, for instance, develop a common European defence-industrial vetting

mechanism for non-EU foreign direct investment in defence, raw material imports and supply chain monitoring. Relations between industry, governments, the European Defence Agency and the European Commission are very disjointed, and to remedy this member states could work on improving energy efficiency in the defence sector or developing space -based assets for civil-military purposes. Test-bed projects could do much to help rationalise defence-industrial cooperation.

Defence is about deterring adversaries, but it is also about playing a global strategic role. Europeans need to play a stronger role in their own neighbourhood, and to maintain their commitments to the future security of countries like Afghanistan. But the EU also needs to think globally because its own interests are global. A European presence on the world's seas and oceans is important, not at least because its position as the greatest trading power means Europe inescapably has such global maritime interests as safeguarding against terrorism, crime, territorial disputes and acts of aggression on the seas. Agreement on a European Maritime Strategy would do much to bring clarity to Europe's global role and aims.

Daniel Fiott, Alexander Mattelaer and Luis Simón are researchers at the Institute for European Studies at the Vrije Universiteit Brussel (VUB) and editors of European Geostrategy.



SECURITY & DEFENCE AGENDA



A stronger EU is in America's security interest too

Franco Frattini former Italian Foreign Minister and President, Società Italiana per l'Organizzazione Internazionale

The European Security and Defence policy is an essential tool for ensuring that Europe can play a political role on the global stage. The simple sum of the EU's member states is no longer enough, because not even the biggest and strongest of EU states is nowadays able to address global challenges on its own.

The European Council on defence this December needs to voice a clear and visionary political message. It is that we should not give up the EU's responsibility that is enshrined in the Lisbon treaty for contributing to global stability and security.

At the same time, we Europeans should not underestimate, as has so often happened in years past, the threats against the West that are both global and asymmetric. That means we must strengthen the mutual trust, cohesion and solidarity within the EU and NATO, and also improve the coordination between them.

"We need leadership and the presentation of clear political choices on where fresh investment (...) is needed and where cuts (...) are acceptable."

In the present period of financial restriction, we have to balance and harmonise budget cuts so as to avoid uncoordinated horizontal reductions in national defence budgets. To this end, we need leadership and the presentation of clear political choices on where fresh investment in new technologies and cybercrime is needed, and where cuts, for instance in static and non-interoperable areas, are acceptable. We must develop more partnerships with non-EU and non-NATO states and we should also guarantee better access to common capabilities within the EU itself and between the EU and NATO.

What we badly need is a convincing political vision on how to make EU defence policies complementary to NATO and to avoid them being seen as alternatives. The EU cannot, though, be seen simply as a "soft power" appendix to U.S. "hard security". I see Europe and America working together as "manufacturers of security", while gradually rebalancing their respective contributions.

December's European Council should yield some concrete deliverables: Decade-old ESDP document defining Europe's security strategy should be updated where necessary, and strong steps need to be taken towards a common EU defence market by giving the European Defence Agency a more important coordinating role.

All these are challenges where Europe's credibility is being tested. But the strengthening of its European allies is certainly in the interest of a U.S. that while looking more to Asia is still increasingly connected to the EU.

Frattini is a former Italian Foreign Minister and former Vice President of the European Commission. He has since 2012 been President of the Italian Society for International Organisation (SIOI), working under the supervision of the Italian Ministry of Foreign Affairs.



SECURITY & DEFENCE AGENDA



December's defence summit: It's the political will, stupid!

Michael Gahler
Member, Subcommittee on Security and Defence (SEDE)
European Parliament
Coordinator on security and defence of the EPP Group

When EU leaders gather in December to discuss the Common Security and Defence Policy (CSDP), they will face a dilemma. On the one hand, politicians and defence industry CEOs understand more clearly than ever that Europeans can only be stronger if they act together. Based on this, member states have launched more than 25 CSDP missions since 2003 and have taken steps to remedy their lack of capabilities. On the other hand, leaders have been unable to generate the political will to speed up the execution of missions or to make significant progress on pooling and sharing. The December summit is therefore a golden opportunity to kick-start the CSDP.

"The EP's suggestions for the December summit include a European defence review and a European white paper on security and defence." The European Parliament (EP) is to present two reports to the summit. Its annual report on CSDP will cover the overall strategic and political orientation, and the report I have myself coauthored on the European Defence Technological and Industrial Base (EDTIB) will be the EP's answer to the Commission communication

entitled: "Towards a more competitive and efficient European defence and security sector." We must convince national leaders that the Commission's proposal is an important step towards the consolidation of the European defence market.

It is high time that the defence summit unconditionally support this bid for a stronger and more coherent CSDP. EU member states currently maintain 19 types of armoured infantry fighting vehicles and 14 types of battle tanks compared to only one in the U.S. Add to this member states' deep defence spending cuts and America's "Asian pivot" and it becomes clear that EU national leaders must agree on an operational CSDP that matches the EU's growing role in the international political landscape.

Breathing new life into the CSDP should enhance European defence capabilities and build a strong independent EDTIB. The EP's suggestions for the December summit include a European defence review and a European white paper on security and defence. Once we know more about the status quo, we can put out a white paper as a bridge between

Europe's strategic ambitions and its capabilities. To strengthen the EDTIB, member states should coordinate national procurement; harmonise and pool their material requirements, and freeze armaments requirements. The European Commission should also launch an initiative on standardisation and certification.

Time and again, the EP has pushed for a beefing up of the European Defence Agency (EDA); we, parliamentarians would like to see more common procurement as well as better defence research coordination. The EP has advocated financing the EDA out of the EU budget and putting EDA staff regulations under EU control, and clearly the EDA and the Commission must work together as closely as possible.

Gahler is a member of the European Parliament and currently serves on the Foreign Affairs Committee and the Subcommittee on Security and Defence. He is the Coordinator on security and defence of the EPP Group. Gaher is also the draftsman of a parliamentary report on the European Defence Technological and Industrial Base (EDTIB).



SECURITY & DEFENCE AGENDA



We shouldn't expect a radically new agenda for EU defence policy

Daniel Keohane Head of Strategic Affairs Fundacion para las Relaciones Internacionales y el Dialogo Exterior (FRIDE)

The formal agenda for the defence-themed December EU summit is well-known, having been outlined in EU summit conclusions at the end of last year. Short of another eurozone crisis that could disrupt a serious debate on defence issues, EU heads of government will discuss the impact of EU peace operations, military capabilities and the future of the European defence industry. They are also expected to have a "strategic debate" along the lines set out by EU foreign policy chief Catherine Ashton in her report in October on EU defence policy.

As the first in-depth defence debate at an EU summit in eight years, what can we expect from the December meeting? A lot will depend on one factor: money. Announcements of new military capability plans – for instance, unmanned aerial vehicles – or declarations of support for the defence industry will leave observers unimpressed unless EU leaders commit funds to these proposals. A number of similar promises by national leaders since the formal launch of EU defence policy 14 years ago have brought only a few concrete improvements in European military capacities or industrial consolidation. In addition, currents cuts in defence spending in many member states because of ongoing fiscal tightening do not augur well for new equipment plans.

By the same token, the idea of an operational headquarters for EU peace-keeping operations has been around for many years and would go far in enhancing EU missions' impact. At the same time, institutional streamlining will not count for much if governments aren't more willing to contribute to EU operations, and so far the record is very mixed. We can

"Defence is not a political priority in many national capitals, and EU governments don't agree on their strategic priorities."

therefore expect the emphasis to be on better public communication of EU operations rather than concrete institutional fixes, let alone credible national promises to supply more personnel.

The strategic debate could prove the most interesting part of December's summit discussion. U.S. downsizing and re-balancing away from Europe towards the Asia-Pacific

mean that Europeans will have to take more responsibility for sorting out problems in their own neighbourhood. And they have a lot on their plate: the Syrian civil war rages on, tensions are increasing over Iran's nuclear programme, Libya is all but stabilised and there have been flare-ups in the Caucasus.

The combination of the Arab spring, the U.S. "pivot" to Asia, and their own deep defence cuts should encourage EU governments to cooperate more closely on defence matters. But even as the strategic case for beefing up EU defence policy is getting stronger, the political support for defence cooperation has dwindled in many member states. Defence is not a political priority in many national capitals, and EU governments don't agree on their strategic priorities, in particular the big three: Berlin, London and Paris. Germany remains reluctant to use military force, the UK is reluctant to use the EU, and France is stuck in the middle. Unless these national strategic perspectives suddenly fall into line, we shouldn't expect too much from December's summit.

Keohane is a Senior Researcher and Head of Strategic Affairs at FRIDE. He was previously Senior Research Fellow at the European Union Institute for Security Studies (EUISS) in Paris; Senior Research Fellow at the Centre for European Reform (CER) in London; and Research Associate at the Institute for National Strategic Studies (INSS), National Defense University, in Washington DC.



What the summit must deliver is political will

Bogdan KlichDeputy Chair of the Committee on Foreign Affairs,
Polish Senate and Former Polish Defence Minister

Europe should today take responsibility for its own security. To avoid any risk of splitting their defence capabilities, Europe and the U.S. still need to be military interoperable despite America's Asia-Pacific pivot.

A greater multinational approach by European governments offers a solution to the reduced military effectiveness that is due to shrinking defence budgets. The EU's Pooling and Sharing, along with NATO's Smart Defence, are steps in the right direction, but they should not be seen as an excuse for further cuts. Instead, they are means to stop them as we need to maintain our military strengthen, not reduce them.

The EU still falls far short of its security and defence potential. CSDP missions and operations have shown that while the EU can deal politically and militarily with crises, there are still a number of capability shortfalls. The CSDP should therefore increase Europe's ability to act, notably by allowing more planning and delivery of capabilities as well as better civil-military coordination.

"The CSDP needs no new institutions, but it does require a strong show of political will to give it a new impulse."

The EU's member states now need to agree on the way forward. The two concerns that still halt the CSDP's development are the EU's duplication of NATO assets, and the reduction of national defence policies' flexibility. Both are wrong, and addressing them would make agreement on the future of the CSDP much easier.

The CSDP needs no new institutions, but it does require a strong show of political will to give it a new impulse. In other words, something comparable to that which nine years ago launched the European Security Strategy and the first CSDP mission ("Althea"). We need closer cooperation at all levels: political, planning, on the ground and in the development of capabilities. We have the technical means to resolve political problems in those areas, but that's not an ultimate solution.

The EU's ability to cooperate with NATO is crucial to the security of the Euro-Atlantic area; with NATO's usefulness depending on the ability of its members to reach consensus on how the three core tasks of the Strategic Concept – collective defence, crisis management,

cooperative security – should be implemented. Collective defence and deterrence are still fundamental to many European countries, and their expectations have to be met. But it is also clear that we can no longer define security in outdated Cold War terms.

December's summit with its focus on the Common Security and Defence Policy is the first for many years to deal with European security and has raised high hopes for lifting the CSDP out of its crisis. The preparations for it have resulted in a good many debates, reports, studies and expert conferences, and they have also seen the European Parliament and national parliaments in the EU engage with this subject. Yet most of these studies have concluded that the CSDP has become what we might call a policy of paradox.

We are all well aware that after the January 2012 U.S. shift to Asia and the Pacific region, we need to strengthen defence policy in Europe. In other words 'more Europe' even though there is 'less Europe' in defence policy than before, largely thanks to the financial crisis. Europe is now focused more inwardly than on foreign policy.

The Lisbon treaty established useful institutions and mechanisms to strengthen CSDP, even though they are either poorly used or, as in the case of Permanent Structured Cooperation (PESCO), not used at all.

Another paradox is the EU's crisis management instruments, where reactions are too slow and far from adequate in handling crises in the EU's neighbourhood. The Union has tools at its disposal, like the Battlegroups that are capable of performing operational duties, but have so far never been used.

The CSDP is a paradox also because its leadership could be much stronger than it is in practice. With the Lisbon treaty, the High Representative also became the Vice-president of the European Commission to better manage European foreign policy. But leaders of the larger member states have opted to weaken her role as the EU's foreign minister rather than strengthen it, although that would benefit the entire EU.

Catherine Ashton's final report in preparation for the summit convinced me that this European Council, although designed to solve many problems, will unfortunately not deliver the expected breakthrough. To be really significant, it needs to answer a key question about the future of the CSDP. Yet such a long-term vision of the CSDP doesn't exist, and can only be worked out after the summit. In short, the summit could open the door for the CSDP to be rescued from stagnation, but the real breakthrough will come later.

The summit will deliver more than had seemed possible in the summer, when the European Commission presented its proposals concerning only the European defence industry. Ashton's final report has thankfully added the first and second clusters dedicated

respectively to defence policy and defence capabilities. It should help to unlock a range of EU operational questions, both military and civilian, ranging from military capabilities to the so-called comprehensive approach.

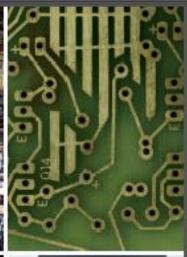
The important question after the summit will be the implementation of these short-term findings, and the work still to be done on the long-term vision of the CSDP. At the moment, the CSDP needs a demonstration of political will from the EU member states if it is to make use of structures and processes that already exist. Only then will it cease to be a paradox.

Klich is a Member of the Polish Senate. He was Poland's Defence Minister of from 2007 to 2011 and a member of the European Parliament between 2004 and 2007.







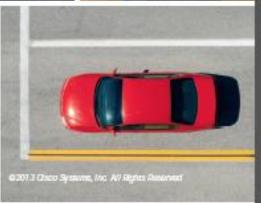


TOMORROW starts here.









Today, it's easy to marvel at how far we've come. Our phones talk to our TVs to record our favourite shows. Doctors in Estonia diagnose patients in Denmark. Social networks help companies improve customer service. And yet, right now, more than 99% of our world is not connected to the internet.

But we're working on it.

And tomorrow, we'll wake up pretty much everything else you can imagine.

Trees will talk to networks will talk to scientists about climate change.

Traffic lights will talk to cars will talk to road sensors about increasing traffic efficiency.

Ambulances will talk to patient records will talk to doctors about saving lives.

It's a phenomenon we call the Internet of Everything—an unprecedented opportunity for today's businesses.

Tomorrow?

We're going to wake the world up. And watch, wide-eyed, as it gets to work. #tomorrowstartshere

cisco.



A 15 point ICT plan for Europe's defence policymakers

David Lawford Mee

Business Development Manager in Defence Europe, Middle East, Africa and Russia Cisco

In advance of December's EU summit of national leaders on defence and security issues, here are 15 recommendations.

- 1. The EU-U.S. Working Group on cyber-security and Cyber-crime should work with industry to define an international policy and operational framework for cyber-crime and cyber incidents.
- 2. The EU and ENISA should engage with industry in building on the successes of pan-European and international cyber exercises to continue preparing for how best to deal with cyber incidents.
- 3. The EU's member states should continue to lead by example and implement international rather than domestic security standards, and they should also create greater incentives for their adoption. These standards should focus on risk-based approaches to information and communications technology (ICT) as key to supply chain security.
- 4. The European Commission should cooperate with the U.S. and other trading partners like Japan, India and China to promote a similar approach globally so as to avoid the fragmentation of ICT markets.
- The EU and its member states should ensure the Network and Information Security (NIS) Framework is conducive to information-sharing.
 - Framework is conducive to information-sharing.

 Governments should consider granting immunity to private companies when sharing cyber-security information.
- 6. EU member states should implement R&D tax credit/relief schemes if they have not already done so, to provide fiscal incentives and to support the prioritisation of cybersecurity in European and national R&D funding schemes.
- 7. The member states should establish cyber-security research technical advisory boards

"EU member states and relevant law enforcement authorities should devote adequate resources to cyber-crime investigations, and to the building of international cases and connections."

- with representation from industry, government and academia.
- 8. The NIS platform should leverage best practices and awareness-raising in keeping up to date with technology and vulnerability patches the better to secure ICT infrastructure.
- 9. We at Cisco support the proposed development of a European contingency plan, along with the continued growth of pan-European exercises.
- 10. Those EU member states that have not yet done so, should ratify the Council of Europe's Convention on Cyber-crime.
- 11. EU member states and relevant law enforcement authorities should devote adequate resources to cyber-crime investigations, and to the building of international cases and connections.
- 12. Those member states should also ensure that their own public sector employees receive effective cyber-security training.
- 13. Resources should be devoted to public campaigns targeting citizens and small businesses. Best practice should include skills training, the use of interactive tools, a reporting mechanism and coordinated campaigns.
- 14. EU member states should ensure that cyber-security is effectively integrated at all levels of education programmes, and should take advantage of available private sector assistance for this.
- 15. NATO's Communication and Information Agency (NCIA) is developing some very strong ICT capabilities from which member states could derive benefits in achieving the business transformation that can be enabled by innovative technology strategies. We at Cisco would strongly encourage the EU member states to engage with NATO in knowledge sharing.

Lawford Mee has spent the past 15 years working closely with defence organisations to transform their mission outcomes through the innovative use of technology in the fixed, mobile and tactical domain and reinforcing the critical role of technology reconnaissance/horizon scanning to leverage the billion's of collective R&D investments made by the technology sector.

The summit's goals are ambitious but realistic

Thomas de Maizière Germany's Defence Minister

There is still a gap between expectations and reality when it comes to Europe's importance in matters of security and defence policy and its capacity for joint action. In the past two years, the tremendous upheaval in the Arab world and the dramatic crisis in Mali have underscored our need for an effective and credible Common Security and Defence Policy (CSDP).

The means available for security and defence policy have not increased. To the contrary, budget consolidation measures, including those affecting defence, are a reality across Europe. Whether this will improve in the medium term is, at the very least, questionable.

There can only be one answer: we must work together more closely and pool more assets. We need more CSDP because that is the only way for Europe to permanently safeguard its security. CSDP is much more than an important element of the European political project; it is increasingly a security policy imperative. Asserting this does not detract from NATO's central role as a defence and security alliance.

In preparation for this December's European Council on security and defence, France and Germany have had an extensive exchange of views on CSDP, to jointly develop ideas for improving it. This is not only a matter of enhancing structures and procedures. **Proposals** EU's include strengthening the crisis response capability, notably through existing instruments such as the EU Battlegroups and joint capability development. Greater transparency between member states and closer coordination with NATO are other important

""We need more CSDP because that is the only way for Europe to permanently safeguard its security. (...) Asserting this does not detract from NATO's central role as a defence and security alliance."

areas of discussion, and will be a first step towards harmonisation and synchronisation.

Other major points for discussion will be the introduction of common standards and common certification. This is not only important for our armed forces' interoperability, but will also enable cost savings in the medium term. To this end, more use could be made of the European Defence Agency's instruments.

To sum up, there are three important goals:

- To create a common understanding of the EU as a global player and security provider,
 which regards defence as a strategic task;
- To build a common will to provide the civilian and military capabilities to close the capability gap;
- To ensure the common will to maintain a strong and competitive industrial base in Europe.

The fact that the European Council topic in December is security and defence is a logical step and offers an important opportunity. It will facilitate an urgently needed exchange of views on CSDP's development; which is why I believe the European Council should, in the future, tackle security and defence issues on a regular basis.

Advancement of the Common Security and Defence Policy will occur only gradually. But the past few years have shown that abstract discussions are no longer enough. We must proceed in a pragmatic and goal-oriented manner if we are to succeed.

> De Maizière is Germany's Federal Minister of Defence. He was previously Head of the Federal Chancellery, Federal Minister of the Interior and Member of the German Parliament.



This defence summit is a golden opportunity that mustn't go to waste

Mario Mauro Italy's Defence Minister

The last decade has been marked by some important developments in the global security environment. Western armed forces and the Euro-Atlantic security institutions in general, have been deeply involved in the politically controversial "twin-conflicts" in Iraq and Afghanistan. The rapid growth of non-Western economies has ushered in a geo-economic revolution with strategic consequences that are both political and military. Closer to Europe, the "Arab awakening" has shown how human rights connect increasingly with the security dimension.

Against this backdrop, we should acknowledge that we Europeans have remained disconnected from events in the rest of the world. We have spent the best part of last five years debating domestic EU issues, and while the financial crisis has understandably been a major concern for us all, it is time to look beyond our own borders and refocus our efforts on other policy areas.

"December's European Council provides a crucial window of opportunity to re-affirm the simple but key strategic principle that defence matters."

The financial crisis caught Europe off guard, but we proved our resilience by creating new tools for improving monetary governance and managing sovereign debt. Now we must act before there is another disruptive crisis to improve our ability to deal with present and future security challenges. December's European Council provides a crucial window of opportunity to re-affirm the simple but key

strategic principle that defence matters.

Our main objective should be to reach a clear-cut agreement on the need to establish security and defence as a fundamental pillar of the European structure alongside the single currency and fiscal policy. We should call on all the EU's member states to work on coordinating their defence capabilities coordinating.

European countries are still working out measures for reducing deficits and public debts, so defence-related expenditures are often seen as an easy target. But these national reforms of the armed forces in EU countries are in fact exacerbating duplications and

compounding strategic shortcomings. More than ever, we must now exploit capability developments to the full as the only way to halt Europe's military decline and get the most out of our resources.

We must also strengthen the European defence technological and industrial base; it plays a pivotal role in assuring our long-term defence needs and in improving European's global competitiveness. Europeans should invest in research and high-tech projects in security and defence, and take advantage of dual-use synergies.

Defence is pivotal to any future vision of the EU for political, strategic, economic and industrial reasons. We cannot let the golden opportunity of this December's summit go to waste.

Mauro is Italy's Defence Minister since. He was formerly a member of the European Parliament where he was a member of the Committee on Foreign Affairs. Mauro was also one of the EPP candidates running for the European Parliament Presidency in 2009.





The summit must deliver a roadmap for the future

Pedro Morenés Eulate Spain's Defence Minister

December's summit is a rare chance for European leaders to take stock of European security and defence, and to work out a roadmap for the future. Even the current financial constraints should not keep us from innovative solutions. We have sufficient capabilities, albeit with some gaps, so all we need to do is muster the political will to design a CSDP that is in line with financial realities.

Here is my own non-exhaustive list of topics that should fuel the December debate. As regards effectiveness, visibility and the impact of CSDP, we must draft a maritime security strategy of the sort that Spain has advocated since its EU Council Presidency in 2010. Only this could empower the EU to be a real facilitator in such remote areas as the Horn of Africa. The Council and the Commission must combine their efforts to achieve a balanced strategy document, which should be implemented without delay, with such other regions as the Gulf of Guinea standing to benefit.

"There is a growing realisation that not all EU member states will be able to maintain the full range of capabilities.

Cooperation and integration are therefore material necessities."

As to capabilities development, there is a growing realisation that not all EU member states will be able to maintain the full range of capabilities. Cooperation and integration are therefore material necessities rather than just noble aspirations. The substantial progress we have made in consolidating the European Air Transport Command (EATC) bears witness to our ability to collaborate with a heavy dose of pragmatism

and far-sightedness. Going forward, we must be flexible while keeping our own national responsibilities in mind.

Implementation of the Single European Sky (SESAR) should be included right from the start in the so-called pioneer projects the European Defence Agency plans to develop with the Commission. SESAR has a strong civil-military component, is technologically sophisticated and is important enough to be included in this group of special initiatives. Because all member states benefit, it makes sense to consider financing the project with EU funds and including it in the EU budget. For the same reason, Spain looks forward to participating in

such other initiatives as cyber defence, satellite communications and unmanned aerial systems (UAS).

Finally, Spain will be emphasising the need to strengthen Europe's defence industry. Letting it shrink any further will endanger our defence capabilities. The Organisation for Joint Armament Cooperation (OCCAR) has shown how countries can join their efforts when national interests converge. We should strengthen the intra-European defence market without introducing new legal provisions but rather by deepening existing legislation. We should promote competitiveness and efficiency, while never forgetting the direct impact of any defence industry-related policy on sovereignty and on high-skills employment.

Morenés Eulate is Spain's Defence Minister. He was appointed Secretary of State for Security and Defence in May 2000 and Secretary of State for Defence in the Ministry of Defence in May 1996.



SECURITY & DEFENCE AGENDA



What we need from this Summit is a grand strategy embracing all aspects of security

Lord John Reid, Former UK Defence Secretary and Honorary Professor, Institute for Security and Resilience Studies, University College London

Operations, capabilities and industry are essential components shaping the future of European security. But the post-Cold War period has taught us the indispensability of a comprehensive approach. The military are an indispensable part of that approach, but we also need to think in terms of a wider strategic framework inclusive of diplomacy, economics and social morale.

This is underscored by how our futures are being shaped in the collision between fragile recovery after the recession and the onrush of demographic pressures, resource scarcity, urbanisation and climate change.

"Unless the EU can contribute to making grand strategies work, it will soon lose public confidence. The imperative for grand strategies that actually work is only getting stronger." Grand strategies that are fit for our networked world are defined by their success in winning a (better) peace. Let's start with the admission that so far we have failed to organise all the levers of power into a comprehensive approach. The military are often a handy scapegoat. In fact, there is plenty of blame to go round – officialdom included. If grand strategies are to mean anything, we need to focus our learning far

harder on what was not done rather than just on what the military did.

Of course, there have been glimpses of success — Cathy Ashton has quietly and unexpectedly made major strides in the Balkans, and the conflict in Syria provided an opportunity to narrow our demands to the removal of chemical weapons rather than the removal of President Assad, but also open up wider gains by not picking sides in a Sunni - Shia civil war.

That, notwithstanding, dangers lie ahead - for instance, in our cyber-age networks. Networks can give advanced nationstates the power of intelligence-led precision strikes. At the same time, networks also enable our adversaries' innovation. The ensuing protracted wars then only make winning the peace even harder.

In economics we shouldn't take the U.S. dollar's reserve currency status for granted, while in the eurozone, austere self-righteousness masking mercantilism makes overcoming the

divide between the core and the periphery impossible. Germany, for instance, failed to see the potential and value of unifying Cyprus as an EU and NATO member state as the price for its bail-out. Economics is integral to any grand strategy, as are diplomacy and the morale of citizens in or out of uniform. Indeed, what links morale and diplomacy to economics is our capacity for innovation that is the real engine for winning wars and peace. The cyber environment only amplifies that point. It is vital that we build our citizens' confidence in their capacity for innovation on all fronts.

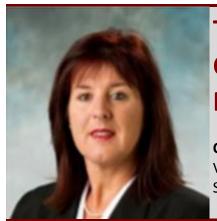
We can win the peace. Grand strategies that harness the power of the cyber environment offer the prospect of growth, fit for the challenges we face. Resigning ourselves to a low growth future invites decline and defeat.

Citizens of democracies time and again make sacrifices. As a society they do so to win the peace. That is the key to our morale and our productivity. To win on these terms involves many "indirect approaches", but our citizens must know the outcomes are real not rhetorical.

The UK's recently declared position on cyber underscores the point in terms of morale, diplomacy and economics. It is right to develop transparent strategic doctrine that reduces the scope for misunderstandings and misperceptions, just as we had to for the nuclear age. The forces at work in the cyber environment affect us all. Some aspects will need to be addressed under NATO's Article 5. CSDP needs to address many others. Unless the EU can contribute to making grand strategies work, it will soon lose public confidence. The imperative for grand strategies that actually work is only getting stronger.

Lord Reid currently serves as Honorary Professor at the Institute for Security and Resilience Studies at University College London. He is a Principal of the Chertoff Group. Reid is a British Labour Party politician, who served in several senior cabinet positions under Tony Blair, including as Secretary of State for Scotland, Secretary of State for Health, Secretary of State for Defence and Home Secretary.





Transatlantic Defence Industrial Cooperation: Delivering the EU's and NATO's future capabilities

Caroline Vandedrinck
Vice President for Europe, Russia and Central Asia
Sikorsky Aircraft Corporation, UTC

The defence economies of Europe and the U.S. are intertwined; both face the similar challenges of falling domestic demand and their own declining competitiveness compared to their competitors in emerging economies.

The transatlantic defence market is negatively impacted by offsets, technology control policies, restrictions on investment into each other's foreign markets; lack of standardisation and mutual recognition of certification – and a culture of protectionism.

Using NATO's May 2012 summit declaration on "Defence Capabilities: Toward NATO Forces 2020" as their basis, a common goal of the U.S. and Europe should be to improve predictability, transparency and efficiency for industry and governments in both acquisition and export control regimes. This should stem from a political recognition of the mutual benefits of linking rather than opposing the Europe's and America's defence industries. The harmonisation of requirements and synchronized government procurement based on common military requirements are fundamental to developing economies of scale, and thus making military upgrades affordable.

The formal adoption of a transatlantic defence industrial cooperation (TADIC) mechanism would enhance U.S.-EU interdependence and cooperation and create more comfort on such issues as security of supply. The result would be a healthy transatlantic defence industrial base (TDIB). European and U.S. governments should recognise the potential for a degree of mutual interdependence and explore solutions for achieving "transatlantic" assurance of

"A common goal of the U.S. and Europe should be to improve predictability, transparency and efficiency for industry and governments in both acquisition and export control regimes."

supply, whether related to non-dependencies, supply chains or investments in key technological and industrial capabilities. These efforts would optimise effectiveness, efficiency and interoperability.

To make the fullest use of TADIC, off-the-shelf acquisition by one or more of the NATO allies could be compensated by including others on the other side of the Atlantic in the through-life support phase.

An example is the CH-53K - currently in development by Sikorsky, U.S. NAVAIR and the U.S. Marine Corps -, which is now moving to build and flight test. In these times of austerity, it makes sense to adapt an existing airframe to the military requirements, rather than develop an entirely new heavy lift helicopter for a limited market. The CH-53K could serve as a TADIC flagship initiative for NATO's and the EU's future heavy lift transport helicopter (FHTH) requirements.

Vandedrinck is Vice President for Europe, Russia and Central Asia at Sikorsky Aircraft Corporation. She leads the sales team for the region. Vandedrinck has over 22 years of experience in various aspects of the aerospace industry.



44



Three steps the European Council must take

Lt. Gen. (ret.) Ton van OschFormer Director General of the European Union Military Staff (EUMS)

Europe's next major crisis is likely to be in security and defence. The ingredients include instability in Europe's own neighbourhood, new space and cyber threats, and growing competition over scarce resources. All of these are coupled with continuing defence budget cuts and falling investment in research and capability development. EU member states continue to make cuts that are driven by national priorities, but then complain that neither NATO nor the EU coordinate sufficiently. The U.S. is also cutting its defence budgets as it shifts its focus to the Pacific, so we can no longer expect them to do the heavy lifting when crises threaten mainly European interests. NATO and the EU are both struggling to meet their security ambitions, for there can be no strong capabilities without a strong economy. But we cannot have a strong economy without security, and for that we still need military force.

So how can the European Council turn the tide? First, the EU's national leaders could help regain public support for defence and push for a renewed focus on defence planning. They should launch a wide-ranging discussion on improving defence capabilities by explaining

what the needs are. They should stress how instability around Europe's borders can affect the security of member states and their citizens, and emphasize that we need a common approach to solve these external crises. The Council should reaffirm the EU's ambition to solve regional crises, with partners or if necessary

"We cannot have a strong economy without security, and for that we still need military force."

alone. That might help convince public opinion and influence budget allocation debates, while also giving defence planners a renewed focus for common capability development.

Second, the Council could ensure that in the future there will be greater clarity in EU-NATO relations. We have been getting the most out of the existing political framework, but it would be useful to acknowledge each organisation's strength and build on these. NATO remains essential for our security; its strength is the military instrument for common defence and major high-intensity joint operations. The EU's strength is using the military within the broader toolbox at the EU's disposal. The EU's military focus ranges from nation-building for crisis prevention or stabilisation to regional peace-making. Both organisations

must try to avoid duplication, but rather take greater advantage of the possible divisions of labour. Based on this, the EU should further synchronise its instruments and EU member states should together develop their military capabilities for regional peace-making. This was set out in the 2010 Headline Goal, but we never actually achieved it. If EU member states were to succeed in developing this capacity, it would also make Europe a more valuable partner for the U.S., and so strengthen NATO.

Third, only the European Council has the power of breaking down the barriers to closer international cooperation. In the European defence market, there is a clear need to end fragmentation, yet most EU governments continue to give priority to their own domestic interests. Local or national governments, industry leaders or military authorities are all trying to protect their own interests and lobby their capitals and Brussels for their own narrow causes. As long as sovereignty remains an excuse to protect special interests other than those of Europe, this fragmentation will remain. The European Council should therefore ask defence ministers and defence chiefs, in concert with EDA, to harmonise operational requirements and so enlarge the market and make it more attractive for companies. To stimulate this harmonisation, the EDA should be strengthened and cooperate with the European Commission, but only on projects supported by a majority of member states.

Lt. Gen. van Osch was Director General of the European Union Military Staff from 2010 to 2013. He was previously Military Representative of the Netherlands to the EU and NATO. In December 2004 he took over as Commander of the Royal Military Academy with responsibility for the integration of all officer education of the services within the newly formed Netherlands Higher Defence Academy.



This summit must set the EU on a course to greater cooperation

Sir Graham Watson

Member of the European Parliament and President of Alliance of Liberals and Democrats for Europe party

For Europe's defence structures, this December's European Council summit is going to be a big one. The future of the EU's Common Security and Defence Policy is up for debate.

That it is on the agenda at all shows how seriously our heads of government are taking the issue. In many ways, it also shows that it hasn't been possible to find broad agreement at lower levels in the Council of Ministers — and so there's a feeling that some real political impetus is needed, the kind that only Prime Ministers and Presidents can provide.

What then is up for discussion in December? Formally, enhancing defence capabilites, strengthening the European defence industy and improving the "effectiveness, visibility and impact" of the Common Security and Defence Policy (CSDP). In reality the hype seems to be all about a permanent military headquarters.

"European defence planning should become more like a team building a giant puzzle. All member states should decide together what the picture on top of the box should look like."

There is a problem with CSDP. Some of the EU's military, police and judicial missions have achieved a lot. EU NAVFOR Atalanta, targeted at combating pirates off the coast of Somalia, is highly effective. Others are hamstrung by lack of agreement on anything and everything, like EUBAM RAFAH in the Palestinian Territories.

The solution is not a European army. Most EU member states don't want that. Nor am I convinced that we are yet at the stage where a permanent military operational headquarters will solve the problems - although I do not exclude the possibility that this may be useful at some point in the future. The Council's Political and Security Committee already works well.

The case for the operational HQ is that we need to change the way we come to decisions within CSDP, it is argued. The very nature of conflict situations requires fast decisions. The EU machinery seems to take too long, and when we come to a decision it often seems to amount to no decision at all. We need to streamline our procedures for dealing with crises. We need our representatives on the relevant committees to start thinking more European

and really start using the extra weight the EU has when it speaks with one voice. We are stronger and more powerful when acting together. But this recognition has to come first from the 28 defence ministers.

We need massively to ramp up the coordination of EU defence planning. Britain and France have already joined up much of their defence. Our soldiers train together, serve on each other's aircraft carriers — and arguably we have reached a point where neither Britain nor France could engage in a major war on their own, without either the other or the U.S. by their side. We are already very interdependent. But a common procurement policy is the next step, and we must have interoperable weaponry and logistical support.

European defence planning should become more like a team building a giant puzzle. All member states should decide together what the picture on top of the box should look like. That picture would set out who will specialise in which types of operations and order which bits of military equipment. Some member states might take the lead in region X or Y, on desert, arctic or maritime missions - which all require different skills - or specialise in this or that piece of equipment.

This could save us huge amounts of money, and it would also bring the EU back to first principles: the European Coal and Steel Community, created in 1951, was designed to put in common the then primary ingredients of war. Indeed, had the plan for a European Defence Community not been rejected by France's Assemblée Nationale, a much more solid defence architecture would already be in place.

Overcoming war is what brought the EU into being, and the EU can be an immense force for peace at home, in its own neighbourhood and beyond. The EU can think, plan, speak and act with a more unified voice on these issues; there is money to be saved, and increased power, effectiveness and influence to be had. As we have seen with the EEAS, more institutions and buildings – an operational HQ – are not going automatically to create that unified voice. It will develop slowly over time, which is why we need the EU's leaders to set the ball rolling this December.

Watson is President of the Alliance of Liberals and Democrats for Europe party and a Member of the European Parliament for South West England and Gibraltar. He has been a member of the European Parliament since 1994.



The financial case for a "European army" should be convincing

Stefani WeissDirector of the Europe's Future programme
Bertelsmann Stiftung

It's all down in black and white: Article 42 of the Treaty on European Union (TEU) says "The common security and defence policy shall include the progressive framing of the common defence policy. This will lead to a common defence, when the European Council, acting unanimously, so decides." But when and even if, the European Union might decide to establish a "European army" is anyone's guess. In marked contrast to their economic policy cooperation, the EU's member states cling to their control of national armies, air forces, and navies – seeing them, perhaps, as the last strongholds of their own sovereignty. Yet in these times of a common European currency and a common market, national defence seems more outdated than ever. And with most EU member states caught in the grip of fiscal austerity, it's a symbol of Europe that has not only become extensively costly but is also detrimental to the overall defence.

Defence budgets across Europe, , have been shrinking for some time already, and in light of the current financial and economic situation, that's not going to change any time soon, if at all. A recent study of the added value of EU spending, conducted by Bertelsmann Stiftung along with the Centre for

"Given that there isn't much money left (...) one can only hope that politicians will become more open to the idea of a truly common EU defence policy."

European Economic Research and RAND Europe, showed there is potential for significant European added value from smaller, but better coordinated national land forces working together, these forces should be able to perform on the military tasks set out in the 1992 Petersberg Declaration, while savings in salaries alone are estimated at somewhere between € 3 bn and 9 bn a year. Under a 'medium' scenario in this analysis, EU member states would deploy 600,000 land force soldiers, a one-third reduction of today's level of 890,000. The saving to European member states would be about € 6.5 bn, which would increase once reduced costs of equipment purchasing, the maintenance of bases, training and logistics.

This degree of defence centralisation could offer substantial added-value by providing the same level of security at a far lower cost. Above all, it could improve the quality and impact

of European defence. But will Europe's national politicians buy into these arguments? Given that there isn't much money left in many national treasuries, with the social and economic situation in many member states becoming increasingly tense, one can only hope that politicians will become more open to the idea of a truly common EU defence policy.

We Europeans should not, however, fall into the same trap as that of the common currency; defence shouldn't be used to spur member states towards a political union. Moving towards a political union – as provided for by the treaties – and establishing a defence union have to be worked out separately, even if hand in hand.

Weiss is director of Europe's Future programme at the Bertelsmann Stiftung. She joined the foundation in 1999 working on European foreign and security policy issues. Her latest project deals with the Added Value of EU spending.





It's a welcome event, but defence summits should be more frequent

Lt. Gen. Wolfgang WosolsobeDirector General
European Union Military Staff (EUMS)

This European Council is a unique opportunity to reinvigorate CSDP, and should not be missed. It is the first time since 2008 that heads of state and government take up European defence and security issues.

The financial crisis has done nothing to change Europe's aspirations to maintain and improve future generations' prosperity and security, but it has reduced the relative weight of security and defence in many member states' ranking of priorities.

Our security environment has not stayed unchanged. The dynamics we've seen over the past two years may yet spin out of control if not properly addressed. Europe must respond with a strategic vision, and the shift in our transatlantic partnership means Europe must take on more of the security burden. These factors are clearly set out in the strategic introduction to the High Representatives' report on CSDP, one of the core documents on the path to the European Council.

The European Union is an increasingly competent and respected player on the world stage, with an impressive range of instruments shaping its external action. But do all the tools fit together?

"In addition to a strategic message, the European Council on defence and security should begin a process".

The answer has to be nuanced. The EU can address a wide range of situations and bring relevant military contributions to maintaining and building stability in its close and more remote environment. Still, the military tasks described in the Lisbon treaty cover a much broader spectrum of military complexity than currently

addressed. We need to better understand what that entails.

This defence summit should send a clear message to encourage member states' efforts in improving the EU's military rapid reaction, supported by appropriate new capabilities in key areas. The message should clearly explain to Europe's citizens why we need an efficient military instrument that is embedded in a broad range of EU instruments.

The leaders' message should also clearly set out the military ambition for European security in the medium and long term. Both for our planning and for the sustainability of

our industrial and technological base, we need clearer indications of how far to go and with what timeline.

Meeting once every five years is not enough. In addition to a strategic message, the European Council on defence and security should begin a process. We need to make measurable progress so the Council should commit to coming together regularly to evaluate progress and to adjust European defence efforts accordingly.

Lt. Gen. Wosolsobe is Director General of the EU Military Staff. He was previously Defence Policy Director at the Austrian Ministry of Defence and contributed to shaping the international posture of the Austrian Armed forces and to the adaptation of Austria's defence policy to new realities, particularly to CSDP.





The Security & Defence Agenda (SDA)

would like to thank its members and partners for their support















































































































The SDA gratefully acknowledges the generous support of the following governments:

Belgium | Czech Republic | Finland | France | Georgia | Italy | Netherlands

Poland | Qatar | Romania | Russia | Sweden | Turkey | United States | United Kingdom

For further information on SDA membership, contact us at:

Tel: +32 (0)2 300 29 91 | E-mail: info@securitydefenceagenda.org

SECURITY & DEFENCE AGENDA (SDA)

4, rue de la Science 1000 Brussels, Belgium Tel: +32 (0)2 300.29.91 Fax: +32 (0)2 300.29.90 E-mail: info@securitydefenceagenda.org

www.securitydefenceagenda.org www.facebook.com/s.d.agenda

@secdefagenda