

Permanent structured cooperation (PESCO): From notification to establishment

On 13 November 2017, 23 EU Member States signed a joint notification addressed to the Council and the High Representative of the Union for Foreign Affairs and Security Policy and Vice-President of the European Commission (HR/VP) on their intention to participate in PESCO. The Council is now expected to formally establish PESCO, possibly before the end of the year.

Background

The provisions for PESCO are enshrined in [Article 46](#) of the Treaty on European Union (TEU) and [Protocol 10](#) on permanent structured cooperation established by [Article 42\(6\)](#) TEU. These provide the opportunity for 'differentiated integration' in defence among those Member States 'which fulfil the criteria and have made the commitments on military capabilities set out in the Protocol'. According to its legal basis, PESCO is open to all Member States meeting the requirements, and can establish cooperation in five fields: budgetary (setting objectives on the level of investment in defence); equipment (identifying military needs, pooling and sharing, and specialisation); operational (interoperability and readiness of forces); capabilities (remedying the capability gaps) and industry (participating in major equipment programmes).

Following the launching of the [Global Strategy](#) in July 2016 and the subsequent intensification of efforts to make progress in EU defence policy, PESCO – known as the '[Sleeping Beauty](#)' of EU defence due to the lack of its materialisation following the Treaty – was given renewed attention. The subsequent [Implementation Plan on Security and Defence](#), launched in November 2016, included PESCO as one of the concrete actions envisaged in order to reach the new [level of ambition](#) determined by the Council for the area of EU security and defence. In June 2017 the European Council [agreed](#) on the need to launch PESCO without delay.

Individual Member States have also pushed for implementation of PESCO. In September 2016, the French and German defence ministers issued a [joint paper](#), in which they encouraged the EU to move forward with PESCO. Several other [Member States](#), including – for different reasons – those in the south and in the east displayed substantial, albeit varying, degrees of appetite for further cooperation in this area. External factors, such as the election of President Donald Trump in the USA, the growing geopolitical risks in the EU's periphery, Russian hostility and, arguably, the prospect of Brexit, are included among these reasons.

Notification

On 13 November 2017, the Council and the HR/VP received a [joint notification](#) signed by 23 EU Member States (all except Denmark, Ireland, Malta, Portugal and the United Kingdom) on their intention to participate in PESCO. Any other Member State which wishes to participate in PESCO may still notify its intention to the Council and to the HR/VP at a later stage. This is likely to be the case for [Ireland](#) and [Portugal](#). Among other things, the notification letter sets out PESCO's principles, a list of concrete commitments (which are also participation criteria), and a system for its governance.

PRINCIPLES

- Ambitious, binding and inclusive,
- Treaty based and activated only once,
- Output oriented,
- Participation in PESCO is voluntary and leaves national sovereignty untouched,
- Enhanced defence capabilities of EU Member States will also benefit NATO.



GOVERNANCE

Two levels:

- **Overarching level:** In charge of coherence and credible implementation. Defence ministers assembled in a joint Foreign Affairs Council/Defence meeting (voting rights only for PESCO Member States). HR/VP in charge of annual assessment;
- **Project level** (governance of PESCO projects): Projects are coordinated and scrutinised by the PESCO Secretariat (ensured by the European External Action Service, EEAS, and European Defence Agency, EDA) before a Council (in 'PESCO format') decision. PESCO Member States hold exclusive responsibility for the submission and management of the projects. Third countries may exceptionally be invited by project participants.

COMMITMENTS

- Increase national defence budgets in real terms, increase defence investment expenditure (towards 20 % of total defence spending), and invest more in defence research and technology (towards 2 % of total defence spending);
- Develop and provide 'strategically relevant' defence capabilities in accordance with the Capability Development Plan (CDP), the Coordinated Annual Review (CARD) and the European Defence Agency (EDA); to that end, Member States shall act jointly and make use of the financial and practical support provided by the European Defence Fund (EDF); Member States are supposed to participate in at least one PESCO project in that field;
- Contribute to projects that boost the European defence industry and the European Defence Technological and Industrial Base (EDTIB);
- Ensure the availability and deployability of forces, e.g. through 'fast-track' national decision-making and more efficient cross-border military transport;
- Ensure the interoperability of forces, esp. in the context of EU Battle Groups and EU-NATO cooperation;
- Increase cooperation on cyber-defence, e.g. 'information sharing, training and operational support';
- Aim for a revised approach to the common funding of military CSDP operations and missions.

What kind of projects

On 27 November 2017, the PESCO Member States approved [a draft list of projects](#) which will be presented to the Foreign Affairs Council on 11 December 2017 for approval. The projects, which for the most part are pre-existing initiatives now placed under the PESCO umbrella, include:

- European Medical Command (lead: Germany)
- Securitising radiofrequencies – European Secure Software defined Radio/ESSOR (lead: France)
- European Logistics Hub (lead: Germany)
- Logistic structures network (LSN) at the periphery of the Union (lead: Cyprus)
- Simplification and standardisation of cross-border military transport procedures (lead: The Netherlands)
- Centre of Excellence for EU Training Missions (CoE EUTM) (lead: Germany)
- European Training Certification for European Armies (lead: Italy)
- Support for Operations (lead: France)
- Deployable Military Disaster Relief Package DMDRP (lead: Italy)
- Countering mines at sea by using submarine mine-detector and destroyer drones or counter-measures (MCM) or semi-autonomous submarine systems (lead: Belgium)
- Autonomous system for port surveillance (lead: Italy)
- Upgrade of the Maritime Surveillance System (lead: Greece)
- Information sharing platform on response to cybernetic attacks and threats (lead: Greece)
- Mutual assistance for Cyber security and Cyber Rapid Response Teams (lead: Lithuania)
- Standardisation of C2 (command and control) procedures for CSDP operations (lead: Spain)
- Next generation of armoured infantry fighting vehicles (AIFV), amphibious assault vehicles (AAV) and light transport vehicles (LTV) (lead: Italy)
- Indirect Fire Support (lead: Slovakia)
- EUFOR CROC: Rapidly deployable Crisis Response Operation Core as part of the launch of crisis-response operations of the EUFOR type (lead: Germany).

What happens next?

Participating Member States will submit national implementation plans outlining their ability to meet the binding commitments. The Council will then adopt a decision establishing PESCO by reinforced qualified majority voting. This could take place at the Foreign Affairs Council on 11 December.

The **European Parliament** has repeatedly [called](#) for the implementation of the Lisbon Treaty provisions on the common foreign and security policy, including PESCO.