European Parliament

EU Defence Policy: The sleeping giant

• In 2015, the EU Member States collectively spent **€203 billion** on defence.

• Increased EU defence cooperation could generate efficiency gains of **€26 billion**.

• In 2015, EU commitments for 11 civilian missions amounted to **€258 million**.

• Cooperation through pooling and sharing of military capabilities alone can save **€300 million**.

EU defence policy as a response to today's security risks

Geopolitical shifts in the EU's neighbourhood, together with terrorism, cyber-attacks and energy insecurity, have put the idea of a European Defence Union (EDU) high on the EU agenda again. Ideas for closer defence cooperation at the European level include establishing common European capabilities, creating a European market in defence, and building a European defence army. Historically, the last time such far-reaching plans for defence integration were so high on the European Community's agenda was in the 1950s. Back then, the French Prime Minister René Pleven proposed a European army, a joint budget and common procurement.

Today, the Common Security and Defence Policy (CSDP) provides the framework for various civilian and military missions and permanent political structures. In addition, the EU Member States engage in several bilateral and multilateral defence cooperation initiatives.[1]

Milestones in the CSDP evolution are, for example:

- 1998: The Saint-Malo Declaration, which asserts French and British agreement to create a European security and defence policy.
- 1999: The Cologne European Council, which reaffirms the EU's willingness to develop common capabilities and establishing CSDP.
- 2009: The Lisbon Treaty, which further deepens defence cooperation by, notably, (i) introducing the mutual assistance clause, which strengthens EU solidarity in dealing with external threats; (ii) providing for the possibility of Permanent Structured Cooperation (PESCO), which would enable a core group of Member States to systematically strengthen their cooperation in military matters, and (iii) opening the way for the establishment of EU Battlegroups, which are small but rapidly deployable and mobile forces. However, PESCO only exists on paper and the EU Battlegroups have never been used, although they are operational.

In its November 2016 resolution on the European Defence Union, the European Parliament calls for full use to be made of the EU's defence potential. The Parliament suggests, inter alia, the establishment of multinational forces within the PESCO framework, the coordinated use and development of defence capabilities, a joint procurement of defence resources, and a European defence market. In addition, a common defence policy with the above elements would strengthen the EU's partnership with NATO. In the Parliament's majority view, only an EDU is able to face Europe's current security risks.

Existing EU key cooperation in defence

There are several examples demonstrating the added value of defence cooperation at EU level. Two key cooperation forms are the concept of 'pooling and sharing' and common civilian and military missions. The EU-led concept of 'pooling and sharing' encourages Member States to combine and use their military capabilities in a collective way so as to maximise the deployment possibilities, whilst reducing the cost. The aim is to preserve and enhance national capabilities and to generate improved effects, sustainability, interoperability (the ability of different military organisations to conduct joint operations) and cost efficiency. Supported by the European Defence Agency (EDA), founded in 2004 to help the EU Member States in their effort to improve European defence capabilities in the field of crisis management, there are currently four 'pooling and sharing' flagship projects:

Air-to-Air Refueling enables aircrafts to accomplish their missions far from their service distance. The project's goals are to find solutions for short-term gaps and to optimise existing capabilities.

Remotely Piloted Aircraft Systems are of great importance for surveillance and information gathering in military operations, but also offer civilian applications such as firefighting. One of the project's aims is to ensure Europe's independence from third country supplies for such technologies.

Governmental Satellite Communication is described by the EDA as a key enabler for military and civil operations in remote and austere environments with little or no infrastructure. A central project goal is to outline the benefit of a European dual-use (military and civilian) approach of such a capability.

Cyber Defence has high relevance in warfare, since cyberspace is now considered to be as crucial to military operations as land, sea, air or space. Project goals include supporting the development of EU Member States' cyber defence capabilities and enhancing the protection of communication networks.

To date, the EU has carried out 21 civilian missions and 11 military operations in many countries on three continents (Europe, Africa and Asia). The added value of these actions is that they enhance the perception of the EU being a legitimate actor, especially in contrast to other international organisations.[2] Currently, the EU is carrying out 10 civilian missions and 6 military operations, a majority of these in Africa. Whereas the EU Civilian Planning and Conduct Capability (CPCC) controls the civilian missions, the EU Military Committee (EUMC) monitors the military operations.

| Example of ongoing civilian mission	Annual budget	Mission results
EU Integrated Border Assistance Mission in Libya (EUBAM Libya)	About €26 million	EUBAM supports the Libyan authorities in guaranteeing border management and security at the country's land, sea and air borders.
EU Maritime Security Capacity Building Mission in Somalia (EUCAP Nestor)	About €12 million	EUCAP NESTOR supports the Somalian authorities in building civilian maritime capacity, including training, mentoring and advising experts, as well as carrying out capacity-building activities in support of maritime law enforcement and prosecution of suspected pirates.

Example of ongoing military operation	Budget	Operation results
EU Training Mission in Mali (EUTM Mali)	€33.4 million for: 19 May 2016 to 18 May 2018	EUTM Mali supports the Malian Government to restore security and stability by advising the Malian armed forces on structural reforms and enabling the Malian security forces to provide security and stability in their country by their own means.
EU Naval Force Somalia Operation Atalanta (EU NAVFOR Somalia)	€14.7 million for: 13 Dec. 2014 to 12 Dec. 2016	NAVFOR protects vessels of the World Food Programme and African Union Mission in Somalia, deters and disrupts piracy, monitors fishing activities and supports other EU missions and international organisations to strengthen maritime security and capacity in the region.

In 2015, EU commitments for the 11 ongoing civilian missions amounted to **€258 million**. For 2016, funding was increased to more than **€280 million**. In contrast to civilian missions, military operations are not funded by the EU budget. Costs for military operations are taken over by participating EU Member States. Crucially, to ensure some solidarity between participating and non-participating EU states, the Athena financing mechanism was established to cover certain common EU military operation costs. The 2014 budget for five military operations generated via the Athena mechanism was approximately €78 million.[3]

Defence budgets: Little value for megabucks

In 2015, the EU Member States collectively spent **€203 billion** on defence.[4] Together they are thus the world's second largest military spender after the USA. Nevertheless, because of inefficiency in spending and a lack of interoperability, the EU is not the second largest military power in the world. After years of decreasing defence budgets due to the global economic crisis and austerity measures, defence budgets for 2016 were increased by an average of 8.3 %.[5]

Defence spending of EU Member States in 2015 in € billion
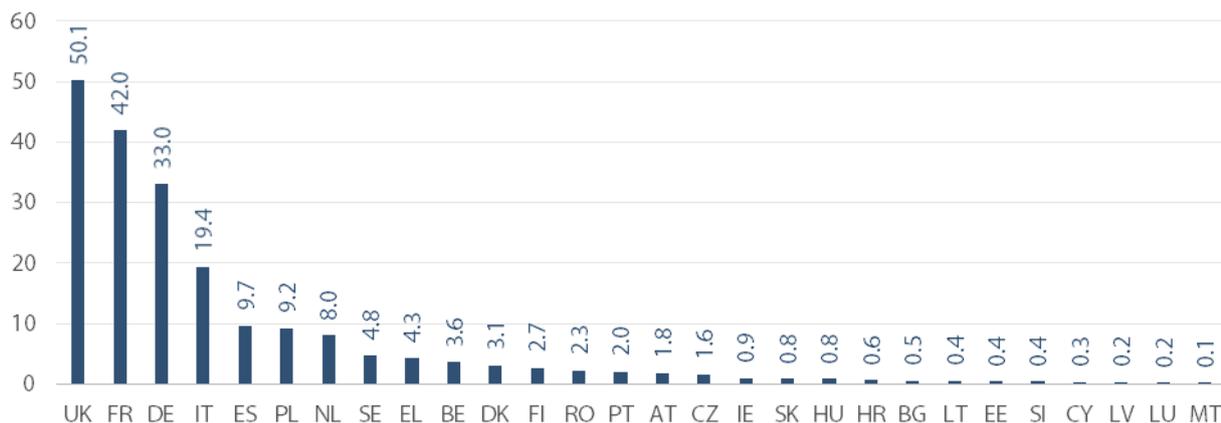
Source: YES 2016, EUISS Yearbook of European Security.

At the same time, however, the EU continues to pursue costly duplications of military capabilities. For example, a great amount of equipment procurement takes place at national level. EU Member States are therefore deprived of the cost-saving possibilities that come with a larger scale. Furthermore, the EU's weak interoperability slows down its ability to intervene in civilian missions and military operations where the order in the international system is at stake, as, for example, in the case of the Syrian conflict.[6] Moreover, the EU Member States use large parts of their defence budgets to maintain redundant

capabilities. These funds could be used to solve priority shortfalls and to foster research on defence technologies.[7]

More defence for the same money

The challenge for defence policy in the EU and the EU Member States is not to spend more, but to spend better and to spend together. For example, joint procurement of defence resources and a well-functioning European defence market would enable a more effective use of the EU Member States' defence budgets. The establishment of multinational forces would allow the EU to react faster and more robustly to security threats. Further pooling and sharing of military capabilities would avoid duplication and create more effectiveness and sustainability. Moreover, a common use of defence resources as well as greater and more systematic defence cooperation, would decrease costs and increase efficiency. According to a 2013 European Parliamentary Research Service (EPRS) 'Cost of non-Europe' report, a more integrated EU defence cooperation would mean an enormous added value, possibly involving efficiency gains of about **€26 billion annually**.[8] To put these efficiency gains into perspective, €26 billion corresponds approximately to the combined size of the 2016 defence budgets of France and the Netherlands.

In fact, there are various good arguments for an EDU. Above all, 28 states acting in concert would form a strong military force. A budget of **€203 billion** used in an efficient and sustainable way could deliver more EU defence for the same money. Moreover, the possible exit from the EU of the UK, which is the largest defence spender in the EU, would require even more pooling of EU national defence budgets in order to guarantee an effective EU defence for the future. A report published in 2015 by the Centre for European Policy Studies' task force, and chaired by the former EU High Representative for CSDP and former NATO Secretary-General Javier Solana, argues that an EDU with a strong military arm would allow the EU to live up to its self-imposed duty to project security and development. Furthermore, the report suggests that a strong EDU would meet the expectations of its citizens and international partners – notably NATO and the United Nations – which expect the EU to provide an added value by operationalising its comprehensive approach to conflict prevention, crisis management and peace-building. Such an approach to EU defence policy, which would make full use of the EU's defence potential – as demanded in the European Parliament's 2016 resolution – could indeed wake up the sleeping giant in the defence field.

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[1] The State of Defence Cooperation in Europe, Alicia von Voss, Claudia Major, Christian Mölling, SWP Working Paper, 2013.

[2] Implementation of European Council conclusions in Common Security and Defence Policy (CSDP) since the Lisbon Treaty, Suzana Elena Anghel, EPRS, European Council Briefing, 2016.

[3] Financing of CSDP missions and operations, Carmen-Cristina Cîrlig, EPRS, At a Glance, 2016.

[4] YES 2016, European Union Institute for Security Studies (EUISS) Yearbook of European Security, 2016.

[5] Compared to 2015, see: Defence Budgets and Cooperation in Europe: Trends and Investments, Alessandro Marrone, Olivier de France, Daniele Fattibene (eds), 2016.

[6] In Defence of Europe. Defence Integration as a Response to Europe's Strategic Moment, EPSC Strategic Notes, 2015.

[7] Pooling & Sharing: From Slow March to Quick?, Sven Biscop, Jo Coelmont, Security Policy Brief, 2011.

[8] The Cost of Non-Europe in Common Security and Defence Policy, Blanca Ballester, EPRS, 2013.

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