

December 2016

The European Council and European defence cooperation: Developments since June 2016

At its December 2016 meeting, the European Council will consider options for strengthening European defence cooperation. This paper focuses on security and defence developments since June 2016, when the European Council last addressed security and defence, in particular EU-NATO cooperation. It considers the process that led to the inclusion of security and defence on the December 2016 European Council agenda, as well as the expected outcome of the meeting.

Background

The [December 2016](#) discussion on EU defence cooperation will be the fifth of its kind since the Lisbon Treaty's entry into force. The process was initiated by the [December 2012 European Council](#) along three lines of action: 1) focusing on the visibility and effectiveness of the common security and defence policy (CSDP), including the partnerships with NATO and the United Nations; 2) developing capabilities; and 3) strengthening the defence market and its industrial base. All three have since been reconfirmed by the [December 2013](#) and [June 2015](#) European Councils. In [June 2016](#), the European Council primarily addressed EU-NATO cooperation and specified no clear timeline for its future discussions on security and defence. The release of the [Global Strategy for the European Union's Foreign and Security Policy](#) (EU Global Strategy, EUGS) and the result of the UK referendum on EU membership, which prefigured the departure of the EU's [top investor](#) in terms of security and defence from its ranks.

Introducing European defence cooperation on the agenda of the December 2016 European Council

At their [June 2016](#) European Council, EU leaders 'welcomed the presentation' of the EUGS and invited the EU institutions 'to take the work forward'. [No clear timeline](#) for the implementation of the EU Global Strategy was set at the time and there was no indication of how or whether the European Council would monitor implementation.

Member States' input

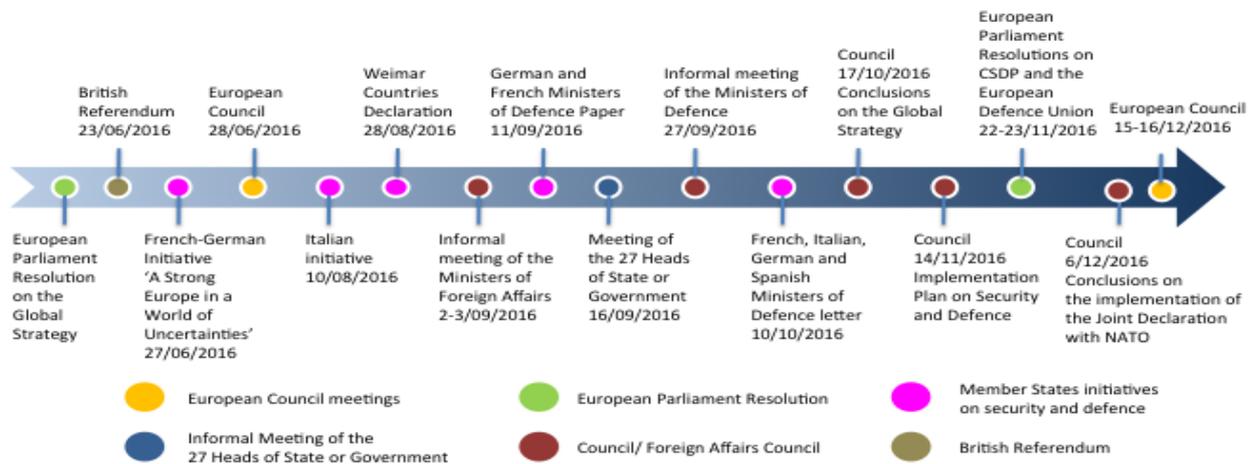
Following the June 2016 European Council, attempts to reconsider the future of the EU in the aftermath of the 23 June 2016 UK referendum brought increasing attention to European security and defence. Several national, bi- and multi-national initiatives supporting European defence cooperation were made public [ahead](#) of the 16 September 2016 [informal meeting](#) of 27 Heads of State or Government ([without](#) the United Kingdom) in Bratislava (see figure 1 below).

A Franco-German [proposal](#) (at ministers of foreign affairs level) to revitalise the EU project, including defence, was released one week after the UK referendum. It suggested 'that the European Council should meet once a year as a European Security Council, in order to address internal and external security and defence issues facing the EU', with the ministers of foreign affairs, defence and the interior entrusted with the preparatory work. It was not clear whether the proposal was suggesting to dedicate one of the four formal yearly meetings of the European Council to security and defence, on the basis of [Article 15\(3\) TEU](#), or to hold a meeting outside this framework. [In the past](#), EU leaders have pointed to the need to meet to 'regularly' address security and defence, without specifying how frequently. Regular meetings on security and defence would not only allow the European Council to set priorities and provide 'general political directions', including the identification of the 'Union's strategic interests' ([Articles 15\(1\) and 26\(1\) TEU](#)), but

would also increasingly set deliverables and monitor their implementation ([Articles 22\(1\) and 24\(1\) TEU](#)), thus affirming the view that 'the European Council has changed due to the increased focus on detailed issues' and that EU leaders 'want to see concrete deliverables' ([Uwe Puetter, 2014; p. 78](#)).

Figure 1: Key European defence cooperation developments June – December 2016

Source: EPRS



Over the summer of 2016, several other initiatives on European defence cooperation emerged. France, Germany and Italy were among the most active Member States releasing individual ([Italian](#) ministers of foreign affairs and defence), bilateral (for instance, the [Franco-German](#) ministers of defence) and multilateral ([Weimar countries](#)) initiatives. The initiatives called inter alia for: 1) establishing agreed foreign and security policy priorities; 2) streamlining crisis management to include a permanent combined civil-military chain of command, high-readiness forces, common financing for operations, including the reform of the Athena mechanism; 3) implementing the Lisbon Treaty provisions and, in particular, using the [Permanent Structured Cooperation](#) (PESCO) mechanism; 4) a 'European semester on defence'; 5) the promotion of a comprehensive approach to crises and conflicts; and 6) EU funding for defence research.

[Scholars](#) have pointed out that most of the proposals (for instance, ['EU Battlegroups'](#), the ['European semester on defence'](#) and PESCO) are not new and that some are already on their way to being agreed/implemented (for example, fostering a comprehensive approach to crises and conflicts, and funding [defence research](#) from the EU budget). They have also pointed to the lasting difficulty of using the Lisbon Treaty mechanisms, in particular PESCO (Articles 42(6), 46 TEU and Protocol No 10), to advance EU defence, due to Member States' persisting hesitations. [Analysts](#) see PESCO as a 'sleeping beauty', whose revival would be counterproductive unless a clear political will emerges to fully implement it. Furthermore, PESCO has been [assessed](#) as unable 'to give European defence the stimulus [it] needs': 'a new political philosophy' would be required to 're-establish the European defence project'.

Bratislava summit preparations and outcome

Mindful of these different Member State initiatives, the early September [Gymnich](#) (informal meeting of the EU ministers of foreign affairs) discussed the EUGS and its implementation. The High Representative of the Union for Foreign Affairs and Security Policy/Vice President (HR/VP) of the European Commission, Federica Mogherini [stated](#) that a [roadmap](#) was being prepared and that preliminary 'operational results' are expected by spring 2017, when a first EUGS implementation report is due. In addition, an implementation plan defining the EU's level of ambition, capability development priorities and options available for maximising the use of the EU crisis management tools was being prepared. The HR/VP further indicated that the 27 Heads of State or Government could also devote attention to security and defence when meeting informally in Bratislava.

At their 16 September 2016 informal Bratislava meeting, the 27 Heads of State or Government discussed the future of Europe. Their meeting resulted in a [declaration and roadmap](#) defining the EU's main priorities. They set the objective to 'strengthen EU cooperation on external security and defence' and indicated that the [December 2016 European Council](#) would aim 'to decide on a concrete implementation plan on security

and defence and how to make better use of the options in the Treaties, especially as regards capabilities'. The initial version of the text focused solely on the implementation plan on security and defence (IPSD), but later, a [reference to the Lisbon Treaty](#) was added at the request of several Member States.

There are at least two reasons why the December 2016 European Council might not meet fully the expectations raised by the Bratislava Declaration and Roadmap. First, the wording used in the document – 'to decide' – aimed at displaying the firm willingness of the Heads of State or Government to master progress on EU defence, has in fact created expectations that the European Council will in effect 'decide' on the IPSD. The IPSD text released by the HR/VP reinforced these expectations by stating that the document would be [presented](#) 'for consideration and decision at the FAC (Foreign Affairs Council) in November and the European Council in December 2016', in accordance with the 17 October 2016 FAC [conclusions](#). The foreign affairs (including defence) ministers '[welcomed](#)' the IPSD on 14 November 2016 and set a number of implementation deadlines (see table 1). It is likely that a weaker commitment – 'welcomes', 'endorses', 'calls', 'invites' – may be retained in the December European Council, in reference to the FAC conclusions and without consequences for the actual implementation of the IPSD.

Key Commitments	Timeline
Proposals to improve the development of civilian capabilities	spring 2017
Member States-driven co-ordinated annual review on defence (scope, method and content)	spring 2017
Adapt the EEAS structure	1st half 2017
Rapid Reaction Toolbox, incl. EU Battlegroups (review)	mid-2017
1st IPSD implementation report	June 2017-
Athena Mechanism (review)	end 2017
Implementation of the CBSD initiative	no specification
PESCO options	no specification
Capability Development Plan (review)	spring 2018

Source: IPSD & November 2016 FAC

The second reason is that EU leaders are unlikely to discuss the use of Lisbon Treaty provisions. The 14 November 2016 FAC prioritised capability development and underlined that 'the Council agrees to also explore the potential of an inclusive Permanent Structured Cooperation (PESCO), including a modular approach as regards concrete projects and initiatives, subject to the willingness of Member States to undertake concrete commitments'. No clear deadline was set for the HR/VP to come up with options for the *operationalisation* of PESCO. Furthermore, the aim of the Bratislava Declaration and Roadmap was to allow a global reflection on the Lisbon Treaty, along with a more specific reflection on capabilities, something the European Parliament has repeatedly [called](#) for, but for which Member States are not yet collectively prepared.

It is noteworthy that European Council President Donald Tusk, in his [invitation letter](#) to the Bratislava summit, referred to the December 2016 European Council in broader terms, stating that EU leaders would reflect on 'how to strengthen practical cooperation in defence to give it more substance without duplicating NATO,' guided by the main objective of strengthening defence cooperation and implementing the EU-NATO joint declaration. The annotated draft agenda for the December 2016 meeting of the Heads of State or Government confirms this, announcing a [focus](#) on 'the strengthening of EU cooperation on external security and defence.' Some [see](#) this as proof that it is the European Council president and his cabinet which mostly shape the European Council's 'agenda or, more broadly, the terms of the debate.'

Expected outcome of the December 2016 European Council on security and defence

The Heads of State or Government will most probably receive a 'package' of documents, including the 14 November 2016 FAC [conclusions](#) and the implementation plan on security and defence, presented by the HR/VP; the [European defence action plan](#) (EDAP) released by the European Commission on 30 November 2016; and the 6 December 2016 Council (Economic and Financial Affairs formation) [conclusions](#) on the proposals to follow up on the implementation of the [Warsaw Joint Declaration with NATO](#). All three documents reflect the lines of action – CSDP visibility, including partnership with NATO, capability development and fostering the European defence market and industrial base – identified at and pursued since the December 2012 European Council.

The [IPSD](#), [assessed](#) as a White Book without the name, defines and actually raises the EU's 'level of ambition' to one seeking to 'develop a stronger Union in security and defence, which is able to tackle today's threats and challenges more effectively, with the right capabilities, tools and structures to deliver more security for its citizens', according to three priorities: 1) external crisis prevention and response, 2) bolstering the capacity and resilience of partners, particularly in the EU's neighbourhood, and 3) protection of EU citizens. Fostering complementarity with NATO, based on the [Warsaw Joint Declaration](#), in selected areas [identified](#) by the European Council (that is, air-to-air refueling, satellite communication and cyber defence) represents a priority. The ministers of foreign affairs and defence [called](#) to 'start [implementing] without delay' the concrete actions detailed by the IPSD, following the established timeline (see table 1 above). It remains to be seen to what extent the December 2016 European Council conclusions will refer to the IPSD and/or the November FAC conclusions, and whether reference will be made to concrete implementation timescales, as was done in December 2013.

Released on 30 November 2016, the European Commission [EDAP](#) represents one of the most promising efforts to strengthen [European defence cooperation](#), [reduce costs](#) and [foster economies of scale](#). The Commission will sanction the unprecedented use, between 2017 and 2020, of up to €90 million from the EU budget for defence research via a European defence fund set up for this purpose. The amount, [assessed](#) as insufficient, is expected to grow up to €500 million under the next multiannual financial framework. This defence fund would also allow Member States, through the pooling of national contributions, to purchase common assets, such as drones and helicopters, with the aim of maximising value for money. The reference amount for the '[capability window](#)' of the defence fund would be €5 billion per year, as a first estimate. The idea of a European defence fund was [supported](#) by French President François Hollande in the summer of 2016 and promoted by European Commission President Jean-Claude Juncker in his September 2016 '[State of the Union](#)' speech in the European Parliament. In addition to these two new developments, EDAP continues to foster the defence market and the defence industry, based on successive European Council conclusions on defence. The European Commission expects a '[key milestone](#)' summit in December 2016, including a green light on the setup and modalities of the EDF.

European Parliament views

In over twenty resolutions, the European Parliament has [called](#) for the implementation of the security and defence provisions of the Treaty of Lisbon. In 2016, the Parliament adopted four resolutions in which it urged the strengthening of European defence cooperation. The resolution on the EUGS (April 2016) [expressed](#) 'the need for a political will in the Member States to show greater flexibility on CSDP issues in order to create genuine momentum in this area' and supported 'the establishment of the Council of Defence Ministers format, as well as regular European Council meetings on defence'. In July 2016, the Parliament [stated](#) that CSDP 'can no longer be the weakest link in the EU integration process' and invited the European Commission, with the support of the HR/VP, to 'revive,' as part of its 2017 work programme, this policy area. In its [resolution](#) on the implementation of CSDP (November 2016) the Parliament 'note[d] the ongoing initiatives, which should be followed through with concrete measures at the December 2016 European Council on Defence,' called for appropriate funding and coordinated investments in security and defence and urged the European Commission to start 'implement[ing] infringement proceedings in the event of violations of the [Procurement and Transfers] defence directives'. Similarly, the Parliament's [resolution](#) on a 'European defence union' (November 2016) urged the Member States 'to unleash the full potential of the Lisbon Treaty' particularly through PESCO (Articles 42(6) and 46 TEU and Protocol 10) and to roll out the entire spectrum of crisis management operations (Article 43 TEU). When stressing its commitment to the full implementation of the treaty, including Article 42(2) TEU, the Parliament called for a political decision and 'encourage[d] the European Council to lead the progressive framing of a common Union defence policy and to provide additional financial resources to ensure its implementation'.

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