

Permanent structured cooperation (PESCO): Beyond establishment

SUMMARY

In its 2016 Global Strategy, the European Union (EU) set a new level of ambition in security and defence. Closer defence cooperation among EU Member States is now at the top of the agenda. The aim is to make European defence spending more efficient, and work towards a strategically autonomous European defence union (EDU). The launch of permanent structured cooperation (PESCO) in December 2017 is seen as a crucial step in that direction.

On 13 November 2017, 23 EU Member States signed a joint notification addressed to the Foreign Affairs Council (FAC) and to the High Representative of the Union for Foreign Affairs and Security Policy/Vice-President of the European Commission (HR/VP) on their intention to participate in PESCO. On 11 December 2017, 25 Member States agreed to 'ambitious and more binding common commitments' and issued an initial list of 17 PESCO defence projects to fill the EU's strategic capability gaps and ensure the cross-border availability, deployability and interoperability of forces. On 6 March 2018, the Council – meeting for the first time ever in 'PESCO' format – formally adopted the list of projects to be developed.

This new impetus given to EU defence has been accompanied by widespread support on the part of high-level EU representatives, and is also broadly backed by the European public. Nonetheless the 'renaissance' of EU defence policy came fairly unexpectedly. Several challenges remain, including boosting investment, overcoming fragmentation and accommodating national defence priorities while coordinating national defence capabilities.



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Glossary

CARD:	Coordinated annual review.
CSDP:	Common security and defence policy.
EDA:	European Defence Agency.
EDAP:	European defence action plan.
EDF:	European defence fund.
EDTIB:	European defence technological and industrial base.
EDU:	European defence union.
EEAS:	European External Action Service.
EUFOR CROC:	EU force crisis response operation core.
FAC:	Foreign Affairs Council.
FNC:	Framework nations concept.
HR/VP:	High Representative of the Union for Foreign Affairs and Security Policy and Vice-President of the European Commission.
MPCC:	Military planning and conduct capability.
MS:	Military Staff.
PESCO:	Permanent structured cooperation.
PSC:	Political and Security Committee.
FEU:	Treaty on European Union
TFEU:	Treaty on the Functioning of the European Union.

Introduction

[Article 24 of the Treaty on European Union](#) (TEU) sets the objective of 'an ever-increasing degree of convergence of Member States' actions' in security and defence policy. Although the above treaty institutionalised the EU's foreign and security policy through the creation of the European External Action Service (EEAS) and the post of the HR/VP, the Union has struggled to overcome its capability–expectations gap since then. It has taken the EU Member States nearly a decade to awaken what had been thought of as the '[sleeping beauty of EU defence](#)': PESCO.

Multiple internal and external crises have triggered a deep reflection process in Europe, while two major events occurring in 2016 had a significant impact on the debate on the EU's future: the British referendum on EU membership and the United States (US) presidential elections. As argued in several [analyses](#), the imminent withdrawal of the United Kingdom (UK) from the EU might incentivise closer cooperation in security and defence. At the same time, Donald Trump's election as US President [reinforced](#) the political will to build up strategic autonomy for the European Union.

In June 2016, the [EU Global Strategy](#) framed the EU's ambition to become a 'stronger Union' that is 'credible, responsive and joined-up'. Taken as a whole, the European continent and the EU are undergoing processes of radical change. As captured by Jean-Claude Juncker's 2017 State of the European Union address, the current crises have opened a [window of opportunity](#) to adopt a new course of action.

Significant obstacles on the path towards a European defence union (EDU) have not ceased to exist. Political will and the ability to reach consensus is the first among them. In addition, the European defence sector is characterised by persistent [fragmentation](#) (80 % of national contracts are awarded nationally) with unnecessary duplication of capabilities (the EU has 19 types of armoured infantry fighting vehicle while the United States has one), organisations and expenditure. This problem was [aggravated](#) by the shrinkage in national defence budgets between 2005 and 2015 and by major reductions in defence research and development (R&D) investment. At the same time, there is a considerable divergence in defence capabilities and budgets, as well as security and defence priorities within the EU, leading to differing national procurement priorities and markets.

High expectations at EU level

The decision to launch PESCO falls in line with the EU's new level of ambition as enshrined in the EU Global Strategy and the subsequent [winter package on defence](#), which included the Global Strategy implementation plan on security and defence, the Commission's European defence action plan (EDAP) and a list of concrete measures to implement the EU-NATO joint declaration. These proposals were put forward by the HR/VP and approved by the European Council in December 2016. The political intent to activate PESCO formed part of the implementation plan and, on 22 June 2017, the European Council [acknowledged](#) the need to launch 'inclusive and ambitious permanent structured cooperation'. On 13 November 2017, 23 EU Member States declared their willingness to engage in PESCO activities. The HR/VP, Federica Mogherini, referred to this as '[a historic moment in European defence](#)'. Ireland and Portugal joined the group of 23 on 7 December, after their respective parliaments gave their consent. On 11 December, PESCO was [established](#), with 25 Member States undertaking to act within the PESCO framework and to issue an initial list of 17 projects. The list was officially adopted by the Council on 6 March 2018. On this occasion, defence ministers met in 'PESCO format' for the first time. While ministers from all Member States were present, only those representing Member States participating in PESCO were involved in adopting legal acts, including the [decision](#) to establish the list of projects to be developed under PESCO and an [implementation roadmap](#).

The internal governance structures of PESCO will also be further detailed, e.g. regarding the involvement of non-EU countries. According to the European Commission's [Special Eurobarometer 461](#) from April 2017, the new defence initiatives are also backed by public support. Three quarters of EU citizens are in favour of a common defence and security policy among EU Member States.

Link with other defence initiatives

PESCO is supposed to dovetail with a wide range of already existing EU institutions, instruments and mechanisms in the field of security and defence. Thus, the coordinated annual review (CARD), the European Defence Agency (EDA) and the European Defence Fund (EDF) are meant to assist PESCO participants in providing [strategically relevant](#) defence capabilities. This entails the commitment to a strengthened European defence technological and industrial base (EDTIB), which is [essential](#) for the EDA. In order to improve the EU's crisis-management capacity, the Council has also established a military planning and conduct capability (MPCC) within the EU Military Staff (MS), which operates under the political control of the Political and Security Committee (PSC). On 1 March 2017, the European Commission adopted its [white paper on the future of](#)

[Europe](#), in which two out of five scenarios called for an EDU. All of the Commission's scenarios suggested that defence cooperation would remain constant or be closer in the future. In his September [2017 State of the Union address](#), the President of the European Commission, Jean-Claude Juncker, referred to PESCO as a means to achieve a 'fully fledged European defence union' by 2025. The PESCO agreement at the Foreign Affairs Council (FAC) fuelled these expectations. The [HR/VP](#) made it clear that PESCO will be complementary to NATO structures, and that 'deepening and strengthening the European Union of defence goes hand in hand with deepening and strengthening EU-NATO cooperation'. PESCO's added value lies in its modular design, which allows for more flexible cooperation. NATO's Secretary-General, Jens Stoltenberg, [welcomed](#) the PESCO initiative: 'I'm a firm believer in stronger European defence, so I welcome PESCO because I believe that it can strengthen European defence, which is good for Europe but also good for NATO'.

Member States: Commitments and Reactions

CSDP decision-making within the EU remains intergovernmental and in most cases requires unanimity. Thus, PESCO's effectiveness depends on support from national authorities. As laid out in the [PESCO notification](#), it 'has to be consistent with Member States' national defence planning'. On 11 December 2017, 25 EU Member States signed up to a list of 'ambitious and more binding common commitments' comparable to PESCO entry criteria. The commitments are instrumental to the development of joint defence projects. They are designed to fill the EU's strategic capability gaps and ensure the cross-border availability, deployability and interoperability of forces. All signatories agreed to cooperate more closely in security and defence, increase their defence expenditures gradually, and contribute to at least one PESCO project on capability development. In so doing, PESCO participants are urged to exploit the full potential of the EDA, the CARD and the EDF.

Procedures

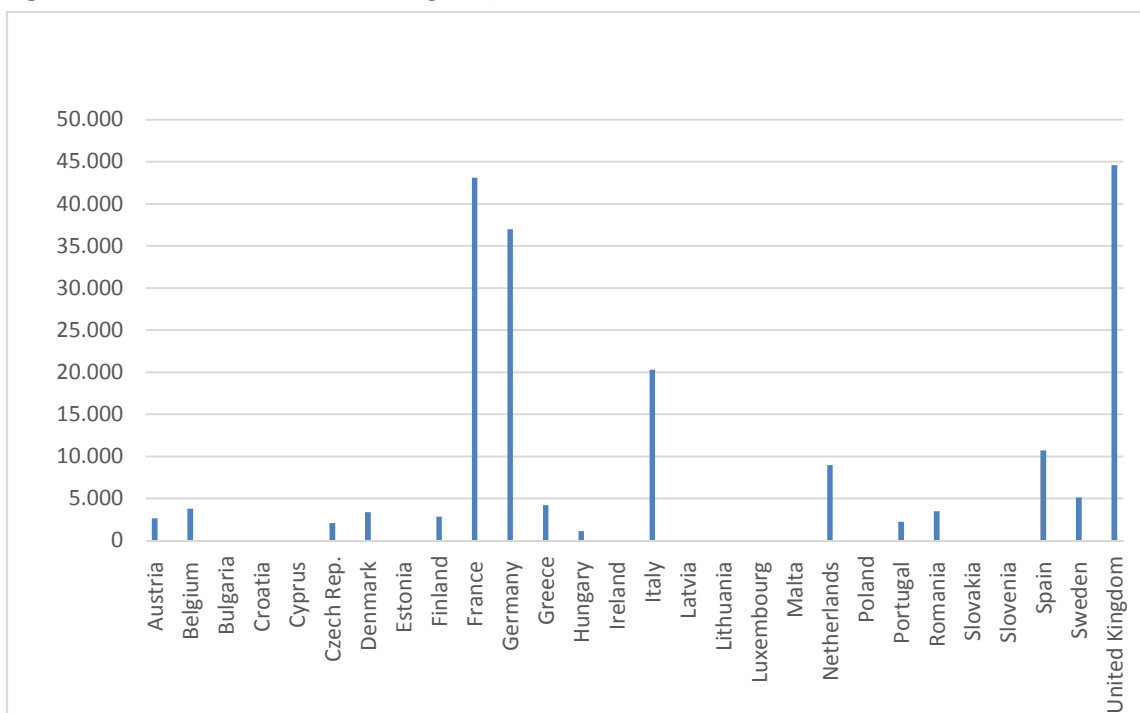
Views on PESCO, however, vary within the EU and also among the 25 signatories. Alongside contrasting domestic political landscapes and national interests, each Member State follows its own decision-making procedures in security and defence. In this, the role of national parliaments is crucial. The German Institute for International and Security Affairs ([SWP](#)) has identified the main avenues for EU national parliaments to exert influence on defence policy-making: budgetary powers, right to information, veto powers and the power to determine details of an operation, and procurement process. The legislature serves in some Member States as an important gatekeeper, whereas other political systems limit the scope of parliamentary influence on defence matters. For instance, the German *Parlamentsbeteiligungsgesetz* (parliamentary participation act) states that every deployment of *Bundeswehr* forces has to be approved by the *Bundestag*, i.e. all military contributions under the PESCO umbrella have to be scrutinised by parliament. Other political systems within the EU concentrate decision-making power at the executive level; one example is the strong semi-presidential system in France, which allows for a rapid top-down procedure. However, there is ex-post approval of missions by the French parliament. If a mission is not approved, troops have to be recalled. In Bulgaria, Slovakia and Romania, prior approval by parliament is [required](#) only for coalition-type operations but not for EU or NATO operations. This was intended to allow for rapid decisions on deployments. As to PESCO, the Irish *Dáil* and the Portuguese *Assembleia da República* were the only national parliaments asked to authorise their

respective heads of state or government to sign the notification at the FAC, owing to rules applicable to defence matters. Parliamentary approval in other Member States may be needed at a later juncture to implement PESCO projects. National decision-making in security and defence is also linked to each national 'strategic culture'. The somewhat broad [strategic culture concept](#) was defined in the late 1970s in order to explain how nation states arrive at decisions in the field of security and defence, especially on the use of force, and to be able to make predictions. Nation states are believed to follow historically shaped patterns of behaviour. To that end, French 'ambitiousness' and German 'inclusiveness' in CSDP matters are prime examples. The diverging [national perspectives](#) of France and Germany were central to the development of PESCO. The variety of strategic cultures and decision-making processes within the EU makes common approaches a challenge.

Defence capabilities and budgets

There is considerable divergence concerning defence capabilities and budgets within the EU (see Figure 1). After the Russian annexation of Crimea in early 2014, the Baltic States announced a rapid increase in their defence budgets. Taken together, their expenditures are expected to reach more than €2 billion in 2020. The three Baltic States are on the road to reaching NATO's 2 % defence-spending target soon. Currently, only five Member States have already met it: Estonia, Greece, France, Poland and the UK. Even though defence spending has increased across the EU since 2014, [national budgets](#) have not converged. This is due to the fact that EU Member States have different economic growth rates and face security threats particular to their geopolitical position. At the EU's most eastern external border, Russian aggression is a major threat and alignment with NATO of prime importance. The southern Member States are more concerned about terrorism and security challenges emerging from the Middle East and North Africa.

Figure 1 – EU-28 2017 defence budgets (€ million)*



Data source: [The Military Balance 2018](#).

*Based on conversion rates on 13 February 2018, as published by the ECB.

Moreover, the equipment of the armed forces as well as priorities for capability development and defence research differ. While [France](#) has approximately 200 000 soldiers at its command, [Estonia](#)'s military personnel number only 6 000 in peacetime. Having said this, the Baltic States are leading in information technology, digitisation and research on cyber security. PESCO is supposed to make the most of the respective strengths of each participating EU Member State, especially regarding the niche capabilities of smaller Member States.

Reactions to PESCO

Not all Member States welcomed the establishment of PESCO in the same manner. While 23 decided to join PESCO immediately, Portugal and Ireland did so one month later. Poland addressed a letter to the HR/VP where it set out [three conditions](#) for its participation: 1) primacy of NATO's defence planning process; 2) competitive, innovative and balanced development of the European defence industry in order to suit the needs of all the EU Member States involved; and 3) a 360-degree approach to security threats with particular attention paid to the 'eastern flank'.

Ultimately, Denmark, Malta and the UK were the only Member States that decided not to join PESCO. Denmark has a defence [opt-out](#) and therefore 'Denmark does not participate in the elaboration and the implementation of decisions and actions of the Union which have defence implications, but will not prevent the development of closer cooperation between Member States in this area'. Malta explained its decision by its national commitment to neutrality and non-alignment. The national [constitution](#) defines Malta as a 'neutral state ... adhering to a policy of non-alignment and refusing to participate in any military alliance'. The Maltese Prime Minister, [Joseph Muscat](#), left the door open for future PESCO participation depending on the course of the implementation process, stating that it remained to be seen 'whether PESCO is simply a system by which weapon purchases by European countries are more coordinated, or if it is going to take a more military form'. Malta is the smallest and most densely populated EU Member State and situated on the EU's southernmost external border; its defence spending has been permanently low. Muscat reassured the Maltese that national defence will not suffer from not participating in PESCO. Malta can still rely on assistance from other EU Member States in the event of crises or conflicts as stipulated in the solidarity clause (Article 222 TFEU) and the [mutual assistance clause](#) (Article 42(7) TEU).

The [UK](#) welcomed the launch of PESCO and its 'ambition to develop military capabilities that address the shortfalls in EU and NATO contexts', as stated by the British Minister of State for Europe, Alain Duncan, in his answer to the House of Commons. Nonetheless, the UK did not sign up to PESCO. Even though the UK launched the CSDP together with France in 1998, the British government has subsequently been opposed to further integration in the policy area of security and defence. After its withdrawal from the EU, the UK government [aims](#) to maintain close relationships with the EU and to play a 'proactive role in tackling security threats'. At the moment, the UK is the fifth largest contributor to CSDP military missions, after France, Italy, Germany and Spain, respectively, and the seventh largest contributor to civilian CSDP missions. The UK is also among the five EU Member States that reach NATO's 2 % defence spending target; and is willing to invest more in security and defence on the European continent 'to meet the challenges both from the east and the south'. In September 2017, the UK issued a [strategy paper](#) on its future engagement with the EU on foreign policy, defence and development. The UK government stated that it wishes for a 'new, deep and special partnership with

the European Union'. With respect to PESCO, the UK government promotes the 'vision ... of a unique third-country partnership that enables unprecedented levels of practical cooperation in tackling common threats building on our shared values and interests. We believe that PESCO must be designed in a way that promotes an open and competitive European defence industry'. The governance structures for third-party participation are to be determined by the Council in PESCO format, and thus without the UK, in 2018.

French ambitiousness and German inclusiveness

France and Germany are considered to have been the initial driving forces behind PESCO. A Franco-German bilateral agreement on its main features was reached prior to the deliberations at EU level; security and defence became the policy area of choice to revitalise the European project. On 13 July 2017, the 19th Franco-German defence and security council was [held](#) in Paris, where not only PESCO, the EDF and the CARD were discussed, but also bilateral defence projects. President Macron and Chancellor Merkel, together with their respective foreign and defence ministers, drew up a list of common long-term undertakings, such as merging Franco-German systems for land forces (KMW and Nexter) and developing a joint successor model for the countries' main battle tanks (Leopard 2 and Leclerc). Similarly, France and Germany agreed to develop a new fighter jet and Macron [emphasised](#) that 'this is a deep revolution'. France and Germany share a long history of close mutual cooperation in the field of security and defence, especially in terms of capability development and industrial collaboration. Nevertheless, both countries set different strategic priorities.

In September 2017, in his Sorbonne speech, the French President [proposed](#) establishing a 'common intervention force, a common defence budget and a common doctrine for action' at EU level. The president's words fell into line with the country's overall objective to make the CSDP more ambitious and operational. In this respect, Macron's showcase project is the [European intervention initiative](#) (EII). The EII aims to build up European rapid reaction forces detached from the EU and NATO framework. Thus, a core group of nation states could advance in building up 'operational readiness' on the European continent; this corresponds to Macron's notion of a '[multi-speed Europe](#)'. On 11 December 2017, France took the lead in two PESCO projects aiming to improve the EU's operational capabilities. 'European secure software-defined radio' (ESSOR) seeks to develop joint technologies for military radios in order to facilitate communication between EU forces on missions. 'Energy operational function' (EOF) is designed to integrate energy management into operational planning and to ensure a steady energy supply during missions.

For Germany, EU defence cooperation has become increasingly important in recent years. 'national and collective defence within NATO and the EU' was listed as the first priority of the German armed forces in the Federal Ministry of Defence's [Weissbuch 2016 — Zur Sicherheitspolitik und zur Zukunft der Bundeswehr](#) (2016 white paper on security policy and the future of the unified armed forces of Germany). Following the G7 and NATO meetings in late spring 2017, Angela Merkel [made it clear](#) that 'we Europeans must really take our fate into our own hands'. However, strengthening CSDP is not necessarily contradictory to close NATO ties. In 2013, Germany introduced the '[framework nations concept](#)' (FNC) to NATO. The FNC seeks to establish temporary capability clusters in which larger and smaller European nation states cooperate to provide defence capabilities '[identified and prioritised by NATO](#)'. Besides Germany, the UK and Italy have become NATO framework nations. The EEAS's [EU framework nation concept](#) derives from the

same rationale. In 2016, the FNC was also opened up to non-NATO members. The EDA has observer status within the FNC and can thus monitor the compatibility of PESCO with the FNC. Both initiatives show that Germany's policy-making remains subject to a European reflex, especially in the field of security and defence. The German public is highly averse to the use of force. As part of the German Federal Foreign Office [review process](#), the Körber Foundation conducted a survey among Germans, which showed little support for military *Bundeswehr* action: more than 80 % endorsed humanitarian assistance and diplomatic negotiations as priorities for the country's foreign and security policy. In an updated Körber [survey](#) from 2016, 53 % agreed that 'Germany should continue to act with restraint'. Nonetheless, the national defence budget is [expected](#) to rise and reach approximately €42 billion by 2021. The Bühler paper from March 2017, drawn up by the policy planning unit of the Federal Ministry of Defence under the aegis of Lieutenant-General Erhard Bühler, frames the national level of ambition in terms of capability development within the *Bundeswehr*. The [Frankfurter Allgemeine Zeitung](#) made the internal plans public. Accordingly, investments in the German army, navy, air force and cyber security should make fully equipped *Bundeswehr* forces available by 2032. Germany could thus become the 'European backbone of NATO' together with France and the UK. In line with Germany's [culture of military restraint](#) and its new focus on self-defence, it has taken the lead in [PESCO projects](#) related to the management of medical resources (European Medical Command), logistics planning (Network of logistic Hubs in Europe and support to operations) and EU training missions (EU Training Mission Competence Centre). Germany also assumed a leadership role in a project on crisis management: the EUFOR crisis response operation core (EUFOR CROC). EUFOR CROC aims to make specific force components deployable, interoperable and ready for EU crisis management operations. Thus far, it remains unclear whether EUFOR CROC will be complementary to [EU Battlegroups](#) (which were established in 2007 but have never been deployed) or undertake their functions.

Launch of an 'inclusive and ambitious' PESCO

France and Germany agreed to launch an 'inclusive and ambitious' PESCO. The wording addresses both national views. While Germany has always been in favour of 'inclusiveness' and low entry-criteria, France has pushed for a small European avant-garde ready to pursue ambitious PESCO projects. Twenty-five EU Member States have decided to contribute to PESCO, and therefore the framework has become rather more inclusive than exclusive. Likewise, the common commitments allow for gradual implementation, which makes PESCO inclusive and more accessible to smaller Member States with low defence budgets. As outlined in the FAC notification, PESCO aims to promote synergistic effects between the new CSDP initiatives. Both France and Germany are seeking more effectiveness in defence planning through the CARD, the EDF and PESCO. Ursula von der Leyen, German defence minister at the time, [welcomed](#) the PESCO notification on 13 November 2017 as a 'great day for Europe'. At the same time, [Germany rejected France's European intervention initiative \(EII\)](#) on the grounds that 'every nation has to decide itself whether it sends soldiers on mission'. Likewise, Germany takes a conservative stance on the common funding of defence projects, especially military operations. The European Council [reiterated](#) its request for a revision of the Athena mechanism (originally [scheduled](#) for the end of 2017) in December 2017. The [Athena](#) financing mechanism was established in 2004 to share out some costs of military missions on the basis of EU Member States' gross national income. All PESCO Member States acknowledged the need to deliver on these promises. Nevertheless, Germany came out

in opposition to the French proposal of a permanent EU fund prior to that. Similarly, France and Italy pushed for a 'financial toolbox' to make the funding of defence projects through the EDF more flexible; Germany meanwhile adhered to strict compliance with EU austerity measures. As to Franco-German defence-industrial [cooperation](#), both countries support a consolidated EDTIB but define certain technologies that must remain under national sovereign control.¹ France is also less willing to surrender sovereign control over arms exports than Germany, which prefers an EU-wide control system.

PESCO's modular design allows EU Member States to work together despite these differences. The initial list of 17 PESCO projects contains four German-led and two French-led projects. Italy is leading four projects, Greece two, and Belgium, Spain, the Netherlands, Lithuania and Slovakia one project each. In most cases, the PESCO projects chosen correspond to national strengths. For instance, Lithuania is leading a PESCO project on cyber rapid response teams (CRRTs) and mutual assistance in cyber-technology with a view to making use of its well-developed information technology industry. Greece and Italy, both bordering the Mediterranean Sea, have chosen to lead PESCO projects on maritime surveillance, on account of their expertise in that field. One of the European Commission's Joint Research Centre (JRC) institutes, located in Italy (Ispra), provides scientific research on marine information systems. The Netherlands has already made known its plan to implement a 'military Schengen' in a letter addressed to the HR/VP in 2017, and has thus become the lead nation in a PESCO project on military mobility, currently the most popular with the 24 EU Member States taking part (all PESCO states except France, which is currently only an observer). The PESCO projects on armoured infantry fighting vehicles/ amphibious assault vehicles/light armoured vehicles (led by Italy, with the participation of Greece) and indirect fire support (EuroArtillery) (led by Slovakia, with the participation of Italy) currently have the smallest number of participants.

Outlook

The year 2018 will be decisive for PESCO's success. Addressing the European Parliament's Security and Defence (SEDE) committee on 7 December 2017, Pedro Serrano, EEAS Deputy Secretary-General, labelled 2018 the 'year of implementation and coherence'. In the same spirit, Federica Mogherini [stated](#) on 12 December 2017 that 'the possibilities of the PESCO are immense' although there is still a great deal of work to be done.

State of play: PESCO project on military mobility

The Dutch-led project on military mobility has scheduled its kick-off meeting for early 2018. The best practices of the participating 24 EU Member States will be compared and short-term undertakings evaluated. The project will support Member States' commitment to simplify and standardise cross-border military transport procedures. It aims to enhance the speed of movement of military forces across Europe.

This PESCO project will be able to draw on the expertise of the EDA, which set up an [ad-hoc working group on military mobility](#) in September 2017. On the basis of the EDA recommendations, an action plan on military mobility will be [presented](#) by the European Commission and the HR/VP in March 2018. This is in line with the European Parliament's 2017 [resolution](#) on the implementation of the CSDP, which called on the EU Member States to establish an 'EU-wide system for the coordination of rapid movement of defence force personnel, equipment and supplies for the purposes of CSDP'.

There is a shared interest in facilitating the movement of military personnel and capabilities within the EU at short notice. Even though a vast number of stakeholders are involved in the process, from EU institutions to local authorities with their respective competencies, the aim is to present the first practical results of the military mobility project at the European Council meeting in June 2018.

Following the adoption of the initial list of projects and of the implementation roadmap by the Council on 6 March 2018, the [next steps](#) will be the review and assessment process of the national implementation plans, which detail how participating Member States plan to fulfil the more binding commitments they have made to one another. The roadmap also provides a calendar regarding the proposal and agreement of possible future projects. According to the calendar the [PESCO secretariat](#) is expected to launch a call for proposals for new PESCO projects in May 2018. A common and coherent set of governance rules for projects is set to be adopted by the Council by the end of June 2018. At a high-level event on 'Building on vision, forward to action: delivering on EU security and defence' on 13 December 2017, Federica Mogherini laid out [six ideas](#) to bring vision and action closer together after having launched new collective tools and facilities in security and defence, recommending action to:

1. make full use of existing EU capacities and instruments, for instance activating the EU battlegroups;
2. ensure that sufficient means and resources are available for common EU action through the European Commission's multiannual framework, e.g. launching a European peace facility to plan and deploy military missions more efficiently;
3. strengthen partnerships with NATO, the UN, the African Union and beyond, for example: creating a mechanism for closer cooperation with non-European countries and international organisations;
4. keep on investing in civilian missions and capabilities;
5. ensure synergy effects and coherence between all EU defence initiatives, for instance setting up a 'defence union task force';
6. work towards a common strategic culture within the EU and boost European military training and education.

At the conference, Mogherini announced her intention to submit proposals on these six themes to the EU institutions.

The aim to get PESCO up and running as soon as possible is evident at EU level. Progress in defence matters also ranks among the top priorities of [the Bulgarian Presidency](#) of the Council of the EU (January 2018 – June 2018). As for PESCO, Lieutenant-General (retired) Atanas Zapryanov, Deputy Defence Minister of the Republic of Bulgaria, [stressed](#) in the SEDE committee on 24 January 2018 that there is 'no room for delay', and that different defence initiatives will be developed in parallel, i.e. PESCO could be carried out without a properly functioning CARD.

The ambitiousness and inclusiveness of the PESCO projects, however, differ; and so do the respective implementation plans. Some PESCO projects are able to build on pre-existing domain-specific knowledge and achievements at EU or national level, while others require new infrastructure and capacity-building. Moreover, a large number of EU Member States participating in a PESCO project might cause delays in the implementation process owing to the unanimous decision-making procedures at the FAC in PESCO format. The same applies to reluctant Member States. General Mikhail Kostarakos, chair of the European Union Military Committee, [stated](#) in the SEDE committee on 24 January 2018 that the rapid development of PESCO 'is not European Union', which is normally 'not doing things within few months'. Kostarakos expects first results at the end of the year, since Member States have already started to evaluate and implement PESCO projects. The PESCO project on military mobility serves as a prime example for the latter (see box). EUFOR CROC, on the other hand, can be considered as less inclusive and more ambitious.

Germany is leading EUFOR CROC while being supported by Spain, France, Italy, Cyprus, and Portugal. EUFOR CROC is currently one of PESCO's flagship projects and, thus, under pressure to deliver in a timely manner. Other PESCO projects are more complex and will probably take years until newly developed capabilities or infrastructure are ready for use. For example, the German-led project on a network of logistical hubs in Europe is expected to be fully implemented by 2024. Some [experts](#) have pointed out that 'PESCO still lacks projects for the development of high-end capabilities such as a sixth-generation fighter or a new main battle tank, which might be developed by France and Germany in a bilateral/ multilateral setting'.

The European Parliament

The European Parliament has been a longstanding advocate of a stronger and more effective CSDP. In its 2016 [resolution](#) on the European defence union, it called for more spending (2 % of GDP) on defence, and a fairer and more transparent defence industry. Parliament highlighted compatibility and cooperation with NATO, but also stated that that 'the EU should aspire to be truly able to defend itself and act autonomously if necessary, taking greater responsibility' in cases where NATO is not willing to take the lead, a statement that is in line with the idea of 'strategic autonomy' as embodied in the EU Global Strategy.

On 16 March 2017, the European Parliament adopted a [resolution](#) on the constitutional, legal and institutional implications of a common security and defence policy and the possibilities offered by the Lisbon Treaty, in which it urged the Council to move towards the harmonisation and standardisation of European armed forces, so as to facilitate the cooperation of armed forces personnel under the umbrella of a new EDU. Parliament also called on the Council and the HR/VP to draft a white paper on security and defence and a roadmap with clear phases and a calendar towards the establishment of a defence union and a more effective common defence policy.

Parliament's December 2017 [resolution](#) on the implementation of the CSDP welcomed PESCO, and highlighted the fact that the Commission and an increasing number of Member States had committed themselves to launching the EDU and that there was strong support for this among European citizens. Parliament reiterated the fact that PESCO's potential continued to be untapped. It added that a common cyber-defence policy should be one of the first building blocks of an EDU, within the PESCO framework, and called for the establishment of a directorate-general for defence within the Commission as well as 'fully fledged EU civilian-military strategic headquarters under PESCO'. It also stressed the need for close coordination of all CSDP-related activities, in particular CARD, PESCO and the EDF.

In the [plenary debate](#) with the HR/VP that preceded the vote on the resolution, Michael Gahler (EPP, Germany), a member of SEDE and rapporteur for the resolution, stated that Parliament had, in fact, been working on activating PESCO longer than the HR/VP or the Member States, since as early as the CSDP report of 2010. He highlighted the role of the European Parliament in calling for more support for defence research and its financing, having already introduced an EU defence and defence-research budget as a pilot project for the annual budgets 2015 and 2016. He also expressed satisfaction that the 'Council acknowledged [the European Parliament's] claim to finance PESCO from the Union's budget, i.e. administrative and operative costs outside the framework of military missions'.

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Endnotes

¹ France: stealth (land, air, naval), sensors (air), core communications (military satellites); Germany: encryption (command and control), sensors, armoured vehicles, underwater platforms, force protection.

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