

THE EUROPEAN UNION OF SECURITY AND DEFENCE: WHAT HAS CHANGED IN THE LAST FOUR YEARS?

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Background

In recent years, the European Union (EU) has been facing increasingly challenging security threats, ranging from growing armed conflicts in Europe's neighbourhood, Russia's increasingly aggressive posture, a worsening situation in both the Middle East and North Africa and Trump's intimations of a new American isolationism to the rise of terrorism and violent extremism, hybrid warfare, including cyberattacks against the EU's vital infrastructure and disinformation campaigns.

Since the approval of the **Global Strategy for the European Union's Foreign and Security Policy in 2016**, the combination of a unique political momentum and the sense of urgency created by the above-mentioned threats, led the EU to substantially step up its efforts towards a stronger cooperation and coordination of its security and defence policies.

In order to achieve this goal, a set of new initiatives were launched to this end: the **Coordinated Annual Review on Defence (CARD)**, a process designed to obtain a better overview of Member States' defence-related activities and spending; the creation of an **EU military headquarters** in Brussels; the **Permanent Structured Cooperation (PESCO)**, an inclusive, Treaty-based instrument enabling Member States to strengthen their defence cooperation in specific areas; and the **European Defence Industrial Development Programme (EDIDP)** and **European Defence Fund (EDF)**, which are intended to boost the performance of European capabilities through innovation in collaborative projects to develop defence products and technologies.

PESCO:

With the decision to establish PESCO, the EU activated dormant Lisbon Treaty provisions (Articles 42.6 and 46, as well as Protocol 10) to establish a legally binding pathway to deepen defence integration among Member States that are capable and willing to do so. The 25

participants (all EU members but Malta, Denmark and the UK) have agreed on a list of commitments that include devoting 20% of defence spending to investment, increasing defence research and technology expenditure “with a view to nearing the 2% of total defence spending” and to “regularly increase defence budgets in real terms.”

The aim is ultimately to improve the effectiveness of EU military operations and stimulate European defence capability development. The High Representative will be in charge of assessing compliance by participating Member States (with the – remote – possibility that individual States can be forced out), together with the European Defence Agency (EDA), which will also play a supporting role in capability development. The EDA will also act as a PESCO secretariat together with the EEAS, and particularly the EU Military Committee, which will have the responsibility of overseeing the operational aspects of the initiative.

EDIDP:

The EDIDP was launched as part of the capability window in the framework of the envisaged launch of the EDF in an effort to foster an innovative and competitive European defence industry. Specific EDIDP objectives include the better exploitation of defence research results, reducing the gaps between research and development and encouraging cooperation between undertakings in the development of products and technologies, including those of a small and medium size. The current programme covers the period between January 2019 and December 2020 and has a financial envelope of EUR 500 million.

EUROPEAN DEFENCE FUND (EDF)

A EUR 13 billion EDF for the period 2021-2027 will enable cross-border investments in state-of-the-art and fully interoperable technology and equipment in areas such as encrypted software and drone technology. The fund is aimed at financing competitive and collaborative research projects (budget – EUR 4.1 billion), as well as complementing Member States’ investment by co-financing the cost of prototype development, ensuing certification, and testing requirements. **Budget figures allocated to the EDF are hypothetical and still unconfirmed as dependent on the pending approval of the Multiannual Financial Framework.**

The overall goal of the EDF is to enhance the competitiveness, efficiency and autonomy of the EU’s defence industry as its legal base is Art.173 of the Lisbon Treaty. Beneficiaries eligible for support will include those established in the EU or associated countries and not subject to control by non-associated countries.

MILITARY MOBILITY

Following the 2016 Warsaw Summit, where NATO Allied leaders agreed to strengthen the Alliance's 'deterrence and defence posture', and to increase the readiness of its Response Force, as it was clear that those goals would be difficult to attain if military mobility were not improved, the Commission proposed adding a 'Military Mobility' envelope of EUR 6.5 billion to the Connecting Europe Facility under the 2021-2027 EU multiannual financial framework. The concept is that an effective and coordinated approach to military mobility across the EU will need the development of the military requirements by the competent structure in the EU, and in NATO and its member states.

The Commission will then identify the parts of the trans-European transport network deemed suitable for military transport, including upgrading existing infrastructure (e.g. adjusting the height or weight capacity of bridges) if necessary. Furthermore, the Commission will back up these investments with a regulatory approach.

Finally, the **European Peace Facility (EPF)** should be also mentioned as one of the last developments in the field of European Security and Defence, even though, it is an intergovernmental tool. EPF is to be constituted as an off-budget fund, to be financed by yearly contributions from EU Member States. Contributions of individual EU Member States will be determined on the basis of a Gross National Income distribution key. Even though outside the EU budget, the Facility will run alongside the Multiannual Financial Framework (MFF) for the period 2021-2027.