



Defence Package: Fact Sheet

General

Europe faces a multitude of challenges today, both internally and externally. Europe's security environment requires a strong European Union, able to promote peace and guarantee the security of its Member States and citizens.

To live up to the expectations of our citizens and also our partners, an ambitious package to reinforce European security and defence policy was endorsed by the European Council in December 2016, based on three key interlinked elements:

(1) The implementation of EU Global Strategy in the field of security and defence, with a new level of ambition and concrete set of actions to fulfil it, as agreed by the Council on 14 November 2016;

(2) The European Defence Action Plan (EDAP), put forward by the European Commission on 30 November 2016, with new financial tools for capability development and defence cooperation in support of European defence industry and technological innovation;

(3) The common set of proposals for strengthening EU-NATO cooperation, based on the Joint Declaration signed in Warsaw in July 2016, and endorsed by both EU and NATO Councils on 6 December 2016.

Implementation of the Global Strategy in the area of security and defence

The EU Global Strategy provides a strategic vision to underpin EU Foreign policy.

On 14 November 2016, High Representative/Vice-President Federica Mogherini presented the EU Global Strategy Implementation Plan on Security and Defence to the Foreign and Defence Ministers, who through Council conclusions agreed on the next steps for its implementation in the area of security and defence. The Council agreed on a new Level of Ambition which defines the political goals that the EU wants to achieve as a security and defence actor.

There are three strategic priorities:

- 1. Respond** to external conflicts and crises, by conducting civilian and military operations or missions more effectively and rapidly.



2. Build the capacities of our partners, including by providing training and advice to enable them to take better care of their own security.

3. Protect the Union and its citizens, by contributing with external security and defence tools to tackle challenges and threats that can affect our internal security, such as terrorism, proliferation, smuggling and trafficking, hybrid threats and their root causes.

To achieve these goals, the Council has further agreed to:

1. Deepen defence cooperation among the Member States to ensure that Europe retains state-of-the-art military forces and makes more efficient use of its resources by pooling and sharing assets. To this end, a Coordinated Annual Review on Defence (CARD) will be launched, based on agreed modalities, with a trial run starting in the second half of 2017 with a first report to Ministers expected in autumn 2018. CARD is a mechanism for Member States to deliver on the prioritised capabilities by cooperating and sharing relevant national information on the evolution of national defence plans, the implementation of agreed EU capability priorities and on European defence cooperation.

2. Continue take work forward on the Permanent Structured Cooperation as foreseen in the EU Treaty, to strengthen Member States cooperation in developing defence capabilities and making them available for operations within a more binding framework. To this effect, efforts will address identification of common commitments and criteria, governance modalities

as well as concrete projects which the PESCO participating States would be willing to pursue.

3. Adjust the CSDP structures and procedures in order to deploy and direct our civilian and military missions and operations faster, smarter and in a more effective and integrated manner. To this end, a Military Planning and Conduct Capability was established within the EU Military Staff of the EEAS in June 2016. This new entity has assumed the command over the EU's non-executive military missions, such as the three EU training missions in CAR, Mali and Somalia.

4. Improve rapid response of civilian missions and operations, as well as create conditions that will facilitate the deployment of Battlegroups. The latter includes improving their modularity, as well as consideration of more effective financing.

5. Developing a strategic approach to our cooperation on security and defence with partner countries, and by continuing our cooperation with the United Nations, NATO as well as other regional organisations such as the OSCE and African Union.

European Defence Action Plan

Sustaining Europe's security requires investing in the common development of technologies and equipment of strategic importance; this implies more cooperation between Member States and greater pooling of national resources. Such endeavour will benefit from EU instruments and policies through the European Defence Action Plan (EDAP). The EDAP aims to sustain Europe's security by encouraging Member States to invest more. The defence capability priorities identified in the EU Global Strategy Implementation Plan on Security and Defence will provide guidance for the EDAP.

1. A European Defence Fund. The objective of the Commission with the Defence Fund is to foster cooperation in defence projects and support the whole sequence of defence capability development, from research to prototype and acquisition.

It is composed of two complementary "windows":

(i) a "research window" to fund collaborative research in innovative defence technologies such as electronics, metamaterials, encrypted software or robotics but also any technologies needed to develop specific defence capabilities considered a priority. €25 million for defence research have already been approved as part of the 2017 EU budget. This allocation is a first step to test the waters for supporting defence research at EU level. The Commission expects that this budget allocation could grow to a total of €90 million until 2019.

(ii) a "capability window" to support Member States in developing defence capabilities through cooperation. It will be financed through the pooling of national contributions, and, where possible, supported by the EU budget. The capabilities will be agreed by the Member States, who would in the end acquire and own the technology and equipment. The modalities and governance will be developed further in close cooperation with the High Representative – also in her capacity as Head of EDA – and Member States.

2. Foster investments in SMEs

and other suppliers to the defence industry through supporting efforts to improve their access to funding from the European Investment Bank and the European Structural and Investment Fund.

3. Strengthen the Single Market for defence

Market for defence. Developing an open and competitive European defence market will help companies operate across borders and Member States get best value for money in their defence procurement.

The EDAP represents a substantial contribution to strengthening European Defence. Concrete proposals were presented in June 2017.

EU – NATO cooperation

The Joint Declaration by the President of the European Council, the President of the European Commission and the Secretary General of NATO of 8 July 2016 identified seven areas of cooperation:

- 1) countering hybrid threats;
- 2) operational cooperation including at sea and on migration;
- 3) cyber security and defence;
- 4) defence capabilities;
- 5) defence industry and research;
- 6) exercises;
- 7) supporting Eastern and Southern partners' capacity-building efforts.

A common set of proposals for the implementation of the Joint Declaration was endorsed by the EU and NATO Councils on 6 December 2016. The set includes 42 concrete action-oriented deliverables covering all seven areas of cooperation. In addition, proposals aimed at strengthening political dialogue between the two organisations were added.

A review mechanism was also established with a view to maintaining the momentum and ensuring implementation.



EU-NATO cooperation takes place in accordance with the key principles of inclusiveness, reciprocity, transparency and full respect of the decision-making autonomy of both organizations, as well as the specific character of the security and defence policy of all members.

Implementation of the Joint Declaration and the common set of proposals remains a key political priority for the EU. The first progress report by the HRVP, also in her capacity as the Head of the European Defence Agency (EDA), and the NATO Secretary General was presented to the respective Councils in June 2017 highlighting the new culture, quality and dynamics of EU-NATO interaction and setting out some concrete deliverables. The next progress report in December 2017 will offer an opportunity to consider possibilities to expand EU-NATO cooperation.