

MEMO

Questions and answers: Threat Analysis – a background for the Strategic Compass

As indicated by the Council in June 2020, the Strategic Compass will define policy orientations and specific goals and objectives in four clusters: (1) crisis management, (2) resilience, (3) capability development, and (4) partnerships. The Strategic Compass should set out a coherent approach across the security and defence domain and enhance the implementation of the EU's level of ambition, notably responding to external crises, capacity building of partners and protection of the Union and its citizens.

The first step in the process of developing the Strategic Compass is to provide an intelligence based "comprehensive, 360 degrees" independent analysis of the full range of threats and challenges the EU currently faces or might face in the near future.

This threat analysis is a classified document, not accessible to the public. This memo explains how it paves the ground for the formulation of the Compass.

Why a Threat Analysis?

The EU is facing increasing threats and challenges, ranging from conventional to transnational threats including hybrid threats, as well as pervasive and persistent instability and conflict in its immediate vicinity and beyond.

To be able to set the right objectives and goals for our policies in the framework of the Strategic Compass, it is important that we all start from the same page when it comes to understanding these threats and challenges and their implications for EU's security. To enable the EU and its Member States to provide answers to the threats and challenges *together*, the first-ever comprehensive threat analysis conducted by the EU should help to build this common base of understanding and, in this way, contribute to the common European security and defence culture.

The current Threat Analysis describes the threats and challenges the EU will face from now to the next 5 to 10 years. It could be updated when necessary or at regular intervals.

How did we get to the Threat Analysis?

The EU's SIAC (Single Intelligence Analysis Capacity – consisting of EU Intelligence Centre and EU Military Staff Intelligence) has prepared the first EU Threat Analysis, based on input from the civilian and military intelligence services of the 27 EU Member States. SIAC has used its normal and well-established consensual assessment process. Subsequently, SIAC shared a draft of the threat analysis with Member States' intelligence services for comments.

The final document is not a 'joint and agreed' intelligence product, but is based on the common understanding of the Member States' intelligence services.

Besides Member States contributions, the EU Satellite Centre has been involved in providing both illustrative and informative images to the Threat Analysis.

What is in the Threat Analysis?

The Threat Analysis covers strategically relevant threats and challenges that the EU and its Member States will face without their prioritisation, focusing on global trends and risks, regional trends and risks as well as threats to EU security and interests. This intelligence assessment does not provide a worldwide overview of all the crises and challenges, but analyses those threats and challenges that affect the Union's security as well as its interests the most.

The analysis confirms many of the concerns about evolving and growing threats and challenges. In particular, the Threat Analysis addresses the following issues:

- At the global level, we see that globalisation slows down and that economic rivalry between global powers is set to continue and grow. Water and food availability as well as climate change have a growing impact on security, while our dependence on fossil fuels and the supply of new energy sources present more strategic risks and challenges. Migratory pressures will remain due to different pull and push factors. Furthermore, we might also face an increase of the actual use of military force, recognising that the military potential of various actors is growing. This contributes to further instability at global level and further threatens the multilateral system that is already under pressure;
- At regional level, we see that regional powers will continue to seek expansion of their influence and power base, including by leveraging instability and conflict as well as by exploiting other sources of influence and power including vis-à-vis the European Union and its partners. Furthermore, zones of instability and conflict in different regions in a wide arch around the European Union and beyond will persist and may even grow in the coming decade. Depending on the region, there is a potential for further deterioration due to the internal fragilities of certain states, spill-over effects of failing states, continued inter-state tensions, influences of outside powers, destabilising impact of non-state actors, as well as political, cultural, economic, demographic and climate-related factors affecting national and regional stability;
- In addition, the EU is also confronted with threats notably from state and non-state actors who will continue to enhance their hybrid tools and deploy them also towards the European Union, including by using disruptive technologies, information operations, and other non-military sources of influence. Next to this, terrorism will continue to threaten European security, exploiting zones of instability while seeking to upgrade their capabilities.

The threat analysis demonstrates that the EU's work to further strengthen its security and defence policy is not a luxury, but highly necessary. The

challenges are truly daunting and can only be addressed effectively by working together and providing a collective European answer. The EU therefore needs to increase its operational effectiveness, further develop its civilian and military capabilities, strengthen its resilience, while also looking into ways to work closer together with partners. With the threat analysis as a background for our discussions on the Strategic Compass, it is imperative to find concrete solutions to these challenges so that we make the EU's security and defence policy future-proof.

What are the next steps in the Strategic Compass?

Following the presentation of the Threat Analysis, and the feedback on the guiding questions posed to Ministers for their meeting on 20 November, Member States will engage in an exchange of views on the implications of the Threat Analysis for the security and defence needs of the European Union. They will hence have to consider where and how relevant policies, instruments and tools may need to be enhanced in order to respond to the growing threats and challenges facing the Union in the coming decade.

Building on the threat analysis, this strategic dialogue phase would kick off in early 2021 with a first broad Scoping Paper to be provided by the EEAS to outline the 'skeleton' Strategic Compass and key issues and questions for further discussion.

Subsequently thematic discussions would be organised, using different formats, to focus on specific topics within the four clusters of the Compass. Particularly in this phase, Member States would be invited to share their input and food for thought to bring the discussions forward. The EU Institute for Security Studies and other think tanks could also contribute to the overall debate at this stage. Throughout the whole process, the EEAS will work in close cooperation with the European Commission and the European Defence Agency.

Building on these discussions and guidance by Member States, the High Representative will prepare a more developed draft of the Strategic Compass to be presented to Ministers in the second semester of 2021 for discussion and guidance.

The draft Compass should then be adopted by the Council by early 2022.