

For a stronger European security and defence

Towards a European defence union

Declaration of the EPP Summit
25 June 2015



Today's security environment calls for a stronger and more responsive Europe. Once again our continent is discovering that peace, freedom, security and justice are not to be taken for granted.

In the East, **Russia's** military aggression against Ukraine and the illegal annexation of Crimea pose a direct challenge to European security. In the South and across the Mediterranean, Europe is facing an **arc of instability** running from Syria and Iraq in the Middle-East to Libya and the Sahel region in Northern Africa.

The rise of **extremism and terrorism**, weapons trafficking and refugee smuggling and new **hybrid threats** such as cyberattacks and propaganda, find their ways deep into our societies and dramatically challenge our internal security and the safety of our citizens as demonstrated by the recent terrorist attacks in Paris, Copenhagen and Tunis.

Our **capacity to ensure peace and stability on our continent and in our own neighbourhood** and to **prevent threats from inside and outside** must be put at the heart of Europe's action. Just as there are artificial barriers between internal and external policies that need to be overcome, there is a sense today that the **Common Security and Defence Policy (CSDP)** does not deliver or **should deliver much more**.

In the first instance, a stronger commitment to CSDP requires a common strategic outlook and a renewed consensus on the fundamental challenges we face, our priorities and the means with which we act.

Defence and security are also common goods that we must accept come at a cost. Europe has been **underinvesting in defence** for many years, and EU member states must individually and collectively step up their efforts.

Strengthening the EU-NATO strategic partnership and cooperation with other important security and development actors is paramount. But to be credible with our partners and to achieve strategic autonomy within the CSDP, **we also need a stronger and more capable Europe**.

We must work on our **internal resilience** through a number of our policies, ranging from energy- to cybersecurity. On foreign theatres, we must allow ourselves to make use of the **full range of operational means** we have, ranging from development and crisis management tools to the conduct of high-intensity missions.

Last but not least, in the years to come we must **strengthen our collective European defence** by pushing pooling and sharing, defence cooperation and integration to new levels. In a time of budgetary constraints, Europe needs both **more integrated armed forces and stronger defence industries**, to secure our strategic autonomy and to foster jobs and growth in Europe. The **European People's Party (EPP)** has been the **leading voice on defence and security** in Europe for the past decades. In time, we wish to see the emergence of a **European Defence and Security Union** worthy of that name. This is what the citizens expect as Europe is faced with an increasingly unstable environment. As support for more European integration on security and defence reaches close to 70%, this is also part of the larger purpose that citizens are looking for today in the European Union.

In order to make European security and defence cooperation more ambitious, credible and concrete, and to push for this vision to become reality, the EPP today calls for:

1. Forging a new European Security and Defence consensus

The EU must forge a new European consensus on its geopolitical environment, strategic objectives and means of action. The 2003 European Security Strategy (ESS) was conceived in a significantly different context and does not stand the test of these challenging times.

The EPP therefore welcomes the ongoing **Strategic review** under the leadership of the European External Action Service (EEAS). This review should help forge a common European vision of the challenges and opportunities in today's changing global environment and take stock of the EU's foreign policy and security instruments, so as to pave the way for a **new European foreign and security policy strategy by the summer of 2016**.

In preparing this new strategy, it will be essential to ensure the overall strategic coherence of EU's internal and external policies through a **comprehensive and coherent approach to all dimensions of security**. In this context, the EPP notes the important contribution of the forthcoming "European agenda for security" renewing the Union's Internal Security Strategy and defining the main actions needed to ensure an effective EU response to emerging threats such as extremism and terrorism on European soil. The EPP also welcomes the adoption in 2014 of the EU Cyber Defence Policy Framework and of the EU Maritime Security Strategy and supports ongoing development of the Energy Union with a view to securing Europe's energy security.

In the light of today's dramatic security environment, the **June European Council** is an important occasion of strategic communication on **Europe's resolve** to the citizens of Europe and towards our external partners and neighbours. It must be the occasion to **commit to a deepened and strengthened CSDP** that contributes actively to peace and stability in our continent and neighbourhood. It must be the occasion to underline what the EU's Comprehensive Approach can deliver, by focusing on what tasks the EU will undertake and with what capabilities, clarifying also our commitment to use military means and high intensity missions, when necessary. Last but not least, the European Council must signal **a strong commitment to the future of European defence integration** and propose credible and ambitious steps forward on that road, realising the full potential of the Treaty.

2. Building strength through our partnerships

A comprehensive and long-term EU approach to security in Europe and in our neighbourhood must acknowledge that cooperation with partners is of utmost importance.

For more than half a century Europe has relied on **NATO and the principle of collective defence** as a guarantee to its security. It remains a unique and enduring principle that binds allies together, committing them to protect each other in a spirit of solidarity. **Deterrence** of Russian aggression in Europe still presupposes a strong and capable Alliance.

Our NATO partners and allies rightly expect Europe to do more to guarantee its own security, whilst ensuring transatlantic coherence and solidarity. Only **a Europe with autonomous and strong capabilities in defence** and a **capacity to act as first responder** will convince our allies that NATO has a future and that a continued military presence in Europe is possible and worthwhile.

The CSDP must therefore continue to develop in full complementarity with NATO in the agreed framework of the strategic partnership between the EU and NATO and in compliance with the decision-making autonomy and procedures of each.

The EPP welcomes the conclusions of NATO's summit in Wales in September 2015 and EU- NATO cooperation in recent crises, and call for further political and practical enhancement of the **EU-NATO partnership**. The EU and NATO can and must deepen their partnership in **enhancing military capabilities** and **building common resilience**. They can also cooperate closely in providing **joint responses to regional and global threats**.

The EU must further develop its **cooperation with partner countries and international and regional organisations** such the United Nations, the OSCE and the African Union, Renewed **OSCE** emphasis on the Eastern neighbourhood makes a significant contribution to the stabilisation of this region. Increased complementarity and efficiency could be sought with **United Nations** peacekeeping efforts. Similarly, the partnership with the **African Union** in ensuring peace, stability and development on the African continent expanded.

The EPP strongly supports the increased partnerships, in **a spirit of mutual reinforcement**, and emphasizes the need for EU's policy framework and instruments to be reviewed and further developed to respond to these opportunities.

3. Investing more in defence and security

New ambition is not enough for Europe to be a **credible security provider**. It must also be matched by **adequate resources and significant investment in capabilities**. Since 1990, there has been a steady decline in defence expenditure in Europe, based on a hope of enduring peace and security on the continent.

Rising threats must now lead to a change of mind-set. It will not be possible to increase our military capabilities and ensure security on our continent and neighbourhood without investing more in defence. Yet despite the increase in security challenges, defence spending saw in 2014 a further decrease of some 3% overall. At the Wales Summit of September 2014, the 22 EU Member states that take part in the NATO alliance committed to **halt decline in defence expenditure** and to move **towards a 2% of GDP target** within a decade. These strong commitments are yet to be met by most.

The EPP considers it is **now time for all Member states to commit at the European level to adequate spending** to meet rising threats. Such a European commitment could take as a basis the 2% guideline but must also remain realistic in the light of the budgetary situation of Member states. It should therefore seek to **establish both quantitative and qualitative parameters**, focusing not only on defence spending but also on **defence output**, such as contributions to the security and defence effort in Europe through for instance EU and NATO missions and operations.

4. Cooperating in developing European defence capabilities

A big part of the equation for Europe is also about **achieving more with less through better spending**. Too many commitments and declarations of the past have turned out to be empty words. What is needed now is **strong and effective action** on increased European spending efficiency, synergies and **pooling and sharing**. Cooperation in the area of military capability development and common usage is **no longer a matter of choice**. It has become a matter of necessity if Europe wants to **maintain key capabilities, remedy shortfalls and avoid duplication of efforts**.

Cooperative approaches whereby willing Member States develop capabilities together or decide on common usage can provide for **significant economies of scale** and greatly **enhance military interoperability and effectiveness**. Existing cooperative models, such as the European Air Transport Command (EATC) or the Framework Nations Concept show that it is possible to take European defence forward in this manner, and should be sought developed and replicated in different areas.

The **reasons for limited progress must however be addressed more effectively**. To start with, Member States must **share more information on capability development and procurement plans**, so as to allow planners to consider greater convergence of needs and timelines. **Coherence and cooperation with NATO** will also remain crucial in the field of capability development.

At the same time, **EDA must be given a bigger role** in catalysing capability programs and cooperation: **member states should spend more of their military research expenditure through the EDA**, which also needs increased resources to act effectively. Last but not least, in order to offer perspective for new programs, the EDA and transnational conglomerates must be able to operate at a level playing field with NATO in terms of **fiscal incentives** and VAT exemptions.

The EPP also calls upon Member States **address capability shortfalls**, as identified within the 2014 Progress catalogue. Shortfalls are particularly preoccupying in the areas of surveillance and reconnaissance, strategic air and sea transport, force protection and force projection. The EPP also notes that the **four defence programmes prioritized at the December 2013 EU Council** have not progressed at the expected pace. Efforts to develop concrete capability programmes within Air to Air Refuelling, Remotely Piloted Aircraft Systems (RPAS), Cyber activities and satellite communications must be pursued more vigorously.

The EDA and the Commission could also provide, together with Member States, **a broad and in- depth analysis of current duplication and redundancies in national spending** across different areas, such as armament and equipment programmes, national standards and requirements, fixed assets, support facilities, research instruments, training and educational facilities.

5. Strengthening Europe's technological and industrial base

Europe needs a **more integrated, innovative and competitive defence sector** to develop and sustain its defence capabilities. This is an essential element of our **strategic autonomy** which can also help foster **jobs and growth** in Europe.

EU's Defence industries are competitive but face budget reductions at home and increased competition abroad. In this context, the EPP calls upon the European Commission to **accelerate the implementation of the roadmap "New Deal for European Defence"** aimed at strengthening the European Defence Technological and Industrial Base (EDTIB).

The EPP highlights the need to offer long term prospects to European industry and private enterprise and to **encourage more efficient public-private and industrial partnerships**. In this context stronger European cooperation for capability development remains vital and must be incentivized. **Effective implementation of the two 2009 directives** relating to **defence procurement** and **transfers** must be ensured, taking into account the specificities of the defence market.

An appropriate framework for subcontracting and **integration of SMEs** into defence markets, as well as for **cooperation between Member states** must be developed. The EPP further underlines the importance of achieving an **EU-wide security of supply regime** for key sensitive technologies. Additionally, the Commission could assess the possible added-value of a notion of community preference in this context.

Besides the development of defence markets, the future of the EDTIB relies on R&D. A turnaround in budget reductions for **Defence Research and Technology (R&T)** and **Research & Development (R&D)** is necessary. Since 2007, both budget lines have fallen by around 25%, with the risk of putting Europe at the mercy of foreign technology and innovation in the next decades. The EPP therefore calls on Member States to live up to their ambitions and allocate at least of **20 % for equipment procurement (including R&D/R/T) and 2% for R&T**.

In this context, there is also a need to **coordinate better civilian and military research** projects, notably at the European level by making a reality out of the **dual use opportunities** within the Horizon 2020 framework research program. Considerable effort must also be devoted to developing **Key Enabling Technologies (KETs)** that are crucial for ensuring the long-term competitiveness of European industries.

The EPP strongly supports the launch in 2017 of a **Preparatory action to a defence products aiming at a related research programme** in the EU's next multiannual financial framework (2021-2026). Although necessarily modest in its pilot and preparatory phases, it can be the seed to **qualitative leap in future European defence integration**. The action should exploit the full potential under current financial regulations (50-60 million euros over 3 years) and seek to address the most urgent capability shortfalls as well as innovative research topics to support the long term sustainability and competitiveness of the European technological and industrial base.

Space and defence, and in particular future shared capacity within GovSatCom and high resolution imagery, are further areas where collaborative projects could be developed, in partnership between the Member states, the EDA, the Commission and industry.

6. Developing the EU's comprehensive approach and rapid response capabilities

As a tangible expression of its commitment to international peace and security, the European Union can bring to the international stage **a unique mix of policies and tools**, from diplomacy, development and trade to security and defence. Further **improving the efficiency and effectiveness of this Comprehensive approach**, in particular in the area of crisis management, is a priority.

The EU must be **more than an aid provider or a post conflict actor**, it should also be **a trusted autonomous force** that prevents threats while protecting its core values and own interests in the world. Through the CSDP, the Union today deploys more than 8000 staff in 11 civilian missions and five military operations. Yet to deliver on security in our immediate and wider neighbourhood, the **EU must gear up to better detect and respond to crises**. The **European External Action Service (EEAS)** must be streamlined and reorganised to that effect. The EEAS needs **strengthened capacity to plan and conduct CSDP missions and operations**, based on effective civilian and military structures.

For an effective security and defence policy, **EU rapid response capabilities** also **need to be significantly improved**. In a crisis, the right civilian and military assets must be ready for deployment rapidly and effectively. It is therefore of paramount importance to do more to **tackle the root causes of the current force generation shortfalls** in CSDP missions and operations.

The EPP reaffirms that the **EU Battlegroups (EUBGs)** remain the EU's **primary military rapid reaction tool**. As such, they should systematically be taken into consideration in the initial phases of planning processes and be **the option of choice for initial entry operations** in crisis situations. Future EUBGs should be trained, designed and certified with these tasks as primary objective, and can also act as a driver for the transformation of national forces. To make the EUBGs more effective there is also a need to **strengthen the modularity of the Battlegroup concept**, notably in support of joint operations, and increase the flexibility of the six-month duty rotations.

The weakness of current rapid reaction tools must also be addressed through a **comprehensive review of the financing mechanism** for operations, **Athena**. The issue of burden sharing is today very insufficiently addressed, covering often as little as 10% of military expenditure for joint operations. As a minimum, **permanent common financing of deployment** into theatre should be guaranteed.

In the future, it is however only through **full burden sharing** that the CSDP will become a common defence policy that is capable and effective in responding to **risks common to all of Europe**. Increased burden sharing is not only a matter of fairness to the Member states that today carry the weight for the whole of Europe, it would also enable and encourage those Member states with capabilities but without sufficient operational means to carry the full costs of an operation to engage more actively.

7. Improving Europe's civilian instruments and civil protection force

The EU can also improve the efficiency of its civilian instruments, in particular in the increasingly important nexus between **ensuring security and stability and promoting development**. Recent years have indeed highlighted that development efforts in partner countries remain vain in the absence of capacity building in security.

The European Union must therefore develop **a framework for 'train equip'**, where training, assistance and advising in **partner countries** is more effectively **supported by capability development and equipment**. An EU 'train and equip' initiative should overcome artificial barriers between EEAS and Commission policies, and provide for the possibility to **draw on funding including through EU owned or managed financial instruments**.

With disaster management, Europe has the opportunity to demonstrate its **usefulness on the ground**. A lot has been achieved with **the creation, in 2013, of the European Emergency Response Capacity (EERC)**, now able **to respond to seven major risks**: earthquakes and tsunamis, forest fires and other fires, floods and landslides, industrial and nuclear accidents, terrorist attacks, disasters at sea and pandemics.

The EPP welcomes the **flexibility of the EERC**, allowing Member States to participate on a voluntary basis and giving them the possibility to specialize in one or several type(s) of crisis response(s). More work should be accomplished however to **develop regional civil protection networks to enable the EU to share its best practices and conduct training sessions** when needed. Centres of excellence could be based in six key regional hubs, respect local ownership and constitute a cost-effective alternative to launching permanent civil protection missions.

In a longer term perspective, **dual use technologies**, particularly drones and logistical support are fundamental to lower costs and increase efficiency. The financing of civilian protection also remains contentious. The EPP calls for envisaging increased **financing of civil protection by the EU, via annual transfers from the EU Solidarity Fund**.

8. Building internal security and resilience

The nature of threats today also requires that Europe also consolidates its **security and resilience from within**. Terrorism and other adversaries play on Europe's weak spots to oppose our way of life. New hybrid threats reach deep into our continent, just as the conflicts, instability, extremism and terrorism that convulse the Middle East inevitably end up infecting our own societies.

The distinction between internal and external threats has blurred and security must therefore be addressed by **calling on Member States' and the EU's internal and external policies** in a more effective and comprehensive manner. In this context, the EPP welcomes the **"European agenda for security"** renewing the Union's Internal Security Strategy and defining the main actions needed to ensure an effective EU response to many of these emerging threats.

Member states and EU institutions must in particular carry out a concerted effort to analyse and **remedy deficits of current counter terrorism tools**. The EPP supports in particular the proposal to establish a **European Counter-terrorism centre** within **Europol** to step up the support provided at EU level for Member States' action to tackle terrorism. Eurojust should be associated with the work of the Center to help improve coordination and investigations and prosecutions.

The **mandates and means of both Europol and Eurojust should be reviewed**, bearing in mind that law enforcement and intelligence exchange, notably for counter-terrorism, can often be better conducted on a bilateral or ad hoc basis for efficiency and confidentiality reasons. In the case of Europol, the EPP supports the proposal for a new legal basis to enhance the agency's analytical capabilities, capacity to trigger operational action by Member states and reinforce data protection.

An agreement, with appropriate checks and balances, must also be found urgently on the European passenger name record framework (**EU-PNR**), and the EU should negotiate PNR agreements with third countries that are consistent with European standards and fundamental rights.

Renewed attention should also be given to **information exchange**. The EPP calls in this context for the development of **common risk indicators** to national law enforcement authorities, by the Commission, Europol and Frontex. The **Schengen Information System** is the most widely used information-sharing tool today, and should be put to full use together with Interpol's database on Stolen and lost travel documents, and the Prüm framework offering automated control of DNA profiles, fingerprint data and vehicle registration data. New operational needs, such as introducing additional categories to trigger alerts, should be assessed.

More broadly, as Europe's borders are under pressure, continued **underinvestment in the Schengen system** no longer possible, and the EU must go much further in **developing common solutions to border control**. Flows of migration across the Mediterranean, often linked to trafficking and criminal networks, challenge our migration and asylum policies, maritime security interests, and crisis response and management tools. An increase of the **financing and operational capacity of Frontex** is a first necessary step.

Reinforced action against the smuggling of migrants must also be developed in the context of the upcoming **European Agenda on Migration**.

Last but not least, faced with global threats, the Union's security is highly dependent on **cooperation with international partners and EU security dialogues** with partner countries and international organisations need to be taken further. The EPP supports the deployment of **security experts in EU delegations**, and as a matter of priority in our neighbourhood countries.

9. Reacting to hybrid threats

In the face of **hybrid threats** that might not be new in themselves, but that today are **striking Europe with unprecedented intensity**, the EU must also broaden its arsenal. The EPP therefore calls for the development of a **joint policy framework** bringing EU institutions and Member states together in an increased effort to counter hybrid threats across a number of areas. The EPP highlights the necessity to work on our internal resilience through **energy security** and the **screening and control of foreign investments** potentially seizing control of assets of strategic nature.

Cybersecurity is yet another area of strategic importance and strong concern. The EPP considers it necessary to go further in our reflection at the European level on the security of our information systems, not least the storage of digital data in the **cloud**, including the possible relocation of strategic assets and databases to Europe.

Noting also the rising importance of **strategic communication**, the EPP considers the creation of a **specific task force** drawing on Member states and competence in different EU institutions, should be envisaged to help analyse, denounce and provide determined counter narratives to targeted propaganda taking aim at fragile communities in Europe.

The way forward: towards a European Security and Defence Union

In today's security environment, **the CSDP stand as one of the weakest spots of the EU's project for peace, integration and development**.

Under the heading "Defence matters", the **December 2013 European Council conclusion** was a **welcome attempt at giving impetus** to a stronger European Common Security and Defence Policy. Yet it was at the same time an implicit admission of the weakness and **ineffectiveness of European efforts**, from spending and operational capacity, to cooperation and integration of defence markets.

The crises in our neighbourhood have taken us to **a moment of truth**. Both in our eastern and southern neighbourhood the security situation is dramatic, and the **deteriorating risk** situation in the Mediterranean and Libya makes it necessary to **step up our CSDP engagement**. Equally important, it has become increasingly clear that the **small and incremental changes to European defence cooperation do not live up to the demands and opportunities of the day**, neither of the Lisbon Treaty nor of our challenging times. Despite the clear **ambitions in the Treaty** and the **support of a majority of EU citizens**, it is the absence of political will and courage that impedes EU's Security and Defence policies from developing their full potential.

In this context the EPP calls on the European Council to support **three bold new steps forward** in European defence and security integration, **laying the ground for a future European Security and Defence Union**.

-**EU Operational Headquarters (HQ)**: Moving beyond CSDP's focus on post conflict and low intensity missions, the EU should be able to **conduct territorial defence as foreseen in the Treaty of Lisbon and higher intensity interventions** in complementarity with NATO.

The creation of **EU Operational Headquarters** is now needed to **ensure quick and effective planning, command and control** without relying on setting up ad hoc structures.

Permanent structured cooperation (PESCO): In building the capabilities needed for the future, Europe must rely both on cooperation and on integration, and it is therefore time to **make a reality of European defence integration** through **Permanent structured cooperation as foreseen in the Treaty of Lisbon**, where **Member States that are able and willing** can move forward within a European Union framework.

In such an integration approach to remedying capabilities and operational shortfalls and developing synergies between national defence efforts, a good example for a Permanent structured cooperation is the setting-up of a **European medical command**.

A further area that could be considered in the light of today's security situation in the Mediterranean, are **dual use technologies and assets** in **naval security, maritime surveillance, border control and crisis response** such as RPAS or **European coastguard** functions. Alternatively, the EU could also entrust the implementation of such tasks to a group of Member States which are willing and have the necessary capabilities with reference to **article 44 TUE**.

Full involvement of existing EU Institutions such as the EDA and the European Commission will lend strength to such initiatives, and further **incentives** such as VAT exemptions and **access to financing by EU programmes and institutions** (e.g. European Investment Bank) will have to be considered.

-**A permanent forum for decision-making**: To create the political dynamic for further EU cooperation and integration in defence a **higher degree of political involvement** is necessary, both amongst defence and foreign affairs ministers. A **permanent forum** for consultation and decision-making between defence ministers committed to deeper integration should be established, which in time could lead to a dedicated **Council of defence ministers**.

European and **national parliaments** have to actively support this development and exercise more thoroughly joint scrutiny. The creation of a **fully-fledged EP committee** on security and defence should accompany this development.

The EPP is firm in its belief that it is **only insofar we are able to complement our economic union with the influence and autonomy that genuine defence and security provides, that the Union will stay politically relevant in the future**.

The EPP calls on our leaders to act.

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**If you have any question
you would like to ask
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