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STEP FORWARD OR MUDDLING THROUGH?

THE PROSPECTS OF THE CSDP AFTER THE DECEMBER EUROPEAN SUMMIT AND THE ROLE OF THE ITALIAN PRESIDENCY OF THE COUNCIL

CLAUDIO CATALANO, ANDREA FRONTINI

In the past few years, European defence policies have faced many significant challenges. The generalised, ‘physiologic’ decline in Europe’s military spending, spurred by the end of the Cold War, has been amplified by a unique combination of economic, structural and (geo)political constraints affecting the sustainability and credibility of European armed forces.

According to recent estimates, the global economic crisis and the subsequent austerity measures led to dysfunctional and uncoordinated cuts on most European defence budgets, with an average reduction of 10% between 2005 and 2010. These notably affected operations and maintenance, as well as procurement and research and development (R&D) of military products and technologies. Such impacts exacerbate a structurally unbalanced budgetary pattern in most EU member states, largely dominated by personnel costs at the expense of projection-enabling activities. The increasing difficulties witnessed by European armies look even more alarming in the light of a volatile international security outlook, marked *inter alia* by continuing instability in Europe’s Southern and Eastern neighbourhoods, US’ renewed

strategic interest in the Asia-Pacific region, and rising military spending by major non-Western players.

The risks of an abrupt ‘demilitarisation’ of Europe have progressively led EU institutions and bodies to become more involved in defence matters, encouraging a politically workable, and economically efficient, military integration on the ‘old continent’. Since the creation of the European (now Common) Security and Defence Policy (E/CSDP) in 1999, the EU-led ‘institutionalisation’ of European military cooperation has been marked by milestones including the creation of the European Defence Agency (EDA) in 2004, the European Commission’s Directives on defence and security procurement and intra-EU transfers of defence products in 2009, and the re-launch of the ‘Pooling and Sharing’ (P&S) exercise by EU Defence Ministers in 2011. Despite such encouraging achievements, the state of European defence is still hampered by copious limits, including the financial and human constraints affecting CSDP missions and operations around the world, enduring fragmentation and disguised protectionism in the European defence equipment market(s), and persisting lack of ‘in-depth’ integra-



tion of military doctrines, planning and capabilities across Europe.

Against this background, at the December 2013 European Council the EU Heads of State or Government debated European military affairs for the first time in eight years. Discussions followed a year-long preparation by EU actors and delivered several high-level commitments, among which some review of CSDP structures and procedures, the endorsement of projects such as on drones, air-to-air refuelling, satellite communications and cyber defence, the prevision of the EU Maritime Security Strategy and Cyber Defence Policy Framework, the encouragement of an EU policy framework to foster more systematic cooperation and convergence on capability needs, as well as emphasis on strengthening Europe's defence industry, e.g. via collaborative dual-use research, industrial standards and options for military certification, better access to EU markets and funding by small and medium-sized enterprises (SMEs), and an EU-wide security of supply regime.

Although the Council's Conclusions can hardly be defined as ground-breaking, these can still provide a modest but constructive roadmap to help improving Europe's collective military stance in the next few years. In the past months EU Defence Ministers discussed, *inter alia*, common capability projects, standards, certification, research and innovation, and launched new operations and missions in the Central African Republic and Mali, while the European Commission issued an 'Implementation Roadmap' for its earlier 'Communication on the European Defence and Security Sector' and the European Council endorsed the Maritime Security Strategy, both in late June 2014. Yet, given Europeans' recurring reluctance to invest political and financial capital in effective operational capabilities and cutting-edge industrial capacities, the perils of a 'defenceless' EU still loom large on its 'hard power'. Despite the promising mandates given to EU actors by the December Council, increased political cohesion among member states, notably the (very) few retaining the bulk of Europe's defence assets, remains crucial to foster European defence cooperation.

The current Italian Presidency of the EU Council has the opportunity to provide a substantial contribution to such a delicate, yet fundamental component of Europe's *political* integration process. Building on some of the proposals of an earlier Italian-Spanish-Portuguese non-paper, last January the Italian government issued a 'Programmatic Report on the Italian Participation in the European Union', outlining a number of goals for its EU Presidency on a more active role of CSDP, development of EU military capabilities and the strengthening of European defence industry. These were globally reflected in the Presidency's Programme, released at the end of June.

In addition to a general commitment to facilitate the EU-led implementation of the December Council's pledges, Italy's efforts should concentrate in particular on: *a)* delivering an Action Plan for EU's Maritime Security Strategy; *b)* supporting the review and/or strengthening of CSDP missions, such as EULEX Kosovo, EUBAM Libya, EUPOL Afghanistan, EUCAP Nestor and EUTM Somalia, while encouraging the launch of a civilian mission in Ukraine and improvement in CSDP rapid reaction capabilities; *c)* facilitating the setting of a 'Strategic Defence Roadmap' to foster intra-European cooperation and interdependence via synchronised national planning cycles and 'convergence benchmarks'; *d)* strengthening NATO-CSDP strategic partnership and endorsing stronger EU-UN cooperation in crisis-management; *e)* empowering EDA's role in multinational armaments cooperation and capability development, e.g. on drones; *f)* raising the level of ambition in P&S by filling persisting gaps such as in air-to-air refuelling and modular medical units; *g)* securing a stronger contribution by SMEs to the European Defence Technological and Industrial Base, also via stronger implementation of the relevant EU legislation; *h)* improving civil-military synergies on key enabling technologies by exploiting Horizon 2020 for dual-use R&D and setting hybrid civilian-military requirements; *i)* stimulating closer collaboration with European academic and scientific institutions on military R&D.



While Italy's commitment to a stronger European defence shows a much-needed pro-integrationist attitude towards a still sovereignty-centred policy area, its forthcoming Presidency will likely need to tackle several factors affecting the achievement of Rome's *desiderata* for CSDP. These include the latter's coexistence with competing diplomatic *dossiers* such as the Ukrainian crisis, low appetite for 'grand strategies' on EU external action among member states, persistently divergent views by national capitals on the future of CSDP, and the active engagement of increasingly influent EU actors such as the EEAS, EDA and the Commission in the follow-up of the December Summit.

In order to bring a lasting added value to CSDP, Italy's EU Presidency should pursue a pragmatic agenda based, *inter alia*, on the following elements: *a)* streamlining its abovementioned political objectives into fewer strategic deliverables, e.g. by exploiting the September NATO Summit to facilitate renewed CSDP-NATO cooperation via high-level meetings, joint exercises, operation-oriented synergies in the 'post-Afghanistan era' and capability-focussed complementarities between P&S and

NATO's 'Smart Defence', and/or reaping the potential of the new Maritime Security Strategy for a more tangible, cross-sector and comprehensive EU action *vis-à-vis* security and humanitarian challenges in the Mediterranean Sea, including through the empowerment of FRONTEX and the consolidation of EUBAM Libya; *b)* encouraging the pursuit of a meaningful intra-European debate on an incrementally ambitious CSDP agenda, including on some still dormant CSDP provisions in the Lisbon Treaty, such as the 'Permanent Structured Cooperation' and the 'Start-Up Funds', and/or on the EU's 'ability to equip' partner countries; *c)* fostering a possible revision of the 2003 European Security Strategy, including through an explorative Green Book; *d)* putting in place coherent domestic defence policies, including by factoring a robust 'European defence component' in its forthcoming national White Book, securing its participation in multinational industrial collaboration programmes, and engaging in a more courageous reform of its armed forces; *e)* helping EU actors to better communicate the relevance of European defence to EU citizens, even more so in the aftermath of the European Parliament's elections.