Supporting European security and defence with existing EU measures and procedures

AFET-SEDE

EN

2015

European Parliament

STUDY

Supporting European security and defence with existing EU measures and procedures

ABSTRACT

Focusing on the support of non-CSDP policies for CSDP measures, both in the field of crisis management and defence, this study submits that CSDP cannot effectively contribute to EU external action by itself, but only in coherence with other EU policies and instruments. The study focuses on nine different issue areas of the EU which are of particular interest in the context of CSDP: European Neighbourhood Policy, development cooperation, internal policies and financing instruments in the context of the EU's international crisis management, as well as innovation policies, industrial policies, regional policy, trade policy and space policy in the context of the EU's defence policy. The study builds on existing evidence of synergising effects of CSDP and other non-CSDP policies and points to the potential impact which the closer interplay of CSDP and non-CSDP policies could have. Focusing on policy adaptation as well as institutional cooperation of EU actors in each of the policy relationships, the study provides a comprehensive overview of the linkage between CSDP and each of the respective policies and draws a large set of tailor-made recommendations in the field.

EN

Table of contents

Executive Summary

This study focuses on the **support of non-CSDP policies for CSDP measures**, both in the field of crisis-management as well as defence policy. To this end, the study focuses on nine different policy areas of the EU which are of particular interest in the context of CSDP: the European Neighbourhood Policy, development cooperation, and financing instruments in the context of the EU's international crisis management, as well as EU internal policies such as innovation, industrial, regional, trade and space policies.

The study shows that CSDP cannot effectively contribute to EU external action by itself, but only if in the good company of other EU policies and instruments. Given this interplay of CSDP and non-CSDP policies, other **non-CSDP instruments and CSDP need to be coherent and mutually supportive**. The study shows that they eventually may even have synergising effects on each other in the context of CSDP. It builds on existing evidence of such synergising effects and points to the potential impact which a closer interplay of policies could have. The study further shows that a contextualisation of CSDP has a crucial impact on both policy adaptation and institutional cooperation of EU actors in the field. In each of the nine selected policy fields, such policy adaptation and institutional cooperation are being analysed, and recommendations are drawn accordingly.

An analysis of the **legal-political background** of CSDP shows that on the one hand it is an integral part of the larger CFSP, providing external civilian and military capabilities (e.g. Art. 42(1), 43 and 44 TEU) as well as internal defence cooperation tools (e.g. Art. 42(2), 45 and 46 TEU) that the EU otherwise would not have in neither its external action, nor its internal integration. However, it also points to the specific intergovernmental nature of CSDP and, therefore, the need for an EU external action that is consistent with other policies, for example in the framework of the EU's comprehensive approach.

The **European Neighbourhood Policy** analysis is divided into the Eastern and Mediterranean dimension. The analysis shows that ENP goals of political and economic stabilisation depend, on the one hand, directly on the success of conflict prevention measures and would benefit immensely from successful conflict resolution. On the other hand, conflict-related policies and other security policies linked to fighting transnational organised crime, terrorism and the proliferation of weapons benefit directly from successful reforms and state-building processes, which are at the core of the ENP. In this respect, the study submits that the **articulation of CFSP/CSDP and non-CFSP/CSDP instruments is crucial** for the overall success of EU policies in the Eastern neighbourhood. In fact, under the ENP and the Eastern Partnership in particular, the EU has several non-CFSP/CSDP instruments supporting its policy goals, including the promotion of stability and security, while financial assistance is available from the new European Neighbourhood Instrument. At the same time, the EU security policy towards the Mediterranean seems to have been affected by the disillusionment that followed the Arab uprisings. As economic and political instability inside Europe consume available resources, the attitude towards the Southern Mediterranean countries seems anchored to pre-2008 economic crisis and pre-Arab spring assumptions. Furthermore, the study points to the fact that the **Lisbon Treaty has endowed the EU with a set of powerful instruments**, from the creation of the EEAS to new CSDP practices and new responsibilities in the field of external economic relations, most of which could be put at use in relations with the ENP-South, if invigorated by a new vision. Being under review, the future ENP should deliver a political vision encompassing both economic and security aspects.

The findings regarding the ENP are mirrored in the study's focus on the nexus between internal and external policies of the EU. In that respect, the analysis underlines that, in view of the current Mediterranean migration crisis, not only a stronger commitment from the neighbouring countries, but also **a clearer coordinating structure, with a strong role for pivotal actors like EU Special Representatives** (officially none exists for either the Eastern or the Southern ENP component) and consistency between ENP and other EU tools and policies as Frontex and Europol agreements are required. The **EU's comprehensive** approach is a **good way to combine the EU's entire toolkit** linked to internal and external dimensions of security to fight terrorism and irregular migration. However, the main challenge remains to translate the EU discourse into practice on the ground. The analysis points out that EU tools are managed by different actors according to various logics of action, procedures and budget lines. Therefore, the **EU should strengthen its structures of coordination** (PSC, EEAS) and the role of actors in a pivotal position, such as the HR/VP, in order to mitigate power struggles in EU security governance. In this respect, the study raises the hope that the European Security Strategy clarifies the strategic approach with specific guidelines to improve the overall coherence and especially to better bridge internal and external policies.

With regard to **development cooperation**, the analysis of development-security relations shows that the Lisbon Treaty now provides a stronger framework than in the past to ensure that competition and tensions between CSDP and the Commission's work are quickly resolved through inter-institutional talks and negotiations under the aegis of the double-hatted HR/VP. Regarding instruments on the ground, the study points out that current debates and positions seem to bend in favour of a revision of the scope of both the Africa Peace Facility and of the **Instrument contributing to Stability and Peace to allow EU funds to support equipment provision in security and defence**. Other options on the table (a new specific financing instrument, the Athena mechanism, the use of the CSDP start-up fund) may seem less likely but should not be discarded in the future. The analysis underlines that there is **no shortage of tools to come up with joint analysis** on risks to use development resources for security-related endeavours. Again, the study shows that new strategic frameworks may help Brussels Headquarters – more specifically the Council, the HR/VP, the EEAS, Commission DGs – to synergise policies, but it may also top up existing strategic document templates.

In the field of EU defence policy cooperation, the analysis demonstrates that **EU innovation policies** provide considerable indirect and increasingly direct investment in **dual-use and CSDP-relevant technologies**. Given the importance for defence technology development of spinning in the more advanced civilian technologies, the study submits that it may be more effective to continue supporting dual-use technologies next to than a **specialised defence technology research priority**. It also highlights that more needs to be done to align the instruments and procedures of the EDA and Commission so that they can work together more efficiently to avoid unnecessary duplication. Despite the interest of a number of Member States in funding defence research, the question of whether the EU can really add value in this area needs to be asked. At the same time, the December 2013 Council Conclusions on European defence point to the **need for a stronger European Defence Technological and Industrial Base** (EDTIB) as a prerequisite to an efficient and effective CSDP. Moreover, a number of Commission communications point to the link between defence industrial policies and the CSDP. The development of defence-industrial policies at the EU level not only seeks to create a functioning single European defence market, which could lead to cost savings and economies of scale, but is also seen as a way to increase the EU's strategic autonomy, enhance its ability to act with partners and to boost jobs, innovation and growth. The study underlines that CSDP cannot be fully effective without defence capabilities, and that without a more efficient defence industry the Member States find it difficult to efficiently develop key

capabilities, remedy shortfalls or avoid redundancies. The study shows that a more cost **effective and integrated defence** market, which is stimulated by research and development investment, is a key building block for a more effective CSDP.

In terms of **regional policies**, the study underlines that although according to the Treaties structural funds must be used for civilian purposes, the Commission and particularly the EDA have been proactive in their attempts to lever the funds into **support for dual-use technology development**. The use of structural funds to support CSDP is clearly limited by the Treaties. However, as the study points out, the Commission and the EDA could also publicise the ways in which communities could apply for support for conversion activities for people, land and industry that occur as a result of changing security priorities.

In the context of **EU trade policy**, the armaments and dual-use export regimes have been subject to revision since the signing of the Lisbon Treaty. The EU Code of Conduct was revised in 2008 and the dual-use regime is currently undergoing a review. In order to ascertain the **impact of FTAs** on the European defence market and industry, little adaptation is required. The study shows that the Commission already has competence for the dual-use export regime and for negotiating the EU's FTAs on behalf of the Member States. Many of the FTAs relate to dual-use goods and technologies rather than armaments. In turn, the Commission has a crucial role to play.

Finally, the study demonstrates that the deployment of **space assets for filling the CSDP capability gap** is primarily framed by the parallel evolutions of an ever-expanding security concept and the recognition of the inherent dual-use nature of space infrastructure. The increased **recognition of space applications** as tools for deployment in security and defence matters becomes ever-more visible, despite the civilian nature of the programmes in which they were developed. This process is reinforced by the inherently dual-use nature of almost any type of space technology. The study underlines that the Union should further exploit the full potential of the institutional framework of the Lisbon Treaty, especially when taking into account the limitations arising from the specific nature of the space policy and CSDP competences of the EU, and the need to involve both independent EU space infrastructure and Member State defence systems to meet the increasing CSDP needs.

1 Objective and methodology of the study – Identifying support for CSDP through EU level measures and procedures

The objective of this study is to show that the Common Security and Defence Policy (CSDP) is not only a policy related to different actors, procedures and instruments (Chapter 3), but also a policy field that needs to be seen in the context and company of other EU instruments and policies (remaining chapters of the study). CSDP and other (non-CSDP) instruments together form what is commonly known as **EU external action**. It is in this context that it becomes evident that CSDP cannot effectively contribute to EU external action by itself and that coherent action across policies will be necessary. This also implies that such other non-CSDP instruments and CSDP **not only need to be coherent, but also supportive** of each other. Eventually, they may even have synergising effects on each other in the context of CSDP in particular and EU external action at large.

The type of missions which are launched in CSDP vary greatly and can be seen as missions using both military and civilian instruments that deal with security, political and social crises (human security, post war crisis management, failed states and support of government structures, security sector reform, border control, migration etc.). However, this **'CSDP' policy is hardly to be decoupled from other policies**, such as development, Justice and Home Affairs, and European Neighbourhood Policy (ENP). Sometimes, these other policies are even conceptualised by the EU in such a way that they include CSDP (e.g. ENP).

In other words, the link between CSDP and other policies arguably exists because of what has been called a 'nexus' between security and other fields on the ground. The **nexus between one policy, like CSDP, and another, is crucial** given their mutual effects on each other. This understanding can serve as a background of why coherence and synergies matter between CSDP and other fields. In this light we can look at what different policies have to offer for CSDP.

CSDP does not only deal with international security. As its name suggests, collective defence is as important a component of CSDP. The evolution towards a **common Union defence** is an objective of the EU, contributing to the EU's international presence and potential responsiveness in case of external aggression. Like in the case of international security, the defence policy conducted in the CSDP framework cannot be seen separately from other EU policies. Rather, Union policies related to the EU's single market and external relations do provide a link (or have the potential to link) with the defence policy of CSDP.

In this study, several experts look into the way how policies actually and potentially contribute to CSDP, whether it is in the **context of international security** or the **objective of a common defence policy**. The experts draw upon their ongoing research in the field, focusing on the interlinkage of security and other EU policy domains, including extensive desk research, primary and secondary sources, like EU official documents and academic literature, as well as publications from security-related think tanks. Moreover, their case studies also build on various expert interviews with EU officials. In total, the study builds on 24 interviews and contacts with officials in the EEAS, the Commission and the European Defence Agency. Furthermore, the study includes information from additional 44 interviews with the European Parliament, the Commission, EU Member State Officials and European Defence Agency which had been conducted prior to the study.

Figure 1: Linking CSDP (crisis-management) with external non CSDP-policies
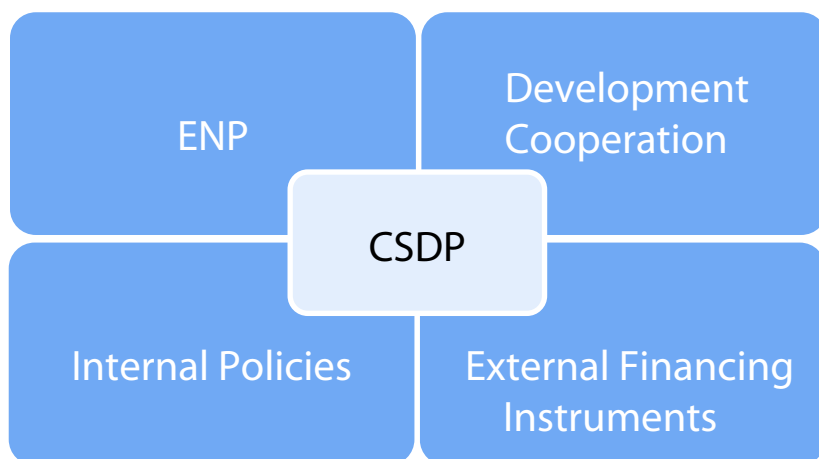
The **cases** that are being looked at have been selected carefully, providing a picture of CSDP being linked rather than being unrelated to other EU policy areas. This is true for CSDP in the specific case of crisis management: Here, the study will focus on the link between ENP and CSDP, Development Cooperation and CSDP, Internal Policies and CSDP as well as the EU's financial instruments and CSDP (Figure 1).

Moreover, the study lends particular attention to the link between defence policies and innovation, industrial, regional policies, trade policies and space policy. Overall the study provides a comprehensive overview of eight specific policy areas and instruments that are intertwined with CSDP (Figure 2).

Figure 2: Linking CSDP (defence) with internal non CSDP-policies
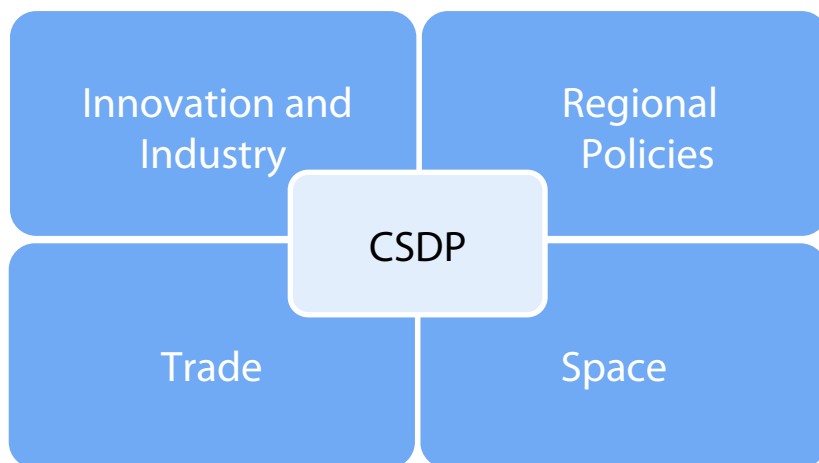
In each of the selected cases the attempt is to portray how CSDP and other non-CSDP policies relate to each other, **how their objectives and instruments interlink** and **which institutional and policy adaptations** are needed to improve the interplay between the respective fields. On this basis the study draws comparative conclusions and provides recommendation on how to make non-CSDP policies support CSDP so that in a coherent manner they are able to synergise and contribute to the improvement of the EU's follow up of its overall policy objectives in the domain of external action.

2 The legal-political framework of CSDP and the treaty of Lisbon's implications for the link between CSDP and 'other' EU level policies

The Common Security and Defence Policy (CSDP) has become part of the Treaty on European Union's (TEU) Title V in the 'General Provisions on the Union's External Action and Specific Provisions on Common Foreign and Security Policy'. The CSDP is part of the overall Common Foreign and Security Policy (CFSP). Article 42 (1) TEU stipulates: 'The common security and defence policy shall be an integral part of the common foreign and security policy. It shall provide the Union with an operational capacity drawing on civilian and military assets.' Still, CSDP arrangements are distinct from the CFSP ones, both in terms of actors as well as procedures and instruments.

Although the Lisbon Treaty has officially abandoned the pillar structure of the Treaties, it can be argued that CFSP and CSDP are also distinct from other policies in the area of EU external action which are dealt with in the framework of the Treaty on the Functioning of the European Union (TFEU). As a consequence, while one may make a distinction between TEU and TFEU policies in EU external action as well as CSDP and non-CSDP policies, synergising effects between these different areas can only be achieved if EU actors understand the various domains as contributing to one overall EU policy.

2.1 External operative potentials in crisis management

2.1.1 Objectives, actors, instruments and decision-making

As mentioned, CSDP is an 'integral' part of the larger CFSP[1], providing instrumental assets that the EU otherwise would not have in its external action, especially so-called **civilian and military capabilities** which the Union can add to its external policy tool-box when running international missions. Such missions can be used in the context of crisis management, including peace-keeping, conflict prevention and strengthening international security. Committed to the multilateral security governance framework provided by the United Nations and dependent upon its own Member States to contribute to the making of an EU security policy, the **Union has gradually developed its assets in security policy** – initially relying on capacities from the former Western European Union (WEU) to carry out the 'Petersberg tasks' in the Amsterdam Treaty[2], then developing its own capacities since the Treaty of Nice in the framework of ESDP, by means of the creation of the EU Military Committee (EUMC) and the EU Military Staff (EUMS), and finally deepening its own policy in the context of CSDP, including a mutual assistance clause[3].

---

[1] Kuijper, P. J, WoutersJ., Hoffmeister, F., De Baere, G., Ramopoulos, T., *The Law of EU External Realtions – Cases, Materials and Commentary on the EU as an International Legal Acto*r. Oxford, Oxford University Press, 2013, p; 871; Wouters, J., Bijlmakers, S. and Meuwissen, K., 'The EU as a Multilateral Security Actor after the Treaty of Lisbon: Constitutional and Institutional Aspects', in Lucarelli, S., Van Langenhove, L. and Wouters, J. (Eds.), *The EU and Multilateral Security Governance,* Routledge, 2012, pp. 72-103.
[2] See, for the gradual evolution under the respective Treaties, Wouters, J., Cuyckens, H., '*Festina Lente:* CFSP from Maastricht to Lisbon and Beyond', in de Visser, M., van der Mei, A.P. (Eds.), T*he Treaty on European Union 1993-2013: Reflections from Maastricht Oxford*: Intersentia, 2013, pp. 223-242.
[3] Keukeleire, S., Raube, K. . 'Common Security and Defence Policy – Development, Added-Value, and Challenges' in Bindi F., Angelescu I. (Eds.), *The Foreign Policy of the European: Assessing Europe's Role in the World*. Washington: Brookings Institution Press, 2012, pp. 62-84.

As an integral part of the larger CFSP framework, **CSDP follows the wider objectives and principles of EU external relations as set out in Article 21 TEU**. The following objectives and principles are especially relevant in the context of CSDP:

- 'The Union's action on the international scene shall be guided by the principles which have inspired its own creation, development and enlargement, and which it seeks to advance in the wider world: democracy, the rule of law, the universality and indivisibility of human rights and fundamental freedoms, respect for human dignity, the principles of equality and solidarity, and respect for the principles of the United Nations Charter and international law.' (Article 21 (1) TEU)

- '[…] It shall promote multilateral solutions to common problems, in particular in the framework of the United Nations. (Article 21 (2) TEU)

Furthermore, **Article 21 (2) TEU** sets out that 'the Union shall define and pursue common policies and actions' and that it 'shall work for a high degree of cooperation in all fields of international relations, in order to':

- 'safeguard its values, fundamental interests, security, independence and integrity'(Article 21 (2) (a) TEU);

- 'consolidate and support democracy, the rule of law, human rights and the principles of international law' (Article 21 (2) (b) TEU);

- 'preserve peace, prevent conflicts and strengthen international security, in accordance with the purposes and principles of the United Nations Charter, with the principles of the Helsinki Final Act and with the aims of the Charter of Paris, including those relating to external borders' (Article 21 (2) (c) TEU).

As indicated above, Article 42 (1) TEU sets out the context and overarching purpose of CSDP: 'The common security and defence policy shall be an **integral part of the common foreign and security** policy. It shall provide the Union with an operational capacity drawing on civilian and military assets. The Union may use them on missions outside the Union for peace-keeping, conflict prevention and strengthening international security in accordance with the principles of the United Nations Charter. The performance of these tasks shall be undertaken using capabilities provided by the Member States.' Furthermore, Article 42 (1), para. 1, *in fine* points out that it is the Member States which shall contribute civilian and military capabilities. In addition, Member States can make their 'multinational forces' available for the EU's common security and defence policy (Art. 42 (3) TEU).

Beyond the CSDP's **focus on international security and crisis management**, it is important to highlight that with Article 42 (7) TEU the EU now also has a **mutual defence clause**.[4] **Article 42 (7) TEU stipulates: '**If a Member State is the victim of armed aggression on its territory, the other Member States shall have towards it an obligation of aid and assistance by all the means in their power, in accordance with Article 51 of the United Nations Charter. This shall not prejudice the specific character of the security and defence policy of certain Member States.' Some authors, such as Koutrakos, have argued that the scope of the clause is debatable, as it leaves open 'how far … Member States [are] required to go in order to comply with their duty and how rigorous … the

---

[4] Koutrakos, P., 'The role of law in Common Security and Defence Policy: functions, limitations and perceptions', in Koutrakos, P (ed.): *European Foreign Policy – Legal and Political Perspectives*, Edward Elgar, 2011, pp.235-260, p. 240.

enforcement of this duty [can] be'[5]. In other words, it does not explicitly state whether reactions to such armed aggression have to be, for example, military in nature. Hence, it has been suggested that – rather than a defence clause – Article 42 (7) TEU features a mutual assistance clause,[6] which may or may not include military responses to an armed aggression. On the other hand, it has been argued that the EU's clause 'comes close' to the formulation used in Washington Treaty, while leaving out the notion of 'the use of armed force'.[7] Still, like **Art. 5 Washington Treaty,** Art. 42 (7) TEU in fact includes the possibility of various responses to the original aggressor.

Overall, the clause is 'crucial in a functionalist evaluation of CFSP's evolution because it inserts another area of integration in CFSP where one did not exist before.'[8] Such a step is further complemented by the **EU's solidarity clause**, which, framed in Art. 222 TFEU, further specifies joint action of the EU and EU Member States 'if a Member State is the object of a terrorist attack or the victim of a natural or man-made disaster'. While enforceability of defence clauses for Member States, be it in the EU or NATO, are generally difficult, it should not be forgotten that for the EU the defence clause marks a major step towards measures of a common defence policy. However, this needs to be supplemented with further steps of defence integration.

Art.42 (2) TEU, 45 and 46 also frame an **internal common Union defence policy**. On the one hand such internal policy underpins the EU's internal collective defence efforts. On the other hand, it should enhance the EU's coordination of defence markets in light of military capacities which are needed for international crisis-management missions. Art. 42 (2) TEU underlines that the 'common security and defence policy shall include the progressive framing of a common Union defence policy'. Article 42(2) requires the EU to frame a common defence policy which can be established without further treaty changes. Through a 'passarelle' clause, the TEU foresees in Art. 42 (2) that such a 'common defence' will be put in place if the 'European Council, acting unanimously, so decides.' Article 42 (2) para. 2 TEU further stipulates opt-outs. For example, the EU's policy 'shall not prejudice the specific character of the security and defence policy of certain Member States' (a reference to the neutrality policies of Austria, Finland, Ireland and Sweden); moreover, it 'shall respect the obligations of certain Member States, which see their common defence realised in the North Atlantic Treaty Organisation (NATO)'.

Other EU external policies are mostly supranational in nature, with either exclusive or shared Union competences, run by the ordinary legislative procedure and/or the involvement of powerful supranational actors like the European Commission ('Commission'), the European Parliament and the European Court of Justice. In the context of CFSP/CSDP, however, the Union has competence (Article 2 (4) TFEU), while it is run by **'specific' intergovernmental procedures** unless exceptions are provided (Article 24 (1) para. 1 TEU). Instead of the Commission, European Parliament and European Court of Justice, the Treaty foresees a **key role for the European Council and the Council** ('acting unanimously', Article 24 (1) subparagraph 1 TEU) as well as for the High Representative of the European Union for Foreign Affairs and Security Policy (HR) when it comes to the implementation of the policy. Article 24 TEU refers to the role of the Commission and the European Parliament as 'specific' and 'defined by the Treaties', while it underlines that '[t]he Court

---

[5] Ibid.
[6] Ibid., 238.
[7] Van Eekelen, W., Kurpas, S..,'The Evolution of Flexible Integration in European Defence Policy: Is permanent structured cooperation a leap forward for the Common Defence and Security Policy?' *CEPS Working Document* No. 296/June 2008, p.7.
[8] Austin, Michael J., 'Style or Substance? An Analysis of the Major Reforms to CFSP by the Treaty of Lisbon', *European Union Law Working Papers*, No. 1, 2011, Stanford Law School and University of Vienna Law School, p. 13.

of Justice of the European Union shall not have jurisdiction with respect to these provisions, with the exception of its jurisdiction to monitor compliance with Article 40 of this Treaty and to review the legality of certain decisions as provided for by the second paragraph of Article 275 of the Treaty on the Functioning of the European Union.'

The intergovernmental nature of CFSP/CSDP is not only underlined by the role of the Council and European Council and their unanimous mode of decision-making, but also by the **position of individual Member States** in CFSP/CSDP. Article 21 (3) TEU explicitly points out that the 'Union shall conduct, define and implement a common foreign and security policy, based on the development of mutual political solidarity among Member States, the identification of questions of general interest and the achievement of an ever-increasing degree of convergence of Member States' actions.' The important position of Member States is furthermore to be seen in the EU's treatment of **Member State capabilities and obligations** in the domain of security and defence (see Art. 42 (1) and Art. 42 (2) TEU).

In CFSP/CSDP, the European Council defines the 'general guidelines' of actions (Article 26 (1) TEU). The Council thereafter provides the framework and takes 'decisions necessary for defining and implementing it' (Article 26 (2) TEU). In CSDP, the Council decides upon joint action to launch international missions in the context of crisis management, be they civilian, military or mixed in nature (see below). .

CSDP action also qualifies for majority voting in several instances in the Treaty (see Art. 21 (1) TEU). However, CSDP does not know many exceptions to the rule that **decisions are to be taken unanimously by the Council** (Article 42 (4) TEU). In fact, Art. 41 (3), 45 (2) and 46 (2) remain exceptions to the rule. In these cases, **Qualified Majority Voting** (QMV) in the Council is possible with regards to (a) start-up funds for crisis-management missions, (b) the statute of the European Defence Agency and (c) provisions regarding the Permanent Structured Cooperation. Still, the use of QMV in CSDP is an untapped potential in the treaties, which could be used more regularly to overcome the potential deadlock of the Council regarding caused by the requirement of unanimous decision-making. In this view, the Treaty foresees that the Union can proceed efficiently (timely) and effectively (problem-oriented) without the agreement of all Member States.

Another potential way towards deeper integration regarding security and defence is 'the establishment of 'a **permanent structured cooperation**' (PeSCo) which is open to those Member States whose military capabilities fulfil higher criteria, and which have made more binding commitments to one another with a view to the most demanding missions (Article 42(6))'[9]. In fact, as it has been mentioned elsewhere, 'PSCD has the potential to bring real added value therefore. Now is the time to consider it, making full use of the momentum created by the implementation of the Lisbon Treaty'[10]. Art. 46 TEU points out that the criteria and commitments are further specified in the protocol on permanent structured cooperation. PeSCo can be established, as briefly mentioned before, by QMV, after those Member States, who intend to form a structured cooperation have send their notification to the Council and HR. Three months after the notification, the Council adopts by QMV the 'decision establishing permanent structured cooperation and determining the list of participating Member States' (Art. 46 (3) TEU). The structured cooperation

[9] Bono, R. G., 'The organization of the external relation of the European Union in the Treaty of Lisbon', in: Koutrakos, P. (ed.), *The European Union 's external action one year after Lisbon*, CLEER Working paper, 2011/3, pp. 13-38, p. 28.
[10] Biscop, S., Coelmont, J., 'Permanent Structured Cooperation for Effective European Armed Forces', Egmont Institute, *Security Policy Brief*, No. 9, 2011.

does indeed bare some untapped potential. Originally foreseen in the Constitutional Draft in the Convention on the Future of Europe, the structured cooperation was meant to serve as a tool to provide the EU's CSDP with a **flexible integration mechanism in the field of security and defence**.[11] As such, it went beyond assisting the otherwise unanimous decision-making, as it it's the case of constructive abstentions (Art. 31 (1) TEU).[12]

The Protocol on PESCO attached to Lisbon Treaty sets out the objectives of PESCO.[13] Article 1 PESCO Protocol states that PESCO is open for those states which:

'(a) proceed more intensively to develop its defence capacities through the development of its national contributions and participation, where appropriate, in multinational forces, in the main European equipment programmes, and in the activity of the Agency in the field of defence capabilities development, research, acquisition and armaments (European Defence Agency), and

(b) have the capacity to supply by 2010 at the latest, either at national level or as a component of multinational force groups, targeted combat units for the missions planned, structured at a tactical level as a battle group, with support elements including transport and logistics, capable of carrying out the tasks referred to in Article 43 of the Treaty on European Union, within a period of 5 to 30 days, in particular in response to requests from the United Nations Organisation, and which can be sustained for an initial period of 30 days and be extended up to at least 120 days.'

The **objectives of PESCO** clearly point to a framework for deeper integration regarding defence capacities and complementarity as well as the enhanced deployment of EU Member States military forces.[14] As will be further shown below, PESCO is hence a tool to step up EU efforts both with regards to the effectiveness and presence of EU missions in international crisis situations (see 2.1.2), by foreseeing deployable troops on the ground, as well as the making of an internal defence policy (see 2.1.3), by intensifying cooperation across the (fragmented) Member States defence markets. It is also in this view that the European Parliament has called the Member States to continue their debate on the use and establishment of PECSO[15].

Decisions in the framework of CSDP are nested in a **complex institutional set of actors and bodies** after Lisbon. The Foreign Affairs Council, chaired by the HR/VP, takes decisions regarding CSDP. In the Council machinery, the **Political and Security Committee (PSC)** as well as the **EU Military Committee (EUMC)** have taken on prominent roles in the preparatory process of CSDP decisions. The PSC is composed of representatives on the ambassadorial level from the Member States. The Commission is also present. The EUMC is bringing together the Member States' chiefs of defence and is the EU's highest military body[16]. The EUMC advises the Council on all military-related questions of CSDP via the PSC. Moreover, there is the **Committee for Civilian Aspects of Crisis Management (CIVCOM)** in the Council, providing advice and input regarding civilian capacities and crisis management missions. The PSC, EUMC and CIVCOM are chaired by officials from the European External Action Service ('EEAS'). This official is linked to the so-called 'Security and CSDP Structures' in the EEAS. These structures consist of several highly-ranked officials overseeing the

---

[11] Howorth, J., 'The European Draft Constitutional Treaty and the Future of the European Defence Initiative, *European Foreign Affairs Review*, Vol.9 2004, p.4.
[12] Ibid.
[13] Biscop/Coelmont, op.cit., p. 1.
[14] Ibid.
[15] See, for example, European Parliament, 'Report on the EU's mutual defence and solidarity clauses: political and operational dimensions' (Rapporteur: Ioan M. Pascu), 30. 10; 2012, A7-0356/2012, p. 7.
[16] Giegerich, B., 'Foreign and Security Policy: Civilian Power Europe and American Leadership', in Helen Wallace, Mark A. Pollack, and Alasdair R. Young (eds.): *Policy-Making in the European Union*. 7th edition, 2014, p. 446.

coordination of EU action in the domain of security and defence, both in terms of its military and civilian dimension. These are the **EU Military Staff (EUMS)**, **the Civilian Planning and Conduct Capability (CPCC)** as well as the **Crisis Management and Planning Department (CMPD)**, which was created to 'improve civil-military coordination' of CSDP missions and operations'[17].

In addition to these decision-making structures, the **European Defence Agency (EDA)** deals with several dimensions of the development of a European defence market as well as the improvement of military supply and capabilities. Article 42 (3) para. 1 TEU provides that the agency works 'in the field of defence capabilities development, research, acquisition and armaments' and gives input on which requirements are to be met. The EDA is headed by the HR. As such, the EDA is embedded in the overall decision-making structures of CSDP and crucial in terms of coordinating national defence policies. At the same time, as will be shown further below (chapter 4.2.3), the **EDA also coordinates its action ever more closely with the Commission**. The latter has become ever more active in contributing to European defence markets by dual-use strategies in innovation and industry policies.

2.1.2   Policy developments in crisis management

The CSDP has developed rapidly over the last years and has become a key element of the EU' external action, especially with a view to its international crisis management missions. With this additional tool, both in terms of capabilities and actual missions on the ground, the EU has contributed to the making of CSDP since the late 1990s/ early 2000s.

Triggered by the **EU's inability to react to the deadly crises of the Western Balkans** at its doorstep in the 1990s, the security and defence policy was finally pushed by several events in 1998 and 1999. The **Saint Malo Declaration** of the United Kingdom and France foresaw that the EU could develop autonomous security and defence structures (next to NATO) and the European Council Meeting in Cologne in 1999 further developed the idea to develop security structures in the EU.

One major obstacle for the EU in its attempt to launch international missions is that the **Union does not have an army** or civilian officials – such as policemen, judges, etc. – of its own. As mentioned earlier, it **draws upon the capabilities of its Member States**. Several concerns arise in this respect. First, as scholars have pointed out, of the 1.7 Mio. soldiers in the EU Member States only one tenth is deployable.[18] Second, Member States have commitments in other security organisations, such as NATO, and often face difficult choices in which security framework and for which reasons their troops are to be deployed. Third, in the case of civilian personnel, international missions of the EU need to be recognised as being attractive career opportunities for officers on the ground. Finally, the deployment of troops and civilian personnel requires the willingness of Member States to implement the task under the flag of the EU and the unanimous vote of Member States in the Council.

Despite its willingness to further develop a security policy of its own, the EU had to find ways to **build upon already existing structures** which may foster its own capacities. At the same time, it also had to guarantee in the context of NATO that it would neither duplicate NATO nor decouple itself from NATO's already existing military structures.[19] The Berlin Plus arrangement of 2002 does

---

[17] Ibid., p. 447.
[18] Keukeleire, S., Delreux, T., *The Foreign Policy of the European Union*. 2nd edition, Palgrave, 2014, p.177.
[19] Ibid., p. 176.

in this respect guarantee NATO's planning, command and capacity structures, availability for concrete EU missions, while NATO at the same time also respects EU missions which are done outside its framework. Berlin Plus has been used a number of times. For example, it led to the launch of the EU military operation Concordia (see Figure 3) in the former Yugoslav Republic of Macedonia in 2003 (FYROM). Moreover, EUFOR Althea, which is still in operation, was the second CSDP operation carried out in the context of the Berlin Plus framework (Figure 4).

Figure 3: Completed CSDP missions and operations (July 2015)

Figure: European External Action Service, http://eeas.europa.eu/csdp/missions-and-operations/index_en.htm (Accessed 2 September 2015)

To operationalise the autonomous availability of troops, the EU has come up with several so-called military and civilian headline goals. The early military headline goals foresaw the availability of up to 60 000 troops in 2003. With the **Headline Goal of 2010**, the battle group concept was adopted, which foresees that rapid forces of 1 500 troops could be deployed for crisis management tasks of up to 120 days.[20] Despite full operational capacity, none of the battlegroups have yet been used.

In the civilian domain, the **Civilian Headline Goal** 2000 was agreed at the European Council. It has been revised in 2008 and 2010. Whereas the first Headline Goal focused on the quick deployment of judges and administrative officials, the complementary Headline Goals of 2008 added emphasis on monitoring missions, support for EU Special Representatives, Security Sector Reform (SSR) as well as Disarmament, Demobilisation, and Reintegration (DDR). The Headline Goal of 2010 additionally stressed the nexus of civil-military operations and identified the need for further capacities in the field of transitional justice, dialogue and conflict analysis.[21]

---

[20] Ibid., p. 177.
[21] Civilian Headline Goal 2008 approved by the Brussels European Council on 17 December 2004, Doc. 15863/04; Civilian Headline Goal 2010 approved by the Ministerial Civilian Capabilities Improvement Conference and noted by the General Affairs and External Relations Council on 19 November 2007, Doc. 14823/07.

Figure 4: Ongoing CSDP missions and operations (July 2015)
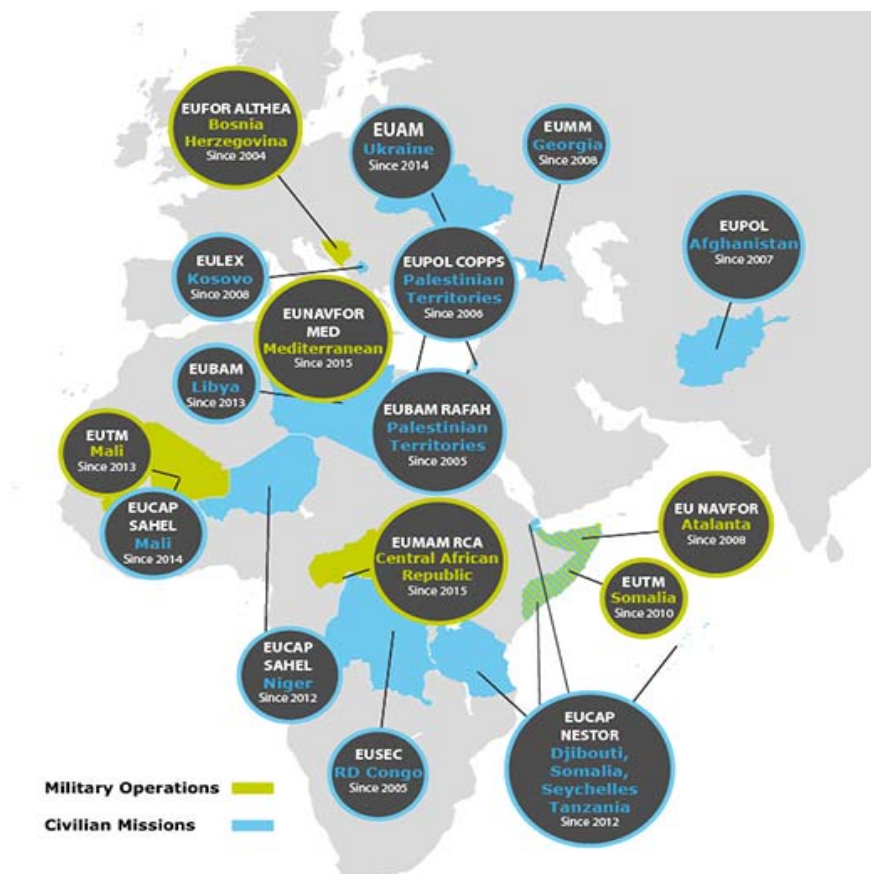
Figure: European External Action Service, http://eeas.europa.eu/csdp/missions-and-operations/index_en.htm (Accessed 2 September 2015)

The operations so far took place in several regions of the world, including North and Sub-Saharan Africa, Asia, the Middle East, the Eastern Neighbourhood and the Western Balkans. Of the many missions which were launched **the majority deployed were in Africa**. One should however not forget that in terms of quantity (people deployed) and strategic importance the Western Balkan missions (EULEX, ALTHEA) are of crucial importance to the EU (see Figure 4).

By 2013, the EU had launched eight EU military operations, 18 civilian missions and one mixed civilian-military mission.[22] In 2015, the EU has completed 17 international missions and currently runs additional 18 military and civilian missions.[23] These **figures show the increasing activeness of the Union in the field**. At the same time, it is important to mention that – despite some very prominent military missions – 'the EU has mainly deployed civilian missions'[24] and that the time-scope and size of missions greatly varies from 'a few months to nearly a decade, and the staff ranging from a scant dozen advisers to some thousand soldiers.'[25] The **distinction between civilian and military missions** is not always an easy one to make: civilian missions sometimes deal with military issues, such as the support to military capacity building (e.g. in the case of EUCAP

---

[22] EEAS, About CSDP Headline Goals, http://eeas.europa.eu/csdp/about-csdp/military_headline_goals/index_en.htm (accessed 4 September 2015).
[23] EEAS, Security and Defence, http://www.eeas.europa.eu/csdp/index_en.htm , (accessed 4 September 2015).
[24] Keukeleire/Delreux, op. cit., p. 188.
[25] Ibid., p. 185.

Nestor, see Figure 2).[26] The argument made is that **the EU – more precisely its Member States – is often not willing to put boots** on the ground and contribute to international crisis management with troops in the theatre.[27] Rather, the EU has tried to find ways to contribute to the stabilisation of crisis-shaken regions and countries by contributing by other means, for example the financial support of the African Union via the African Peace Facility (see chapter 3.3.3) or capacity building via civilian missions. Even if not putting boots on the ground, it should not be forgotten that the ATALANTA naval mission at the Horn of Africa (see figure 2) is the second-largest EU mission in terms of deployed personnel. It is generally seen as a success.

2.1.3   Policy developments in defence capabilities

Capabilities for international security missions and defence operations are in the hands of the Member States. For the EU this poses a major challenge: **how can the EU ensure that the assets of Member States are complementary and deployable?** Moreover, how can it be ensured that Member States' equipment is living up to standards and fulfils the needs of the EU? As was noted earlier, the EDA was created to coordinate the efforts of Member States in the development of their military capabilities.

Authors have pointed out that despite efforts to increase budget support as well as research and development in the context of defence, numbers of national defence expenditures and research and development have been in decline.[28] This development has been seen as going hand with **a fragmentation of the European defence markets**. More specifically, authors have criticised the EDA from suffering from divergent Member States views on whether to concentrate on the effectiveness of national forces and their equipment or to focus 'on defence procurement of European manufacturers.'[29]

Against this backdrop, the tasks of the EDA, as laid out in Article 45 (1) TEU, seem daunting. However, **EDA has undertaken several initiatives** to coordinate national defence cooperation spending. Overall, it has been seen as crucial that the EDA pushes for 'common, harmonised requirements' which in turn would be helpful to 'identify and capitalise on opportunities for multinational collaboration.'[30] Moreover, the **EDA Code of Conduct** which was adopted by EU defence ministers in 2012 may aim to provide a framework to 'systematically consider cooperation from the outset in their national defence planning for the whole life cycle of a capability, including R&T.'[31] Furthermore, it has been suggested that Member States would focus on specific issues, so-called 'enablers', that may facilitate the capability of the EU on the ground (one example being the 'air-to-air' refuelling initiative (AAR).[32]

Member States in response have often not been willing to follow the route of cooperation due to a number of factors. As has been shown in a European Parliament briefing in 2015, '**Member States**

---

[26] Ibid., p. 188.

[27] Keukeleire, S., Raube, K., 'The security-development nexus and securitization in the EU's policies towards developing countries'. *Cambridge Review of International Affairs*, *26* (3), 556-572.

[28] De France, O.; C. Quain, 'Defence spending in the EU', in *EUISS Yearbook of European Security 2014*, European Union Institute for Security Studies, 2014, 95; Fiott, D., 'Defence R&D in Europe', in *EUISS Yearbook of European Security 2014*, European Union Institute for Security Studies, 2014, in EUISS, 117; Barcikowska, A.: 'Military capabilities and interoperabilit', in: Gross, E.; Menon, A., 'CSDP between internal constraints and external challenges', *EUISS Report No 17*, October 2013, 31.

[29] Giegerich, op. cit., p. 447.

[30] Barcikowska, op. cit., p. 34.

[31] Ibid.

[32] Ibid.

are not fully taking advantage of this potential for cooperation, due to various concerns: loss of strategic autonomy, the sensitivity of the defence sector, and reluctance to give up a strategic industrial base, seen as a matter of national prestige.'[33]

2.2 Towards supporting and synergising effects between CSDP and EU level policies

Article 21 TEU also underlines the need for '**consistency between the different areas** of [the Union's] external action and between these and its other policies' (Article 21 (3) para. 2 TEU). To this end, the Treaty of Lisbon assigns that the Council and the Commission, assisted by the HR/VP, 'shall ensure that consistency and [shall] cooperate to that effect' (ibid.).

It thus becomes clear from CFSP/CSDP Treaty provisions that none of the Union's CFSP/CSDP actions can be seen in isolation from the EU's overarching external action. Rather, the **consistency between policies** (external-external, external-internal) needs to be ensured by the respective EU institutions and actors which are in charge of the development and implementation of EU external action. The obligation of consistency – or coherence – must be seen in the context of CFSP/CSDP and its distinct nature, especially when compared to other policies of the Union. Without the obligation of consistency, the intergovernmentalism of CFSP/CSDP (see above) can easily lead to policy outputs which may not only differ but also contradict decisions made in other EU external policies.

With the High Representative overseeing the EEAS and the EDA, chairing the Foreign Affairs Council and being one of the Vice Presidents of **the Commission, there should ideally be an internal coordination mechanism between the EEAS and the Council on the one hand and the EEAS and the Commission on the other hand**. CSDP decision-making structures form part of the larger EU decision-making structures and CSDP should be seen in light of other policies. Moreover, it could benefit from their support. In this view, the current restructuring of the EEAS will need to tackle the internal quest for coherence as well. In the past, the communication and coordination between the so-called CSDP structures in the EEAS (Kortenberg) and the rest of the EEAS (Schuman) have been seen as difficult. The EEAS review has pointed out that 'the present CSDP system raises a number of questions in terms of (I) the positioning and reporting lines of the relevant EEAS departments in relation to the HR/VP and relations with other parts of the EEAS and (II) the speed and effectiveness of decision-making, in particular in crisis situations.'[34] It was mentioned that, for example, the expertise of the EU Military Staff (see further below) should be made 'widely and directly available to other policy departments in the EEAS.'[35]

There should be closer coordination in the future to bring together the civilian and military crisis-management structures within EEAS with the other geographical and thematic units of the EEAS. The closer internal coordination may ideally lead to **intra-institutional coherence**. At the same time, the coordination between the EEAS and Commission DG's and units, such as the Foreign Instruments Service, need to be coordinated in order to foster synergies across policies. As regards the latter, the new HR/VP's decision to take office in the Commission (Berlaymont Building) and to foster her role as Vice President of the Commission as well as the creation of a 'foreign policy cell'[36]

---

[33] Cîrlig, C.-C., 'European Defence Cooperation – State of play and thoughts on an EU army'. EPRS | European Parliamentary Research Service, *European Parliament Briefing*, Briefing March 2015.
[34] European External Action Service, EEAS review, p. 5.
[35] Ibid.
[36] EU observer, EU commission creates new foreign policy cell, 11 September 2014.

in the College of Commissioner (including trade; humanitarian aid and crisis management; international cooperation and development; climate change and energy; neighbourhood policy and enlargement; migration, home affairs and citizenship) can be considered a useful step. As regards the former, in the new structure of the EEAS – as illustrated by the new organigramme of the EEAS[37] - the FPI as well as EUMC Chair (and indirectly the Director General EUMS) report to the HR/VP and the new Secretary General. As such, the coordination between FPI and CSDP structures are streamlined on the top-level of the EEAS and seemingly geared towards **greater intra-institutional coherence**. However, it remains to be seen if such top-level coordination efforts also create coordination and coherence between the FPI and CSDP structures on the level of Managing Directorates and Directorates of the EEAS.

In this regard, it is important to recall that **CSDP instruments are an integral part of the EU's foreign policy 'toolbox'**. Whether civilian or military in nature, it would be far-fetched to assume that CSDP instruments can solve problems on the ground on their very own. In fact, what seems to be required is a **combination of instruments from CSDP and other policy areas** which, if effectively combined, live up to needs on the ground. Such a combination of instruments requires a proper co-ordination and complementarity between CSDP actors and other EU and international actors in crisis management.

In the EU context, it is important to highlight what have been called the horizontal, intra- and inter-institutional dimensions of coherence.[38] These dimensions highlight the relationship between CSDP on the one hand and other policies on the EU level on the other hand. They furthermore focus on the **coordination within and between EU actors and bodies**, such as the EEAS, and other EU institutions like the Commission in their efforts to arrive at non-contradictory EU external action. Since the entry into force of the Lisbon Treaty, the HR/VP and the EEAS carry the mandate to increase consistency and coherence horizontally (and vertically) in EU external action at large, and particularly in CSDP.

In CSDP, **intra-institutional coherence in the EEAS** might be increased by creating a proper institutional interface to level out tensions between military and civilian cultures of crisis management in the EEAS. Moreover, coordination with the Commission is crucial to bring together other EU instruments (such as financing instruments) with the actions in CSDP. For example, in the field of CSDP, the coordination between crisis management tools and, for example, development coordination becomes necessary (so-called security-development nexus, see below chapter 3.3). Such efforts would not only enable the EU to avoid contradictions between policies, but even aim for synergising effects of the policies during their planning, decision-making and implementation.[39] Furthermore, the synergies may also be recognisable during various phases of crisis management, be it conflict prevention or post-conflict scenarios. Overall, such **synergising effects can positively impact upon the EU's effectiveness** on the ground, bringing together the various instruments from the EU's toolbox and effectively combining them in the attempt to solve problems on the ground.

---

[37] EEAS organigramme, http://eeas.europa.eu/background/docs/organisation_en.pdf, 16 September 2015, accessed on 29 September 2015.
[38] Marangoni, A., Raube, K., 'Virtue or Vice? The Coherence of the EU's External Policies'. *Revue d'Intégration Européenne / Journal of European Integration*, 36 (5), 2014, pp. 473-489.
[39] Hillion, C., 'Tous pour un, un pour tous! Coherence in the External Relations of the European Union', in Cremona, M. (ed.), *Developments in EU External Relations Law*, Oxford, Oxford University Press, pp. 10-36.

In addition, an often neglected dimension of the challenge of horizontal coherence is the **coordination of CFSP and CSDP instruments**. While the development of CSDP arguably gave added value to EU external action, including a more crisis management oriented foreign policy, crisis management operations themselves have not always been matched by complementary efforts and instruments to strengthen the EU's impact on the ground. How, for example, are CSDP missions paired with CFSP instruments, such as the Special Representatives (see chapter on the Eastern dimension on the European Neighbourhood)? More specifically, could a CSDP mission commander also become a EUSR at the same time?

Another dimension of coherence is the vertical one, which includes the obligation to avoid the contradiction between EU level and Member State level policies. This dimension is crucial as it tries to prevent Member States from taking action that is not in line with their obligations on the EU level, be it with regard to the implementation of CFSP policies or their effort to coordinate defence policies. In other words, **vertical coherence requires that foreign policies of the Member States and the EU match each other**. However, contradictory and poorly coordinated Member State objectives can cause compromised CSDP action. While military and civilian crisis management implies that a set of different national actors becomes involved in the CSDP, this makes the preparation and management of CSDP operations much more complicated and leads to major challenges for consistency and coordination among actors and their capabilities and resources. Often, the EU cannot prevent the Member States from taking such sovereign actions. Still, it can remind the Member States of their solidarity in the context of CFSP, as stipulated by the TEU.

In an effort to build on the diverse toolbox at its disposal for external action, the EU has adopted the so-called **'comprehensive approach'**. The joint communication by the Commission and the High Representative on the comprehensive approach to external conflicts and crises was published in December 2013[40]. The document attempts to overcome the divide between CFSP/CSDP and alternatively other instruments of EU external action in order to build upon the 'wide array of policies, tools and instruments at its disposal to respond to the increase of complex and interrelated crises'[41]. In this respect, the comprehensive approach further elaborates how EU action can contribute to 'all stages of conflict'[42]. The approach has already been applied in several geographical and thematic strategies, such as the Sahel Strategy of 2011[43] and the Maritime Strategy of June 2014[44].

However, several crucial questions arise: how are synergies to be identified between the various policy actors and EU instruments on a case-by-case basis? Which evidence and experience can there be generated from the analysis of specific non-CSDP-policies in view of their contribution to CSDP? How can the idea of synergies across policies in the domain of crisis management be used to think about comprehensive coordination between defence policies and non-EU policies in the wider CSDP? In other words, how can non-CSDP policies contribute to the efforts of defence cooperation in the EU? These questions will be tackled in the remaining chapters of this study.

---

[40] European Commission and High Representative of the European Union for Foreign Affairs and Security Policy, Joint Communication to the European parliament and the Council, The EU's comprehensive approach to external conflicts and crises, JOIN (2013) 30, 11 December 2013.
[41] Ibid., at p. 3.
[42] Amadio Viceré, M. G, 'European Security and Defence Policy: The First 10 Years 1999–2009', *Conflict, Security & Development*, 2014, pp. 2-12.
[43] EEAS, Strategy for Security and Development in the Sahel,
http://www.eeas.europa.eu/africa/docs/sahel_strategy_en.pdf.
[44] Council of the EU, European Union Maritime Security Strategy, 11205/14, 24 June 2014.

3 The external dimension of CSDP – Supporting CSDP crisis management by other EU-level instruments

3.1 CSDP crisis management and EU policy level support

In the following chapter, the study will look into the coordination between CSDP policies and various non-CSDP policies and instruments: (i) European Neighbourhood Policy; (ii) development cooperation; (iii) internal policies; and (iv) financial instruments. Next to the analysis of each of the policies and their respective instruments, crucial attention will be paid to the coordination and synergies between these policies and CSDP policies. Furthermore, it will be looked into how not only individual instruments, but also actor coordination and policy adaptation can contribute to synergies between the respective non-CSDP policies and CSDP in the long run.

3.2 Neighbourhood policy support for crisis management

3.2.1 The Eastern dimension

The European Neighbourhood Policy (ENP) established a framework for relations between the EU and its direct neighbours to the East and the South[45], aimed at developing closer political association and economic integration. Reflecting the principle of differentiation, bilateral Action Plans have been negotiated which define the reforms partner countries should implement in order to come closer to the Union. The **ENP uses all instruments available to the EU**, both from its CFSP (i.e. Special Representatives; sanctions) and CSDP tool-box (i.e. civilian and military missions) and from other sectoral policies (i.e. association and free trade agreements, financial assistance, etc.). In 2009, the Eastern Partnership (EaP) was established, covering the six neighbours to the East, while looking to address the specificities of their regional context and the European aspirations of countries like Georgia and Ukraine. The **EaP provided an upgrade in relations with the six post-Soviet countries**, partly as a response to the brief war between Russia and Georgia, in August 2008. Tensions over the separatist conflicts in Abkhazia and South Ossetia in Georgia escalated into violent confrontation with Russia, threatening the Georgian regime and its western ambitions. Separatist conflicts remain over Transniestria in Moldova and over Nagorno-Karabakh, between Armenia and Azerbaijan. The violent conflict ongoing in Eastern Ukraine, since 2014, poses additional challenges to regional stability and security, raising issues as to the relevant EU tools to respond to this crisis. The Eastern neighbours have also undergone significant episodes of political instability and economic downturn, namely in Moldova and Armenia, requiring a mix of structural support and crisis management in order to prevent further destabilisation.

Mixed instruments

By bringing together such a **mix of instruments**, the ENP is well suited to support CSDP goals, namely by providing the instruments for regular monitoring of regional, national and local dynamics (under the ENP Action Plan reviews), by providing macro-economic assistance and mechanisms for political dialogue (in the framework of the Association Agreements), complemented by the timely application of CFSP tools relevant for conflict mediation and crisis management (including the work of the Special Representatives), as well as CSDP missions.

---

[45] The countries covered by the ENP are Algeria, Armenia, Azerbaijan, Belarus, Egypt, Georgia, Israel, Jordan, Lebanon, Libya, Moldova, Morocco, Palestine, Syria, Tunisia and Ukraine.

The ENP was designed with clear **conflict prevention potential**. The 2003 Commission communication on the Wider Europe acknowledged the need for closer EU engagement with neighbouring countries, in order to address the root causes of instability, including conflicts. These were seen by the Union as important obstacles to economic and political development, making EU action through the ENP relevant for preventing further instability and for mediating and managing existing regional conflicts.[46] Reinforcing this goal, the 2003 European Security Strategy clearly allocated to the ENP an important role for the provision of regional security and for the establishment of the EU as relevant security actor.[47] Subsequent revisions of the ENP and the establishment of the EaP have maintained the conflict-related focus, despite important limitations. For instance, the regional approach developed by the EU, through the multilateral platforms of the EaP and the Black Sea Synergy, failed to establish specific views and tools for conflict resolution.[48] Moreover, the EU has been reluctant to use the negotiations of the **Association Agreements as a tool to apply conflict-related conditionality**, largely keeping the EU policy towards these countries separated from international conflict mediation efforts.[49] Although the lack of membership perspectives under the ENP undermined the use of conditionality, the new Association Agreements include better incentives, namely better access to EU market and visa facilitation, as well as deeper political relations, and could have been linked to concrete steps in conflict resolution. The latest revision of the ENP underlines the importance of stability as a pre-requisite for prosperity, and the need for closer cooperation between the EU and partner countries in managing threats and conflicts, opening the possibility for important synergies.[50] **Political and economic stability** is, thus, perceived as an important contribution to regional security, creating predictability and increasing living standards. Such a context would also facilitate peacebuilding efforts in the region, creating positive incentives to peace. The permanence of armed conflicts threatens these efforts, undermining economic development and political stability throughout the region (i.e. maintaining closed borders, facilitating militarist and nationalist rhetoric, as well as arms races and high defence budgets).

The operationalisation of the EU goals of closer engagement in addressing regional instability and conflicts, however, has been deficient, despite important steps taken in the Eastern

---

[46] "If the EU is to work with its neighbourhood to create an area of shared prosperity and stability, proximity policy must go hand-in-hand with action to tackle the root causes of political instability, economic vulnerability, institutional deficiencies, conflict and poverty and social exclusion." European Commission (2003) "Wider Europe — Neighbourhood: A New Framework for Relations with our Eastern and Southern Neighbours", Communication from the Commission to the Council and the European Parliament, COM(2003) 104 final, Brussels, 11.3.2003.

[47] European Council (2003) "A Secure Europe in a Better World. European Security Strategy", Brussels, 12 December.

[48] There are four EaP multilateral platforms on 'Democracy, good governance and stability', 'Economic integration and convergence with EU policies', 'Energy Security' and 'People-to-people contacts'. Under the first platform, the EU is supporting security sector reforms and good governance, seen as contributing to regional stability. EaP partners can also take part in CSDP missions, as a means to develop technical capacity to participate in international peacekeeping missions. For more information on the regional dimension of EU policies in the EaP and particularly in the South Caucasus see Simão, L.,'Region-building in the Eastern Neighbourhood: Assessing EU Regional Policies in the South Caucasus', *East European Politics*, 2013, 29, 3, 273-288.

[49] Sasse, G.,'The European Neighbourhood Policy and conflict management: a comparison of Moldova and the Caucasus', in Hughes, James (ed.), *EU Conflict Management*. London: Routledge, 2010, p. 96. Shiriyev, Z.: 'Challenges for the EU in the resolution of the Nagorno-Karabakh conflict: An Azerbaijani perspective', *EPC Policy Brief*, 2013, 17 June.

[50] "There are currently a number of conflicts affecting the neighbourhood region. Stability is a prerequisite for working together on enhanced prosperity. The EU and its Member States need to do more together with our partners to address the security threats that arise from conflict situations, from organized crime, and from terrorism, and to develop our ability to jointly manage crisis and disasters." European Commission and High Representative of the European Union for Foreign Affairs and Security Policy (2015) "Towards a new European Neighbourhood Policy – Joint Consultation Paper", JOIN(2015) 6 final, Brussels, 4.3.2015.

neighbourhood. Linking the provision of structural security, through a focus on reforms and development in ENP countries, to crisis management goals would benefit from a clear use of conflict-related conditionality by the EU.

Short-term CFSP/CSDP tools

Lacking the political will to make this link, both within the Commission and among some of its Member States, the EU has resorted to short-term CFSP/CSDP tools to reinforce its profile in conflict and crisis management. **The appointment of EU Special Representatives** (EUSRs) by the Council is one such tool, as defined by Article 33 TUE, and in the eastern neighbourhood it aimed at reinforcing the conflict related dimension. Both the EUSR for the South Caucasus and the EUSR for Moldova were tasked with supporting reform efforts expressed in the ENP Action Plans, while simultaneously contributing to conflict resolution.[51] The separatist conflicts affecting both countries since independence remain unresolved, thus requiring simultaneous **conflict prevention** measures – aimed at avoiding the resumption of armed violence – and **conflict resolution** and **post-conflict rehabilitation** measures. **Mediation** aimed at the achievement of a long-term peace settlement is still required, whereas rehabilitation is needed as a form of incentive towards peace. The EUSRs are fundamental in assisting the EU in designing the approaches and identifying the tools suited to these complex contexts. In order to do so, the EUSRs have to institutionally link CFSP/CSDP actors, both in Brussels and in the field, namely the PSC and EU Mission Heads, with the Commission and the EEAS. EUSRs have the mandate to provide political guidance to CSDP missions on the ground, according to the overall foreign policy objectives of the Union.[52] The experience so far suggests that the EUSRs have found many difficulties in shaping EU CFSP as well as in keeping pace with such broad mandates, considering the limited financial and human resources available to them.[53] The 2013 EEAS review further sustained the need to fully incorporate the EUSRs in the EEAS structure in order to create more synergies in Brussels and on the ground.[54] In 2010 it was decided to terminate the mandate of the EUSR for Moldova, while in 2011 political and conflict-related responsibilities were transferred to the newly-established EU delegation in Chisinau. The **understaffing of the Delegation and the personal engagement of the EUSR** in building trust between the authorities in Chisinau and Tiraspol, namely through socio-economic confidence building measures, has placed additional pressure on inter-institutional coordination between the EU delegations and the EEAS.[55] Maintaining a well-coordinated approach and linking the Association Agreements with steps in conflict resolution will be fundamental, especially in the context of escalating tensions with Russia.

[51] Council of the European Union (2005) "Council Joint Action appointing a Special Representative of the European Union for Moldova", 2005/265/CFSP, 23 March. Council of the European Union (2003) "Council Joint Action concerning the appointment of an EU Special Representative for the South Caucasus", 2003/496/CFSP, 7 July.
[52] Gross, E.: 'D.4.2. Systematic report on the value premises and human, ethical consequences of the CFSP/ESDP in the changing environment of border security', Deliverable submitted June 2010 (M27) in fulfilment of requirements of the FP7 Project, Converging and Conflicting Ethical Values in the Internal/External Security Continuum in Europe (INEX) p. 12.
[53] For a detailed analysis of the development of the EUSR positions and the central issues affecting their standing in the post-Lisbon institutional setting see Wouters, J., Beke, L.,; Chané, A.-L., D'Hollander, D., Raube, K.: *A Comparative Study of EU and US Approaches to Human Rights in External Relations*, European Parliament, Directorate-General for External Policies of the Union, EXPO/B/DROI/2014/27, November 2014, pp. 63-73.
[54] EEAS (2013) "EEAS Review", July.
[55] Cristescu, R. and Matveev, D., 'Peacebuilding and conflict prevention in Moldova: the role of the EU', paper produced for discussion during the EPLO/Civil Society Dialogue Network meeting, Bucharest, 28 June 2014.

Box 1: Need for more comprehensive and better articulated regional security policies

Regional approaches were perceived by the EU as a necessary step for confidence-building, eventually contributing to peace and stability. Two examples, however, illustrate the need for more comprehensive and better articulated regional security policies, in line with ENP objectives, and as a means to make the use of CSDP tools more efficient.

- In 2006, the EU suspended negotiations of the ENP Action Plans with Armenia, Azerbaijan and Georgia, after an Azerbaijani commercial airline flew to the Turkish Cypriot Republic, in violation of the EU's non-recognition policy of Northern Cyprus. Eventually, negotiations were resumed, as linking ENP and CFSP issues threatened to derail the EU's overall approach to the South Caucasus. Rather than a poor use of negative conditionality and linkage, this case illustrates the problems posed by the limited institutionalisation of CFSP, making EU foreign policy vulnerable to pressures from some Member States, and short-term views of EU-South Caucasus relations. The creation of the EEAS and the reinforcement of the HR's powers as the head of EU foreign policy, including in the neighbourhood, are important steps towards overcoming the deficit of institutionalisation and establishing a framework for EU Member States' positioning within the Council vis-à-vis foreign policy issues.

- The negotiation of Association Agreements under the EaP provides the EU with important leverage over its Eastern partners and could have been used as positive conditionality, linked to advances in conflict resolution. Both politically and operationally, the EU's role as a security guarantor and an impartial mediator could be reinforced, building on the appeal of the AAs for both Moldova and Georgia, as well as for Azerbaijan and Armenia. The negotiation of DCFTAs with Moldova and Georgia affects their future economic and political relations with the separatist regions. Streamlining these negotiations with the EU's policies of "engagement without recognition" of the separatist authorities would be a crucial point to assure the success of the new trade agreements and to assure the peace processes are not negatively affected.

The EU has deployed four missions in the Eastern neighbourhood. The first was EUJUST THEMIS, a rule of law mission to Georgia, mandated to assist in the reform of the judicial system of the country, deployed in 2003. A very limited and low profile mission, EUJUST THEMIS clearly sought to reinforce the 'stability through reforms' approach. In 2005, responding to the request made by the Ukrainian and Moldovan governments, the EU deployed the **EU Border Assistance Mission to Moldova and Ukraine**, mandated to provide technical assistance and advice to the Ukrainian and Moldovan customs services and border guards.[56] EUBAM continued a structural security approach and was particularly concerned with toning down the political nature of the mission, but it provided the EU with an important tool to influence trans-border dynamics feeding the Transnistrian conflict.

Due to the **EU's reluctance in becoming more actively engaged in conflict resolution** in the former-Soviet Union – not least due to Russia's role in these conflicts – the deployment of CSDP

---

[56] EUBAM is not a CSDP mission. It is funded by the ENPI budget.

missions resulted from the pressures of the Moldovan and Georgian executives for greater EU engagement in conflict management, rather than a proactive EU policy.[57]

The EU Monitoring Mission (EUMM) to Georgia is an unarmed civilian monitoring mission, deployed following the brief war between Georgia and Russia, in August 2008, with a mandate to monitor the implementation of the cease-fire agreement. Despite the inability to fully implement its mandate, namely due to the lack of access to the breakaway regions of Abkhazia and South Ossetia, **the EUMM is a valuable international presence** on the ground diffusing tensions and supporting conflict resolution. In 2014, responding to the crisis in Ukraine and at the invitation of the Ukrainian authorities, the EU agreed to deploy a civilian Advisory Mission to Ukraine (EUAM Ukraine). The mission contributes to strengthening and supporting the reform of the civilian security sector in Ukraine.

Overall, the missions were able to respond to specific situations on the ground in politically sensitive contexts. By overcoming internal obstacles blocking effective usage of CSDP tools, namely the need for consensus among Member States**, the EU has endowed the ENP with important tools for crisis management** and with potential positive implications for long-term peace and security. In fact, ENP goals of political and economic stabilisation depend directly on the success of conflict prevention measures and would benefit immensely from successful conflict resolution. On the other hand, conflict-related policies and other security policies linked to fighting transnational organised crime, terrorism and the proliferation of weapons benefit directly from successful reforms and state-building processes, which are at the core of the ENP. Thus the articulation CFSP/CSDP and non-CFSP/CSDP instrument is crucial for the overall success of EU policies in the Eastern neighbourhood.

The EaP and EU crisis management

Reflecting the ENP's initial de-politicised design, the Eastern Partnership has struggled to make the EU more visible as a crisis management actor in the Eastern neighbourhood of the Union. Despite several high profile security crises, mainly related to Russia's foreign policy towards its neighbouring states of the former-Soviet Union, **CSDP tools have been used sparingly to achieve EaP goals** as well as a more coherent Eastern policy for the Union. This reflects the difficult and important relations between EU Member States and the Russian Federation, creating tensions within the Council of Ministers as to the use of the CSDP tools; but it reflects also the underdeveloped nature of the CSDP and the marginalisation of EU level security tools.

The Lisbon Treaty has taken important steps towards overcoming these difficulties and in facilitating coordination of the EaP across EU institutions. The HR/VP and the EEAS are two central innovations in this regard. First, the HR/VP can better streamline Commission and CSDP tools, namely development and humanitarian assistance, financial resources and civilian and military tools, due to its institutional positioning as Vice-President of the Commission, Chair of the Foreign Affairs Council and Head of the EEAS. In regards to the EaP, the **HR/VP needs to closely coordinate with the Commissioner** responsible for the ENP. Initial collaboration between HR Ashton and Commissioner Füle ran smoothly, mainly due to their personal efforts, rather than a clear division of labour.[58] Under the Juncker Commission, a policy of deputising is in place, with the

---

[57] Simão, L., 'The EU's Conflict Resolution Policies in the Black Sea Area', *Journal of Balkan and Near Eastern Studies*, 16, 3, 2014, pp. 300-313.

[58] Maurer, H., Simão, L.,'From regional power to global power? The European Neighbourhood Policy after the Lisbon Treaty', in Boening, A., Kremer, J.-F. and van Loon, A. (eds), *Global Power Europe – Vol. 1 Theoretical and Institutional*

HR reinforcing her coordinating role of all External Action relevant commissioners (the RELEX Commissioners), including the ENP, under the 'Europe in the World' group.[59] Meetings have become more regular and the authority of the HR in the ENP area has been clearly reinforced.

Second, the EEAS can now actively contribute to better integrating CSDP missions with overall EU policy, including the ENP.[60] This can be improved throughout the crisis cycle in an integrated and comprehensive approach. Early warning and conflict prevention in the **Eastern neighbourhood can benefit from EEAS duties in preparing ENP country reports**, but also from the work of EU Delegations, now reinforced with political advisors and articulated with the EUSR and the Heads of CDSP missions.[61] Conflict prevention can also be enhanced through Commission tools, including political dialogue, development and financial assistance (namely through the European Neighbourhood Instrument), and disaster relief. Although these can benefit from the **EEAS coordination role**, turf wars remain, namely with DG Trade, DG Development and Cooperation (DEVCO) and DG Humanitarian Aid and Civil Protection (ECHO).[62] Crisis management can benefit from the use of the EEAS Crisis Response System (CRS), including the Crisis Response and Operational Coordination Department (CROC), the Crisis Platform, the Situation Room (SitRoom) and the Crisis Management Board (CMB).[63] Political guidance is needed, however, in order to make crisis management efforts relevant for ENP goals and vice-versa.

The Eastern neighbourhood of the EU has posed important challenges to the EU's crisis management capabilities. The EU has responded to political instability in the colour revolutions in Georgia and Ukraine, but also in Moldova and Armenia; it has mediated the end to armed violence in Georgia, monitors the implementation of the cease-fire agreement and is part to the peace talks; is mediating the end of violence in Ukraine and supporting long-term stabilisation. EU policy is also committed to supporting the resolution of the protracted conflicts in the region and deepening security cooperation in other relevant fields.[64] The enhanced profile of the EaP in framing security related cooperation between the EU and its Eastern neighbours suggests the improvement of institutional articulation with CFSP and CSDP actors is needed.

CFSP/CSDP and non-CFSP/CSDP tools and their institutional coordination in the eastern neighbourhood – policy and organisational adaptation

Under the ENP and the EaP in particular, the EU has several non-CFSP/CSDP instruments supporting its policy goals, including the promotion of stability and security. Financial assistance is available primarily through the new European Neighbourhood Instrument (former European

---

Approaches to the EU's External Relations. Verlag, Berlin, Heidelberg: Springer Publishing, 2013, 93-108. EEAS (2013) "EEAS Review", July.

[59] Drent, M.; Landman, L. and Zandee, D., The *EU as a Security Provider*. Clingendael report, December 2014, p. 13.

[60] European Union, 'Fact Sheet: Common Security and Defence Policy. Civilian CSDP Missions: lessons and best practices (Report 2009)', May, 2010.

[61] Freire, M. R., Simão, L., *Multilevel Dynamics in the EU's Approach to Preventive Action in Armenia*, Brussels: Initiative for Peacebuilding, 2011.

[62] Helwig, N., Ivan, P.; Kostanyan, H., 'The new EU foreign policy architecture: Reviewing the first two years of the EEAS'. Brussels: CEPS, 2013.

[63] Drent, M., Landman, L. and Zandee, D., op cit., p. 13.

[64] European Commission and High Representative of the European Union for Foreign Affairs and Security Policy (2011) "A New Response to a Changing Neighbourhood: A review of European Neighbourhood Policy", Joint Communication by the High Representative of The Union For Foreign Affairs And Security Policy and the European Commission, COM(2011) 303, Brussels, 25/05/2011.

Partnership and Neighbourhood Instrument). The range of areas covered by this funding is wide[65], directly or indirectly contributing to conflict prevention, confidence building and other important measures aimed at reinforcing state institutions and improving democratic and human rights standards, as well as improving regional cooperation. **Measures funded under this instrument need to be articulated with CSDP tools**, including EU civilian missions contributing to state-building (rule of law missions, border management missions, etc.) and EaP specific tools such as the **'Comprehensive Institution-Building' (CIB)** initiative, established in 2009 or EU Member States bilateral cooperation projects. Moreover, other thematic financing instruments such as the Partnership Instrument, the Instrument contributing to Stability and Peace or the European Instrument for Democracy and Human Rights, might also be activated for the eastern neighbourhood. The **use of these instruments is framed by the ENP Action Plans or the Association Agreements**, when one is in place, establishing the benchmarks for EU actors and often for international donors. CSDP decisions need also to be in line with such goals and crisis management should be designed having in mind the long-term goals defined in these political documents. They should also make the best use of the new trade agreements being negotiated and visa facilitation perspectives, as these measures have important impacts on conflict-related dynamics.

Institutional adaptation?

The post-Lisbon setting remains in flux, but important steps have been taken towards reinforcing the role of the EEAS as an agenda-setter and policy coordinator. By taking up the ENP portfolio, the EEAS has become a fundamental element supporting the work of the Commissioner for the ENP and Enlargement. As he/she increasingly deputises for the HR in institutional relations, the EEAS support is fundamental for coherence and CFSP/CSDP awareness. The **EaP management remains dispersed** between the EEAS and the Commission, creating room for inefficiencies, namely on political leadership, financing, implementation and monitoring. The EEAS is responsible for managing the EaP, including conceptualisation, regulatory and financial issues. This requires coordination with the Commission, seeking input from its sectorial units, particularly relevant in areas such as trade, transportation, energy, research, etc., which have become important incentives under the Association Agreements. Finally, on budgetary issues, the EEAS coordinates with the Commission and needs Council and Parliament approval. A **clarification of the roles of the EEAS and the Commission would benefit the EU's overall performance** in the Eastern neighbourhood, including in crisis and conflict situations. The establishment of an informal EaP Information and Coordination Group under the EaP is one example of ample donor coordination, bringing the EU in line with other International Organisations, which can also be enhanced for crisis management purposes.

---

[65] According to the EU, the ENI should advance six targets: "(1) Fostering human rights and fundamental freedoms, the rule of law, equality, sustainable democracy, good governance and a thriving civil society. (2) Achieving progressive integration into the EU internal market and enhanced co-operation including through legislative approximation and regulatory convergence, institution building and investments. (3) Creating conditions for well managed mobility of people and promotion of people-to-people contacts. (4) Encouraging development, poverty reduction, internal economic, social and territorial cohesion, rural development, climate action and disaster resilience. (5) Promoting confidence building and other measures contributing to security and the prevention and settlement of conflicts. (6) Enhancing sub-regional, regional and Neighbourhood wide collaboration as well as Cross-Border Cooperation." Information available at http://www.enpi-info.eu/main.php?id_type=2&id=402#TheENI (accessed August 25th, 2015).

Box 2: EUBAM Moldovan and Ukraine as well as EUSR South Caucasus

---

EUBAM to Moldova and Ukraine is an important example of how CSDP tools can reinforce EaP objectives and vice-versa. By focusing on border management, the EUBAM exposes the added-value of linking trade policies, with EU-integration efforts and sectoral cooperation and mobilising these policies towards positive conflict transformation. The mission's hybrid nature[1] - financed, managed and implemented by the Commission, but politically controlled by the Council – made this articulation between EaP and CSDP goals more likely. The Mission also benefited from the coordinating role of the EUSR for Moldova, bridging field officers from the EUBAM and EU Delegations in Kiev and Chisinau, with Brussels and politically framing the mission for EU Member States.[1] The termination of the EUSR mandate has created new challenges in this regard, as addressed above.

EUSR for the South Caucasus was appointed in 2003, with a mandate to assist the countries of the region in the reforms established under the ENP Action Plans as well as assist in the resolution of conflicts. It should further help the Council develop a comprehensive approach to the region. The EUSR has also taken oversight functions over the EUJUST THEMIS mission. Following the establishment of the EUMM, in October 2008, the EUSR is required to provide local guidance to the Head of the EUMM in coordination with the Head of the EU Delegation in Georgia. Since July 2014, Ambassador Herbert Salber is the EUSR for South Caucasus and the crisis in Georgia, with a clear conflict settlement mandate, including participation in the Geneva International Discussions on Georgia's separatist regions, on behalf of the EU. Further integration of the EUSR into the EEAS structures could reinforce the role of articulating structural approaches to conflict prevention with crisis management and long-term conflict resolution.

Relations between the EaP-relevant structures in the EEAS, and CSDP decision-making and implementation can also be streamlined. EEAS Managing Directors for the East and for the South coordinate their units with the Council Working Groups on Eastern Europe and Central Asia (COEST) and the Mashreq/Maghreb (MaMa), in order to rally Member State support for EaP security priorities. **Mobilising the Commission to EEAS goals has proved to facilitate Council support**.[66] Considering the crisis management tools integrated into the EEAS, the important role of the HR in managing crisis and Commission control over EU budget, close work with the Council in approving CFSP/CSDP tools for the Eastern neighbourhood should be framed by the continuous work of these institutions.

Increased funding for EaP priorities under the multi-annual budget has been championed by the EEAS, in the Council and in the European Parliament, with the latter supporting these efforts. By aligning these resources with the available CFSP budget and the different thematic financing instruments, the EaP can further contribute to supporting EU foreign policy, including crisis management and the promotion of stability. **The recently established Service for Foreign Policy Instruments should be particularly sensible to these EaP priorities**.

The Lisbon Treaty has initiated important institutional shifts in EU foreign and security policy management. The ENP has been repeatedly underlined as a major priority for the EU, considering the important and complex dynamics unfolding in the EU's borders. **Overcoming the lingering**

---

[66] Helwig, N.; Ivan, P., Kostanyan, H., op cit, p. 46.

institutional problems identified above would assist the Union in becoming a more coherent and better articulated security actor in its neighbourhood.

3.2.2   The Mediterranean dimension

CSDP missions and directly related CFSP instruments in the Southern Neighbourhood

In June 2015, the European Parliament assessed the Southern neighbourhood in these terms: '[T]he neighbourhood […] is less stable, considerably less secure and facing a more profound economic crisis than when the ENP was launched'. [67] This description of the neighbourhood is particularly apt, as the Mediterranean has become an area of instability and economic crisis despite the hopes raised by the Arab spring in 2011 and the goals of the EU initiatives launched in 1995 (Euro-Mediterranean Partnership) and 2003 (European Neighbourhood Policy).[68]

The CSDP missions in the area are relatively modest. As well as the EUNAVFOR in the Mediterranean sea, which is examined elsewhere in this report, there are three missions in the Mediterranean, two of which however are largely on hold, plus a fourth one that was never activated:

- **EU Coordinating Office for Palestinian Police Support** (EUPOL COPPS):[69] Also involving the Palestinian Authority, this mission was agreed in 2005 and established in 2006, with the aim to assist in building the institutions of the future State of Palestine in the areas of policing and criminal justice. The two main contributions have been in supporting the reform and development of the Palestinian Civilian Police and in contributing to the development of criminal justice institutions, including respect for human rights and rule of law, as well as in training police forces ('training the trainers'). More recently, EUCOPPS has also contributed to better coordination between police and prosecution services. The mission has recently been extended, with a budget of EUR 9 175 million for the period 1 July 2015-30 June 2016.

- **The EU Border Assistance Mission in Rafah** (EUBAM Rafah):[70] Established in 2005, as Israel withdrew from Gaza, the mission was to contribute to the monitoring of the Rafah checkpoint between Gaza and Egypt, under the joint control of Israel, Egypt, and the Palestinian Authority (Presidential Guard)[71]. The functioning of the mission was however hampered from the start. The frequent Israeli blockades of the checkpoint, accompanied by the takeover of Gaza by Hamas in 2007, led to the suspension of the mission in June 2007. Despite not being present at the Rafah checkpoint, the mission is however standing and ready to re-deploy if conditions allow. At the moment, it is organising training activities in Jericho for the General Authority for Border and Crossings of the Palestinian Authority. Its head-quarters, at Israel's insistence, are in

---

[67] Committee on Foreign Affairs / European Parliament, *Report on the review of the European Neighbourhood Policy*, 19 June 2015 (2015/2002(INI))

[68] European Commission (2003) "Wider Europe — Neighbourhood: A New Framework for Relations with our Eastern and Southern Neighbours", Communication from the Commission to the Council and the European Parliament, COM(2003) 104 final, Brussels, 11.3.2003

[69] Approved on 13 November 2014 with Council Joint Action 2005/797/CFSP, published in OJ L 300 of 17 November 2014, and modified in subsequent decisions. More info here: http://eupolcopps.eu/

[70] Established with Council Join Action 2005/889/CFSP of 1 December 2005, published in OJ L 328 of 14 December 2005, and modified in subsequent decisions. More info here: http://www.eubam-rafah.eu/; http://eeas.europa.eu/csdp/missions-and-operations/eubam-rafah/index_en.htm

[71] And thus close to the Fatah faction of the PLO.

Israel. Its mandate has been periodically extended, most recently until 30 June 2016 under the new Head of Mission Natalina Cea.

- European Union **military operation in support of humanitarian assistance** operations in response to the crisis situation in Libya (EUFOR Libya):[72] This operation was approved in April 2011, when the crisis management concept was agreed, but it was never activated. As well as the deteriorating security conditions on the ground, reasons for this featured the resistance of several actors (including OCHA, but also Sweden and Finland) to blur lines between the military and the military sphere, as well as the cumbersome process for defining priorities and assessing needs for crisis management in CSDP, which in turn led to the Council decision in December 2011 to revisit CSDP procedures.[73]

- **EU Border Assistance Mission in Libya**, also referred to as EU Integrated Border Management Assistance Mission in Libya (EUBAM Libya):[74] Approved in 2013, this mission aims at supporting the Libyan authorities in improving and developing the security of the country's borders. Activities were expected to tackle security of land, sea and air borders in the short term, and to contribute to an integrated border management strategy in the mid- to long-term, mainly by training Libyan forces. However, in light of the deteriorating security situation, the mission was downsized to 3 international staff operating from Tunis from July 2014. It remains on hold, ready to re-deploy if a ceasefire were to hold.

Moreover, there have been recently discussion about a CSDP mission in Tunisia to monitor the border with Libya and improve the security situation (a possible 'EUBAM Tunisia') or to contribute to security sector reform, the utility of which is discussed below.[75] A further number of issues are of direct relevance to CSDP missions in the Mediterranean. The first and more general one is that the EU has been putting in place a framework for gathering political intelligence in support of CSDP missions, but much remains to be done.

- **EU Delegations** around the Mediterranean report regularly to Brussels. This is in addition to the traditional reports by Heads of Mission, which are signed by all heads of mission in a given country. With the creation of the EEAS, all EU Delegations have been endowed with a Political Officer, who generally coordinates meetings of political officers and contributes to political reporting. However, Political Sections in EU Delegations in the Mediterranean are very small, consisting of one or two persons, and do not include an expert in security and defence matters, an issue the European Parliament has raised.[76]

- EU Delegations in the Mediterranean (including Algeria, Egypt, Jordan, Morocco, Palestine and Tunisia) are in the **process of being assigned a 'security expert**,' seconded from Member States and with a limited mandate, as envisaged by the FAC Conclusions in January 2015. Their

---

[72] Approved on 1 April 2011 with Council Decision 2011/210/CFSP, OJ L 89 of 5.4.2011, and modified with a corrigendum on 6 August 2011, OJ L 203.
[73] See Nicole Konig (2012) *Libya: A Wakeup Call for CSDP?* TEPSA Brief.
[74] Approved on 22 May 2013 with Council Decision 2013/233/CFSP, published in OJ L 138 of 24 May 2013, and modified in subsequent decisions. More info here: http://eeas.europa.eu/csdp/missions-and-operations/eubam-libya/background-material/index_en.htm
[75] See for instance the Draft Conclusions of the Inter-Parliamentary Conference for CFSP and CSDP held in Luxembourg, 5-6 September 2015, available at
http://www.eu2015parl.lu/Uploads/Documents/Doc/31_2_Draft%20Conclusions%20IPC%20CFSP%20CSDP.pdf
[76] See the Resolution of the European Parliament, adopted on 12 March 2015, P8_TA(2015)0075.

job remit, as currently defined, will only have tasks related to counter-terrorism, most notably the implementation of counter-terrorism dialogues with hosting countries where initiated.

- **Council bodies have visited Mediterranean countries**, but no established routine has emerged. The PSC visited Cairo and Beirut in September 2012, whereas the Maghreb/Mashreq Working Party visited Tunis in December 2011 and Beirut in November 2014.

- There have been a number of **EU Special Representatives in the Mediterranean**, providing a focal point for the gathering of information and coordination of action. The most recent are:

  o Bernardino León, appointed EUSR for the Southern Mediterranean July 2011-June 2014, with the aim to foster the EU objectives in the Southern neighbourhood. He gave an important contribution in the Libyan crisis and is now UN Special Representative and Head of the UN Support Mission in Libya.

  o Fernando Gentilini, appointed EUSR for the Middle East Peace Process in April 2015 with the aim to help the resumption of Arab-Israeli negotiations.

- The EU has helped financially and technically the setting up of a **Situation Room in the Arab League headquarters**, thus creating a 'red phone' between Brussels and Cairo and improving the potential for exchange of information.[77] The networking of crisis room across the globe, promoted under Managing Director for Crisis Response and Operational Coordination Agostino Miozzo has not been continued once his mandate was not renewed.

- The EU has signed an **agreement with Israel in 2009** for the exchange of confidential information.[78] The agreement has been marred, however, by the controversy between the parties about confidential information gathered in the Occupied Palestinian Territories.

Moreover, the Mediterranean is not just at the receiving end of CSDP missions. Two Mediterranean countries have participated in CSDP missions in the Balkans. Morocco has contributed to mission Althea in Bosnia Herzegovina and has announced its intention to align with CFSP Declarations on an ad hoc basis.[79] Turkey has participated in several operations, has been involved in stand-by Battlegroups (as in 2010) and has formalised its participation in EU crisis management operations in 2006.[80]

Therefore, there are a number of entry points for cooperation involving EU institutions. In the case of CSDP missions, while the EEAS tends to draft the information documents and policy papers, the decision on and supervision of the mission is responsibility of the PSC, and the implementation is done directly by the EEAS structures within the crisis management structures. The **EEAS relies on cooperation** with representatives from the Commission, including personnel in Delegations, if a common position is to be found. This cooperation however is not always working as smoothly as possible. For their part, Council preparatory bodies are involved to the extent that they rely on this information to draft relevant decisions. This is particularly important in the case of smaller member states.

---

[77] EUObserver "EU builds situation room for Arab League in Cairo", 26 June 2012.
[78] Council Decision 2009/558/CFSP, published in OJ L 192/63 of 24 July 2009.
[79] Barbé, E., Herranz-Surrallés, A., The challenge of differentiation in Euro-Mediterranean relations: flexible regional cooperation or fragmentation, Routledge, 2013, p.107.
[80] See Koutrakos, P.,*The EU Common Security and Defence Policy*. Oxford University Press, 2013, p.203.

This brief tour of the horizon shows that **CSDP missions and related activities in the area are modest in size**. Most importantly, they are also largely unsuited to a rapidly deteriorating security environment, which prevents two of the missions from becoming fully operational.

The **security environment in the Mediterranean has dramatically worsened** since the early years of the ENP. The most glaring issues are obviously Libya and Syria. However, there is a more general trend across the Mediterranean: large parts of the Southern Mediterranean (and, it could be argued, some parts of the Northern Mediterranean too) have become failed states or areas of limited statehood, in which **central authorities lack the monopoly on the use of force** and hence the capacity to implement and enforce central decisions.[81] As well as Syria and Libya, also the Sinai, the Southern and Eastern parts of Algeria, the borders of Tunisia and more generally the regions bordering the Sahara desert have acquired these characteristics. Lebanon's central authorities have traditionally had a limited grip on local actors, whereas the situation in Palestine, Jordan and Morocco is 'held together' by long-standing and well-structured conflicts. This new political and institutional void is the breeding ground not only for uncontrolled and largely exploited migration, but also for extremism and terrorism.

CSDP missions in the Mediterranean have largely aimed at putting a plaster on this macro-phenomenon of areas of limited statehood. Tackling the issue of failing states is hardly feasible in terms of CSDP. However, the EU can use its vast repertoire of non-CSDP economic instruments and aim to forge a political vision shared by all Member States, with the aim to make a difference in terms of security of the area in the mid- to long term. This would also have the benefit to better coordinate and synergise non-CSDP instruments and security policy.

Non-CSDP instruments at the disposal of the EU for its security and foreign policy goals

While the CSDP missions and related actions in the Mediterranean are modest, the EU has at its disposal other, much **more significant instruments for relations with its Southern neighbours**. These could not only support CSDP missions, but also and most importantly contribute to the same goals and create an environment in which it is actually possible to carry out CSDP missions.

The main instrument of EU foreign policy in the area is **the European Neighbourhood Policy** (ENP), which is currently considered as having an Eastern dimension (covered elsewhere in this report) and a Southern or Mediterranean dimension. In the case of the Mediterranean, the ENP took over from the Euro-Mediterranean Partnership (EMP), which was also called Barcelona process, and it has been paralleled by the Union for the Mediterranean (UfM), adopted in 2008.

The backbone of the ENP, and of the economic and political relations between the EU and the Southern Mediterranean countries more generally, is represented by the bilateral Euro-Mediterranean Association Agreements, concluded with nearly all Southern Mediterranean partners (see table 1). They have aimed a**t bolstering trade and furthering economic and political relations** between the EU and each of the Southern Mediterranean countries. This 'Community' instrument, governed by the traditional set of rules in relation to trade, gives an important role to the Commission, which is in charge of disbursing aid on the ENP budget line according to priorities defined in the Action Plans, agreed between the Commission and the EEAS, and approved by Member States in Council preparatory bodies (namely the Maghreb/Mashreq

---

[81] On the concepts of limited statehood, see Risse, T., *Governance without a state?: policies and politics in areas of limited statehood*, Columbia University Press, 2013.

Working Group). Additional initiatives, building on the AAs, and **political and economic dialogues** are conducted jointly by the Commission and the EEAS, at times with the involvement of Member States' representatives. Since the Arab uprisings in 2011, the Mediterranean dimension of the ENP has been often at centre stage in a number of Declarations issued by the HR/VP, aimed at finessing the ENP approach to the changing context on the ground. The 'new' approach has been summarised as **'more for more'** (more EU concessions for more reforms in the Arab countries). This approach, which has not been particularly successful,[82] is currently under revision and, following a public consultation, the early output should be made public in November 2015.

Other economic and political initiatives exist, some tailored just to Mediterranean countries and some having a Mediterranean dimension. Belonging to the first group and inspired by a functional logic, the **UfM has aimed to stimulate cooperation between geographical neighbours around the Mediterranean**, including on transport, energy and the environment.[83] SPRING (acronym of Support to Partnership, Reform and Inclusive Growth) was adopted in September 2011 as a response to the Arab uprisings. It has expanded the financial amount devoted to Arab Mediterranean countries, with a particular emphasis on support to democratic transition and on responses to socio-economic challenges. **FRONTEX**, as explained elsewhere in this report (see chapter 3.4), is also involved in the Mediterranean. The **European Instrument for Democracy and Human Rights** (EIDHR) includes the Southern Mediterranean countries, although the focus of initiatives tends to be more on human rights than on democracy.[84] Horizon 2020 allows Southern Mediterranean countries to participate to research projects, which is particularly significant in the case of Israel. Most importantly, the Instrument contributing to Peace and Stability and the Development Cooperation Instrument have also been employed, for instance in the case of Libya. More generally, several other EU programmes, including programmes tailored to EU Member States, allow for the participation of Southern Mediterranean countries.[85]

---

[82] Bicchi, F., 'The Politics of Foreign Aid and the European Neighbourhood Policy Post-Arab Spring: 'More for More' or Less of the Same?'' *Mediterranean Politics* 19(3), 2014, pp. 318-332.
[83] For more information, see http://ufmsecretariat.org.
[84] See Bicchi, F., 'Dilemmas of Implementation: EU Democracy Assistance in the Mediterranean' *Democratization* 17(5), 2010, pp. 976-996.
[85] For more information, see http://www.enpi-info.eu.

Table 1 – Date of publication in the Official Journal of the EC/EU of Euro-Mediterranean Association Agreements

	OFFICIAL PUBLICATION DATE AND INDICATION OF THE EC/EU OFFICIAL JOURNAL
Algeria	OJ L264 (10.10.2005)
Egypt	OJ L 304 (30.9.2004)
Israel	OJ L147 (21.6.00)
Jordan	OJ L129 (15.5.02)
Libya	No negotiations (but an exploratory negotiating mandate was approved by the Council in 2007 and is still standing)[86]
Lebanon	OJ L 143 (30.5.2006)
Morocco	OJ L70 (18.3.00)
Palestinian Authority	OJ L187 (16.7.97)
Syria	Initiated 19.10.2004 but never ratified
Tunisia	OJ L97 (30.3.98)
Turkey	*Candidate country*

Last but not least, the EU has devoted a number of programmes to support the Middle East Peace Process, the Palestinian Authority and the socio-economic conditions of Palestinians in the Occupied Palestinian Territories and elsewhere. The issue has also been the target of a significant number of CFSP Declarations and activities.

This set of instruments thus suggests that the EU has a strong legal and economic basis to its political and security action in the Mediterranean. The funds and the dialogues institutionalised around the ENP are by far the main component of Euro-Mediterranean relations. The link between the **economic context and security in the Southern Neighbourhood, however, requires a closer scrutiny**.

The economic context and its relevance for security in the Southern Neighbourhood

The economic situation in the Mediterranean remains stagnant, especially in rural areas, and this contributes to the political and security instability at the borders of Europe's neighbourhood. The impact of the 2008 economic crisis has been less immediate and less spectacular in the Southern Mediterranean than in Europe, but fundamental issues are at stake. While the GDP has continued to grow (see Table 2), there are indications that growth has slowed down. This is a **cause for concern, given the persistent challenges in the labour market** (high youth levels combined with high unemployment) and the widespread market distortions (high corruption and cronyism).[87] As it has been shown in the literature, the 'Arab capitalist model,' while able to deliver growth on the surface, has not resolved deep-seated economic and social problems and it has on

---

[86] See the answer on 25 April 2012 to the Parliamentary question by FK Brantner and J Sargentini on 9 December 2011 (E-011667/2011), available at: http://www.europarl.europa.eu/sides/getAllAnswers.do?reference=E-2011-011667&language=EN.
[87] Specific data is available from the World Bank Development Indicators 2014.

the contrary, further exacerbated social and political relations throughout the period pre- and post-Arab spring.[88] Under authoritarian regimes, both liberalisation *and* market protection tend to fall prey to **local 'networks of privilege**,'[89] derailing development and political liberalisation. Even Tunisia, previously considered as a 'role model for development,' has revealed fundamental distortions in its economic growth model, as recently and conclusively shown by the World Bank.[90]

Table 2 – Real GDP growth (% change compared with previous year)

COUNTRY	2008	2009	2010	2011	2012	2013
Algeria	2.0	1.7	3.6	2.8	3.3	2.8
Egypt	7.2	4.7	5.1	:	:	:
Israel	4.1	1.1	5.0	4.2	3	3.2
Lebanon	:	:	7.0	2.0	2.5	:
Morocco	5.6	4.9	3.6	5.0	:	:
Palestine	7.1	7.4	9.8	12.4	6.3	1.9
Tunisia	5.6	2.8	:	-1.9	3.7	:

NB: No (reliable) data available for Jordan, Libya and Syria

Source: 2008-2010: Eurostat, *Pocketbook on Euro-Mediterranean Statistics*, 2013 edition; 2011-13: Eurostat, *Basic Figures on the ENP-South Countries,* 2014 edition. For specific details on national figures, see source.

Tunisia's **economic and security situation is still under challenge**. FDIs have decreased and indicators have not returned to pre-2011 levels in most important economic sectors (phosphate mining, tourism, oil and gas) due to local difficulties and weak European demand.[91] Despite the end of the Ben Ali regime, the institutional and economic mechanisms of the country have remained largely the same, as confirmed by e.g. levels of corruption.[92] Rather than isolated cases of extremism, the **terrorist attack on 18 March and 26 June 2015 against foreign tourists** have been shown to be an indication of a widespread internal security concern, further exacerbated by the lack of security sector reforms,[93] an issue on which the EU has promised to engage in 2016.

A particularly important case must be made in relation to **agriculture and its relation to security**. Agriculture remains a very important part not only of the economy but also of employment in Southern Mediterranean countries,[94] and it is crucial to rural areas where state authority tends to be most challenged. Agriculture continues to add substantial gross value to Southern Mediterranean

---

[88] See for instance Richards, A., Waterbury, J., *A political economy of the Middle East*, Boulder, Colorado: Westview Press, 2013; Hanieh, A., *Lineages of revolt: issues of contemporary capitalism in the Middle East*. Chicago: Haymarket Books, 2013; Baffes, J., et al., *The Great Plunge in Oil Prices: Causes, Consequences, and Policy Responses, Development Economics*, World Bank Group., March 2013.

[89] Heydemann, S., Networks of privilege in the Middle East: the politics of economic reform revisited, Palgrave Macmillan, 2004.

[90] Rijkers, B., Freund, C. Nucifora, A., 'All in the family: state capture in Tunisia'. *Policy Research Working Paper*, 2014, World Bank. 6810.

[91] The Economist Intelligence Unit, Tunisia's economic challenges, 14 January 2015, available at http://country.eiu.com/article.aspx?articleid=1342653318&Country=Tunisia&topic=Economy

[92] See reports of Transparency International, various years.

93 See the ICG report (2015) *Réforme et stratégie sécuritaire en Tunisie*, Rapport Moyen Orient/Afrique du Nord, n.161, 23 July 2015.

[94] Data and analysis available at http://ec.europa.eu/eurostat/statistics-explained/index.php/European_Neighbourhood_Policy_-_South_-_agriculture_statistics, last accessed 29/7/2015

countries' economies, particularly in Morocco (ca. 15 %), Egypt (14 %), Tunisia (ca. 9%) and Algeria (ca.9 %),[95] and it employs an even more relevant percentage of workers (Tab.3). Youth living in rural areas, in which opportunities and the presence of state authorities are limited, is left with radical choices. Rural areas in Southern Mediterranean countries are in fact the borderlands of Europe's neighbourhood.

A key challenge in Arab countries post-Arab spring is therefore **to promote economic development in such a way as to rebalance inequality of opportunities**, with the general aim of consolidating the social, economic and political texture of Arab societies.[96] This will **contribute to the security context** of the Mediterranean in a number of ways, including the **slowing down of internal migration** and the **improved sustainability of governance** institutions.

The link between migration and security in the Mediterranean

Migration to, from and across south Mediterranean countries has long been a key issue in EU relations with these countries. While the issue of migration is addressed elsewhere in the report (see chapter 3.4), it is vital to Euro-Mediterranean relations and mention should be made here too. The issue's centrality intensified with the onset post-2011 of the Mediterranean refugee crisis linked to conflict in Syria and the breakdown of governance in Libya. Of particular concern has been the **displacement of around 4 million people from Syria to Lebanon, Jordan and Turkey** as well as the **loss of life in the Mediterranean** (around 2 000 reported deaths in the first 6 months of 2015 according to the International Organization for Migration). A 'Central Mediterranean route' from Libya and primarily to Italy was identified by the EU border agency Frontex as a key route for entry to the EU with a reported 170 000 irregular border crossings in 2014 (compared to 45 000 in 2013).[97]

---

[95] Data for 2010, excluding Tunisia (2009). Source: Eurostat (2012) *ENP Countries. Recent Economic Developments*, Table 11. At the same date, Syria registered ca. 20%.
[96] See the studies commissioned by Brookings about the role of agriculture in promoting inclusivity and sustainable growth: Ghanem, H. (ed.), *The Arab Spring Five Years Later: Case Studies*, Brookings Institution Press, 2014.
[97] Frontex (2015) *Annual Risk Analysis*, Warsaw: Frontex.

Table 3 – Share of agriculture, forestry and fishing in total employment, 2003 and 2013 (%)
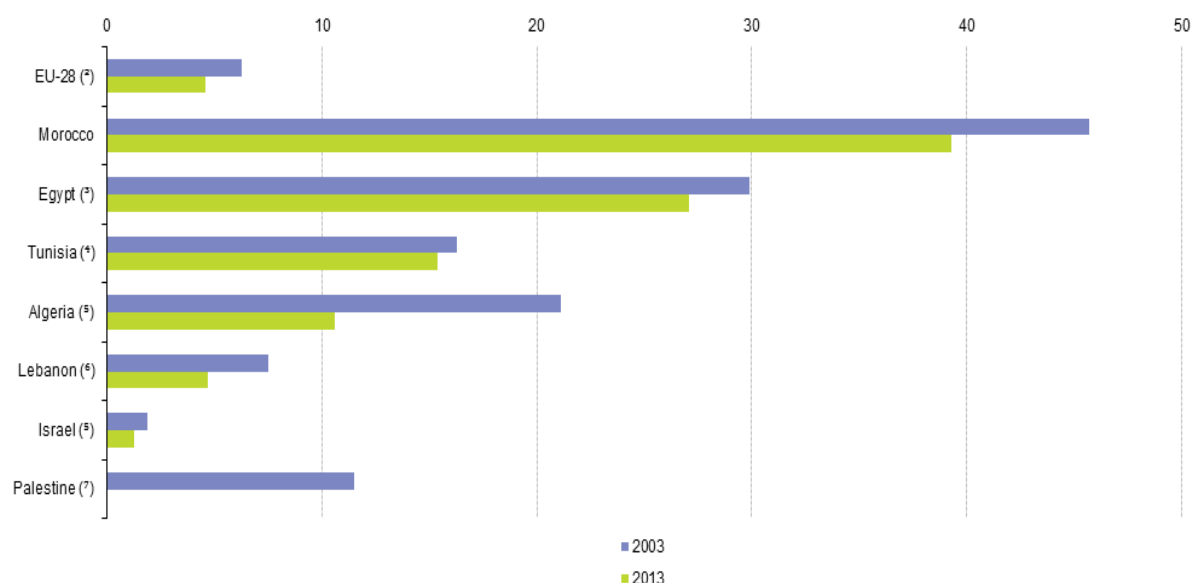
(¹) For persons aged 15–64. Jordan and Syria: not available.
(²) 2013: based on NACE Rev. 2.
(³) 2012 instead of 2013.
(⁴) 2004 instead of 2003.
(⁵) Break in series.
(⁶) 2004 instead of 2003. 2012 instead of 2013.
(⁷) 2000 instead of 2003.
Source: Eurostat (online data codes: lfsa_egana, lfsa_egan2 and med_ps414)

EU responses to the Mediterranean refugee crisis occur within the framework of the 'external' dimension of EU migration policy that has been an important component of EU migration and asylum policy since the specification of the **'Tampere objectives'** by EU heads of government in 1999 and that now form part of the EU's Global Approach to Migration and Mobility (GAMM).[98] The GAMM specifies a range of measures that include efforts to stem migration flows (such as cooperation on border security and readmission agreements with sending countries) as well as raising the prospect of agreement with sending countries that might facilitate migration. These include, example, Dialogues on Migration, Mobility and Security (finalised with Morocco, Tunisia and Jordan)[99] and the creation of 'Mobility Partnerships' (finalised on paper with Morocco and Tunisia, but not activated).

In May 2014, the Commission published 'A European Agenda on Migration' and outlined plans to deal with irregular migration via border control measures and action to combat smuggling and trafficking as well as measures to promote the relocation of refugees and asylum seekers.[100] Subsequent debate has focused on the efficacy of measures to disrupt the 'business model' of smugglers and includes the **CDSP operation EUNAVFOR Med** to capture and destroy boats used for people smuggling, as described elsewhere in this report.

The core **dilemma is between long-term actions and short term efforts** at restriction that might address demands for action but do little to address deeper seated root causes linked to economic, social and demographic changes in sending countries as well as to the effects of conflict and the

[98] CEC (2011) The Global Approach to Migration and Mobility, CEC(2011) 743 final.
[99] CEC (2011) A Dialogue for Migration, Mobility and Security with the Southern Mediterranean Countries, COM(2011) 292) final.
[100] CEC (2015) A European Agenda on Migration, CEC(2015)

breakdown of governance systems. Efforts at control and repression may well do little to deal with these root causes and might have the effect of making migration more dangerous and fuelling growth of criminal networks of people smugglers.

How can EU instruments better contribute to EU security goals in the Mediterranean?

There are a number of suggestions the EU could consider to make its action in the Mediterranean more effective. A few pertain directly to CSDP measures and are more short-term, while others, more long-term, refer to the Association Agreements and the agenda of dialogue with Southern Mediterranean partners.

In terms of CSDP, the Mediterranean experience suggests that **EU Delegations should expand their EEAS component and notably include a defence and security expert**, to liaise with CSDP missions and hierarchies and to facilitate interaction with local security and defence actors. The EU could also promote more consistently **security and foreign policy dialogues**, leading for instance to a more structured support for CFSP declarations and CSDP missions. The newly established 'security expert' posts are a step in the right direction, but so far there is confusion about exactly what they are expected to do and the risk is that their job description remains vague for long. Instead, this opportunity should be used to include security and defence in the remit of EU Delegations, especially in relation to CSDP missions.

Moreover, given the EU experience in bordering assistance missions and in contributing to police reform, the possibility of a mission to Tunisia should be examined with care. As mentioned, the EU is about to launch a **security sector reform project in 2016 (EUR 23 million)**, which is to be praised. The integrated border management component included in the project should pay attention to the border between Algeria and Tunisia. Algeria has invested heavily in more favourable relations with Tunisia, but this positive development risks isolating the EU, traditionally not a particularly welcome partner by Algerian authorities. Therefore a European contribution would create a favourable multilateral environment. Moreover, the EU could contribute to support Tunisian authorities in the management of the border with Libya and of Libyan refugees, which currently number ca. 1 million. While Libyan refugees seem so far to have integrated relatively well in Tunisia, much of this is due to their relative wealth, which in the mid- to long-term, however, could diminish to negative effects.

In comparison, the US is engaged in a **security dialogue with Tunisia**, with the aim to sponsor an enhanced NATO-status for Tunisia. It is also discussing security cooperation, having launched a Security Dialogue (which includes an economic component) with Tunisia in April 2014.

Whether EU cooperation with Tunisia should take the form of a CSDP mission, however, is questionable, especially in comparison to the possibility of strengthening the existing cooperation run by the Commission. The Commission is already active on the ground and has substantial funding in place that could be used to **support security sector reform and training, including of border management**. Moreover, the Commission would be better placed to avoid potential duplication of efforts. There are a number of programs on the ground financed by Member States (including Germany and Italy) in the area of security sector reform and border management. In this regard, the dialogue and cooperation between the G7+3 and Tunisia plays an important role in coordinating the engagement of the international community. Finally, the visibility of a CSDP mission might not be right for Tunisia, which has the political profile of an EU partner, rather than of a recipient of support actions. This is testified also by the lack of invitation on the part of the Tunisian government to the EU to discuss a possible CSDP mission, as well as by the refusal by

Tunisian authorities to implement some of the proposals made by the EU and other partners. To put it differently, the political, context and operational conditions for a CSDP mission to Tunisia do not seem to be present.

More generally, the connection between crisis management structures and the Commission should be strengthened to ensure that lessons learned travel across the full institutional spectrum of the EU. For instance, at the moment it is difficult to envisage an end-date to the EUPOL COPPS CSDP mission, as it would suggest that the mission objectives have been fully achieved (despite lack of formal recognition of the state of Palestine). However, some of the mission's **tasks could be also performed by or should at least be carried in conjunction with the Commission**, thus giving more operational content to the comprehensive security approach, as well as to the 'train and equip' debate. Similarly, the current operational activities of EUBAM Rafah do not strictly require a military presence, which serves instead a political purpose. The EU Border Assistance Mission to Moldova and Ukraine, which is fully funded by the Commission and implemented by the International Organization for Migration, could be an interesting model to consider – and *vice versa*, as the experience accumulated in Mediterranean CSDP missions is certainly valuable also for Commission's actions in non-EU countries.

In a longer time frame and involving a broader range of instruments, **the re-thinking of the ENP must address also the political and economic logic of the Euro-Mediterranean Association Agreements**. At the moment, it remains very much that of the early post-Cold war years, in which economic liberalisation was expected to not only foster development, but also contribute to political liberalisation, as Mediterranean countries became further integrated in the Single Market. However, with the benefit of twenty years' hindsight and in the context of the 2008 economic crisis in Europe, this assumption has proved untenable. While it is generally stressed that the entry into force of the Association Agreements has increased the volume of trade, it should also be noted that in all cases and across time it has worsened the trade balance for Southern Mediterranean countries and consolidated a **trade balance favourable to the strongest partner, the EU**. This is economically sound for the EU, but politically and strategically dangerous, given the local context, and Algeria, for instance, has started to 'roll back' the Association Agreement with the EU and re-impose trade barriers. The Association Agreements seem so far unable to translate into a truly inclusive and equitable model of development, or to support a more balanced political and security context within Mediterranean countries. This includes also Jordan, Morocco and Tunisia, which have been granted 'Advanced' status (i.e. have a broader range of issues on the agenda for dialogue).

Moreover, the current talks about Deep and Comprehensive Free Trade Areas, aimed at deepening the AAs, continue to put the entire burden of regulatory adjustments on the fragile Southern Mediterranean countries, with very limited support on the part of the EU. References abound to 'regulatory convergence' between the EU and Southern Mediterranean countries. However, the reality is that Southern Mediterranean countries would be expected to **implement costly reforms** to approximate the '*acquis communautaire*' with **limited guarantee that sustainability, equality and security would ensue**. It should come as no surprise that negotiations have stalled with all Southern Mediterranean countries, despite the expected start of negotiations with Tunisia in October 2015.

Given the limitations of the current Association Agreements, the issue of agriculture should be re-opened and it should be accompanied by a focus on supporting local governance institutions that are able to deliver development. Agriculture is often treated as an afterthought in Euro-Mediterranean economic relations, as the default EU position tends to be of flat refusal to engage

on this key aspect. The programme ENPARD (the European Neighbourhood Programme for Agriculture and Rural Development) is a case in point. Endowed in its Southern Mediterranean component with EUR 10 million for 2012-14 and renewed in September 2015,[101] the programme is outsourced to the French Institut Agronomique Méditerranéen de Montpellier, it represents a modest and indirect effort, despite its stated goal (to strengthen food security and the living conditions of rural populations) is to be praised.

The EU should revisit its approach and capitalise on the **opportunity agriculture provides for increasing security at the borders**. The EU should devise a strategy that allows an increase in its agricultural quota policy, fostering joint North-South ventures aimed at global export, as well as replicating the agreement concluded in January 2015 with Morocco on the protection of Geographical Indications, to name just a few issues. Recent (temporary) concessions made to Tunisia in relation to olive oil are another good example. The olive oil sector employs directly and indirectly ca. 1 million people in Tunisia, largely in the rural areas that the EU is targeting in its 2014-15 programme.[102] It is a paradox that in the agricultural sector, the EU exports to Tunisia are nearly twice as much as it imports.[103]

3.2.3   Conclusions

ENP goals of political and economic stabilisation depend directly on the success of conflict prevention measures and would benefit immensely from successful conflict resolution. On the other hand, conflict-related policies and other security policies linked to fighting transnational organised crime, terrorism and the proliferation of weapons benefit directly from successful reforms and state-building processes, which are at the core of the ENP. Thus the **articulation CFSP/CSDP and non-CFSP/CSDP instruments is crucial** for the overall success of EU policies in the Eastern neighbourhood.

Under the ENP and the EaP in particular, the EU has several non-CFSP/CSDP instruments supporting its policy goals, including the promotion of stability and security. Financial assistance is available primarily through the new European Neighbourhood Instrument (former European Partnership and Neighbourhood Instrument). The **range of areas covered by this funding is directly or indirectly contributing to conflict prevention,** confidence building and other important measures aimed at reinforcing state institutions and improving democratic and human rights standards, as well as improving regional cooperation. Measures funded under this instrument need to be articulated with CSDP tools, including EU civilian missions contributing to state-building (rule of law missions, border management missions, etc.) and EaP specific tools such as the 'Comprehensive Institution-Building' (CIB) initiative.

The EU security policy towards the Mediterranean seems to have been affected by the disillusionment that followed the Arab uprisings. As economic and political instability inside Europe consume available resources, the attitude towards the Southern Mediterranean countries seems anchored to pre-2008 economic crisis and pre-Arab spring assumptions. The **Lisbon Treaty has endowed the EU with a set of powerful instruments**, from the creation of the EEAS to new CSDP practices to new responsibilities in the field of external economic relations, most of which could be put at use in relations with the ENP-South, if invigorated by a new vision.

---

[101] No public information is available on the renewal. ENPARD website: http://www.enpard.iamm.fr/en/.
[102] European Commission, http://ec.europa.eu/agriculture/newsroom/191_fr.htm, last accessed 28/7/2015.
[103] European Commission, (November 2014) "Tunisia, Bilateral relations in agriculture,"

Possible improvements include both CSDP and non-CSDP instruments. EU Delegations should be expanded to comprise more political officers as well as security and defence experts. Tunisia should be better supported in terms of security sector reform, border management and refugees. Better coordination between the Commission and the EEAS would contribute to strengthen the development-security nexus.

More generally, the ENP should deliver a political vision encompassing both economic and security aspects. Much more attention should be devoted to agriculture, in order to exploit its potential in terms of security and sustainable development. The outcome of the ENP revision will hopefully deliver a clear political and economic vision to support the resolution of conflicts and the management of crises in the Mediterranean.

3.3   Development policy support for crisis management

3.3.1   Scope, policy stakes, definitions and legal base

Over the last 20 years, since the adoption in 2001 of the Goteborg programme on conflict prevention, the EU and its Member States have worked to create **synergies between its development policy tools and security policies**, on the ground that 'security is a precondition for development' and that 'without development and poverty eradication there will be no sustainable peace'.[104]

The challenge has been to enhance conflict sensitivity among development experts while demonstrating to security specialists that their work had implications for development. A toolbox now exists and is being used and enriched regularly.[105] Most recently **interlinkages between security and development** have been addressed by the documents on the EU Comprehensive Approach to crises as well as by the 2015 Joint Communication on capacity development for security and development.[106]

E/CSDP was developed initially as a distinct set of EU intergovernmental actions, deliberately and clearly separated from EU tools and instruments. Initially, many E/CSDP military operations were conceived by seconded national militaries (French, in the cases of Artemis, EUNAVFOR and EUFOR Chad/RCA) who had little understanding of the 'development world' and did not think in terms of comprehensive approach.[107] Next to their original mandate, civilian missions were also an opportunity to enlarge the sphere of influence of the then HR/SG Solana over Commission's prerogatives (in the field of Rule of Law or Security Sector Reform for instance).[108] Missions

---

[104] Council of the European Union, Council Conclusions on Security and Development, 2831st External Relations Council meeting, Brussels, 19-20 November 2007
 http://www.consilium.europa.eu/uedocs/cms_Data/docs/pressdata/en/gena/97157.pdf
[105] Operating in situation of conflict and fragility, an EU staff handbook, 2014. http://tinyurl.com/qgoyaoc.
[106] These documents are available on the webpage of the 2015 EU training on Seminar on Fragility, Security and Development in the context of EU external action - See more at: http://capacity4dev.ec.europa.eu/public-fragility/event/seminar-fragility-security-and-development-context-eu-external-action-1#sthash.EbjgPclC.dpuf
[107] Author's interviews with E/CSDP experts referring to the various 'fathers' of a given operation, 2008-2013. EUFOR Chad/RCA is a particular case since the humanitarian component was added by non ESDP experts.
[108] These debates were precisely held during the 1996 intergovernmental conference. Buchet de Neuilly, Y., *L'irrésistible ascension du haut représentant pour la PESC*, Politique européenne, 2002. https://www.cairn.info/revue-politique-europeenne-2002-4-page-13.htm EUJUST THEMIS in 2003 was a case in point. Ensuring EU coherence has also been at the core of the discussions on the launch of EULEX Kosovo. The coherence challenge and the quest for a comprehensive approach is a red thread in the history of E/CSDP, addressed by all volumes on the topic. http://www.eufp.eu/common-security-and-defense-policy

mandates have been negotiated on the basis of their added value to Commission's programmes and overlaps have been frequently noted.[109]

This form of **institutional competition** is still prevalent today. Since the Lisbon treaty entered into force, tensions and competition remain, despite specific provisions and measures supposed to enhance coherence and efficiency. In parallel, as the result of the financial meltdown and the politically negative experience of EUFOR Chad/RCA for Germany in 2008-2009, the military part of CSDP has not grown as initially foreseen in Saint Malo. Instead, the civilian component of CSDP (or training CSDP) has developed more than peacekeeping operations. As a consequence, CSDP civilian missions have become longer in duration, and increasingly resemble security cooperation programmes: their connections with development work have thereby become even more salient.

Scope

There are two types of possible interactions between CSDP operations and Commission programmes: complementarity or overlap (see table 4). From a time perspective, the interaction can take the shape of simultaneous, sequenced or handed-over interventions as part of exit strategies. Interactions usually focus on three dimensions: financing, expertise, political clout (see table 4).

Most of the debates about support to security and defence activities through existing EU instruments will be framed by the parameters above.

Table 4: Dimensions, interaction and timing between development and security policies

Dimensions	Interaction	Time
Financing	Complementarity	Simultaneous
Expertise	Overlap	Sequenced
Political clout		Hand-over

Definitions and legal base

EU security and defence activities are not the monopoly of CSDP, yet CSDP is the main EU framework to carry out the so-called Petersberg-tasks: peacekeeping and peace enforcement, humanitarian rescue and evacuation, peacebuilding. At the same item, the Commission has been involved for a long time in **security-related work, especially peacebuilding and conflict prevention**. It is also responsible for the internal defence market, which has direct connections with CSDP (see chapter 4). This means that legally speaking and in practice, for the sake of EU coherence, the Council and the Commission can and have to work in a complementary manner.

The paradox is that **Member States have decided to isolate military CSDP from EU financing** to avoid any interference by the Commission in military operations. Article 41.2 states that the EU budget cannot be used to finance 'operations having military or defence implications and envisages the creation of a separate start-up fund for them'. The Commission is fully associated to

---

[109] According to DEVCO representatives describing the preparation work for the 2015 Joint Communication on capacity building for security and defence, 70 % of EU bilateral development cooperation funds go to fragile countries where conflict sensitivity and therefore interlinkages with security is paramount. Notes taken at the Civil Society Dialogue Network, Brussels, 12 March 2015.

CFSP but is only requested to manage the CFSP budget. The European Parliament has actually had a stronger say on CSDP when negotiating and reporting on the use of the CFSP budget.

There are currently **debates on the legal base to finance CSDP operations with EU budget** and particularly on the interpretation of article 41 of the Lisbon Treaty. However, available data and an analysis of this article show that **article 41 leaves a) the door open for the use of EU budget** to support 'operations having military or defence implications'[110] and b) is open for interpretation (the terms 'operations', 'military implications' and 'defence implications' can be discussed at length).

Article 42 on **CSDP similarly opens room for EU support coming from the Community budget** because of the complementary nature of CSDP Petersberg tasks some of which have also been implemented by the Commission. Although CSDP tasks have to be performed 'with capabilities provided by Member States', the Lisbon Treaty also encourages actions 'framing a common defence policy', any initiative seeking coherence and progress towards this direction is legally justified.

Table 5: Budget source and instrument

Budget source and respective instruments	EU budget (not CFSP)	Outside of EU budget	CFSP budget
	The European Neighbourhood Instrument (ENI)	The European Development Fund (EDF)	The Common Foreign and Security Policy (CFSP) budget
		The African Peace Facility (within EDF)	
	The Instrument for Pre-accession Assistance (IPA)	Athena Mechanism	CSDP missions budget (within CFSP budget)
	The Instrument contributing to Stability and Peace (ICsP)	Member States' bilateral budgets	EUSR offices budget (within CFSP budget)
	The Instrument for Democracy and Human Rights (EIDHR)		
	The Development Cooperation Instrument (DCI)		

As a matter of fact, the EU already has a myriad of instruments at its disposal to support security and defence endeavours abroad. A list of these instruments is provided in the table above.

3.3.2   Policy debates and dynamics

Current debates have focused on four main issues: legal interpretations of article 41, the use of EU funds for security and defence actions and in particular compliance with the criteria qualifying

---

[110] The second paragraph of article 41.2 states 'unless the Council unanimously decides otherwise'.

Official Development Assistance (ODA).[111] These debates show there is variety of positions within EU institutions[112] and civil society, but also the existence of **reluctance and fear from the development community** that development funds would finance weapons. The Joint Communication on capacity building in support of security and development addresses these fears by explicitly stating that EU development funds will not be used to provide or acquire weapons.[113] The current situation therefore makes some experts think that the question is not whether EU funds will be used for CSDP operations, but when and how this will happen.

Several options have been sketched out by the Joint Communication on Capacity Building in **support of security and development**: an adaptation of the Africa Peace Facility, the establishment of a new and enlarged facility and the creation of new dedicated instrument.[114] The European Council of June 2015 has not taken any clear decision on either of these options. Public statements from EU officials though seem to indicate that the creation of a new instrument is being discussed by EU institutions.[115] The **Joint Communication also envisages measures to enhance the security** and development nexus, focused on enhanced coordination and joint frameworks in SSR strategy, monitoring and evaluation, expertise sharing, reporting and risk analysis and management.[116]

Some of these frameworks or documents are being developed or in place: the PFCA (Political Framework for Crisis Approach)[117], the Joint Framework document (JFD)[118], context analysis and Political Economy Analysis (PEA) exercises[119], and the communication on the comprehensive approach and its action plan. There is **no shortage of tools to come up with joint analysis on risks to use development resources for security-related endeavours**. Having new strategic frameworks may help Brussels HQs but it may also top up existing strategic document templates.

Against this background the sections below look at examples of interactions between security and defence and development tools to identify options for further improvements.

3.3.3   Support to the APSA

The use of the Africa Peace Facility (APF) in support to the African Peace and Security Architecture is the most obvious example (more than 1.2 billion spent in support of the AU) of how the EU has used its development funds for security.[120] The African Peace Facility has been used as a complement to EUNAVFOR Atalanta in Somalia, by massively supporting the AU-led military operation AMISOM. However, A**PF money has not been used to provide equipment per se.**

---

[111] Tardy, T., 'Enabling partners to manage crises – From 'train and equip' to capacity building', *EUISS Brief 18*, 2015. www.iss.europa.eu.

[112] Bruxelles 2, Les defies et dilemmes de la PSDC, http://club.bruxelles2.eu/2015/06/les-defis-et-dilemmes-de-la-psdc/.

[113] "While it addresses the issue of equipment to support partner countries' security capacity building, it does not address the provision of lethal weapons. The EU will not provide such equipment." Joint Communication to the Council and the European Parliament, Capacity building in support of security and development - Enabling partners to prevent and manage crises, p. 2.

[114] JOIN (2015) 17 final.

[115] Statement made by a CMPD official, EUISS conference on Sahel security, Brussels, 11 September 2015.

[116] Ibid.

[117] Joint Communication on the Comprehensive Approach, 2013.

[118] Council conclusions, 12 May 2014.

[119] See various resources on PEA on the Capacity4dev platform, http://capacity4dev.ec.europa.eu/political-economy/terms-5529/tags/political-economy-analysis-2.

[120] Keukeleire, S., Raube, K., 'The security-development nexus and securitization in the EU's policies towards developing countries'. *Cambridge Review of International Affairs, 26* (3), 2013, 556-572.

In the case of the APF, a number of shortcomings have been identified by the Joint Communication: the **restriction of the APF to the support to the African Union** and not to national governments, its constraints provided by compliance with ODA criteria, its status linked to the European Development Fund.[121]

Any **reform of the APF** would have to be negotiated with the parties of the Cotonou Agreement (in particular the group of ACP countries) the future of which is actually under discussion in anticipation of its legal termination in 2020. The creation of a new facility replacing the APF would also require an agreement with the ACP. The creation of a new facility outside the EDF would require identifying alternative sources of funding, which, in time of financial constraints, seems unlikely.

Another option that could be used to provide equipment to APSA and national partner governments is the Athena mechanism, which can, since its recent reform, manage EU contributions and contribution from non-EU partners. Such move would imply that APF money (coming from the EDF) would be managed by an intergovernmental security-focused CSDP structure.

A last option, not envisaged by the Joint Communication, is the use of the treaty provision to establish a start-up fund for CSDP operations that would be targeted to equipment provision.

3.3.4   CSDP training missions

The Joint Communication in particular is based on two case studies of CSDP military training missions, namely EUTM Somalia and EUTM Mali. The **limitations of both missions** in terms of equipment provision have already been documented in public documents.[122] However, providing equipment to foreign partners entails risks: the equipment might be misused or used for other purposes than initially planned, the trained partners may change sides, become foes, just leave their position, or behave in such a way that is in contradiction with European objectives or values.

Reform options currently on the table include the use of a) the Athena mechanism as a management body of EU funds for equipment provisions or b) a reformed African Peace Facility allowing support to national forces. Yet a third option is the provision of equipment by Member States themselves as a bilateral measure supporting both EUTM.

One example of the necessity to ensure risk management in equipment provision was given in June 2014, in the wake of a failed Malian attack in Kidal during which most of the equipment used was provided by Europeans and EUTM Mali.[123] Equipment provision by EUTM was made possible by the creation of a project cell in 2013, after one year of internal EU negotiations: a rather fast reform in comparison to past CSDP missions. Yet, stakeholders acknowledged in June 2014 that **the security and development nexus was still very hard to implemen**t and underlined that in the given context, the influential player is the Head of Cooperation section of the EU Delegation, with strong decision making powers on budget allocations.

---

[121] The budgetisation of the EDF is an old debate. See European Parliament Research Service's forum on the EDF and the EU budget, http://epthinktank.eu/2014/11/21/forum-on-the-european-development-fund-and-the-eu-budget/. Mackie, J., Frederiksen, J., Rossini, C, 'Improving ACP-EU Cooperation – Is 'budgetising' the EDF the answer?', ECDPM, 2004. http://ecdpm.org/wp-content/uploads/2013/10/DP-51-Improving-ACP-EU-Cooperation-Budgetising-EDF-2004.pdf
[122] Thierry Tardy, op. cit.
[123] "They took the equipment for rapid interventions to the North but they have been unable to use it properly." Interview with an EU official, Bamako, June 2014.

Potential complementarity between EDF funded rule of law programmes and CSDP missions in Mali (EUTM and EUCAP Sahel Mali) and Niger (EUCAP)

The cases of Mali and Niger provide more foods for thought on the potential complementarity of CSDP missions and existing EU funds. In terms of internal EU coordination, EU working groups on security now convene regularly with the EU Delegations in Mali and Niger. Such practice has allowed stakeholders to **identify potential complementarities** in terms of joint analysis and jointly programmed initiatives.

In Niger, field research has shown that it took time for EUCPAP Sahel Niger staff to request for and benefit from **expertise, advice and financial support from the EU Delegation** and various programmes staff already present in the country (and in the Northern region of Agadez in particular) for several years.[124] EDF programmes in Niger (PAJED) substantially contributed to the security sector in Niger (Meharist brigade, training of judicial police, forensic lab, etc.) before the launch of EUCAP and some complementarity had to be found.

Once the mission was set up initial talks on potential synergies took place. The EU Delegation also played an instrumental role in introducing CSDP staff to the right interlocutors in Niger. This political contribution is also to take note, even if it is not immediately visible. After over a year, some cooperation started off, with attempts to use existing EU funds at the disposal of the EU Delegation in support of EUCAP work.[125] EUCAP experts have contributed to the identification of relevant communication equipment to be provided to **Nigerian forces supported by the Instrument contributing to Stability and Peace (IcSP)**, while taking part in training modules to municipal police. After two years, EUCAP Sahel Niger was still 'perceived by Nigeriens as a cooperation agency to which they could make equipment requests'[126]: this situation shows how acute the need has been for more resources to provide equipment.

One of the lessons learnt from the experience of EUCAP Niger is to hire CSDP mission staff who have some experience in development cooperation and are able to coordinate and cooperate immediately with EU Delegations managers of development cooperation funds.[127]

3.3.5 Other CSDP missions

As far as rule of law missions are concerned, another option could be to second Commission Staff to these missions, to ensure complementarity with Commission's programmes and to bring in development expertise.

Tentative (but aborted) EDF support to a pension fund in Guinea Bissau as a complement to EUSSR Guinea Bissau (2009)

EUSSR Guinea Bissau was a mission aimed at providing strategic advice to the reform of the armed forces and the security and justice sector in 2009. The ESDP mission was launched while the Commission had already engaged in SSR, DDR and justice reform processes under the 8th, and 9th EDF. ESDP and EC initiatives were planned in synergy while most of security and defence equipment was provided by Member States (Portugal, Spain, UK) on a bilateral basis and to some

---

[124] Interviews with EU staff in Niger and Brussels, 2013 and 2014.
[125] Interview with EU officials, Niamey, May 2014.
[126] Interview with an EU official, Niamey, May 2014.
[127] Phone Interview with an EU official based in Niamey September 2014.

extent by the EC.[128] Under the 10th EDF, an SSR programme (PARSS) focused on the demobilisation of and 'appropriate compensation package for demobilisation' to former freedom fighters (troops employed in the independence struggle against former colonial power). Setting up a pension mechanism for these aged troops was seen as a way to pave the way for a reform of the army. The first step consisted in carrying out, with EU funds, a census of this population. Negotiations on a pension fund were well under way when the army chief of staff was assassinated, bringing EU efforts in SSR to an end. Other EC programmes such as the PAOSED focused on the training as well as on the 'building of infrastructure for the organs of sovereignty and provision of equipment'.[129]

At the strategic level, the then I**nstrument for Stability had been mobilised to ensure an EU presence on SSR** while the ESDP mission was deployed.

The Bissau Guinean example illustrates very well the kind of complementarity that can be found between E/CSDP and other EU instruments if planned well. One lesson learnt was the need for Development cooperation staff to be better trained on SSR, Rule of Law reform and the security and development nexus.

EUSEC DR Congo and its project cell and tensions with the EC Delegation back in the 2000s

EUSEC DR Congo has become an almost 'permanent' crisis management operation, contradicting those stating that CSDP is for only short term interventions, i.e. shorter than 3 years. Very early on, the mission had to coordinate with and manage funds from Member States willing to provide equipment to Congolese armed forces. The creation of a project cell in the mission created tensions with the Commission which was already carrying large-scale SSR programmes in the country. Over time, the project cell became accepted, and reinforced in 2010. IT infrastructure was delivered by EUSEC.[130] Its purpose was also to develop 'flanking measures' as additional incentives for reform as well as tangible support. It included funding for the school of military administrations and support to the wives of soldiers.[131]

Over time, the **establishment of project cells in CSDP SSR missions** so as to deliver equipment became the norm, for instance in EUPOL COPPS, EUPOL Afghanistan (see chapter in ESDP@10) and EUBAM Moldova.[132] In the case of DR Congo, the co-existence of such project cells has not always been easy. This experience called for more coordination and coherence at national level, now favoured by the framework of the Lisbon Treaty.

EUFOR Chad and the practice of signing an MoU with OCHA and the humanitarian actors in Eastern Chad for a mutually beneficial coordination (2009)

Examples of **complementarity between military operations and Commission's programmes** are as old as ESDP. For instance, it is reported that the European Agency for Reconstruction (EAR)

---

[128] "Donor support to the Security Sector Reform process April 2009", in possession of the author, and interviews in Bissau, 2009.

[129] "Donor support to the Security Sector Reform process April 2009", in possession of the author and interviews in Bissau, 2009.

[130] Clément, C., 'EUSEC RD Congo', in Grevi, G., Helly, D., Keohane, D. (eds.), *ESDP the first ten years,* EUISS, 2009, p. 245.

[131] EUSEC RD Congo soutient le renforcement des capacités des "mamans militaires", http://www.consilium.europa.eu/uedocs/cmsUpload/081108-Genre_Maluku_Foyer_social_FIN.pdf.

[132] See references to projects in chapters on these missions in Grevi, G., Helly, D. Keohane, D., op cit.

funded Civil-Military (CIMIC) projects in the CONCORDIA operation.[133] In Bosnia and Herzegovina, EUFOR Althea engineers oversaw school rehabilitation projects funded by the Commission.[134]

A more systematic effort was made in the case of EUFOR Chad/RCA in 2008-2009. The Commission was explicitly requested to launch flanking measures to the operation: the PAS (*programme d'accompagnement pour la stabilisation*) was therefore designed to target IDPs and refugees living conditions in and around the operation's intervention area.[135] Other initiatives were launched by the Commission's **Instrument for Stability** to provide funding for the equipment and training of the Chadian police and gendarmerie within the UN operation MINURCAT. The deployment of these forces actually proved very slow, which partly undermined the success of the hybrid EU/UN coordination format.

The main lesson learnt from the experience of EUFOR Chad/RCA was the recognition that a joint EU political strategy is a pre-requisite for successful combination of peacekeeping, training and equipment of partner forces.

3.3.6 Phasing out of civilian CSDP operations and take over by EU funds

In July 2014 the EEAS issued a document on CSDP transition strategies seeking to provide a framework for planning hand-over from CSDP operations to other EU instruments.[136]

So far, quite a few operations had to hand over their activities to other EU programmes: it has been the case of the EU Police Mission in BiH, to some extent EUPOL Afghanistan and EUSEC DR Congo.[137] The phasing out of EUCAP Nestor is under discussion, with CIVCOM seeking Commission's involvement to ensure a smooth exit for the CSDP operation.

The main lesson learnt from transition and phasing-out experiences is the need for early joint planning, a point already recognised by the Joint Communication on capacity building in security and development and the document on CSDP transition strategies.[138]

3.3.7 Conclusions

The Member States and Commission's range of activities in the security field actually represent the lion's share of the EU security and development nexus. CSDP missions represent a very small budget in comparison to EDF and DCI envelopes that amount to billion euros. It is reported by EU officials that 70 % of bilateral programs in Africa go to fragile states.

Current debates and positions seem to bend in favour of a revision of the scope of both the Africa Peace Facility and of the **Instrument contributing to Stability and Peace to allow EU funds to support equipment provision in security and defence**. Other options on the table (Brand new financial instrument, Athena mechanism, use of the CSDP start-up fund) seem less likely but should not be discarded in the future.

---

[133] Ibid., p. 176.
[134] Ibid., p. 218.
[135] Programme d'accompagnement à la stabilization dans l'Est du Tchad – Cadrage stratégique et méthodologique, Mission conjointe UE-CONAFIT, Document de travail provisoire, 13 mai 2008, in possession of the author.
[136] CSDP transition strategies, EEAS document 01454/14, 15 July 2014.
[137] The handover usually implied transfer of activities from the CSDP mission to programmes managed by the EU Delegation (or the EUSR office in the case of EUPM). On EUPM, see Flessenkemper, T, Helly, D. (eds.), 'Ten years after: lessons learned from EUPM in Bosnia and Herzegovina 2002-2012', EUISS, 2013.
[138] Joint Communication, Capacity building in support of security and development - Enabling partners to prevent and manage crises, JOIN (2015) 17 final, 28 April 2015.

The examples presented above show that coordination and complementarity between EC programmes, Member States' security initiatives and E/CSDP missions have been happening since the creation of ESDP. The provision of equipment to the security sector is not something completely new for the Commission, and the possibility for EU funds to be used in support of CSDP work is a reality. Doing it more often in practice is actually possible with some imagination, creativity and inter-institutional compromising negotiation skills.

The **Lisbon Treaty now provides a stronger framework** than in the past to ensure that competition and tensions between CSDP and Commission's work are quickly resolved through inter-institutional talks and negotiations under the aegis of the double hatted HR/VP.

Several considerations on possible improvements made above are reminded here, including: clarification of the legal debate and the legal options by setting up a joint team of legal experts from the Council, the Commission, the EEAS and the European Parliament to sketch out the width of possible interpretations of relevant articles of the Lisbon Treaty (41 but also 42 and other legal bases to be used).

There is **no shortage of tools to come up with joint analysis** on risks to use development resources for security-related endeavours. Having new strategic frameworks may help Brussels HQs but it may also top up existing strategic document templates.

Any reform of the APF would have to be negotiated with the parties of the Cotonou Agreement (in particular the group of ACP countries) the future of which is under discussion in the view to its termination in 2020. The creation of a new facility replacing the APF would also require an agreement with the ACP. The creation of a new facility outside the EDF would require identifying other sources of funding outside the EDF, which, in time of financial constraints, seems unlikely. A last option, not envisaged by the Joint Communication, is the use of the treaty provision to establish a start-up fund for CSDP operations that would be targeted to equipment provision.

One of the lessons learnt from the experience of EUCAP Niger is to **hire CSDP mission staff who have some experience in development cooperation** and are able to coordinate and cooperate immediately with EU Delegations managers of development cooperation funds. The Bissau Guinean example illustrates very well the kind of complementarity that can be found between E/CSDP and other EU instruments if planned well. One lesson learnt then was the need for Development cooperation staff to be **better trained on SSR, Rule of Law reform and the security and development nexus**. The main lesson learnt from the experience of EUFOR Chad/RCA was the recognition that a joint EU political strategy is a pre-requisite for successful combination of peacekeeping, training and equipment of partner forces. The main lesson learnt from transition and phasing-out experiences is the need for early joint planning, a point already recognised by the Joint Communication on capacity building in security and development and the document on CSDP transition strategies.

Security coordination primarily happens at national level, involving EU Delegations and CSDP missions, as shown in the Sahel. Such coordination formats are the best base for joint analysis and assessments. There is **margin of manoeuvre for EU Delegations** in the way they allocate funds, which also depends also on the EU policy dialogue with the partner government.

To that end, it is recommend to beef up political sections in EU Delegations to a) **coordinate the drafting of joint analyses and strategies on security & development nexus** in a given country b) **interact more intensively with Cooperation sections and Heads of Cooperation** to assess potential synergies between available EU funds for development and their availability for actions having security and defence implications

3.4 Nexus between internal and external policies' support for crisis management (focusing inter alia on counter-terrorism and migration)

3.4.1 EU Comprehensive approach: the merging of internal and external aspects of security

The Common Security and Defence Policy (CSDP) was initially conceived to fight neither terrorism nor irregular migration, but to deal with civilian aspects of crisis management – police, civil administration and protection, rule of law, security sector reform (SSR) – and to conduct military operations (as defined by the 1992 Petersberg tasks). However, the terrorist attacks in New York and Washington (2001), followed by the Madrid (2004) and London (2005) bombings, gave new impetus to better acknowledge the external dimension of internal security. Recent events like the attack against Charlie Hebdo in Paris at the beginning of 2015, but also the dramatic increase of irregular immigration since 2011 with the current record numbers of refugees have pushed this conviction even further. Such events have stressed t**he need to activate all relevant tools at the disposal of the EU to tackle internal threats**, including the external financing instruments, as well as to externalise EU internal security especially in its neighbourhood[139].

This is in line with the **'Comprehensive Approach'** which the EU promoted notably in the 2003 European Security Strategy and the 2005 Strategy on the External Dimension of the Area of Freedom, Security and Justice. The rising number of deadly shipwrecks in the Mediterranean Sea (with a peak of 1 308 migrants who drowned in April 2015 alone[140]) led to a quick European reaction towards better border protection, including the launch of a CSDP military operation 'EU Naval Force Mediterranean' (EUNAVFOR Med). Since 22 June 2015, this mission, with the support of 20 Member States, mainly aims at countering the smuggling and trafficking of migrants across the Mediterranean Sea, and to prevent irregular migration flows 'as part of the EU's comprehensive approach to migration which includes the use of other tools and actions' as detailed below[141]. Since May 2013 already, the EU conducts the CSDP civilian mission 'EU Integrated Border Management Assistance Mission in Libya' (EUBAM Libya) which supports Libyan authorities 'in developing border management and security at the country's land, sea and air border'[142]; for the EU, this is perceived as another way to locate and stop migrant boats before they reach EU waters[143]. Due to the **fragile security and political situation** in Libya, the mission has been conducted since August 2014 with limited capacity from Tunisia[144].

---

[139] Ioannides, I., 'Inside-out and Outside-in: EU Security in the Neighbourhood', *The International Spectator: Italian Journal of International Affairs*, 49(1) 2014; Trauner, F., Carrapiço, H. 'The External Dimension of EU Justice and Home Affairs after the Lisbon Treaty: Analysing the Dynamics of Expansion and Diversification", *European Foreign Affairs Review*, 17(1/2) 2012; Kaunert, C., Leonard, S. 'EU Counterterrorism and the European Neighbourhood Policy: An Appraisal of the Southern Dimension', *Terrorism and Political Violence*, 23(2) 2011.
[140] UNHCR, Mediterranean Crisis 2015 at six months: refugee and migrant numbers highest on record, Press Releases, 1 July 2015, http://www.unhcr.org/5592b9b36.html
[141] EEAS, European Union Naval Force – Mediterranean, August 2015, http://eeas.europa.eu/csdp/missions-and-operations/eunavfor-med/pdf/factsheet_eunavfor_med.pdf
[142] EEAS, EU Integrated Border Assistance Mission in Libya (EUBAM Libya), January 2015, http://eeas.europa.eu/csdp/missions-and-operations/eubam-libya/pdf/factsheet_eubam_libya_en.pdf
[143] I. Ioannides, op.cit., p. 127.
[144] EEAS, EU Integrated Border Assistance Mission in Libya, op.cit.

Regarding the fight against terrorism, it took time to convince the Council to clearly include counter-terrorism as a key objective of a CSDP mission. The **perceived inadequacy of the CSDP nature**, the lack of political consensus and the overall EU response being more reactive than proactive in that domain might explain the declaration-implementation gap[145]. Eventually, the Lisbon Treaty (Art. 43.1, TEU) updated the Petersberg tasks with the idea that 'all these tasks may contribute to the fight against terrorism, including by supporting third countries in combating terrorism in their territories'. However, the first CSDP civilian mission was launched only in 2012, namely EUCAP SAHEL Niger, with the formal mandate to support Nigerien authorities' efforts to fight terrorism[146]. In this regard, the Council linked EUNAVFOR Med to EUCAP SAHEL Niger to improve the border management in the region. The **securitisation of migration** has indeed led to an increase of the importance of border control measures in the EU's counter-terrorism efforts, as confirmed in the EU Counter-Terrorism Strategy 2005, but these measures have made only small contributions to the fight against terrorism so far[147].

The need to bring together internal and external dimensions of security is one of the key principles of the European Agenda on Security and the European Agenda on Migration, both presented in 2015 and 'strongly' underlined by the Council conclusions on CSDP of 18 May 2015. However, **the challenge for the EU is to put its rhetoric into practice**. To implement effectively the EU Comprehensive Approach in 'real' crisis management, with some CSDP missions concretely involved in internal security issues, the overall consistency between policies and better cooperation between EU actors dealing with these issues in the European security governance is required, as underlined in the Lisbon Treaty (Art. 21, TEU).

3.4.2   Bridge between non-CSDP actions and CSDP missions

Throughout the last years, most of the CSDP missions and operations have been presented 'as part of the EU's Comprehensive Approach'[148], meaning that they complement other EU tools and actions. Consequently, non-CSDP actions shall also contribute to CSDP activities.

It is most relevant to underline the growing contributions of the **European Agency for the Management of Operational Cooperation at the External Borders of the Member States of the EU (Frontex)**, particularly towards the EU Eastern and Southern neighbourhood. Several initiatives might be useful to support the CSDP military operation EUNAVFOR Med, as they already offer a framework for national cooperation which fits well to the CSDP intergovernmental logic.

European Border Surveillance System (EUROSUR)

Since December 2013, the European Border Surveillance System offers an information exchange system through the National Coordination Centres which collect and process national data. EUROSUR results from a long preparation process where Frontex has played an important role. It is notably built on the **experience gained by the European Border Patrols Network** which has

---

[145] Argomaniz, J., 'A Rhetorical Spillover? Exploring the Link between the European Union Common Security and Defence Policy (CSDP) and the External Dimension in EU Counterterrorism', *European Foreign Affairs Review*, 17, (2/1) 2012; Martins, B.O. and Ferreira-Pereira, L.C., 'Stepping inside? CSDP missions and EU counter-terrorism', *European Security*, 21 (4) 2012.
[146] Lavallée, C., Völkel, J.C., 'Military in Mali. The EU's Action against Instability in the Sahel Region', *European Foreign Affairs Review*, 20 (2) 2015.
[147] Léonard, S. 'Border Controls as a Dimension of the European Union's Counter-Terrorism Policy: A Critical Assessment', *Intelligence and National Security*, 30 (2-3) 2015.
[148] EEAS, European Union Naval Force – Mediterranean, op.cit.

fostered the cooperation and coordination among Member States against irregular migration and cross-border crime since 2007. Besides frequent risk analyses, Frontex is tasked within EUROSUR to assemble, analyse and enrich data from the Member States in order to create the European situational picture and the common pre-frontier intelligence picture (beyond EU borders). Frontex strengthen its powers and broaden 'its focus from operational cooperation to becoming an intelligence actor'[149]. Therefore, EUROSUR can relate on incidents occurring at the EU sea borders and locate suspected vessels, as the regulation was adopted under the impression of the Lampedusa tragedy in October 2013, when more than 350 immigrants drowned in a single shipwreck. It aims at **preventing trafficking in human beings and loss of lives at sea** in line with the EUNAVFOR Med mandate[150], even if the latter seems to be so far only a secondary goal, particularly due to its limited technological capacity[151]. In this respect, the EU is supporting the development of new technologies to improve the European maritime security.

Maritime Common Information Sharing Environment

The **Common Information Sharing Environment for the surveillance of the EU maritime domain (CISE)** currently developed by the Commission and the Member States with Frontex assistance should be operational by 2020 and might contribute to a better integration of existing national surveillance systems. According to its supporters, CISE should 'enable interoperability of relevant security data in areas such as piracy, terrorism, arms and drugs smuggling, and human trafficking'[152]. The European Security Research Programme has funded several related projects on maritime surveillance, such as EUCISE[153], SeaBILLA[154], PERSEUS[155] and Aeroceptor[156] over the period 2007-2013 and continues to do so for 2014-2020[157]. **CISE involves a broad range of sectors**, including border control, defence and maritime safety and security, and improved exchange of information between civil and military authorities. Since 2006, the European Defence Agency (EDA) has developed the Maritime Surveillance project (MARSUR) which 'is designed to become the potential 'military layer' of CISE [… and] could work in conjunction with other 'systems of systems' to ensure efficient interaction with other European maritime security stakeholders and also in support of CSDP missions'[158]. Frontex has also worked with the EDA on tactical Unmanned Aerial Vehicles (drones) and the identification of small targets projects[159].

Frontex joint operations

Frontex assists Member States in the border control and surveillance of the Mediterranean. It can provide a rapid response capability with the European Border Guard Teams, i.e. pooled resources

---

[149] Rijpma, J., Vermeulen, M. 'EUROSUR: saving lives or building borders?', *European Security*, 24(3) 2015, p.468.

[150] European Commission, EUROSUR kicks off: new tools to save migrants' lives and prevent crime at EU borders, Press release, Brussels, 29 November 2013.

[151] Rijpma, J., Vermeulen, M. op.cit.; Nielsen, N."EU border surveillance system not helping to save lives", *EU Observer*, 14 May 2014.

[152] European Commission, The European Agenda on Security, COM(2015) 185 final, Strasbourg, 28 April 2015, p. 8.

[153] EUCISE, EUropean test bed for the maritime Common Information Sharing Environment in the 2020 perspective, http://www.eucise2020.eu/

[154] Seabilla, Home, http://www.seabilla.eu/cms/

[155] PERSEUS, Home, http://www.perseus-fp7.eu/

[156] Aeroceptor, Home, http://www.aeroceptor.eu/

[157] European Commission, Horizon 2020 Programme Security, http://ec.europa.eu/programmes/horizon2020/en/area/security

[158] EDA, European maritime surveillance network reaches operational status, 27 October 2014, http://www.eda.europa.eu/info-hub/press-centre/latest-news/2014/10/27/european-maritime-surveillance-network-reaches-operational-status

[159] Germond, B. 'The EU's security and the sea: defining a maritime security strategy', *European Security*, 20(4) 2011.

from Member States. Though, **the Rapid Border Intervention Teams** (RABIT) mechanism has been activated only once in 2010, the Commission's communication of 23 September 2015 recalled its relevance as an operational measure to cope with exceptional migratory pressure for a limited period of time. The European Border Guard Teams may be additionally deployed in joint operations. Together with a host country and in close consultation with Member States that determine the level of their contribution, Frontex coordinates joint operations such as Triton in the territorial waters of Italy and Poseidon in Greek territorial waters. In light of the 2015 surge in Mediterranean death toll numbers, funding and equipment for these missions have been increased, and their geographical scope extended. Frontex can also help Member States and may co-fund joint return operations of third country nationals who are legally unable to stay in the EU. Frontex representatives coordinate their actions closely with officials from the European External Action Service (EEAS), notably regarding EUNAVFOR Med.

3.4.3   The external relations of European agencies

Frontex has increased its external role as it can negotiate agreements with third countries to pursue operational cooperation, joint operations and training. Such agreements have been signed with partners from the European Neighbourhood Policy (ENP). In this respect, some ENP Action Plans include clauses on cooperation in various justice and home affairs fields; Mobility Partnerships aim at the same direction. In addition, Frontex coordinates its activities with other EU agencies like the European Police Office (Europol) whose role is also growing in the **external aspects of EU counter-terrorism policies**[160]. Europol has concluded operational and strategic agreements with third countries in this domain, though so far only very few have been signed with countries where CSDP missions are deployed, namely Bosnia and Herzegovina, Moldova and Ukraine[161].

3.4.4   External financing instruments

Besides European agency activities, the external financing instruments for non-CSDP activities are also used to complement CSDP missions and operations (see also chapter 3.4.4). In contrast to CSDP action, these external financing instruments (humanitarian, development, economic and stabilisation assistance) are managed by the EU institutions with the EU budget to support actors such as UN agencies and local NGOs to act on the ground. To better support regions such as the Sahel, the Horn of Africa and North Africa where most of refugees are from, the Commission will set up an 'Emergency Trust Fund for stability and addressing root causes of irregular migration and displaced persons in Africa'. Furthermore, among the external financing instruments which complement CSDP activities, the Instrument contributing to Stability and Peace (IcSP) is dominating. In its **short-term component crisis response**, IcSP is notably dealing with CSDP flanking measures, border security and SSR in the Middle East and North Africa[162]. In the framework of its **long-term and programmable component** within the 'Security and Safety Threats in a Transregional Context', the IcSP is funding the Counter-Terrorism (CT) Programme. In line with the EU Counter-Terrorism Strategy, there are presently CT projects conducted in the Sahel (covering Niger, Mali and Mauritania), the Horn of Africa (including Yemen), Nigeria (regarding the fight

---

[160] Kaunert, C., 'Europol and EU Counterterrorism: International Security Actorness in the External Dimension', *Studies in Conflict & Terrorism*, 33(7) 2010; Kaunert; C. Léonard, S., op.cit.

[161] Europol, External cooperation, https://www.europol.europa.eu/content/page/external-cooperation-31

[162] European Commission, 2013 Annual Report on the Instrument for Stability, volume 1, SWD (2014) 344 final, Brussels, 2 December 2014, p. 3.

against Boko Haram), and in South-East Asia as well as Pakistan (in cooperation with UNODC)[163]. The **IcSP also supports the Malta-based Institute of Justice and the Rule of Law** 'through a mapping assignment to inform their future counter terrorism related work'[164]. The IcSP's short and long-term components are managed by the Service for Foreign Policy Instruments (FPI) of the Commission and the Department of Security Policy and Conflict Prevention of the EEAS, which run consultation processes with several actors inside the EEAS, the Council (CSDP structures), Member States, and EU delegations[165].

3.4.5   African Peace Facility

Among the most relevant non-CSDP tools supporting CSDP missions, the EU-Africa cooperation on peace and security is implemented with the African Peace Facility (APF), funded through the European Development Fund (financed by contributions from Member States) within the Cotonou Agreement. The Roadmap 2014-2017 adopted at the 4th Africa-EU Summit in 2014 confirms as joint priorities the relevance of the **cooperation in peace and security affairs, including in counter-terrorism** and in human development, with all aspects of irregular migration, aiming at 'strengthened migration management, return and readmission'[166]. Most notable funded activities with APF are the operationalisation of the African Peace and Security Architecture (APSA) and various African-led Peace Support Operations, such as in particular the African Union Mission in Somalia (AMISOM). AMISOM is a multidimensional peace support operation which tackles the threat posed by the jihadist terrorist group Al-Shabaab ('The Youth') which pledged allegiance to Al-Qaeda in 2012. The financial support for AMISOM fits into the EU Strategic Framework for the Horn of Africa which encourages also cooperation and coordination between CSDP operations and AMISOM. APF is managed by the Commission, but each intervention financed through it needs to be approved by the Political and Security Committee (PSC) of the Council.

3.4.6   Institutional cooperation towards synergies?

Though the Lisbon Treaty has further contributed to improve the synergies between actors, policies and instruments, notably with structures that facilitate internal-external security cooperation, respond to crises and manage them, such as the EEAS, the Council Working Group on JHA External Relations (JAIEX) or the Committee on Internal Security (COSI), the implementation of the Comprehensive Approach remains difficult. Important resistance results from **power struggles as well as different institutional logics, cultures and prerogatives among the actors involved,** which negatively affects the EU's global action. Therefore, certain adaptations are necessary. Besides willpower and beyond the EU rhetoric, the reorganisation of the configuration of actors needs to be supported by additional clarification about the exact division of labour and how to make actors working better together.

Potential links and/or potential adaptations of existing policies

Clearly, the nexus between CSDP and other EU instruments deserves closer cooperation and better links. At the national level, authorities should improve their trust among each other to better share

---

[163] European Commission, 2013 Annual Report on the Instrument for Stability, volume 3, SWD (2014) 344 final, Brussels, 2 December 2014, p. 10-11.

[164] European Commission, 2013 Annual Report on the Instrument for Stability, COM (2014) 717 final, Brussels, 2 December 2014, p. 10.

[165] Lavallée, C., 'From the Rapid Reaction Mechanism to the Instrument for Stability: The Empowerment of the European Commission in Crisis Response and Conflict Prevention', *Journal of Contemporary European Research*, 9 (3) 2013.

[166] Council, Fourth EU-Africa summit, Roadmap 2014-2017, Brussels, 2-3 April 2014.

information. To build this confidence, they should share good practices, increase regular informal contacts, staff exchange and agree on operating guidelines. They should also ensure consistency between their positions and actions and EU initiatives, even if **different logics of action and management styles** apply. Here, a strengthened performance of coordinating structures is recommended. The Council has a crucial role to play as decision-taker in CSDP matters (mainly through the PSC) to ensure policy coherence among Member states and as legislator together with the European Parliament on Community regulation to stimulate follow-up. The hybrid position of the HR/VP) who is tasked to align and bring together tools from the Council and the Commission as head of the EEAS should strengthen the **coordination and synergies between intergovernmental and community actors**, policies and instruments in the EU's external action. In this respect, the HR/VP should make better use of the EEAS which should be more than a basic diplomatic service and act as a coordinating structure, using in a more efficient manner the Crisis Response System (and its Crisis Platform) which so far has been affected by internal struggles. The EEAS should have the clear ability to bring all relevant EU actors (including CSDP actors) to the table to identify the appropriate tools in response to crises and the most efficient way to coordinate them on the ground.

Moreover, the EU needs a clear strategic approach beyond its numerous strategies. The presently ongoing reviews of the European Neighbourhood Policy and the European Security Strategy are an occasion to clarify what the EU should do on the international stage and how it should translate this specific strategy into practice, but should also present some guidelines about the overall coherence with other strategies (internal, regional, thematic). For that reason, the **Lisbon Treaty has raised many expectations and hopes** that more substance would be given to the EU rhetoric, but until today, very few concrete guidelines regarding the best way to converting the Comprehensive Approach to external conflict and crisis into practice have been created. The EU external action deficiency resides in the weakness of its structures of coordination to overcome power relations between those actors in EU security governance responsible for the **implementation of the Comprehensive Approach**. Besides, in the configuration of actors, the prerogatives and functions of those in pivotal positions such as the HR/VP, the Commission, the EU agencies and the EU special representatives (EUSR) should be clarified. For instance, the EU counter-terrorism coordinator 'works under the authority of the HR/VP but takes instructions from and reports primarily to the JHA Council'[167].

How to achieve such facilitation in the case of the Southern Neighbourhood?

In this perspective of consistency, also the current review of the ENP should be the occasion to go beyond the traditional rhetoric, as suggested in the consultation paper of March 2015. The main concern is how to improve the implementation of the ENP in the transformational environment in the countries East and South of the EU. Especially, the EU should build on the Euro-Mediterranean partnership heritage to facilitate internal-external security cooperation such as the 4th axis 'Migration and internal security' and the Euro-Mediterranean Code of Conduct on Countering Terrorism to enrich the (currently paralysed) Union for the Mediterranean cooperation in those domains, besides relevant chapters of some ENP Action Plans on these issues[168]. Here, not only a stronger commitment from the neighbouring countries, but also **a clearer coordinating structure, with a strong role for pivotal actors like EUSR** (officially none exists for neither the

---

[167] Ioannides, I., op.cit., p. 115, note 6.
[168] Kaunert, C., Léonard, S., op.cit.

Eastern nor Southern ENP component) and consistency between ENP and other EU tools and policies as Frontex and Europol agreements are required. Finally, the EU should continue to strengthen partnerships with the regional organisations such as the African Union and the League of Arab States through concrete initiatives such as the African Peace Facility as another way to put into practice the nexus between internal and external policies in support of crisis management and to balance the long-criticised declaration-implementation gap.

3.4.7 Conclusions

In sum, the Comprehensive Approach is a **good way to combine the EU's entire tools** linked to internal and external dimensions of security to fight terrorism and irregular migration. However, the main challenge remains to translate the EU discourse into practice on the ground. As mentioned in this contribution, EU tools are managed by different actors according various logics of action, procedures and budget lines. Therefore, the **EU should strengthen its structures of coordination** (PSC, EEAS) and the role of actors in pivotal position such as HR/VP and EUSR, to mitigate power struggles in EU security governance. In this respect, the ongoing review of the European Security Strategy hopefully clarifies the strategic approach with specific guidelines to improve the overall coherence and especially to better bridge internal and external policies.

3.5 Financing instruments

As mentioned above, the EU's toolbox with regards to security policy does not only entail geographical approaches and instruments, such as the European Neighbourhood Policy or Development Cooperation, it also comprises of several specialised instruments. The EU, in other words, can make use of these instruments and contribute to the overall security policy of the EU in general and CSDP action in particular.[169]

3.5.1 Financing instruments and CSDP

Most of the so-called thematic instruments – also known as financing instruments – are run by the EU budget. Other than the Athena mechanism in CSDP, it means the Council and European Parliament have to decide upon their overall expenses, while the Commission manages the **planning and implementation of the instruments**. In case of some of the financing instruments, the Commission is assisted by the Foreign Policy Instruments Service (FPI) which ensures the coordination between the Commission and the EEAS. The instruments are an instrumental part of what has become known as the 'comprehensive approach' of the European Union, aiming at bringing together those instruments which are run by actors and procedure outside CSDP with those of CSDP itself.

Among the many thematic instruments, the Instrument contributing to Stability and Peace (IcSP) and European Neighbourhood Instrument (ENI) are of crucial importance in the attempt to contribute to the EU's security policy and CSDP.[170]

3.5.2 Instrument contributing to Stability and Peace (IcSP)

The European Parliament and the Council adopted the regulation governing the new IcSP in 2014[171] succeeding what was formerly known as Instrument for Stability (IfS). In the words of the

---

[169] See EUISS Security Yearbook, 35
[170] For a full overview see EUISS Yearbook 2014

FPI, it belongs to the '**new generation of instruments** for financing external action'.[172] According to Regulation No 230/2014, the objectives of the instrument are to 'contribute swiftly to stability by providing an effective response designed to help preserve, establish or re-establish the conditions essential to the proper implementation of the Union's external policies and actions in accordance with Article 21 TEU', 'to contribute to the prevention of conflicts and to ensuring capacity and preparedness to address pre-and post-crisis situations and build peace', 'to address specific global and trans-regional threats to peace, international security and stability'[173]. In addition, it also focuses on 'strengthening the capacity of law enforcement and judicial and civil authorities involved in the fight against terrorism, organised crime, including cyber-crime, and all forms of illicit trafficking and in the effective control of illegal trade and transit.'[174] As such, the instrument not only focuses on internal conflict scenarios and their prevention, but also on the **increasingly difficult task to address transnational threats and insecurities**, which reach beyond state borders, affect whole regions and have direct impacts upon the EU itself. For the period between 2013 and 2020 the IcSP has been assigned with a budget of 2.3 billion Euro.[175]

The IcSP's predecessor, the IfS, reached out to the world with 140 projects, of which 19 % were assigned to governmental bodies and agencies, 28 % to international and sub-regional organisations and 53 % to civil society actors.[176] Elsewhere, the scope of the Instrument has been described as follows: 'Between 2007 and 2011, around 40 countries worldwide benefited from the EU's action in the framework of the IfS, the vast majority of which were developing countries. In 2010, for instance, the Commission made 213 million Euros available for post-crisis **management or emerging crisis situations, including the financing of piracy trials** in Somalia and of the monitoring of the peace process between the government and the Moro Islamic Liberation Front in the Philippines (European Commission 2011).'[177] As elsewhere mentioned in this report, the IfS had been used to ensure a complementarity to former ESDP missions, as IfS guaranteed EU presence on SSR while ESDP served with the deployment of troops on the ground (chapter 3.3). In the case of Bissau Guinea, the complementarity that can be found between CSDP and other EU instruments comes to the fore if planned well. Also in the case of EUFOR Tschad/RCA, the IfS ensured the funding for the equipment as well as the training of the Chadian police and gendarmerie within the UN operation MINURCAT (see chapter 3.3.4).

The IcSP's contribution to CSDP can be seen with regards to its **long-term and short-term components**. ICSP's long-term component refers to Article 3 of the IcSP's constituting regulation focusing on peace-building, while its short-term component is linked to crisis-management (Article 4). So far, FPI's contribution to CSDP has remained civilian in nature. For example, FPI has been active in contributing equipment to CSDP's police-training mission in Mali (ranging from cars to camels). In the context of the EU's EUFOR mission to the Central African Republic the support focussed on the improvement of community relations in the country. The programmes set up community councils which worked to the benefit of the respective communities, indirectly supporting the efforts of EUFOR to guarantee for a safe and secure environment. In another case,

---

[171] REGULATION (EU) No 230/2014 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 11 March 2014 establishing an instrument contributing to stability and peace, 15/3/2014, Official Journal L77/1
[172] http://ec.europa.eu/dgs/fpi/what-we-do/instrument_contributing_to_stability_and_peace_en.htm
[173] Regulation No 230/2014
[174] Ibid.
[175] http://ec.europa.eu/dgs/fpi/documents/euinaction-buildingpeace-infographic-p-17sept14_en.pdf
[176] Ibid.
[177] Keukeleire/ Raube, 562

the EU's rule of law mission EULEX in Kosovo, FPI will organise support for the oversight of heritage sights, taking over responsibilities which were formerly taken on by NATO's KFOR troops. Overall, IcSP is seen as making **meaningful contribution to CSDP**, also in terms of its current financial scope. However, its lack of a military component is currently seen as a gap amongst policy-makers. While the EU receives many requests to provide military support to third countries (for example, regarding its contribution to military personnel, infra-structure or equipment in third countries), FPI and more specifically IcSP are not able to respond due to legal constraints. While CSDP instruments often have a limited financial scope, the policy makers in the EEAS and Commission are currently reflecting the option of **a new financing instrument**, which would include the military support in third countries globally. Such a new instrument is seen as closing the current gap of not being able to supply military support and contribute even more effectively to CSDP missions around the world.

3.5.3 European Neighbourhood Instrument and other instruments

With Regulation No. 232/2014 the ENI succeeds the ENPI. The ENI provides funding for several thematic fields, including the promotion of good governance, transition to democracy and human rights norms. In the context of security policies, it is important to mention that it also aims for 'promoting confidence-building, good neighbourly relations and other measures contributing to security in all its forms and the prevention and settlement of conflicts, including protracted conflicts'.[178] Overall, the instrument supports 'the implementation of the political initiatives shaping the European Neighbourhood Policy'.[179] For the period until 2020, 15.4 billion Euros are provided for funding in the 16 ENP countries. As mentioned elsewhere in the report (chapter 3.2), the EU has several non-CFSP/CSDP instruments supporting its policy goals, the ENP and the EaP in particular, including the promotion of stability and security. Financial assistance is indeed coming from the ENI. As a consequence of its objectives reaching out to the field of security policies, measures funded under this instrument need to be coordinated with CSDP tools. EU civilian missions contributing to state-building (rule of law missions, border management missions, etc.) and EaP specific tools such as the 'Comprehensive Institution-Building' (CIB) initiative are a case in point. One of the examples how ENI can contribute to CSDP comes in through the EUBAM mission to Moldova and Ukraine. Although launched with a CFSP mandate, the mission has been financed by the EU's ENPI instrument.

Other **financing instruments can also contribute to structurally guarantee stability and security on the ground.** By means of the EIDHR or the Instrument for Development Cooperation, structures can be enhanced to facilitate security on the ground. The implementation of human rights and development objectives is crucial for the eradication of insecurity and, vice-versa, the implementation of security needs is a crucial element for the implementation of human rights and development. The financing instruments which are at the Union's disposal can live up to the needs which these nexuses demand. In the specific case of the EaP it has been shown (chapter 3.2.1) that other thematic financing instruments such as the Partnership Instrument, the Instrument contributing to Stability and Peace or the European Instrument for Democracy and Human Rights, might also be activated. These instruments can be framed by the ENP Action Plans or the Association Agreements, when one is in place, establishing the benchmarks for EU actors and often for international donors.

---

[178] Regulation 232/2014.
[179] EUISS Security Yearbook 2014, 36.

3.5.4 Coordination

The coordination of actors in Brussels and on the ground is crucial for the synergy between financing instruments and CSDP measure. As it has been illustrated by the examples above, the coordination of tasks across institutions and bodies is central. The position of the FDI in the EEAS while being a part of the Commission is **crucial for the ongoing planning and implementation of the IcSP in the context of CSDP missions**. This is also reflected in the latest reorganisation of the EEAS (see 2.2). FPI's integration in the EEAS remains essential, but a difficult one, as it needs to play its role in both its institutional contexts: the Commission (which it is dislocated from) and the EEAS (which it does not belong to).[180] Still, the IcSP's budgetary dimensions between 2013 and 2020 show the importance as a complementary security tool, especially in the context of the comprehensive approach. The added-values of each instrument should be highlighted in that regard during the planning phase and strive towards a synergising effect of various instruments on the ground.

3.5.5 Conclusion

The EU's toolbox also comprises of several specialised instruments. In other words, the EU can make use of these instruments and contribute to the overall security policy and CSDP action in particular.[181] The examples of the IcSP and ENI show the meaningful contribution of these tools to EU security policy and CSDP. The coordination between institutions and actors on both sides of the spectrum is crucial for the making, implementation and synergy of measures deployed by the EU.

3.6 Towards greater support for CSDP crisis management? – Identifying institutional role and policy adaptation

The preceding section has covered a variety of fields to look for **the contribution of non-CSDP policies and instruments for EU security** in general and CSDP policies in particular. The examples of the European Neighbourhood Policy, Development Cooperation, Internal Policies and Financing Instruments have revealed ample examples of how these policies do, or could, synergise with security policies and CSDP. To this end, the section has identified institutional and policy adaptations.

Overall, **regarding the institutional adaptations**, the chapter pointed out that the Lisbon Treaty provides a stronger framework than in the past to ensure that competition and tensions between CSDP and the Commission's work are quickly resolved through inter-institutional talks and negotiations under the aegis of the double hatted HR/VP. At the same time, it was pointed out that such practices must be applied to coordinate action across the whole spectrum of EU tools. Still, the EU should strengthen its structures of coordination (PSC, EEAS) and the role of actors in pivotal position such as HR/VP and EUSR, to mitigate power struggles in EU security governance. Moreover, it was underlined that EEAS staff dealing for example with EaP needs to be reinforced, namely officials responsible for liaising with EU crisis management structures, including EU Military Committee (EUMC) and CIVCOM. Finally, the EU should promote the articulation between the FPI and the horizontal EaP unit responsible for conceptual and budgetary issues.

---

[180] Wouters, J., De Baere, G., Van Vooren, B., Raube, K., Odermatt, J., Ramopoulos, T., Van den Sanden, T., Tanghe, Y., 'The Organisation and Functioning of the European External Action Service: Achievements, Challenges and Opportunities', Brussels: European Parliament, Directorate-General for External Policies of the Union, Directorate B, Policy Department, 2013.
[181] See EUISS Security Yearbook, 35

Regarding **the EU's Neighbourhood Policy**, the revision of the ENP should deliver a political and economic vision to support the resolution of conflicts and the management of crises in the Eastern Partnership and the Mediterranean. It was furthermore underlined that there is a need to establish Informal Coordination Groups (or similar structures) for crisis management issues, bringing together relevant security organisations in the Eastern neighbourhood such as NATO, the OSCE and the CSTO, the EEAS, EU military and civilian staff, and Commission staff from ECHO and DEVCO. It has been pointed out that CSDP missions in the Mediterranean are like plasters on a big wound. The emphasis must be on political and economic instruments, as migration and extremism require long-term commitments to tackle the many root causes. To take a specific example that study underlined that Tunisia simply cannot fail. The EU must do more, not only in security terms (including securing borders) but also and especially in economic terms (and a more generous approach to agriculture is of order).

With regards to **development cooperation**, the study showed that there is no shortage of tools to come up with joint analysis on risks to use development resources for security-related endeavours. Having new strategic frameworks may help Brussels HQs but it may also top up existing strategic document templates. In the specific case of the APF, current debates and positions seem to bend in favour of a revision of the scope of both the APF and of the Instrument contributing to Stability and Peace to allow EU funds to support equipment provision in security and defence. Other options on the table, such as a new financial instrument, Athena mechanism or the use of the CSDP start-up funds should not be discarded in the future. One of the lessons learnt from the experience of EUCAP Niger is to hire CSDP mission staff who have some experience in development cooperation and are able to coordinate and cooperate immediately with EU Delegations managers of development cooperation funds. With regards to specific missions, the Bissau Guinean example illustrated very well the kind of complementarity that can be found between CSDP and other EU instruments if planned well. One lesson learnt then was the need for Development cooperation staff to be better trained on SSR, Rule of Law reform and the security and development nexus. Furthermore, the main lesson learnt from the experience of EUFOR Chad/RCA was the recognition that a joint EU political strategy is a pre-requisite for successful combination of peacekeeping, training and equipment of partner forces. Security coordination also and primarily happens at country level, involving EU Delegations and CSDP missions, as shown in the Sahel. Such coordination formats are the best base for joint analysis and assessments.

Overall, and also in view of the **analysis of internal policies**, the Comprehensive Approach is a good way to combine the EU's entire tools linked to internal and external dimensions of security to fight terrorism and irregular migration. The main challenge, however, remains to translate the EU discourse into practice on the ground and to bring together EU tools which are managed by different actors according various logics of action, procedures and budget lines. As the EU's toolbox also comprises of several specialised **financing instruments**, the EU can make use of these instruments and contribute to the overall security policy and CSDP by the means of the IcSP and ENI. At the same time, the coordination between institutions and actors on both sides of the spectrum is crucial for the making, implementation and synergy of measures deployed by the EU. The ongoing review of the European Security Strategy should clarify the strategic approach of the EU, including specific guidelines to improve the overall coherence and especially to better bridge internal and external policies.

4 Supporting CSDP defence capabilities by other EU level instruments

4.1 CSDP defence capabilities and EU policy level support

In the following, the study will look into the coordination between CSDP policies and various non-CSDP policies and instruments: (i) innovation policies; (ii) industrial policies; (iii) regional policies; (iv) trade policy; and (v) space policy. Next to the analysis of each of the policies and their respective instruments, crucial attention will be paid to the coordination and synergies between these policies and CSDP policies. Furthermore, it will be looked into how not only individual instruments, but also actor coordination and policy adaptation can contribute to synergies between the respective non-CSDP policies and CSDP in the long run.

4.2 Innovation policy support for defence capabilities

The relationship between innovation policy and defence capabilities is a complex one. Complex weapons systems are the product of a very particular model of innovation, which still requires a level of state involvement and funding that is increasingly unusual in other industrial sectors. During the Cold War, **technological developments in the area of defence** were sometimes seen as shaping changes in civilian technologies. More recently, advances in civilian technologies such as microsystems, nanotechnology, unmanned systems, communications and sensors, digital technology, bio- and material sciences, energy and power technologies and neuro-technologies have in turn been driving new defence technologies[182]. The **challenge for defence firms** has become one of **'spinning in'** these more advanced civilian technologies, or as the EU institutions increasingly put it, finding synergies between civilian and military research[183].

Military-related research however remains a product of an unusual industrial set of conditions. Briani and Sartori argue that the state-defence firm relations are characterised by monopsony on the **demand side** and monopoly / oligopoly structures on the **supply-side**, and that the industry requires unusually high R&D intensity thus requiring public subsidies in the R&D phase[184]. The role of state finance both in terms of procurement and research funding remains therefore vital. While Britain, France and Germany are clearly the dominant players in terms of both defence procurement expenditure and defence industrial capacity, the EU institutions have consistently argued that the **EU market is fragmented** on both supply and demand sides and requires consolidation[185]. However, the EU's ability to act here is limited. In contrast to other industrial sectors, in the EU context, article 346 of the Lisbon Treaty still largely protects defence equipment procurement and research from single market legislation: notwithstanding the 2009 'defence package' of the directives on intra-EU transfers of defence and defence and security procurement.

[182]Stankiewicz, R. et al, 'Knowledge Dynamics Scoping Paper', 2009.
https://sandera.portals.mbs.ac.uk/Portals/65/docs/KNOWLEDGE%20Dynamics%20Scoping%20Paper-D2.1.2.pdf (last accessed 12 August 2015)
[183] European Commission (2004), *Security Research: The Next Steps*, COM (2004) 590 final, Brussels, 7 September 2004; ESRAB (2006) *Meeting the Challenge: the European Security Research Agenda*, European Security Research Advisory Board Report, September 2006, Luxembourg, Office for Official Publications of the European Communities
[184] Briani, Valerio and Nicolo Sartori (2011) Transatlantic Industrial Policies in the Security Sector, in EU-US Security Strategies: Comparative Scenarios and Recommendations, Issue 3: 156-66 Available at:
http://csis.org/files/publication/110614_Conley_EUUSSecurity_WEB.pdf (last accessed 5 August 2015)
[185] European Commission (1996) The Challenges facing the European Defence-Related Industry: Contribution with a View to Actions at European Level, COM 96/10, January 1996, Brussels

This not only **limits EU involvement**, but for those EU states that choose to invest in defence-related research, it enables them to retain more of a directorial role than in other research sectors, and for reasons of national security, tight controls are kept over the sector, for example controlling where firms may export arms and restricting the sharing of technology.

Despite these limitations on the role of the EU, Edler and James claim that since 2003 the Commission has been trying to increase its role, first in security-related and now defence-related research, as a means to fulfil **industrial policy objectives for security and defence industries**, by acting as a supranational policy entrepreneur[186]. This is in line with their industrial policy objectives but also their role in supporting the CSDP. This section of the report will outline the existing initiatives, predominantly those funded under the 7th Framework Programme and Horizon 2020, and assess their success. It will also look at the cooperation between the Commission and European Defence Agency (EDA) and the EDA's own activities. Finally, it will also consider potential links between the CSDP and innovation policies and make recommendations for action.

4.2.1   Existing links between the CSDP and innovation policies

It is important to state that the security research preparatory action and the FP7 security research priority are not the first examples of **defence-relevant research** being funded by the Community budget. It has long been known that dual-use research has been funded through the Framework Programmes[187]. Early programmes in the 1980s such as BRITE and EURAM saw participation by defence firms which had either dual-use or civilian production for example[188]. While exact figures are not available for the amount of dual-use research funded either currently or during the lifetime of EU research funding, it is thought to be substantial. The Commission estimated in 1996 that at that point as much as a third of the Community's research budget was being invested in areas of **potential dual-use interest**[189]. Support for dual-use research is not confined to the mission-oriented priorities, some of the projects funded by the European Research Council are likely to have potential dual-use impact. Nevertheless, Horizon 2020 and its predecessors could only legally fund civilian research. Since the 2003 decision to establish the EDA and the 2004 Commission decision however, both the EDA and the Commission have been **establishing routes towards using the Community budget** to directly fund defence research relevant to the CSDP.

The Commission's route has been through security research initially. In March 2003 the Commission called for **increased coordination of security research**. It said it would ask national administrations, the business community and research institutions their opinions on what a European agenda for research in this field should look like and 'to launch a preparatory action to coordinate such research at the EU level, focusing on a limited number of concrete technologies linked to the Petersberg tasks'[190]. DG Enterprise and Industry seemed to be planning to fund defence research but the 2003 establishment of the European Defence Agency with a remit in that

---

[186] Edler, J., James, A., 'Understanding the emergence of new science and technology policies: Policy entrepreneurship, agenda setting and the development of the European Framework Programme.' *Research Policy,* 44(6), 2015, 1252–1265

[187] Molas-Gallart, J., 'Coping with Dual-Use: A Challenge for European Research Policy'. *Journal of Common Market Studies*, 40 (1), 2002, 155–165

[188] Although Community spending on research predates the Single European Act (SEA), the Framework Programmes and associated initiatives like BRITE and EURAM were codified in Art. 130 f-q of the SEA. Currently articles 179-90 TFEU form the treaty basis for action on research and development.

[189] European Commission 'The Challenges facing the European Defence-Related Industry'

[190] European Commission (2003) European Defence - Industrial and Market Issues - Towards an EU Defence Equipment Policy, COM (2003) 113, Brussels, 11 March 2003.

area, as well as reluctance amongst officials in DG-Research, made it politically impossible[191]. Commission officials then set up a Group of Personalities to look at the issue, which duly reported in 2004, making the case that there was no real difference between military and civilian research, and pointing out the US investment in homeland security as a further example of how **the EU was falling behind**. Their report helped to shape the civilian security research priority in the 7th Framework Programme. The basis for community action on internal security policy stems from the Treaty on the Functioning of the European Union (TFEU)[192], Title V 'Area of freedom, security and justice' (AFSJ). The amendments agreed under the Lisbon Treaty bring the AFSJ into the main body of the treaty and hence under normal community judicial controls. Article 4 (2) of the TEU states specifically that 'national security remains the sole responsibility of each Member State' and that the TFEU refers only to internal security. This differentiation, viewed as important by some Member States, was clarified during the negotiations of the Lisbon Treaty.

4.2.2   The Commission and security research

The Commission published the first call for **proposals for projects and supporting activities** under the new 'Preparatory Action on the enhancement of the European industrial potential in the field of Security Research' (PASR) on 31 March 2004. PASR spent 65 million euros over three years and served as a pilot phase for the Commission's broader agenda of establishing a separate security research programme to facilitate an EU security culture. While PASR was civilian in nature and closely linked to the EU's internal security priorities, its documentation stressed the need to **maximise synergies between internal and external security** technological needs. PASR's governance structures included many representatives of the defence industrial sector, and some of the Commission's wider industrial policy motivations were about enabling the participation of defence firms in what they considered to be a growth area[193].

The security research priority in FP7 funded projects in four main mission areas backed up by three cross-cutting themes:

Mission areas:

1.   'Increasing the security of citizens - technology solutions for civil protection, bio-security, protection against crime and terrorism;

2.   Increasing the security of infrastructures and utilities - examining and securing infrastructures in areas such as ICT, transport, energy and services in the financial and administrative domain;

3.   Intelligent surveillance and border security - technologies, equipment, tools and methods for protecting Europe's border controls such as land and coastal borders;

4.   Restoring security and safety in case of crisis - technologies and communication, coordination in support of civil, humanitarian and rescue tasks';

---

[191] Mawdsley, J., 'Towards a Merger of the European Defence and Security Markets?', in Bailes, A., Depauw, S. (Eds.) *The EU defence market: balancing effectiveness with responsibility*, Brussels, Flemish Peace Institute: 11-19, 2011.
[192] The Treaty on the Functioning of the EU is available at:
http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:C:2008:115:0047:0199:en:PDF
[193] Mawdsley, J., 'A European Agenda for Security Technology: From Innovation Policy to Export Controls', Brussels: Flemish Peace Institute, 2013

Cross-cutting themes:

5.   'Improving security systems integration, interconnectivity and interoperability - information gathering for civil security, protection of confidentiality and traceability of transactions;

6.   Security and society - socio-economic, political and cultural aspects of security, ethics and values, acceptance of security solutions, social environment and perceptions of security;

7.   Security research coordination and structuring - coordination between European and international security research efforts in the areas of civil, security and defence research. '[194]

The research funded was **mission-orientated and frequently development-orientated**, rather than the type of 'blue skies' research funded under the priorities managed by DG-Research. This matched the Commission's industrial policy goals for the priority of shaping the emerging homeland security market. The **Commission hoped to influence national procurement** and so funded demonstrators (a late stage in the development of technology) as well as earlier stage research[195]. It had an overall budget of EUR1.4 billion for the period 2007-13. Again defence firms and military users were represented in its governance structures. The priority was over-subscribed, but interviews carried out with industry representatives in 2012 and 2013 suggested that there were problems:

•   The lack of subsequent demand from users in Member States was a major problem, as it made little sense to share technologies (or useful contacts to act as the user representative on the project) with project partners in the security research programme, if there was no contract at the end.

•   For firms from states with little procurement interest or research funding this led to wastage. The Commission, not being a customer, is limited in its ability to respond to this.

•   The need to put together bids that had geographical balance and SME representation, meant that suboptimal partners were being chosen[196].

The Commission's communique on security industrial policy implicitly acknowledges the limitations on its ability to influence member state procurement policies by stressing the importance of exports into the non-EU market[197].

The successor to FP7 is **Horizon 2020, which covers the time frame 2014-2020** and has a budget of EUR 1.695 billion for security research. It has four main priorities:

•   Disaster-resilience: safeguarding and securing society, including adapting to climate change
•   Fight against crime and terrorism
•   Border Security and External Security
•   Digital Security: Cybersecurity, Privacy and Trust

Horizon 2020 maintains the mission-oriented focus of the FP7 security research programme and promises to strengthen the role of end users.

---

[194] Ibid.
[195] Ibid.
[196] Ibid.
[197] European Commission (2012) Security Industrial Policy: Action Plan for an innovative and competitive Security Industry, COM (2012) 417 final, Brussels, 26 July 2012

4.2.3 Cooperation between the EDA and the Commission

The security research programme also paved the way **to inter-institutional cooperation between the Commission and the EDA**. Two projects were viewed as early success stories by the EDA and the Commission.

- Software Defined Radio which has applications both for military use and use by first responders (police, fire service etc.).
- • A project on the insertion of Unmanned Aerial Vehicles into civil airspace.

On 18 May 2009 European Defence Ministers, meeting as the EDA Steering Board, decided to task the EDA with establishing a European Framework Cooperation (EFC) together with the Commission with the aim of 'maximising complementarity and synergy between defence and civil security-related research activities'. The EDA has **identified situational awareness** (sensor technologies, command and control of networked assets) as an area for cooperation, but the first formal EFC project was research on protection against the dangers of CBRN (Chemical, Biological, Radiological, Nuclear)[198].

The cooperation though has been dogged by incompatibilities between the two actors. Issues like the **handling of diverging Intellectual Property Rights** (IPR) rules[199], the classification of **dual-use R&T**, and **incompatible financing instruments and regulations** limit what can be achieved[200]. While Horizon 2020 has institutionalised the participation of the EDA in setting research priorities, continuing incompatibilities in terms of financing instruments means that joint contracts for research remain impossible.

EDA Defence research programmes

The EDA has a research and technology strategy in which it has tried to foster cooperation between Member States. It has established a number of carefully-designed instruments to enable projects which can operate on an opt-in or opt-out basis. The **Joint Investment Programme (JIP)** allows states to work together on needed technologies while Capability Technology Areas (CapTechs) can enable the exchange of expertise between states, industrial actors and academia. However, Dahlmann et al judge the results to be minimal at best[201]. They point to the fact that national investments in defence research have continued to fall, and that since 2008, as states have embarked on austerity policies to meet EU economic policy targets, that collaborative research spending has been particularly badly hit. The EDA's most recent defence data for 2013, shows that 14 Member States invested less than a million euros each in defence research and development in that year, and that of these, six invested nothing at all[202]. Dahlmann et al also point out that EDA outputs have thus far been unimpressive, although a lack of transparency makes this hard to judge. Furthermore, it has been suggested that the reluctance of the three states, the UK, France and

---

[198] Drent, Margriet, Lennart Landman and Dick Zandee (2014) The EU as a Security Provider, Clingendael Report, available at: http://www.clingendael.nl/sites/default/files/Report_EU_as_a_Security_Provider_december_2014.pdf (last accessed 12 August 2015)

[199] The EDA retains the IPR of its studies whereas the Commission lets the research team make further use of them. This divergence shows how practices developed for defence research are different, often for reasons of security.

[200] Maulny, J.-P., Matelly, S., 'Pooling of Defence Research and Development', Les Notes de l'IRIS, July 2013, Paris: IRIS; Dahlmann, A.,Dickow, M., Tisserant, L., 'The EDA and the field of research and technology', in Karampekios, N., Oikonomou, I. (Eds.) The European Defence Agency: Arming Europe. London: Routledge, 2015, 102-117.

[201] Dahlmann, A., Dickow, M., Tisserant, L., op cit.

[202] This data can be found here: https://www.eda.europa.eu/info-hub/defence-data-portal (last accessed 5 August 2015).

Germany, who do invest significantly in defence research and development, to engage more with the EDA, beyond rhetorical commitments (France), will continue[203].

4.2.4   Potential Links between the CSDP and Innovation Policies

It is easy to think of EU innovation policies as being solely about the research funding made available through the multiannual Framework Programmes, currently called Horizon 2020, but in fact, the Europe 2020 initiative 'Innovation Union'[204] covers more than this. Some aims of the Innovation Union are wholly unrelated to the development of defence capabilities e.g. the establishment of a new university ranking system, and others such as increasing access to venture capital and other private investment in R&D might seem inappropriate for defence. Other broader aims such as the agenda to **improve business-academia knowledge transfers** are though likely to be beneficial for defence firms as well. As has already been argued, EU funding for dual-use research (both applied and blue skies) is considerable and such measures are likely to increase the efficiency of knowledge transfer. As a major challenge for defence firms is spinning in more advanced civilian technologies, the assistance measures taken under the wider Innovation Union umbrella might offer, should not be neglected.

Following the December **2013 European Council 'defence summit'** the Commission was tasked with setting up a preparatory action for the funding of defence research. It is likely to be launched in 2017 with a budget of 15 million euros, with a full programme in the next framework programme. The EDA suggests that the following aspects still need clarification:

- Decision mechanism on the work programme
- Evaluation of the proposals
- Rules for participation
- Funding scheme
- IPR scheme[205]

Such a programme runs **the risk of wastage on several fronts**, so will need careful design. The sustainability of any investment needs consideration. The defence market has high entry costs, particularly in terms of governmental relations, so it may be unwise to encourage SMEs and firms from states that invest little in defence research or procurement to enter an EU market, which has **existing defence industrial over-capacities**, particularly at a time when EU economic policies are pushing Member States to cut state expenditure, which of course includes defence. Moreover, the same problem that the Commission has faced with security research, namely **its inability to control Member States' defence procurement policies**, will exist here too. Non-EU export markets are likely to become more difficult to grow in the foreseeable future, given EU commitments to responsible export policies under the 2008 Common Position and the recent Arms Trade Treaty and the worsening security situation in some key markets, competition from non-signatories like Russia, and the increasing arms production capacities in states like India, Brazil and South Korea, so this does not really offer a sustainable alternative to a home market[206]. It will

---

[203] Dahlmann, A., Dickow, M., Tisserant, L., op cit.

[204] The thirty four action points for the Innovation Union, published in 2010, can be found here: http://ec.europa.eu/research/innovation-union/index_en.cfm?pg=action-points&view=all (last accessed 6 August 2015).

[205] http://www.eda.europa.eu/what-we-do/activities/activities-search/preparatory-action-for-csdp-related-research (last accessed 12 August 2015)

[206] Grebe, J., 'Harmonized EU Arms Exports Policies in Times of Austerity? Adherence to the Criteria of the EU Common Position on Arms Exports', BICC Study commissioned by the Greens/ European Free Alliance in the European Parliament,

be necessary to carefully consider whether the limited sum of money that could be spent on defence research adds value or not, given that as Molas-Gallart argues for some time now the economic case has been stronger for investment in other forms of technology[207]. The European Parliament may wish to consider the **reputational costs of any diversion of research funding** from other areas, given that some of the possible projects proposed by the industry lobby group ASD are controversial e.g. autonomous systems[208].

How might such a programme contribute to the CSDP? Direct **impacts are likely to be long-term rather than short-term** given the longevity of defence procurement programmes and so are difficult to judge. If carefully tied to the capability shortfalls identified by the EDA, assuming that Member States were financially able and willing to procure the resulting products, it could contribute on that level. However, lack of political will seems the major hindering factor for the CSDP so it may apply here too. If however, it is designed with industrial policy goals in mind, direct CSDP benefits would be harder to identify.

There is a definite need to align financing instruments and administrative and legal procedures to allow the EDA and Commission to work more closely together on the preparatory action. There is **no real need to duplicate the existing expertise in the EDA in the Commission**. It may be worth considering whether the EDA should run the preparatory action as this would be a way round the participation problem. The main defence industry lobby group, the ASD's, 2015 position paper on the preparatory action points out that for security reasons, it needs to be limited to Member States only[209]. This would mean excluding non-Member States who are associated with Horizon 2020, which may be organisationally and legally difficult, but also needs to be done to ensure the scheme is compliant with the Common Position on arms exports, given the security situation in some associated states.

4.2.5   Conclusions

EU innovation policies provide considerable indirect and increasingly direct investment in dual-use and CSDP-relevant technologies. Given the importance for defence technology development of spinning in the more advanced civilian technologies, it may be more effective to continue supporting dual-use technologies rather than a specialised defence technology research priority. More needs to be done to align the instruments and procedures of the EDA and Commission so that they can work together more efficiently to avoid unnecessary duplication and wastage. Given the lack of interest in funding defence research in many EU states, the question of whether the EU can really add value in this area needs to be asked, as unless Member States are on board, results are likely to be unsatisfactory. It might be that the most useful action the Commission can take is to provide a supportive regulatory environment for multi / binational intergovernmental research cooperation.

2013, available at: https://www.bicc.de/uploads/tx_bicctools/EU_arms_exports_policies.pdf (last accessed 12 August 2015)

[207] Molas-Gallart, J., op. cit.

[208] Available at: http://www.asd-europe.org/fileadmin/user_upload/Client_documents/ASD_Contents/5_DEFENCE/ASD_Position_Paper_on_EC_Preparatory_Action_Defence_Research_06_02_2015.pdf (last accessed on 14 August 2015)

[209] Ibid.

4.3 Industrial policy support for defence capabilities

As stipulated under Article 173 of the Treaty on the Functioning of the EU (TFEU) and various Commission communications, European Union (EU)-level industrial policies seek to ensure international competitiveness, the sustainability of the European economy and employment. EU industrial policy should be considered as a horizontal policy domain that is integrated into the single market and trade, environment, public health and research and innovation policies. While EU Industrial Policy addresses factors that may impede Europe's competitiveness and industrial efficiency, it is a policy area that takes into consideration the specific characteristics of the EU Member States and of firms operating in the EU's internal market. Industrial Policy is largely framed by Article 173 TFEU and a number of **Commission communications refer to EU industrial policy, and, more specifically, to defence-industrial policy**. In search of effective military and civilian capabilities for the EU as a way to provide the EU with its own operational capacity, both the EU Treaties and various Commission communications serve as the basis for the policy link between defence and industry and defence industrial policies play an important role in the CSDP.

In 2005 the Commission published 'Towards a More Integrated Approach for Industrial Policy' (COM(2005) 474), which sought the establishment of a High-Level group on the defence industry to examine issues such as defence-related goods transfers, procurement and standardisation.[210] A mid-term review (COM(2007) 374) followed the communication that acknowledged that the **lack of a large and 'unified defence market in Europe** prevents the sector from reaching its full innovation and economic potential'.[211] It is under COM(2007) 374 that one sees a clear statement of intent on the part of the Commission to develop two defence-related Directives, eventually adopted in 2009, on defence and security procurement (2009/81/EC) and intra-EU defence equipment transfers (2009/43/EC). The two Directives are collectively known as the 'defence package' and are seen as the cornerstone of EU defence-industrial integration and a crucial element of the CSDP.

Indeed, in 2007 the Commission released a defence-specific communication entitled 'Strategy for a Stronger and More Competitive European Defence Industry' (COM (2007)764) to prepare the ground for the 'defence package'. COM(2007) 764 stressed the importance of the defence industry to Europe's broader economy and the effectiveness of the CSDP, noted the **financial constraints affecting defence and called for a de-fragmentation of defence markets** in the EU. Apart from the introduction of the 'defence package', the Commission used COM(2007) 764 to call for more pooling of demand and R&D investment; to challenge Member States' recourse to Article 346 of the TFEU for economic reasons[212]; to coordinate legislation on the control of strategic defence assets; to open up international markets; to manage defence globalisation for jobs and skills; and to strengthen the position of SMEs.[213]

---

[210] European Commission (2005) 'Implementing the Community Lisbon Programme', COM(2005) 474 final, p. 12.
[211] European Commission (2007) 'Mid-term Review of Industrial Policy', COM(2007) 374 final, p. 4.
[212] Article 346 affords Member States an exemption from the rules of the internal market where information and the production of or trade in arms, munitions and war material is in the "essential interests of its security". The Article does not, however, apply to economic reasons such as job protection.
[213] European Commission (2007) 'A Strategy for a Stronger and More Competitive European Defence Industry', COM(2007) 764 final.

4.3.1   Industrial policy after the Lisbon treaty

As laid down by Article 174 TFEU, the underlying principle for EU industrial policy in the post-Lisbon Treaty era is that the EU maintains open and competitive markets; policy should assist industry adjust to structural changes in the global economy; it should stimulate entrepreneurship and SMEs; and it should encourage better use of innovation, research and technological development policies.[214] In this vein, in 2008 the Commission released its 'Raw Materials Initiative' (RMI) (COM(2008) 699) which advocated a three-pronged strategy of **ensuring market access to materials**, **developing the right policy framework to foster European sources of raw materials** and **to reduce the EU's consumption of primary raw materials**.[215] Although the RMI did not specifically refer to defence, it is clear that the sector is reliant on raw material supplies. Furthermore, in its 2009 communication 'Developing a Common Strategy for Key Enabling Technologies in the EU' (COM(2009) 512), the Commission drew attention to key enabling technologies (KETs) such as nanotechnologies, micro- and nanoelectronics and semiconductors, photonics, advanced materials and biotechnology and their ability to help deal with a number of societal challenges such as '[the] internal and external security' of European citizens.[216]

Additionally, one must look at the various strategies adopted under the 'Europe 2020 Strategy' (COM(2010) 2020) including the publication of communications on innovation (COM(2010) 0546), the digital agenda (COM(2010) 245), globalisation (COM(2010) 614) and labour skills (COM(2008) 868). COM(2010) 614 specifically made reference to the security industry, with a plea for more harmonisation, standardisation, coordinated public procurement and research on security and dual-use technologies. This same communication also recognised the **importance of space, aerospace and maritime industries** for European jobs, competitiveness and security and the CSDP.[217] These communications were later supported by 'Industrial Policy: Reinforcing Competitiveness' (COM(2011) 642) in 2011, 'A Stronger European Industry for Growth and Economic Recovery' (COM(2012) 582) in 2012, and 'For a European Industrial Renaissance' (COM(2014) 14) in 2014. COM(2012) 582 underlined the Commission's intention to develop a specific communication on Europe's defence industry.[218]

This communication arrived in 2013 with 'Towards a More Competitive and Efficient Defence and Security Sector' (COM(2013 542), which called for the 'rapid phasing out of offsets' or economic compensation for procurement[219]; the **development of an EU security of supply system for defence goods, materials and services**; working with the European Defence Agency (EDA) to promote greater standardisation and certification; tackling supply risks for sensitive **defence-relevant raw materials**; **supporting SMEs**; encouraging the use of the European Social Fund for worker **re-training and re-skilling**; exploiting **dual-use R&D**; **protecting space infrastructures**; **modernising satellite communications** (SATCOM); **building an EU satellite high resolution capability**; and **applying EU energy policies to the defence sector**. Both the EDA and the Commission hold that each of these factors are critical to civil-military capability development and

---

[214] European Union (2012) 'Consolidated Version of the Treaty on the Functioning of the EU', C326/47.
[215] European Commission (2008) 'The Raw Materials Initiative', COM(2008) 699 final, pp. 5-6.
[216] European Commission (2009) 'Developing a Common Strategy for Key Enabling Technologies in the EU', COM(2009) 512 final, p. 4.
[217] European Commission, 'An Integrated Industry Policy for the Globalisation Era', COM(2010) 614, 2010, pp. 24-27.
[218] European Commission, 'A Stronger European Industry for Growth and Economic Recovery', COM(2012) 582 final, 2012, p. 17.
[219] European Commission, 'Towards a More Competitive and Efficient Defence and Security Sector', COM(2013) 542 final, 2013, p. 6.

interoperability under the CSDP. All of these initiatives were further elaborated through 'A New Deal for European Defence – Implementation Roadmap' (COM(2013) 542), and in May 2015 the Commission released a progress report on the work emanating from the communication[220].

4.3.2 Instruments, measures and procedures

Key defence-relevant industrial policy instruments include investment in dual-use research and innovation under 'Horizon 2020' (see also chapter 4.2), especially as they relate to KETs. Furthermore, the **European Structural and Investment Funds** (ESIF) are used to help fund dual-use projects undertaken by SMEs, to support re-skilling initiatives and to encourage **regional defence specialisation clusters**. Indeed, in 2014, the Commission produced a guide for dual-use funding aimed at regions and SMEs that alerts companies and regional authorities to the potential of the ESIF, Horizon 2020 and the EU programme for the Competitiveness of Enterprises and SMEs (COSME).[221] The EDA has also produced a complementary guide for SMEs seeking to access European structural funds for dual-use technology projects.[222] Furthermore, the Commission's Joint Research Centre is currently analysing which defence-relevant raw materials to screen as part of the Raw Materials Initiative.[223] However, beyond the use of the ESIF and numerous specific policy initiatives, there are at least two other potential avenues that could support EU defence industrial policy and that have not as yet been exploited to their fullest potential.

4.3.3 European Investment Bank

The 18 May 2015 Council Conclusions on the Common Security and Defence Policy make clear mention of the **possible role of the European Investment Bank** (EIB) in the defence sector. As the conclusions state: the Council takes note of the work on 'incentives for and innovative approaches to cooperation, including pooled procurement, and on potential European Investment Bank support'.[224]

This is an interesting development because presently the EIB does not invest in 'the production of and trade in weapons and ammunition and inter alia, to related research, development or technical applications'.[225] Nevertheless, one analyst has argued that such support could focus on **promoting dual-use knowledge, skills and innovation** and also loans could be used to **finance dual-use demonstrator technology and capability projects**.[226] This is especially the case for SMEs where defence-related activities are but a small part of their overall commercial operations. Other ideas involving the EIB centre on providing a bank account into which Member States can make down-payments for a defence-specific project.[227] Even though any potential future role for the EIB would

---

[220] European Commission, 'Report on the Implementation of the European Commission's Communication on Defence'. See: http://ec.europa.eu/growth/sectors/defence/files/communication-implementation-report_en.pdf, p. 16. accessed 28 July 2015.

[221] European Commission 'EU Funding for Dual Use: A Practical Guide to Accessing EU Funds for European Regional Authorities and SMEs', 2014, see: http://ec.europa.eu/growth/sectors/defence/industrial-policy/smes/index_en.htm. Accessed 29 July 2015.

[222] European Defence Agency 'Your Guide to European Structural Funds for Dual-Use Technology Projects', 2014, see: https://www.eda.europa.eu/docs/default-source/brochures/esf-brochure. Accessed 29 July 2015.

[223] European Commission, 'Report on the Implementation of the Communication on Defence', op. cit.

[224] European Council (2015) 'Council Conclusions on CSDP', 305/15. See: http://www.consilium.europa.eu/en/press/press-releases/2015/05/18-council-conclusions-csdp/, p. 13. Accessed 30 July 2015.

[225] European Defence Agency, 'A Practical Guide to Accessing EU Funds', op cit., p. 49.

[226] Fiott, D., 'Financing European Defence: Time to Call the European Investment Bank?', *Institute for European Studies-VUB Policy Brief* 5 (July), 2014.

[227] Coelmont, J., Biscop, S., 'Building European Defence: An Architect and a Bank', *Egmont Security Policy Brief* No. 56., 2014.

likely be restricted to dual-use projects, the EIB could be seen as a complementary – if separate – investor alongside the EU. EIB funds might complement EU funds made available under a future Preparatory Action (to be launched in 2017) on CSDP-related research. It is vital, as the EDA have stated, that the rules for participation in the Preparatory Action are worked out if bodies such as the EIB are to play any role in dual-use investments that are of benefit for the CSDP.[228]

Box 3: European Investment Bank

The EIB is owned by the EU Member States and it works closely with the Commission to implement EU industrial policy. The Bank lent close to €80.3 billion in 2014 but it has over €242 billion of available capital, and, in-line with EU industrial policy, it can make loans to SMEs. The EIB can offer *intermediated loans* – i.e. loans to enterprises made through public bodies –, *guarantees and securitisation* to firms and projects and *structured finance* for high-risk projects (this includes a €3.75 billion *Structure Finance Facility* and a €10 billion *Risk Sharing Finance Facility* jointly run by the EIB and the Commission). The Bank can either directly invest in a project or support firms and projects to attract additional investors, and it typically invests in projects related to innovation, access to finance for SMEs, climate action and strategic infrastructure.[229]

The European Investment Fund (EIF) could also play a role in dual-use projects. As of 6 July 2015, the EIB is a 63.6 % shareholder in the Fund, the EU – represented by the Commission – holds 24.3 % and financial institutions from EU Member States and Turkey hold 12.1 %.[230] The EIF has an authorised capital amount of EUR 4.5 billion and it can fund a range of technology transfer schemes, venture capital, co-investment schemes, etc. The Fund has also been used for a number of regional development and sector-specific initiatives in the Baltics, Cyprus, Poland, The Netherlands, Turkey, Western Balkans and the United Kingdom.[231] Of course, the EIF cannot be utilised for the production, research, development of and trade in weapons and ammunition, but it could – on a case-by-case basis – **invest in specific dual-use projects under vehicles such as the Equity Facility for Growth** (EFG). While there exist important restrictions on the role of the EIB and EIF in Europe's defence sector, there is also scope to study further the role each institution could play.[232] This is especially the case in light of the ongoing pilot project on CSDP research and the planned Preparatory Action.

4.3.4   Societas Unius Personae

The idea to establish a 'European defence company' is not new[233]; yet defining such a company is fraught with difficulties and sensitivities. The specific characteristics of defence firms in a globalised market are not easy to pin-down.

---

[228] European Defence Agency, 'Preparatory Action for CSDP-related Research', 18 June 2014, See: http://www.eda.europa.eu/what-we-do/activities/activities-search/preparatory-action-for-csdp-related-research. Accessed 21 September 2015.

[229] European Investment Bank, 'The European Investment Bank at a Glance', 2015, see: http://www.eib.org/attachments/general/the_eib_at_a_glance_en.pdf.accessed 30 July 2015.

[230] European Investment Fund (2015) 'Shareholders', (15 July). See: http://www.eif.org/who_we_are/shareholder/index.htm. Accessed 30 July 2015.

[231] European Investment Fund (2015) 'Regional Development – Country and Sector-Specific Initiatives'. See: http://www.eif.org/what_we_do/resources/index.htm. Accessed 30 July 2015.

[232] European Commission, 'EU Funding for Dual Use', op cit.

[233] Maulny, J-P., 'Towards the Definition of a Strategic European Defence Company', *Les notes de l'institut de relations internationals et stratégiques*, December 2014.

Box 4: The idea of a 'European company'

The idea behind a 'European company' lies in Commission efforts to realise the 2008 'Small Business Act' for Europe. The Act recognises that SMEs are crucial for the competitiveness of the European economy, and the main objectives are to promote entrepreneurship, lower regulatory burdens, provide access to finance and to encourage access to markets and internationalisation. The Act is currently under review and a public consultation process began in 2014. The review aims to ensure that the Act is fully geared to meeting the EU's 'Europe 2020 Strategy'. The proposal for a Directive on single-member private liability companies (*Societas Unius Personae*) was tabled in 2014, and the main objectives of the Directive are to reduce cross-border transaction costs associated with establishing subsidiary firms in other Member States.[234]

Defence-related business may only be a small part of a company's overall operations, and, with a number of subsidiary firms located outside of the EU, it is not easy to define what one precisely means by 'European'. Nevertheless, definitional problems should not dissuade further examination of the role existing EU law and initiatives can play to assist defence-related SMEs. Indeed, given that EU secondary law (specifically under the 'defence package') seeks to **facilitate cross-border defence equipment transfers** and to ensure the proper functioning of the internal market[235], an interesting avenue to explore could be how a defence-relevant 'company statute' could facilitate even greater cross-border flows in the European defence market.

In this regard, the Commission's proposal for a Directive on a single-member private limited liability company (which would be known across the EU as a *Societas Unius Personae* (SUP)) is interesting.[236] While the proposed Directive (COM(2014) 212) does not specifically refer to the defence sector, many of the aims of the proposed Directive have a direct impact on defence-related competitiveness issues including a reduction in the costs and difficulties associated with cross-border trade for SMEs, and the promotion of clusters and the internationalisation of SMEs. Facilitating cross-border business for SMEs is crucial in the defence sector, especially as more than 1 350 SMEs are involved in the European defence supply chain. As the proposed Directive seeks to **harmonise rules across the EU for companies, and bearing in mind the extant security concerns associated with cross-border defence trade**, a 'defence-relevant SUP' could be studied as a way to feed into the EU's desire to see the 'defence package' further de-fragment the European defence market.

Procedural adaptation

The major difficulty facing investment in the European defence sector through vehicles such as the ESIF is that there are **important restrictions on the use of EU budget funds** for defence investment. While the proposed Preparatory Action on defence R&D might see the financing of **defence-relevant projects out of the EU budget**, until this time the EU's ESIF can only be used for dual-use projects and to support SMEs, and, therefore, such financing vehicles cannot be used for 'purely' military projects. While Article 309 of the EU treaty states that '[t]he Bank shall, operating on a non-profit- making basis, grant loans and give guarantees which facilitate the financing of [...]

---

[234] European Commission, 'Proposal for a Directive on Single-Member Private Limited Liability Companies', COM(2014) 212 final., 2014.
[235] See specifically Article 1(1) of Directive 2009/43/EC.
[236] European Commission, 'Proposal for a Directive on Single-Member Private Limited Liability Companies', op. cit.

projects in *all sectors of the economy'* there are still tight restrictions on EIB and EIF support for defence-specific initiatives.[237] In this sense, procedural adaptation may require a change in the operating rules of the EIB and EIF. Likewise for the idea of a 'company statute', it does not appear that the proposed SUP Directive automatically excludes defence firms – in part because it is difficult to define such a firm –, so there does not appear to be a need for major procedural adaptation save for the fact that greater analysis is required to understand the potential spill-over effects of the proposed Directive for the defence sector as a whole.

4.3.5   Conclusions

A number of Commission communications point to the link between defence industrial policies and the CSDP. Indeed, even the December 2013 Council Conclusions on European defence[238] point to the need for a stronger European Defence Technological and Industrial Base (EDTIB) as prerequisite to an efficient and effective CSDP. The development of defence-industrial policies at the EU level not only seek to create a functioning single European defence market, which could lead to cost savings and economies of scale, but such policies are seen as a way to increase the EU's strategic autonomy, enhance its ability to act with partners and to boost jobs, innovation and growth in the EU. The logic runs that the CSDP cannot be fully effective without defence capabilities, and that without a more efficient defence industry the EU Member States find it difficult to efficiently develop key capabilities, remedy shortfalls or avoid redundancies.[239] A more cost effective and integrated defence market, which is stimulated by research and development investment, is seen as a key building block for a more effective CSDP.

4.4   Regional policy support for defence capabilities

EU economic and social cohesion policies, often called regional policies, may not be used to finance investments in military equipment or activities[240]. As such, the Structural Funds and the other instruments of regional policy cannot be used in direct support of the CSDP. However, if investments are dual-use in nature, the Structural Funds can provide financial assistance, so long as such assistance is provided only with a view to assisting the attainment of the civilian objectives[241].

The earliest form of EU regional policy support for activities related to defence policy were the community initiatives **Perifra and KONVER between 1991 and 1999**. These initiatives helped defence-dependent communities come to terms with the economic losses they faced due to the post-Cold War fall in defence spending and downsizing of military bases due to relocation of forces. They specifically supported **conversion activity i.e. shifting land, industry and people from military to civilian purposes**, although the overall funding was not particularly high (between 1994 and 1999 slightly over 0.5 % of total EU structural funds spending). Eligibility

---

[237] 'Time to Call the European Investment Bank?', op.cit., p. 3.

[238] European Council, '19/20 December 2013 Conclusions', EUCO 217/13, 2013

[239] Ibid., p. 5.

[240] Structural Funds can only be used for the purposes laid out in Article 174 of the TFEU. Moreover, the treaty basis for the CSDP stems from Title V of the TEU on the "General Provisions on the Union's External Action and Specific Provisions on the Common Foreign and Security Policy (CFSP)", and more specifically Section 2, articles 42 to 46, entitled "Provisions on the Common Security and Defence Policy (CSDP)". Declarations 13 and 14 stress that CSDP should not prejudice the specific character of the security and defence policies of the member states; 14 additionally states that no new powers are given to the Commission or Parliament) which suggests that existing policy areas may not be used for defence purposes.

[241] What are the EU funding opportunities for dual-use projects? Presentation by Paul Anciaux (European Commission DG-GROW) in Zagreb, 6 May 2015: http://www.ffzg.unizg.hr/international/d/2-EC_Presentation_ESIF-Seminar_Zagreb.pdf (last accessed 6 August 2015)

depended on defence sector decline and high rates of unemployment in the affected regions, which meant that the then worst-affected member state Germany received about 44 % of all KONVER funding[242].

4.4.1   Existing links between the CSDP and regional policies

Since 2013, the EDA has been working on trying to use the European Structural Funds to support dual-use technology development. Their route in has been a new EU innovation policy concept called the Research and Innovation Smart Specialisation Strategy (RIS3), which has been developed to promote the more effective use of public investment in research at a regional EU level. In 2013 the **EDA issued a call for proposals and received 72 proposals** from 12 Member States and decided to support seven as initial pilot cases. One, a Portuguese consortium of SMEs, research institutes and universities, was selected for funding.

Box 5: The 'Turtle' Pilot Project (2013)

Firms: Silva Matos Metalomecanica S.A, INESC PORTO, ISEP, CINAV

Funding: €770,000

Objectives:

- To develop Key Enabling Technologies (KETs) for a sustainable and long term presence in the ocean
- To develop new robotic ascend and descent energy efficient technologies to be incorporated in robotic vehicles

Duality:

- Defence: advanced underwater marine systems and robotics extending the range, endurance and depth of operations possible to be performed in Deep Sea
- Civil: allowing the development of new and more capable automated robotic solutions for underwater use namely on exploration, scientific data gathering, fisheries etc.

Since then the EDA has been running seminars to raise awareness and has produced a guide to the process,[243] as has the Commission[244]. It should be noted that if a technology can be used for civilian and military purposes, only the civilian part is eligible for funding from the ERDF. A second call for project proposals was made by the EDA in February 2015. National **Ministries of Defence were to select projects by the end of May 2015** and the EDA would choose which to support with technical assistance for their ERDF applications by the end of July 2015. The EDA will look at other projects in the second half of 2015 with a view to assisting them to apply for other sources of EU funding such as Horizon 2020 and the Programme for the Competitiveness of SMEs (COSME) and

---

[242] Taylor, T., 'Arms Procurement', in Howorth, Jolyon and Anand Menon (Eds.), *The European Union and National Defence Policy*, London, Routledge, 1997, pp. 121-40

[243] https://www.eda.europa.eu/docs/default-source/brochures/esf-brochure (last accessed 17 August 2015)

[244] http://ec.europa.eu/growth/tools-databases/newsroom/cf/itemdetail.cfm?item_id=8133&lang=en&title=Guide%2Don%2Ddual%2Duse%2Dfor%2DRegions%2Dand%2DSMEs%3A%2DHelping%2DSMEs%2Dtap%2Dinto%2DEU%2Dfunding%2Dfor%2Ddual%2Duse%2Dprojects (last accessed 22 August 2015).

for cross-border projects INTERREG V[245]. There is of course no guarantee that the managing authorities in the regions will accept the projects sponsored by the EDA for funding, but the **technical assistance offered by the EDA** could be viewed as giving such applications a (possibly unfair) advantage over other project applications. It is also important that the projects lead to sustainable development i.e. that the ERDF is not used to prop up failing defence firms temporarily.

4.4.2 Potential links between the CSDP and regional policies

Conversion activities remain a genuine regional development need. Both Kádár writing about Hungary and Licata on Italy point out that many unused Cold War military facilities remain derelict and unrestored to civilian use[246]. Licata also points out that in Italy, as elsewhere, **recent military spending cuts caused by austerity economic policies**, coupled with changing security threats, have meant that the armed forces are keen to sell land and properties that are no longer needed[247]. Changing security demands since the end of the Cold War has meant that rather than predominantly defence armed forces, European states have had to adapt to the demands of crisis intervention, peace-keeping and other humanitarian interventions, which require different types of armed forces. Indeed the demands of the CSDP (and NATO) for **more deployable forces** has led many EU states to abandon conscription in favour of smaller, professional armed forces, which inevitably means base closures, which mean not just direct job losses but the indirect impact on local economies. France began a major base closure and conversion programme in 2008[248]. Similarly**, cuts in defence spending and defence industrial over-capacity** are meaning continued jobs losses in the defence industrial sector[249]. Often earlier national regional policy decisions have meant that military industry and infrastructure was situated in otherwise structurally weak regions, so resources to convert buildings and land, and alternative high-skilled employment are often absent. The Commission noted in its 2013 communique on defence and security industry that there was a need to use regional funds to support communities effected by defence industrial restructuring[250].

Some regions have been very astute about accessing structural funds money to help with conversion, and projects to redevelop military land have continued to be financed through European Regional Development Fund (ERDF) funds aimed at rehabilitating contaminated or industrial land[251]. This needs to be more widely publicised, as it may make decision-making about disposing of unneeded land easier for MoDs, thus freeing resources for other defence priorities.

---

[245] EDA presentation at ERRIN workshop on EU funding for Dual-Use : Regional Opportunities, Brussels, April 2015: http://www.errin.eu/sites/default/files/publication/media/EDA_EUfunding_x_dualuse%20-%20ERRIN%2014042015_DEF.pdf (last accessed 17 August 2015)

[246] Kádár, K., 'The rehabilitation of former Soviet military sites in Hungary', *Hungarian Geographical Bulletin* 63 (4), 2014, 437–456; Licata, A., 'Conversion in Italy in the context of the economic crisis and the new conflicts in the Mediterranean region', BICC Policy Brief, Bonn, 2015, Bonn International Center for Conversion

[247] Ibid.

[248] See for example, Gaymard, C., 'Le patrimoine militaire sur la scène urbaine : les processus de reconversion des sites militaires à Metz', *Revue Géographique de l'Est* [online], 2014, 54(3-4) http://rge.revues.org/5330 (last accessed 15 August 2015)

[249] Independent military expenditure figures are compiled by the Stockholm International Peace Research Institute (SIPRI) – their database can be accessed here: http://www.sipri.org/research/armaments/milex/milex_database
SIPRI also have collect information on employment in arms production:
http://www.sipri.org/research/armaments/production

[250] http://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=CELEX:52013DC0542&from=EN (article 3.5)

[251] Answer by Ms Creţu on behalf of the Commission to parliamentary question E-010144/2014 asked by Werner Langen MEP, January 2015.

Perhaps because of the sheer scale of the problem in Germany, **German regions have been particularly resourceful**. Brandenburg combined ERDF and Interreg III funding to lead the Conver-net project in the 2000s, which aimed to share best practice on military conversion in the Baltic Sea Area, while Hessen expressly set the conversion of ex-military sites as an aim of their 2007-2013 structural funds allocation. Other regions have found things more difficult. Kádár suggests however that the specific nature of the sites needing conversion means they are not always eligible for EU regional spending allocated to the region – she suggests that the size of the brownfield sites of former Soviet military bases in Hungary meant that communities were unable to access EU funding to assist them[252].

As defence spending cuts and changes to armed forces structures take place, there is also a need for retraining and reintegration in the civilian workplace for former soldiers. Here some use is already being made of the **European Social Fund** (ESF). One ESF-funded project in Somerset, UK, 'Active Plus' gets injured military veterans to help give unemployed or isolated people a fresh start in life through delivering support and training. It also improves the skills and confidence of the veterans and aids their reintegration into the civilian workplace[253]. Another UK ESF project is the Veterans Contact Point, which supports former soldiers, who have come into contact with the criminal justice system, to access help and to improve their employability[254].

The EDA and Commission have made great efforts to publicise how structural funds can be used to fund dual-use technology projects. It would be helpful if similar efforts are made to publicise examples where **communities have used EU regional and social cohesion funding to help launch conversion projects** for land, industry and people and to share best practice. The ex-post evaluation for KONVER does not appear to be available on the EU website, but a summary of what worked well in earlier waves of conversion activity might be useful.

4.4.3   Conclusions

Although the Structural Funds must be used for civilian purposes according to the Treaties, the Commission and particularly the EDA have been proactive in their attempts to lever the funds into support for dual-use technology development. The use of Funds to support the CSDP is clearly limited by the Treaties, but the Commission and EDA could also publicise the ways in which communities could apply for support for conversion activities for people, land and industry that occur as a result of changing security priorities.

4.5   Trade policy support for defence capabilities

Trade in armaments and dual-use technologies are an extremely sensitive area of national and European-level policy. While the exportation of armaments raises serious questions about international peace and stability and human rights, states also view **arms exports** as a way 'to exert influence in other regions of the world, generate external revenues, sustain internal capacity, maintain employment and keep production lines open to maintain capability for integrating weapons systems'.[255] For a number of European countries boosting arms exports to non-EU states is a way to offset falling national orders for armaments and defence technologies, especially within the context of the ongoing Eurozone crisis and chronic short falls in national demand since the end

---

[252] Kádár, K., op cit.

[253] For more information see: http://ec.europa.eu/esf/main.jsp?catId=67&langId=en&newsId=8188

[254] For more information see: http://www.veteranscontactpoint.co.uk/news_items/esf_publication.php

[255] Trybus, M., *European Union Law and Defence Integration* (Oxford/Portland, OR: Hart Publishing, 2005, p. 255.

of the Cold War.[256] Despite numerous calls for stricter **arms export mechanisms** on human rights, non-proliferation and international peace and stability considerations, there are also a number of economic and strategic reasons to be mindful about armaments exports. Indeed, a state may even erode its defence-industrial competitiveness through exports because international sales tend to involve transfers of technology, intellectual property rights and production to third-countries.[257]

Given such issues, there are disparities between the EU Member States with some pre-disposed to relatively relaxed export controls and others opting for a tight national control regime. Not only can such disparities give rise to competition between EU Member States for international exports, but also such **competition may stymie efforts for armaments collaboration in Europe**; this competition can have a detrimental effect on capability development for the CSDP[258]. Additionally, such disparities are particularly important given that a number of EU Member States are signatories to non-binding international export regimes such as the Wassenaar Arrangement, the Nuclear Supplier's Group, the Missile Technology Control Regime and the Australia Group – not every EU member state is a signatory to each regime. Furthermore, the EU has been a vocal advocate of the Arms Trade Treaty (ATT), and it even invested EUR 2.5 million between 2009-12 (under Council decisions 2009/42/CFSP, 2010/336/CFSP and 2013/43/CFSP) in the ATT process. Furthermore, in December 2013 the EU adopted an additional support programme (2013/768/CFSP) that provides funding support to the EU ATT 'Outreach Project', which is designed to assist non-EU Member States strengthen their arms transfer control systems in line with ATT provisions.[259] Despite such initiatives, there are two distinct export regimes in the EU: **control of armaments exports** and **control of dual-use exports**. There have been some noticeable changes to each regime since the Lisbon Treaty was signed in 2007.

Both before and after the Lisbon Treaty armaments export controls have remained largely national in nature. Armaments exports are not part of the EU's Common Commercial Policy (CCP). The EU Member States did nevertheless agree to an EU Code of Conduct on arms exports in 1998, however, the Code is non-binding in nature and it operates on the basis that Member States annually report instances when they opt not to export to third-countries. The **Code of Conduct outlines eight criteria to guide national export regimes**. The criteria state that before exporting arms the EU Member States should: 1) respect international obligations such as UN Security Council/EU sanctions and non-proliferation commitments; 2) consider the human rights situation in the recipient country; 3) not export if doing so may provoke or prolong conflict or aggravate tensions in the recipient country; 4) seek to preserve international and regional peace; 5) ensure the territorial security of EU Member States; 6) consider the nature of the recipient country and its alliances in terms of compliance with international law and involvement in terrorism; 7) halt exports if there is a suspicion that arms may be diverted or transferred to another country with undesirable conditions; and 8) only export to countries with the technical and economic capacity to handle the arms.

Unlike armaments exports, the **EU has more control over the exportation of dual-use goods and technologies**. Traditionally, dual-use goods and technologies fell under the EC Treaty (TEC)

---

[256] European Commission, 'Towards a More Competitive and Efficient Defence and Security Sector', COM(2013) 542 final, 2013, p. 3.
[257] *Ibid*. See also Beraud-Sudreau, L., 'The Extra-EU Defence Exports' Effects on European Armaments Cooperation', *Study for the European Parliament* (PE549.043), 2015, p. 13.
[258] Beraud-Sudreau, L., op cit.
[259] Bauer, S., Bromley, M., 'Implementing the Arms Trade Treaty: Building on Available Guidelines and Assistance Activities', *SIPRI Background Paper*, May 2015, pp. 7-8.

and this was reinforced when the European Court of Justice ruled in *Commission v Spain* (c-328/92 1995) that the armaments exemption under Article 346 TFEU (ex Article 296 TEC) did not apply to dual-use goods.[260] The first attempt by the EU to establish a regime for dual-use exports can be found under Regulation 3381/94/EC (1994) and Council Decision 94/942/CFSP (1994). In the pre-Lisbon Treaty era, 3381/94/EC was regulated under the Community pillar, which gave the Community exclusive competence, but Decision 94/942/CFSP was managed from the second pillar of the Common Foreign and Security Policy (CFSP), and therefore under intergovernmental guidance. However, in 2000 the EU established a community regime for the control of exports of dual-use items and technology (1334/2000/EC).[261] This Regulation overcame the previous inter-pillar framework and ensured that **trade and CFSP considerations** were treated as one and the same policy as far as dual-use goods were concerned. The Regulation is applicable to all goods and technologies on the EU's 'dual-use list'. In 2004 the EU undertook a peer-review of Regulation 1334/2000/EC, which, among other things, identified the need for a database of denial notices for dual-use exports.[262]

4.5.1　Trade policy after the Lisbon treaty

The Lisbon Treaty had a particularly important impact on both the armaments and dual-use export control regimes. Indeed, the Lisbon Treaty enshrined the division and competencies of each regime by, firstly, renewing the single market exemption for the production of and trade in armaments under Article 346 TFEU (ex-Article 296 TEC), and, secondly, affirming the place of dual-use goods and technologies export controls under the EU's CCP.[263] Despite the non-binding nature of the EU's control regime on armaments, **a revision of the Code of Conduct was adopted in 2008** under Common Position 2008/944/CFSP. The revision retained the non-binding nature of the Code but extended controls to arms brokering, transit and intangible transfers of technology – thus building on the Council Position on arms brokering adopted in 2003 (2003/468/CFSP). The review also agreed to the publication of an annual EU report on exports, and reporting occurs on the basis of armaments listed in the EU Common Military List (last updated 9 February 2015). Finally, the EU has also engaged in a number of arms control activities with third-countries and near neighbourhoods (see Joint Action 2008/230/CFSP and Council Decision 2009/1012/CFSP).

Where dual-use exports are concerned, the peer review started in 2004 led, in 2009, to an update of the Dual-Use Regulation (428/2009), which, under Article 9 and Annex III, obliged all exporting companies to acquire a license for all non-EU transfers of the listed dual-use items. In 2011 the Commission published a Green Paper entitled 'Strategic Export Controls: Ensuring Security and Competitiveness in a Changing World', which called for a common risk assessment approach; greater exchange of information; the gradual phasing out of national export authorisations in favour of an EU general license; a solution to the problem of intra-EU transfer controls; and coordinated enforcement across the EU. This Green Paper led to a public consultation period beginning in January 2013 and in 2014 the Commission adopted a communication on the review of the export control policy (COM(2014) 244). However, as of 2 December 2014 the Commission

---

[260] European Commission, 'Interpretative Communication on the Application of Article 296 of the Treaty in the Field of Defence Procurement', COM(2006) 776 final, 2006.

[261] Council of the European Union 'Setting Up a Community Regime for the Control of Exports of Dual-Use Items and Technology', *L 159/1*, 2000.

[262] Anthony, l., Bauer, S., 'Controls on Security-Related International Transfers', *SIPRI Yearbook 2007*, Oxford University Press, 2007, p. 655.

[263] Fiott, D., Prizeman, K. 'The Arms Trade Treaty and the Control of Dual-Use Goods and Technologies', *Institute for European Studies Working Paper* 1, 2013, p. 15.

could not 'identify new actions it could put forward at this stage'[264], although in a May 2015 progress report the **Commission stated that it will conduct an impact assessment** – to be ready end of 2015 – on the various revision options. In 2016 the Commission expects to identify the 'most suitable regulatory and non-regulatory actions' for the revision of the dual-use regime.[265]

4.5.2   Instruments, measures and procedures

The armaments and dual-use export control regimes are undergoing constant evolution to meet the challenges of defence market globalisation. There have been a number of revisions to both the EU Code of Conduct and the Dual-Use Regulation, and in the case of the latter there is an ongoing public consultation. Any **revision to the export control regimes will balance *ethical*** (human rights, non-proliferation and international peace and stability), ***commercial*** (competiveness, skills retention, etc.) **and *strategic*** (technology transfers, alliances and partnerships, etc.) **considerations**. Yet the revision process for each export control regime does not occur in a vacuum and each regime is directly or indirectly affected by global developments. Such developments can include the potential impact of the Transatlantic Trade and Investment Partnership (TTIP) and other free trade agreements (FTAs) such as the extension of the World Trade Organisation's (WTO) Information Technology Agreement (ITA) and the Trans-Pacific Partnership (TPP) on European defence markets. Streamlining European defence considerations into all FTAs could become standard practice at the EU level, as FTAs can represent both important opportunities and costs for European defence as a whole.

4.5.3   Transatlantic Trade and Investment Partnership

The TTIP is currently being negotiated between the EU and the US. Following a mandate by EU member state governments to the Commission to begin negotiations in 2013, the ultimate aim of TTIP is to abolish tariffs, enhance the compatibility of the EU and US regulatory environment and ensure a greater flow of goods, services and investments in the transatlantic space. The assumption is that the removal of trade barriers may help generate jobs and growth, to help cut prices and boost consumer choice, to influence world trade rules and to project EU and US values globally.[266] The TTIP negotiations are not without resistance as concerns about health and safety and environmental standards have fed into the negotiations. The Commission has to relate to business, trade unions, public interest groups, the public and the European Parliament during the negotiation phase.

The **TTIP is being touted as a game-changer** in transatlantic relations, although the terms of any agreement must be acceptable to both the US and the EU. The defence sector could be potentially, albeit indirectly, affected by the TTIP. In 2013 one scholar[267] hypothesised that while the TTIP would raise serious questions about the longer-term nature of the European Defence Technological and Industrial Base (EDTIB), the Partnership could eventually lead to more interoperability, capability development and closer strategic relations between European states and the US. The initial

---

[264] European Commission 'Report on the Implementation of the European Commission's Communication on Defence', 2015, see: http://ec.europa.eu/growth/sectors/defence/files/communication-implementation-report_en.pdf, p. 16. Accessed 1 August 2015.
[265] Ibid.
[266] European Commission'How TTIP would Affect You'. See: http://ec.europa.eu/trade/policy/in-focus/ttip/about-ttip/impact/, 2015, accessed 6 August 2015.
[267] Fiott, D., 'The "TTIP-ing Point": How the Transatlantic Trade and Investment Partnership Could Impact European Defence', *The International Spectator: Italian Journal of International Affairs*, 48(3), 2013, pp. 15-26.

inclusion of defence-related matters in the negotiating mandate given to the Commission by the EU Member States raised serious questions including: how willing would the US be to remove barriers to defence-related trade? In a free trade area with the EU, would the US be prepared to amend restrictive measures such as the 'Buy American Act', the 'Berry Amendment', the International Traffic in Arms Regulation (ITAR) and augment the purview of the Committee on Foreign Investment in the United States (CFIUS)?

A year later in 2014, when it became clear that the public procurement of defence and security goods would be removed from the negotiating mandate, the same scholar[268] argued that a TTIP might still indirectly impact Europe's defence industry. This could happen, it was argued, because **a number of dual-use goods and technologies** could presumably fall under the eventual provisions of the TTIP. Yet such goods and technologies might still be used for defence-related products and services. Should defence-relevant dual-use goods and technologies be traded freely under the TTIP, but without any particular requirement to remove trade barriers such as ITAR and CFIUS, then European markets may be inadvertently affected. The potential impact of the TTIP on the EDTIB and the CSDP is unknown, but should the TTIP lead to closer transatlantic defence market integration questions related to European interoperability, equipment standardisation and strategic autonomy – crucial objectives for and prerequisites to the CSDP – could be raised.

4.5.4   The Information Technology Agreement

In July 2015, fifty-four members of the WTO including the EU and its Member States, the US, China and Japan agreed to extend the 1996 Information Technology Agreement (ITA). The ITA is designed to cut import tariffs on 201 defence-relevant high-tech products such as GPS, IT goods and semiconductors, optical equipment, lasers, touch screens, measuring and weighing instruments, electromagnets, electronic chips and circuits, machine tools, instruments for aeronautical and space navigation, etc.[269]

The expansion of the ITA is significant because agreement between the fifty-four members are enough for a quorum at the WTO, which means that this level of support is enough to bring the ITA into force in all 161 WTO Member States. Given the ongoing revision of the EU's dual-use export regime, it might be **worth studying what implications the ITA could have for Europe's defence markets**. The reduction of tariffs on high-goods covered under ITA might well encourage further dual-use exports, and the EU could do more to inform industry and the community of SMEs about the implications of ITA; particularly in the context of the ATT, the EU's dual-use regime and international regimes.

4.5.5   The Trans-Pacific Partnership

The Trans-Pacific Partnership includes Australia, Brunei Darussalam, Canada, Chile, Japan, Malaysia, Mexico, New Zealand, Peru, Singapore, United States and Vietnam. Together, these states represent approximately 40 % of global GDP. Much like the TTIP, the partners involved in the TPP hope to collectively promote job creation and retention, innovation, economic growth and development. The broad framework of the TPP rests on comprehensive market access, development of regional production and supply chains, regulatory coherence,

---

[268] Fiott, D., 'No TTIP-ing Point for European Defence?', *EU Institute for Security Studies Policy Alert* 19, 2014.
[269] European Commission, 'Trillion-euro global high-tech trade deal agreed'. See: http://trade.ec.europa.eu/doclib/press/index.cfm?id=1355. Accessed 4 August 2015.

competitiveness, the internationalisation of SMEs and market liberalisation.[270] As it stands, the TPP may cover all goods and services sectors and it seeks to also negotiate a comprehensive government procurement package. Defence-relevant elements of the TPP may include the legal texts on government procurement, intellectual property, investment, market access for goods and technical barriers to trade.

Even though it is not directly involved, the Commission could start thinking about how the Trans-Pacific Partnership (TPP) might impact the EDTIB and the CSDP. **Free trade between the US and its Asia-Pacific allies could adversely affect European defence markets**. This is especially so as the TPP would be part of the US' overall 'pivot' to the Asia-Pacific and along with trade comes defence partnerships and alliances. Indeed, the US maintains a number of defence partnerships and alliances with fellow participants of the TPP. For example, it signed a defence partnership with Australia in 2007 and renewed a long-standing alliance with Japan in 2015. Despite the fact that a number of US defence firms are supportive of TPP[271], and considering that there is still a long way to go in negotiations before – and if – the TPP is signed, the combined effect of closer trade ties under the TPP and existing strategic partnerships in the Asia-Pacific needs to be analysed in terms of European interests.

4.5.6 Procedural adaptation

The armaments and dual-use export regimes have been subject to revision since the Lisbon Treaty was signed. The EU Code of Conduct was revised in 2008 and the dual-use regime is currently undergoing a review. In order to ascertain the impact of FTAs on the European defence market and industry, little procedural adaptation is required. Indeed, the Commission already has competence for the dual-use export regime and for negotiating the EU's FTAs on behalf of the EU Member States. Many of the FTAs listed above overwhelmingly relate to dual-use goods and technologies rather than armaments, so the Commission has a crucial role to play. The implications of these FTAs could figure in the Commission's own stocktaking of the dual-use regime and its work developing an EU-wide security of supply regime.

4.6 Space policy support for defence capabilities

4.6.1 The space-security nexus

Long before the adoption and elaboration of a European Space Policy (ESP), the institutions of the EU have recognised the strategic value of space assets and their intrinsic link with security and defence.[272] Over the years, this **connection between space and security** has only been

---

[270] Office of the U.S. Trade Representative, 'Outlines of TPP'. See: https://ustr.gov/tpp/outlines-of-TPP. Accessed 4 August 2015.

[271] For example: 'Lockheed Martin Statement on Trade Promotion Authority Legislation'. See: http://www.lockheedmartin.com/us/news/press-releases/2015/april/lockheed-martin-statementontradepromotionauthoritylegislation.html. Accessed 4 August 2015. Or, 'Boeing Chairman and CEO Supports Trade Legislation Approval'. See: http://boeing.mediaroom.com/15-04-17-Boeing-Chairman-and-CEO-Supports-Trade-Legislation-Approval. Accessed 4 August 2015.

[272] The link between space and security has two components, depending on whether we view space infrastructure as an instrument or an asset, as noted by the Commission: "[a]s an instrument it can serve the European Union's security and defence interests; as an asset it requires protection". See Commission, "Towards a Space Strategy for the European Union that Benefits its Citizens", 4 April 2011, COM(2011) 152, 5. The current overview focuses on space capabilities as instruments of security and defence. The protection of space assets rather refers to the issue of space situational awareness, in which the EU has been active as well. See Decision No 541/2014/EU of 16 April 2014 Establishing a Framework for Space Surveillance and Tracking Support, *OJ L* 158 of 27 May 2014, p. 227. See further Commission, "The

strengthened in the policy documents of the EU institutions[273], finding its most explicit expression in the Commission's maxim that '[s]pace has a security dimension and security has a space dimension'[274]. Likewise, the enormous potential of space applications for meeting EU defence capability demands has also long been recognised, though it has so far remained largely untapped.[275] In 2008, anticipating the entry into force of the Lisbon Treaty, the Report on the Implementation of the European Security Strategy reiterated the call for a more robust defence effort to develop key space assets as defence capabilities.[276]

The 2007 European Space Policy echoes the need for improved coordination between Europe's defence and its civilian space programmes'.[277] The deployment of space assets for filling the CSDP capability gap is primarily framed by the **parallel evolutions of an ever-expanding security concept and the recognition of the inherent dual-use nature of space infrastructure**. As to the former evolution, it is noteworthy that initial references to defence applications of space assets in EU policy documents were explicitly civilian in nature.[278] However, the formulation of the European Security Strategy saw the beginning of an evolution that increasingly blurred the line between internal and external security.[279] This broad take on security cleared the path for the increased recognition of space applications as tools for deployment in security and defence matters, despite the civilian nature of the programmes in which they were developed.[280] This process was reinforced by the inherently dual-use nature of almost any type of space technology. As to the second evolution, the dual-use possibilities of space assets has consistently been highlighted in EU policy documents as the defining feature of their potential for bridging the defence capability gap.[281]

European Union and Space: Fostering Applications, Markets and Industrial Competitiveness", 4 December 1996, COM(1996) 617, 2; N. Paradiso, "The EU Dual Approach to Security and Space. Twenty Years of European Policy Making", ESPI Report 45, August 2013, p. 25.

[273] See, for example, Council Resolution of 2 December 1999 Developing a Coherent European Space Strategy, *OJ* C 375 of 24 December 1999, 1, preamble; Commission, "Europe and Space: Turning to a New Chapter", 27 September 2000, COM(2000) 597, 2; Council Resolution of 16 November 2000 on a European Space Strategy, *OJ* C 371 of 23 December 2000, 2, point 11.

[274] Commission, "Space: a New European Frontier for an Expanding Union. An Action Plan for Implementing the European Space Policy", 11 November 2003, COM(2003) 673, p. 17.

[275] See the critique in European Parliament Resolution of 10 July 2008 on Space and Security, *OJ* C 294 of 3 December 2009, E/69; European Capabilities Action Plan report, 1 November 2002, ref. 13809/1/02.

[276] Report on the Implementation of the European Security Strategy - Providing Security in a Changing World, 11 December 2008, Doc. S407/08, P. 10.

[277] Commission, "European Space Policy", 26 April 2007, COM(2007) 212, 7. See also the calls for space support for CSDP capabilities in Commission, "European Space Policy", 21 January 2003, COM(2003) 17, 24; European Advisory Group on Aerospace, "STAR 21: Strategic Aerospace Review for the 21st Century: Creating a Coherent Market and Policy Framework for a Vital European Industry", European Commission and Enterprise Publications, July 2002; Council, "ESDP Presidency Report", 9 December 2003, Doc. 15814/03, 10; Council, "European Space Policy: 'ESDP and Space'", 16 November 2004, Doc. 11616/3/04, § 24.

[278] See, for example, Council Resolution *supra* note273, point 7 and EC-ESA Joint Task Force, "Towards a European Space Policy", Report Presented by Commission Communication, 7 December 2001, COM(2001) 718, p. 6.

[279] European Council, "A Secure Europe in a Better World. European Security Strategy", 12 December 2003, 7, noting that no threat is purely military in nature. See further European Council, "Internal Security Strategy for the European Union. Towards a European Security Model", March 2010, 12. See further Commission, "The EU Internal Security Strategy in Action", 22 November 2010, COM(2010) 673, 2-3.

[280] See the security and defence implications and applications of Galileo and Copernicus, *infra*.

[281] See, for example, Commission, "Europe and Space: Turning to a New Chapter", 27 September 2000, COM(2000) 597, 2; Commission, *supra* note, 17; Commission, "European Security Policy", 26 April 2007, COM(2007) 212, 7; Space Council Resolution on the European Space Policy of 22 May 2007, § 8; PSC, "Promoting Synergies between the EU Civil and Military Capability Development", 9 November 2009, Doc. 15475/09, 4-5. See further Gebhard, C. 'The Crisis Management and Planning Directorate: Recalibrating ESDP Planning and Conduct Capacities', *CFSP Forum*, Vol. 7, No. 4, 2009, 8; Darnis, J.-P, Veclani A.C., 'Space and Security: the Use of Space in the Context of CSDP', November 2011, EXPO/B/SEDE/FWC/2009-01/Lot6/15, 21.

In 2004, the Council already outlined **four ways in which the EU could activate space assets** for security and defence purposes. These ranged from the use of existing assets and multiple use capabilities of civilian programmes from its Member States and space assets offered by commercial companies and third States, to making use of multiple-use capabilities of existing EU civilian programmes.[282] Developments since then have shown the EU to have opted for the fourth option, by strengthening its independent access to space assets through Galileo and Copernicus (see further *infra*).

4.6.2   Space policy and CSDP after the Lisbon treaty

Competences and actors

The increased nexus between the security and space policies of the EU has been codified in the Treaty on European Union (TEU) and the Treaty on the Functioning of the EU (TFEU) after the entry into force of the Lisbon Treaty. In tandem with the reinforced security and defence framework in the TEU, the Union has been granted an **express competence in the area of space** (Article 4 (3) TFEU). Further, Article 189 (1) TFEU explicitly recognises the close connection between civilian space programmes and military applications of dual-use technologies. The provision requires the EU to draw up a European space policy that, among other things, should promote industrial competitiveness and the implementation of the Union's policies. As recognised by the Council, this may include the application of civilian space programmes for implementing CSDP objectives.[283]

Article 189 (2) TFEU expands the ordinary legislative procedure to issues concerning space, thereby solidifying the position of the Commission and EP in those areas that touch upon defence matters. Both institutions have indeed **exercised their respective powers** to develop policies and enact legislation instrumentalising space for Europe's CSDP.[284] At the same time, recent legislative initiatives also point to a reticence to use space for CSDP.[285]

At Council level, the most important body for the application of space capabilities for security and defence purposes is the European Defence Agency (**EDA**). The Agency's objectives include contributing to 'identifying the Member States' military capability objectives and evaluating observance of the capability commitments given by the Member States' (Art. 45 (1) TEU)). To realise this objective, the EDA signed an administrative agreement with the European Space Agency (ESA), transforming the EDA into the linchpin of CSDP support of EU space capabilities post-Lisbon.[286] The EP has called for a 'permanent link' between EU bodies and agencies in the areas of internal and external security, referring to the European Defence Agency and EEAS.[287]

---

[282] Council, "ESPD and Space", *supra* note, §§ 13-16.

[283] Space Council Resolution on Global challenges: Taking Full Benefit of European Space Systems of 25 November 2010, § 20.

[284] See e.g. the SST Decision *supra* note; Commission, "An integrated Industrial Policy for the Globalisation Era Putting Competitiveness and Sustainability at Centre Stage", 28 October 2010, COM(2010)614; Commission, "EU Space industrial Policy", 28 February 2013, COM(2013) 108, p. 8;

[285] The Commission proposal for a Directive on the Dissemination of Earth Observation Satellite Data for Commercial Purposes (COM(2014) 344) notes that it "shall not apply to the dissemination of satellite data […] carried out by or on behalf of and supervised by the Union or one or more Member States and is for the purposes of security and defence"; Art. 1 (3).

[286] http://www.esa.int/For_Media/Press_Releases/Signing_of_EDA_ESA_Administrative_Arrangement [accessed on 24 August 2015]. See also Council Decision 2011/411/CFSP of 12 July 2011 Defining the Statute, Seat and Operational Rules of the European Defence Agency and repealing Joint Action 2004/551/CFSP, *OJ L* 183 of 13 July 2011, 16, § 8 (preamble).

[287] European Parliament Report on the Implementation of the Common Security and Defence Policy, 19 March 2015, § 47.

The EU Satellite Centre (**SatCen**) assists in implementing the space assets developed in cooperation with ESA for support of particular CSDP missions.[288] At the request of the Council or the High Representative, the Centre provides products and services resulting from the 'exploitation of relevant space assets and collateral data, including satellite and aerial imagery, and related services'.[289] SatCen services are delivered to all EU Member States at the same time, facilitating decision-making in CSDP operations[290], and making it a crucial player for developing CSDP capabilities.[291]

Programmes, projects and missions

Though conceived as civilian space programmes and operated under civilian control, the defence and security potential of EU's Galileo and Copernicus projects is increasingly recognised.[292] Originally developed as Global Monitoring for Environment and Security (GMES), Copernicus' security relevance was apparent from the start, though its potential for CSDP support in particular has only really emerged with the expansion and merging of the EU's internal and external security concepts since the 2003 ESS. Security services such as border control, maritime surveillance and support to Union external actions, are recognised as important components of the Copernicus initiative.[293] Copernicus is therefore considered vital for ensuring the strategic autonomy of the EU in general, and for its CSDP missions in particular.[294] Still, it has been noted that the security component of Copernicus is in need of further enhancement.[295] Conceived as a European counterpart to the American military GPS system, Galileo, too, has obvious CSDP relevance. Though not driven by military needs, the dual-use capacity of the civilian programme has led the Council to recognise its aptitude for support in all types of crisis management operations.[296] Ultimately, however, CSDP requirements of Copernicus and Galileo capabilities must be compatible with the latter's civil framework.[297]

Security services that can be provided by or with the aid of space assets are numerous, and include autonomous threat assessment, earth observation and reconnaissance, navigation, positioning and timing, telecommunications, space situational awareness, surveillance and early warning against ballistic missiles.[298] The most important CSDP services provided by Galileo are the Public Regulated Service (PRS) and the Search and Rescue (SAR) service, both of which will be offered from 2016 at

---

[288] Joint Action 2001/555/CFSP of 20 June 2001 Establishing a European Union Satellite Centre (SATCEN), OJ L 200 of 25 July 2001, p. 5.
[289] Council Decision 2014/401/CFSP of 26 June 2014 on the European Union Satellite Centre and Repealing Joint Action 2001/555/CFSP on the Establishment of a European Union Satellite Centre, *OJ L* 188 of 27 June 2014, 73, Art. 2 (1).
[290] SatCen, "Annual Report 2014", 2015, p. 11.
[291] Space Council Resolution op cit., § 21. See also N. Paradiso, op cit., p. 50.
[292] See Regulation No 683/2008 of 9 July 2008 on the further implementation of the European satellite navigation programmes (EGNOS and Galileo), OJ L 196 of 24 July 2008, 1; Regulation No 377/2014 of 3 April 2014 establishing the Copernicus Programme and Repealing Regulation No 911/2010, OJ L 122 of 24 April 2014, 44.
[293] Regulation No 911/2010 of 22 September 2010 on the European Earth Monitoring Programme (GMES) and its Initial Operations (2011 to 2013), OJ L 276 of 20 October 2010, 1, § 23 (preamble).
[294] European Parliament Resolution op cit. , § 11.
[295] Commission, "Towards a Space Strategy …", op. cit. , pp. 5-6.
[296] Council, "ESDP and Space", op. cit., p. 9.
[297] EU-EDA-CSG-ESA Joint Task Force, "Civil-Military synergies in the field of Earth Observation", Final Report, 26 November 2010, pp. 13-14.
[298] See the overview in Council, "ESDP and Space", *supra* note; European Parliament Resolution *supra* note; Darnis, J.-D., Veclani, A., op cit. ; Veclani, A.C. *et al.*, "Space, Sovereignty and European Security. Building European Capabiltiies in an Advanced Institutional Framework", January 2014, EXPO/B/SEDE/2012/21.

the latest.[299] If specific applications appear mostly geared toward internal security rather than external action[300], the robustness of the Galileo signal has immediate value for defence missions in terms of resistance to jamming and involuntary interference. The **range of services in support of CSDP is a lot broader for Copernicus**. The S-prong of the former GMES programme includes a wide array of services with relevance for EU external missions, such as field support for crisis management operations, monitoring of post-conflict recovery, reconstruction and rehabilitation, treaty monitoring and non-proliferation.[301] Specific projects are carried out in the framework of the Galileo and Copernicus programmes, and implemented by the EU SatCen, including G-NEXT and BRIDGES.[302]

Space assets have been deployed by the EU in a number of CSDP missions over the past five years since the entry into force of the Lisbon Treaty. Most notably, the **EU SatCen provided security services** to EUMM Georgia in the form of imagery analysis of infrastructures and activities in the region, including strategic facilities such as dams, and assessment of potential consequences of terrorist attacks[303]; EUTM Mali by creating city maps and other products analysing paramilitary activities[304]; EU NAVFOR Atalanta by providing imagery-derived geospatial products, including mapping a geo-database, monitoring know pirate bases and searching for militia, to the mission's Operational Headquarters[305]; EUFOR Althea for the production of reference maps of the mission's area of responsibility[306]; and EUTM Somalia by identifying suitable location for landing strips[307]. Support was also provided for other missions, including EUBAM Rafah and EUFOR Chad.[308] Outside of the context of these CSDP missions, the EU has also provided space-based support for United Nations operations, in particular Supervision Mission (UNSMIS), the Organisation for the Prohibition of Chemical Weapons (OPCW) - UN Joint Mission and UNDOF (UN Disengagement Observer Force).[309] Finally, the EU also assists in monitoring the proliferation of weapons of mass destruction and the development of possible nuclear facilities across a number of countries.[310]

Copernicus' security services are not only provided by the EU and its SatCen. A number of missions have seen individual EU Member States relying on EU space capabilities to meet their own operational needs, even in those cases where the Union is not involved as a separate player.[311] Conversely, in those cases where the EU is involved, it has become apparent from a number of experiences that **the budding space infrastructure of the Union can still not meet its operational requirements** to the extent that it also has to rely rather heavily on space assets of its

---

[299] See the Commission's Galileo website http://ec.europa.eu/growth/sectors/space/galileo/; the EU Global Navigation Satellite Systems Agency page on PRS http://www.gsa.europa.eu/news/public-regulated-service-prs-equals-public-security and SAR, accessed on 24 August 2015.

[300] See the reference to retrieving stolen goods, lost pets or individuals as the main applications of Galileo's security services on http://www.gsa.europa.eu/galileo/applications, accessed on 24 august 2015.

[301] See http://www.copernicus.eu/main/security, accessed on 24 August 2015.

[302] See http://externalaction.security-copernicus.eu/projects-overview/g-next/g-next-nutshell, accessed on 24 August 2015.

[303] See the mission's website: http://www.eumm.eu, accessed on 26 August 2015.

[304] See the mission's website: http://www.eutmmali.eu, accessed on 26 August 2015.

[305] See the mission's website: http://eunavfor.eu, accessed on 26 August 2015].

[306] See the mission's website: http://www.euforbih.org accessed on 26 August 2015.

[307] See the EEAS website regarding the mission: http://eeas.europa.eu/csdp/missions-and-operations/eutm-somalia/index_en.htm, accessed on 26 August 2015.

[308] See the mission's websites at http://www.eubam-rafah.eu and http://www.eeas.europa.eu/csdp/missions-and-operations/eufor-tchad-rca/index_en.htm, accessed on 26 August 2015.

[309] SatCen, "Annual Report 2013", 2014, 13; ibid., op cit. p. 290, 16.

[310] SatCen, op cit., p. 290, 15.

[311] See the examples of Egypt and Libya in J.-P. Darnis and A.C. Veclani, *supra* note 281, p. 9.

Member States.[312] Indeed, the implication of the parallel space competence and the principles of subsidiarity and proportionality are that space assets to be used in support of CSDP capabilities may come from both Union and Member State infrastructure. As such, Italy, France, Germany and Spain all have military systems (COSMOS/SkyMed, Helios II, Pleiades, SAR-LUPE, PAZ) as well as civilian programmes with security and defence applications (MeteoSat, SPOT, CSO, INGENIO) that can provide support for EU CSDP missions.

Considering the **importance of national space infrastructure** for meeting the ever-increasing CSDP needs of the EU, it is crucial that coordination between Member State assets and their activation in EU missions and operations is further enhanced, pending the development of independent Union space assets. Various suggestions to this end have already been suggested.[313] The potential of the Lisbon Treaty provisions on permanent structured cooperation and enhanced cooperation in this respect should be noted.[314] Both frameworks can and should be applied to complement the developing Union space infrastructure for CSDP operational support. Importantly, one of the tasks of the EDA in this respect is to promote broader participation in programmes set up by Member States and aiding their implementation in Union context.[315]

Past experience has shown, however, that this **potential of additional space capability support for CSDP** remains largely untapped.[316] In particular, the example of MUSIS (Multinational Space-based Imaging System) shows that, if anything, cooperation between Member States in terms of space assets for security purposes is actively regressing. Having started off as a military cooperation programme among six EU Member States to secure continuity and coordination of national satellite defence systems in the framework of EDA-ESA cooperation by 2015, difficulties related to the sensitivity of security information have restricted its scope to a bilateral cooperation framework between France and Italy for the benefit of their national space industries.[317]

4.7   Towards greater support for CSDP defence capabilities? Identifying institutional role and policy adaptation

The preceding section has covered a variety of fields to look for the contribution of non-CSDP policies and defence cooperation. The examples of innovation policy, industrial policy, regional policy, trade policy and space policy have revealed ample examples of how these policies do or could support defence cooperation. To this end, the section has identified institutional and policy adaptations.

Regarding innovation policies and following the analysis it needs to be considered where the wider aims and objectives of the innovation union can be used to assist with the spinning-in of more advanced civilian and dual-use technologies to defence firms. In fact, it needs to be investigated how best to align financing instruments as well as legal and administrative procedures maximise cooperation between the EDA and Commission and to prevent duplication or wastage. Moreover, it needs to be seen the extent to which the EU can realistically add value in defence

---

[312] The Libya experience demonstrated the difficulties due to a lack of EU-centralized independent capabilities of Command, Control, Communications, Computers, Intelligence, Surveillance and Reconnaissance (C4ISR).
[313] Commission, "Towards a Space Strategy …", *supra* note, 6.
[314] See Art. 42 (6) TEU; Protocol No. 10 to the TEU, Art. 1 (a); Art. 20 (1) TEU. See further A.C. Veclani *et al.*, *supra* note, 48.
[315] Art. 45 (1)(c) TEU. See also Art. 5 of Council Decision, op cit., p. 286.
[316] Darnis, J.-P., Veclani, A.C., op cit., 22.
[317] See the MUSIS – Federating Activities webpage at http://www.occar.int/174, accessed on 25 August 2015.

research, and whether its investment will result in a sustainable defence, technological and industrial base and procurement of the results.

With a view to **industrial policies**, the success of the EDA in assisting dual-use applicants to access ERDF funding and the sustainability of the investment should be monitored. A better understanding of where such support works and where it does not is needed. Building on the Council Conclusions on CSDP (18 May 2015), the European Defence Agency, the Commission, Member States and the European Investment Bank should work together to study the various avenues that could be explored with the EIB and the European Investment Fund for defence-relevant R&T and R&D funding. In addition, an in-depth study needs to be commissioned that will look at the potential defence-related role of the EIB/EIF and their added value. The Commission could assess the possible effects of the SUP Directive on the defence sector. This could include consultation with industry and the Commission could play a lead role by analysing the benefits of such a company statute for the defence sector while it conducts its review of the implementation of the 'defence package' (due by August 2016).

The analysis of **regional policies** has further showed that the changes made to the armed forces to support the CSDP and changing EU security priorities have wider social consequences. The Commission should in fact inform regions about how the Structural Funds can support conversion activities and act as a locus for sharing best practice. In **trade policy**, a stocktaking exercise of the direct and in-direct impact that TTIP and other FTAs (e.g. TPP and ITA) could have on Europe's defence markets. More specifically, this analysis could assess how remaining trade barriers that might exist alongside TTIP would affect European defence. It could also focus on the opportunities that may exist for the EU under each of the planned FTAs and under the ITA extension. For all future FTAs negotiated by the EU with third-countries, the Commission – with the support of the European Defence Agency – could study each FTA proposal on the basis of its impact for European defence. Such studies will need to ensure that FTAs sit in compliance with the ATT and other armaments and dual-use control regimes, but they could also integrate commercial and strategic elements of these FTAs into the studies too. Such considerations may already be included in the Commission's revision of the dual-use regime.

Finally, regarding **space policy**, the full potential of the institutional framework put in place by the Lisbon Treaty in terms of space-CSDP cooperation must be exploited, inter alia by creating a permanent link between the EU bodies and agencies. Such links could relate internal and external security, on the one hand, and space, on the other hand, building in particular on the cooperation between the European Defence and Space Agencies, so as to maximise the independent space capabilities of the EU for CSDP missions as implemented by the SatCen. Furthermore, the study showed that efficient use should be made of the permanent structured and enhanced cooperation mechanisms in the Treaty on European Union to coordinate the deployment of EU Member State space systems in support of CSDP capabilities, in particular by building on the MUSIS initiative to increase participation by other EU Member States

5 Conclusion and recommendations

This study focused on the support of non-CSDP policies for CSDP measures, both in the field of crisis-management and defence. To this end, the study focused on **nine different issue areas of the EU which are of particular interest in the context of CSDP**: European Neighbourhood Policy, development cooperation, internal policies and financing instruments in the context of the EU's international crisis management, as well as innovation policies, industrial policies, regional policy, trade policy and spacy policy in the context of the EU's defence policy.

Given the interplay of CSDP and non-CSDP policies, other non-CSDP instruments and CSDP not only need to be coherent, but also supportive of each other:

While the analysis of the **legal-political background** of CSDP showed on the one hand that it is an integral part of the larger CFSP, providing civilian and military capabilities as well as defence cooperation tools that the EU otherwise would not have in its external action. On the other hand, the study showed the specific intergovernmental nature of CSDP and, therefore, the need for an EU external action that is consistent with other policies.

In each of the following policies, the study came to the following results:

First, the **European Neighbourhood Policy** goals of political and economic stabilisation depend on the one hand directly on the success of conflict prevention measures and would benefit immensely from successful conflict resolution. Conflict-related policies and other security were seen as benefitting directly from successful reforms and state-building processes, which are at the core of the ENP. The articulation of CFSP/CSDP and non-CFSP/CSDP instruments was seen as crucial for the overall success of EU policies in the Eastern neighbourhood. The study pointed to the fact that the **Lisbon Treaty has endowed the EU with a set of powerful instruments**. Being under review, the future ENP should deliver a political vision encompassing both economic and security aspects.

The nexus between internal and external policies revealed that **a clearer coordinating structure** and consistency between ENP and other EU tools and policies as Frontex and Europol agreements are required. Indeed, the study highlighted that the **EU's comprehensive** approach can bring **the EU's entire toolkit** together, be it in the fight against terrorism or in the context of irregular migration. Still, the analysis pointed out that EU tools are managed by different actors according to various logics of action, procedures and budget lines. The study showed that the **EU should strengthen its structures of coordination** and the role of actors in a pivotal position. In this respect, the study raised the hopes that the European Security Strategy clarifies the strategic approach with specific guidelines to improve the overall coherence and especially to better bridge internal and external policies.

Furthermore, the analysis focused on development-security relations which showed that the Lisbon Treaty now provides a stronger framework than in the past to ensure that competition and tensions between CSDP and the Commission's work are quickly resolved through inter-institutional talks and negotiations under the aegis of the double-hatted HR/VP. Regarding instruments on the ground, the analysis underlined that there is **no shortage of tools to come up with joint analysis** on risks to use development resources for security-related endeavours. However, new tools – also regarding **the making of a new financing instrument** – should be carefully considered.

The analysis demonstrated in the field of defence cooperation that **EU innovation policies** provide considerable indirect and increasingly direct investment in **dual-use and CSDP-relevant technologies**. It also highlighted that more needs to be done to align the instruments and

procedures of the EDA and Commission so that they can work together more efficiently to avoid unnecessary duplication. The development of defence-industrial policies at the EU level were seen as not only seeking to create a functioning single European defence market, but also as a way to increase the EU's strategic autonomy, enhance its ability to act with partners and to boost jobs, innovation and growth. The study underlines that CSDP cannot be fully effective without defence capabilities, and that without a more efficient defence industry the Member States find it difficult to efficiently develop key capabilities, remedy shortfalls or avoid redundancies.

In terms of **regional policies**, the study showed that although according to the Treaties structural funds must be used for civilian purposes, the Commission and particularly the EDA have been proactive in their attempts to lever the funds into **support for dual-use technology development**. However, as the study shows, the Commission and the EDA could also publicise the ways in which communities could apply for support for conversion activities for people, land and industry that occur as a result of changing security priorities.

In the context of **EU trade policy**, the study underlined that the EU Code of Conduct was revised in 2008 and the dual-use regime is currently undergoing a review. In view of ongoing FTA negotiations the study shows that the Commission already has competence for the dual-use export regime and for negotiating the EU's FTAs on behalf of the Member States. In turn, the Commission has a crucial role to play. Many of the FTAs relate to dual-use goods and technologies rather than armaments.

Finally, the study demonstrated that the deployment of **space assets for filling the CSDP capability gap** is primarily framed by the parallel evolutions of an ever-expanding security concept and the recognition of the inherent dual-use nature of space infrastructure. The increased **recognition of space applications** as tools for deployment in security and defence matters becomes ever-more visible, despite the civilian nature of the programmes in which they were developed. This process is reinforced by the inherently dual-use nature of almost any type of space technology.

Based on these findings, the study makes the following **recommendations**:

5.1   General recommendations

1.   Action across the whole spectrum of EU tools must be coordinated. Actors should be reminded of the fact that the Lisbon Treaty ensures that **competition and tensions between CSDP and the Commission's work** can be resolved through inter-institutional talks and negotiations under the aegis of the double-hatted HR/VP.

2.   The EU should **strengthen its structures of coordination** (in particular PSC, EEAS) and the role of actors in a pivotal position such as the HR/VP, to mitigate power struggles in EU security governance.

3.   The EU's **objective of coherence** in general and the **comprehensive approach** more specifically should be 'guiding themes' in external conflicts in order to bring together more closely the different actors and instruments in all phases of the conflict cycles.

4.   The ongoing review of the **European Security Strategy** should clarify the strategic approach of the EU, including specific guidelines to improve the overall coherence and especially to better bridge internal and external policies.

5.   EU actors should **grant the EDA resources and political backing** so that it could become more influential, especially in view of improving the military capabilities of the Member States in view of Art. 42(3) TEU.

6. The connection between **EEAS crisis management structures** and the Commission should be strengthened to ensure that lessons learned travel across the full institutional spectrum of the EU and there is no duplication of learning processes.

7. The current **restructuring of the EEAS** should be used to strengthen the intra-institutional coherence amongst different units in the EEAS (for example, CSDP departments) and the inter-institutional coherence with other EU institutions outside the EEAS (for example, the Commission).

8. EU institutions should be reminded that the Common Security and Defence Policy includes the **progressive framing of a common Union defence policy**, which can lead to a common defence, when the European Council decides so unanimously.

9. EU institutions should **clarify the legal options** offered by the Lisbon Treaty, especially with regard to CSDP, by setting up a joint team of legal experts from the Council, the Commission, the EEAS and the European Parliament to sketch out the width of possible interpretations of relevant articles of the Lisbon Treaty (Art. 41 but also 42 TEU, and other legal bases to be used).

10. The Council should be reminded of the **added value of Permanent Structured Cooperation (PeSCO)** for the deeper integration of the EU's security and defence policy. It should be considered that an activation of such a policy can be done by a QMV decision in the Council.

5.2 Specific policy recommendations for CSDP support in crisis management

To HR/VP, EEAS, Commission, Member States and the Council

11. Beef up **political sections in EU Delegations** to a) coordinate the drafting of joint analyses and strategies on the security and development nexus in a given country, and b) interact more intensively with Cooperation sections and Heads of Cooperation to assess potential synergies between available EU funds for development and their availability for actions having security and defence implications.

To Council and HR/VP

12. Establish **Informal Coordination Groups for crisis management** issues, bringing together relevant security organisations in the Eastern Neighbourhood such as NATO, the OSCE and the CSTO, the EEAS, EU military and civilian staff, and Commission staff from ECHO and DEVCO.

13. Expand the mandate and the number of **security experts in EU Delegations**, to liaise with CSDP missions and hierarchies and to facilitate interaction with local security and defence actors.

To HR/VP, EEAS, the Commission and the European Parliament

14. Next to a revision of the scope of both the **Africa Peace Facility** (APF) and of the Instrument contributing to Stability and Peace (IcSP), other options, such as a new financial instrument, Athena mechanism or the use of the CSDP start-up fund, must also be considered.

15. The ongoing **review of the ENP** should deliver a political and economic vision to support the resolution of conflicts and the management of crises in the Mediterranean, including by means of non-CSDP instruments.

16. The revised ENP should address **the political and economic logic** of the Euro-Mediterranean Association Agreements, by applying a more generous approach to agriculture, which will be beneficial for the stabilisation of the region.

15. CSDP missions in the Mediterranean should, if adopted, be accompanied **with political and economic instruments**, as migration and extremism require long-term commitments to tackle their many root causes.

To HR/VP, EEAS, the Council and the Commission

17. **Reinforce EEAS staff dealing with EaP**, in particular officials responsible for liaising with EU crisis management structures, including EU Military Committee and CIVCOM.

18. The Commission and the EEAS should promote the **articulation between the FPI and the horizontal EaP unit** responsible for conceptual and budgetary issues.

16. Hire **CSDP mission staff that have experience in development cooperation** and are able to coordinate and cooperate immediately with EU Delegations managers of development cooperation funds in EU delegations.

17. EEAS and European Commission should ensure **sufficient training of development cooperation staff** on SSR, Rule of Law reform and the security and development nexus with a view to ensure smooth joint early planning with EEAS and Member States.

18. Establish joint **transition, phasing-out and hand-over procedures** between CSDP and Commission instruments, through early joint planning, as recognised by the Joint Communication on capacity building in security and development and the document on CSDP transition strategies.

19. Establish more systematically s**ecurity and development and cooperation coordination bodies** at country level involving EU Delegations and CSDP missions with a view to ensure joint analysis and assessments to inform funds allocation by EU Delegations.

To the HR/VP, EEAS and the Member States

20. **Establish rules and practices** so that a joint EU political strategy (PFCA or another strategic approach) is a pre-requisite for the successful combination of peacekeeping, training and equipment of partner forces.

5.3 Specific recommendations for the CSDP support in defence policy

To Council and Member States

21. The Council, in particular through its work in the Space Council, should build on the **cooperation between the European Defence Agency and the European Space Agency** to maximise the use of the independent space capabilities of the EU for CSDP missions, including implementation by the Satellite Centre. This objective should be taken into account during a possible renegotiation of the EU-ESA Framework Agreement and the implementation of the Administrative Agreement between the EDA and ESA.

22. Those Member States whose military capabilities meet the required criteria should make **more efficient use of the permanent structured and enhanced cooperation mechanisms** in the Treaty on European Union to coordinate the deployment of their national space systems in support of CSDP capabilities, in particular by building on the MUSIS initiative to increase participation by other EU Member States. The Council and HR/VP, in addition to the EDA, should encourage such use.

To Commission and European Parliament

23. Consider where the **wider aims and objectives of the innovation union** can be used to assist with the spinning-in of more advanced civilian and dual-use technologies to defence firms.

24. The changes made to the armed forces to support the CSDP and changing EU security priorities have wider social consequences. The Commission should **inform regions about how the Structural Funds can support conversion activities** and act as a locus for sharing best practice. The European Parliament should ask the Commission to organise and implement such information initiatives.

25. The Commission should conduct a **stocktaking of the direct and indirect impact which TTIP and other FTAs** (e.g. TPP and ITA) could have on Europe's defence markets. More specifically, this analysis could assess how remaining trade barriers that might exist alongside TTIP would affect European defence. Such a study could also focus on the opportunities that may exist for the EU under each of the planned FTAs and under the ITA extension. The European Parliament should be informed about the outcomes of such an analysis.

26. For all future FTAs negotiated by the EU with third countries, the Commission – with the support of the EDA – could st**udy each FTA proposal on the basis of its impact for European defence**. Such a study will need to ensure that FTAs are in conformity with the ATT and other armaments and dual-use control regimes. Such considerations should already be included in the Commission's revision of the dual-use regime. The European Parliament should be informed about the outcomes of such a study.

To the Commission

27. The Commission should **assess the possible effects of the SUP Directive on the defence sector**. This should include consultation with industry and the Commission should play a lead role by analysing the benefits of such a company statute for the defence sector while it conducts its review of the implementation of the 'defence package' (due by August 2016).

To Commission, Member States and European Investment Bank

28. Building on the Council Conclusions on CSDP (18 May 2015), the EDA, the Commission, Member States and the EIB should **work together to study the various avenues that could be explored with the EIB and the European Investment Fund for defence-relevant R&T and R&D funding**. Assess whether an in-depth study needs to be commissioned by the Commission and EDA that will look at the potential defence-related role of the EIB/EIF and their added value.

To Commission and EDA

29. **Consider the extent to which the EU can realistically add value in defence research**, and whether its investment will result in a sustainable defence, technological and industrial base and procurement of the results.

30. Investigate **how best to align financing instruments** and legal and administrative procedures in order to maximise cooperation between the EDA and Commission and to prevent duplication or wastage.

To EDA

31. Monitor the **success or otherwise of the EDA in assisting dual-use applicants** to access ERDF funding and the sustainability of investments made. A better understanding of where such support works, and where it does not, is needed.

Bibliography

Books and book chapters

Anthony, I. and Bauer, S. (2007) 'Controls on Security-Related International Transfers', SIPRI Yearbook 2007 (Oxford University Press), p. 655.

Barbé, E. and Herranz-Surrallés, A. (2013). The challenge of differentiation in Euro-Mediterranean relations: flexible regional cooperation or fragmentation. Routledge.

Barcikkowska, A. (2013). "Military capabilities and interoperability". in Gross, E.; Menon, A. (2013). CSDP between internal constraints and external challenges. EUISS Report No 17, October.

Dahlmann, A., Marcel D., and Lea T. (2015). "The EDA and the field of research and technology." in Karampekios, N. and Oikonomou, I. [Eds.] The European Defence Agency: Arming Europe. London: Routledge: 102-117.

Dura, G. (2009). "EUBAM Moldova-Ukraine." in Grevi, G., Helley, D. and Keohane, D. (Eds.), European Security and Defence Policy, The first 10 years (1999-2009). Paris: EUISS, pp. 275-285.

Fiott, D. (2014). "Defence R&D in Europe", in EUISS Yearbook of European Security 2014, European Union Institute for Security Studies.

Flessenkemper, T. and Helly, D. [eds.], (2013). Ten years after: lessons learned from EUPM in Bosnia and Herzegovina 2002-2012, EUISS.

Ghanem, H. [eds.] (2015). The Arab Spring Five Years Later: Case Studies, Brookings Institution Press.

Giegerich, B. (2014). "Foreign and Security Policy: Civilian Power Europe and American Leadership." in Wallace, H., Pollack, M. A. and Young, A. R. [Eds.] Policy-Making in the European Union. 7th edition, 2014.

Grevi, G., Helly, D. and Keohane, D. [eds.] (2009). European Security and Defence Policy, The first 10 years (1999-2009). Paris: EUISS.

Hanieh, A. (2013). Lineages of Revolt: Issues of Contemporary Capitalism in the Middle East. Chicago: Haymarket Books;

Heydemann, S. (2004). Networks of privilege in the Middle East: the politics of economic reform revisited, Palgrave Macmillan.

Hillion, C. (2008) "Tous pour un, un pour tous! Coherence in the External Relations of the European Union." in Cremona, M. [ed.]: Developments in EU External Relations Law, Oxford, Oxford University Press, 10-36.

Keukeleire, S. and Delreux, T. (2014). The Foreign Policy of the European Union. 2nd edition. Palgrave.

Keukeleire, S. and Raube, K. (2012). "Common Security and Defence Policy – Development, Added-Value, and Challenges." In Bindi F. and Angelescu I. [Eds.] The Foreign Policy of the European: Assessing Europe's Role in the World. Washington: Brookings Institution Press, 62-84.

Koutrakos, P. (2011) "The role of law in Common Security and Defence Policy: functions, limitations and perceptions." in Koutrakos, P. [Eds.]. European Foreign Policy – Legal and Political Perspectives. Edward Elgar, 2011, 235-260.

Koutrakos, P. (2013). The EU Common Security and Defence Policy. Oxford University Press.

Kuijper, P. J., Wouters, J., Hoffmeister, F., De Baere, G and Ramopoulos, T. (2013).The Law of EU External Realtions – Cases, Materials and Commentary on the EU as an International Legal Actor. Oxford, Oxford University Press.

Maurer, H. and Simão, L. (2013). "From regional power to global power? The European Neighbourhood Policy after the Lisbon Treaty." in Boening, A., Kremer, J F. and Van Loon, A. (eds) Global Power Europe – Vol. 1 Theoretical and Institutional Approaches to the EU's External Relations. Verlag, Berlin, Heidelberg: Springer Publishing, 93-108.

Richards, A. and Waterbury, J. (2013). A political economy of the Middle East, Boulder, Colorado: Westview Press.

Rijkers, B., Freund, C. and Nucifora, A. (2014). All in the family: state capture in Tunisia. Policy Research Working Paper, World Bank. 6810.

Risse, T. (2013). Governance without a state?: policies and politics in areas of limited statehood. Columbia University Press.

Sasse, G. (2010). "The European Neighbourhood Policy and conflict management: a comparison of Moldova and the Caucasus." in Hughes, J. [eds.] EU Conflict Management. London: Routledge.

Taylor, T. (1997). "Arms Procurement." in Howorth, J. and Menon, A. [Eds.] The European Union and National Defence Policy, London, Routledge: 121-40.

Trybus, M. (2005). European Union Law and Defence Integration. Oxford/Portland, OR: Hart Publishing.

Wouters, J., Bijlmakers, S. and Meuwissen, K. (2012). "The EU as a Multilateral Security Actor after the Treaty of Lisbon: Constitutional and Institutional Aspects." in Lucarelli, S., Van Langenhove, L. and Wouters, J. [Eds.]. The EU and Multilateral Security Governance, Routledge, 2012, 72-103.

Wouters, J., Cuyckens, H. (2013). "Festina Lente: CFSP from Maastricht to Lisbon and Beyond." in de Visser, M., b van der Mei, A.P. [Eds.] The Treaty on European Union 1993-2013: Reflections from Maastricht, Oxford: Intersentia, 2013, 223-242.

Journal articles

Argomaniz, J. (2012). "A Rhetorical Spillover? Exploring the Link between the European Union Common Security and Defence Policy (CSDP) and the External Dimension in EU Counterterrorism." European Foreign Affairs Review, 17, (2/1) 2012.

Baffes, J., et al. (March 2015). "The Great Plunge in Oil Prices: Causes, Consequences, and Policy Responses", Development Economics, World Bank Group.

Bauer, S. and Bromley, M. (2015). "Implementing the Arms Trade Treaty: Building on Available Guidelines and Assistance Activities." SIPRI Background Paper, (May), pp. 7-8.

Bicchi, F. (2010). "Dilemmas of Implementation: EU Democracy Assistance in the Mediterranean." Democratization, 17(5): 976-996.

Bicchi, F. (2014). "The Politics of Foreign Aid and the European Neighbourhood Policy Post-Arab Spring: 'More for More' or Less of the Same?" Mediterranean Politics, 19(3): 318-332.

Coelmont, J. and Biscop, S. (2014) 'Building European Defence: An Architect and a Bank', Egmont Security Policy Brief No. 56.

De Neuilly, Y. B. (2002). "L'irrésistible ascension du haut représentant pour la PESC." Politique européenne. Available at: https://www.cairn.info/revue-politique-europeenne-2002-4-page-13.htm

Edler, J. and Andrew J. (2015). "Understanding the emergence of new science and technology policies: Policy entrepreneurship, agenda setting and the development of the European Framework Programme." Research Policy, 44(6): 1252–1265.

Fiott, D. (2013). "The 'TTIP-ing Point': How the Transatlantic Trade and Investment Partnership Could Impact European Defence", The International Spectator: Italian Journal of International Affairs, 48(3) (2013): pp. 15-26.

Gaymard, C. (2014). "Le patrimoine militaire sur la scène urbaine : les processus de reconversion des sites militaires à Metz", Revue Géographique de l'Est [online], 54(3-4) http://rge.revues.org/5330

Gebhard, C. (2009). "The Crisis Management and Planning Directorate: Recalibrating ESDP Planning and Conduct Capacities." CFSP Forum, Vol. 7, No. 4, p.14 ff.

Germond, B. (2011). "The EU's security and the sea: defining a maritime security strategy", European Security, 20(4), 563-584.

Howorth, J. (2004). "The European Draft Constitutional Treaty and the Future of the European Defence Initiative", European Foreign Affairs Review, Vol.9, p.1-26.

Ioannides, I. (2014). "Inside-out and Outside-in: EU Security in the Neighbourhood.", The International Spectator: Italian Journal of International Affairs, 49(1) 2014, 113-132.

Kaunert, C. (2010). "Europol and EU Counterterrorism: International Security Actorness in the External Dimension." Studies in Conflict & Terrorism, 33(7), 652–671.

Kaunert, C. and Leonard, S. (2011). "EU Counterterrorism and the European Neighbourhood Policy: An Appraisal of the Southern Dimension." Terrorism and Political Violence, 23(2), 286-309.

Keukeleire, S. and Raube K. (2013). "The security-development nexus and securitization in the EU's policies towards developing countries." Cambridge Review of International Affairs, 26 (3), 556-572.

Kriszta, K. (2014). "The rehabilitation of former Soviet military sites in Hungary." Hungarian Geographical Bulletin 63 (4), pp. 437–456

Lavallée, C. (2013). "From the Rapid Reaction Mechanism to the Instrument for Stability: The Empowerment of the European Commission in Crisis Response and Conflict Prevention." Journal of Contemporary European Research, 9 (3), 372-389.

Lavallée, C. and Völkel, J. C. (2015). "Military in Mali. The EU's Action against Instability in the Sahel Region." European Foreign Affairs Review, 20 (2).

Léonard, S. (2015). "Border Controls as a Dimension of the European Union's Counter-Terrorism Policy: A Critical Assessment", Intelligence and National Security, 30 (2-3) 2015.

Licata, A. (2015). "Conversion in Italy in the context of the economic crisis and the new conflicts in the Mediterranean region", BICC Policy Brief, Bonn: Bonn International Center for Conversion.

Marangoni, A., Raube, K. (2014). "Virtue or Vice? The Coherence of the EU's External Policies." Revue d'Intégration Européenne / Journal of European Integration, 36 (5), 473-489.

Maria Giulia Amadio Viceré (2014). "European Security and Defence Policy: The First 10 Years 1999–2009." Conflict, Security & Development, 2-12.

Martins,B. O. and Ferreira-Pereira, L. C. (2012). "Stepping inside? CSDP missions and EU counter-terrorism", European Security, 21 (4), 537-556.

Maulny, J-P. (2014) "Towards the Definition of a Strategic European Defence Company", Les notes de l'institut de relations internationals et stratégiques.

Maulny, J-P. and Matelly, S. (2013). Pooling of Defence Research and Development, Les notes de l'institut de relations internationals et stratégiques.

Molas-Gallart, J. (2002). "Coping with Dual-Use: A Challenge for European Research Policy" Journal of Common Market Studies, 40 (1): 155–165.

Nielsen, N. (2014). "EU border surveillance system not helping to save lives." EU Observer, 14 May 2014.

Paradiso, N. "The EU Dual Approach to Security and Space. Twenty Years of European Policy Making", ESPI Report, 45, August 2013.

Rijpma, J. and Vermeulen, M. (2015). "EUROSUR: saving lives or building borders?" European Security, 24(3) 454-472.

Shiriyev, Z. (2013). "Challenges for the EU in the resolution of the Nagorno-Karabakh conflict: An Azerbaijani perspective." EPC Policy Brief, 17 June.

Simão, L. (2013). "Region-building in the Eastern Neighbourhood: Assessing EU Regional Policies in the South Caucasus." East European Politics, 29, 3, 273-288.

Simão, L. (2014) "The EU's Conflict Resolution Policies in the Black Sea Area." Journal of Balkan and Near Eastern Studies, 16, 3, 300-313.

Tardy, T. (2015). "Enabling partners to manage crises – From 'train and equip' to capacity building." EUISS Brief 18, 2015. Available at: www.iss.europa.eu.

Trauner, F. and Carrapiço, H. (2012). "The External Dimension of EU Justice and Home Affairs after the Lisbon Treaty: Analysing the Dynamics of Expansion and Diversification", European Foreign Affairs Review, 17(1/2), 1-18.

Reports and other publications

Anciaux, P. "What are the EU funding opportunities for dual-use projects?" Presentation by Paul Anciaux (European Commission DG-GROW) in Zagreb, 6 May 2015: http://www.ffzg.unizg.hr/international/d/2-EC_Presentation_ESIF-Seminar_Zagreb.pdf (last accessed 6 August 2015)

Austin, M. J. (2011), "Style or Substance? An Analysis of the Major Reforms to CFSP by the Treaty of Lisbon", European Union Law Working Papers, No. 1, 2011, Stanford Law School and University of Vienna Law School, p. 13.

Beraud-Sudreau, L. (2015). "The Extra-EU Defence Exports' Effects on European Armaments Cooperation." Study for the European Parliament (PE549.043).

Biscop, S. and Coelmont, J. (2011) Permanent Structured Cooperation for Effective European Armed Forces, Egmont Institute, Security Policy Brief, No. 9.

Bono, Ricardo G. (2011) 'The organization of the external relation of the European Union in the Treaty of Lisbon', in: Koutrakos, P. (Ed.): The European Union 's external action one year after Lisbon, CLEER Working paper, 2011/3, pp. 13-38, p. 28

Briani, V. and Sartori, N. (2011). "Transatlantic Industrial Policies in the Security Sector, in EU-US Security Strategies: Comparative Scenarios and Recommendations." Issue 3: 156-66 Available at: http://csis.org/files/publication/110614_Conley_EUUSSecurity_WEB.pdf (last accessed 5 August 2015).

Cîrlig, C.-C (2015). "European Defence Cooperation – State of play and thoughts on an EU army." European Parliamentary Research Service, European Parliament Briefing, Briefing March 2015.

Clément, C. (2009). "EUSEC RD Congo.", in Grevi, G., Helly, D., and Keohane, D. [eds.] (2009). ESDP the first ten years. EUISS, 2009.

Cristescu, R. and Matveev, D. (2011). "Peacebuilding and conflict prevention in Moldova: the role of the EU", paper produced for discussion during the EPLO/Civil Society Dialogue Network meeting, Bucharest, 28 June.

Dari, E. et. al. (2012) "CSDP Missions and Operations: Lessons Learned Processes." Directorate-General for External Policies of the Union, Directorate B, Policy Department study, pp. 68-69.

Darnis, J.-P. and Veclani, A.C. (2011). "Space and Security: the Use of Space in the Context of CSDP." November 2011, EXPO/B/SEDE/FWC/2009-01/Lot6/15, 21.

De France, O. and Quain, C. (2014). "Defence spending in the EU", in European Union Institute for Security Studies, EUISS Yearbook of European Security 2014.

Drent, M., Landman, L. and Zandee, D. (2014). "The EU as a Security Provider", Clingendael Report, available   at: http://www.clingendael.nl/sites/default/files/Report_EU_as_a_Security_Provider_december_2014. pdf (last accessed 12 August 2015).

Fiott, D. (2014). "Financing European Defence: Time to Call the European Investment Bank?" Institute for European Studies-VUB Policy Brief 5 (July).

Fiott, D. (2014). "No TTIP-ing Point for European Defence?" EU Institute for Security Studies Policy Alert 19.

Fiott, D. and Prizeman, K. (2013). "The Arms Trade Treaty and the Control of Dual-Use Goods and Technologies." Institute for European Studies Working Paper 1.

Freire, M. R. and Simão, L. (2011). Multilevel Dynamics in the EU's Approach to Preventive Action in Armenia. Brussels: Initiative for Peacebuilding.

Grebe, J. (2013). "Harmonized EU Arms Exports Policies in Times of Austerity? Adherence to the Criteria of the EU Common Position on Arms Exports", BICC Study commissioned by Study commissioned by the Greens/ European Free Alliance in the European Parliament. Available at: https://www.bicc.de/uploads/tx_bicctools/EU_arms_exports_policies.pdf (last accessed 12 August 2015)

Gross, E. (2010). "D.4.2. Systematic report on the value premises and human, ethical consequences of the CFSP/ESDP in the changing environment of border security", Deliverable submitted June 2010 (M27) in fulfillment of requirements of the FP7 Project, Converging and Conflicting Ethical Values in the Internal/External Security Continuum in Europe (INEX).

Helwig, N., Ivan, P. and Kostanyan, H. (2013). The new EU foreign policy architecture: Reviewing the first two years of the EEAS. Brussels: CEPS.

International Crisis Group (2015). Réforme et stratégie sécuritaire en Tunisie, Rapport Moyen Orient/Afrique du Nord, Report, n.161, 23 July 2015.

Konig, N. (2012) Libya: A Wakeup Call for CSDP? Tepsa Brief.

Mackie, J., Frederiksen, J. and Rossini, C. (2004). "Improving ACP-EU Cooperation – Is 'budgetising' the EDF the answer?" ECDPM. Available at: http://ecdpm.org/wp-content/uploads/2013/10/DP-51-Improving-ACP-EU-Cooperation-Budgetising-EDF-2004.pdf

Mawdsley, J (2013). A European Agenda for Security Technology: From Innovation Policy to Export Controls. Brussels: Flemish Peace Institute

Mawdsley, J.(2011). "Towards a Merger of the European Defence and Security Markets?" in Bailes, A. and Depauw, S. [Eds.] The EU defence market: balancing effectiveness with responsibility, Brussels, Flemish Peace Institute: 11-19

Stankiewicz, Rikard et al (2009), Knowledge Dynamics Scoping Paper, https://sandera.portals.mbs.ac.uk/Portals/65/docs/KNOWLEDGE%20Dynamics%20Scoping%20Paper-D2.1.2.pdf (last accessed 12 August 2015)

Van Eekelen, W. and Kurpas, S. (2008) "The Evolution of Flexible Integration in European Defence Policy: Is permanent structured cooperation a leap forward for the Common Defence and Security Policy?" CEPS Working Document No. 296/June 2008, p.7.

Veclani, A.C. et al. (January 2014). "Space, Sovereignty and European Security. Building European Capabiltiies in an Advanced Institutional Framework", January 2014, EXPO/B/SEDE/2012/21.

Wouters, J., De Baere, G., Van Vooren, B., Raube, K., Odermatt, J., Ramopoulos, T., Van den Sanden, T., Tanghe, Y. (2013). The Organisation and Functioning of the European External Action Service: Achievements, Challenges and Opportunities, 93 pp. Brussels: European Parliament, Directorate-General for External Policies of the Union, Directorate B, Policy Department

List of abbreviations

AAs: Association Agreements

ACP: African, Caribbean and Pacific Group of States

ALTHEA: European Union military operation in Bosnia and Herzegovina

AMISOM: African Union Mission in Somalia

APF: Africa Peace Facility

APSA: African Peace and Security Architecture

ASD: the Aerospace and Defense Industry Association of Europe

ATALANTA: The European Union Naval Force Somalia – Operation Atalanta

ATT: Arms Trade Treaty

AU: African Union

BRIDGES: Building Relationships and Interactions to Develop GMES for European Security

BiH: Bosna i Hercegovina

CBRN: Chemical, Biological, Radiological, Nuclear

CCP: Common Commercial Policy

CFIUS: Committee on Foreign Investment in the United States

CFSP: Common Foreign and Security Policy

CIB: Comprehensive Institution-Building

CIMIC: Civil-Military

CISE : Common Information Sharing Environment for the surveillance of the EU maritime domain

CIVCOM: Committee for Civilian Aspects of Crisis Management

CMB: the Crisis Management Board

CMPD: Crisis Management and Planning Department

COEST: Council Working Groups on Eastern Europe and Central Asia

CONCORDIA: European Union Military Operation in the former Yugoslav Republic of Macedonia

COSI: Committee on Internal Security

COSME: Competitiveness of Enterprises and SMEs

COSME: Competitiveness of SMEs

COSMO/SkyMed: Constellation of small Satellites for the Mediterranean basin Observation

CPCC: Civilian Planning and Conduct Capability

CROC: Crisis Response and Operational Coordination Department

CRS: EEAS Crisis Response System

CSDP: Common Security and Defence Policy

CSO: Civil Society Organisations

CSTO: Collective Security Treaty Organisation

CT: Counter-Terrorism

CapTechs: Capability Technology Areas

DCFTA: Deep and Comprehensive Free Trade Area

DCI: Development Cooperation Instrument

DDR: Disarmament, Demobilisation, and Reintegration

DEVCO: DG Development and Cooperation

DG: Directorate-General

DRIVER: Driving Innovation in crisis management for European Resilience

EAR: European Agency for Reconstruction

EC: European Commission

ECAP: European Capabilities Action Plan

ECHO: DG Humanitarian Aid and Civil Protection

EDA: European Defence Agency

EDF: European Development Fund

EDTIB: European Defence Technological and Industrial Base

EEAS: European External Action Service

EFC: European Framework Cooperation

EFG: Equity Facility for Growth

EIB: European Investment Bank

EIDHR: European Instrument for Democracy and Human Rights

EIF: European Investment Fund

EMP: Euro-Mediterranean Partnership

ENI: European Neighbourhood Instrument

ENP: European Neighbourhood Policy

ENPARD: the European Neighbourhood Programme for Agriculture and Rural Development

ENPI: European Neighbourhood and Partnership Instrument

EP: European Parliament

ERDF: European Regional Development Fund

ESA: European Space Agency

ESDP: European Security and Defence Policy

ESF: European Social Fund

ESIF: European Structural and Investment Funds

ESP: European Space Policy

ESS: European Security Strategy

EU NAVFOR Atalanta

EU: European Union

EUAM Ukraine: EU Advisory Mission to Ukraine

EUBAM: EU Border Assistance Mission

EUCAP: the European Union CSDP mission

EUCAP SAHEL Niger: the European Union CSDP mission in Niger

EUCISE: EU Common Information Sharing Environment for Maritime Surveillance in Europe

EUFOR: European Union Force

EUJUST THEMIS: EU Rule of Law Mission to Georgia

EULEX: EU Rule of Law Mission

EUMC: EU Military Committee

EUMM: EU Monitoring Mission

EUMS: EU Military Staff

EUNAVFOR Med: EU Naval Force Mediterranean

EUNAVFOR: EU Naval Force

EUPOL COPPS: EU Coordinating Office for Palestinian Police Support

EUPOL: European Union Police Mission

EUROSUR: European Border Surveillance System

EUSEC: European Union mission to provide advice and assistance for security sector reform (in the Democratic Republic of the Congo)

EUSR: EU Special Representative

EUSSR: EU mission in support of the Security Sector Reform

EUTM: EU Training Mission

EaP: Eastern Partnership

Europol: European Police Office

FDIs: Foreign Direct Investments

FP7: the Seventh Framework Program for Research and Technological Development

FPI: Foreign Policy Instruments Service

FRONTEX: European Agency for the Management of Operational Cooperation at the External Borders of the Member States of the European Union

FTAs: Free Trade Agreements

FYROM: former Yugoslav Republic of Macedonia in 2003

GAMM: EU's Global Approach to Migration and Mobility

GDP: Gross Domestic Product

GMES: Global Monitoring for Environment and Security

GPS: Global Positioning System

GROW: DG on enterprise and industry

HQs: Headquarters

HR/VP: High Representative/Vice-President

HR: High Representative

ICT: Information and Communication Technology

IcSP: Instrument contributing to Stability and Peace

IDPs: Internally Displaced Persons

IPA: Instrument for Pre-accession Assistance

IPR: Intellectual Property Rights

ITA: WTO's Information Technology Agreement

ITAR: International Traffic in Arms Regulation

IfS: Instrument for Stability

JAIEX: Council Working Group on JHA External Relations

JFD: Joint Framework document

JHA Council: Justice and Home Affairs Council

JIP: Joint Investment Programme

KETs: key enabling technologies

MARSUR: Maritime Surveillance project

MINURCAT: United Nations Mission in the Central African Republic and Chad

MS: Member States

MUSIS: Multinational Space-based Imaging System

MaMa: Mashreq/Maghreb

MoU: Memorandum of Understanding

NATO: North Atlantic Treaty Organisation

NGO: Nongovernmental Organization

OCHA: UN Office for the Coordination of Humanitarian Affairs

ODA: Official Development Assistance

OPCW: Organisation for the Prohibition of Chemical Weapons

OSCE: Organisation for Security and Cooperation in Europe

PASR: Preparatory Action on the enhancement of the European industrial potential in the field of Security Research

PAS : programme d'accompagnement pour la stabilisation

PEA: Political Economy Analysis

PFCA: Political Framework for Crisis Approach

PRS: Public Regulated Service

PSC: Political and Security Committee

R&D: Research and Development

R&T: Research and Technology

RIS3: Research and Innovation Smart Specialisation Strategy

SAR: Search and Rescue

SMEs: Small and Medium-sized Enterprises

SPRING: Support to Partnership, Reform and Inclusive Growth

SSR: Security Sector Reform

SUP: Societas Unius Personae

SatCen: European Union Satellite Centre

SeaBILLA: Sea Border Surveillance

SitRoom: the Situation Room

TEC: EC Treaty

TEU: Treaty of the European Union

TFEU: Treaty on the Functioning of the European Union

TPP: Trans-Pacific Partnership

TTIP: Transatlantic Trade and Investment Partnership

UN: United Nations

UNDOF: UN Disengagement Observer Force

UNODC: United Nations Office on Drugs and Crime

UNSMIS: United Nations Supervision Mission in Syria

US: United States

UfM: Union for the Mediterranean

WEU: Western European Union

WTO: World Trade Organisation

DIRECTORATE-GENERAL FOR EXTERNAL POLICIES

POLICY DEPARTMENT

Role

Policy departments are research units that provide specialised advice
to committees, inter-parliamentary delegations and other parliamentary bodies.

Policy Areas

Foreign Affairs

Human Rights

Security and Defence

Development

International Trade

Documents

Visit the European Parliament website:
http://www.europarl.europa.eu/supporting-analyses

Publications Office