Remarks by the EEAS Deputy Secretary General Charles Fries

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War in Ukraine: Implications for the EU in the upcoming years (implementation of the Strategic Compass, defence capabilities etc)

- Je suis heureux d'être parmi vous ce matin au Quai d'Orsay et d'y retrouver de nombreux collègues et surtout amis. Merci à l'EU ISS et à la Présidence française d'avoir organisé une telle conférence sur ce sujet majeur, puisque nous allons aborder les implications pour l'Union européenne de l'agression russe en Ukraine et plus particulièrement ce matin, ses conséquences pour la sécurité et la défense de l'UE.
- I would like to make 3 main remarks:
- First, the Russian aggression against Ukraine has obviously a tremendous impact on EU's security and

defence agenda. EU Heads of States and Government spoke of a 'tectonic shift' in European history – this is particularly the case for the European security landscape.

- We saw very concrete implications of this shift at the level of EU Member States. Here, I have in mind Sweden and Finland's application for NATO membership; the positive outcome of Denmark's referendum on the abolition of its defence opt-out; or Germany's plan to beef up its military with a 100 Bn EUR package. All those breakthroughs were inconceivable before the 24th of February.
- At the level of the EU itself, Russia's aggression was also a wake-up call. And a brutal one. High Representative Borrell had warned last year, before the war, that Europe was in danger. He had called on EU leaders to invest more in our collective capacity to act. We know indeed that for too long, the main missing element in the EU security and defence had been the lack of political will. Now, we see clear evidence of a new

political will for urgent action. Let me give you two examples.

- Take the adoption of the Strategic Compass at the end of March. As you know, this document is the result of two years of hard work – and we were entering the last weeks of the negotiations when the Russian invasion started. It is clear that the invasion injected a sense of urgency in the debate.
- For the first time, we qualified Russia as a 'long-term and direct threat for European security' in the Compass. We decided to step up our efforts in defence investment and spending; to do more in countering hybrid and cyber threats; to boost military mobility to make sure our forces can move quickly and efficiently from Western to Eastern Europe.
- But the Compass goes also beyond our response to Russia's war in Ukraine and has a much larger geographic coverage (for instance Africa or the

Indopacific): for the first time, with the Compass, the 27 Member States agreed on a strategic document that has a 5 to 10 years horizon, and that covers the entire security and defence agenda.

- Second example of this new political will: the use of the European Peace Facility for Ukraine. Let us be honest: when the EPF was launched in 2021, nobody could have imagined that we would use it to respond to a war on European soil. And yet, it took us only few hours after the invasion to create a mechanism to finance massive military support for Ukraine. So far, 2 Bn EUR have been committed to Ukraine. And breaking a taboo, we are now delivering for the first time lethal assistance.
- This mechanism works very well: we have clear evidence that the EPF has been a powerful incentive to deliver more and quicker, in line with Ukrainian priorities. In the first weeks of the invasion, most funding requests were related to the delivery of anti-tank and air defence systems. Since the conflict has shifted to a war of attrition, the nature of the EU support under the EPF has

evolved as well, with the delivery of tanks, artillery and relevant ammunition.

- What is now at stake is to sustain our support to Ukraine but at the same time to preserve our level of ambition in other parts of the world, particularly in Africa. A decision on the EPF budget is urgently needed. A proposal on the table is that any new tranche for Ukraine could be compensated by increasing the EPF ceiling by the same amount. This political and financial issue needs to be discussed with Member States in the coming weeks.
- To conclude on that point: the adoption of the Compass, the use of the EPF in Ukraine demonstrate a new political will to move forward in terms of EU security and defence. Russia's war in Ukraine acted as a real game changer. But let us be lucid: this war also highlighted the magnitude of our needs.
- This leads me to my second remark, where I would like to focus on our weaknesses and dependencies.

- When it comes to security and defence, we all know indeed that EU Member States have underinvested in defence capabilities and military research, and that they have largely spent inefficiently – meaning: in a fragmented manner.
- In the last 20 years, EU combined defence spending increased by only 20%, compared to 66% for the United States, almost 300% for Russia and 600% for China. In 2021, only 8% of our defence procurement was invested in a collaborative manner far below the 35% benchmark agreed by Member States within the European Defence Agency. This means that 92% of defence procurement were made last year on a purely national basis. This means fragmentation and waste of resources.
- Indeed, this underspending and this lack of collaboration are costing EU countries tens of billions EUR because

they lead to redundant spending. While the US have 1 main battle tank, we operate 16 different types in Europe. While the US have 4 battle ships, we operate 30 different types of corvettes, frigates and destroyers. Is it efficient? Does it make us stronger? I am not sure... Collectively, EU Member States invest 4 times more than Russia in defence. Are they 4 times more efficient?

- So, that is why, in the Compass, we had a fresh look at our defence investment gaps and at ways to strengthen the European industrial and technological base badly hit by the financial eurocrisis of 2008 and subsequent budget cuts. We knew that it was time to revise military doctrines, rebalance the model of expeditionary forces with the return of high intensity conflict in Europe and build new capabilities accordingly.
- But today, the most important and immediate problem is very practical: we need to **refill our stocks** depleted by massive transfers of military equipment and ammunition to Ukraine. To do this right, we have to buy together, as

we did with the vaccines and as we want to do with the gas.

- This is why EU Leaders discussed at their Council
 meeting last week a set of proposals put forward by High
 Representative Borrell and the Commission, to
 replenish stockpiles. This includes launching an
 instrument to reinforce European defence industrial
 capabilities through joint procurement in the short term,
 and moving towards more strategic EU defence
 programming.
- The war in Ukraine also highlighted that we need to move much faster to address new threats, including in the cyber space, as well as disinformation.
- We should not underestimate some important decisions made recently: last month, we publicly attributed to Russia the cyber-attack against the satellite network KA-SAT. This was the first time ever we attributed a cyberattack to a country. Another example: in March, the

European Court of Justice confirmed the Council's decision to suspend the broadcasting of Sputnik and Russia Today in the EU.

- So, we are moving forward, but much work is still to be done if we want to strengthen our ability to detect and respond to those new challenges. This is what is at stake with the creation of new instruments to address hybrid threats including foreign information manipulation and interference. We are working on all that in Brussels.
- Third and final remark: where do we stand now with the Strategic Compass?
- Against the backdrop of the Russian invasion, it is crucial to move fast on implementation. 51 of the 81 actions listed in the Compass need to be implemented by the end of 2022.
- Let me focus on two of them. At the last Foreign Affairs
 Council in May, Defence Ministers discussed how to

make our **CSDP military missions** more effective, as well as the creation of an EU **Rapid Deployment Capacity**.

- On the first point, our military missions operate in theatres where our partners are more demanding, and our competitors more aggressive. We all know for instance that Wagner is posing direct threats to our presence in the Central African Republic and in Mali.
- In response, our military missions need to become more agile and robust and address our partners' priority needs, namely train / equip / advise / mentor in coordination with the delivery of military equipment under the EPF. Our missions should also be able to conduct executive tasks such as combat accompaniment. This is what is at stake in the Sahel region and the Gulf of Guinea more generally and that is what we are currently discussing with EU Member States in Brussels.

- Secondly, the EU Rapid Deployment Capacity.
 Obviously, the Russian aggression has not changed the concept or reduced the relevance of this tool: I would like to recall that this RDC is not an instrument of collective defence, but of crisis management outside of the EU. With up to 5,000 military, the RDC will be used for example to rescue and evacuate EU citizens, or for stabilisation missions in hostile environments.
- To make sure that the RDC is functioning by 2025, the Council will adopt operational scenarios at the end of this year and we will conduct first live exercises at EU level in 2023.
- To conclude: I hope that my remarks bring strong evidence that the time to push forward European defence and address the capability gaps is now. And that what we are doing for ourselves is also good for NATO.

- This is my last point: throughout this crisis, EU and NATO have demonstrated total political unity and complementarity.
- NATO has demonstrated its irreplaceable role by strengthening collective defence on Europe's Eastern flank. And on the EU side, we have adopted massive sanctions against Russia, we have isolated and held Russia to account, and in parallel, we have provided an unprecedented support package to Ukraine, including economic and humanitarian aid, but also military support.
- The Strategic Compass includes 30 references to NATO.
 The Strategic Concept which NATO will adopt at the end of this month in Madrid should underline the importance of our partnership also illustrated by the fact that for the first time, NATO and EU leaders will join for a Transatlantic Dinner at the same Summit.

- Russia's intention was to divide us. But it has achieved the exact opposite: NATO and EU have never been so aware of their respective advantages, committed to working together and firmly united.
- Thank you for your attention.