



# The CARD on the EU defence table

by Daniel Fiott

In the 14 November 2016 Council conclusions, member states recognised that there was a need to ‘deepen defence cooperation and ensure more optimal use, including coherence, of defence spending plans’. Although the European Defence Agency (EDA) has been working towards these objectives since 2004, a more ‘structured way to deliver identified capabilities based on greater transparency, political visibility and commitment from Member States’ is still required. If the EU Global Strategy (EUGS) called for the ‘gradual synchronisation and mutual adaptation of national defence planning cycles and capability development practices’, the coordinated annual review on defence (‘CARD’) announced at the end of 2016 is the mechanism designed to meet these objectives. The High Representative/Vice-President (HR/VP) is expected to deliver proposals for the CARD in June 2017, with a view to fully establishing the annual review by the end of the year. Accordingly, it is worth reflecting on whether and especially how CARD can change the way defence cooperation operates in Europe.

## Reshuffling the deck?

Along with the Military Planning and Conduct Capability (MPCC), the European Defence Fund and the prospect of Permanent Structured Cooperation (PeSCo), CARD emerges at a time when member states are seeking to build on the momentum of European defence started in June 2016 with the publication of the EUGS. Initially conceived as a ‘European semester on defence’, CARD is designed to ensure that individual national defence plans are coordinated at the EU

level. As the ‘CARD secretariat’, the EDA will be expected to report to EU defence ministers on a biennial basis. However, CARD will be a voluntary – member state-driven – mechanism. As the Council conclusions of 6 March 2017 make clear, CARD will not entail a one-size-fits-all approach to defence planning but provide ‘a better overview at EU level of issues such as defence spending and national investment as well as defence research efforts.’

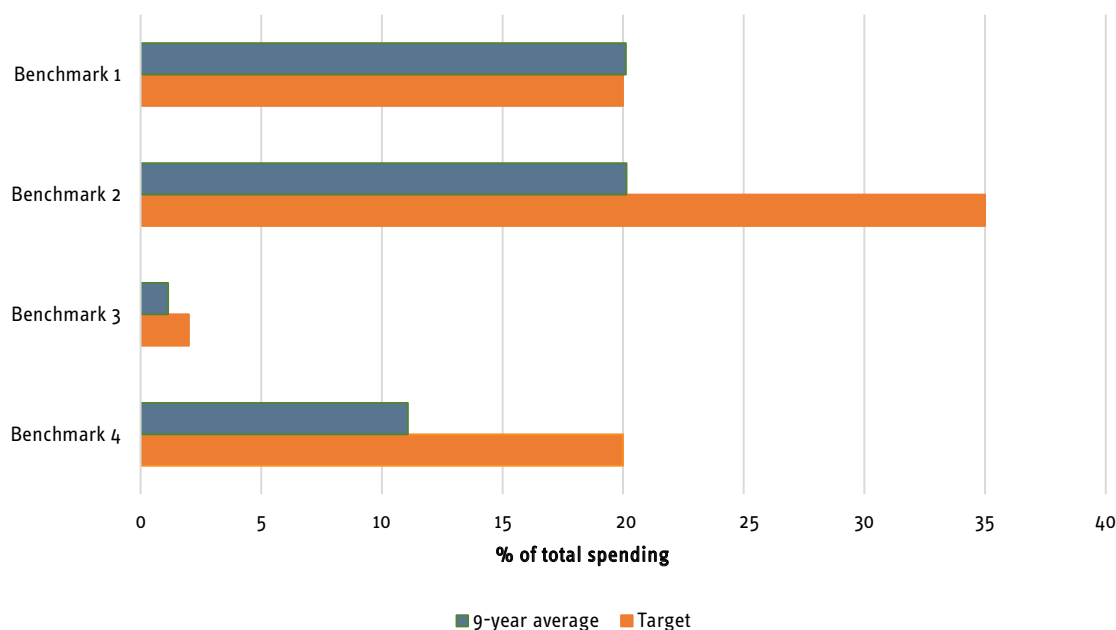
Understandably, the norm has been for member states to plan for their defence on a national basis. But this has made overall planning for defence difficult due to sometimes duplicative and costly spending priorities, capability development plans, procurement decisions and budgetary timelines. Therefore, CARD could provide a valuable *ex-ante* and *ex-post* assessment of national defence plans that seizes on avenues for cooperation that may arise when assessing national defence plans together. With greater transparency, it could be possible to mutually identify capability development and defence research priorities. It is exactly this approach that could be invaluable for the 2018 Capability Development Plan (CDP) process.

## A joker in the pack?

Given the ambitious nature of CARD, several questions pertain to the scope of the initiative. One major challenge could be maintaining the willingness of member states to share national defence plans with one another. Member states see CARD as a light bureaucratic exercise but it is also a voluntary process, and so it will



## EDA defence benchmarks average vs. target 2007-2014



Data source: European Defence Agency, 2016

be interesting to observe how CARD could stimulate defence cooperation beyond what has already been achieved on a voluntary basis at the EU level. In this regard, it is worth asking whether a continuation of a voluntary approach can meet today's demands for a more credible European defence.

It is perhaps instructive to measure how well existing voluntary initiatives have fared. For example, the participating member states of the EDA have not generally lived up to the four voluntary and collective defence benchmarks set in 2007 when member states agreed to invest: 1) 20% of total collective defence spending on equipment procurement, including defence research and development (R&D) and research and technology (R&T); 2) 35% of total equipment spending on European collaborative equipment procurement; 3) 2% of total defence spending on defence R&T; and 4) 20% of total defence R&T spending on European collaborative defence R&T. Yet as an average of spending over the 2007-2014 period, EU member states have only *just* about been able to achieve collective benchmark 1 on equipment procurement. Therefore, a challenge is whether CARD can move beyond collective targets to more focused individual assessments.

### Pick a card...

Beyond the specific modalities of CARD, however, one issue is how to ensure complementarity between CARD and NATO's Defence Planning Process (NDPP). The NDPP seeks to harmonise the national defence plans of allies through a voluntary review process designed to identify capabilities required by NATO for

specific capability domains such as forces, logistics, missile defence, intelligence, etc. Although CARD is seen as a mechanism to prepare the ground for the 2018 CDP process, one of the promising aspects of CARD is that it could link a more immediate assessment of defence planning in the EU (to be conducted every two years) with the CDP's focus on longer-term capability needs and operational assumptions (the next planning period runs from 2018 to 2025). It should not be forgotten that the EDA has an opportunity to learn from the successes and challenges of the NATO review system.

Finally, it should be recalled that CARD is not the only defence initiative currently being developed at the EU level. As the Council concluded in March 2017, although CARD is a standalone initiative, there is a 'need to reflect on the possible links between PESCO and the CARD' and that 'the work on CARD should be undertaken in coherence with the implementation of the European Defence Action Plan'. Certainly one possible instance to consider is how *voluntary* CARD would remain should a group of member states decide to trigger Article 46 of the Treaty on European Union (TEU) on PeSCo – thus bringing defence cooperation more firmly under the EU treaties. Another question to ask is how can CARD and the 'capability window' proposed in the European Commission's defence fund complement one another. As a suit of initiatives, the CARD, the defence fund and PeSCo could – individually or together – deal a strong hand for European defence.

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