European defence collaboration

Back to the future

by Jan Joel Andersson

The idea of European defence collaboration dates back to the very beginning of integration efforts in Europe at the start of the Cold War. In parallel with the emerging European Coal and Steel Community, the French Prime Minister René Pleven called in October 1950 for a European Defence Community (EDC) and the creation of a European army under supranational authority and funded by a common European budget. This European army, supported by a European armament and equipment programme, would be placed under the authority of a European defence minister who, in turn, would operate under a European Defence Council. In May 1952, the EDC treaty was signed by Belgium, France, West Germany, Italy, Luxembourg and the Netherlands, and supported by the UK and the US. However, this ambitious plan unravelled when the French National Assembly unexpectedly rejected the EDC Treaty in August 1954. European defence collaboration continued but in less ambitious forms and primarily within the framework of NATO.

With the EU facing increasingly hostile environments to its east and south, defence collaboration is once again back at the centre of European integration efforts. In December 2013, the European Council held a debate on defence for the first time since the entry into force of the Lisbon Treaty. In its conclusions, the European Council identified priorities for stronger cooperation: improving EU rapid response capabilities, enhancing the development of military capabilities, and bolstering Europe's defence industry. After decades of defence cutbacks across the continent, there are a growing number of shortfalls in European military capabilities.

A recent EU report identified some 40 capability shortfalls, of which more than a dozen are considered critical enough to have an adverse impact on the ability of European forces to deploy to theatres and to cause delays in the initial phases of an operation. While some progress is being made at the EU level on strategic enablers such as remotely piloted aircraft systems (RPAS), air-to-air-refuelling (AAR), satellite communications and cyber defence, the EU is now seeking to further intensify defence collaboration as a means of acquiring the necessary military capabilities to foster security in its neighbourhood and beyond.

Why not more?

The problem is that there seems to be less European defence collaboration today than ten or twenty years ago. One explanation for this is that there are fewer major defence industrial projects in Europe than before. European defence collaboration in the

1960s and 1970s was driven to a large extent by big bilateral or trilateral armaments projects which brought together primarily the British, French, German and Italian defence industries in various constellations. These projects led to the creation of a series of European armaments systems such as the Franco-German Milan, Hot and Roland missiles and Alpha Jet trainer/light attack aircraft as well as the Anglo-French Jaguar strike aircraft.

These bilateral projects were then followed by multilateral projects such as the Tornado strike-fighter (Germany-Italy-UK) in the 1970s and 1980s and the Typhoon combat aircraft (German-Italy- Spain-UK) in the 1980s and 1990s. These European armaments projects led, in turn, to greater collaboration on the management of armaments procurement by European governments and the creation of European armaments bodies such as the Independent European Programme Group (IEPG) in 1976, the *Organisation conjointe de coopération en matière d'armement* (OCCAR) in 1996 and the West European Armaments Group (WEAG) in 2000.

Another effort to increase European armaments collaboration was the signing of a Letter of Intent (LoI) in 1998 by six of the leading defence industry countries in Europe (France, Germany, Italy, Spain, Sweden and the UK), which sought to facilitate the restructuring of the European defence industry. This was then followed in 2000 by a Framework Agreement signed by the same six countries on topics such as security of supply, export procedures, research and technology and the harmonisation of military requirements.

These top-down driven bilateral and multilateral armaments programmes led to greater cooperation between, sometimes reluctant, national industries and militaries. They also facilitated the restructuring and eventual merger of defence industries at both national and European levels. Several of today's leading European defence companies, among them aerospace giant Airbus (formerly EADS) and missile developer MBDA, are the result of cross-border mergers of national defence companies collaborating on European armaments programmes.

However, many of the collaborative projects initiated during the Cold War are now coming to an end. And with little prospect of increased defence funding, European industry is increasingly turning to non-European partners in North America, Asia and Latin America for future production. Moreover, the competing industrial interests of European firms and diverging views on the role of defence exports of European governments have further complicated defence industry collaboration – as the failed 2012 merger attempt between defence giants BAE Systems and EADS demonstrated.

Bottom-up

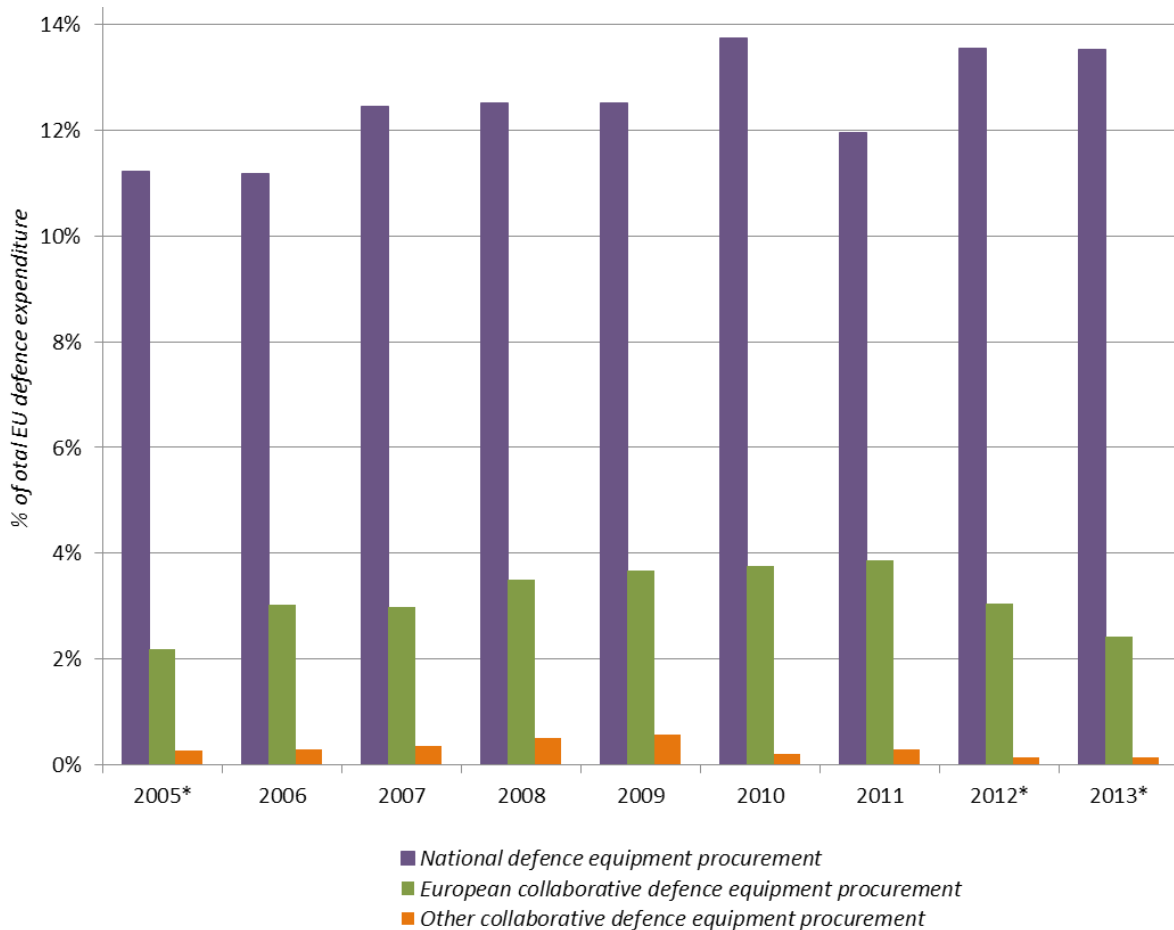
Nevertheless, European defence collaboration does exist. Earlier efforts often took the form of top-down and defence industry-focused processes requiring elaborate administrative procedures at the highest levels of government. Today, many European defence collaboration efforts are bottom-up and demand-driven affairs in bilateral or minilateral formats. Collaboration now takes place in many different, innovative forms ranging from cross-border training and education to the pooling of spare parts and ammunition and air-to-air refuelling aircraft.

Repeated defence cuts have forced many countries across Europe to reduce their armed forces to the point where they are no longer able to operate or even train independently. These national defence cuts, in combination with two decades of experience from cooperation in European operations from the Western Balkans to Southeast Asia, have led to the emergence of scattered islands of defence collaboration across Europe. Like-minded states increasingly cooperate in various clusters to attain the minimum critical mass necessary to maintain key defence capabilities.

Memberships are often overlapping: the three Baltic republics, for example, collaborate through a jointly-operated Baltic Defence College, and the four countries in the Visegrad Group have committed to jointly set up and maintain a European Battlegroup on a permanent basis. Sweden and Spain send helicopter pilots to Germany for their basic flying training, and the Nordic countries grant each other access to respective airspaces to conduct weekly joint air force exercises.

The most ambitious forms of collaboration are, however, often bilateral in nature. Perhaps the best known example is the long-standing Belgian-Dutch integration of their respective navies under a joint naval command. Belgian-Dutch cooperation also includes Luxembourg (BENELUX) and is currently being extended with the aim to have a fully integrated BENELUX air force by the end of the decade. The 2010 Lancaster House agreements between France and the United Kingdom not only envisions a Franco-British combined joint expeditionary task force but also close collaboration on nuclear stockpile issues and defence industrial matters.

The Netherlands and Germany are also working closely together. In May 2013, the defence ministers



Source: EDA Defence Data 2005 and 2013 - *Data does not include Denmark *2006-2012 data does not include Croatia

*2005 data is based on EU24 *2012 and 2013 data is partial, as several member states were unable to provide data

of the two countries signed a declaration of intent to raise their defence cooperation to an 'unprecedented level of integration' through the harmonisation of requirements, procedures, education and training. Another two countries committed to deepening their already close defence cooperation are Finland and Sweden: in early 2015, political leaders in both countries went as far as to say that a formal Finnish-Swedish defence alliance – including operational defence planning – may emerge in the future.

Other forms of bottom-up, demand-driven bilateral or mini-lateral defence collaboration can be found in user-groups of commonly-used weapon systems. For example, Germany, the Netherlands, Sweden, and Switzerland collaborated and shared costs in a joint project to improve the mine protection of the KMW Leopard 2 main battle tank used by their respective armies. Similarly, the Czech Republic, Hungary and Sweden operate the Saab Gripen fighter jet, and all three participate (together with South Africa and Thailand) in the 'Gripen User Group'. The group shares information on operational, maintenance, logistic and security issues related to the use of the aircraft, and collaborates on joint training programmes and the stocking of spare parts.

Another example is the joint procurement of ammunition for the Carl-Gustav anti-tank system operated by Estonia, Latvia, Lithuania, the Czech Republic, and Poland. By pooling their demand for ammunition and employing the European Defence Agency (EDA) as the central purchasing body, the five countries were able to sign a multi-annual framework agreement to take advantage of economies of scale.

Scattered islands to integrated archipelago

Today, there is no shortage of European defence collaboration initiatives. According to one recent study commissioned by the European Parliament, there were nearly 400 ongoing military cooperation projects in Europe in early 2015. Defence budget cuts and ever increasing costs leave few alternatives to greater collaboration for European militaries.

However, the fragmented manner and slow pace in which much of this is taking place means that the fundamental lack of key European capabilities is not being adequately addressed. The challenge is to unite these scattered islands to form a coherent and mutually supportive European archipelago of defence.

Many of the existing defence collaboration programmes work along traditional lines of *ad-hoc* projects and draw on pre-existing bilateral or regional political cooperation and geographical proximity. While many bilateral defence cooperation projects can be deemed quite successful, only European-wide solutions can address major capability shortfalls in areas such as strategic lift and satellite communications. To fundamentally change the game of European defence collaboration will therefore require EU member states to move beyond the current *modus operandi* and adopt a more systematic and European-wide approach.

There are a number of major defence collaborative programmes which demonstrate that this process is already underway. For example, the sharing of European air power capabilities allows for the better use of existing defence resources in Europe. With Estonia, Latvia and Lithuania lacking air forces of their own, NATO-member states have patrolled their air space with combat aircraft since 2004 on a rotational basis. Air policing is also being provided to Albania, Iceland and Slovenia by other European NATO-member states, again sharing existing resources.

Another example of a successful European-wide approach is the pooling of the transport and air-to-air refuelling aircraft of seven European countries (Belgium, France, Germany, Italy, Luxembourg, the Netherlands, and Spain) under the operational control of the European Air Transport Command (EATC) in the Netherlands. Originally set up in 2010, the EATC now manages the missions of almost 200 aircraft across Europe. In addition, the EATC organises aircrew training and the harmonisation of air transport regulations of the participating nations. By pooling their transport and tanker assets, the participating countries can manage these scarce resources effectively and efficiently.

A third major example is the multinational Heavy Airlift Wing (HAW) based in Hungary. Without the resources to acquire heavy transport aircraft on their own, 11 European countries (Bulgaria, Estonia, Finland, Hungary, Lithuania, the Netherlands, Norway, Poland, Romania, Slovenia, and Sweden) and the US signed a memorandum of understanding (MOU) in September 2008 to jointly procure and operate a fleet of C-17 strategic, long-range transport aircraft for a period of at least 30 years. Since 2009, the multinational crews and aircraft of the HAW have supported member countries' military and humanitarian transport and training needs, as well as EU, NATO and UN missions in Afghanistan, Libya, Mali, Central Africa, Haiti, and Pakistan.

Best practice for better collaboration

There is wide agreement that further European collaboration on defence is necessary. The EU has developed many tools and procedures to tackle the challenge of increasing European defence capabilities. Among the most significant are the EDA and the EU Military Staff (EUMS) and the two EU directives on defence procurement and intra-EU transfers of defence products. Other notable tools and procedures are the EDA's *Capability Development Plan and Code of Conduct on Pooling & Sharing*, as well as current efforts to craft a preparatory action for EU funding of CSDP-related research.

While the majority of European defence collaboration projects are managed by the member states, the EDA supports nearly 60 projects related to pooling and sharing. However, many of these projects are comparatively small and often deal with technical, regulatory or industrial market issues rather than large-scale programmes which directly enhance military capabilities. Among the exceptions is the Multi Role Tanker-Transport (MRTT) programme through which the EDA is supporting the procurement of four Airbus 330 MRTTs to be jointly owned and operated by the Netherlands, Norway and Poland, and placed under the command of the EATC in Eindhoven. Although only three countries are currently part of the MRTT programme, other countries have expressed interest and may join at a later stage.

Progress on European defence collaboration has been made, but much more needs to be done and at a much faster pace if Europe is to maintain its strategic autonomy in the future. As the MRTT programme illustrates, opportunities exist, but more countries need to join in and with higher levels of ambition. For European defence collaboration to truly succeed, *all* EU member states will be required to step up to the mark.

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