

Towards a Strategic Compass: Where is the EU heading on security and defence?

EVENT REPORT

Over the past four years, much has been said and written about the EU as a security and defence actor. New and old concepts have been given life and renewed meaning as the EU has developed a range of initiatives designed to enhance its ability to act in a more dangerous world. The Union has developed mechanisms such as Permanent Structured Cooperation (PESCO) and the European Defence Fund (EDF) to help it coherently plan for and invest in defence capabilities. New operational tools have been put in place to bring strategic coherence to EU missions and operations too.

For all of the energy put into these initiatives over the past four years, however, fundamental questions continue to face the EU as it strives to ensure that it can be taken as a credible defence actor and partner. Enter the Strategic Compass and its promise to bring clarity to the threats the EU should respond to, detail what actions the Union should prepare for and what means it requires to meet these objectives. Given the turbulence of the past few years and the strategic challenges confronting the EU, the Compass arrives at an opportune time but getting the content right is essential for EU security and defence over the next 5 to 10 years.

Ensuring that the Strategic Compass meets expectations will be a joint EU endeavour. To this end, on 18 December 2020, the EU Institute for Security Studies (EUISS) and the Direction générale des relations internationales et de la stratégie (DGRIS) co-organised an online event on EU security and defence. The event welcomed around 50 participants from governments, EU institutions and think tanks. The aim of the seminar was to take stock of the progress made on the Strategic Compass under the German Presidency of the Council of the EU and to assess the challenges and priorities that will need to be addressed during 2021. This report summarises the main points made during the meeting.

The Strategic Compass should bring clarity to EU security and defence

The Strategic Compass should give new impetus to the difference security and defence initiatives the EU has launched since 2016, provide a coherent framework for these initiatives and to identify linkages between them and update the EU's understanding of its security environment and strategic objectives. The Compass should be the definitive guide to EU security and defence and not give way to the need for further follow on documents or processes, although there could be scope to intermittently revise the Compass every five years or so. Importantly, it is necessary to set realistic expectations and not expect the Compass to deal with every issue related to EU security and defence. It is worth recalling that the Compass is effectively attempting to deal with cross-cutting challenges that have effected EU security and defence for more than two decades. Political ownership, financial

resources and commitments to force generation processes will therefore continue to be key irrespective of the Compass.

More generally, one of the fundamental markers of success will be how far EU member states buy into the Strategic Compass process and the concrete objectives they will eventually agree. In this sense, it is vital that the Compass is embedded in national defence planning processes and that ministries of defence across the EU have a sense of ownership. In order to encourage commitment to objectives over the longer-term, it may be necessary to set specific timelines and to ensure that EU member states commonly adhere to them. Processes and tools like the Capability Development Plan (CDP), PESCO, the EDF and the Coordinated Annual Review on Defence (CARD) could assist in this regard. This calls for close cooperation between EU institutions, bodies and member states across all four baskets of the Compass. Ultimately, it is up to the member states to ensure that expectations in EU security and defence are met with political will, resources and capabilities.

Early signs show that member states are committed to the Strategic Compass process. For example, as a foundation for the Compass the Union conducted its first-ever 'threat analysis', which was an intelligence product presented to member states by the EU's Intelligence and Situation Centre (IntCen) in November 2020. The threat analysis was not agreed line-by-line with member states. Despite the fact that the threat analysis made for a sobering account of European security over the next 5 to 10 years, member states have collectively become aware of the threats facing the EU over the next few years. Notwithstanding the remaining strategic differences between member states, the outlook for the EU out to 2030 is marked by a range of threats including more intense geopolitics and rivalry, a fragmentation of multilateralism, climate change, hybrid threats, terrorism, etc. Furthermore, the Covid-19 pandemic is likely to have long-term economic and political effects on the EU that are not entirely clear today. This means that the Strategic Compass should be forward-looking and help the EU anticipate long-term trends and threats.

In terms of the forthcoming Strategic Compass process, there will be two distinct phases over 2021. In the first dialogue phase, the EEAS will work on a scoping paper that will be delivered by the end of February and which will be the basis for informal discussions among EU member states. The discussions should be strategic in nature and focus on setting concrete objectives and timelines for achieving them. Although the main stakeholders in the process are EU member states, there could be scope for dialogue with the European Parliament, think tank representatives, academia and civil society.

In the second phase, the Strategic Compass document will be drafted through a needs-driven approach that uses the threat analysis as the basis for conclusions. Ultimately, the Strategic Compass is expected to link a common strategic picture with concrete and realistic deliverables supported by all member states. Operationalising the Compass with yet another 'action plan' as opposed to concrete actions could be interpreted as the EU's continued inability to act. After the Compass, action rather than documentation is required.

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Rethinking crisis management

Given the geopolitical shifts underway, there is a need for more robust EU operations and missions and a strategic culture to underpin the use of force – ultimately, the Common Security and Defence Policy (CSDP) should be guided by an underlying strategic view. For this to occur, however, the process needs to be based on realistic scenarios about where, how and why the EU might engage with its military and civilian tools over the next 10 years. In particular, there is a need to differentiate between the types of missions and operations the EU *should* be able to undertake and those that it is *actually* willing to pursue.

Crisis management has tended to take on a largely land-based perspective for deployments, but there is a need to also plan for the protection of earth and space-based critical infrastructure, cybersecurity and maritime security. In particular, and given the Union’s trading power, the EU needs to focus on the protection of the global commons and sea lanes of communication (especially undersea cables and energy pipelines). There is a need for more flexible and rapid decision-making processes and mandates, and it may be necessary to rethink the applicability of EU Treaty provisions such as Article 44, as well as for the EU to move past the paradigm of ‘executive’ and ‘non-executive’ mandates.

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Additionally, the work on the crisis management basket should also focus on providing incentives for the EU member states to better engage operationally. The longstanding force generation problem in the EU needs a definitive response. The objective should be to enhance the EU’s operational readiness and responsiveness, but to also assess how the Union plans for and deploys missions and operations. The EU should humbly ask why so many European states prefer to launch military missions and operations outside the framework of the Union. Finally, there will also be a need to ensure that the CSDP can interact with and support other initiatives such as the Coordinated Maritime Presence concept or the European Maritime Awareness in The Strait Hormuz (EMASOH) initiative.

Resilience as a key element of security and defence

The concept of resilience relates to the ability to minimise the disruptive impact of a given event(s) on the functioning of the EU and its member states and citizens. Resilience is not fixed and it undergoes constant adaptation. It is also an extremely broad concept that includes a wide range of military, political, societal, economic and environmental dimensions. Three major implications stem from this interpretation of resilience: first, that the Strategic Compass’ resilience basket has to contend with a broad and constantly evolving concept; second, that resilience of critical infrastructure such as ports, railways and telecommunications rests upon private actors rather than member states; and third, that any strategy to enhance the Union’s resilience in security and defence requires an emphasis on civil and societal preparedness. The second point requires a comprehensive strategy for critical infrastructure protection and a partnership between EU institutions, member states and private actors. The third point is not easy to address given that threat perceptions differ across societies in the EU.

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There is a question about how far the EU's mutual assistance and solidarity clauses should be included in the work on the Strategic Compass. One view calls for the EU not to treat territorial defence as a taboo subject, and a discussion between the EU and NATO on the relationship between Article 5 of the Washington Treaty and Article 42.7 of the Treaty on European Union (TEU) should not be avoided. Linking EU-NATO efforts on territorial defence could enhance the European pillar in the Alliance and enhance the EU's overall credibility in security and defence. At the very least, the Strategic Compass should aim to detail how EU instruments and mechanisms can be utilised during an Article 42.7 TEU or Article 222 TFEU crisis situation.

Nevertheless, there is a need to ensure that any objectives agreed under the resilience basket respond to the specific needs of security and defence. Furthermore, there is a need to recognise that relevant issues for the resilience basket such as cybersecurity, hybrid threats and climate change fall under the competence of the European Commission. This underlines the need for close cooperation between the EEAS and Commission, as well as other bodies such as the EDA and other EU agencies.

Capabilities, innovation and future threats

There is a need to think about how the Strategic Compass can streamline the EU capability development process and a target is to ensure that the Compass can help the EU arrive at the development of a full spectrum force package. However, along with capability development priorities comes the need to ensure that the EU has a responsive and capable technological and industrial base. Indeed, the next ten years are likely to witness the rapid development of technologies and this could create new vulnerabilities and opportunities for Europe's armed forces and industries. In particular, the Strategic Compass needs to come to terms with the pace of digitalisation and technological transformation.

It is important during the Strategic Compass process to not neglect cross-cutting capability and industrial areas that have an impact on EU security and defence. Here, it is important to stress cyberdefence and to ensure that EU security and defence is resilient and able to overcome cyber vulnerabilities. Furthermore, space should not be ignored as a key strategic enabler for EU security and defence. New initiatives under the EU's space programme and the European Commission's work on civil, defence and space industrial synergies can feed into the Strategic Compass reflection process. Finally, the industrial and technological dimension is critical for the EU's strategic autonomy and to ensuring that Europe's economy can recover and innovate after the Covid-19 pandemic is over.

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Partnerships for a geopolitical future

Close EU and NATO cooperation will be important. While the EU and NATO already enjoy a strong commitment to cooperation at the staff level, however, there is a recognition that the parallel processes underway should be coordinated as far as possible. Nevertheless, it is important to underline that the Strategic Compass and NATO 2030 process are different in nature and each process should respect the decision-making autonomy of each organisation.

Aside from EU-NATO cooperation, there is scope for the EU to engage directly with the new US administration and work towards a renewed EU-US dialogue on security and defence. The EU's recently published Joint Communication on a 'New EU-US Agenda for Global Change' is a good basis for discussion, but there is a need to recognise that the US-EU relationship has changed over the past four years and there will not likely be a 'return to normal'. The EU needs to take a more active role in security and defence, as this is a core way of enhancing the transatlantic relationship and the EU's strategic autonomy.

More generally, there is a need for the EU to reflect on the different types of partners it has in security and defence. The Strategic Compass offers an opportunity to take stock of what each current strategic partnership delivers and how specific partnerships may be developed in future. While security and defence was not included in the United Kingdom-EU deal in December 2020, there is a need to think about the role of close geographical partners. Furthermore, close non-EU partners such as Canada contribute to CSDP missions and operations and there is thus a need to ensure that the Compass incentivises and reinforces this pattern of cooperation.

New instruments such as the European Peace Facility (EPF) offer the EU an opportunity to enhance its partnerships and capacity building toolbox. The Strategic Compass can provide greater guidance for the EPF and it may also help build the resilience of partners in terms of hybrid threats and cybersecurity. In this respect, the Strategic Compass should help build existing partnerships with the United Nations (UN) and the African Union (AU), as well as sub-regional organisations in Africa and other important regions. Such partnerships can also help boost the Union's own early warning and strategic foresight capacities, as well as offer greater effectiveness in operational terms.

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