



Y·E·S 2014

EUISS YEARBOOK OF EUROPEAN SECURITY

Y·E·S 2014

EUSS YEARBOOK OF EUROPEAN SECURITY

The **European Union Institute for Security Studies (EUISS)** is the Union's agency dealing with the analysis of foreign, security and defence policy issues. The Institute was set up in January 2002 as an autonomous agency under the Common Foreign and Security Policy (CFSP) [Council Joint Action 2001/554, amended by Council Joint Action 2006/1002] to foster a common security culture for the EU, support the elaboration and projection of its foreign policy, and enrich the strategic debate inside and outside Europe. The Institute's core mission is to provide analyses and fora for discussion that can be of use and relevance to the formulation of EU policy. In carrying out that mission, it also acts as an interface between European experts and decision-makers at all levels.

European Union Institute for Security Studies

Director: Antonio Missiroli

ISBN 978-92-9198-237-0

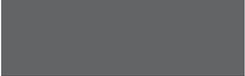
ISSN 2314-9418

QN-AJ-14-001-EN-N

DOI: 10.2815/37950

© European Union Institute for Security Studies, 2014. Reproduction is authorised, provided the source is acknowledged, save where otherwise stated.

Published by the European Union Institute for Security Studies and printed in Condé-sur-Noireau (France) by Corlet Imprimeur. Graphic design by Metropolis, Lisbon.



EUISS Yearbook of European Security

Y·E·S 2014

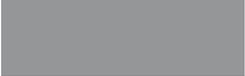
Documents

Facts

Figures

Maps

2013



European Union
Institute for Security Studies

100, avenue de Suffren

75015 Paris

www.iss.europa.eu

ISBN 978-92-9198-237-0

ISSN 2314-9418

QN-AJ-14-001-EN-N

DOI: 10.2815/37950

Contents

| | |
|---|------------|
| Foreword | 3 |
| <i>Antonio Missiroli</i> | |
| Mapping | 5 |
| Arab sprouts: new actors in a new political landscape | 7 |
| <i>Florence Gaub and Dinah Abd El Aziz</i> | |
| Facts and figures | 31 |
| The security policy toolbox | 35 |
| Defence spending in the EU | 95 |
| <i>Olivier de France and Clodagh Quain</i> | |
| Defence R&D in Europe | 113 |
| <i>Daniel Fiott</i> | |
| EU member states' voting at the UN Security Council | 119 |
| EEAS organisational chart | 128 |
| Timeline 2013 | 131 |
| Documents | 137 |
| Defence | 141 |
| Cybersecurity | 241 |
| European External Action Service | 263 |
| America | 291 |
| Africa | 293 |
| Middle East | 295 |
| Asia Pacific | 299 |
| Annex | 301 |
| EUISS 2013 Activities Report | 303 |
| Abbreviations | 327 |
| Contributors | 333 |



Foreword

Following last year's 'pilot' edition and the positive feedback received since, the Institute has decided to continue providing interested readers with a regular comprehensive collection of documents, facts, figures and maps concerning the EU's external action(s) and related policy issues.

This second edition of the *Yearbook of European Security (YES)* intends to build on the experience of last year while enriching the contents by including a more comprehensive survey of the EU 'toolbox' as well as a more targeted analysis of European defence spending. This year's 'mapping' exercise is devoted to identifying and assessing the changes and developments that have occurred in three 'signature' countries (Tunisia, Egypt and Libya) of the so-called 'Arab Spring' at the grassroots level – hence the 'Arab sprouts' label – beyond and besides the twists and turns that have characterised their respective transitions to date. And, finally, *YES 2014* also includes a summary report of the Institute's own activities over the past year.

2013 was a remarkable year for the Union's foreign, security and defence policy. The latter, in particular, concentrated the minds and mobilised the energies of all EU institutional actors in the run-up to the European Council meeting of December focused on 'defence matters' (the Documents section of this volume includes the full reproduction of relevant texts). Furthermore, the issue of cybersecurity gained in saliency and even urgency due to both internal policy developments and external political challenges. For its part, EU diplomacy proved its worth by facilitating both a landmark agreement between Belgrade and Pristina (in the spring) and a preliminary deal between the so-called '3+3' and Tehran on Iran's nuclear programme (in the autumn). Meanwhile, the Union's neighbourhoods have remained a major source of concern, with growing instability in both the South – including our neighbours' neighbours, from Mali to Sudan – and the East, where signs of turmoil started to become apparent well before the end of the year.

2014 will mark the conclusion of the post-Lisbon phase of European integration, characterised by the gradual implementation of the new treaty provisions and the establishment of a new institutional 'system' for the EU's foreign and security policy – both carried out at a time of deep economic crisis inside the Union and rapid political change outside. The information and the analysis contained in this volume (and also in *YES 2013*, which covered the years 2011-12) offer a wide range of elements on which to base an informed assessment of the EU's past record and the current state of play: an assessment which can be of great value to both the outgoing and the incoming EU teams,

as well as to all those (academics, practitioners and observers) with a keen interest in European security.

Acknowledgements

The Institute is indebted to and would like to thank the following people for their invaluable contributions to *YES 2014*: Camille Brugier, Hugo Deveze, Alexandra Laban, Catherine Sheahan, Timo Smit, Jelena Suvorova and in particular Clodagh Quain. Gearóid Cronin and Christian Dietrich have been involved in the making of this volume since its inception and deserve special thanks for their dedication, patience and accuracy. Yet, just like last year's prototype, this edition of the EUISS *Yearbook of European Security* would never have materialised without the competence and professionalism brought by Philip Worré in coordinating the whole team, assembling all the required materials and meeting the usual tight deadlines.

Antonio Missiroli
Paris, May 2014

Mapping



Arab sprouts: new actors in a new political landscape

Florence Gaub and Dinah Abd El Aziz

INTRODUCTION

The events and aftermath of 2011 have transformed the Arab world: not only have they changed regimes and regional relationships, but they have also altered the often sclerotic political landscape in the respective countries. Under authoritarian regimes that had been in power for decades, political parties were often declared illegal or were severely circumscribed in their activities, media outlets were subject to state control and censorship, and research institutes were either entirely funded and controlled by the government or limited to non-political subjects. As the regimes fell, these restrictions vanished, making way for new actors in a highly politicised environment.

This study attempts to map these new actors in a political landscape that is still extremely volatile and fluctuating. Taking stock of developments so far, it focuses on three Arab countries (Egypt, Libya and Tunisia) which experienced regime change in 2011. It surveys the Arab Spring's fallout in institutional terms: beyond the headline-grabbing events, what are the lasting effects of the uprisings and how can these be measured concretely? To this end, it identifies three main categories of institutions where changes have been significant (in both a positive and negative sense): (i) the media, (ii) political parties and (iii) think tanks. NGOs and the blogosphere have been excluded due to their *de facto* still limited influence and their highly fragmented approach to the new political order.

Although the three countries in question have each undergone different developments since the uprisings of spring 2011, they have followed similar trajectories, successively opening up and then restricting those very political freedoms that would allow the emergence of new political actors, and thus offering insights into the tangible results of a profound change in government.

POLITICAL PARTIES

The status quo ante

Although parties are today considered a salient feature of most political systems, they have in fact emerged only in modern times. The existence of political parties indicates, first and foremost, that the population needs to be involved in an increasingly complex political process. Depending on the system in which they operate, parties channel public opinion and communicate demands to the centres of power; they have a role in the selection of the political leadership of a country; they field candidates for elections, disseminate political information and play a constructive opposition role when not in power. In authoritarian systems they act as legitimising agents for the ruling regime and provide fora for civil engagement. Political parties can therefore either be created top-down or emerge from the bottom up, but in both cases their purpose is the political integration of the people.

Where parties emerge from the bottom up they usually do so in crisis contexts, most notably in crises of participation or crises of legitimacy. The two are often conflated, but denote respectively a political system in which a portion of society seeks more participation, or one that is rejected in its entirety. The parties which emerged in Egypt and Tunisia before World War I and which had a strong anticolonial agenda are examples of parties born out of crises of legitimacy which rejected the political system altogether. Those that emerged in Egypt in the early 2000s sought integration into the system rather than its abolition.

All three of the countries studied here also went through a period in which the regime created a single party designed to control and co-opt the people. In Egypt, this was the Arab Socialist Union (1962-1978), which was replicated in Libya (1971-1977); in Tunisia, the regime party changed its name twice (from *Néo-Destour* to *Parti socialiste destourien* in 1964 and later to *Rassemblement constitutionnel démocratique* [RCD] in 1988) without changing its function.

Although Egypt and Tunisia underwent a degree of political liberalisation in 1977 and 1981 respectively (Libya declared party membership punishable by death in 1973), neither provided an environment in which parties were allowed to operate freely. Egyptian parties had to obtain approval from the Political Parties Committee, whose nine members were appointed by the President. It had the power to refuse new parties, suspend or dissolve existing ones, seize their assets and close their newspapers. Between 1977 and 2007, the committee rejected 63 applications and approved only three, one of which it later suspended. Although around 20 parties existed legally, most of them were not able to act credibly as opposition parties. As a result, the National Democratic Party (NDP),

founded by President Sadat, held on average 80% of parliamentary seats while the opposition held 20%, shared by about five parties. In Tunisia, the regime party continued to concentrate between 80% and 95% of the votes in parliamentary elections.

Although all three cases imposed restrictive measures on political party activity, this did not stifle opposition activity altogether. Some parties were co-opted into the system while others operated underground; none had the opportunity to develop full party features (including competing for ideas in an open market, developing policies beyond opposition to the regime etc.).

Post-2011 developments

The fall of the regimes in Egypt, Tunisia and Libya had an immediate impact on the political party landscape. The ‘regime parties’ in Egypt and Tunisia were dissolved by court order – Tunisia’s RCD in March, and Egypt’s NDP in April 2011 – the former accused of having violated the constitution by seeking to establish a one-party system, the latter of corruption. More importantly, the legal conditions governing the registration of new parties changed radically, leading to a proliferation of parties.

These can be classified in three categories: those parties that had been partially co-opted into the system, those that were banned, and new parties that were founded following regime change. Since Libya had no political parties co-opted into its system, its post-2011 landscape contains only entirely new parties or those that had previously been banned.

All three cases show that the lifting of restrictions and rapid move towards the holding of elections has worked to the advantage of those political parties and movements which already disposed of substantial political and financial capital. Since voter turnout was modest – 62% in Libya and Egypt, 52% in Tunisia – those parties which were able to mobilise popular support were at a clear advantage. New parties had difficulties not only in articulating a convincing party programme but were also handicapped in terms of resources.

As time has passed since the fall of the respective regimes, parties have begun to define themselves less in terms of their past and more in terms of their programmes. By and large, the landscape is divided along two axes: the Islamist/secular divide as well as the classical left/right spectrum. In Libya, a strong regional dimension is also a prominent feature of party politics. **Egypt’s** current political party landscape is certainly one of the most dynamic in the region; shaken by two waves of mobilisation, first in 2001 and then in 2007, a large number of parties in Egypt either existed illegally, or evolved from co-opted parties to protest parties. The change in political climate following 2011 fostered the proliferation of new legally registered parties. Only two months after Mubarak’s departure, Law 12 of 2011 amended the original 1977 party law, easing

certain restrictions while maintaining others. Most notably, parties are not allowed to be based on any discriminatory criteria such as religion, race, class, gender or region.

The 2011 elections favoured political parties over individuals not only because half of the parliamentary seats were reserved for party lists. The country was also divided into just 82 electoral districts in which well-known local figures could not match organised and high-profile parties in terms of resources or visibility.

Of the 36 parties which registered for the 2011 parliamentary elections, 12 were Islamist, 9 were offshoots of the banned NDP, 2 were Nasserist, 2 Socialist, 5 Centre-Left, 6 Centrist and 5 liberal parties. Between 50 and 60 parties exist altogether, although about 20 are not registered, and not all sought participation in the elections. Most importantly, not even a third of the parties that had registered for the elections emerged as entirely new political actors – the remaining two thirds emanated from parties and political movements which had existed before the 2011 events, either as officially registered parties or as banned movements. Several of the Islamist parties, such as the Muslim Brotherhood's Freedom and Justice Party, the *Salafi Al-Nour* and the Building and Development Party of the *Gamaat Al-Islamiya*, did not exist as political parties before, but were born out of political movements.

TABLE 1: EGYPTIAN POLITICAL PARTIES POST-2011

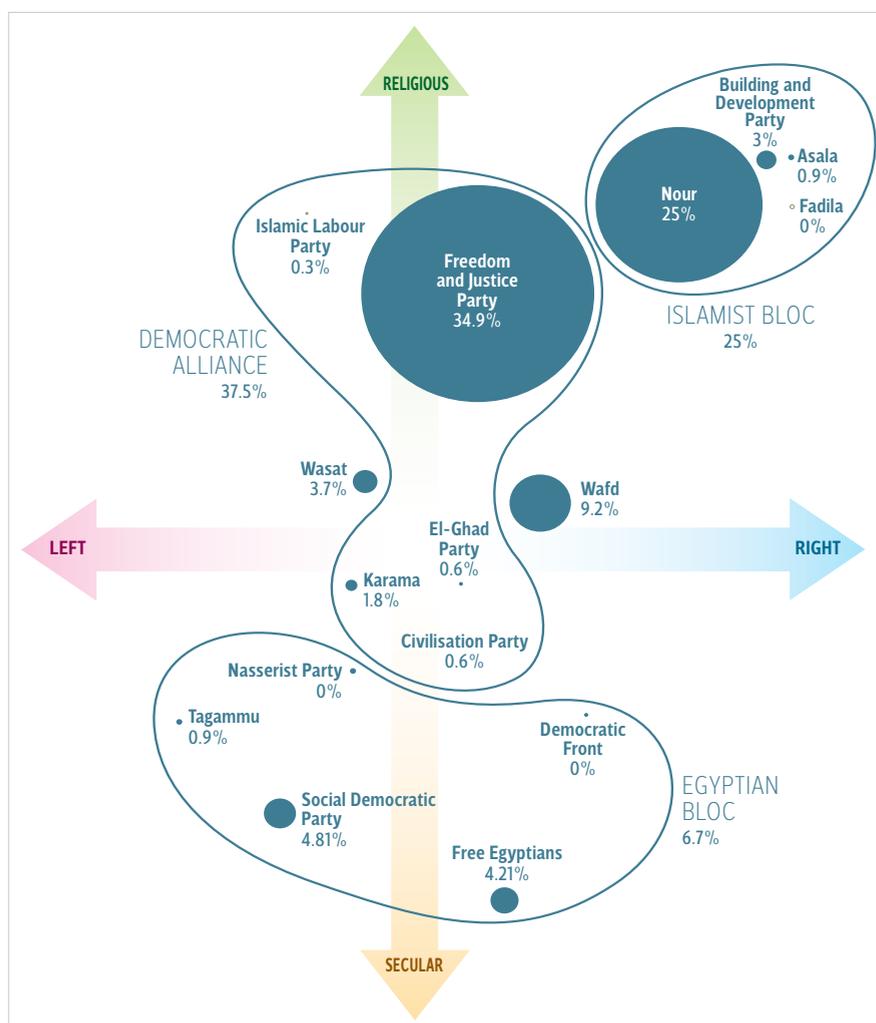
| Parties co-opted by the Mubarak regime | Parties banned by the Mubarak regime | New parties |
|--|---|-------------------------|
| El-Ghad (leader Ayman Nour imprisoned in 2005) | Freedom and Justice Party (Muslim Brotherhood) | Free Egyptians |
| Tagammu | Wasat | Al-Asala |
| Nasserist Party | Democratic Front | Social Democratic Party |
| Wafd | Karama | Al-Fadila |
| Labour Party | Building and Development Party (Gamaat al-Islamiya) | |
| | Al-Nour (Dawa) | |

The parliamentary elections of 2011 (later declared unconstitutional) led to the formation of several political alliances which either reflected a shared history under the previous regime (such as the *Democratic Alliance*, including parties such as *Karama*, *El-Ghad*, the Muslim Brotherhood's Freedom and Justice Party as well as the Labour Party) or a shared political vision (such as the *Islamist Bloc* including *Al-Nour*, the Building and Development Party, *Al-Asala* and *Al-Fadila*, and the *Egyptian Bloc* including *Tagammu*,

the Free Egyptians and Social Democratic Party). The Egyptian Bloc is the only alliance to include truly new parties.

The election result of 2011 was therefore evenly divided between active antagonists of the previous regime (the *Democratic Alliance* won 37.5% of the vote) and Islamist parties which had been tolerated as religious movements by the previous regime (the *Islamist Bloc* won 27.8%). The *Egyptian Bloc*, concerned with the future role of religion in the state, got 6.7% of the vote. The only two parties to have run outside alliances, *Al-Wafd* (7.5%) and *Al-Wasat* (2%), existed well before the Mubarak regime fell.

FIGURE 1: SPECTRUM OF POLITICAL PARTIES IN EGYPT AFTER THE 2011 ELECTIONS



The toppling of President Morsi in July 2013 changed this state of affairs. While most Islamist parties rallied in support of Morsi and formed the **Anti-Coup alliance** (*Al-Asala*, Building and Development, Labour Party, *Wasat*, *Al-Fadila*), the Salafi *Al-Nour* (the biggest rival of the Freedom and Justice Party) refrained from doing so. The alliance's opponent is the **National Salvation Front** which comprises 35 parties in total, including leftist-secular parties such as *Karama*, the Nasserist party, the Socialist Party, the *Wafd* and the Free Egyptians. At the same time, the protest movement *Tamarod*, which had contributed to Morsi's downfall, has announced that it might form a political party to run in parliamentary elections – although it prefers candidates to run individually.

It is worth noting that in spite of highly visible mobilisation in Cairo, large parts of Egyptian society do not actively participate in the political process. This is particularly true in rural areas lacking education and access to information. A spring 2013 poll¹ showed that only 33% of the population had heard of the National Salvation Front; 51% knew the interim president's name in summer 2013 – only 35% in rural areas. One pressing task for political parties would therefore be to engage these potential voters in the political process.

Tunisia's sudden political liberalisation led to the emergence of dozens of new political parties. The 2011 decree which lifted certain limitations on parties – such as the obligation to respect an Arab-Muslim identity – maintained however a ban similar to the one introduced in 1988. As in Egypt, parties are not allowed to be based 'on incitation to violence, hatred, intolerance, or discrimination on the basis of religion, gender, region, or tribal affiliation'. In practice, this would allow the authorities to ban parties promoting women's rights or an Islamist agenda.

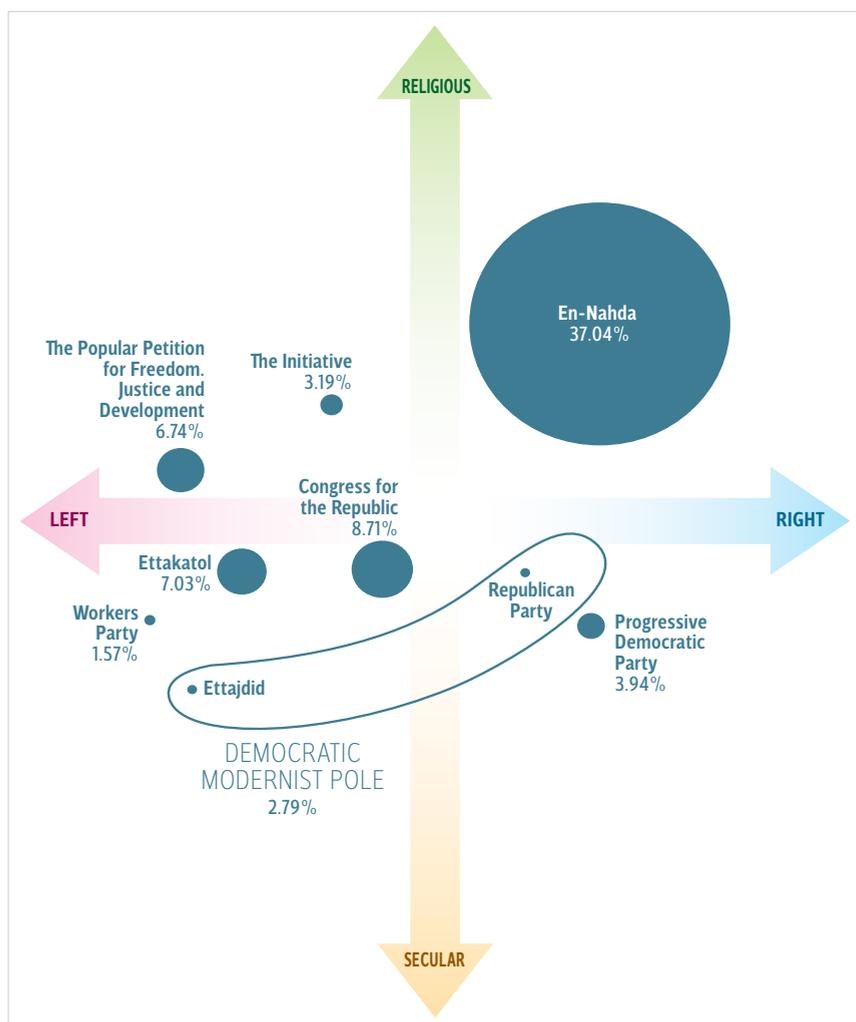
TABLE 2: TUNISIAN POLITICAL PARTIES POST-2011

| Parties co-opted by the Ben Ali regime | Parties banned by the Ben Ali regime | New parties |
|---|--------------------------------------|---|
| Democratic Forum for Labour and Liberties (Ettakatol) | En-Nahda | Free Patriotic Union |
| Movement of Socialist Democrats | Workers' Party | People's Movement |
| Progressive Democratic Party | Congress for the Republic | Republican Party |
| Ettajdid Movement (part of the Democratic Modernist Pole) | | The Popular Petition for Freedom, Justice and Development |

1. National Democratic Institute, 'Believing in Democracy: Public Opinion Survey in Libya', August 2013, available online at: <http://www.ndi.org/libya-believing-in-democracy>.

116 political parties were registered by the time the constituent assembly was elected in October 2011– more than double the amount in Egypt but with only an eighth of its population. The dispersion of votes over this wide array of parties led to a loss of 32% of ballots cast in favour of parties which did not make it into the assembly. Surveys conducted before the elections indicated that the parties had failed in conveying clear messages to their audience; confusion over party programmes not only had an adverse impact on certain parties' success rate, but was cited as one reason to abstain from voting altogether. In some surveys, the fragmented political party landscape was seen as divisive rather than beneficial to political pluralism.

FIGURE 2: SPECTRUM OF POLITICAL PARTIES IN TUNISIA AFTER THE 2011 ELECTIONS



27 lists of parties, independents and coalitions did win seats. As in Egypt, the relatively short campaign period of nine months following a complete reshuffling of the political landscape favoured those parties which had capital – either in the logistical sense of financial and organisational support, or in the political sense of widely known opposition to the previous regime.

En-Nabda, an Islamist movement banned by the previous regime, gained the largest amount of votes with 37%. It was the only party to be known by all surveyed citizens in a poll conducted prior to the elections. The Congress for the Republic, also a formerly banned party, came second with 8.7%. Both *Ettakatol* and the Progressive Democratic Party, which won 7% and 3.94% each, had existed as co-opted parties under the Ben Ali regime. The only truly new movement, the Popular Petition for Freedom, Justice and Development, won 6.74% of the votes. It managed to attract voters from the rural and southern areas of the country, often neglected by other parties courting the population concentrated in coastal and urban regions – although it is a new movement, it is rumoured to be an indirect descendant of the regime's *Rassemblement constitutionnel démocratique*. Of the top five parties in the assembly, only one was created after the ousting of Ben Ali.

It is worth noting that of the formerly co-opted parties, such as *Ettakatol* or the Progressive Democratic Party, only those which had managed to maintain their distance from the previous regime gained votes; others which held seats in parliament under Ben Ali, such as the Popular Unity Party, failed to gain a seat in the assembly.

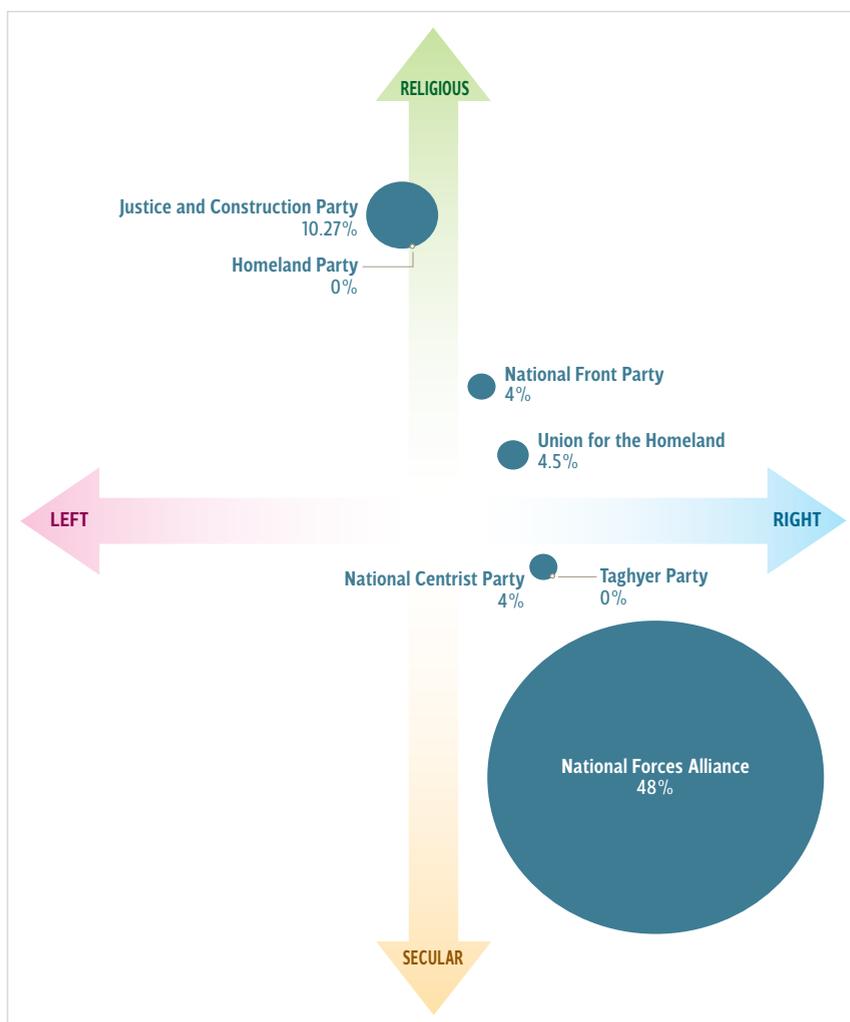
This set-up has changed since the elections. *En-Nabda* has been accused by hardliners of being too soft, leading to the creation of the Salafi party *Hizb Al-Tabriri*. Similarly, a secularist party, Call for Tunisia, emerged in 2012 which managed to lead in the polls in late 2013 with 31.4%. Trailing behind it was *En-Nabda* with 30% and its two coalition partners, *Ettakatol* and the Congress for the Republic, who together gained 7%. Elections scheduled for late 2014 will therefore see a new line-up of parties.

Although **Libya** is the least populous Maghreb state – with a population of 6 million as opposed to Tunisia's 10 million and Egypt's 80 million – and had no political parties before 2011, it had by far the highest amount of political parties in the aftermath of the Arab Spring. 142 registered and 125 filed lists for the 2012 elections of the General National Congress – of these, only ten were able to field candidates in all of Libya's 13 constituencies, pointing to a strong regional dimension in party formation and outlook. This phenomenon of proliferating political parties stood somewhat in contrast with a system that discouraged participation in the political process: 120 of the constituent assembly's 200 members are elected as individuals and only 80 from party lists.

The legal framework for Libya's political parties is still under construction. The previous ban on political parties was lifted in January 2012: a first – and controversial – law

by the National Transitional Council (NTC) banned parties based on religious, regional, tribal or ethnic affiliation. It was retracted after public protest. Similarly, the first draft for the law regarding the election of the General National Congress (GNC), the transitional parliament, foresaw no seats for parties, only for independents. This draft was dropped as well. Currently, political parties are subject to stringent financial restrictions: the electoral commission requires complete transparency regarding the sources of party funding used for electoral campaigns. Most importantly, the Political Isolation Law prohibits anyone who was even remotely involved with the previous regime from holding leadership positions in political parties.

FIGURE 3: SPECTRUM OF POLITICAL PARTIES IN LIBYA AFTER THE 2012 ELECTIONS



The atomisation of Libya's political landscape was consequently reflected in the congress's make-up. 21 parties are present in the assembly, but 78% of the seats are shared by the top five parties. The National Forces Alliance, which won 48% of the votes, is a conglomerate of 58 political organisations, 236 NGOs, and more than 280 independents. It is a spin-off of the National Transitional Council and while it cannot be considered secular, it is more liberal than the Muslim Brotherhood's Justice and Construction Party which won 10.27%. The National Front Party, which won 4% of the votes, is the successor to the Gaddafi-era opposition National Front for the Salvation of Libya. The Misrata-based Union for Homeland won 4.5% of the votes, and the National Centrist Party won 4%. The fragmentation of Libya's political landscape into local and regional, tribal and ethnic, Islamist and secular interests has left the political parties de facto disempowered. In addition, political opposition parties were not able to build constituencies and develop an organisational structure under the previous regime – something they were able to do, at least to a certain degree, in Egypt and Tunisia.

As Libyan parties started out under less favourable circumstances than in the two neighbouring countries, it is perhaps not surprising that approval rates for parties in general have remained low. According to a survey carried out by the National Democratic Institute, 44% believe political parties are not necessary for democracy; 59% express distrust in parties; familiarity with parties in general is underdeveloped.² Only one of five major parties could be identified in polls in terms of leadership, programme and ideology. The National Forces Alliance remained high in the opinion polls with an approval rate of 71% in late 2013; its leader, Mahmoud Jibril, is also a widely known and respected figure. The Muslim Brotherhood's Justice and Construction Party is viewed negatively by 55% of respondents.

Since then, numerous new parties have emerged which intend to run in parliamentary elections once the new constitution is drawn up. These include parties based on former or still active political movements (such as the Libya Party), those that have evolved as spin-offs of former opposition parties (such as the National Consensus Party) or those which decided not to run in 2012 (such as the Change Party).

2. National Democratic Institute, 'Seeking Security: Public Opinion Survey in Libya', November 2013, pp. 15-21. Available at <https://www.ndi.org/files/Seeking-Security-Public-Opinion-Survey-in-Libya-WEBQUALITY.pdf>.

THINK TANKS AND RESEARCH INSTITUTES

The status quo ante

Think tanks and their sibling institutes are defined broadly as a body of experts providing advice and ideas on specific political or economic problems, ranging from those conducting academic or policy-oriented research, or advocacy for certain policy issues to those providing analysis and advice to decision-makers. Think tanks play an important role as innovation ‘brokers’, since they occupy an intermediary position between the policy level and the academic community.

Before the events of 2011, the Arab world was one of the regions with the lowest density of such institutes. This was a result of a combination of four factors: the limited availability of funds, general restrictions on freedom of opinion, inadequate access to data as well as decision-makers and an underdeveloped pool of academic structures which could provide the necessary personnel. In 2008, the Arab world comprised just 2.4% of global think tanks, chiefly concentrated in Egypt, Iraq, Jordan and the Palestinian Territories. Those institutes that existed were often highly academic rather than policy-oriented, and more often than not attached to universities or governmental bodies. Their key deficiency was therefore the inability to translate research results into concrete policy projects.

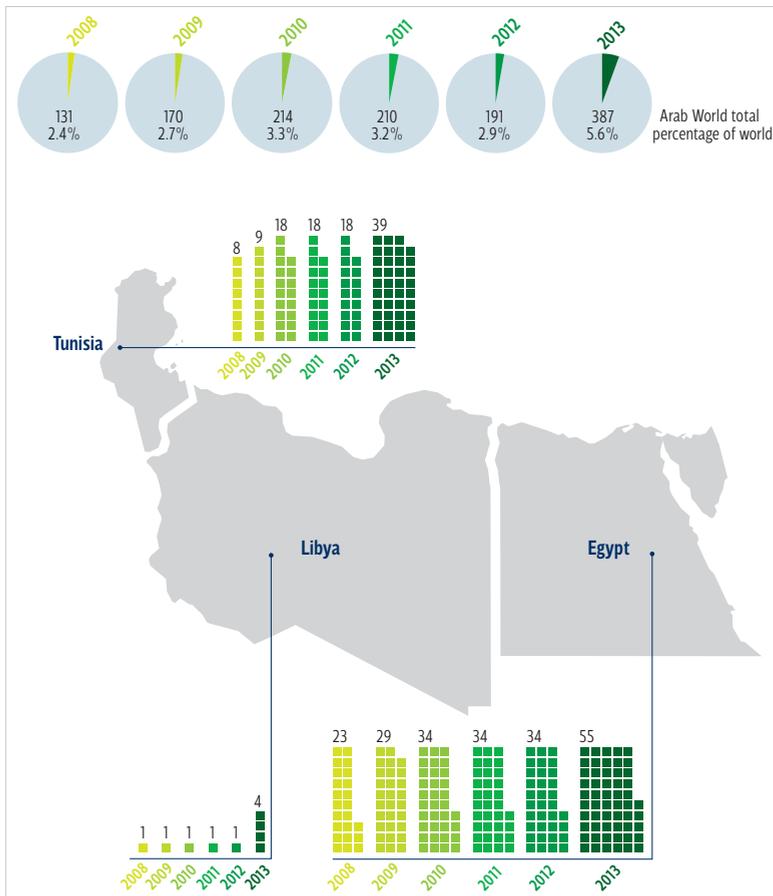
The majority of pre-existing think tanks was created in the early 2000s; only a few had any substantial pre-2011 history. Most of the latter were either directly controlled by the regime – such as the *World Center for the Study and Research of the Green Book* in Libya – or at least closely affiliated to it. The oldest and probably best-known, the Egyptian *Al-Ahram Center for Political and Strategic Studies*, is part of the Al-Ahram Foundation and therefore nominally independent. In practice, it has had sometimes closer and sometimes less close ties with the ruling regime. Its sister institution, the *Al-Ahram* newspaper, was headed by Nasser’s confidant Mohamed Hassanein Heikal: its directors have generally enjoyed friendly relations with the regime, including President Nasser’s son-in-law Hatem Sadek and later foreign minister Boutros Boutros-Ghali. Created after Egypt’s 1967 defeat against Israel, it was originally dedicated to the study of Israeli society and politics. In 1972, it broadened its research to encompass international issues of security and diplomacy. Although it was at times able to voice modest criticism of the government, it was not capable of changing governmental policies fundamentally. The directors and staff of other think tanks, such as the Ibn Khaldun Center in Egypt, were imprisoned and prosecuted on occasion.

This picture has evolved considerably. By 2013, the total number of research institutes in the Arab world had tripled compared to 2008, making up 5.6% of global think tanks.

The region is finally catching up with a global trend that gained traction in the 1970s and 1980s. This trend began before the 2011 events, however, and is not limited to those countries which have experienced regime change. Rather, this is a regional phenomenon which has led to the emergence of multiple new institutions in virtually every Arab country in the past five years.

The comparatively late arrival of the information revolution, technological advances, the government’s loss of information monopoly thanks to the internet and the recognition that complex challenges cannot be managed by the government alone have all contributed to this development. Furthermore, the availability of funds in the Gulf states in particular has translated the need for analysis and expertise into tangible results, such as the arrival of international think tanks with local branch offices.

FIGURE 4: ARAB THINK TANKS³



3. Source: EUISS; Global Go To Think Tank Index, 2008-2013.

TABLE 3: ARAB THINK TANKS⁴

| Total | Egypt | Tunisia | Libya | Arab World total/ percentage of world |
|-------|-------|---------|-------|--|
| 2008 | 23 | 8 | 1 | 131 (2.4%) |
| 2009 | 29 | 9 | 1 | 170 (2.7%) |
| 2010 | 34 | 18 | 1 | 214 (3.3%) |
| 2011 | 34 | 18 | 1 | 210 (3.2%) |
| 2012 | 34 | 18 | 1 | 191 (2.9%) |
| 2013 | 55 | 39 | 4 | 387 (5.6%) |

Post-2011 developments

Although the growth in the number of think tanks antedated the Arab Spring, their number increased exponentially in the two years following it. Between 2012 and 2013, the total number of Arab think tanks doubled. This development was visible in the countries surveyed here – Egypt, Tunisia and Libya – but also elsewhere: in Iraq, the number of institutes rose from 29 in 2012 to 43 in 2013. Similar statistics can be found in Jordan, where the number increased from 16 to 40, in Lebanon from 12 to 27, and in Morocco from 11 to 30. 2012 therefore saw a proliferation of research institutes across the region. Even though the exact statistics are difficult to determine, other surveys mirror the general trend.

In part, this was the result of the lifting of political restrictions, but it was also attributable to an environment of change. Governments were not only short on expertise – a gap which think tanks fill elsewhere – but were also managing a crisis of an important magnitude. Now, more than ever, expertise, knowledge and spaces for debate were needed. Whether or not these institutes will be able to establish themselves will largely depend on availability of funding; not only does a political culture not yet exist in which financing of think tanks is encouraged (by e.g. tax reductions), but quite simply there are only limited funds available.

Even before 2011 **Egypt** was one of the Arab states with a comparatively dynamic academic environment. The presence of over 60 universities in the country provided an intellectual context conducive to debate, somewhat hampered by the emphasis on rote learning rather than critical thinking in Egyptian educational institutions. This, as well as financial constraints, was further limited by the legal context. Due to Egypt's state of emergency – in place from 1967 onwards with an 18-month hiatus in the early

4. Source: Go To Think Tank Index, 2008-2013.

1980s – political activity and basic freedoms were severely restricted. Although the law was lifted in 2012, the legal framework for think tank activity has not changed significantly. Think tanks in Egypt fall legally under legislation governing NGOs that has been in place since 2002. A first attempt to regulate the situation in 2013 was shelved after the removal of President Morsi from power, and another draft is in the making at the time of writing.

The current restrictions in place – such as the ban on political activities by NGOs, the possibility to deny registration on rather vague grounds (such as activities which could ‘threaten national unity’, ‘disrupt public order’ or ‘offend against public morality’) are expected to remain in place. Most importantly, the law requires prior approval of foreign and in some cases also domestic funding by the Ministry of Social Solidarity, as well as for contacts with foreign organisations. The raid on 17 think tanks (including the National Democratic Institute, Freedom House and the Konrad Adenauer Foundation) in February 2011 was based on the latter provision, and has led to 43 people being sentenced to prison on charges of membership of illegal organisations. Overall, this crackdown has driven think tanks to be more cautious about the disclosure of their funding, and has discouraged foreign think tanks from opening branches in Egypt.

Although the legal conditions have not improved, the general ambiance of a political opening, the need for expertise and advice and the weakening of the security apparatus in charge of monitoring these institutes have led to the creation of new institutes – 21 in total – and an overhaul of existing ones.

It is worth noting that the majority of these new think tanks promote an agenda relative to the demands of the 2011 revolution. The *Centre for Arab Spring Research*, for instance, focuses on the establishment of good governance; the *Egyptian Democratic Academy*, an advocacy body for human rights and democracy, also conducts research on Egypt’s political system in its in-house *Egyptian Policy Center*; the *House of Wisdom Foundation* – named after the famous ninth-century Abbasid academy – contributes research on areas where Egypt is facing change, ranging from the economy to domestic politics to social aspects. Similarly, the *Egyptian Initiative for the Prevention of Corruption* seeks to contribute legal advice to foster laws and regulations designed to prevent corruption; it conducts research on international legal practices pertaining to this field. The *Regional Center for Strategic Studies*, founded in 2012, looks at the regional strategic landscape in a changing region and overlaps, in terms of staff as well as focus, with the *Al-Abram Center for Political and Strategic Studies*.

More generally, the Egyptian Center for Public Opinion Research *Baseera* (foresight in Arabic) conducts surveys and polls to provide reliable data on public attitudes regarding political issues. The *Nile Center for Strategic Studies* focuses mainly on regional and international issues, re-launching a debate on Egypt’s foreign policy.

Those think tanks which existed before the 2011 events have changed their outlook as well. The *Cairo Institute for Human Rights Studies* for instance, already very active in the development of human rights legislation and promotion since its creation in 1993, has become even more vocal in its criticism of the government. The *Al-Abram Center for Political and Strategic Studies* has created a new research section dedicated to the 2011 revolution; it has also begun to hire additional younger researchers and increased its staff's salaries. Its ex-director (and former party colleague of Mubarak), Abdel-Moneim El-Said, is currently facing corruption charges along with former employees in the *Al-Abram* group, and has been replaced by a university professor.

It is too soon to tell to what extent these new think tanks will be able to shape the policy debate – their mere existence reflects the expectation that they will do so.

The situation in **Tunisia** mirrors that in Egypt: the legal status of think tanks is regulated by the relevant NGO law originally promulgated in 1959 and last updated in 1992. The law restricted NGO activity significantly: activities countering 'morality' or 'disturbing public order' were declared illegal; the Minister of Interior could refuse the registration of a new NGO and suspend an existing one without any possibility to appeal the decision. Although the new law of September 2011 reduces political interference – their suspension now requires a court ruling – and explicitly prohibits state interference in NGO activities in article 6, there remain a few idiosyncrasies. NGOs are not allowed to incite to discrimination, hatred or violence based on religion, gender or regional affiliation, which could be used against think tanks promoting women's rights only or the economy of a certain region only. As under the previous law, NGOs have to register with the government by providing their name, address and the founding members' ID card numbers; people who are members of a political party are still not allowed to create an NGO, and therefore not a think tank either. However, these restrictions have not impeded the creation of new think tanks in Tunisia.

Although much smaller in size, Tunisia boasts almost as many think tanks as Egypt. Between 2012 and 2013, their number has more than doubled and now stands at 38. The background of these new research institutes is diverse: some are affiliated to parties politically – such as the *Centre Mohamed Chakroun* which is close to the formerly banned Congress for the Republic; some are more active in conducting advocacy for certain issues, such as *Think Ahead for the Med Tunisia*, a body promoting research and projects on sustainable development in the region, or the *Arab Institute for Youth Policy Making* which aims at connecting Arab Youth across the region in order to increase their influence in political decision-making. Similarly, the *Research Association on Democracy and Development* seeks to foster a culture of democracy in Tunisia by means of civil society debate facilitation. New think tanks with a very policy-oriented outlook are the *Arab Policy Institute* (currently focused on transitional justice), the *Institut Kheireddine*

(working on civil liberties in Tunisia) and the *Maghreb Enterprise Development Initiative* (dedicated to the promotion of entrepreneurship and job creation in the Maghreb). More academic in their approach are the *Mediterranean College for Scientific Study* as well as the *Center for the Study of Islam and Democracy*.

Two research institutes which existed before 2011 are worth mentioning due to their recent new orientation: the *Tunisian Institute for Strategic Studies*, which had been created in 1993, formally distanced itself from the regime on its website. In a bold move, the institute criticised its previous work, its staff and its collaboration with the regime, and declared a new beginning for itself, dedicated to the revolution. The *Arab Institute for Human Rights*, created in 1989, has also been considerably emboldened in its work which consists mainly of the promotion of a human rights culture.

The least active place in terms of think tank development is **Libya**. This is largely the result of almost four decades of a very restrictive political environment which meant that the country was almost entirely cut off from international academia and the international media. The teaching of English, access to the internet or availability of foreign publications were all minimal under Qaddafi's regime, and this did not create an environment conducive to intellectual debate. Although the 1971 Association Act allowed the existence of NGOs, the generally repressive environment effectively impeded their creation. Registration could take up to two years, associations required permission by the revolutionary committees, and representatives of the regime had the right to be present at meetings. As a result, only 22 NGOs were registered officially before 2011, and no independent think tank existed at all. The new framework has changed this: associations are allowed to operate freely unless a judicial decision ruling otherwise exists. As in Egypt and Tunisia, discrimination based on race, gender, language, or ethnic or tribal affiliation is banned. On a side note, former staff members of the previous regime's think tank *World Center for the Study and Research of the Green Book* are all targeted by the Political Isolation Law and can therefore not hold any public office.

Since 2011, four new think tanks have opened in Libya while the regime's centre has closed down. The *Sadeq Institute*, so named after an opposition activist executed by the previous regime, seeks to provide analyses of a variety of challenges Libya is facing; the *Libyan Economic Advancement and Development Foundation* focuses on economic aspects; the *Libyan Policy Institute* seeks to promote the establishment of democracy and the rule of law while the *Libyan Centre for Strategic and Future Studies* takes a more strategic and regional approach.

Overall, research institutes and think tanks face a less welcoming environment in all three cases than new political parties or media outlets, since a policy-advice culture is slowly emerging only now. A change in the legal framework is not enough – the availability of funding and an environment which welcomes and uses think tank products are equally crucial.

MEDIA

In democratic societies, the media play an important role: they raise awareness of political and social issues, inform audiences on current topical issues and create a platform for debate. By and large, the media in the countries surveyed here were subject to varying degrees of political control and could act only in a limited way as conduits of democratic discourse and values. This changed after 2011.

The **Egyptian** media landscape was already quite diverse before the revolution. Not only state newspapers, but also political party publications, independent as well as international newspapers, were allowed. There was also a large number of TV channels. Radio stations were either controlled by the government or only broadcast music. However, the various media outlets that existed were subject to strict regulations: even though press freedom was guaranteed in Law 96/96 on the media, the law also included penalties for journalists who overstep the limits of ‘acceptable reporting’. This term could be interpreted freely by the Supreme Press Council and the Egyptian Radio and Television Union (ERTU). Furthermore, the government could punish political criticism under the emergency law and ERTU did not allow news programmes on non-governmental TV channels. The media therefore succumbed to self-censorship in order not to lose their licence or to avoid prosecution and as a consequence could not report freely or honestly on political affairs. This legal framework has not yet been completely revised. Broadcast media, for example, are still under the supervision of ERTU which is affiliated with the Ministry of Information. Nevertheless, there has been a change in the application of the legal framework and in the way the media act.

With around 90% of Egyptians owning a TV, television is the main source of information in Egypt and therefore has considerable influence. Given an illiteracy rate of 40%, fewer people can be reached via print media or the internet. This is probably one of the reasons why there has been less of an increase in print outlets than in TV channels. Already in the last few years before the revolution, there had been an increase in Free-to-Air (FTA) satellite channels in Egypt which led to the emergence of a new public sphere. After the revolution, this increase was all the more pronounced: between the beginning of the revolution and July 2011, 16 new FTA channels were launched.

This trend was not entirely new, however; shortly before the revolution a restoration of freedom of political expression in both broadcast and print media could gradually be observed. Newspapers could cover political events in the country more freely and did so in the days and weeks leading up to the revolution.

Political topics continued to be treated in the media and this influenced politics directly: during a talk show on ‘ONTV’ on 2 March 2011, for example, the novelist Alaa Alaswani told the Interim Government’s Prime Minister Ahmed Shafiq that he would

go to Tahrir Square to force him to resign whereupon Shafiq lost his temper. The fact that Shafiq had to resign the next day shows the powerful influence wielded by television in the aftermath of the revolution.

In the post-2011 environment, politics continued to be discussed on Egyptian TV: on 11 May 2012, a presidential candidate debate was aired for the first time in Egypt, highlighting how television has become a political space. Furthermore, new TV channels like *Al Tahrir* or *Misr 25* (founded by the Muslim Brotherhood), have the clear goal of providing the public with political discussions and information. In addition, a daily newspaper, also called *Al Tahrir*, was launched with the objective of providing deeper analysis of the political news.

While most of the newspapers created after the revolution had a political objective, many TV channels launched after the revolution do not have political information as a goal. Some TV channels transmit the political messages of their owners while others were founded by businessmen that were close to the Mubarak regime. Naguib Sawiris, who already owned several channels before the revolution, founded two new channels that serve the political interests of his Free Egyptians Party. Muhammed Al-Amin Ragab, who was close to Mubarak, founded the Capital Broadcasting Centre (CBC) and employed journalists who were accused of having connections with the Mubarak regime.

Because of the politicisation of the media since the revolution, political tensions are now also reflected in media organs: they are often either pro-Muslim or pro-military. While channels like *Misr 25* clearly support the Muslim stance in society, *Al Nahar* or CBC position themselves as pro-military.

Furthermore, despite important advances, censorship and self-censorship still exist. In 2012, a National Military Media Committee was created. It censored the media by counteracting 'biased media coverage' with regard to the military and led to a partial return of self-censorship. These problems still exist today: after the toppling of President Morsi in summer 2013, the Muslim Brotherhood channel *Misr 25* and several other Islamic channels were taken off air. The popular comedy programme *Al Bernameg* also had to stop transmitting after the comedian Bassem Youssef criticised General Al Sisi. In December 2013, two *Al Jazeera* journalists were arrested for conspiracy with terrorists and alleged links to the Muslim Brotherhood. Thus, the media are again subject to restraints in their political reporting and Reporters Without Borders (RWB) estimates that media freedom has declined since the days before the revolution.

Another problem is that of the financial difficulties facing new media. The TV channel *Al Tahrir* for example had problems finding enough investors for their politically focussed programme. Many new channels are constrained by small budgets, resulting in a predominance of political talk shows in their programming. However, the talk shows

at the same time offer the possibility to democratise political participation by including the public in discussions.

Finally, as a lot of the new actors do not have previous experience in journalism, they often do not comply with professional standards. As the media were not free under Mubarak, even experienced journalists are not used to working independently and without self-censorship. This tendency is reinforced by the fact that criticising the government can still result in being put under pressure or indeed being prosecuted.

Before the revolution, the **Tunisian** media were among the most heavily censored in the Arab world. Private media were not allowed to report on politics and were controlled by the Agency of External Communication. Thus, the media were not able to report openly or honestly on politics. The press was regulated by a very restrictive press code (Law 1975-32). There were two state and two private television channels, the latter with a strong connection to the regime, and 12 radio stations, two of which were owned by the state. Print media consisted of publications that were directly run by the state or by the ruling party, private ones that had strong ties with the regime and opposition newspapers that had to contend with strong economic pressures applied by the regime.

After the Revolution, the National Authority for the Reform of Information and Communication (INRIC) drafted two decrees: Decree 115/2011 on the press, printing and publishing and Decree 116/2011 on audio-visual communication and its regulatory authority. They are both less restrictive than the laws that existed prior to the revolution. The government was at first reluctant to implement the new decrees, hence they were only implemented in 2013. The Penal Code, however, still contains provisions that can lead to the imprisonment of journalists.

97% of Tunisians access information largely through television. In post-revolution Tunisia, there is still a state-run TV station that is theoretically controlled by the government, but which in practice does not always support it in its programmes. Overall, the increase in the number of broadcast media outlets has not been very pronounced. Up until September 2011, INRIC had granted five new licences for television channels. However, contentwise there has been a change in what is being discussed in the media. Compared to the situation prior to the 'Jasmine revolution', when political discussions were completely absent from the media, the media has become highly politicised. As a result the media now reflect the political tensions in the country between Islamists and secularists.

In the Tunisian radio sector there have been more new developments since the revolution than in the television sector. Twelve private radio stations started transmitting after the revolution. Now, there are several radio stations that focus on political issues.

The newspapers that were previously owned by the ruling party were shut down after the 2011 uprising. The INRIC counted 228 new print publications in Tunisia after the revolution, but most of them did not survive the first year as they often had severe financial problems and could not compete with the established print publications. The old publications continue to be the most popular ones. Thus, there has not been a lot of change in the print media.

As investors prefer to cooperate with the old, established media, new media often have to contend with financial problems. In the radio sector, this leads to problems in particular for the few existing associative radios that do not have a financially stable foundation. *Sawt al Manejem*, for example, a new associative radio station that mainly works with young volunteers on post-revolutionary issues, is grappling with serious financial problems.

The low number and the rather lacklustre performance of new Tunisian media can also be explained by the fact that Tunisians have access to French-speaking media and tend to trust them more than the Tunisian media after years of censorship and suppression.

All in all, the situation of the media in Tunisia has improved since the revolution. There is less state control. However, the private media that existed before the revolution are still in the hands of the same owners, and their practices have largely remained the same. On top of this, journalists still face violence and the media have to cope with the limited professionalism of many journalists, a result of years of repression. Furthermore, there has not been a significant increase in new media. Therefore, the Tunisian media cannot yet be described as an independent political actor. The media discuss political topics, but they do not yet exert a real influence on the political sphere.

Libya resembles the other two cases in that the media were under the strict control of the state before 2011. The press law and the penal code were very restrictive and did not allow independent journalism. There had been a short, controlled period of liberalisation instigated by Saif al-Islam in 2007 but it was ended by Qaddafi in 2009 because several newspapers and TV channels had overstepped the limits of what was acceptable to him. Although the media landscape was very restrictive, satellite TV and particularly *Al Jazeera* became very popular in Libya in the years before the revolution and already introduced an element of change in the Libyan media landscape.

After the elections, the GNC recreated the Ministry of Information that had been abolished directly after the revolution. This was criticised as a step backwards, as the Ministry of Information had a very repressive role before the revolution. Nevertheless, the media are less controlled than before.

Taking into consideration the radical restrictions imposed upon the media before the revolution, the change in Libya has been very impressive. Already during the

revolution, the new media landscape was characterised by an unprecedented pluralism. The Libyan media were actively contributing to political information and debate even before a new political system was established. In July 2012, different observers had already identified 200 radio stations and between 200 and 400 new newspapers. Many of those who began working in the media sector had no previous experience and no stable financial background. Furthermore, the large increase in media did not match the actual demand of the Libyan public who were not used to such a wide range of choice in media outlets. Therefore, many of the new media that mushroomed during and after the revolution were forced to close down. There still is a variety of state-run, independent and local media. Thus the media landscape is more diverse than before the revolution.

After the revolution, Gaddafi's main propaganda channel *Al-Libya* was taken over by the rebels. The staff remained but the content of the channel changed overnight. In May 2013, there were 23 TV channels in Libya, many of them new. Most of those channels try to address political issues and perform a political role. *Libya al-Hurra TV*, one of the first new channels that sprang up after the revolution, clearly showed the importance of this political role when it launched a televised appeal asking the population to disarm and turn in their weapons. In response to this appeal, a lot of weapons were handed over to the army. This example shows the practical influence that the media had in the wake of the revolution. Another TV channel that contributed to the political sphere after the revolution was *Tobacts TV*. Founded in July 2011, this channel broadcasts short animated films about the new political system, and other topics of interest in order to foster political awareness in the Libyan public.

Another sign of the democratisation and political role of the media since the revolution is the sudden emergence of political talk-shows on Libyan TV. The talk-show format not only allows very controversial topics to be discussed but also serves as a public forum for debate on important political topics.

Already during the revolution, most of the state-run radio stations were occupied and swiftly changed their programming, and several new radio stations were created. Many of them had political goals. *Radio Free Libya Misrata*, for example, covers political issues by conducting interviews with politicians and rebels and *Radio Shabab*, a new radio station, aims at educating young people about democracy by hosting a political talk show and conducting interviews.

TABLE 4: MEDIA COMPARISON⁵

| <p>Tunisia</p>  <p>Press Freedom Index</p> <p>2010: 164 2011-2012: 134 2013: 138</p> | <p>Libya</p>  <p>Press Freedom Index</p> <p>2010: 160 2011-2012: 155 2013: 131</p> | <p>Egypt</p>  <p>Press Freedom Index</p> <p>2010: 127 2011-2012: 166 2013: 158</p> |
|--|--|--|
| PRE-REVOLUTION | | |
| Before the revolution, the Tunisian media were among the most heavily censored in the Arab world. Private media were not allowed to report on politics. | The media were under strict state control, even more than in Tunisia and Egypt. | Diverse media landscape before the revolution but discretionary: characterised by censorship and self-censorship. |
| EVOLUTION | | |
| The media that already existed prior to 2011 are still the most popular: there has been less of an increase in new media than in Egypt and Libya. | The increase in new broadcast and print media has led to pluralism. | There has been an increase in TV channels and print media since the revolution. While some are political and revolutionary in tenor, others are purely business projects. |
| PUBLICATIONS | | |
| New publications lack financial backing. | New publications often face financial problems. | New publications lack financial backing. |
| STANDARDS | | |
| Limited professionalism of journalists. | Limited professionalism of journalists. | Lack of professional standards in the media. |
| FOCUS | | |
| The media now focus more on political issues. | The media now focus more on political issues. | The media now focus more on political issues. |
| CENSORSHIP | | |
| Since the revolution, there is less self-censorship and a greater diversity in the media. | Self-censorship is still practised after the revolution but has decreased significantly. | Censorship and self-censorship are still practised, but to a lower degree. |
| REFLECTION | | |
| The Tunisian media reflect the ideological tensions between conservative Islamists and secularists. | Tensions between secularists and Muslims are not reflected as strongly in the Libyan media. | Polarised media landscape after the revolution: reflects tensions between Islamists and the military. |
| RADIO | | |
| The increase in radio stations has been more pronounced than the increase in broadcast and print media. | A lot of new radio stations have been created. | |

5. Source: EUISS; Reporters Without Borders.

There has been a massive increase in the number of newspapers since the revolution. In a society where few people were used to reading newspapers, many new publications vanished soon after having been created as they turned out to be financially unsustainable. This high turnover makes it difficult to keep track of the existing number of newspapers.

The number of newly-founded print publications largely exceeds those that already existed before the revolution. A lot of them are very innovative and try to play a political role. A good example for this is *Al-Sawt*. In order to give a voice to the population, in the early days of the revolution when the government had closed down mail and internet access they installed a mailbox on Freedom Square in Benghazi where people could submit their thoughts, ideas and even articles. They published various submissions and in this way contributed to the open discussion of politics and democracy.

Although the situation of the media in Libya has improved and new media have emerged as a political force, there are still some problems that have to be resolved. Many journalists have not yet adapted to the new climate of freedom. In the immediate aftermath of the revolution, in particular, there were still unspoken red lines. This was demonstrated by Law No. 37 which was passed in 2012: it prohibited the glorification of Qaddafi and criticism of the revolution. Although this law has been revoked by the Supreme Court, it shows that the habit of censorship still casts a long shadow even today.

Finally, there is a strong divide between the journalists who were already active under Qaddafi and the 'newcomers' who are claiming their space in the emerging media landscape but who often lack media experience.

Despite these remaining challenges, the Libyan media landscape has changed, gaining in political freedom and influence since the revolution. As the Libyan media were very restricted before the revolution, the change is even more pronounced than in Egypt and Tunisia.

CONCLUSION

The events of 2011 have had repercussions on the three categories of institutions studied here on two levels: on the one hand, they have engendered a sense of political liberty which has spawned the emergence of new actors and entities participating in the political debate in different forms; on the other hand, they have initiated tangible changes in legal and economic terms facilitating the emergence of such actors. More often than not, the psychological effect generated by the revolutions has played the more important role in this process, while legal changes have followed, rather than preceded, the advent of new participants in the political dialogue of the states concerned.

Perhaps not surprisingly, the first wave of new actors included mainly those entities which had already existed, one way or the other, underground, either as political movements or as a collective of researchers eager to create an institution for themselves. The second wave, however, comprises the actors which evolved dynamically in response to and in the wake of the events of 2011.

Both sets of actors will continue to play an invaluable role in contributing to a dialogue which ultimately fosters a societal consensus on the nascent political system in the respective countries.

Facts and figures



Section contents

| | |
|--|------------|
| The security policy toolbox | 35 |
| 1. Thematic instruments | 35 |
| 2. The EU as a global player | 46 |
| 3. Common Foreign and Security Policy (CFSP) | 54 |
| 4. Partnership Agreements | 77 |
| 5. European Union Special Representatives | 81 |
| 6. Sanctions/restrictive measures | 92 |
| Defence spending in the EU | 95 |
| Margins of error | 96 |
| Alternative approaches | 98 |
| Open questions | 98 |
| EUISS defence spending database | 99 |
| Defence R&D in Europe | 113 |
| EU member states' voting at the UN Security Council | 119 |
| EEAS organisational chart | 128 |
| Timeline 2013 | 131 |



The security policy toolbox

The global impact of the European Union is ensured by the application of its external policies through the use of specific security-related thematic instruments. Such ‘tools’ enable the EU to contribute to the political and economic stabilisation of developing countries, respond to humanitarian challenges, and deploy civilian missions and military operations to ensure lasting peace in conflict-ridden areas. The EU also further contributes to the multi-sectoral development of economies in its immediate vicinity, assists in post-crisis situations and helps prevent nuclear incidents.

These ‘tools’ are established within a budgetary framework according to the priorities and limits of the multiannual financial framework (MFF), a spending plan that translates the EU priorities into financial terms and sets the maximum annual amounts which the EU may spend in different political fields. 2013 corresponds to the last year of the 2007-2013 MFF, with a new MFF to cover 2014-2020.

1. THEMATIC INSTRUMENTS

The European Neighbourhood and Partnership Instrument (ENPI)

Established in 2007 and based on Regulation (EC) No 1638/2006 of the European Parliament and of the Council of 24 October 2006, the European Neighbourhood and Partnership Instrument supports the European Neighbourhood Policy (ENP). It provides funding for actions promoting good governance and economic development in ENP partner countries, with the purpose of facilitating and speeding up the transition to democracy, a market economy, sustainable development and the adoption of human rights norms.

The ENPI supports in particular political, economic, social and sectoral reform, while also backing regional and local development and participation in community programmes.

Around 90% of ENPI funds are used for bilateral actions, i.e. country-specific initiatives, and for regional actions involving two or more partner countries. The remaining 10% are reserved for specific new areas of joint activity, namely cross-border co-operation (CBC), and specific initiatives like the Neighbourhood Investment Facility (NIF).

The ENPI is the main source of funding for the 17 partner countries (ten Mediterranean and six Eastern European countries, plus Russia).

FIGURE 1: THE EU'S NEIGHBOURHOODS



European Neighbourhood Instrument (ENI)

Under the 2014-2020 MMF, the ENPI becomes the European Neighbourhood Instrument (ENI), in order to further support the implementation of the political initiatives shaping the European Neighbourhood Policy, including the Eastern Partnership and the Union for the Mediterranean.

Instrument for Stability (IFS)

Established in the framework of Regulation (EC) No 1717/2006 of the Parliament and of the Council of 12 November 2006, the Instrument for Stability¹ finances two types of components depending on the situation on the ground.²

1. Slated to be renamed Instrument for Stability and Peace (ISP) under the 2014-2020 MFF. See European Parliament, 'Regulation of the European Parliament and of the Council establishing an instrument contributing to stability and peace', PE-CONS 110/13, Brussels, 27 February 2014, available online at: <http://register.consilium.europa.eu/doc/srv?l=EN&t=PDF&gc=true&sc=false&f=PE%20110%202013%20INIT>.

2. Chantal Lavallée, 'L'instrument de stabilité – au service de l'approche globale de l'UE', *EUISS Brief* 15, Paris, 8 March 2013, available online at: http://www.iss.europa.eu/uploads/media/Brief_15.pdf.

The short-term component, which represents 72% of the total IfS funds under the EU's 2007-2013 multiannual financial framework (MFF), aims to restore the necessary conditions for the implementation of other EU instruments. The short-term component is thus only dedicated to crisis situation response and prevention, and includes a wide range of actions such as supporting the development of democratic and pluralistic state institutions, socio-economic measures to promote equitable access to and transparent management of natural resources in a situation of crisis, respect for human rights and fundamental freedoms, and the rehabilitation and reintegration of the victims of armed conflict. Due to its non-programmable nature, the short-term component is usually not included in strategic papers.

The long-term component, also called 'Peace-building Partnership',³ is applied to post-crisis environments. It covers three main objectives: (1) the fight against the proliferation of weapons of mass destruction, (2) capacity-building in terms of cross-border threats and (3) pre-/post-crisis preparedness.⁴

The IfS is managed by the Foreign Policy Instrument (FPI) Unit 2, which – although an EC service – acts under the responsibility of the HR/VP of the Commission and works closely with the EEAS.⁵ The Instrument's short-term component and the third objective of the long-term component are managed by the EEAS. EuropeAid is responsible for overseeing the first and second objective of the long-term component.⁶ The IfS also complements the rapid-reaction mechanism, which is intended to respond to or avoid crises or conflicts.⁷

Under the 2014-2020 MFF, the IfS's budget will increase from €2.062 billion (2007-2013 MFF) to €2.339 billion.

3. European Commission, 'Updated annual work programme for grants: Service for Foreign Policy Instruments (FPI), Unit 2, Crisis Preparedness Component of the Instrument for Stability (Article 4.3.) 2013', 21 November 2013, available online at: http://ec.europa.eu/europeaid/documents/awp/2013/awp_2013_ifs_en.pdf.

4. European Commission, 'Instrument for Stability (IfS)', 30 July 2013, available online at: http://ec.europa.eu/europeaid/how/finance/if_s_en.htm.

5. European Commission, 'Service for Foreign Policy Instruments: 2014 Management Plan', available online at: http://ec.europa.eu/atwork/synthesis/amp/doc/fpi_mp_en.pdf.

6. European Commission, 'Instrument for Stability (IfS)', 30 July 2013, available online at: http://ec.europa.eu/europeaid/how/finance/if_s_en.htm.

7. European Union, 'Rapid-reaction mechanism', available online at: http://europa.eu/legislation_summaries/other/r12701_en.htm.

Development Cooperation Instrument (DCI)

Established in the framework of Regulation (EC) No 1905/2006, the Development Cooperation Instrument replaced a large number of instruments that had been created over time.⁸ It is structured around three main components:

- The first component, which is financially the most important, is dedicated to geographic programmes and covers cooperation with 47 developing countries, from the achievement of the Millennium Development Goals to assistance in post-crisis situations.
- The second component includes all the thematic programmes related to food security, migration and asylum, environment and the roles of non-states actors and local authorities in development.
- Finally, the last component covers the specific accompanying measures dedicated to the 18 African, Caribbean and Pacific countries of the so-called ‘Sugar-Protocol’.⁹

With a €16.9 billion budget over the 2007-2013 period¹⁰ (€10.057 billion for geographic programmes, €5.596 billion for the thematic programmes and €1.244 billion for the ACP Sugar Protocol countries), the DCI is managed through annual and multiannual action programmes,¹¹ and is placed under the mandate of EuropeAid.¹²

8. For instance, the TACIS Programme (2000-2006) aimed to promote the transition to a market economy and to reinforce democracy and the rule of law in Armenia, Azerbaijan, Belarus, Georgia, Kazakhstan, the Kyrgyz Republic, Moldova, Mongolia, Russian Federation, Tajikistan, Turkmenistan, Ukraine and Uzbekistan. See European Commission, ‘Tacis programme (2000-2006)’, 21 February 2007, available online at: http://europa.eu/legislation_summaries/external_relations/relations_with_third_countries/eastern_europe_and_central_asia/r17003_en.htm; the ALA programme provided financial aid and cooperation with countries in Asia and Latin America.

9. In parallel with the Cotonou agreement, the Sugar Protocol has incorporated preferential trade arrangements with the EU for certain ACP countries: Barbados, Belize, Republic of Congo, Fiji, Guyana, Côte d’Ivoire, Jamaica, Kenya, Madagascar, Malawi, Mauritius, Mozambique, St. Kitts and Nevis, Suriname, Swaziland, Tanzania, Trinidad and Tobago, Uganda, Zambia, Zimbabwe.

10. European Commission, ‘Development Co-operation Instrument (DCI)’, 17 February 2012, available online at: http://ec.europa.eu/europeaid/how/finance/dci_en.htm.

11. European Commission, ‘2013 Annual Action Programmes’, 25 March 2014, available online at: http://ec.europa.eu/europeaid/work/ap/aap/2013_en.htm.

12. Within the European Commission, EuropeAid is the Directorate-General responsible for formulating EU development policy and defining sectoral policies in the field of external aid, in order to reduce poverty in the world, to ensure sustainable economic, social and environmental development and to promote democracy, the rule of law, good governance and the respect of human rights. EuropeAid also fosters coordination between the EU and the Member States on development cooperation and it also ensures the external representation of the European Union in this field.

European Instrument for Democracy and Human Rights (EIDHR)

Regulation (EC) No 1889/2006 of the European Parliament and the Council forms the legal basis of the European Instrument for Democracy and Human Rights.

The EIDHR's operational range is wide. It is open to various organisations and non-legal entities and can even be implemented without the agreement of the government of a third country. It acts as a complementary tool of the Instrument for Stability and indirectly finances the Development Co-operation Instrument (DCI) and the European Neighbourhood and Partnership Instrument.

Under the umbrella of EuropeAid, the EIDHR supports a diversity of stakeholders (from civil society to UN bodies, and from international organisations to EU election observation missions). It aims to support and strengthen international and regional frameworks for promoting and supporting human rights through approaches that strengthen civil societies and are not constrained to the spheres of government.

Based on the Union's 'Strategic Framework on Human Rights and Democracy' of 2012, the human rights dimension is a constituent part of all EU external policies. In order to enhance the effectiveness and visibility of EU human rights policy, Stavros Lambrinidis was appointed the EU's first thematic EU Special Representative in 2012 and his mandate was extended by a year in 2013.¹³ With a flexible mandate, the Special Representative contributes to the implementation of the Union's human rights policy. He regularly meets with human rights stakeholders from civil society, academia, government, and international organisations, as well as EU heads of missions and other Special Representatives.

Guarantee Fund for External Actions

Established following Council Regulation (EC, Euratom) No 480/2009, the Guarantee Fund for External Actions aims to protect the EU against financial risks related to loans (e.g. macro-financial assistance) granted to third states. The objective is to protect European budget appropriations and to contribute to compliance with budgetary discipline.

If a country does not respect its financial commitment *vis-à-vis* its debtors, the fund intervenes to pay the EU's and European Investment Bank's creditors, who are guarantors, in order to avoid direct financial risks to the EU budget. The management of the

13. Council of the European Council, 'Council Decision 2013/352/CFSP of 2 July 2013 amending Decision 2012/440/CFSP appointing the European Union Special Representative for Human Rights', *Official Journal of the European Union* L 185/8, available online at: <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2013:185:0008:0008:EN:PDF>.

fund is entrusted to the EC. It is safeguarded as financing of the fund is guaranteed as compulsory expenditure from the EU general budget, according to the last inter-institutional agreement.¹⁴

As of 27 September 2013, the total equity of the fund amounted to €2.043 billion.¹⁵

Industrialised Countries Instrument (ICI)

The Industrialised Countries Instrument aims to further strengthen the EU's relations with industrialised and other high-income countries and territories, especially in North America, East Asia, South-East Asia and the Gulf region, thereby consolidating multilateral institutions, contributing to the balance and development of the world economy and the international system, and strengthening the EU's role and place in the world.¹⁶

Also known as the *Financing instrument for cooperation with industrialised and other high-income countries and territories*, the ICI was established in the framework of Council Regulation (EC) No 1934/2006 to focus on economic, financial and technical cooperation.

Based on multiannual cooperation programmes, the ICI is implemented by the EC according to adopted annual action programmes. It covers grants, financing agreements or employment contracts while the range of entities eligible for funding include partner countries, international and regional organisations, and EU bodies and agencies. The top three priorities of the ICI 2011-2013 programme, which is valued at €77.65 million,¹⁷ are:

- Public diplomacy: support is provided to EU Centres,¹⁸ public policy think tanks and research institutes

14. European Parliament, Council of the European Union, European Commission, 'Interinstitutional agreement between the European Parliament, the Council and the Commission on budgetary discipline and sound financial management', 2006/C 139/01, *Official Journal of the European Union* C 139/1, 14 June 2006, available online at: [http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32006Q0614\(01\)&from=EN](http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32006Q0614(01)&from=EN).

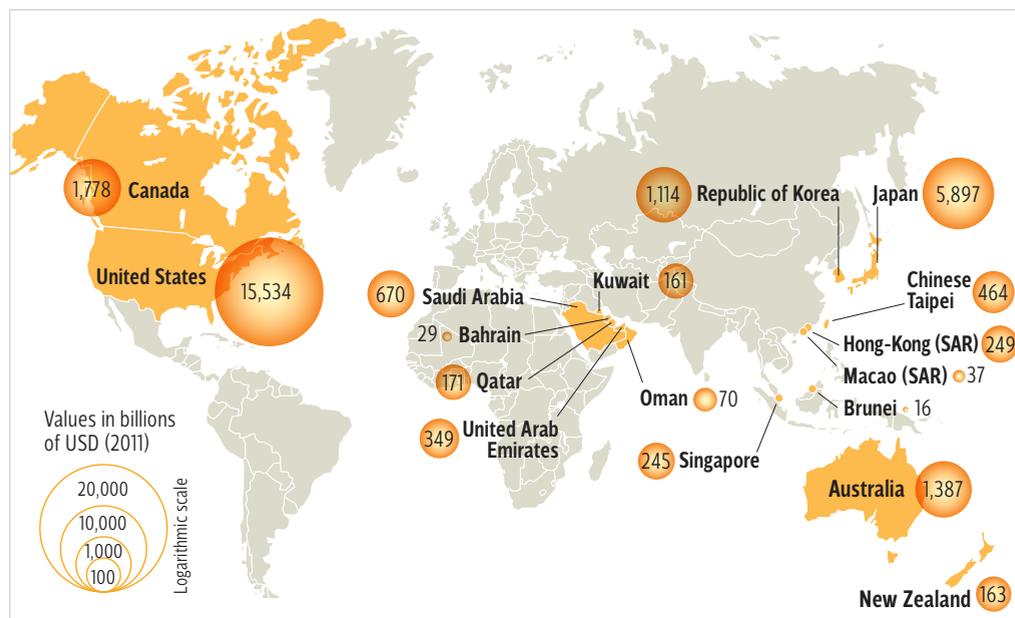
15. European Commission, 'Report from the Commission to the European Parliament and the Council on the guarantee fund and its management in 2012', COM(2013) 661 final, Brussels, 27 September 2013, available online at: <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2013:0661:FIN:EN:PDF>.

16. European Commission, 'Financing instrument for cooperation with industrialised and other high-income countries and territories (2007-2013)', 22 May 2007, available online at: http://europa.eu/legislation_summaries/external_relations/relations_with_third_countries/industrialised_countries/r14107_en.htm.

17. European External Action Service, 'Multiannual programme for cooperation with industrialised countries and other high-income countries and territories (2011-2013)', available online at: http://www.eeas.europa.eu/ici/docs/com_2011_2046_en.pdf.

18. In order to promote greater understanding and increase awareness of the EU, its institutions and its policies, 35 European Union Centres have been launched in universities in Australia, Canada, Hong Kong, Japan, Macao, New Zealand, Russia, Singapore, South Korea, Taiwan, and the United States. See European External Action Service, 'European Union Centres', available online at: http://eeas.europa.eu/eu-centres/eu-centres_en.pdf.

- Business cooperation: strengthening the presence of European companies in key markets which are difficult to penetrate
- People-to-people links: enhancing mutual understanding between people by strengthening cooperation in the field of education and civil society.

FIGURE 2: ICI COUNTRIES

The ICI does not allow the EU to cooperate with new emerging economies¹⁹ on certain challenges, despite the widening of ICI to cover non-official development assistance measures in developing countries under the acronym ICI+. Under the 2014-2020 MFF, the newly created Partnership Instrument succeeds the ICI and is intended to overcome these shortcomings.

Partnership Instrument (PI)

The Partnership Instrument is a new tool which is intended to replace and overcome the limited scope of the ICI/ICI+ starting in 2014. The PI is intended to allow the EU to develop cooperation with strategic partners/emerging economies on topics of interest for the EU. Its goals are to strengthen bilateral cooperation, forge economic

19. Article 2, Paragraph 2 of Council Regulation (EC) No 1934/2006 provides that the scope of the Instrument should be limited to 'countries and territories listed in the Annex (...) the Commission shall amend the list in the Annex in accordance with regular OECD/DAC reviews of its List of developing countries'. But countries like India, China and Brazil are progressively moving beyond the status of developing nations.

partnerships and enhance public diplomacy, policy discussions with partners and regulatory convergence.²⁰

The PI greatly expands the width of its predecessor instruments to cover emerging economies but also global challenges such as climate change, sustainable development, energy security, and the support of the external dimension of EU policies. According to a proposal by the Commission,²¹ which was adopted by the European Parliament in December 2013,²² the legal basis of the PI will be the combination of the following three articles of the Treaty on the Functioning of the European Union (TFEU, consolidated): Article 212, Paragraph 2; Article 207, Paragraph 2 and Article 209, Paragraph 1.

Instrument for Humanitarian Aid

Humanitarian aid constitutes an important aspect of the EU's external action and the Union is one of the biggest donors in the world. Based on several key documents such as the European Consensus on Humanitarian Aid,²³ the framework partnership agreement with humanitarian organisations²⁴ and the partnership with the United Nations,²⁵ it seeks to promote the fundamental humanitarian principles of humanity, neutrality, impartiality and independence.

Established following Council Regulation (EC) No 1257/96 of 20 June 1996, the Instrument aims to provide emergency assistance and support to victims of natural disasters, outbreaks of fighting or other comparable circumstances. The instrument can be activated at the request of a wide range of actors, including NGOs.

The measures, which cannot last longer than six months, are grant-financed and cover issues from supplying items during emergencies to the improvement of the Instrument's own implementation process. In this framework, the Director of DG ECHO is in charge

20. European Commission, 'Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions: A Budget for Europe 2020 Part II: Policy fiches', COM(2011) 500 final, Brussels, 29 June 2011, available online at: http://ec.europa.eu/budget/library/biblio/documents/fin_fwk1420/MFF_COM-2011-500_Part_II_en.pdf.

21. European Commission, 'Proposal for a Regulation of the European Parliament and the Council establishing a Partnership Instrument for cooperation with third countries', COM(2011) 843 final, Brussels, 7 December 2011, available online at: http://ec.europa.eu/europeaid/how/finance/documents/prop_reg_partnership_instrument_en.pdf.

22. European Parliament, 'Procedure file: 2011/0411(COD), Partnership instrument for cooperation with third countries 2014-2020', available online at: [http://www.europarl.europa.eu/oeil/popups/ficheprocedure.do?reference=2011/0411\(COD\)&l=EN#tab-0](http://www.europarl.europa.eu/oeil/popups/ficheprocedure.do?reference=2011/0411(COD)&l=EN#tab-0).

23. European Commission, 'European Consensus on Humanitarian Aid', 16 May 2011, available online at: http://europa.eu/legislation_summaries/humanitarian_aid/ah0009_en.htm.

24. European Commission, 'Partnership with the United Nations: development assistance and humanitarian aid', 9 September 2011, available online at: http://europa.eu/legislation_summaries/humanitarian_aid/r12600_en.htm.

25. European Commission, 'Framework Partnership Agreement with humanitarian organisations (2008-2012)', 25 January 2011, available online at: http://europa.eu/legislation_summaries/humanitarian_aid/r10007_en.htm.

of primary emergency humanitarian actions (with a maximum amount of €3 million and a maximum duration of three months). The European Commission is responsible for the managing and monitoring of the Instrument and for the actions relating to emergency operations up to €30 million for a maximum of six months as well as non-urgent decisions up to a maximum of €10 million.

Instrument for Nuclear Safety Cooperation (INSC)

The Instrument for Nuclear Safety Cooperation was established following Council Regulation (Euratom) No 300/2007.²⁶ The INSC replaced and widened the mandate of the TACIS Nuclear Safety Programme,²⁷ which had been established to help prevent nuclear incidents in the former USSR satellite states.

Placed under the umbrella of EuropeAid, the INSC's main objectives include 'the promotion of a high level of nuclear safety, radiation protection and the application of efficient and effective safeguards of nuclear materials in non-EU countries.'²⁸ It is implemented through annual action programmes, but still allows for emergency or support measures as need arises.

The instrument covers the promotion and development of effective regulatory frameworks. It also allows for the provision of technical support to a wide range of nuclear stakeholders (at local, national, or regional level with private companies, non-governmental organisations [NGOs], the Commission's Joint Research Centre [JRC], EU agencies, and international organisations).

In 2013 the INSC implemented projects in Armenia, Belarus, Indonesia, Jordan, Thailand, Vietnam, Ukraine (including Chernobyl), as well as in Central and South East Asia, and the Arctic Sea. It also trained experts of national regulatory authorities in various multinational and regional contexts.²⁹

With previous annual commitments at over €70 million per year, the INSC's budget will be cut by almost two thirds starting in 2014.³⁰

26. Council of the European Union, Council Regulation (Euratom) No 300/2007 of 19 February 2007 establishing an Instrument for Nuclear Safety Cooperation, *Official Journal of the European Union* L 81/1, 22 March 2007, available online at: <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2007:081:0001:0010:EN:PDF>.

27. European Union, 'Tacis programme (2000-2006)', available online at: http://europa.eu/legislation_summaries/external_relations/relations_with_third_countries/eastern_europe_and_central_asia/r17003_en.htm.

28. European Commission, 'Annual Report on the European Union's development and external assistance policies and their implementation in 2012', available online at: http://ec.europa.eu/europeaid/multimedia/publications/documents/annual-reports/europeaid_annual_report_2013_full_en.pdf.

29. European Commission, 'Commission implementing decision of 30.8.2013 on the Annual Action Programme 2013 for the Instrument for Nuclear Safety Cooperation to be financed from the general budget of the European Union', C(2013) 5553 final, Brussels, 30 August 2013.

30. European Commission, 'Draft General Budget 2014: Document I', available online at: <http://eur-lex.europa.eu/budget/data/DB2014/EN/SEC00.pdf>.

Cooperation with the International Atomic Energy Agency (IAEA)

On 25 January 2013, a new cooperation mechanism³¹ was established between the EU and the International Atomic Energy Agency.³² In September 2013, the IAEA and the European Commission signed a memorandum of understanding³³ on nuclear safety that broadens the framework for cooperation and dialogue.

Instrument for Pre-Accession Assistance (IPA)

Replacing the previous instruments for pre-accession³⁴ and established following Council Regulation (EC) No 1085/2006 of 17 July 2006, the Instrument for Pre-Accession Assistance provides financial support to enlargement countries in their preparations for EU accession.

With a €1.865 billion budget in 2013,³⁵ the IPA works through multiannual frameworks. The resulting annual programmes are decided and implemented by the respective EC DG according to five main components:

1. Transition assistance & institution building [DG Enlargement]
2. Cross-border cooperation [DG Enlargement]
3. Regional development [DG for Regional and Urban Policy]
4. Human Resources development [DG Employment, Social Affairs & Inclusion]
5. Rural development [DG Agriculture and rural development]

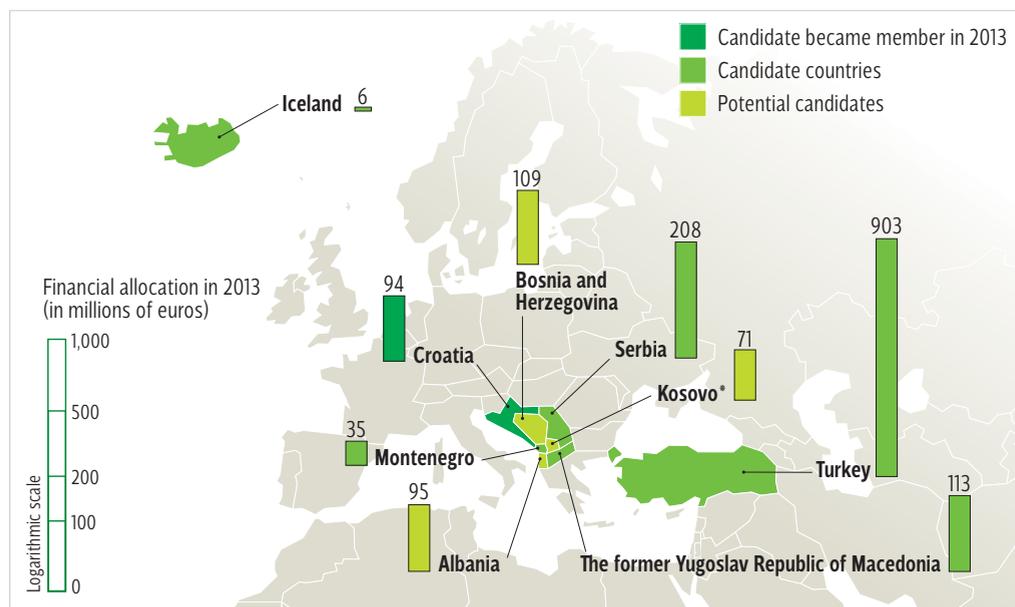
31. European Commission, 'International Atomic Energy Agency (IAEA)', available online at: http://ec.europa.eu/energy/international/organisations/iaea_en.htm.

32. International Atomic Energy Agency, 'Fact Sheet: Overview of EU support to the International Atomic Energy Agency (IAEA) in the field of nuclear safety, safeguards, security and Technical cooperation financed during the current Multiannual Financial Framework 2007-2013', 25 January 2013, available online at: <http://www.iaea.org/newscenter/pressreleases/2013/eucontribution.pdf>.

33. European Commission, 'Memorandum of Understanding for a partnership between the European Atomic Energy Community and the International Atomic Energy Agency on nuclear safety cooperation', 17 September 2013, available online at: http://ec.europa.eu/energy/nuclear/safety/doc/20130917_ec_iaea_mou_nuclear.pdf.

34. The three previous instruments were the Instrument for Structural Policies for Pre-Accession, the PHARE programme for countries of Central and Eastern Europe, and the Special Accession Programme for Agriculture and Rural Development (SAPARD). Turkey has also had a special pre-accession instrument.

35. See in particular European Commission, 'Communication from the Commission to the European Parliament and the Council: Instrument for Pre-Accession Assistance (IPA) Revised Multi-Annual Indicative Financial Framework for 2013', COM(2012) 581 final, Brussels, 10 October 2012, available online at: http://ec.europa.eu/enlargement/pdf/key_documents/2012/package/miff_adopted10-10-12_en.pdf.

FIGURE 3: IPA COUNTRIES³⁶

* Under UNSCR 1244/1999.

There are currently five EU candidate countries: Iceland, Montenegro, Serbia, the former Yugoslav Republic of Macedonia, and Turkey. Albania, Bosnia and Herzegovina, and Kosovo are also regarded as potential candidates and are able to participate in activities under the two first IPA components. All these countries, plus Croatia, who joined the EU on 1 July 2013, benefited from the IPA's programmes in 2013.

Macro-Financial Assistance (MFA)

Macro-Financial Assistance is a policy-based financial instrument of untied and undesignated balance-of-payments support to partner third countries. It takes the form of medium/long-term loans or grants, or a combination of these, and complements the financing provided in the context of the International Monetary Fund's reform programme.

36. Financial allocations per IPA country do not take into account funds from the multi-beneficiary programme that allocated an additional €177.2 million to the beneficiaries of the IPA. See European Commission, 'Annex: Instrument for Pre-Accession Assistance (IPA) Multi-Annual Indicative Planning Document (MIPD), 2011-2013 Multi-Beneficiary', available online at: http://ec.europa.eu/enlargement/pdf/mipd_multibeneficiary_2011_2013_en.pdf. Source: European Commission, 'Overview - Instrument for Pre-accession Assistance', 1 April 2014, available online at: http://ec.europa.eu/enlargement/instruments/overview/index_en.htm; and European External Action Service, 'Annual Work Programme for Grants in 2013 for Cooperation with Industrialised Countries and other High-Income Countries and Territories (ICI)', 8 March 2013, available online at: http://eeas.europa.eu/grants_contracts/grants/workprogs/2013/indust_prog_2013_en.pdf. Nominal GDP figures of 2011 in USD current prices from the World Bank and the International Monetary Fund (Chinese Taipei).

In 2013, macro-financial assistance payments amounted to €56.34 million.³⁷ Among the beneficiaries in 2013 were Armenia, Georgia, Jordan, Moldova, Morocco, Tunisia, and Ukraine.³⁸

2. THE EU AS A GLOBAL PLAYER

In order to facilitate an overview of EU policies and priorities in this domain, all instruments that touch upon external action have been grouped in a single part of the EU budget: Heading 4, 'EU as a Global Player'. Nevertheless, some instruments remain based on the multiannual framework programme while others are only based on annual programmes or crisis situations.

The table below shows a compilation of figures from the EU budget dedicated to external instruments and policies. Heading 4 includes the budget line of the Common Foreign and Security Policy (CFSP), which covers crisis management operations (CSDP missions), European Union Special Representatives, non-proliferation and disarmament missions, and other preparatory actions.

Budget Heading 4: the EU as a global player

In 2013, four instruments, the DCI, the IPA, the ENPI and the Instrument for humanitarian aid constituted over three quarters of the commitment appropriations under Heading 4.

2013 was the last year budgeted under the 2007-2013 MFF. While increases in budgets from 2012 to 2013 are well within the overall trend of the MFF, the decrease of the Heading 4 budget under the 2014-2020 MFF as well as the restructuring of its landscape of instruments explains marked changes from 2013 to 2014.

37. European Union, 'Section III – Commission', available online at: <http://eur-lex.europa.eu/budget/data/LBL2013/EN/SEC03.pdf>.

38. European Commission, 'The EU's neighbouring economies: managing policies in a challenging global environment', *European Economy Occasional Papers* 160, August 2013, available online at: http://ec.europa.eu/economy_finance/publications/occasional_paper/2013/pdf/ocp160_en.pdf.

FIGURE 4: HEADING 4, COMMITMENT APPROPRIATIONS IN 2013

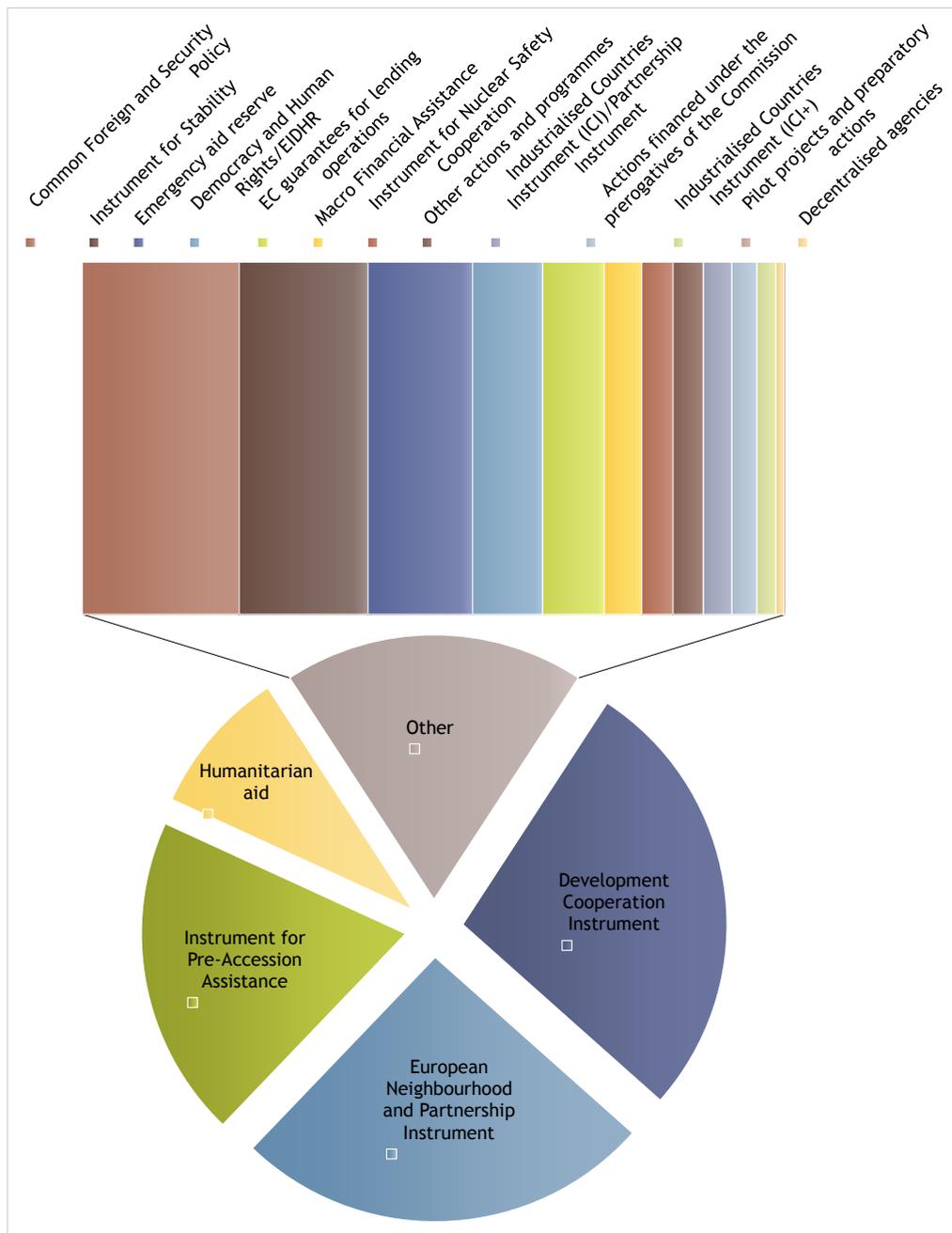


TABLE 1: HEADING 4 2012-2014, COMMITMENTS AND PAYMENTS APPROPRIATIONS³⁹

| | Budget 2012 | | Budget 2013 ¹ | | Draft Budget 2014 | | Difference 2014/2013 | |
|---|-------------|---------|--------------------------|---------|-------------------|---------|----------------------|--------|
| | million € | | million € | | million € | | % | |
| | CA | PA | CA | PA | CA | PA | CA | PA |
| Instrument for Pre-Accession assistance (IPA) | 1,865.9 | 1,349.3 | 1,898.6 | 1,495.8 | 1,573.5 | 1,410.8 | -17.1% | -5.7% |
| European Neighbourhood and Partnership Instrument (ENPI) | 2,323.5 | 1,330.1 | 2,470.8 | 1,403.3 | 2,113.0 | 1,355.7 | -14.5% | -3.4% |
| Development Cooperation Instrument (DCI) | 2,584.2 | 2,062.7 | 2,641.6 | 1,952.3 | 2,309.5 | 1,744.1 | -12.6% | -10.7% |
| Industrialised Countries Instrument (ICI)/ Partnership Instrument ² (PI) | 24.1 | 20.0 | 71.9 | 26.3 | 113.3 | 47.8 | -5.4% | 10.4% |
| Industrialised Countries Instrument (ICI+) ³ | 30.5 | 8.4 | 47.9 | 17.0 | | | | |
| Democracy and Human Rights/EIDHR | 176.1 | 154.0 | 177.1 | 150.1 | 179.3 | 122.0 | 1.3% | -18.7% |
| Instrument for Nuclear Safety Cooperation (INSC) | 77.3 | 66.2 | 78.9 | 65.6 | 30.5 | 59.5 | -61.3% | -9.3% |
| Instrument for Stability (IFS) | 309.3 | 200.4 | 325.4 | 216.0 | 314.5 | 215.6 | -3.4% | -0.2% |
| Humanitarian aid | 849.0 | 832.8 | 865.3 | 827.2 | 905.3 | 791.0 | 4.6% | -4.4% |
| Macro Financial Assistance (MFA) | 95.6 | 79.1 | 94.6 | 56.3 | 76.3 | 63.2 | -19.3% | 12.2% |
| Common Foreign and Security Policy (CFSP) | 363.0 | 302.8 | 396.3 | 316.8 | 314.5 | 234.8 | -20.7% | -25.9% |
| EC guarantees for lending operations | 260.2 | 260.2 | 155.7 | 155.7 | 58.4 | 58.4 | -62.5% | -62.5% |
| Civil Protection Mechanism (CPM) and European Emergency Response Centre (ERC) | - | - | - | - | 19.5 | 7.5 | - | - |

39. Source: European Commission, 'Draft General Budget of the European Union for the financial year 2013: General introduction', COM(2012) 716 final, Brussels, 23 November 2012, available online at: <http://eur-lex.europa.eu/budget/data/P2013/EN/SEC00.pdf>; European Commission, 'Draft General Budget 2014: Document 1', available online at: <http://eur-lex.europa.eu/budget/data/DB2014/EN/SEC00.pdf>.

| | Budget 2012 | | Budget 2013 ¹ | | Draft Budget 2014 | | Difference 2014/2013 | |
|--|----------------|----------------|--------------------------|----------------|-------------------|----------------|----------------------|--------------|
| | million € | | million € | | million € | | % | |
| | CA | PA | CA | PA | CA | PA | CA | PA |
| European Voluntary Humanitarian Aid Corps EU Aid Volunteers (EUAV) | - | - | - | - | 12.7 | 4.8 | - | - |
| Emergency aid reserve ⁴ | 258.9 | 90.0 | 264.1 | 110.0 | 297.0 | 150.0 | 12.5% | 87.5% |
| Other actions and programmes | 168.3 | 246.3 | 77.0 | 53.0 | 72.7 | 55.5 | -5.6% | 4.6% |
| Actions financed under the prerogatives of the Commission and specific competences conferred to the Commission | - | - | 63.2 | 48.5 | 62.9 | 49.8 | -0.5% | 2.7% |
| Pilot projects and preparatory actions | - | - | 5.0 | 23.5 | p.m. | 10.8 | -100.0% | -54.1% |
| Decentralised agencies | 20.0 | 20.0 | 20.0 | 20.5 | 20.0 | 20.0 | 0.0% | -2.5% |
| Total Heading 4 | 9,405.9 | 7,022.2 | 9,653.4 | 6,937.9 | 8,472.9 | 6,401.3 | -12.2% | -7.7% |

CA = commitment appropriations, PA = payment appropriations

1. Budget 2013 includes draft amending budgets 1 to 5.

2. In 2014, the PI replaces the ICI and the ICI+.

3. Merged into PI as of 2014.

4. Outside the MFF as of 2014.

Under the MFF 2014-2020 some of the EU's foreign policy instruments have been restructured. The 'Partnership' has been subtracted from the ENPI to form two separate instruments: the ENI and the PI. The PI henceforth also contains the spirit of the former ICI/ICI+. Furthermore, two new budget items have been created: 'Civil Protection Mechanism (CPM) and European Emergency Response Centre (ERC)' and 'European Voluntary Humanitarian Aid Corps EU Aid Volunteers (EUAV)'.

Accordingly, budgetary allocations have shifted between the instruments, while most of the instruments have been subject to some budget cuts in line with the overall shrinking of Heading 4.

FIGURE 5: BUDGETS OF THE IPA, ENPI/ENI, DCI, HUMANITARIAN AID AND CFSP, 2012-2014⁴⁰

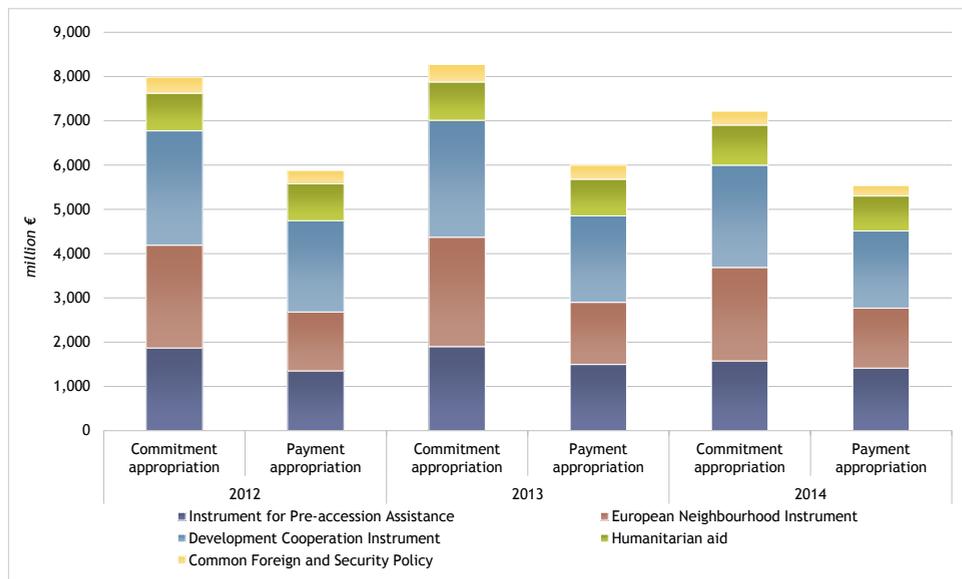
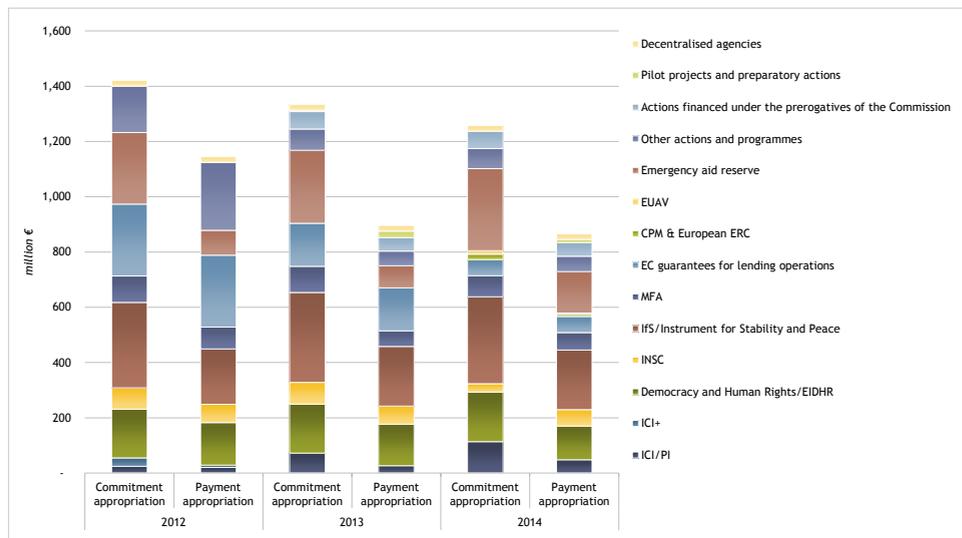


FIGURE 6: BUDGETS OF OTHER EXTERNAL INSTRUMENTS, 2012-2014⁴¹



40. Source: European Commission, 'Draft General Budget of the European Union for the financial year 2013: General introduction', COM(2012) 716 final, Brussels, 23 November 2012, available online at: <http://eur-lex.europa.eu/budget/data/P2013/EN/SEC00.pdf>; European Commission, 'Draft General Budget 2014: Document I', available online at: <http://eur-lex.europa.eu/budget/data/DB2014/EN/SEC00.pdf>.

41. Ibid.

The EU budget does not include the European Development Fund (EDF), which remains the main instrument for development cooperation in African, Caribbean and Pacific countries (APC) as well as overseas countries and territories (OCT). The 10th EDF (2008-2013) had a budget of €22.68 billion and the 11th EDF has been set at €29.09 billion.⁴² From 2014, the Emergency aid reserve, which serves to finance humanitarian and civilian crisis management and protection operations in response to unforeseen events in non-EU states, is also placed outside the EU budget.

42. ACP-EU Council Of Ministers, 'Decision No 1/2013 of the ACP-EU Council of Ministers of 7 June 2013 adopting a protocol on the multiannual financial framework for the period 2014-2020 under the Partnership Agreement between the members of the African, Caribbean and Pacific Group of States of the one part, and the European Community and its Member States, of the other part', 2013/321/EU, *Official Journal of the European Union* L 173/67, 26 June 2013, available online at: <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2013:173:0067:0069:EN:PDF>.

TABLE 2: HEADING 4 UNDER THE 2014-2020 MFF⁴³

| (values in million €) | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
|---|---------|---------|---------|---------|---------|---------|---------|---------|
| Instrument for Pre-Accession assistance (IPA) | 1,864.6 | 1,573.8 | 1,605.2 | 1,637.4 | 1,670.1 | 1,703.5 | 1,737.6 | 1,771.1 |
| European Neighbourhood and Partnership Instrument (ENPI) | 2,370.6 | 2,113.0 | 2,027.3 | 2,084.4 | 2,159.8 | 2,243.2 | 2,358.4 | 2,446.5 |
| Democracy and Human Rights | 175.6 | 179.3 | 182.9 | 186.6 | 190.1 | 193.8 | 197.7 | 202.3 |
| Instrument for Stability (IFS) | 330.4 | 314.5 | 320.8 | 327.3 | 333.9 | 340.5 | 347.4 | 354.4 |
| Common Foreign and Security Policy (CFSP) | 396.3 | 314.5 | 320.8 | 327.3 | 333.9 | 340.5 | 347.4 | 354.4 |
| Industrialised Countries Instrument (ICI) | 23.5 | - | - | - | - | - | - | - |
| Industrialised Countries Instrument (ICI+) | 47.9 | - | - | - | - | - | - | - |
| Partnership Instrument (PI) | - | 113.3 | 119.2 | 126.3 | 134.4 | 143.9 | 154.7 | 163.0 |
| Development Cooperation Instrument (DCI) | 2,620.3 | 2,309.5 | 2,467.7 | 2,636.1 | 2,805.4 | 2,988.2 | 3,180.1 | 3,274.6 |

43. Source: European Commission, 'Financial Programming and Budget: Multiannual Financial Framework 2014-2020', available online at: <http://ec.europa.eu/budget/mif/11b/data/MFF2014-2020.xls>.

| (values in million €) | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | |
|---|----------------|----------------|----------------|----------------|----------------|----------------|-----------------|-----------------|---|
| Humanitarian aid | 865.3 | 905.3 | 918.8 | 932.8 | 945.4 | 959.4 | 978.7 | 981.4 | Humanitarian aid |
| | 5.0 | 19.5 | 19.9 | 20.3 | 20.7 | 21.1 | 21.5 | 21.4 | Civil Protection Mechanism (CPM) and European Emergency Response Centre (ERC) |
| | - | 12.7 | 14.8 | 17.9 | 22.0 | 26.3 | 26.8 | 27.5 | European Voluntary Humanitarian Aid Corps EU Aid Volunteers (EUAV) |
| Emergency aid reserve* | 264.1 | - | - | - | - | - | - | - | |
| Instrument for Nuclear Safety Cooperation (INSC) | 78.9 | 30.5 | 31.2 | 31.8 | 32.3 | 33.0 | 33.6 | 32.9 | Instrument for Nuclear Safety Cooperation (INSC) |
| Macro Financial Assistance (MFA) | 100.0 | 76.3 | 78.0 | 79.7 | 80.8 | 82.1 | 83.8 | 84.0 | Macro-financial Assistance (MFA) |
| EC guarantees for lending operations | 155.7 | 58.5 | 239.8 | 273.2 | 199.0 | 178.1 | 159.8 | 84.8 | Guarantee fund for External actions |
| | 20.3 | 20.7 | 21.1 | 21.6 | 22.0 | 22.4 | 22.9 | 23.3 | Agencies |
| Other actions and programmes | 139.8 | 150.6 | 153.6 | 207.5 | 159.6 | 162.8 | 166.1 | 167.0 | Other |
| | 376.7 | 143.1 | 228.0 | 233.0 | 322.4 | 386.1 | 451.7 | 521.3 | Margin |
| Decentralised agencies | 20.0 | - | - | - | - | - | - | - | |
| Total Heading 4 | 9,855.1 | 8,335.0 | 8,749.0 | 9,143.0 | 9,432.0 | 9,825.0 | 10,268.0 | 10,510.0 | Total Heading 4 |

3. COMMON FOREIGN AND SECURITY POLICY (CFSP)

The Common Foreign and Security Policy is the organised, common denominator between the Union's member states that deals with part of the Union's external relations. As outlined in Article 21, Paragraph 2 of the Treaty on European Union (TEU, consolidated), its objectives are to:

- safeguard its values, fundamental interests, security, independence and integrity
- consolidate and support democracy, the rule of law, human rights and the principles of international law
- 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
- foster the sustainable economic, social and environmental development of developing countries, with the primary aim of eradicating poverty
- encourage the integration of all countries into the world economy, including through the progressive abolition of restrictions on international trade
- help develop international measures to preserve and improve the quality of the environment and the sustainable management of global natural resources, in order to ensure sustainable development
- assist populations, countries and regions confronting natural or man-made disasters
- promote an international system based on stronger multilateral cooperation and good global governance.

Budget

After a steep increase in appropriations until 2013, the CFSP's funds will increase slightly but steadily under the 2014-2020 MFF, while its budgetary weight in relation to Heading 4 and the EU budget at large is set to decline slightly.

TABLE 3: HEADING 4, CHAPTER 19 03, COMMON FOREIGN AND SECURITY POLICY, COMMITMENT APPROPRIATIONS 2007-2020⁴⁴

| Year | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
|--------------------------------|------|-------|--------|-------|-------|-------|------|
| CFSP Budget (million €) | 159 | 285 | 243 | 281 | 327 | 362 | 396 |
| Annual evolution | | 78.9% | -14.8% | 15.7% | 16.3% | 11.0% | 9.3% |

| Year | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
|--------------------------------|--------|------|------|------|------|------|------|
| CFSP Budget (million €) | 314 | 321 | 327 | 334 | 341 | 347 | 354 |
| Annual evolution | -20.7% | 2.0% | 2.0% | 2.0% | 2.0% | 2.0% | 2.0% |

FIGURE 7: CFSP BUDGET

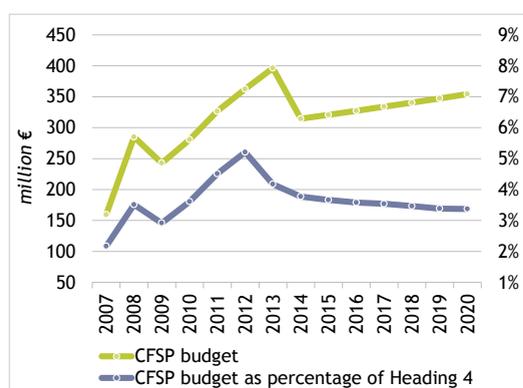
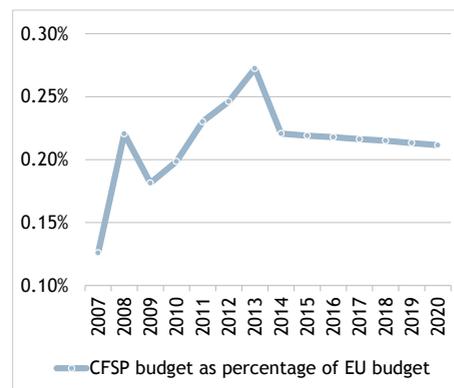


FIGURE 8: CFSP BUDGET AS PERCENTAGE OF EU BUDGET



Illustrating the link between policies and the financial resources associated with the same policies, each policy has been grouped in chapters of the budget. All the policies related to external relations are grouped in chapter 19 of the Commission budget.⁴⁵ The Common Foreign Security Policy is budgeted in chapter 19 03 of Heading 4.

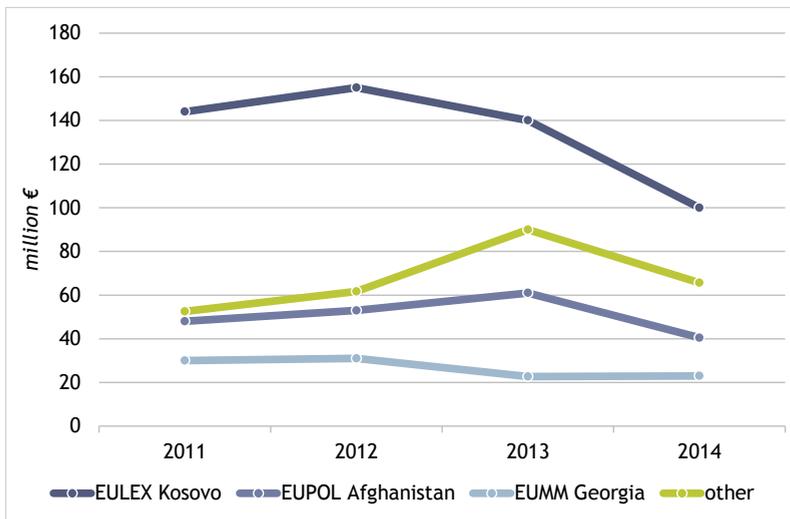
44. Sources: EUR-Lex, ‘Budget on line’, available online at: <http://eur-lex.europa.eu/budget/www/index-en.htm>; and European Commission, ‘Financial Programming and Budget: Multiannual Financial Framework 2014-2020’, available online at: <http://ec.europa.eu/budget/mff/lib/data/MFF2014-2020.xls>.

45. Chapter 19 is subdivided into ‘19 01 Administrative expenditure for ‘external relations’ policy areas’; ‘19 02 Cooperation with third countries in the area of migration and asylum’; ‘19 03 CFSP’; ‘19 04 EIDHR’; ‘19 05 Relations and cooperation with industrialised non-member countries’; ‘19 06 Crisis response and global threats to security’; ‘19 08 ENP and relations with Russia’; ‘19 09 Relations with Latin America’; ‘19 10 Relations with Asia, Central Asia and Middle East (Iraq, Iran, Yemen)’; ‘19 11 Policy strategy and coordination for “external relations” policy area’; ‘19 49 expenditure on administrative management of programmes committed in accordance with the former Financial Regulation’.

Heading 4 is subdivided into six budgetary lines:

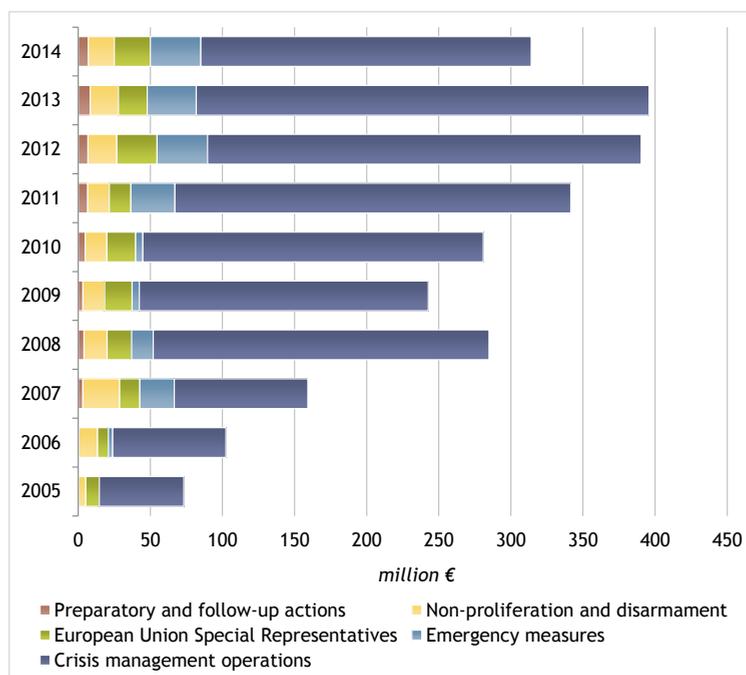
- 19 03 01: Crisis management operations, conflict prevention, resolution and stabilisation, monitoring and security processes
- 19 03 02: Non-proliferation and disarmament
- 19 03 03: Conflict resolution and other stabilisation measures⁴⁶
- 19 03 04: Emergency measures
- 19 03 05: Preparatory and follow-up measures
- 19 03 06: European Union Special Representatives

FIGURE 9: BUDGET, CHAPTER 19 03 01: CRISIS MANAGEMENT OPERATIONS 2011-2014



Between 2011 and 2014, the crisis management operations listed under Chapter 19 03 01 of the Commission budget were itemised as ‘19 03 01 01 Monitoring mission in Georgia’, ‘19 03 01 02 EULEX Kosovo’, ‘19 03 01 03 EUPOL Afghanistan’, and ‘19 03 01 04 Other crisis management measures and operations’.

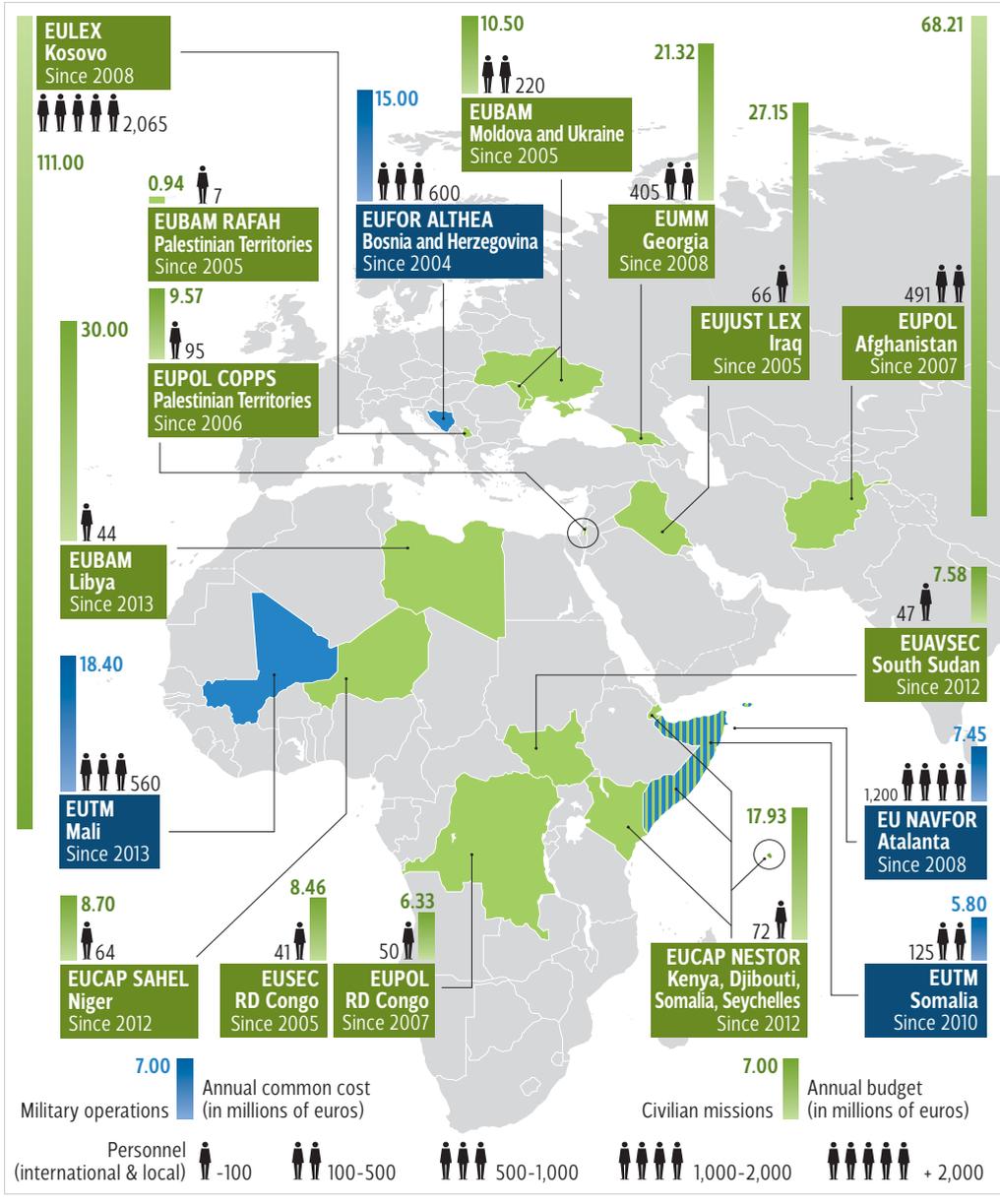
46. Has not appeared in the EU budget since 2011.

FIGURE 10: BUDGET, CHAPTER 19 03: CFSP 2005-2014**TABLE 4: BUDGET, CHAPTER 19 03: CFSP 2005-2014**

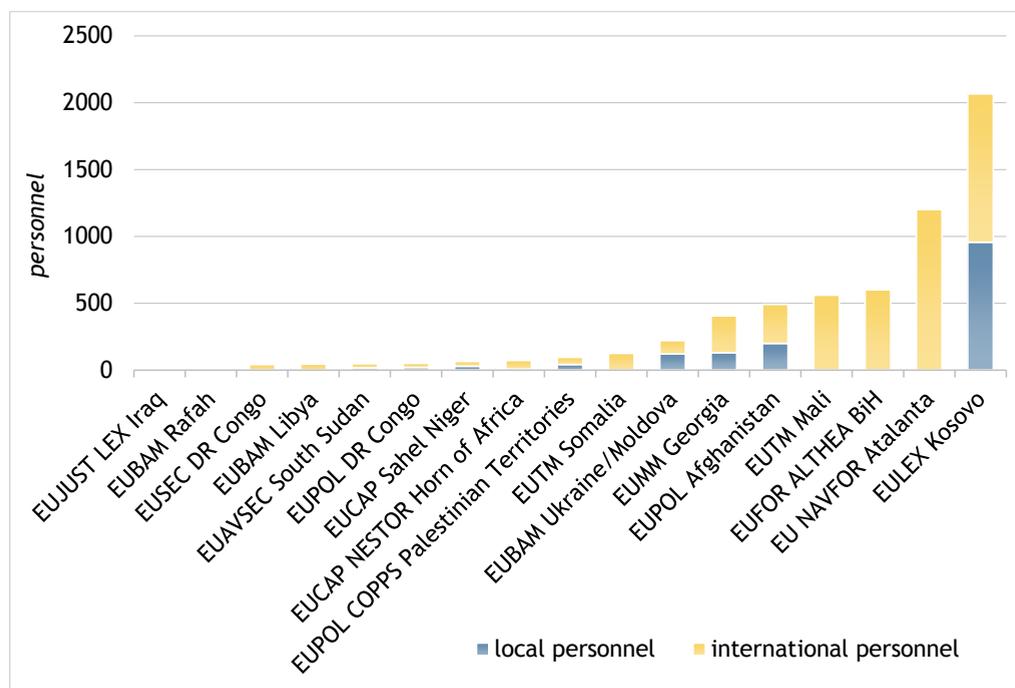
| | Crisis management operations | Non-proliferation and disarmament | Emergency measures | Preparatory and follow-up actions | European Union Special Representatives | Total |
|-------------|------------------------------|-----------------------------------|--------------------|-----------------------------------|--|---------------|
| 2005 | 58.56 | 5.03 | 0.00 | 0.21 | 9.37 | 73.17 |
| 2006 | 78.50 | 13.00 | 3.00 | 0.40 | 7.50 | 102.40 |
| 2007 | 92.60 | 25.50 | 23.90 | 3.20 | 14.00 | 159.20 |
| 2008 | 232.85 | 16.00 | 15.00 | 4.00 | 17.00 | 284.85 |
| 2009 | 200.40 | 15.00 | 5.00 | 3.25 | 19.11 | 242.75 |
| 2010 | 236.09 | 15.00 | 5.00 | 4.85 | 19.95 | 280.89 |
| 2011 | 274.52 | 15.00 | 30.55 | 6.55 | 14.94 | 341.57 |
| 2012 | 300.71 | 20.00 | 35.00 | 6.75 | 27.90 | 390.36 |
| 2013 | 314.00 | 19.50 | 34.00 | 8.33 | 20.00 | 395.83 |
| 2014 | 229.12 | 18.00 | 35.00 | 7.00 | 25.00 | 314.12 |

Common Security and Defence Policy (CSDP)

FIGURE 11: CIVILIAN MISSIONS AND MILITARY OPERATIONS IN 2013⁴⁷



47. Missions and operations regularly employ international and local staff. Personnel numbers are capped by authorised maximum amounts and vary throughout any given year. Source: European External Action Service, 'Ongoing missions and operations', available online at: <http://www.eeas.europa.eu/csdp/missions-and-operations/>.

FIGURE 12: PERSONNEL FIGURES OF CSDP CIVILIAN MISSIONS AND MILITARY OPERATIONS 2013⁴⁸

Contributions of third states to CSDP operations

Approximately 45 non-EU states have participated in CSDP operations since the first mission (about 30 if the countries that have joined the EU since 2004 are subtracted). There is no third state involved in the EUMM in Georgia and only one in EUPOL Afghanistan, while more than ten have participated in EUFOR Althea in Bosnia.

All EU candidate countries (the former Yugoslav Republic of Macedonia, Iceland, Montenegro, Serbia, Turkey) have participated in CSDP missions and signed Framework Participation Agreements (FPAs) with the EU – as had most of the 13 states that joined the EU in 2004, 2007, and 2013 prior to their accession. This is also the case for all non-EU NATO states (Albania, Canada, Iceland, Norway, Turkey, the US), with Canada, Norway and Turkey standing out in particular as contributing countries.⁴⁹

48. Source: EEAS Civilian Planning and Conduct Capability, 'Personnel Figures of the Civilian CSDP Missions as of 31.12.2013', internal document, January 2014; and EEAS mission factsheets, available online at: <http://www.eeas.europa.eu/csdp/missions-and-operations/>.

49. Thierry Tardy, 'CSDP: getting third states on board', *EUISS Brief* no. 6, March 2014, available online at: http://www.iss.europa.eu/uploads/media/Brief_6_CSDP_and_third_states.pdf.

TABLE 5: THIRD STATES' CONTRIBUTIONS⁵⁰

| Third states | CSDP operations |
|---|---|
| Europe/North America | |
| Albania* | EUFOR Althea, EUFOR Tchad/RCA |
| Canada* | EUFOR Althea, EULEX Kosovo, EUPM BiH, EUPOL COPPS, EUPOL Kinshasa, EUPOL Afghanistan, Artemis (DRC) |
| The former Yugoslav Republic of Macedonia | EUFOR Althea |
| Georgia* | EUCAP Nestor, EUTM Mali, EUBAM Libya, EUFOR RCA |
| Iceland* | EUPM BiH, Concordia |
| Moldova* | --- |
| Montenegro* | EUNAVFOR Atalanta |
| Norway* | EUFOR Althea, EULEX Kosovo, EUPM BiH, EUPOL Afghanistan, EUNAVFOR Atalanta, EUPOL COPPS, EUPOL Proxima, Concordia, AMM Aceh, EUJUST LEX, EUCAP Nestor |
| Russia | EUPM BiH, EUFOR Tchad/RCA |
| Serbia* | EUNAVFOR Atalanta, EUTM |
| Switzerland | EUFOR Althea, EULEX Kosovo, EUPM BiH, EUPOL Proxima, EUFOR RD Congo, EUPOL RD Congo, AMM Aceh, EUTM Mali |
| Turkey* | EUFOR Althea, EULEX Kosovo, EUPM BiH, EUPOL Proxima, Concordia, EUFOR RD Congo, EUPOL Kinshasa |
| United States* | EULEX Kosovo, EUSEC RD Congo, EUPOL RD Congo |
| Ukraine* | EUPM BiH, EUPOL Proxima, EUNAVFOR Atalanta |
| Latin America | |
| Argentina | EUFOR Althea |
| Brazil | Artemis (DRC) |
| Chile* | EUFOR Althea |
| Dominican Republic | EUFOR Althea |
| Africa | |
| Angola | EUPOL Kinshasa, EUPOL RD Congo |
| Mali | EUPOL Kinshasa |

50. Source: Thierry Tardy, 'CSDP: getting third states on board', *EUISS Brief* no. 6, March 2014, available online at: http://www.iss.europa.eu/uploads/media/Brief_6_CSDP_and_third_states.pdf.

| Third states | CSDP operations |
|---------------------|---------------------------------|
| Morocco | EUFOR Althea |
| South Africa | Artemis (DRC) |
| Asia/Oceania | |
| Brunei | AMM Aceh |
| Malaysia | AMM Aceh |
| New Zealand* | EUFOR Althea, EUPOL Afghanistan |
| Philippines | AMM Aceh |
| Singapore | AMM Aceh |
| South Korea* | --- |
| Thailand | AMM Aceh |

* Countries which have signed an FPA with the EU.

CSDP civilian missions

There were 13 CSDP civilian missions in 2013. The costs detailed in the table below indicate estimated budgets. At the close of 2013, 73% of the international staff in CSDP civilian missions were seconded from EU member states and third countries. Their salaries were paid for by their countries and therefore did not weigh on a mission’s budget.

FIGURE 13: CSDP CIVILIAN MISSIONS, 2013

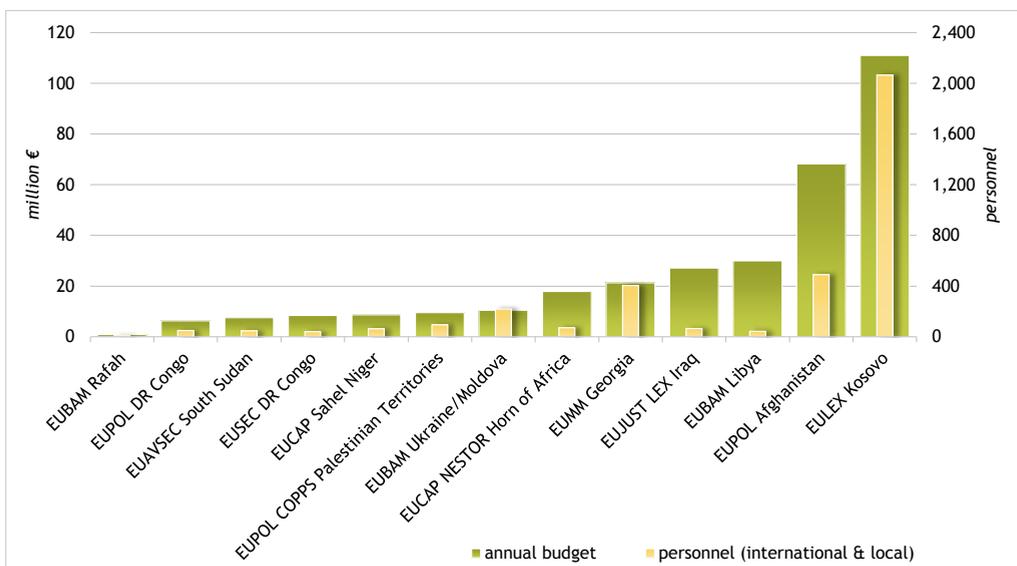


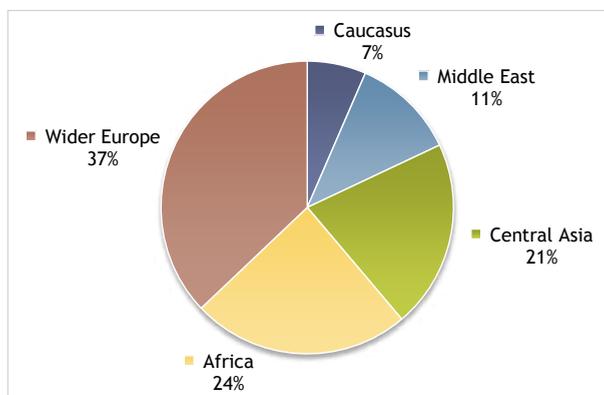
TABLE 6: CSDP CIVILIAN MISSIONS, 2013⁵¹

| Mission | Annual budget (million €) | End of current mandate | International personnel | Local personnel | Legal basis |
|-------------------------------------|---------------------------|----------------------------|-------------------------|-----------------|------------------------------------|
| EUBAM Rafah | 0.94 | 30 June 2014 | 3 | 4 | 2005/889/CFSP |
| EUPOL DR Congo | 6.33 | 30 September 2014 | 31 | 19 | 2007/405/CFSP |
| EUAVSEC South Sudan* | 7.58 | Completed 17 January 2014 | 31 | 16 | 2012/312/CFSP |
| EUSEC DR Congo | 8.46 | 30 September 2014 | 41 | 0 | 2005/355/CFSP |
| EUCAP Sahel Niger | 8.70 | August 2014 | 36 | 28 | 2012/392/CFSP |
| EUPOL COPPS Palestinian Territories | 9.57 | 30 June 2014 | 54 | 41 | 2005/797/CFSP |
| EUBAM Ukraine/Moldova | 10.50 | 30 November 2015 | 100 | 120 | Memorandum of Understanding (2005) |
| EUCAP NESTOR Horn of Africa | 17.93 | 15 July 2014 | 65 | 7 | 2012/389/CFSP |
| EUMM Georgia | 21.32 | 14 December 2014 | 276 | 129 | 2008/736/CFSP |
| EUJUST LEX Iraq* | 27.15 | Completed 31 December 2013 | 66 | 0 | 2005/190/CFSP |
| EUBAM Libya | 30.00 | mid-2015 | 44 | 0 | 2013/233/CFSP |
| EUPOL Afghanistan | 68.21 | 31 December 2014 | 292 | 199 | 2007/369/CFSP |
| EULEX Kosovo | 111.00 | 14 June 2014 | 1109 | 956 | 2008/124/CFSP |

* Missions completed at the end of 2013 (EUJUST LEX Iraq) and in January 2014 (EUAVSEC South Sudan).

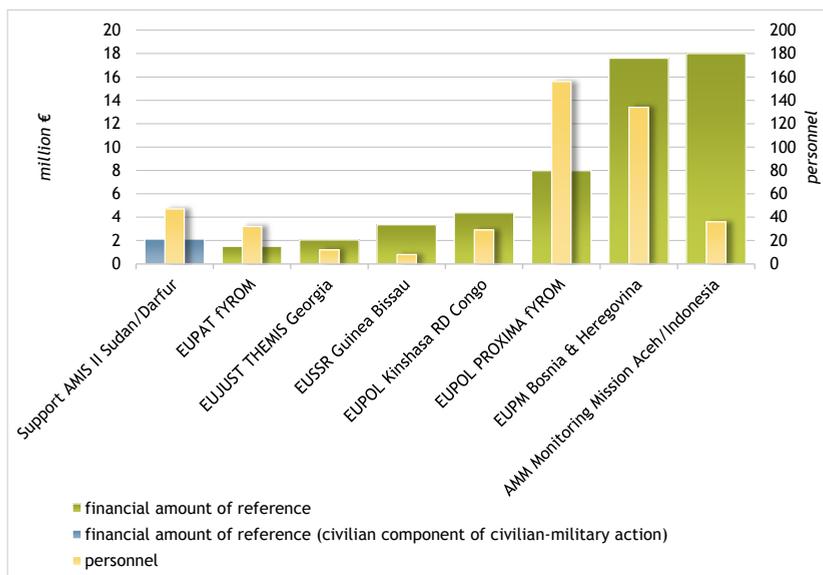
51. Where precise annual figures are not available, annualised averages were used for the annual budget. Sources: Council Decisions and EEAS mission factsheets for common costs. EEAS Civilian Planning and Conduct Capability, 'Personnel Figures of the Civilian CSDP Missions as of 31.12.2013', internal document, January 2014 for personnel figures.

FIGURE 14: CSDP CIVILIAN MISSIONS BUDGETS BY REGION



The EU has completed seven CSDP civilian missions and one combined civilian-military action, Support AMIS II Sudan/Darfur.

FIGURE 15: PAST CSDP CIVILIAN MISSIONS⁵²



52. Personnel figures represent international staff at the time of a mission's conclusion. Sources: Council Decisions and EEAS mission factsheets for missions' budgets. For personnel figures, see Stockholm International Peace Research Institute (SIPRI), 'Multilateral Peace Operations Database', available online at: <http://www.sipri.org/databases/pko>.

CSDP military Operations

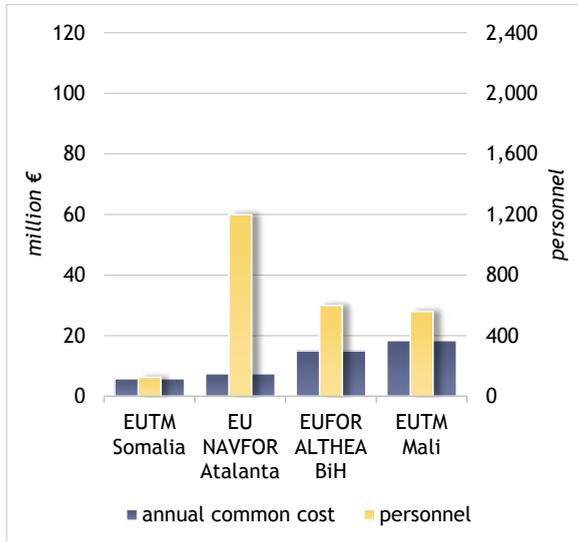
TABLE 7: CSDP MILITARY OPERATIONS, 2013⁵³

| Operation | Annual common cost (million €) | Personnel | Financial arrangements | Financial amount of reference (million €) | Mandate | Legal basis |
|--------------------|--------------------------------|-----------|--|---|------------------------|---------------|
| EUTM Somalia | | - | 07/04/2010 - 09/08/2011: 60% of the reference amount covered by ATHENA mechanism (Article 25, Paragraph 1 of Council Decision 2011/871/CFSP) | 4.8 | - | 2010/96/CFSP |
| | 5.80 | - | 09/08/2011 - 31/12/2012: 30% of the reference amount covered by ATHENA mechanism (Article 25, Paragraph 1 of Council Decision 2011/871/CFSP) | 4.8 | - | 2007/405/CFSP |
| | | 125 | From 01/01/2013: 100% of the reference amount covered by ATHENA mechanism (Article 25, Paragraph 1 of Council Decision 2011/871/CFSP) | 11.6 | until 31 March 2015 | 2008/851/CFSP |
| EU NAVFOR Atalanta | 7.45 | 1200 | 30% of the reference amount covered by ATHENA mechanism (Article 33, Paragraph 3 of Council Decision 2008/975/ CFSP) | 8.3 | until 12 December 2014 | 2005/355/CFSP |

53. Where precise annual figures are not available, annualised averages were used for the annual common cost. Sources: Various Council Decisions and EEAS operations factsheets for financial figures. For personnel figures, see EEAS Factsheets (February 2013 - February 2014). Financial amounts of reference reflect the operations' common costs as indicated in their respective legal bases. Actual operation budgets may vary widely. According to Article 25, Paragraph 1 of Council Decision 2011/871/CFSP, the member states must pay their contributions at the level of 30% of the reference amount decided, unless the Council decides on a different percentage. Article 32, Paragraph 3 of Council Decision 2011/871/CFSP provides the possibility for the administrator/commander to pay expenses for the operation concerned up to 30% on the day of legal document adoption unless the Special Committee decides another percentage. Article 33, Paragraph 3 of Council Decision 2008/975/ CFSP provides the possibility for the Special Committee to determine a depreciation rate for equipment, infrastructure and other assets which have been financed in common.

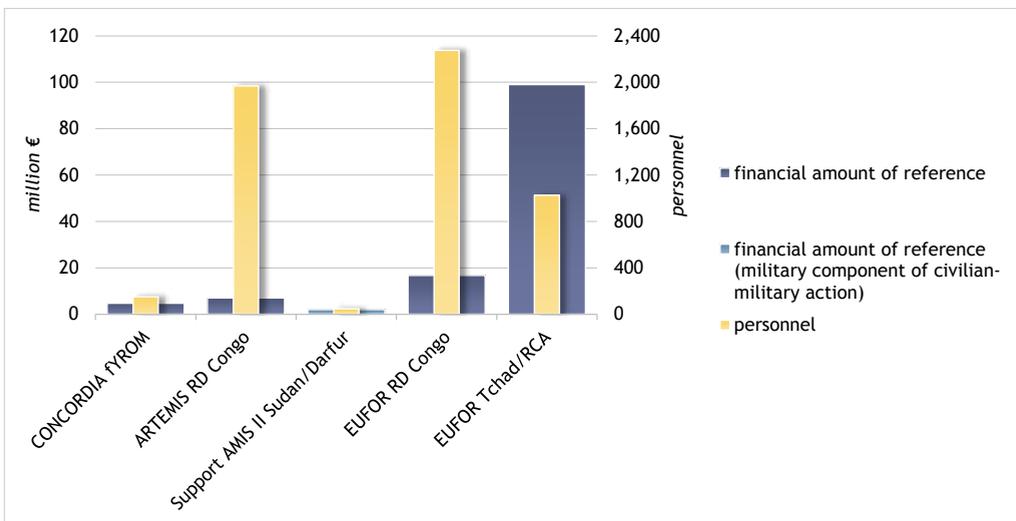
| Operation | Annual common cost (million €) | Personnel | Financial arrangements | Financial amount of reference (million €) | Mandate | Legal basis |
|---------------------------------|--------------------------------|-----------|--|---|------------------------|---------------|
| EUFOR ALTHEA BiH | 15.00 | 600 | Barracks and lodging for the forces as a whole shall not be eligible for payment as common costs. Expenditure related to transportation for the forces as a whole shall not be eligible for payment as common costs. | 71.7 | until 15 November 2014 | 2004/570/CFSP |
| EUTM Mali | 18.40 | 560 | From 17/01/2013 - 16/04/2015: 50% of the reference amount covered by ATHENA mechanism (Article 25, Paragraph 1 of Council Decision 2011/871/CFSP) 70% of the reference amount covered by ATHENA mechanism (Article 32, Paragraph 3 of Council Decision 2011/871/CFSP) | 12.3 | until mid-2014 | 2005/190/CFSP |

FIGURE 16: CSDP MILITARY OPERATIONS, 2013



The EU has completed four CSDP military operations and one combined civilian-military action, Support AMIS II Sudan/Darfur.

FIGURE 17: PAST CSDP MILITARY OPERATIONS⁵⁴



54. Financial amounts of reference reflect the missions' common costs as indicated in their respective legal bases. Actual mission budgets may vary widely. Personnel figures represent international staff at the time of a mission's conclusion. Sources: Various Council Decisions and EEAS operations factsheets for common cost figures. For personnel figures, see Stockholm International Peace Research Institute (SIPRI), 'Multilateral Peace Operations Database', available online at: <http://www.sipri.org/databases/pko>.

Financing CSDP missions and the ATHENA mechanism

The clear distinction between the financing of EU civilian and military operations is specified in Article 41, Paragraph 2 TEU (consolidated):

‘Operating expenditure to which the implementation of this Chapter [Chapter 2, Specific Provisions on the Common Foreign and Security Policy] gives rise shall also be charged to the Union budget, except for such expenditure arising from operations having military or defence implications and cases where the Council acting unanimously decides otherwise’.

Military operations

The financing mechanism of CSDP military operations, known as ATHENA, is intended to provide funds for the common costs of operations. The complete list of costs covered by ATHENA (including transport, infrastructure, medical services, lodging, fuel, and others) is stated in the four annexes of Council Decision 2011/871/CFSP.⁵⁵ Personnel and other items are financed on a ‘costs lie where they fall’ basis.⁵⁶ Is it estimated that the ATHENA mechanism covers a mere 10 to 15% of the total cost of an operation.⁵⁷

ATHENA is managed by a trio composed of an administrator, an operation commander and an accounting officer. Their actions remain under the responsibility of a special committee composed of one representative from each participating member state, as well as EEAS and EC representatives. A permanent revision procedure has been set up and each presidency has at least one meeting on the evolution of the ATHENA mechanism.

ATHENA makes the distinction between common costs (including those incurred in preparation for or following operations) and operational costs which are directly related to operations. All the costs not explicitly covered by ATHENA remain under the responsibility of the participating member states, even if the special committee can decide to include it in part B of annex III.⁵⁸ EU exercise costs are also included even if capital acquisition, planning and preparatory phase of exercises, transports, barracks and lodging for forces are not included.

55. Council Decision 2011/871/CFSP amends Council Decision 2008/975/ CFSP.

56. Additional legal bases of the Athena mechanism are laid out in Council Decisions 2008/975/CFSP, 2007/384/CFSP, 2007/91/CFSP, 2005/68/CFSP, 2004/925/CFSP, and 2004/197/CFSP.

57. Thierry Tardy, ‘Funding peace operations: better value for EU money’, *EUISS Brief* no. 8, November 2013, available online at: http://www.iss.europa.eu/uploads/media/Brief_38_Funding_peace_operations.pdf.

58. ‘Operational common costs relating to the active phase of a specific operation, borne by Athena when the Council so decides’, see Annex III-B of Council of the European Union, ‘Council Decision 2008/975/CFSP of 18 December 2008 establishing a mechanism to administer the financing of the common costs of European Union operations having military or defence implications (Athena)’, *Official Journal of the European Union* L 345/96, 23 December 2008, available online at: <http://www.consilium.europa.eu/media/1381208/at3.pdf>.

Four EU military missions benefited from ATHENA financing in 2013: EUFOR Althea, EUNAVFOR Atalanta, EUTM Somalia, and EUTM Mali. In addition, ATHENA financed the following past operations: AMIS 2 (Sudan, June 2005 - December 2007), EUFOR RD Congo (June - November 2006), EUFOR Tchad RCA (January 2008 - March 2009), EUFOR Libya (April - November 2011).⁵⁹

Civilian missions

Civilian missions are financed directly by the EU’s CFSP budget. Usually, the financial references are included in the Council decision establishing the mission and are revised according to further recommendations on the mission.

The CFSP budget appears in the ‘EU as global player’ section of the EU budget. In 2013, the CFSP budget was €396.3 million, accounting for 4.2% of the section total and 0.26% of the total EU budget.

CSDP agencies’ budgets

FIGURE 18: ANNUAL TOTAL EXPENDITURE, EU INSTITUTE FOR SECURITY STUDIES

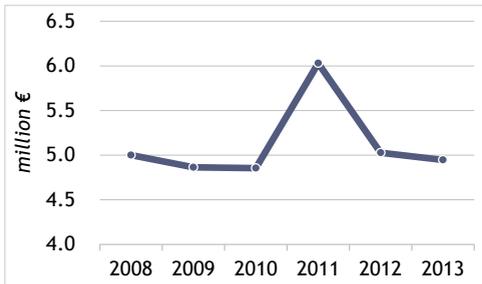


FIGURE 19: ANNUAL TOTAL EXPENDITURE, EU SATELLITE CENTRE

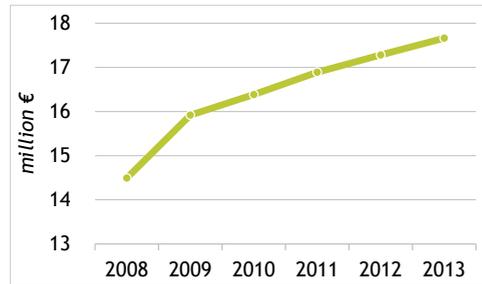
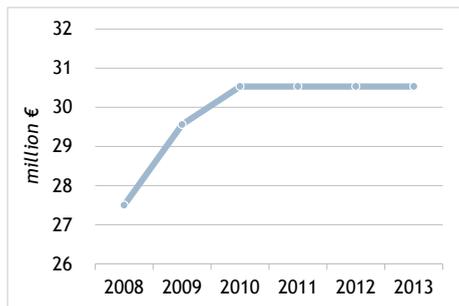


FIGURE 20: ANNUAL TOTAL EXPENDITURE, EUROPEAN DEFENCE AGENCY



59. Two additional operations have been financed based on a procedure similar to Athena, predating it however: CONCORDIA and ARTEMIS RD Congo.

The table below shows the annual total expenditures of each CSDP agency in relation to the member states' contributions.

TABLE 8: CSDP AGENCIES' BUDGETS⁶⁰

| (values in million €) | EU Institute for Security Studies | European Security and Defence College | EU Satellite Centre | European Defence Agency |
|-----------------------|---|---------------------------------------|--|-------------------------|
| Legal basis | 2001/554/CFSP, 2006/1002/CFSP, 2014/75/CFSP | 2008/550/CFSP, 2013/189/CFSP | 2001/555/ CFSP, 2006/998/CFSP, 2009/834/CFSP, 2011/297/ CFSP | 2004/551/ CFSP |
| 2008 | 5.00 | Costs borne by participants*. | 14.49 | 27.50 |
| 2008 MS contributions | 3.80 | | 11.56 | 24.28 |
| 2009 | 4.86 | | 15.92 | 29.56 |
| 2009 MS contributions | 3.94 | | 12.20 | 27.69 |
| 2010 | 4.85 | | 16.38 | 30.53 |
| 2010 MS contributions | 4.02 | | 12.33 | 28.73 |
| 2011 | 6.03 | | 16.89 | 30.53 |
| 2011 MS contribution | 4.02 | | 12.33 | 29.03 |
| 2012 | 5.03 | | 17.28 | 30.53 |
| 2012 MS contribution | 4.02 | | 12.33 | 29.09 |
| 2013 | 4.95 | | 17.66 | 30.53 |
| 2013 MS contribution | 3.99 | | 12.28 | 29.06 |

* Based on 2013/189/CFSP, 'Each Member State, Union institution, Union agency and institute, and the EEAS shall bear all costs related to its participation in the ESDC, including salaries, allowances, travel and subsistence expenses and costs related to organisational and administrative support of the ESDC training activities.'

60. For the EUISS, figures reflect only operational costs. Member States' contributions figures do not include contributions to pension scheme. The EUISS's 2011 budget includes the European Strategy and Policy Analysis System (ESPAS) project. For further information, see European Strategy and Policy Analysis System (ESPAS), 'Global trends 2030 – Citizens in an interconnected and polycentric world', European Union Institute for Security Studies, 2012, available online at: <http://www.iss.europa.eu/publications/detail/article/espas-report-global-trends-2030-citizens-in-an-interconnected-and-polycentric-world/>. Sources: EUISS and EUSC figures through direct request. For EDA figures, see European Defence Agency, 'Finance', available online at: <https://www.eda.europa.eu/aboutus/how-we-do-it/finance>. Council Decision 2014/75/CFSP was adopted on 10 February 2014, repealing Council Joint Action 2001/554/CFSP on the establishment of a European Union Institute for Security Studies.

Civilian CSDP-related guidelines, concepts and other documents⁶¹**TABLE 9: CONCEPTS, GUIDELINES AND OTHER DOCUMENTS**

| Area | Title | Document | Status |
|------------------------------|--|------------|--------------------|
| Concept | | | |
| Civ-Mil | Civil Military Coordination (CMCO) | 14065/03 | PSC Noted |
| Civ-Mil | Civil Military Coordination (CMCO) | 14457/03 | PSC Noted |
| Civilian Response Teams | Civilian Response Teams | 15371/09 | Council Noted |
| Civ-Mil | Civil-Military Coordination (CMCO): Possible solutions for the management of EU Crisis Management Operations - Improving information sharing in support of EU crisis management operations | 13218/5/06 | PSC Noted |
| Rule of Law/ Human Rights | Comprehensive EU concept for missions in the field of Rule of Law in crisis management, including annexes | 9792/03 | PSC Noted |
| Monitoring | Concept for EU Monitoring missions | 14536/03 | PSC Endorsed |
| Police | Concept for rapid deployment of police elements in an EU-led substitution mission. | 05/02/8508 | PSC Noted |
| CS/NGO | Concept on Strengthening EU Mediation and Dialogue Capacities | 15779/09 | Council Adopted |
| Mission Planning and Control | Concept paper on procedures for the termination, extension and refocusing of an EU civilian crisis management operation | 5136/06 | PSC Noted |
| Monitoring | Draft Concept for ESDP Border missions in the framework of Civilian Crisis Management | 16137/06 | PSC Noted |
| Mission Planning and Control | Draft EU Concept for Comprehensive Planning | 13983/05 | PSC Noted |

61. Source: European External Action Service, 'Concepts & Guidelines', Crisis Management Goalkeeper, available online at: <https://goalkeeper.eeas.europa.eu/startapp.aspx>.

| Area | Title | Document | Status |
|------------------------------|---|------------|--------------|
| SSR/DDR | Draft EU Concept for support to Disarmament, Demobilisation and Reintegration (DDR) | 13727/4/06 | PSC Noted |
| Training | Draft EU training Concept in ESDP | 11970/04 | PSC Noted |
| Training | Draft EU Training Policy in ESDP | 14176/2/03 | PSC Noted |
| Civ-Mil | Draft Joint Statement on UN-EU Cooperation in Crisis Management | 10310/07 | PSC Noted |
| Police | EU Comprehensive Concept for Strengthening of Local Police Missions | 9535/02 | PSC Noted |
| Civilian Administration | EU Concept for Crisis Management Missions in the field of Civilian Administration | 15311/03 | PSC Noted |
| SSR/DDR | EU Concept for ESDP support to Security Sector Reform (SSR) | 12566/4/05 | PSC Noted |
| SSR/DDR | EU Concept for ESDP support to Security Sector Reform (SSR) | 12566/4/05 | PSC Noted |
| Civ-Mil | EU Exercise Concept | 9329/04 | PSC Noted |
| Police | European Union Concept for Police Planning | 6923/02 | PSC Noted |
| Rule of Law/ Human Rights | Implementation of UNSCR 1325 as reinforced by UNSCR 1820 in the context of ESDP | 15782/3/08 | PSC Noted |
| Rule of Law/ Human Rights | Implementation of UNSCR 1325 in the context of ESDP | 11932/2/05 | PSC Noted |
| Mission Planning and Control | Initial Concept of Mission Support for ESDP Civilian Crisis Management Missions | 12457/06 | PSC Noted |
| Mission Planning and Control | Initial Concept of Mission Support for ESDP Civilian Crisis Management Missions | 12457/06 | PSC Noted |
| Crisis Management | Joint Declaration on UN-EU Cooperation in Crisis Management | 12730/03 | PSC Noted |
| Mission Planning and Control | Lead State Concept | 10715/07 | PSC Endorsed |

| Area | Title | Document | Status |
|------------------------------------|---|------------|--------------------|
| Rule of Law/ Human Rights | Mainstreaming of Human Rights into ESDP | 11936/4/06 | PSC Noted |
| Crisis Management | Policy of the EU on the security of personnel deployed outside the EU in an operational capacity under Title V of the Treaty on EU | 9490/06 | PSC Noted |
| SSR/DDR | Security Sector Reform - draft document on deployable European expert teams | 14576/1/08 | PSC Noted |
| Rule of Law/ Human Rights | Transitional Justice and ESDP | 10300/1/06 | PSC Noted |
| Guideline | | | |
| Civilian Administration | Basic Guidelines for Crisis Management missions in the field of Civil Administration | 02/01/9369 | PSC Noted |
| Rule of Law/ Human Rights | Checklist to ensure gender mainstreaming and implementation of UNSCR 1325 in the planning and conduct of ESDP Operations | 12068/06 | PSC Noted |
| Civ-Mil | Civil-Military Coordination: Framework paper of possible solutions for the management of EU Crisis Management Operations | 8926/06 | PSC Noted |
| Humanitarian Issues | Council conclusions on the EU Guidelines for the Promotion and Protection of the Rights of the Child | 16457/07 | Council Adopted |
| Rule of Law/ Human Rights | Draft Council Conclusions on EU Guidelines on Human Rights Defenders | 10056/1/04 | PSC Noted |
| Humanitarian Issues | Draft General review of the Implementation of the Checklist for the Integration of the Protection of Children affected by Armed Conflict into ESDP Operations | 9822/08 | Council Noted |
| Mission Planning and Control | Draft Guidelines for Command and Control Structure for EU Civilian Operations in Crisis Management | 9919/07 | PSC Noted |
| Mission Planning and Control | Draft Guidelines for ESDP Crisis Response Information Activities | 13817/02 | PSC Noted |
| Civil Protection | Draft Guidelines on the Protection of Civilians in CSDP Missions and Operations | 13047/2/10 | PSC Noted |
| Humanitarian Issues | Ensuring protection? European Union Guidelines on Human Rights Defenders | 16332/2/08 | PSC Noted |

| Area | Title | Document | Status |
|------------------------------|--|------------|---------------|
| Mission Planning and Control | Equipment lists for EU police missions | 8776/02 | PSC Noted |
| Humanitarian Issues | EU Guidelines on Children Affected by Armed Conflict | 10019/08 | PSC Noted |
| Humanitarian Issues | EU Guidelines on human rights dialogues with third countries | 16526/08 | PSC Noted |
| Humanitarian Issues | EU Guidelines on the Death Penalty: revised and updated version | 10015/08 | PSC Noted |
| Mission Planning and Control | Generic Standards of Behaviour for ESDP Operations | 05/03/8373 | PSC Noted |
| Mission Planning and Control | Guidelines for allowances for seconded staff participating in EU civilian crisis management missions | 7291/09 | PSC Noted |
| Mission Planning and Control | Guidelines for Command and Control structure for EU Police Operations in civilian aspects of crisis management | 13306/01 | PSC Noted |
| Lessons Learned | Guidelines for identification and implementation of lessons learned and best practices in civilian ESDP missions | 14702/08 | PSC Noted |
| Mission Planning and Control | Guidelines for Police Command and Control aspects of EU crisis management | 02/01/7854 | PSC Noted |
| Mission Planning and Control | Guidelines on the Implementation of Benchmarking in Civilian CSDP Missions | 17110/01 | PSC Noted |
| Training | Guidelines on Training and Selection Criteria for Personnel in EU Police Missions | 13308/01 | PSC Noted |
| Humanitarian Issues | Guidelines to EU policy towards third countries on torture and other cruel, inhuman or degrading treatment or punishment - An update of the Guidelines | 8590/08 | Council Noted |
| Police | Handbook for Police Officers deploying to EU Police Missions | 12572/1/03 | PSC Noted |
| Crisis Management | Implementation of the Joint statement on UN-EU Cooperation in Crisis Management | 13609/07 | PSC Noted |

| Area | Title | Document | Status |
|------------------------------|---|------------|-----------------|
| Mission Planning and Control | Information activities in the area of ESDP - principles and tasks ahead | 12424/02 | PSC Noted |
| Humanitarian Issues | Mainstreaming human rights across CFSP and other EU policies | 10076/06 | PSC Noted |
| Police | Police Aspects of Fact Finding Mission (FFM) | 9735/02 | PSC Noted |
| CS/NGO | Recommendations for Enhancing Co-operation with Non-Governmental Organisations (NGOs) and Civil Society | 10114/1/08 | PSC Endorsed |
| Mission Planning and Control | Standard language for planning documents and legal acts for civilian ESDP operations | 11277/07 | PSC Noted |
| Mission Planning and Control | Standardisation and interoperability | 13307/01 | PSC Noted |
| Crisis Management | Suggestions for procedures for coherent, comprehensive EU Crisis Management | 11127/03 | PSC Noted |
| Humanitarian Issues | The EU Guidelines on the Promotion of International Humanitarian Law | 15246/05 | Council Adopted |
| Training | Training Requirements relevant to ESDP - Review 2007 | 15919/1/07 | PSC Noted |
| Related document | | | |
| Gender | Comprehensive approach to the EU implementation of the United Nations Security Council Resolutions 1325 and 1820 on women, peace and security | 15671/1/08 | Council Adopted |
| Mission Planning and Control | Report on planning and mission support capability for civilian crisis management | 13835/03 | PSC Noted |

Non-proliferation and disarmament actions in 2010-2013

TABLE 10: NON-PROLIFERATION AND DISARMAMENT ACTIONS, 2010-2013⁶²

| Legal Basis | Action | Commitment (million €) |
|----------------|---|---------------------------|
| 2010 | | |
| 2009/1012/CFSP | Support of EU activities to promote the control of arms exports | 0.79 |
| 2010/179/CFSP | Support of SEESAC arms control activities in Western Balkans | 1.60 |
| 2010/336/CFSP | EU activities in support of the Arms Trade Treaty (ATT-UNIDIR) | 1.52 |
| 2010/430/CFSP | Establishing a European network of independent think tanks | 2.18 |
| 2010/461/CFSP | EU activities in support of the Comprehensive Nuclear Test Ban Treaty (CTBTO) | 5.28 |
| 2010/585/CFSP | EU support for the IAEA activities in the area of nuclear security and verification and in the framework of the implementation of the EU Strategy against Proliferation of Weapons of Mass Destruction (IAEA V) | 9.97 |
| 2010/765/CFSP | EU action to counter the illicit trade of SALW by air (SIPRI) | 0.90 |
| Total | | 22.24 |
| 2011 | | |
| 2010/799/CFSP | Confidence-building process - Zone free of WMD - Non-proliferation consortium | 0.35 |
| 2011/428/CFSP | UNODA activities in support of UN programme of Action on SALW | 2.15 |
| Total | | 2.50 |

62. Sources: Council of the European Union, 'Six-monthly Progress Report on the implementation of the EU Strategy against the Proliferation of Weapons of Mass Destruction (2012/I)', 2012/C 237/01, *Official Journal of the European Union* C 228/4, 7 August 2012, available online at: <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:C:2012:237:0001:0020:EN:PDF>; and European External Action Service, 'Twelfth Progress Report on the implementation of the EU Strategy to combat illicit accumulation and trafficking of SALW and their ammunition (2011/II)', 2012/C 66/04, *Official Journal of the European Union* C 66/24, 6 March 2012, available online at: <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:C:2012:066:0024:0027:EN:PDF>. For a comprehensive list of EU non-proliferation and disarmament actions, see European External Action Service, 'Non-Proliferation and Disarmament Documents', available online at: http://eeas.europa.eu/non-proliferation-and-disarmament/documentation/documents/index_en.htm.

| Legal Basis | Action | Commitment (million €) |
|--------------------|--|-----------------------------------|
| 2012 | | |
| 2012/121/CFSP | Activities to promote EU-China-Africa dialogue and co-operation on conventional arms controls | 0.83 |
| 2012/166/CFSP | Support of activities of OPCW - EU Strategy against Proliferation of WMD | 2.14 |
| 2012/281/CFSP | International Code of Conduct on Outer Space Activities | 1.49 |
| 2012/421/CFSP | Support of Biological and Toxin Weapons Convention (BTWC) | 1.70 |
| 2012/662/CFSP | OSCE - Small Arms and Light Weapons | 0.89 |
| 2012/662/CFSP | UNDP - Small Arms and Light Weapons | 0.79 |
| 2012/422/CFSP | WMD Free Zone II | 0.35 |
| 2012/423/CFSP | Missile proliferation (HCOC II) | 0.93 |
| 2012/699/CFSP | Comprehensive Nuclear-Test-Ban Treaty Organisation (CTBTO V) | 5.19 |
| 2012/700/CFSP | Cartagena Action Plan 2010-2014 (AP Landmines II) | 1.03 |
| 2012/711/CFSP | Control of Arms Export (COARM Outreach) | 1.86 |
| Total | | 17.20 |
| 2013 | | |
| 2013/43/CFSP | Continued Union activities in support of the Arms Trade Treaty negotiations | 0.16 |
| 2013/320/CFSP | Support of physical security and stockpile management activities to reduce the risk of illicit trade in small arms and light weapons (SALW) and their ammunition in Libya and its region | 5.00 ¹ |
| 2013/391/CFSP | Support of the practical implementation of United Nations Security Council Resolution 1540 (2004) | 0.75 |
| 2013/517/CFSP | Support for the activities of the International Atomic Energy Agency in the areas of nuclear security and verification | 8.05 |
| 2013/668/CFSP | Support of World Health Organisation activities in the area of biosafety and biosecurity | 1.73 |

| Legal Basis | Action | Commitment (million €) |
|---------------|---|---------------------------|
| 2013/698/CFSP | Support of a global reporting mechanism on illicit small arms and light weapons and other illicit conventional weapons and ammunition to reduce the risk of their illicit trade | 2.32 ² |
| 2013/726/CFSP | support of the UNSCR 2118 (2013) and OPCW Executive Council EC-M-33/Dec 1 | 2.31 |
| 2013/730/CFSP | Support of SEESAC disarmament and arms control activities in South East Europe | 5.13 ³ |
| 2013/768/CFSP | EU activities in support of the implementation of the Arms Trade Treaty | 5.20 ⁴ |
| Total | | 30.66 |

1. 'The total estimated budget of the overall project shall be EUR 6 600 000, which shall be provided through co-financing with the German Federal Foreign Office.'

2. 'The total estimated budget of the overall project shall be EUR 2 416 667, which shall be provided through co-financing by CAR.'

3. 'The total estimated budget of the overall programme shall be EUR 14 335 403. The programme shall be co-financed by the Union, the Ministry of Foreign Affairs of the Kingdom of Norway and the beneficiary. [...] The Norway contribution totals EUR 411,689 [sic] (NOK 3 140 000,00) according to the UN Operational Rate of Exchange for June 2013) covering 2,87 % of the total Programme budget. The beneficiary contribution totals 61,36 % of the total Programme budget.'

4. 'The total estimated budget of the overall project shall be EUR 6 445 000. The part of that estimated budget not covered by the reference amount shall be provided through co-financing by the Government of the Federal Republic of Germany.'

4. PARTNERSHIP AGREEMENTS

EU-UN

EU-UN cooperation in the field of CSDP has been particularly strong in the areas of crisis management since 2003, when the EU launched Operation Artemis in the Democratic Republic of the Congo and EUPM BiH took over policing Bosnia and Herzegovina from the United Nations International Police Task Force (UNIPTF). A joint consultative mechanism, the EU-UN Steering Committee, was set up that year following the first *Joint Declaration on EU-UN co-operation in Crisis Management*. EU-UN cooperation deepened in 2007 with the publication of a second joint statement encouraging regular senior-level dialogue between the EU troika and the UN Secretariat, as well as regular exchanges of views between the UN Secretariat and the EU's Political and Security Committee (PSC). In the field, cooperation was further developed through parallel and sequential missions in the Democratic Republic of the Congo in 2006 as well as in Chad in 2008-09. In

2012, the EEAS elaborated an Action Plan on CSDP Support to UN peacekeeping that listed a series of concrete steps towards a reinforced EU-UN partnership.

EU-NATO

EU-NATO relations are an important feature of the institutional structure of the CSDP. Although there is no explicit division of labour, this partnership is complementary in that the EU does not have the range of planning capabilities that NATO has, and NATO is less equipped with regard to the civilian expertise that adds value to many missions.

The 'Berlin Plus' arrangements are at the core of this partnership. They cover EU access to NATO planning, NATO European command options and use of NATO assets and capabilities. The military operations carried out in the framework of this arrangement, adopted in 2003, include EUFOR Althea and EUNAVFOR Atalanta.⁶³

Besides these operational aspects, EU-NATO cooperation also encompasses an institutional dimension. On the one hand, a special EU cell has been created within the Supreme Headquarters Allied Powers Europe (SHAPE) to better prepare EU operations relying on NATO common assets and capabilities. On the other hand, NATO is regularly invited to informal EU defence ministerial meetings.

With respect to capabilities development, an EU-NATO capability group, composed of NATO allies and non-NATO EU member states that have a security agreement with NATO, was set up in Brussels in May 2003 with the task of regularly exchanging information on requirements common to both organisations, if both organisations so wish and if appropriate. The EDA's Pooling and Sharing initiative and NATO's Smart Defence initiative proved that this area of cooperation should be further developed in order to avoid any expensive duplication of efforts in the future. Beyond such institutionalised formats, reciprocal attendance of meetings at several levels and staff contacts play an important role in EU-NATO relations. For instance, NATO's North Atlantic Council (NAC) and the EU's Political and Security Committee hold regular meetings and NATO's Secretary General and the EU's HR/VP attend each other's summits.

One of the main remaining issues is the question of information sharing between the EU and NATO. Six EU member states currently do not participate as full members of NATO.⁶⁴ In addition, as the Cyprus territorial dispute is not yet resolved, Turkey is maintaining its veto on an increase in its cooperation with the EU.⁶⁵ This implies also that there is currently no agreement concerning the sharing of information between

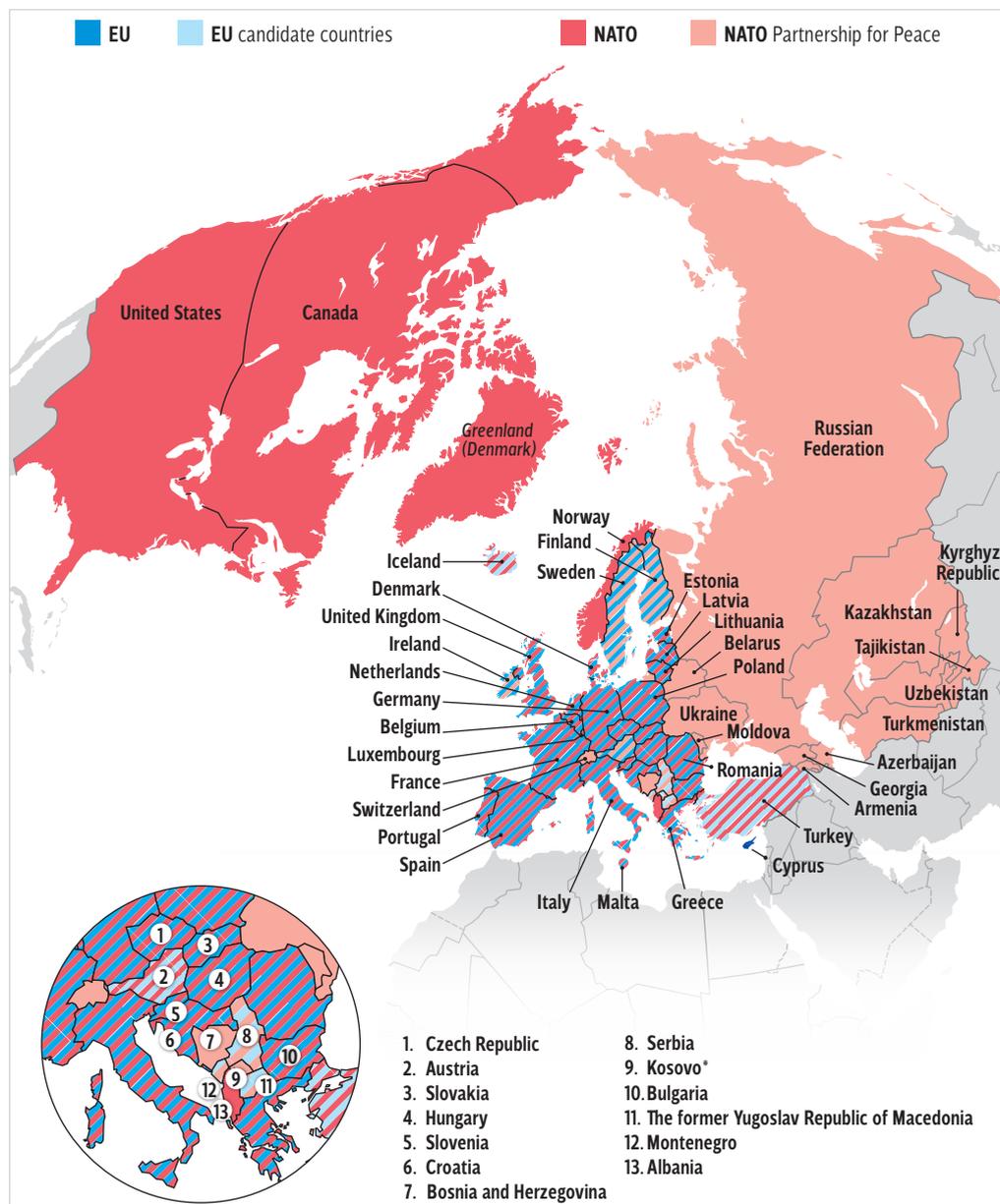
63. North Atlantic Treaty Organization, 'NATO-EU: a strategic partnership', available online at: http://www.nato.int/cps/en/natolive/topics_49217.htm?selectedLocale=en.

64. Austria, Cyprus, Finland, Ireland, Malta and Sweden.

65. For the moment Cyprus has no security agreement with NATO.

the two organisations although a specific agreement on the security of information has been signed within the Berlin Plus agreements.

FIGURE 21: MAP OF EU MEMBERSHIP, NATO MEMBERSHIP, NATO PARTNERSHIP FOR PEACE AND EU CANDIDATE COUNTRIES



* Under UNSCR 1244/1999.

In addition, the European Council of Copenhagen stated that Berlin Plus arrangements could no longer be used by EU member states which are not part of both organisations or, short of NATO membership, at least party to NATO's Partnership for Peace.⁶⁶ Consequently, the Berlin Plus agreements have been transformed into various bilateral security agreements and the EU is much less willing to improve cooperation without the full participation of its member states.

Framework agreements with third states

In order to avoid defining third state participation conditions on a case-by-case basis, framework agreements with non-EU member states allow for better cooperation with these states during European Union crisis management operations.

TABLE 11: THIRD STATES' FRAMEWORK AGREEMENTS

| Country | Date of signature | Date of entry into force | Legal basis |
|---|-------------------|--------------------------|---------------|
| Norway | 03 December 2004 | 01 January 2005 | 2005/191/CFSP |
| Iceland | 21 February 2005 | 01 April 2005 | 2005/191/CFSP |
| Ukraine | 13 June 2005 | 01 May 2008 | 2005/495/CFSP |
| Canada | 24 November 2005 | 01 December 2005 | 2005/851/CFSP |
| Turkey | 29 June 2006 | 01 August 2007 | 2006/482/CFSP |
| Montenegro | 22 February 2011 | 04 April 2012 | 2011/133/CFSP |
| United States of America | 17 May 2011 | 01 June 2011 | 2011/318/CFSP |
| Serbia | 08 June 2011 | 01 August 2012 | 2011/361/CFSP |
| New Zealand | 18 April 2012 | 01 May 2012 | 2012/315/CFSP |
| Albania | 05 June 2012 | 01 February 2013 | 2012/344/CFSP |
| The former Yugoslav Republic of Macedonia | 29 October 2012 | 01 April 2013 | 2012/768/CFSP |
| Moldova | 13 December 2012 | 01 July 2013 | 2013/12/CFSP |
| Georgia | 19 November 2013 | - | - |
| Chile | 30 January 2014 | -* | 2014/71/CFSP |

* Entry in force after completion of Chilean internal procedures.

66. Among EU member states, Austria, Finland, Ireland, Malta and Sweden are members of the Partnership for Peace. For the legal basis, see Council of the European Union, 'Copenhagen European Council 12 and 13 December 2002 Presidency Conclusions – Annex II', 15917/02, Brussels, 29 January 2003, available online at: http://www.consilium.europa.eu/ueDocs/cms_Data/docs/pressData/en/ec/73842.pdf.

Once negotiated, these agreements have to be approved by the Council and the third states following internal procedures.

The framework agreements signed with Romania and Bulgaria are no longer relevant since the last EU enlargement in 2007.

In addition, in the framework of operation EUFOR Althea, several agreements were drawn up⁶⁷ with the Dominican Republic, the former Yugoslav Republic of Macedonia, Chile, Argentina, Morocco and the Swiss Confederation.

5. EUROPEAN UNION SPECIAL REPRESENTATIVES

The role of European Union Special Representatives (EUSRs) is defined in Article 28, Paragraph 1 TEU (consolidated) as follows:

‘Where the international situation requires operational action by the Union, the Council shall adopt the necessary decisions. They shall lay down their objectives, scope, the means to be made available to the Union, if necessary their duration, and the conditions for their implementation.

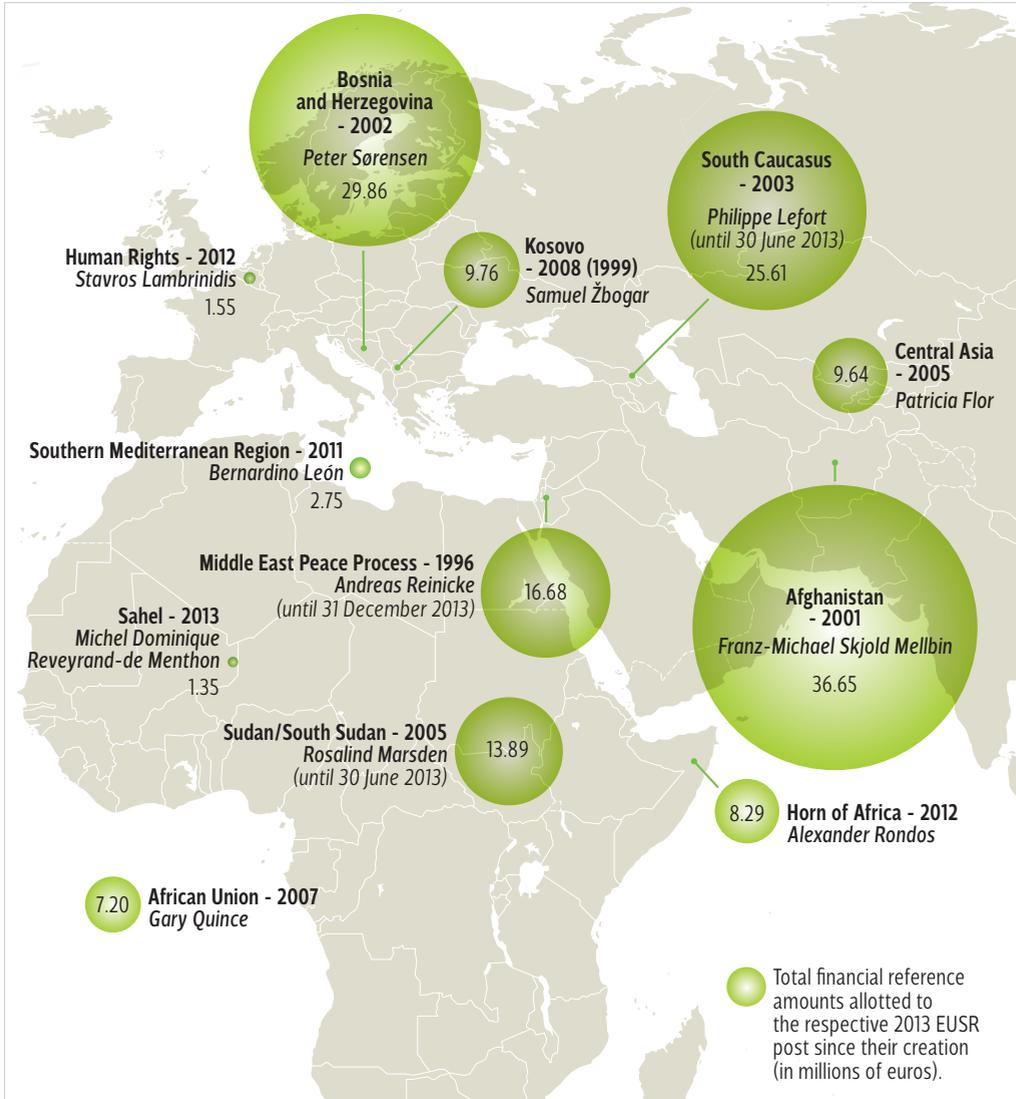
If there is a change in circumstances having a substantial effect on a question subject to such a decision, the Council shall review the principles and objectives of that decision and take the necessary decisions.’

EUSRs stand in close contact with the HR/VP pursuant to Article 33 TEU (consolidated):

‘The Council may, on a proposal from the High Representative of the Union for Foreign Affairs and Security Policy, appoint a special representative with a mandate in relation to particular policy issues. The special representative shall carry out his mandate under the authority of the High Representative.’

67. See BIH/1/2004, BIH/5/2004, and BIH/13/2008.

FIGURE 22: AREAS COVERED BY THE EU SPECIAL REPRESENTATIVES IN 2013



The table opposite shows the number of EUSRs per region/issue over a set period of time and the total amount allocated for the execution of their mandates.

Each EUSR has to finance its office, staff, equipment, and the operational costs of its mission with the financial reference amount mentioned in the related Council Decisions and Joint Actions.

TABLE 12: CURRENT AND FORMER EUROPEAN UNION SPECIAL REPRESENTATIVES

| Name | Nationality | Period | Financial amount of reference (in €) | Legal basis |
|------------------------------|-------------|-------------------------|---|---------------|
| Afghanistan | | | | |
| Klaus Peter Klaiber | DE | 10/12/2001 - 10/06/2002 | - | 2001/875/CFSP |
| Francesc Vendrell | ES | 01/07/2002 - 31/12/2002 | - | 2002/496/CFSP |
| | | 01/01/2003 - 30/06/2003 | - | 2002/961/CFSP |
| | | 01/07/2003 - 31/12/2003 | - | 2003/448/CFSP |
| | | 01/01/2004 - 30/06/2004 | 496,000 | 2003/871/CFSP |
| | | 01/07/2004 - 28/02/2005 | 794,000 | 2004/533/CFSP |
| | | 01/03/2005 - 31/08/2005 | 635,000 | 2005/95/CFSP |
| | | 01/09/2005 - 28/02/2006 | 620,000 | 2005/585/CFSP |
| | | 01/03/2006 - 28/02/2007 | 1,330,000 | 2006/124/CFSP |
| | | 01/03/2007 - 29/02/2008 | 2,450,000 | 2007/106/CFSP |
| | | 01/03/2008 - 31/05/2008 | - | 2008/131/CFSP |
| Ettore F. Sequi | IT | 01/03/2008 - 31/08/2008 | 1,653,000 | 2008/481/CFSP |
| | | 01/09/2008 - 28/02/2009 | 2,300,000 | 2008/612/CFSP |
| | | 01/03/2009 - 28/02/2010 | - | 2009/135/CFSP |
| | | 01/03/2009 - 28/02/2010 | - | 2009/467/CFSP |
| Vygaudas Ušackas | LT | 01/03/2009 - 31/03/2010 | 2,830,000 | 2010/120/CFSP |
| | | 01/04/2010 - 31/08/2010 | 2,500,000 | 2010/168/CFSP |
| | | 01/09/2010 - 31/08/2011 | 4,515,000 | 2010/439/CFSP |
| | | 01/09/2011 - 30/06/2012 | 3,560,000 | 2011/427/CFSP |
| | | 01/07/2012 - 30/06/2013 | 6,380,000 | 2012/331/CFSP |
| Franz-Michael Skjold Mellbin | DK | 01/07/2013 - 31/08/2013 | - | 2013/382/CFSP |
| | | 01/09/2013 - 30/06/2014 | 6,585,000 | 2013/393/CFSP |
| Total | | | 36,648,000 | |

| Name | Nationality | Period | Financial amount of reference (in €) | Legal basis |
|-----------------------------------|-------------|-------------------------|---|---------------|
| African Great Lakes Region | | | | |
| | | 25/03/1996 - 25/11/1996 | - | 96/250/CFSP |
| | | 25/09/1996 - 31/07/1997 | - | 96/441/CFSP |
| | | 01/08/1997 - 31/07/1998 | - | 97/448/CFSP |
| | | 01/08/1998 - 31/07/1999 | - | 98/452/CFSP |
| | | 01/08/1999 - 31/07/2000 | 1,137,000 | 1999/423/CFSP |
| | | 01/08/2000 - 31/12/2000 | 595,000 | 2000/347/CFSP |
| Aldo Ajello | IT | 01/01/2001 - 31/12/2001 | - | 2000/792/CFSP |
| | | 01/01/2002 - 31/12/2002 | - | 2001/876/CFSP |
| | | 01/01/2003 - 30/06/2003 | - | 2002/962/CFSP |
| | | 01/07/2003 - 31/12/2003 | - | 2003/447/CFSP |
| | | 01/01/2004 - 30/06/2004 | 510,000 | 2003/869/CFSP |
| | | 01/07/2004 - 28/02/2005 | 580,000 | 2004/530/CFSP |
| | | 01/03/2005 - 31/08/2005 | 440,000 | 2005/96/CFSP |
| | | 01/09/2005 - 28/02/2006 | 460,000 | 2005/586/CFSP |
| Roeland van de Geer | NL | 01/03/2006 - 28/02/2007 | 820,000 | 2006/122/CFSP |
| | | 01/03/2007 - 29/02/2008 | 1,025,000 | 2007/112/CFSP |
| | | 01/03/2008 - 28/02/2009 | 1,370,000 | 2008/108/CFSP |
| | | 01/03/2009 - 28/02/2010 | 1,425,000 | 2009/128/CFSP |
| | | 01/03/2010 - 31/08/2010 | 1,065,000 | 2010/113/CFSP |
| | | 01/09/2010 - 31/08/2011 | 1,520,000 | 2010/440/CFSP |
| Total | | | 6,405,000 | |

| Name | Nationality | Period | Financial amount of reference (in €) | Legal basis |
|-------------------------------|-------------|-------------------------|---|---------------|
| African Union | | | | |
| Koen Vervaeke | BE | 06/12/2007 - 31/12/2008 | - | 2007/805/CFSP |
| | | 06/12/2007 - 31/12/2008 | 2,090,000 | 2008/403/CFSP |
| | | 01/01/2009 - 28/02/2010 | - | 2008/898/CFSP |
| | | 01/01/2009 - 31/08/2010 | 1,850,000 | 2010/119/CFSP |
| | | 01/09/2010 - 31/08/2011 | 1,280,000 | 2010/441/CFSP |
| | | 01/09/2011 - 30/06/2012 | 715,000 | 2011/621/CFSP |
| | | 01/09/2011 - 31/10/2011 | - | 2011/697/CFSP |
| Gary Quince | UK | 01/11/2011 - 30/06/2012 | - | 2011/697/CFSP |
| | | 01/07/2012 - 30/06/2013 | 680,000 | 2012/390/CFSP |
| | | 01/07/2013 - 30/06/2014 | 585,000 | 2013/383/CFSP |
| Total | | | 7,200,000 | |
| Bosnia and Herzegovina | | | | |
| Lord (Paddy) Ashdown | UK | from 03/06/2002 | - | 2002/211/CFSP |
| | | 12/07/2004 - 28/02/2005 | 200,000 | 2004/569/CFSP |
| | | 01/03/2005 - 31/08/2005 | - | 2005/97/CFSP |
| | | 01/09/2005 - 28/02/2006 | - | 2005/583/CFSP |
| | | | 160,000 | 2005/825/CFSP |
| Christian Schwarz-Schilling | DE | 01/03/2006 - 28/02/2007 | 770,000 | 2006/49/CFSP |
| | | 01/03/2007 - 30/06/2007 | 770,000 | 2007/87/CFSP |
| Miroslav Lajčák | SK | 01/07/2007 - 29/02/2008 | 1,530,000 | 2007/427/CFSP |
| | | 01/03/2008 - 28/02/2009 | 2,900,000 | 2008/130/CFSP |
| Valentin Inzko | AT | 01/03/2009 - 28/02/2010 | 3,200,000 | 2009/181/CFSP |
| | | 01/03/2010 - 31/08/2010 | 2,350,000 | 2010/111/CFSP |
| | | 01/09/2010 - 31/08/2011 | 3,700,000 | 2010/442/CFSP |
| Peter Sørensen | DK | 01/09/2011 - 30/06/2012 | 3,740,000 | 2011/426/CFSP |
| | | 01/07/2012 - 30/06/2013 | 5,250,000 | 2012/330/CFSP |
| | | 01/07/2013 - 30/06/2014 | 5,285,000 | 2013/351/CFSP |
| Total | | | 29,855,000 | |

| Name | Nationality | Period | Financial amount of reference (in €) | Legal basis |
|---------------------------------------|-------------|--------------------------|---|---------------|
| Central Asia | | | | |
| Ján Kubiš | SK | 28/07/2005 - 28/02/2006 | 470,000 | 2005/588/CFSP |
| | | 01/03/2006 - 28/02/2007 | 925,000 | 2006/118/CFSP |
| Pierre Morel | FR | 05/10/2006 - 28/02/2007 | - | 2006/670/CFSP |
| | | 01/03/2007 - 29/02/2008 | 1,000,000 | 2007/113/CFSP |
| | | 01/03/2008 - 28/02/2009 | 1,100,000 | 2008/107/CFSP |
| | | | - | 2008/900/CFSP |
| | | 01/03/2009 - 28/02/2010 | 998,000 | 2009/130/CFSP |
| | | 01/03/2010 - 31/08/2010 | 800,000 | 2010/112/CFSP |
| | | 01/09/2010 - 31/08/2011 | 1,250,000 | 2010/443/CFSP |
| | | 01/09/2011 - 30/06/2012 | 924,850 | 2011/425/CFSP |
| Patricia Flor | DE | 01/07/2012 - 30/06/2013 | 1,120,000 | 2012/328/CFSP |
| | | 01/07/2013 - 30/06/2014* | 1,050,000 | 2013/306/CFSP |
| Total | | | 9,637,850 | |
| Federal Republic of Yugoslavia | | | | |
| Felipe González | ES | 08/06/1998 - 31/12/1998 | - | 98/375/CFSP |
| | | 01/01/1999 - 31/01/1999 | - | 98/741/CFSP |
| | | 01/02/1999 - 31/01/2000 | - | 1999/75/CFSP |
| | | 01/02/1999 - 04/06/1999 | - | 1999/665/CFSP |
| Total | | | 0 | |
| Horn of Africa | | | | |
| Alexander Rondos | EL | 01/01/2012 - 30/06/2012 | 670,000 | 2011/819/CFSP |
| | | 01/07/2012 - 30/06/2013 | - | 2012/329/CFSP |
| | | 01/07/2012 - 31/10/2013 | 4,900,000 | 2013/365/CFSP |
| | | 01/11/2013 - 31/10/2014 | 2,720,000 | 2013/527/CFSP |
| Total | | | 8,290,000 | |

| Name | Nationality | Period | Financial amount of reference (in €) | Legal basis |
|----------------------------------|-------------|-------------------------|---|---------------|
| Human Rights | | | | |
| Stavros Lambrinidis | EL | 25/07/2012 - 30/06/2013 | 712,500 | 2012/440/CFSP |
| | | 01/07/2013 - 30/06/2014 | 837,000 | 2013/352/CFSP |
| Total | | | 1,549,500 | |
| Kosovo | | | | |
| Wolfgang Petritsch | AT | 30/03/1999 - 30/09/1999 | - | 1999/239/PESC |
| | | until 29/07/1999 | - | 1999/524/CFSP |
| Pieter Feith | NL | 04/02/2008 - 28/02/2009 | 380,000 | 2008/123/CFSP |
| | | 01/03/2009 - 28/02/2010 | - | 2009/137/CFSP |
| | | 01/03/2009 - 28/02/2010 | 747,000 | 2009/605/CFSP |
| | | 01/03/2010 - 31/08/2010 | 1,660,000 | 2010/118/CFSP |
| | | 01/09/2010 - 28/02/2011 | - | 2010/446/CFSP |
| | | 01/09/2010 - 30/04/2011 | 1,230,000 | 2011/119/CFSP |
| Fernando Gentilini | IT | 01/05/2011 - 31/07/2011 | - | 2011/270/CFSP |
| | | 01/05/2011 - 30/09/2011 | 690,000 | 2011/478/CFSP |
| | | 01/10/2011 - 31/01/2012 | 770,000 | 2011/691/CFSP |
| Samuel Zbogar | SI | 01/02/2012 - 30/06/2013 | 2,410,000 | 2012/39/CFSP |
| | | 01/07/2013 - 30/06/2014 | 1,870,000 | 2013/366/CFSP |
| Total | | | 9,757,000 | |
| Middle East peace process | | | | |
| Miguel Angel Moratinos | ES | 25/11/1996 - 25/11/1997 | - | 96/676/CFSP |
| | | 26/11/1997 - 25/11/1998 | - | 97/475/CFSP |
| | | 26/11/1998 - 31/12/1999 | - | 98/608/CFSP |
| | | | - | 1999/664/CFSP |
| | | 01/01/2000 - 31/12/2000 | 2,845,000 | 1999/843/CFSP |
| | | 01/01/2001 - 31/12/2001 | 1,285,280 | 2000/794/CFSP |
| | | 01/01/2002 - 31/12/2002 | 1,100,000 | 2001/800/CFSP |
| | | 01/01/2003 - 30/06/2003 | - | 2002/965/CFSP |
| | | 01/07/2003 - 31/12/2003 | - | 2003/445/CFSP |

| Name | Nationality | Period | Financial amount of reference (in €) | Legal basis |
|------------------------------|-------------|-------------------------|---|---------------|
| Marc Otte | BE | 14/07/2003 - 31/12/2003 | - | 2003/537/CFSP |
| | | 01/01/2004 - 30/06/2004 | 793,000 | 2003/873/CFSP |
| | | 01/07/2004 - 28/02/2005 | 1,030,000 | 2004/534/CFSP |
| | | 01/03/2005 - 31/08/2005 | 560,000 | 2005/99/CFSP |
| | | 01/09/2005 - 28/02/2006 | 560,000 | 2005/587/CFSP |
| | | 01/03/2006 - 28/02/2007 | 1,200,000 | 2006/119/CFSP |
| | | 01/03/2007 - 29/02/2008 | 1,700,000 | 2007/110/CFSP |
| | | 01/03/2008 - 28/02/2009 | 1,300,000 | 2008/133/CFSP |
| | | 01/03/2009 - 28/02/2010 | 1,190,000 | 2009/136/CFSP |
| | | 01/03/2010 - 31/08/2010 | 730,000 | 2010/107/CFSP |
| | | 01/09/2010 - 28/02/2011 | 585,000 | 2010/447/CFSP |
| Andreas Reinicke | DE | 01/02/2012 - 30/06/2013 | 1,300,000 | 2012/33/CFSP |
| | | 01/07/2013 - 30/06/2014 | 506,500 | 2013/350/CFSP |
| Total | | | 16,684,780 | |
| Moldova | | | | |
| Adriaan Jacobovits de Szeged | NL | 23/03/2005 - 31/08/2005 | - | 2005/265/CFSP |
| | | 01/09/2005 - 28/02/2006 | - | 2005/584/CFSP |
| | | 01/12/2005 - 28/02/2006 | 430,000 | 2005/776/CFSP |
| | | 01/03/2006 - 28/02/2007 | 1,030,000 | 2006/120/CFSP |
| Kálmán Mizsei | HU | 01/03/2007 - 29/02/2008 | 1,100,000 | 2007/107/CFSP |
| | | 01/03/2008 - 28/02/2009 | 1,310,000 | 2008/106/CFSP |
| | | 01/03/2009 - 28/02/2010 | 1,280,000 | 2009/132/CFSP |
| | | 01/03/2010 - 31/08/2010 | 1,025,000 | 2010/108/CFSP |
| | | 01/03/2010 - 28/02/2011 | 830,000 | 2010/448/CFSP |
| Total | | | 7,005,000 | |

| Name | Nationality | Period | Financial amount of reference (in €) | Legal basis |
|---|-------------|-------------------------|---|---------------|
| Palestinian Territories | | | | |
| Nils Eriksson | SE | 29/04/1997 - 29/04/2000 | - | 97/289/CFSP |
| | | 06/07/1999 - 31/05/2002 | - | 1999/440/CFSP |
| Total | | | 0 | |
| Sahel | | | | |
| Michel Dominique Reveyrand-de Menthon | FR | 18/03/2013 - 28/02/2014 | 1,350,000 | 2013/133/CFSP |
| Total | | | 1,350,000 | |
| South Caucasus/Crisis in Georgia | | | | |
| Heikki Talvitie | FI | 01/07/2003 - 31/12/2003 | - | 2003/496/CFSP |
| | | 01/01/2004 - 30/06/2004 | 299,000 | 2003/872/CFSP |
| | | 01/07/2004 - 28/02/2005 | 396,000 | 2004/532/CFSP |
| | | 01/03/2005 - 31/08/2005 | 370,000 | 2005/100/CFSP |
| | | 01/09/2005 - 28/02/2006 | 1,930,000 | 2005/582/CFSP |
| Peter Semneby | SE | 01/03/2006 - 28/02/2007 | 2,960,000 | 2006/121/CFSP |
| | | 01/03/2007 - 29/02/2008 | 3,120,000 | 2007/111/CFSP |
| | | 01/03/2008 - 28/02/2009 | 2,800,000 | 2008/132/CFSP |
| | | | - | 2008/796/CFSP |
| | | 01/03/2009 - 28/02/2010 | 2,510,000 | 2009/133/CFSP |
| | | 01/03/2010 - 31/08/2010 | 1,855,000 | 2010/109/CFSP |
| | | 01/09/2010 - 28/02/2011 | 1,410,000 | 2010/449/CFSP |
| Pierre Morel | FR | 25/09/2008 - 28/02/2009 | 390,000 | 2008/760/CFSP |
| | | 01/03/2009 - 31/08/2009 | - | 2009/131/CFSP |
| | | 01/03/2009 - 28/02/2010 | - | 2009/571/CFSP |
| | | 01/03/2009 - 28/02/2010 | 517,000 | 2009/956/CFSP |
| | | 01/03/2010 - 31/08/2010 | 502,000 | 2010/106/CFSP |
| | | 01/09/2010 - 31/08/2011 | 700,000 | 2010/445/CFSP |

| Name | Nationality | Period | Financial amount of reference (in €) | Legal basis |
|--|-------------|-------------------------|---|---------------|
| Philippe Lefort | FR | 01/09/2011 - 30/06/2012 | 1,758,000 | 2011/518/CFSP |
| | | 01/07/2012 - 30/06/2013 | 2,000,000 | 2012/326/CFSP |
| | | 01/07/2013 - 31/12/2013 | 1,050,000 | 2013/353/CFSP |
| | | 01/01/2014 - 30/06/2014 | 1,040,000 | 2014/22/CFSP |
| Total | | | 25,607,000 | |
| Southern Mediterranean Region | | | | |
| Bernardino León | ES | 18/07/2011 - 30/06/2012 | 855,000 | 2011/424/CFSP |
| | | 01/07/2012 - 30/06/2013 | 945,000 | 2012/327/CFSP |
| | | 01/07/2013 - 30/06/2014 | 945,000 | 2013/307/CFSP |
| Total | | | 2,745,000 | |
| Stability Pact for South Eastern Europe | | | | |
| Panagiotis Roumeliotis | EL | 31/05/1999 - 31/05/2000 | 550,000 | 1999/361/EC |
| Bodo Hombach | DE | 29/07/1999 - 31/12/1999 | 850,000 | 1999/523/CFSP |
| | | 01/01/2001 - 31/12/2001 | 2,020,000 | 2000/793/CFSP |
| Erhard Busek | AT | 01/01/2002 - 31/12/2002 | 1,420,290 | 2001/915/CFSP |
| | | 01/01/2003 - 30/06/2003 | 840,631 | 2002/964/CFSP |
| | | 01/07/2003 - 31/12/2003 | - | 2003/449/CFSP |
| | | 01/01/2004 - 31/12/2004 | - | 2003/910/EC |
| | | 01/01/2005 - 31/12/2005 | - | 2004/928/EC |
| | | 01/01/2006 - 31/12/2006 | - | 2005/912/EC |
| | | 01/01/2007 - 31/12/2007 | - | 2006/921/EC |
| | | 01/01/2008 - 30/06/2008 | - | 2007/755/EC |
| Total | | | 5,680,921 | |

| Name | Nationality | Period | Financial amount of reference (in €) | Legal basis |
|--|-------------|-------------------------|---|---------------|
| Sudan/South Sudan | | | | |
| Pekka Haavisto | FI | 18/07/2005 - 17/01/2006 | 675,000 | 2005/556/CFSP |
| | | 18/01/2006 - 17/07/2006 | 600,000 | 2005/805/CFSP |
| | | 18/07/2006 - 28/02/2007 | 1,030,000 | 2006/468/CFSP |
| | | 01/03/2007 - 30/04/2007 | - | 2007/108/CFSP |
| Torben Brylle | DK | 01/05/2007 - 29/02/2008 | 1,700,000 | 2007/238/CFSP |
| | | | - | 2007/809/CFSP |
| | | 01/03/2008 - 28/02/2009 | 2,000,000 | 2008/110/CFSP |
| | | 01/03/2009 - 28/02/2010 | 1,800,000 | 2009/134/CFSP |
| | | 01/03/2010 - 31/08/2010 | 1,410,000 | 2010/110/CFSP |
| Rosalind Marsden | UK | 01/09/2010 - 31/08/2011 | 1,820,000 | 2010/450/CFSP |
| | | 09/07/2011 - 30/06/2012 | 955,000 | 2011/499/CFSP |
| | | 01/07/2012 - 30/06/2013 | 1,900,000 | 2012/325/CFSP |
| Total | | | 13,890,000 | |
| The former Yugoslav Republic of Macedonia | | | | |
| François Léotard | FR | 29/06/2001 - 29/10/2001 | - | 2001/492/CFSP |
| Alain Le Roy | FR | 29/10/2001 - 28/02/2002 | - | 2001/760/CFSP |
| | | 01/03/2002 - 30/06/2002 | - | 2002/129/CFSP |
| | | 01/07/2002 - 31/12/2002 | - | 2002/497/CFSP |
| Alexis Brouhns | BE | 01/11/2002 - 31/12/2002 | - | 2002/832/CFSP |
| | | 01/01/2003 - 30/06/2003 | - | 2002/963/CFSP |
| | | 01/07/2003 - 31/12/2003 | - | 2003/446/CFSP |
| | | 1/01/2004 - 30/06/2004 | 370,000 | 2003/870/CFSP |
| Søren Jessen-Petersen | DK | 01/02/2004 - 30/06/2004 | - | 2004/86/CFSP |
| | | 01/07/2004 - 31/07/2004 | - | 2004/531/CFSP |

| Name | Nationality | Period | Financial amount of reference (in €) | Legal basis |
|-------------------------|-------------|-------------------------|---|---------------|
| Michael Sahlin | SE | 01/08/2004 - 28/02/2005 | 530,000 | 2004/565/CFSP |
| | | 01/03/2005 - 31/08/2005 | 500,000 | 2005/98/CFSP |
| | | 01/09/2005 - 15/11/2005 | 195,000 | 2005/589/CFSP |
| Erwan Fouéré | IE | 01/11/2005 - 28/02/2006 | 215,000 | 2005/724/CFSP |
| | | 01/03/2006 - 28/02/2007 | 675,000 | 2006/123/CFSP |
| | | 01/03/2007 - 29/02/2008 | 725,000 | 2007/109/CFSP |
| | | 01/03/2008 - 28/02/2009 | 645,000 | 2008/129/CFSP |
| | | 01/03/2009 - 30/09/2009 | - | 2009/129/CFSP |
| | | 01/03/2009 - 31/03/2010 | 568,000 | 2009/706/CFSP |
| | | 01/04/2010 - 31/08/2010 | 340,000 | 2010/156/CFSP |
| 01/09/2010 - 28/02/2011 | 310,000 | 2010/444/CFSP | | |
| Total | | | 5,073,000 | |

* Planned.

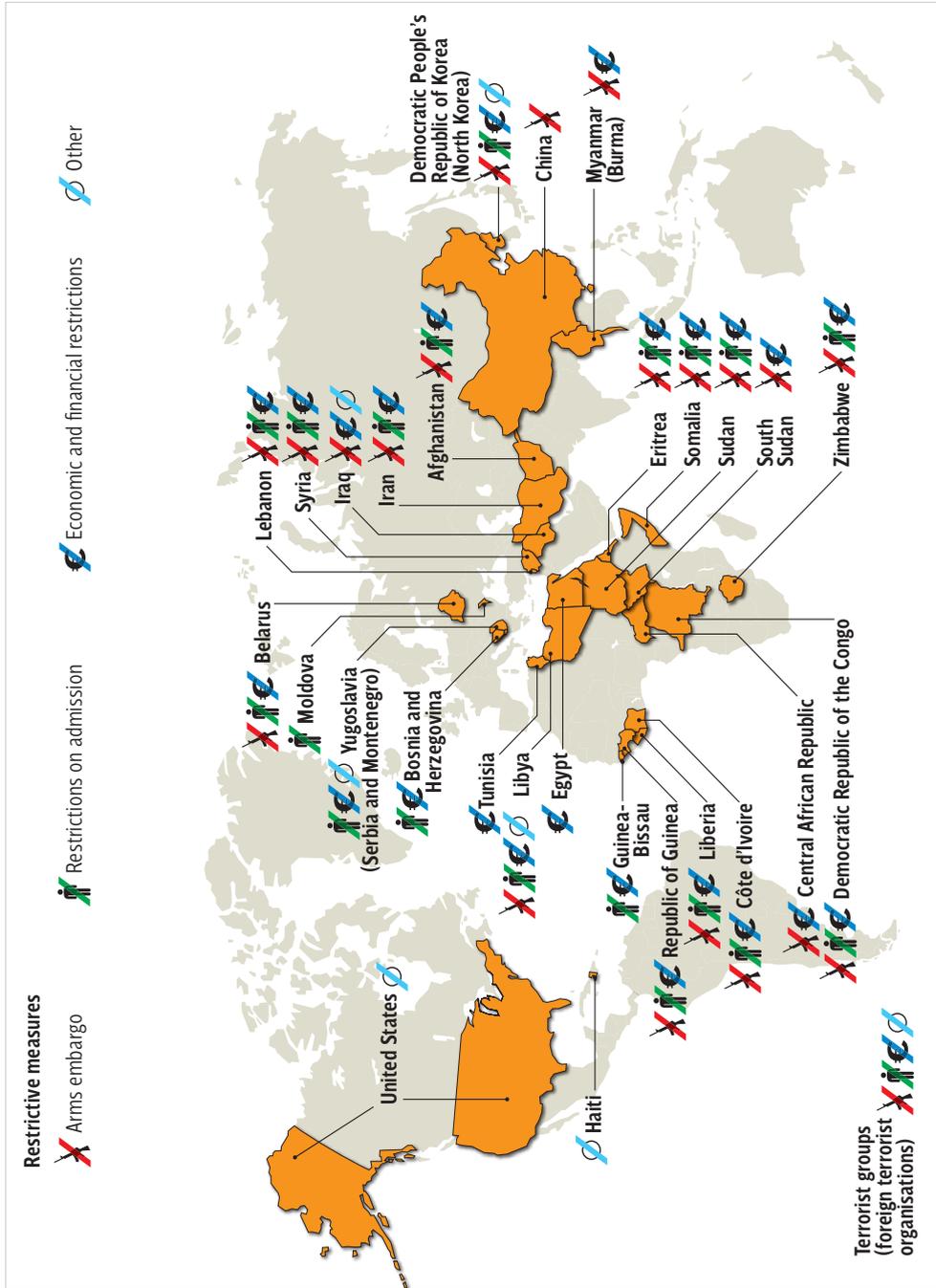
6. SANCTIONS/RESTRICTIVE MEASURES

The EU applies sanctions or restrictive measures in pursuit of the objectives of EU external action as outlined in Article 21 TEU (consolidated). These measures serve as an instrument of the CFSP and are imposed by the EU on countries, organisations and individuals.

The Union applies the following types of sanctions or restrictive measures: diplomatic sanctions; suspensions of cooperation with a third country; boycotts of sport or cultural events; trade sanctions (general or specific trade sanctions, arms embargoes); financial sanctions (freezing of funds or economic resources, prohibition on financial transactions, restrictions on export credits or investment); flight bans; and restrictions on admission.⁶⁸ Where 'targeted' restrictive measures – occasionally referred to as 'smart' sanctions – are implemented, clear criteria must be established to determine individuals and entities to be listed or de-listed.

68. European Commission, 'Sanctions or restrictive measures', Spring 2008, available online at: http://eeas.europa.eu/cfsp/sanctions/docs/index_en.pdf.

FIGURE 23: MAP OF EU SANCTIONS IN 2013





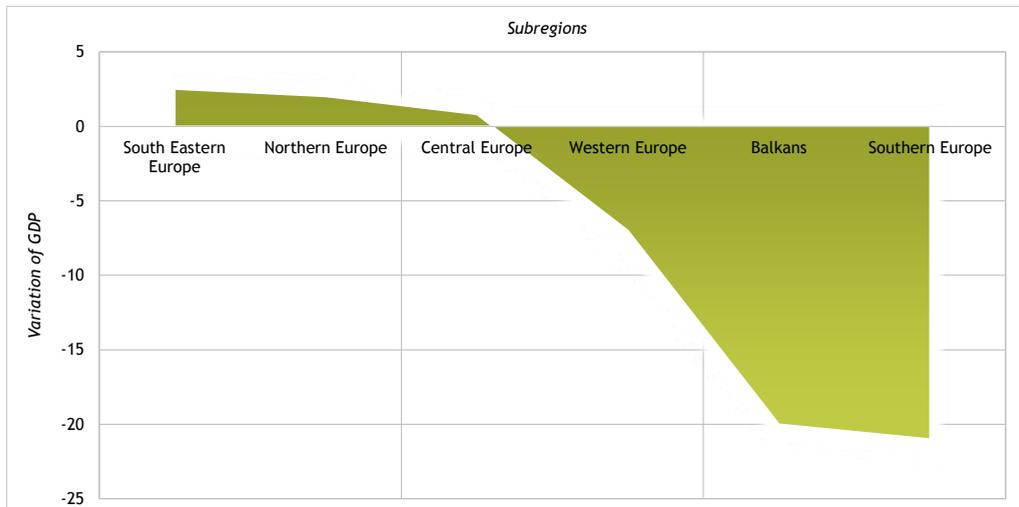
Defence spending in the EU

Olivier de France and Clodagh Quain

How has the economic and financial crisis affected defence spending in Europe? The graphs and database below paint a thorough picture of defence spending in Europe from 2008 to 2013, based on research drawn from the leading statistical sources (EDA, NATO, IISS and SIPRI).

A survey of all the main indicators sees a consistent pattern emerge. Global military expenditure rose in 2013, except in Europe and the wider 'West' where it decreased – although not as significantly as in 2012. Within Europe, the three bigger spenders (the UK, France and Germany) still do reasonably well. The countries hardest hit by the economic crisis did worst (with the exception of Greece), and some progress occurred in the south-east and the north of the continent.

FIGURE 1: COMPARATIVE SUB-REGIONAL DEFENCE SPENDING 2010-2013¹

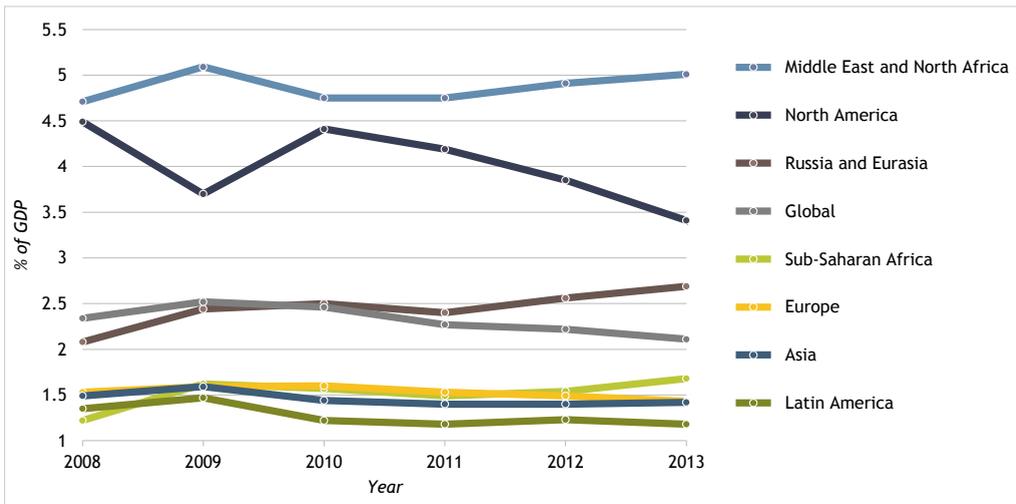


Overall, the centre of gravity for defence spending is pulling away from the West, and shifting towards the Middle East and Asia. Defence expenditure in Europe has taken a definite plunge since 2010. In 2013, for the first time, 'Asia and Australasia' together took

1. Source: IISS.

over from 'Europe' (with 20% vs. 18% of the total) as second biggest spenders worldwide behind the US, according to the IISS. Based on current consolidated trends, by 2015, the combined spending of all NATO countries will be, for the first time, less than that of the rest of the world; China will spend more than the UK, France and Germany combined; and the defence budgets of Russia and China combined will exceed the total defence spending of the European Union.

FIGURE 2: COMPARATIVE REGIONAL DEFENCE SPENDING SINCE THE FINANCIAL CRISIS²



MARGINS OF ERROR

It is worth noting that estimates for national country expenditure from all the main indicators are not always consistent. Some margins of error are very high, with variations of up to 110% (what with pensions, inflation, exchange rates and lack of reliable and/or accessible data for some countries). The purported \$9 billion 'rise' in global military spending this year, for example, pales in comparison to the margin of error for Chinese defence spending alone, which might range anywhere between \$112 billion (IISS), \$139 billion (IHS), \$166 billion (SIPRI, 2012) and \$240 billion (US DoD). As such it is good practice to take numbers with a pinch of salt and to undertake a closer examination of the methodologies involved.

European budget figures, although mostly accessible and more reliable, still feature some significant discrepancies. According to NATO, European budgets fell between 2008 and 2010. But on the authority of the IISS's 2014 *Military Balance*, defence budgets

2. Sources: consolidated IISS, EDA, SIPRI, NATO.

rose over the period from 1.42% to 1.58% of EU national GDPs. The ratio peaked in 2010 at levels higher than post-9/11 numbers. EDA figures over the same period indicate a slow, steady decrease in military expenditure which reaches back to 2006. Meanwhile the latest NATO figures show a stabilisation – and indeed a slight increase in European budgets from 2011 to 2013.

Where do such inconsistencies come from? Firstly, when the different sources talk of ‘Europe’ they are perhaps not speaking about the same thing. Where NATO assesses ‘transatlantic’ Europe, the IISS sees a ‘geographical’ Europe (including Norway, Denmark, Turkey and Switzerland), and the EDA uses a more ‘institutional’ definition of Europe. But the indicators all have their own idiosyncrasies, so that the data might be drawn from open, closed, primary or secondary sources, and factor in (or not) military pensions and the effect of inflation and exchange rates. This creates a degree of confusion which usually does no disservice to political interests – because the data can be bent both ways.

Drawing comparisons across time for the same country using steady criteria should solve the problem, and make it possible to map the fluctuations consistently – irrespective of any inbuilt bias in the methodology. Yet there are difficulties with the indicators themselves. 2014 and 2013 IISS estimates for European defence expenditure in 2010 for instance are fairly different (1.63% vs. 1.58% of GDP) – doubtless because of the time it takes to recoup the information and consolidate the numbers.

Given this, official figures and government numbers may well appear to be the safer bet – in this case, the data collected by the European Defence Agency (EDA). Unfortunately, official national counts are also partial and flawed upon occasion. They are plagued by much the same ills as other sources: methodologies differ across countries, but also over time within the same country. To what extent, for example, should a country include industrial expenditure or policing? Social services, benefits, demobilisation or weapon destruction costs and military aid to foreign states sometimes feature, sometimes not. So the perimeters of the same budgets tend to fluctuate between and across countries.

What is considered to be ‘defence’ spending also tends to fluctuate over time *within* a given country. In France’s case, the criteria have changed over the years. Depending on what is accounted for, the percentage of GDP that defence expenditure represents might vary by up to 0.4% (more if military pensions are factored in). Such methodological snags make detailed comparisons over time and between countries tricky at best, misleading at worst.

ALTERNATIVE APPROACHES

In view of this, the European Commission might helpfully consider laying out a set of common guidelines for calculating defence spending, at least in Europe. An in-depth study of differences in the methodologies currently in use might also be helpful. Failing this, we will keep comparing apples and oranges.

But even if such methodological kinks were ironed out, assessing bulk national defence budgets would still only make for a very partial reading of defence planning across Europe. This is because there is no established correlation between ‘input’ and ‘output’ – i.e. between military spending on the one hand, and how much military power a country effectively wields on the other.

A study included in the IISS 2014 *Military Balance* makes the case most convincingly. It shows that ‘the higher the defence budget, the lower the proportion of defence spending allocated to personnel costs’ – which are still exceedingly high across Europe (accounting for 60% of total defence expenditure on average). So it should not be concluded that the more a country spends, the better it performs. In fact, raw increase, stagnation or decrease in absolute terms have surprisingly little to do with the capabilities a member state can effectively deploy at any given time. Increase and decrease can be equally poorly managed. A decrease in spending might increase a country’s ability to project military force in the same way as an increase in spending might hamper it.

OPEN QUESTIONS

In this regard, *how* countries spend on defence is every bit as important as *how much* they spend – although it is considerably more difficult to assess. Many other indicators might be better suited than raw defence expenditure to gauge a member state’s performance.

Assessing whether countries are able to effectively use the capabilities they have acquired is one such yardstick. Another is the capabilities that states can choose to acquire, retain or forgo, in view of the consequences these decisions would have for their national militaries as a whole.

What, for example, is the cost for a country of preserving the full panoply of military tools required to guarantee its national sovereignty? It is one thing however to possess an expensive capability, it is another for it to be able to serve its purpose. Which high-end capability does a country retain without turning it into a Potemkin piece of equipment? Conversely, which capability does a country do away with, and how? The answers will depend on how long Europe’s military establishment (and industry) can

withstand the conjunction of a downward budgetary trend and the sub-optimal way in which these diminishing resources are spent.

Finally, it might be helpful to have a closer look at exactly how top-down strategic decisions affect military budgets – and, conversely, to what extent a budgetary decision actually relates back to a strategic one. Is it possible, in the first instance, to draw up some sound methodological tools to do so? If so, is defence spending better managed in the absence of long-term strategy? Or does defence planning require long-term strategy to be viable? More broadly, is it possible to single out the ‘spoils of strategy’ – i.e. whether high-level national strategy has a positive (or indeed adverse) effect on its operational capability and its overall capacity to project power?

EUISS DEFENCE SPENDING DATABASE

Indicators³

- **EDA:** Data in euro (current), excluding pensions.⁴
- **IISS:** Data in euro (current), converted from US\$ (EUISS conversion), excluding pensions.⁵
- **NATO:** Data in euro (current), including military pensions. Data for non-eurozone members converted from local currencies (EUISS conversion). 2013 figures are estimates.⁶
- **SIPRI:** Military expenditure in euro (constant) from 2008-2011 and current euro for 2012. Data converted from US\$ (EUISS conversion), including pensions.⁷

3. IISS and NATO figures were converted using current exchange rates from US dollar to euro. SIPRI constant figures from 2008-2011 were calculated using 2011 exchange rates as the base year. 2012 current SIPRI data provided was converted to euro using the current exchange rate. Historical and current exchange rates provided by OzForex, Oanda and InforEuro.

4. Information from the European Defence Agency's Defence Data Portal, and may be found at <http://www.eda.europa.eu/info-hub/defence-data-portal/methodology>.

5. Information from the International Institute for Strategic Studies (IISS) *Military Balance*, and may be found at <http://www.iiss.org/en/militarybalanceblog/blogsections/2014-3bea/february-f007/defence-spending-a132>.

6. Information from NATO, and may be found at http://www.nato.int/nato_static/assets/pdf/pdf_topics/20140224_140224-PR2014-028-Defence-exp.pdf.

7. Information from the Stockholm International Peace Research Institute (SIPRI), and may be found at http://www.sipri.org/research/armaments/milex/milex_database/copy_of_sources_methods.

EU MILITARY EXPENDITURE 2008

| | EDA | | IISS | | NATO | | SIPRI | |
|----------------|------------------------------------|----------|------------------------------------|----------|------------------------------------|----------|------------------------------------|----------|
| | Defence expenditure (in million €) | % of GDP | Defence expenditure (in million €) | % of GDP | Defence expenditure (in million €) | % of GDP | Defence expenditure (in million €) | % of GDP |
| Austria | 2,558 | 0.91 | 2,183 | 0.77 | (a) | (a) | 2,368 | 0.9 |
| Belgium | 4,252 | 1.23 | 3,792 | 1.10 | 4,298 | 1.2 (c) | 3,971 | 1.2 |
| Bulgaria | 797 | 2.34 | 898 | 2.54 | 794 (b,f) | 2.2 | 676 | 2.0 |
| Croatia | (a) | (a) | 745 | 1.56 | (a) | (a) | 822 | 1.9 |
| Cyprus | 301 | 1.78 | 367 | 2.11 | (a) | (a) | 288 | 1.8 |
| Czech Republic | 2,134 | 1.44 | 2,162 | 1.46 | 2,114 (b) | 1.4 | 1,826 | 1.4 |
| Denmark | (a) | (a) | 3,052 | 1.31 | 3,274 (b) | 1.4 | 3,073 | 1.4 |
| Estonia | 294 | 1.85 | 307 | 1.90 | 294 (b) | 1.8 | 322 | 2.1 |
| Finland | 2,463 | 1.32 | 2,481 | 1.33 | (a) | (a) | 2,260 | 1.3 |
| France | 45,362 | 2.32 | 45,938 | 2.36 | 45,366 (c) | 2.3 (c) | 41,431 | 2.3 |
| Germany | 31,735 | 1.27 | 32,066 | 1.29 | 32,824 | 1.3 | 30,128 | 1.3 |
| Greece | 6,192 | 2.55 | 6,927 | 2.91 | 6,896 (d) | 3.0 (d) | 6,920 | 3.0 |
| Hungary | 1,286 | 1.22 | 1,277 | 1.20 | 1,303 (b,d) | 1.2 (d) | 1,154 | 1.2 |
| Ireland | 1,077 | 0.58 | 1,085 | 0.60 | (a) | (a) | 925 | 0.6 |
| Italy | 22,631 | 1.44 | 21,130 | 1.34 | 22,631 | 1.4 | 26,060 (h) | 1.8 (h) |
| Latvia | 370 | 1.60 | 370 | 1.61 | 369 (b) | 1.6 | 369 | 1.7 |
| Lithuania | 363 | 1.12 | 211 | 1.16 | 360 (b) | 1.1 | 436 (h) | 1.4 (h) |
| Luxembourg | 158 | 0.43 | 158 | 0.40 | 146 (d) | 0.4 (f) | (g) | (a) |

| | EDA | | IISS | | NATO | | SIPRI | |
|----------------|------------------------------------|----------|------------------------------------|----------|------------------------------------|----------|------------------------------------|----------|
| | Defence expenditure (in million €) | % of GDP | Defence expenditure (in million €) | % of GDP | Defence expenditure (in million €) | % of GDP | Defence expenditure (in million €) | % of GDP |
| Malta | 28 | 0.50 | 33 | 0.60 | (a) | (a) | 36 | 0.7 |
| Netherlands | 8,488 | 1.43 | 8,385 | 1.40 | 8,488 | 1.4 | 7,833 | 1.4 |
| Poland | 5,974 | 1.66 | 6,951 | 1.92 | 4,849 (b,d) | 1.5 | 5,361 (h) | 1.7 (h) |
| Portugal | 2,536 | 1.53 | 2,547 | 1.47 | 2,356 | 1.5 (d) | 2,988 | 1.9 |
| Romania | 2,055 | 1.24 | 2,053 | 1.47 | 2,019 | 1.5 | 1,820 | 1.5 |
| Slovakia | 994 | 1.53 | 1,009 | 1.56 | 921 (b) | 1.5 | 923 | 1.5 |
| Slovenia | 567 | 1.48 | 570 | 1.52 | 566 | 1.5 | 526 | 1.5 |
| Spain | 12,756 | 1.16 | 13,158 | 1.20 | 12,756 | 1.2 | 11,716 | 1.2 |
| Sweden | 4,026 | 1.23 | 4,549 | 1.37 | (a) | (a) | 3,788 | 1.2 |
| United Kingdom | 42,005 | 2.32 | 41,527 | 2.27 | 46,760 (b) | 2.6 | 39,766 | 2.5 |
| Aggregate | 201,402 | 1.44 | 205,931 | 1.49 | 199,384 | 1.57 | 197,786 | 1.56 |

EU MILITARY EXPENDITURE 2009

| | EDA | | IISS | | NATO | | SIPRI | |
|----------------|------------------------------------|----------|------------------------------------|----------|------------------------------------|-----------|------------------------------------|----------|
| | Defence expenditure (in million €) | % of GDP | Defence expenditure (in million €) | % of GDP | Defence expenditure (in million €) | % of GDP | Defence expenditure (in million €) | % of GDP |
| Austria | 2,401 | 0.87 | 2,013 | 0.73 | (a) | (a) | 2,420 | 0.9 |
| Belgium | 4,048 | 1.20 | 4,044 | 1.26 | 4,048 (c) | 1.2 | 3,940 | 1.2 |
| Bulgaria | 659 | 1.95 | 651 | 1.92 | 651 (b,f) | 1.9 (f) | 676 | 2.0 |
| Croatia | (a) | (a) | 729 | 1.60 | 716 (b) | 1.6 (c) | 789 | 1.8 |
| Cyprus | 339 | 2.00 | 340 | 2.00 | (a) | (a) | 331 | 2.0 |
| Czech Republic | 2,262 | 1.65 | 2,248 | 1.63 | 2,259 (b) | 1.6 | 1,979 | 1.4 |
| Denmark | (a) | (a) | 3,118 | 1.39 | 3,123 (b) | 1.4 | 3,042 | 1.4 |
| Estonia | 256 | 1.86 | 256 | 1.84 | 254 (b) | 1.8 | 308 | 2.3 |
| Finland | 2,686 | 1.57 | 2,794 | 1.63 | (a) | (a) | 2,498 | 1.5 |
| France | 39,190 | 2.04 | 39,148 | 2.05 | 39,190 (e) | 2.1 (c,e) | 46,556 | 2.5 |
| Germany | 36,108 | 1.50 | 34,130 | 1.42 | 34,171 | 1.4 | 32,910 | 1.4 |
| Greece | 6,023 | 2.54 | 7,256 | 3.04 | 7,311 | 3.2 (d) | 7,589 | 3.2 |
| Hungary | 1,068 | 1.15 | 1,061 | 1.14 | 1,074 (b) | 1.2 (d) | 1,083 | 1.1 |
| Ireland | 988 | 0.60 | 1,009 | 0.63 | (a) | (a) | 961 | 0.6 |
| Italy | 21,946 | 1.44 | 21,922 | 1.44 | 21,946 (e) | 1.4 | 26,667 | 1.8 (h) |
| Latvia | 227 | 1.21 | 227 | 1.22 | 223 (b) | 1.2 | 247 | 1.4 |
| Lithuania | 289 | 1.08 | 289 | 1.08 | 285 (b) | 1.1 | 350 | 1.4 |
| Luxembourg | 179 | 0.47 | 179 | 0.47 | 145 (d,e) | 0.4 (d) | (g) | (a) |

| | EDA | | IISS | | NATO | | SIPRI | |
|----------------|------------------------------------|----------|------------------------------------|----------|------------------------------------|----------|------------------------------------|----------|
| | Defence expenditure (in million €) | % of GDP | Defence expenditure (in million €) | % of GDP | Defence expenditure (in million €) | % of GDP | Defence expenditure (in million €) | % of GDP |
| Malta | 43 | 0.74 | 42 | 0.74 | (a) | (a) | 41 | 0.7 |
| Netherlands | 8,733 | 1.53 | 8,723 | 1.52 | 8,733 | 1.5 | 8,423 | 1.5 |
| Poland | 5,428 | 1.75 | 5,247 | 1.68 | 5,404 (b) | 1.7 | 6,050 (h) | 1.8 (h) |
| Portugal | 2,671 | 1.63 | 2,668 | 1.59 | 2,692 (d) | 1.6 (d) | 3,344 | 2.1 |
| Romania | 1,609 | 1.39 | 1,600 | 1.38 | 1,592 (b) | 1.4 | 1,629 | 1.4 |
| Slovakia | 967 | 1.53 | 971 | 1.53 | 972 | 1.5 | 930 | 1.5 |
| Slovenia | 571 | 1.63 | 570 | 1.63 | 575 (e) | 1.6 | 558 | 1.6 |
| Spain | 12,196 | 1.16 | 12,183 | 1.15 | 12 196 | 1.2 | 1,189 | 1.2 |
| Sweden | 3,510 | 1.22 | 3,806 | 1.30 | (a) | (a) | 3,910 | 1.3 |
| United Kingdom | 39,596 | 2.53 | 42,517 | 2.71 | 45,747 (b) | 2.6 | 42,675 | 2.7 |
| Aggregate | 193,993 | 1.47 | 199,741 | 1.63 | 193 307 | 1.57 | 201,095 | 1.6 |

EU MILITARY EXPENDITURE 2010

| | EDA | | IISS | | NATO | | SIPRI | |
|----------------|------------------------------------|----------|------------------------------------|----------|------------------------------------|-----------|------------------------------------|----------|
| | Defence expenditure (in million €) | % of GDP | Defence expenditure (in million €) | % of GDP | Defence expenditure (in million €) | % of GDP | Defence expenditure (in million €) | % of GDP |
| Austria | 2,430 | 0.86 | 2,028 | 0.71 | (a) | (a) | 2,651 | 0.9 |
| Belgium | 3,951 | 1.12 | 3,960 | 1.12 | 3,960 (c) | 1.1 | 3,950 | 1.1 |
| Bulgaria | 629 | 1.74 | 628 | 1.75 | 629 (b,e) | 1.7 (b,f) | 675 | 1.9 |
| Croatia | (a) | (a) | 692 | 1.51 | 694 (b) | 1.6 | 767 | 1.7 |
| Cyprus | 361 | 2.06 | 376 | 2.15 | (a) | (a) | 361 | 2.1 |
| Czech Republic | 2,016 | 1.39 | 2,006 | 1.39 | 2,210 (b) | 1.3 | 1,886 | 1.3 |
| Denmark | (a) | (a) | 3,401 | 1.45 | 3,401 (b) | 1.4 | 3,400 | 1.5 |
| Estonia | 249 | 1.72 | 249 | 1.72 | 251 (b) | 1.7 | 249 | 1.7 |
| Finland | 2,707 | 1.50 | 2,709 | 1.50 | (a) | (a) | 2,567 | 1.4 |
| France | 39,237 | 2.01 | 39,238 | 2.03 | 39,241 | 2.0 (c) | 44,614 | 2.3 |
| Germany | 33,492 | 1.34 | 34,631 | 1.40 | 34,925 | 1.4 | 34,027 | 1.4 |
| Greece | 4,756 | 2.07 | 5,974 | 2.60 | 5,966 | 2.7 (d) | 5,365 (h) | 2.3 (h) |
| Hungary | 1,022 | 1.04 | 1,018 | 1.04 | 1,021 (b) | 1.1 (d) | 1,020 | 1.0 |
| Ireland | 911 | 0.59 | 747 | 0.48 | (a) | (a) | 962 | 0.6 |
| Italy | 21,637 | 1.40 | 21,638 | 1.40 | 21,637 | 1.4 | 26,823 (h) | 1.7 (h) |
| Latvia | 194 | 1.08 | 204 | 1.14 | 187 (b) | 1.0 | 196 | 1.1 |
| Lithuania | 246 | 0.90 | 252 | 0.92 | 244 (b) | 0.9 | 310 | 1.1 |
| Luxembourg | 201 | 0.48 | 201 | 0.48 | 187 (d) | 0.5 (d) | (g) | (a) |

| | EDA | | IISS | | NATO | | SIPRI | |
|----------------|------------------------------------|----------|------------------------------------|----------|------------------------------------|----------|------------------------------------|----------|
| | Defence expenditure (in million €) | % of GDP | Defence expenditure (in million €) | % of GDP | Defence expenditure (in million €) | % of GDP | Defence expenditure (in million €) | % of GDP |
| Malta | 44 | 0.71 | 45 | 0.71 | (a) | (a) | 44 | 0.7 |
| Netherlands | 8,472 | 1.43 | 8,472 | 1.44 | 8,472 | 1.4 | 8,513 | 1.4 |
| Poland | 6,392 | 1.81 | 6,404 | 1.81 | 6,414 (b) | 1.8 | 6,629 (h) | 1.9 (h) |
| Portugal | 2,782 | 1.61 | 2,762 | 1.61 | 2,673 (d) | 1.5 (d) | 3,639 | 2.1 |
| Romania | 1,575 | 1.29 | 1,569 | 1.29 | 1,622 (b) | 1.3 | 1,575 | 1.3 |
| Slovakia | 853 | 1.29 | 859 | 1.30 | 859 | 1.3 | 812 | 1.3 |
| Slovenia | 583 | 1.62 | 583 | 1.62 | 583 | 1.6 | 583 | 1.6 |
| Spain | 11,132 | 1.05 | 11,133 | 1.05 | 11,132 | 1.1 | 11,130 | 1.0 |
| Sweden | 4,265 | 1.23 | 4,231 | 1.22 | (a) | (a) | 4,444 | 1.3 |
| United Kingdom | 43,403 | 2.56 | 45,528 | 2.68 | 45,526 (b) | 2.6 | 43,859 | 2.6 |
| Aggregate | 193,540 | 1.38 | 201,558 | 1.41 | 191,834 | 1.47 | 211,051 | 1.43 |

EU MILITARY EXPENDITURE 2011

| | EDA | | IISS | | NATO | | SIPRI | |
|----------------|------------------------------------|----------|------------------------------------|----------|------------------------------------|-----------|------------------------------------|----------|
| | Defence expenditure (in million €) | % of GDP | Defence expenditure (in million €) | % of GDP | Defence expenditure (in million €) | % of GDP | Defence expenditure (in million €) | % of GDP |
| Austria | 2,453 | 0.82 | 2,468 | 0.82 | (a) | (a) | 2,452 | 0.8 |
| Belgium | 3,986 | 1.08 | 3,987 | 1.08 | 3,956 (c) | 1.1 | 3,985 | 1.1 |
| Bulgaria | 545 | 1.42 | 518 | 1.34 | 545 (b,f) | 1.4 (b,f) | 596 | 1.5 |
| Croatia | (a) | (a) | 558 | 1.24 | 719 (b) | 1.6 | 784 (h) | 1.7 |
| Cyprus | 345 | 1.92 | 367 | 2.07 | (a) | (a) | 385 | 2.2 |
| Czech Republic | 1,820 | 1.17 | 1,806 | 1.17 | 1,755 (b) | 1.1 | 1,782 | 1.2 |
| Denmark | (a) | (a) | 3,248 | 1.36 | 3,256 (b) | 1.4 | 3,248 | 1.4 |
| Estonia | 280 | 1.75 | 280 | 1.75 | 280 | 1.7 (f) | 269 (h) | 1.7 |
| Finland | 2,654 | 1.40 | 2,860 | 1.51 | (a) | (a) | 2,696 | 1.4 |
| France | 38,445 | 1.93 | 38,439 | 1.92 | 38,443 | 1.9 (c) | 45,100 | 2.3 |
| Germany | 33,781 | 1.30 | 33,082 | 1.28 | 34,630 | 1.3 | 34,622 | 1.3 |
| Greece | 5,477 | 2.63 | 6,124 | 2.85 | 4,934 | 2.4 (d) | 4,823 | 2.2 |
| Hungary | 1,000 | 10.0 | 956 | 0.95 | 1,063 (b) | 1.1 (d) | 991 | 1.0 |
| Ireland | 881 | 0.55 | 949 | 0.60 | (a) | (a) | 935 | 0.6 |
| Italy | 21,741 | 1.38 | 21,746 | 1.38 | 21,741 | 1.4 | 27,079 (h) | 1.7 |
| Latvia | 210 | 1.04 | 213 | 1.05 | 205 (b) | 1.0 | 213 | 1.0 |
| Lithuania | 252 | 0.82 | 252 | 0.82 | 247 (b) | 0.8 | 320 | 1.0 |
| Luxembourg | 201 | 0.47 | 201 | 0.47 | 167 (d) | 0.4 (d) | 261 | 0.6 |

| | EDA | | IISS | | NATO | | SIPRI | |
|----------------|------------------------------------|----------|------------------------------------|----------|------------------------------------|----------|------------------------------------|----------|
| | Defence expenditure (in million €) | % of GDP | Defence expenditure (in million €) | % of GDP | Defence expenditure (in million €) | % of GDP | Defence expenditure (in million €) | % of GDP |
| Malta | 40 | 0.62 | 40 | 0.63 | (a) | (a) | 40 | 0.6 |
| Netherlands | 8,156 | 1.35 | 8,381 | 1.39 | 8,156 | 1.4 | 8,154 | 1.4 |
| Poland | 6,557 | 1.77 | 6,633 | 1.79 | 6,569 (b) | 1.8 | 6,792 (h) | 1.8 |
| Portugal | 2,669 | 1.56 | 2,069 | 1.21 | 2,627 (d) | 1.5 (d) | 3,498 | 2.0 |
| Romania | 1,713 | 1.26 | 1,664 | 1.22 | 1,765 (b) | 1.3 | 1,711 | 1.3 |
| Slovakia | 763 | 1.10 | 763 | 1.10 | 766 | 1.1 | 763 | 1.1 |
| Slovenia | 478 | 1.32 | 478 | 1.32 | 479 | 1.3 | 478 | 1.3 |
| Spain | 10,059 | 0.95 | 10,900 | 1.02 | 10,059 | 1.0 | 10,057 | 0.9 |
| Sweden | 4,331 | 1.12 | 4,428 | 1.13 | (a) | (a) | 4,546 | 1.2 |
| United Kingdom | 43,696 | 2.50 | 43,114 | 2.47 | 45,186 (b) | 2.6 | 43,334 | 2.5 |
| Aggregate | 192,533 | 1.31 | 196,524 | 1.31 | 187,548 | 1.39 | 209,914 | 1.38 |

EU MILITARY EXPENDITURE 2012

| | EDA | | IISS | | NATO | | SIPRI | |
|----------------|------------------------------------|----------|------------------------------------|----------|------------------------------------|-----------|------------------------------------|----------|
| | Defence expenditure (in million €) | % of GDP | Defence expenditure (in million €) | % of GDP | Defence expenditure (in million €) | % of GDP | Defence expenditure (in million €) | % of GDP |
| Austria | 2,481 | 0.80 | 2,515 | 0.83 | (a) | (a) | 2,452 | 0.8 |
| Belgium | 4,094 | 1.09 | 4,099 | 1.10 | 4,023 (c) | 1.1 | 3,847 | 1.1 |
| Bulgaria | 562 | 1.42 | 563 | 1.42 | 562 (b,f) | 1.4 (b,f) | 562 | 1.5 |
| Croatia | (a) | (a) | 644 | 1.44 | 672 (b) | 1.5 | 730 (h) | 1.7 |
| Cyprus | 323 | 1.81 | 350 | 2.01 | (a) | (a) | 359 (h) | 2.1 |
| Czech Republic | 1,651 | 1.08 | 1,650 | 1.10 | 1,702 (b) | 1.1 | 1,710 | 1.1 |
| Denmark | (a) | (a) | 3,442 | 1.43 | 3,441 (b) | 1.4 | 3,363 | 1.4 |
| Estonia | 340 | 2.00 | 340 | 2.04 | 340 | 2.0 | 315 (h) | 1.9 |
| Finland | 2,857 | 1.47 | 2,803 | 1.46 | (a) | (a) | 2,772 | 1.5 |
| France | 39,105 | 1.93 | 39,135 | 1.95 | 39,105 | 1.9 (c) | 44,986 | 2.3 |
| Germany | 32,490 | 1.23 | 31,905 | 1.22 | 36,168 | 1.4 | 34,948 (h) | 1.4 |
| Greece | 3,272 | 1.69 | 3,836 | 1.93 | 4,384 | 2.3 (d) | 5,012 | 2.5 |
| Hungary | 1,029 | 1.05 | 1,030 | 1.03 | 1,030 (b) | 1.1 (d) | 791 | 0.8 |
| Ireland | 900 | 0.55 | 894 | 0.56 | (a) | (a) | 888 | 0.6 |
| Italy | 20,600 | 1.32 | 20,622 | 1.34 | 20,600 | 1.3 | 25,676 (h) | 1.7 |
| Latvia | 201 | 0.90 | 199 | 0.94 | 194 (b) | 0.9 | 201 | 0.9 |
| Lithuania | 256 | 0.78 | 256 | 0.80 | 256 (b) | 0.8 | 309 (h) | 1.0 |
| Luxembourg | 167 | 0.38 | 208 | 0.48 | 167 (d) | 0.4 (d) | 258 (h) | 0.6 |

| | EDA | | IISS | | NATO | | SIPRI | |
|----------------|------------------------------------|----------|------------------------------------|----------|------------------------------------|----------|------------------------------------|----------|
| | Defence expenditure (in million €) | % of GDP | Defence expenditure (in million €) | % of GDP | Defence expenditure (in million €) | % of GDP | Defence expenditure (in million €) | % of GDP |
| Malta | 39 | 0.58 | 39 | 0.59 | (a) | (a) | 40 | 0.6 |
| Netherlands | 8,067 | 1.34 | 8,076 | 1.35 | 8,067 | 1.3 | 7,472 | 1.3 |
| Poland | 6,754 | 1.77 | 6,649 | 1.82 | 6,786 (b) | 1.8 | 7,125 (h) | 1.9 |
| Portugal | 2,366 | 1.43 | 2,055 | 1.25 | 2,366 (d) | 1.4 (d) | 2,861 (h) | 1.8 |
| Romania | 1,636 | 1.24 | 1,781 | 1.29 | 1,662 (b) | 1.2 | 1,730 | 1.2 |
| Slovakia | 790 | 1.11 | 791 | 1.11 | 794 | 1.1 | 771 | 1.1 |
| Slovenia | 422 | 1.19 | 396 | 1.12 | 422 | 1.2 | 404 | 1.2 |
| Spain | 10,828 | 1.03 | 10,839 | 1.04 | 10,828 | 1.1 | 8,759 (h) | 0.8 |
| Sweden | 4,632 | 1.13 | 4,686 | 0.74 | (a) | (a) | 4,618 | 1.2 |
| United Kingdom | 43,696 | 2.30 | 47,689 | 2.52 | 45,092 (b) | 2.3 | 42,983 | 2.5 |
| Aggregate | 189,558 | 1.25 | 197,492 | 1.28 | 188,661 | 1.36 | 205,942 | 1.38 |

EU MILITARY EXPENDITURE 2013

| | IISS | | NATO | |
|----------------|------------------------------------|----------|------------------------------------|----------|
| | Defence expenditure (in million €) | % of GDP | Defence expenditure (in million €) | % of GDP |
| Austria | 2,340 | 0.76 | (a) | (a) |
| Belgium | 3,833 | 1.04 | 3,964 (c) | 1.0 |
| Bulgaria | 454 | 1.38 | 565 (b,f) | 1.4 (b) |
| Croatia | 589 | 1.35 | 636 (b) | 1.5 |
| Cyprus | 333 | 2.11 | (a) | (a) |
| Czech Republic | 1,578 | 1.07 | 1,618 (b) | 1.1 |
| Denmark | 3,265 | 1.37 | 3,429 (b) | 1.4 |
| Estonia | 348 | 1.99 | 361 | 2.0 |
| Finland | 2,762 | 1.44 | (a) | (a) |
| France | 37,913 | 1.91 | 39,402 | 1.9 (c) |
| Germany | 32,010 | 1.23 | 36,739 | 1.3 |
| Greece | 4,114 | 2.33 | 4,275 | 2.3 (d) |
| Hungary | 797 | 0.83 | 912 (b) | 0.9 (d) |
| Ireland | 867 | 0.54 | (a) | (a) |
| Italy | 18,271 | 1.22 | 18,983 (d) | 1.2 (h) |
| Latvia | 217 | 0.96 | 219 (b) | 0.9 |
| Lithuania | 257 | 0.77 | 267 (b) | 0.8 |
| Luxembourg | 180 | 0.41 | 187 (d) | 0.4 (d) |

| | IISS | | NATO | |
|------------------|------------------------------------|-------------|------------------------------------|-------------|
| | Defence expenditure (in million €) | % of GDP | Defence expenditure (in million €) | % of GDP |
| Malta | 43 | 0.64 | (a) | (a) |
| Netherlands | 7,499 | 1.28 | 7,777 | 1.3 |
| Poland | 7,121 | 1.91 | 6,849 (b) | 1.8 |
| Portugal | 2,009 | 1.27 | 2,501 (d) | 1.5 (d) |
| Romania | 1,793 | 1.32 | 1,960 (b) | 1.4 |
| Slovakia | 721 | 1.01 | 752 | 1.0 |
| Slovenia | 343 | 1.02 | 391 | 1.1 |
| Spain | 8,399 | 0.84 | 9,612 | 0.9 |
| Sweden | 4,806 | 1.15 | (a) | (a) |
| United Kingdom | 41,322 | 2.35 | 45,486 (b) | 2.4 |
| Aggregate | 184,184 | 1.26 | 186,885 | 1.34 |

Legend

- (a) Not applicable
- (b) Data converted from local currencies to euros for all current figures.
- (c) Data includes non-deployable elements of forces not earmarked for NATO command. From 2009, data does not include the Gendarmerie.
- (d) Data does not include non-deployable elements of forces not earmarked for NATO command.
- (e) Break in continuity of series
- (f) Data does not include military pensions
- (g) Not available
- (h) SIPRI estimate



Defence R&D in Europe

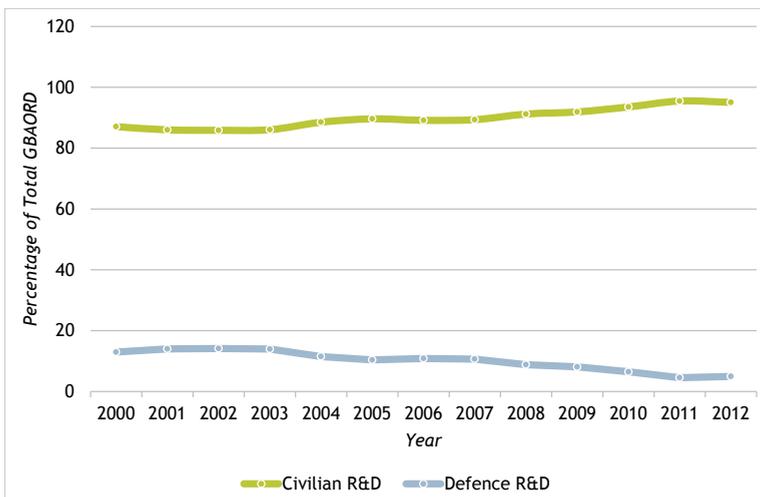
Daniel Fiott

Research and Technology (R&T) and Research and Development (R&D) are critical elements in the production of defence capabilities: without scientific and engineering ingenuity, technological advances in the defence sphere cannot be made. R&T is the critical beginning phase in the development of defence capabilities. It is in the R&T phase that initial scientific modelling and applied science occurs, after which point the production phase moves into R&D, a phase where technologies are brought up to the testing and demonstrator levels and eventually transformed into finished products. R&T and R&D are not only critical for adapting traditional naval, air and land platforms for continuously evolving defence requirements, they also play an important role in developing new defence industrial capabilities related to Chemical, Biological, Radiological and Nuclear defence (CBRN), cyber, unmanned systems and nanotechnologies. Furthermore, spending on defence R&T and R&D is important in order to retain highly skilled employees such as engineers and scientists, and not to lose them to the civilian sector or to competitors in third countries.

The role of governments in defence R&T and R&D is crucial. Indeed, defence firms tend not to have the capital resources or the appetite for the level of risk involved in defence R&T and R&D projects. The costs and risks associated with R&T and R&D derive from the fact that, unlike civilian markets, there are limited numbers of customers that can buy finished defence products. A lower number of end-users drives up R&T, R&D and per unit costs associated with each defence product. This is the reason why governments become critical in the investment phase, as not only are they typically the only end-users of defence products but they have a key role in defining the overall direction of R&T and R&D programmes based on defence requirements. Ministries of Defence are intimately associated with the R&T and R&D phases both as customers and investors. Defence budgets are used to help initiate R&T programmes and to deal with unforeseen costs that arise over the whole capability development cycle. Therefore, governments rather than firms take on much of the risk of defence R&T and R&D. The cost to the firm is usually that procurement contracts will involve profit caps and specific end-user requirements, although R&T may lead to the accrual of intellectual property rights and the ability to sell spin-off technologies in civilian markets.

This is not to diminish the importance of defence firms in R&T and R&D processes. While governments put up much of the investment and take on risk, defence firms have the scientific and industrial infrastructure to develop defence capabilities. R&T and R&D therefore involve a two-way process with, on the one hand, governments transmitting particular defence requirements to firms, but, on the other hand, firms setting the technological and scientific parameters in which a specific defence capability can be developed. Such is the close relationship between governments and firms that in some cases defence firms may be able to anticipate the types of defence capabilities needed by governments. Major firms play a critical role in R&T and R&D processes, and SMEs – which tend to specialise in specific niche areas of production – are sources of innovation. Dedicated research institutes and universities play a vital role in the R&T phase too.

FIGURE 1: CIVILIAN AND DEFENCE R&D BUDGET ALLOCATIONS AS A PERCENTAGE OF TOTAL GOVERNMENT BUDGET APPROPRIATIONS OR OUTLAYS FOR RESEARCH AND DEVELOPMENT (GBAORD) (2000-2012)¹



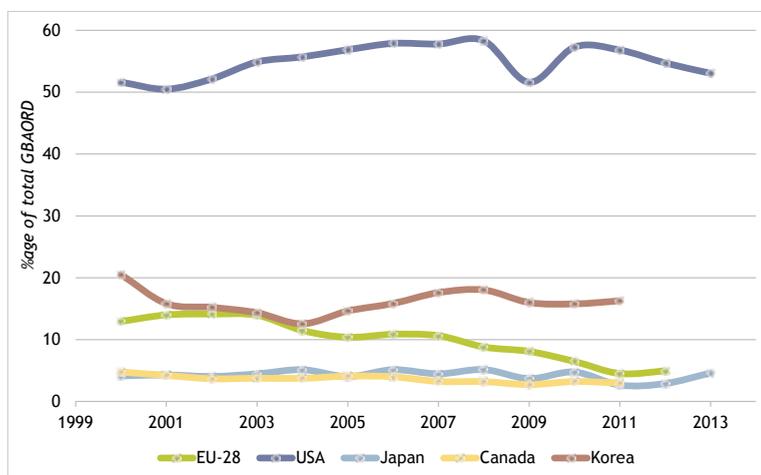
R&T and R&D cost significant amounts of capital investment, but there is increasing pressure on defence budgets in Europe at present. Governments are making the difficult choice of whether to invest in defence or to allocate more resources to civilian R&T and R&D. As Figure 1 shows, the tendency across the EU-28 since 2000 has been to allocate available R&D budgets to the civilian sector rather than defence. Indeed, the almost perfect correlation between civil-defence allocations can be noted; what is allocated to civilian R&D is deducted from defence R&D. The emphasis on civilian R&D might be reflective of the notion that the civilian sector is more internationally competitive than the defence sector. However, it is unclear how much civilian R&D spins into the defence

1. Source: OECD statistics.

sector and vice-versa. In the United States defence R&D has traditionally provided *spin-off* technologies for the civilian sector (e.g. GPS or the Internet), whereas in the EU there is a greater reliance on *spin-in* technologies that emerge from civilian R&D programmes with defence applications (e.g. aeronautics). While it is true that European defence markets are increasingly characterised by dual-use products, the lack of empirical data on the level of R&D cross-fertilisation (or lack thereof) between the defence and civilian sectors poses certain challenges for defence capability planning purposes.

As one can see from Figure 2 below, there has been a steady decline in the levels of government allocations to defence R&D as a percentage of overall outlays on R&D (GBAORD) by the EU-28 over the 2000-2013 period.² This began with a notable downward trend in 2003. It should be noted that the EU-28 increased allocations between the 2011-2012 period (from 4.52% to 4.97%), but this would not see allocation levels return to their high peak in 2000 (at 12.95%). Therefore, over a twelve-year period the EU-28 has experienced a 7.98% decrease in total defence R&D budget allocations as a total of overall government R&D budget allocations. In contrast, the United States has the highest levels of total budget allocations, although it experienced a dip in 2009 and a downward trend since 2010. Canada has maintained stable levels of defence R&D budget allocations, albeit at a lower level than the EU-28, the United States, the Republic of Korea and Japan in certain years.

FIGURE 2: SELECTED GLOBAL DEFENCE R&D BUDGET ALLOCATIONS AS A PERCENTAGE OF TOTAL GBAORD (2000-2013)³

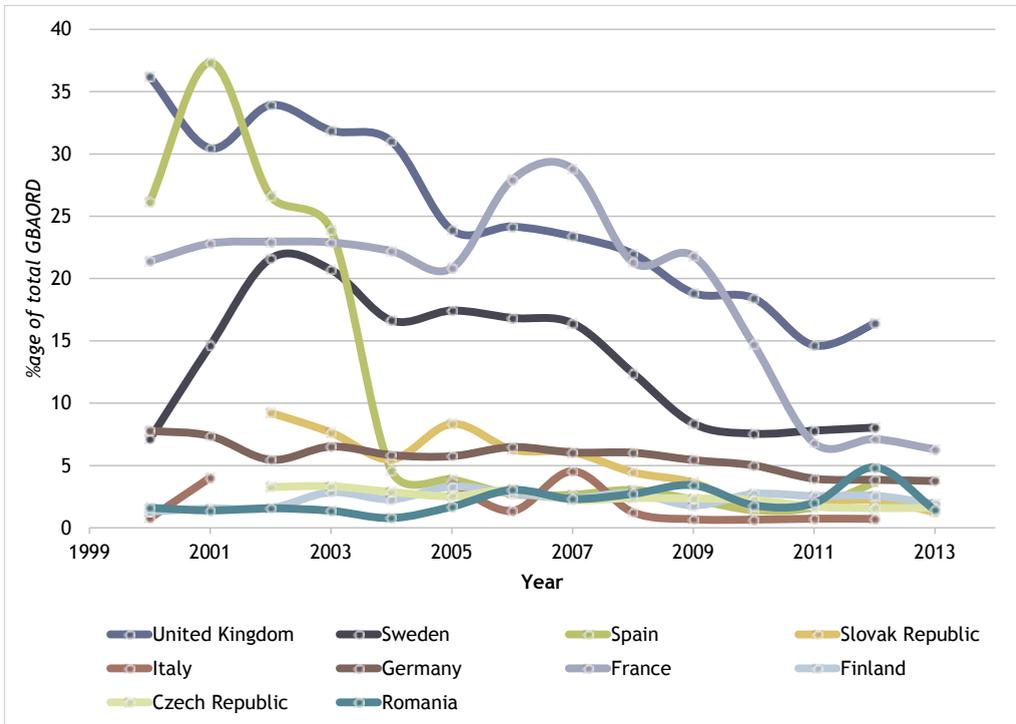


2. The EU-28 figures run from 2000 to 2012; and Canada and the Republic of Korea from 2000 to 2011. Note that figures for the United States, Japan and Canada relate to central and federal government spending only. Figures for Japan are undervalued.

3. Source: OECD statistics.

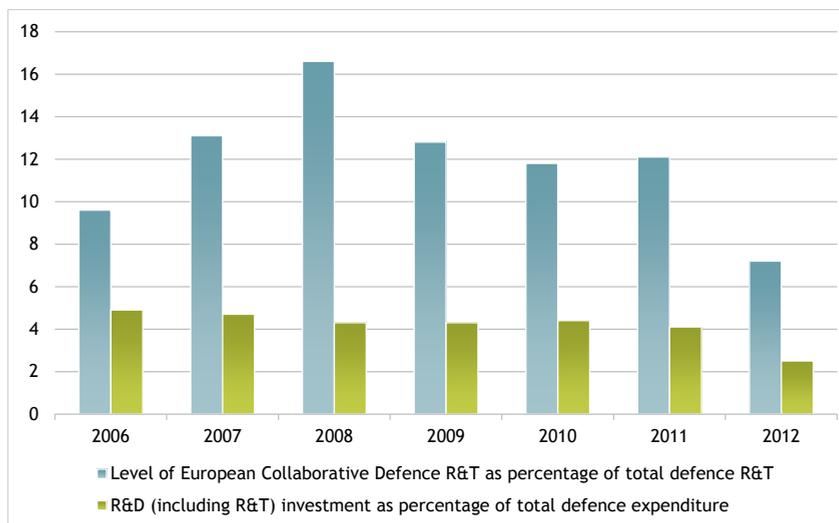
The EU-28's downtrend is reflected in some of the individual figures of European countries. As Figure 3 highlights, Spain has witnessed the most severe downward trend in defence R&D budget allocations – from 26.2% in 2000 to 3.7% in 2012 (a decrease of 22.5% over a twelve-year period). France and the United Kingdom have also witnessed sizeable decreases in allocations. France witnessed a 15.1% decrease from 2000 to 2013, and the UK experienced a sharper decrease of 19.8% over the 2000 to 2012 period. After a progressive increase in allocations from 2000 to 2002 (a 7.51% increase in the space of two years), Sweden's allocations have reduced to levels close to that experienced in 2000 (7.1% in 2000, 8.1% in 2012). Although at a traditionally lower level of allocations than France, Sweden and the UK, Germany has also experienced a downward trend in its allocations over the 2000-2013 period.

FIGURE 3: SELECTED EUROPEAN DEFENCE R&D BUDGET ALLOCATIONS AS A PERCENTAGE OF TOTAL GBAORD (2000-2013)⁴



4. Source: OECD statistics.

FIGURE 4: TOTAL EUROPEAN R&D INVESTMENT AND EUROPEAN COLLABORATIVE DEFENCE R&T (2000-2012)⁵



While it is true that EU member states are cooperating through mechanisms such as the EU Framework Programmes and the European Defence Agency (EDA), collaborative R&T and R&D programmes at the European level – which could potentially plug spending gaps and reduce costs – have also experienced spending decreases. Figure 4 illustrates the overall level of European collaborative defence R&T, and the overall level of investment in R&D (including R&T) as a percentage of total defence expenditure among the 27 participating member states of the EDA. Investment levels in R&D have remained stable over the 2006 to 2011 period, but there was a drastic decrease in investments with levels falling from 4.1% in 2011 to 2.5% in 2012. The total level of European collaborative defence R&T has been in decline since 2008, and from a high in 2008 of 16.6% the level fell to 7.2% in 2012 (a decrease of 9.4%).

5. Source: European Defence Agency.



EU member states' voting at the UN Security Council

Apart from France and the United Kingdom, the two EU member states with a permanent seat on the UN Security Council, Luxembourg held non-permanent membership to the Council in 2013. All three EU members on the Council voted consistently throughout the year.

| Document | EU voting | | | | Total voting | | | |
|---|-----------|----|-----|----|--------------|-----------|----------|------|
| | GB | FR | LUX | Y | N | A | Adoption | Veto |
| 21 January 2013 <i>S/RES/2086 (2013)</i> on highlighting the role of multidimensional peace-keeping missions | Y | Y | Y | 15 | 0 | 0 | Y | N |
| 22 January 2013 <i>S/RES/2087 (2013)</i> on condemning the missile launch of 12 Dec. 2012 by the Democratic People's Republic of Korea | Y | Y | Y | 15 | 0 | 0 | Y | N |
| 24 January 2013 <i>S/RES/2088 (2013)</i> on extension of the mandate of the UN Integrated Peacebuilding Office in the Central African Republic (BINUCA) until 31 Jan. 2014 | Y | Y | Y | 15 | 0 | 0 | Y | N |
| 24 January 2013 <i>S/RES/2089 (2013)</i> on extension of the mandate of the UN Peacekeeping Force in Cyprus (UNFICYP) until 31 July 2013 | Y | Y | Y | 14 | 0 | 1 (AZ) | Y | N |
| 13 February 2013 <i>S/RES/2090 (2013)</i> on extension of the mandate of the UN Office in Burundi (BNUB) until 15 Feb. 2014 | Y | Y | Y | 15 | 0 | 0 | Y | N |

| Document | EU voting | | | | Total voting | | | |
|---|-----------|----|-----|----|--------------|---|----------|------|
| | GB | FR | LUX | Y | N | A | Adoption | Veto |
| | | | | | | | | |
| 14 February 2013 <i>S/RES/2091 (2013)</i> on extension of the mandate of the UN Panel of Experts Established pursuant to Security Council Resolution 1591 (2005) until 17 Feb. 2014 | Y | Y | Y | 15 | 0 | 0 | Y | N |
| 22 February 2013 <i>S/RES/2092 (2013)</i> on extension of the mandate of UN Integrated Peacebuilding Office in Guinea-Bissau (UNIOGBIS) until 31 May 2013 | Y | Y | Y | 15 | 0 | 0 | Y | N |
| 06 March 2013 <i>S/RES/2093 (2013)</i> on authorization to the Member States of the African Union to maintain the deployment of the African Union Mission in Somalia (AMISOM) until 28 Feb. 2014 | Y | Y | Y | 15 | 0 | 0 | Y | N |
| 07 March 2013 <i>S/RES/2094 (2013)</i> on strengthening sanctions against the Democratic People's Republic of Korea and condemning the missile launch of 12 Feb. 2013 | Y | Y | Y | 15 | 0 | 0 | Y | N |
| 14 March 2013 <i>S/RES/2095 (2013)</i> on extension of the mandate of the UN Support Mission in Libya (UNSMIL) for a period of 12 months | Y | Y | Y | 15 | 0 | 0 | Y | N |

| Document | EU voting | | | | Total voting | | | |
|---|-----------|----|-----|----|--------------|---|----------|------|
| | GB | FR | LUX | Y | N | A | Adoption | Veto |
| 19 March 2013 <i>S/RES/2096 (2013)</i> on extension of the mandate of the UN Assistance Mission in Afghanistan (UNAMA) until 19 Mar. 2014 | Y | Y | Y | 15 | 0 | 0 | Y | N |
| 26 March 2013 <i>S/RES/2097 (2013)</i> on extension of the mandate of the UN Integrated Peacebuilding Office in Sierra Leone (UNIPSIL) until 31 Mar. 2014] | Y | Y | Y | 15 | 0 | 0 | Y | N |
| 28 March 2013 <i>S/RES/2098 (2013)</i> on extension of the mandate of the UN Organization Stabilization Mission in the Democratic Republic of the Congo (MONUSCO) until 31 Mar. 2014 | Y | Y | Y | 15 | 0 | 0 | Y | N |
| 25 April 2013 <i>S/RES/2099 (2013)</i> on extension of the mandate of the UN Mission for the Referendum in Western Sahara (MINURSO) until 30 Apr. 2014 | Y | Y | Y | 15 | 0 | 0 | Y | N |
| 25 April 2013 <i>S/RES/2100 (2013)</i> on establishment of the UN Multidimensional Integrated Stabilization Mission in Mali (MINUSMA) | Y | Y | Y | 15 | 0 | 0 | Y | N |

| Document | EU voting | | | | Total voting | | | |
|---|-----------|----|-----|----|--------------|---|----------|------|
| | GB | FR | LUX | Y | N | A | Adoption | Veto |
| | | | | | | | | |
| 25 April 2013 <i>S/RES/2101 (2013)</i> on measures on arms and related materiel, the renewal of measures imposed by paras. 9 to 12 of Security Council resolution 1572 (2004), para. 12 of resolution 1975 (2011), and para. 6 of resolution 1643 (2005) against Côte d'Ivoire and on extension of the mandate of the UN Group of Experts until 30 Apr. 2014 | Y | Y | Y | 15 | 0 | 0 | Y | N |
| 02 May 2013 <i>S/RES/2102 (2013)</i> on establishment of the UN Assistance Mission in Somalia (UNSOM) | Y | Y | Y | 15 | 0 | 0 | Y | N |
| 22 May 2013 <i>S/RES/2103 (2013)</i> on extension of the mandate of UN Integrated Peacebuilding Office in Guinea-Bissau (UNIOGBIS) until 31 May 2014 | Y | Y | Y | 15 | 0 | 0 | Y | N |
| 29 May 2013 <i>S/RES/2104 (2013)</i> on extension of the mandate of UN Interim Security Force for Abyei (UNISFA) until 30 Nov. 2013 | Y | Y | Y | 15 | 0 | 0 | Y | N |

| Document | EU voting | | | | Total voting | | | |
|---|-----------|----|-----|----|--------------|---|----------|------|
| | GB | FR | LUX | Y | N | A | Adoption | Veto |
| 05 June 2013 <i>S/RES/2105 (2013)</i> on extension of the mandate of the Panel of Experts Established pursuant to Resolution 1929 (2010) concerning the Islamic Republic of Iran until 9 July 2014 | Y | Y | Y | 15 | 0 | 0 | Y | N |
| 24 June 2013 <i>S/RES/2106 (2013)</i> on sexual violence in armed conflict | Y | Y | Y | 15 | 0 | 0 | Y | N |
| 27 June 2013 <i>S/RES/2107 (2013)</i> on the situation between Iraq and Kuwait | Y | Y | Y | 15 | 0 | 0 | Y | N |
| 27 June 2013 <i>S/RES/2108 (2013)</i> on renewal of the mandate of the UN Disengagement Observer Force (UNDOF) until 31 Dec. 2013 | Y | Y | Y | 15 | 0 | 0 | Y | N |
| 11 July 2013 <i>S/RES/2109 (2013)</i> on extension of the mandate of the UN Mission in South Sudan (UNMISS) until 15 July 2014 | Y | Y | Y | 15 | 0 | 0 | Y | N |
| 24 July 2013 <i>S/RES/2110 (2013)</i> on extension of the mandate of the UN Assistance Mission for Iraq (UNAMI) until 31 July 2014 | Y | Y | Y | 15 | 0 | 0 | Y | N |

| Document | EU voting | | | | Total voting | | | |
|--|-----------|----|-----|----|--------------|------------------|----------|------|
| | GB | FR | LUX | Y | N | A | Adoption | Veto |
| | | Y | Y | Y | 15 | 0 | 0 | Y |
| 24 July 2013 <i>S/RES/2111 (2013)</i> on extension of the mandate of the Monitoring Group on Somalia and Eritrea until 25 Nov. 2014 | Y | Y | Y | 15 | 0 | 0 | Y | N |
| 30 July 2013 <i>S/RES/2112 (2013)</i> on extension of the mandate of UN Operation in Côte d'Ivoire (UNOCI) until 30 June 2014 | Y | Y | Y | 15 | 0 | 0 | Y | N |
| 30 July 2013 <i>S/RES/2113 (2013)</i> on extension of the mandate of AU/UN Hybrid Operation in Darfur (UNAMID) until 31 Aug. 2014 | Y | Y | Y | 15 | 0 | 0 | Y | N |
| 30 July 2013 <i>S/RES/2114 (2013)</i> on extension of the mandate of the UN Peacekeeping Force in Cyprus (UNFICYP) until 31 Jan. 2014 | Y | Y | Y | 13 | 0 | 2 (AZ, PK) | Y | N |
| 29 August 2013 <i>S/RES/2115 (2013)</i> on extension of the mandate of the UN Interim Force in Lebanon (UNIFIL) until 31 Aug. 2014 | Y | Y | Y | 15 | 0 | 0 | Y | N |
| 18 September 2013 <i>S/RES/2116 (2013)</i> on extension of the mandate of the UN Mission in Liberia (UNMIL) until 30 Sept. 2014 | Y | Y | Y | 15 | 0 | 0 | Y | N |

| Document | EU voting | | | | Total voting | | | |
|--|-----------|----|-----|----|--------------|-----------|----------|------|
| | GB | FR | LUX | Y | N | A | Adoption | Veto |
| 26 September 2013 <i>S/RES/2117 (2013)</i> on small arms | Y | Y | Y | 14 | 0 | 1 (RU) | Y | N |
| 27 September 2013 <i>S/RES/2118 (2013)</i> on the use of chemical weapons in the Syrian Arab Republic | Y | Y | Y | 15 | 0 | 0 | Y | N |
| 10 October 2013 <i>S/RES/2119 (2013)</i> on extension of the mandate of the UN Stabilization Mission in Haiti (MINUSTAH) until 15 Oct. 2014 | Y | Y | Y | 15 | 0 | 0 | Y | N |
| 10 October 2013 <i>S/RES/2120 (2013)</i> on extension of the authorization of the International Security Assistance Force (ISAF) until 31 Dec. 2014 | Y | Y | Y | 15 | 0 | 0 | Y | N |
| 10 October 2013 <i>S/RES/2121 (2013)</i> on the situation in the Central African Republic | Y | Y | Y | 15 | 0 | 0 | Y | N |
| 18 October 2013 <i>S/RES/2122 (2013)</i> on women and peace and security | Y | Y | Y | 15 | 0 | 0 | Y | N |
| 12 November 2013 <i>S/RES/2123 (2013)</i> on implementation of the Peace Agreement on Bosnia and Herzegovina | Y | Y | Y | 15 | 0 | 0 | Y | N |

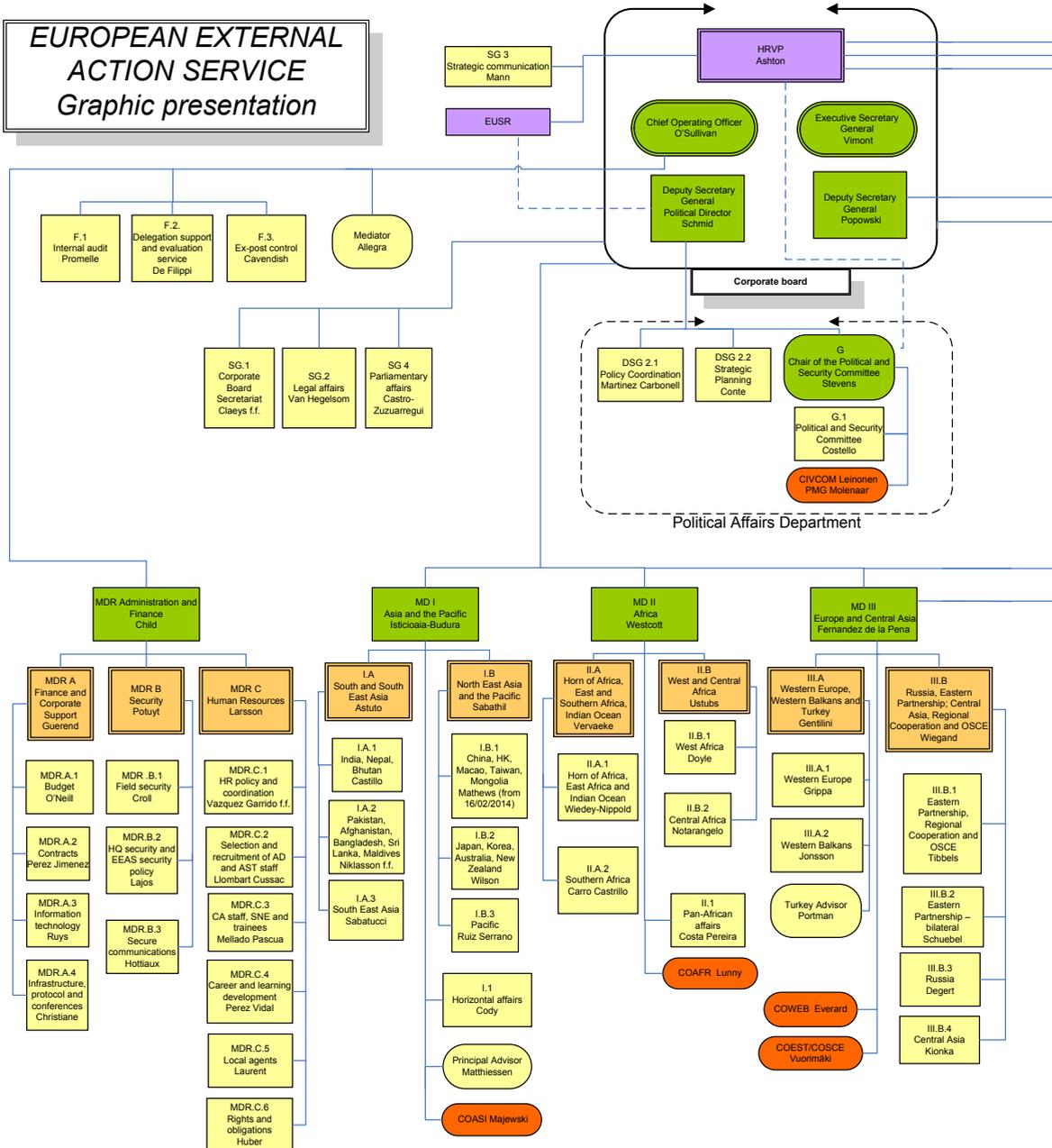
| Document | EU voting | | | | Total voting | | | | |
|---|-----------|----|-----|----|--------------|---|----------|------|--|
| | GB | FR | LUX | Y | N | A | Adoption | Veto | |
| | | | | | | | | | |
| 12 November 2013 <i>S/RES/2124 (2013)</i> on the deployment of the African Union Mission in Somalia (AMISOM) until 31 Oct. 2014 | Y | Y | Y | 15 | 0 | 0 | Y | N | |
| 18 November 2013 <i>S/RES/2125 (2013)</i> on acts of piracy and armed robbery at sea off the coast of Somalia | Y | Y | Y | 15 | 0 | 0 | Y | N | |
| 25 November 2013 <i>S/RES/2126 (2013)</i> on extension of the mandate of the UN Interim Security Force for Abyei (UNISFA) until 31 May 2014 | Y | Y | Y | 15 | 0 | 0 | Y | N | |
| 05 December 2013 <i>S/RES/2127 (2013)</i> on the situation in the Central African Republic | Y | Y | Y | 15 | 0 | 0 | Y | N | |
| 10 December 2013 <i>S/RES/2128 (2013)</i> on renewal of the measures imposed by Security Council resolutions on Liberia and extension of the mandate of the Panel of Experts appointed pursuant to para. 9 of resolution 1903 (2009) for a period of 12 months | Y | Y | Y | 15 | 0 | 0 | Y | N | |

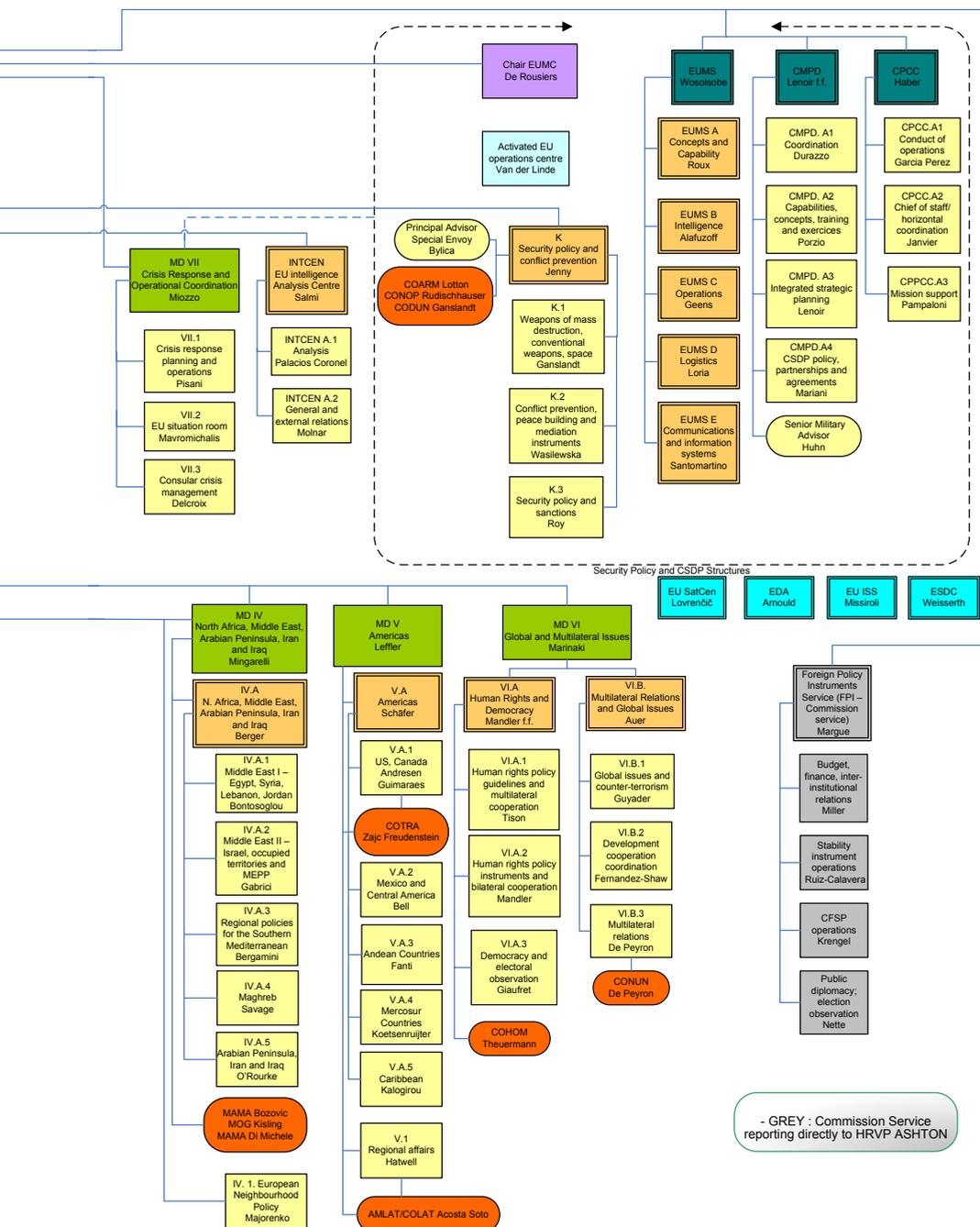
| Document | EU voting | | | | Total voting | | | |
|--|-----------|----|-----|----|--------------|-----------|----------|------|
| | GB | FR | LUX | Y | N | A | Adoption | Veto |
| 17 December 2013 <i>S/RES/2129 (2013)</i> on extension of the mandate of the Counter-Terrorism Committee Executive Directorate (CTED) as special political mission under the policy guidance of Counter-Terrorism Committee (CTC) for the period ending 31 Dec. 2017 | Y | Y | Y | 15 | 0 | 0 | Y | N |
| 18 December 2013 <i>S/RES/2130 (2013)</i> on extension of the terms of office of permanent and <i>ad litem</i> judges at the International Tribunal for the former Yugoslavia (ICTY), who are members of the Trial Chambers and the Appeals Chamber, until 31 Dec. 2014 or until the completion of the cases to which they are assigned | Y | Y | Y | 14 | 0 | 1 (RU) | Y | N |
| 18 December 2013 <i>S/RES/2131 (2013)</i> on renewal of the mandate of the UN Disengagement Observer Force (UNDOF) until 30 June 2014 | Y | Y | Y | 15 | 0 | 0 | Y | N |
| 24 December 2013 <i>S/RES/2132 (2013)</i> on increase of force levels of the UN Mission in South Sudan (UNMISS) | Y | Y | Y | 15 | 0 | 0 | Y | N |

AZ = Azerbaijan, PK = Pakistan, RU = Russian Federation.

Source: United Nations Security Council, 'Voting records', available online at: <http://www.un.org/en/sc/meetings/searchvote.shtml>.

EEAS organisational chart





Source: European External Action Service, January 2014



Timeline 2013

| | Date | Title | Summary |
|---------|------|--|--|
| January | 1 | <i>UK assumes presidency of G8 group</i> | The UK assumes its year-long presidency of the G8 group of nations. The June summit is set to be held at Lough Erne, in Northern Ireland. |
| | 10 | <i>Military movements in Northern Mali</i> | Islamist rebels seize control of Konna, 700 kilometres north-east of Mali's capital, Bamako. Northern Mali has been occupied by radical rebels since violence first broke out in January 2012 between Tuareg rebels and Government forces. |
| | 11 | <i>France dispatches troops to Mali to oust Islamist militants</i> | Following a UN resolution in December 2012, France launches a military operation to support the Malian army and drive back Islamists who are advancing on Bamako in the North. |
| | 15 | <i>Attack at the university of Aleppo, Syria</i> | An attack at the campus of the University of Aleppo kills more than 82 persons and injured over 150. The attack is followed by another event in the city of Homs with an estimated 100 civilian casualties. |
| | 16 | <i>Algeria hostage crisis</i> | Dozens of people die after a siege that lasts four days deep in the Sahara desert, signalling growing unrest in the Sahel region. |
| | 17 | <i>ASEAN-EU Joint Cooperation Committee in Jakarta</i> | The 20th ASEAN-EU Joint Cooperation Committee is held on 17 January, marking 40 years of the ASEAN-EU friendship. |
| | 17 | <i>EUTM in Somalia extended for two years</i> | The Council extends the EU training mission in Somalia for two years to contribute to the strengthening of the Somali armed forces so they can take over security responsibilities. |
| | 21 | <i>President Obama's second inauguration</i> | President Barack Obama takes the oath of office, beginning his second term with Vice President Joe Biden. |
| | 22 | <i>UN Security Council unanimously adopts Resolution 2087</i> | The UN Security Council adopts Resolution 2087 underlining concern about North Korea's repeated violations of its international obligations and the resolve of the international community to act in solidarity in its response. |
| | 29 | <i>John Kerry confirmed as US Secretary of State</i> | Following the approval by the US Senate, Sen. John Kerry is confirmed to succeed Hillary Clinton as US Secretary of State. |

| | Date | Title | Summary |
|----------|------|--|---|
| February | 7 | <i>Launch of the EU's Cyber Security Strategy</i> | The High Representative, together with the Commissioner for Digital Agenda, Ms Neelie Kroes, and the Commissioner for Home Affairs, Ms Cecilia Malmström, launched the EU Cyber Security Strategy. |
| | 12 | <i>Nuclear test DPRK</i> | A nuclear test is carried out by the DPRK in breach of its international obligations not to produce or test nuclear weapons, in particular under UN Security Council Resolutions 1718, 1874 and 2087. |
| | 15 | <i>€20 million stabilisation support package approved for Mali</i> | A €20 million stabilisation support package is approved under the Instrument for Stability to provide immediate support to Mali's law enforcement and justice services, the Malian local authorities, dialogue and reconciliation initiatives at local level. |
| | 18 | <i>EU training mission in Mali launched</i> | The Council launches an EU mission to support the training and reorganisation of the Malian Armed Forces. An advance party arrives in Bamako on 8 February. Military instructors are planned to be deployed before the end of March. |
| | 18 | <i>Council reinforces EU sanctions against DPRK</i> | The Council strengthens EU restrictive measures against the Democratic People's Republic of Korea (DPRK) in view of the nuclear test in January and ballistic missile test on 12 December. The decisions implement sanctions approved by the UN in January and include EU autonomous measures. |
| | 19 | <i>Resignation of Tunisian Prime Minister Mr Hamadi Jebali</i> | Tunisian Prime Minister Hamdi Jebali resigns after failing to reach agreement on forming a new government in response to the political crisis sparked by the killing of opposition leader Chokri Belaid. |
| | 20 | <i>Bomb attacks in Damascus</i> | A car bomb kills more than 50 people and wounds 200 in central Damascus. The al Qaeda-linked rebel group Jabhat al-Nusra, which claimed responsibility for several of such bombs, says it carried out 17 attacks around Damascus in the first half of February including at least seven bombings. |
| | 27 | <i>New round of E3+3 talks on Iran's nuclear programme</i> | A new round of E3+3 talks takes place, putting a confidence-building proposal on the table. A meeting between technical experts is set for March in Istanbul. |
| | 30 | <i>Kenyan elections</i> | Kenya's Supreme Court upholds Uhuru Kenyatta's election as president, rejecting challenges to the vote. |

| | Date | Title | Summary |
|-------|------|--|--|
| March | 5 | <i>Hugo Chavez, President of Venezuela, dies</i> | President of Venezuela Hugo Chavez dies after 14 years of reign, leaving behind a bitterly divided nation in the grip of a political crisis. |
| | 7 | <i>UN Security Council passes strict new sanctions against North Korea</i> | The United Nations Security Council orders new economic sanctions against North Korea on Thursday (7th) for its third nuclear test in February, unanimously approving a resolution that the US negotiated with China. |
| | 13 | <i>North Korea announces its withdrawal from the 60-year armistice with South Korea</i> | North Korea announces its withdrawal from armistice with South Korea, which ended the Korean war in 1953. Fear mounts among South Koreans as Pyongyang threatens military action. The UN responds by saying the UN-approved armistice cannot be broken unilaterally. |
| | 16 | <i>Peaceful and successful vote to approve a new constitution in Zimbabwe</i> | A successful constitutional referendum in Zimbabwe is held to approve a new constitution. In line with its commitment to suspend a majority of remaining restrictive measures, the EU agrees on 25 March to immediately suspend the application of measures against 81 individuals and 8 entities. |
| | 30 | <i>Kenyan elections</i> | Kenya's Supreme Court upholds Uhuru Kenyatta's election as president, rejecting challenges to the vote. |
| April | 2 | <i>Kim Jong-un announces plans to expand North Korea's nuclear arsenal</i> | North Korea announces it will restart its main Yongbyon nuclear complex, including a reactor mothballed in 2007, in defiance of UN warnings. |
| | 15 | <i>Boston bombings</i> | Two bombs explode near the finish line of the 117th Boston Marathon on Monday, killing four people and injuring 264 others. |
| | 27 | <i>Council adopts Decision 2013/255/CFSP concerning restrictive measures against Syria</i> | The Council agrees to adopt a series of restrictive measures for a period of 12 months against Syria. The measures are valid until 1 June 2014. |
| May | 6 | <i>Edward Snowden's NSA leaks</i> | Reports that the US National Security Agency (NSA) collects telephone records of millions of Verizon customers is revealed, marking the first of several information leaks. Edward Snowden, an American citizen, is named as the source of the leaks on 9 June. |

| | Date | Title | Summary |
|-----------|-------|---|--|
| June | 7 | <i>Military developments in the village of Anefis in Northern Mali</i> | The High Representative expresses concern about the military developments that have taken place in the village of Anefis in Northern Mali. |
| | 14 | <i>Hassan Rohani entrusted with a mandate to govern Iran</i> | Following the elections on 14 June, Mr Hassan Rohani, a moderate cleric, is given a mandate to govern Iran for the next four years. |
| | 17/18 | <i>UK hosts G8 summit at Lough Erne</i> | The UK, holding the presidency, hosts the G8 summit at Lough Erne in Northern Ireland. |
| | 30 | <i>Large protests call for the resignation of President Mohamed Morsi</i> | Millions of protestors accuse Morsi of failing to tackle Egypt's economic and security problems and call for the President's resignation in Egypt. |
| July | 3 | <i>President Mohamed Morsi is deposed in a military coup</i> | The head of the armed forces, Abdel Fattah al-Sisi, announces Morsi's fall publicly. A 'road map' is laid out and consists of the provisional suspension of the constitution installing Adly Mansour as acting president pending a presidential election. |
| August | 14 | <i>Supporters of ousted President Morsi are massacred by security services</i> | The massacre provokes violent outbursts in other cities, and a month-long state of emergency is declared. The Egyptian health ministry estimates 638 have died as a result of the attacks; others count the dead in thousands. |
| | 21 | <i>Chemical attacks involving sarin gas in the suburbs of Damascus</i> | Opposition blames the Assad regime for the chemical attacks. In the week that follows, as more details emerge, US Secretary of State John Kerry condemns the attacks as a 'moral obscenity' and President Obama threatens limited military strikes. David Cameron pledges British support, which is subject to parliamentary approval. |
| September | 4 | <i>The US Senate Foreign Relations Committee backs military action against Syria</i> | The US Senate Foreign Relations Committee, by 10 votes to seven, votes in favour of granting military authorisation requested by Barack Obama in response to alleged chemical weapons use in Syria. |
| | 9 | <i>Russia intervenes to propose a provisional agreement for Syria to dismantle its chemical arsenal</i> | Russia proposes a diplomatic solution to the Syrian chemical weapons crisis with a pledge to persuade the Assad regime to hand over its chemical arsenal under international supervision to be destroyed. |

| | Date | Title | Summary |
|----------|------|--|--|
| | 21 | <i>Al-Shabaab militants attack in Nairobi</i> | Al-Shabaab militants attack the Westgate shopping centre in Nairobi killing 62 people and wounding at least 170. Al-Shabaab announced the attack was a response to Kenyan troops in Somalia. |
| | 26 | <i>The UN Security Council votes unanimously in favour of a resolution to destroy Syria's chemical weapons</i> | Members of the UN Security Council vote unanimously on a resolution to destroy the Syrian regime's chemical weapons. The decision comes shortly after the international authority implementing the OPCW had approved the plan. |
| October | 1 | <i>US government shutdown begins</i> | The US government begins to shut down for the first time in 17 years after a Congress divided over President Obama's signature health-care initiative failed to reach agreement to fund federal agencies. |
| | 3 | <i>Boat carrying migrants from Libya sinks off Lampedusa</i> | At least 359 people die when a boat carrying migrants from Libya sinks off the Italian island of Lampedusa. Overcrowding and an attempt to get help by lighting a fire are said to be among the causes. 34 people die in a similar incident within eight days. |
| | 16 | <i>US government shutdown ends</i> | The US Congress endorses bipartisan legislation to end a protracted budget crisis, pulling the country from the brink of a looming debt default and signalling the end of a two-week government shutdown. |
| November | 24 | <i>Iran agrees to limit its nuclear development programme</i> | Iran strikes a historic agreement with the US and five other world powers, which accepts strict constraints on its nuclear programme for the first time in a decade in exchange for partial relief from sanctions. |
| December | 2 | <i>Anti-government protests break out in Ukraine</i> | The largest popular protests since the 2004 Orange Revolution take place in Ukraine when at least 300,000 people take to the streets calling for the resignation of the president, Viktor Yanukovich. |
| | 5 | <i>Nelson Mandela, South Africa's former president, dies aged 95</i> | The government announces that Nelson Mandela, the former political prisoner and first president of a post-apartheid South Africa, has died aged 95. |
| | 6 | <i>France sends troops to the Central African Republic</i> | Defence minister Jean-Yves Le Drian announces the beginning of France's military operation in Bangui, in the Central African Republic. Troops are deployed a day after the UN Security Council adopted the resolution authorising French intervention. |

| Date | Title | Summary |
|------|---|--|
| 16 | <i>UN appeals for €4.7 billion in aid for Syria</i> | The United Nations announces its largest appeal, seeking €4.7 billion for humanitarian aid to Syria. The UN estimates nearly three-quarters of Syria's 22.4 million population will need humanitarian aid in 2014. |
| 18 | <i>Coup attempt in South Sudan, over 400 dead</i> | The United Nations receives reports from local sources in South Sudan that between 400 and 500 people were killed and up to 800 wounded in the renewed violence and the government says it had arrested 10 politicians in connection with a 'foiled coup'. |

Documents



Section contents

| | |
|---|------------|
| Defence | 141 |
| Towards a more competitive and efficient defence and security sector | 141 |
| Statement by EU High Representative Catherine Ashton on her final report on the CSDP | 162 |
| Preparing the December 2013 European Council on Security and Defence: Final Report by the High Representative/Head of the EDA on the Common Security and Defence Policy | 163 |
| Report on the implementation of the CSDP, Maria Eleni Koppa, MEP, Rapporteur | 194 |
| Council conclusions on Common Security and Defence Policy | 208 |
| The EU's comprehensive approach to external conflicts and crises | 223 |
| Council Conclusions 19/20 December | 233 |
| Cybersecurity | 241 |
| Joint Communication to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions: Cybersecurity Strategy of the European Union: An Open, Safe and Secure Cyberspace | 241 |
| European External Action Service | 263 |
| EEAS Review | 263 |
| America | 291 |
| Statement by EU High Representative Catherine Ashton on the bomb attack at the Boston marathon | 291 |
| Africa | 293 |
| Joint Statement by EU High Representative Catherine Ashton and Commissioner Andris Piebalgs on the adoption of a "Peace, Security and Cooperation Framework for the Democratic Republic of the Congo and the Region" | 293 |

| | |
|---|-----|
| Statement by EU High Representative Catherine Ashton on the attack in Nairobi | 294 |
|---|-----|

Middle East **295**

| | |
|--|-----|
| Statement by EU High Representative Catherine Ashton on the Iranian election | 295 |
|--|-----|

| | |
|--|-----|
| Statement by EU High Representative Catherine Ashton on EU support for a Conference on the establishment of a Middle East zone free of weapons of mass destruction | 295 |
|--|-----|

| | |
|--|-----|
| Statement by EU High Representative Catherine Ashton following the US-Russian agreement on chemical weapons in Syria | 296 |
|--|-----|

| | |
|---|-----|
| Statement by EU High Representative Catherine Ashton on the adoption of the United Nations Security Council resolution on Syrian chemical weapons | 297 |
|---|-----|

| | |
|--|-----|
| Joint Statement by EU High Representative Catherine Ashton and Iran Foreign Minister Zarif | 298 |
|--|-----|

Asia Pacific **299**

| | |
|---|-----|
| Statement by the High Representative Catherine Ashton following the adoption by the UN Security Council of Resolution 2094 on DPRK's nuclear test | 299 |
|---|-----|

| | |
|--|-----|
| Declaration by the High Representative Catherine Ashton on behalf of the European Union on the establishment by China of an 'East China Sea Air Defence Identification Zone' | 300 |
|--|-----|

Defence

Towards a more competitive and efficient defence and security sector

Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions

Brussels, 24 July 2013, CESE 4413/2013

“The world needs a Europe that is capable of deploying military missions to help stabilise the situation in crisis areas We need to reinforce our Common Foreign and Security Policy and a common approach to defence matters because together we have the power, and the scale to shape the world into a fairer, rules based and human rights’ abiding place.”

President Barroso, State of the Union Speech, September 2012

“The Council reiterates its call to retain and further develop military capabilities for sustaining and enhancing the CSDP. They underpin the EU’s ability to act as a security provider, in the context of a wider comprehensive approach (and) the need for a strong and less fragmented European defence industry to sustain and enhance Europe’s military capabilities and the EU’s autonomous action.”

Foreign Affairs Council, 19 November 2012, Conclusions

1. European Commission’s contribution to strengthening Europe’s defence and security sector

This Communication builds on the work of the Commission’s Defence Task Force established in 2011 with the objective to strengthen the defence sector by mobilising all relevant EU policies. The EEAS and EDA have been fully associated to the work of the Task Force and in the preparation of this Communication.

1.1. Introduction

The strategic and geopolitical environment is rapidly and constantly evolving. The world's balance of power is shifting as new centres of gravity are emerging and the US is rebalancing its strategic focus towards Asia. In this situation, Europe has to assume greater responsibilities for its security at home and abroad. To punch its weight, the EU needs to develop a credible CSDP. This evolution must be fully compatible with NATO and its principles.

The security challenges we are facing today are numerous, complex, interrelated and difficult to foresee: regional crises can occur and turn violent, new technologies can emerge and bring new vulnerabilities and threats, environmental changes and scarcity of natural resources can provoke political and military conflicts. At the same time, many threats and risks spread easily across national borders, blurring the traditional dividing line between internal and external security.

These security challenges can only be tackled in a comprehensive approach combining different policies and instruments, short and long-term measures. This approach must be underpinned by a large range of civil and military capabilities. It is increasingly unlikely that Member States can bear this burden in isolation.

This is the case in particular for defence, where new equipment is often technologically complex and expensive. Today, Member States encounter difficulties to equip their armed forces adequately. Recent operations in Libya have highlighted important European shortfalls in key military capabilities.

The crisis in public spending induces cuts in defence budgets which exacerbates the situation, in particular, because they are neither co-ordinated nor implemented with regard to common strategic objectives. From 2001 to 2010 EU defence spending declined from €251 billion to €194 billion. These budget cuts are also having a serious impact on the industries that develop equipment for our armed forces with cutbacks in existing and planned programmes. They affect in particular the investment in defence R&D that is crucial for developing capabilities of the future. Between 2005 and 2010 there was a 14% decrease in European R&D budgets down to €9 billion; and the US alone spends today seven times more on defence R&D than all 27 EU Member States together.

Defence budgets are falling, and the cost of modern capabilities is rising. These cost increases come from the long-term trend of growing technological complexity of defence equipment, but also from the reduction of production volumes which are due to the reorganisation and downsizing of European armed forces since the end of the Cold War. These factors will continue to shape defence markets in Europe regardless of budget levels.

This situation has knock-on effects for an industry that plays a crucial role in the wider European economy. With a turnover of €96 billion in 2012 alone, it is a major industrial sector, generating innovation and centred on high-end engineering and technologies. Its cutting-edge research has created important indirect effects in other sectors, such as electronics, space and civil aviation and provides growth and thousands of highly skilled jobs.

Defence industry in Europe directly employs about 400,000 people and generates up to another 960,000 indirect jobs. It is, therefore, a sector that is essential to retain if Europe is to remain a world-leading centre for manufacturing and innovation. This is why action to strengthen the competitiveness of the defence industry is a key part of the Europe 2020 Strategy for smart, sustainable and inclusive growth.

At the same time, the importance of this industry cannot be measured only in jobs and turnover. The European Defence Technological and Industrial Base (EDTIB) constitutes a key element for Europe's capacity to ensure the security of its citizens and to protect its values and interests. Europe must be able to assume its responsibilities for its own security and for international peace and stability in general. This necessitates a certain degree of strategic autonomy: to be a credible and reliable partner, Europe must be able to decide and to act without depending on the capabilities of third parties. Security of supply, access to critical technologies and operational sovereignty are therefore crucial.

Currently defence companies are surviving on the benefits of R&D investment of the past and have been able to successfully replace falling national orders with exports. However, this often comes at the price of transfers of technology, IPRs and production outside the EU. This in turn has serious implications for the long-term competitiveness of the EDTIB.

The problem of shrinking defence budgets is aggravated by the persisting fragmentation of European markets which leads to unnecessary duplication of capabilities, organisations and expenditures. Cooperation and EU-wide competition still remains the exception, with more than 80% of investment in defence equipment being spent nationally. As a result, Europe risks losing critical expertise and autonomy in key capability areas.

This situation necessitates a reorientation of priorities. If spending more is difficult spending better is a necessity. There is significant scope to do so. In spite of cuts, in 2011 EU Member States together still spent more on defence than China, Russia and Japan together. Budgetary constraints must therefore be compensated by greater cooperation and more efficient use of resources. This can be done via supporting clusters, role specialisation, joint research and procurement, a new, more dynamic approach to civil-military synergies and more market integration.

1.2. The Commission's strategy

Defence is still at the heart of national sovereignty and decisions on military capabilities remain with Member States. However, the EU does have a significant contribution to make. It has policies and instruments to implement structural change and it is the best framework for Member States to maintain collectively an appropriate level of strategic autonomy. With Member States having amongst themselves around 1.6 million soldiers and annual defence budgets of €194 billion the EU has the capacity to be a strategic actor on the international stage, in line with its values.

The European Council, in its Conclusions of 14 December 2012, therefore called upon "... the High Representative, notably through the European External Action Service and the European Defence Agency, as well as the Commission, (...) to develop further proposals and actions to strengthen CSDP and improve the availability of the required civilian and military capabilities...".

The ultimate objective is to strengthen European defence to meet the challenges of the 21st century. Member States will be in lead on many of the necessary reforms. The European Defence Agency (EDA) has as its mission to support them in their effort to improve the Union's defence capabilities for the CSDP. The Commission can also make an important contribution, and it has already started to do so. As President Barroso has stressed: "The Commission is playing its part: we are working towards a single defence market. We are using our competences provided under the Treaty with a view to developing a European defence industrial base."

With these objectives in mind, the Commission has put forward the two Directives on defence and sensitive security procurement (2009/81) and transfers (2009/43), which constitute today the cornerstone of the European defence market. Moreover, it has developed industrial policies and specific research and innovation programmes for security and space. The Commission has also developed policies and instruments supporting both internal and external security in areas such as protection of external borders, maritime surveillance, civil protection, or crisis management, which have numerous technological, industrial, conceptual and operational similarities and links with defence.

The present Communication consolidates this *acquis* and develops it further within the scope of its competencies as defined in the Treaty of Lisbon. It tries, in particular, to exploit possible synergies and cross-fertilisation which come from the blurring of the dividing line between defence and security and between civil and military.

To achieve these objectives, the Commission intends to take action in the following strands:

- Further deepen the internal market for defence and security. This means first of all to ensure the full application of the two existing Directives. Based on this *acquis*, the Commission will also tackle market distortions and contribute to improving security of supply between Member States;
- Strengthen the competitiveness of the EDTIB. To this end, the Commission will develop a defence industrial policy based on two key strands:
 - Support for competitiveness – including developing ‘hybrid standards’ to benefit security and defence markets and examining the ways to develop a European certification system for military airworthiness.
 - Support for SMEs – including development of a European Strategic Cluster Partnership to provide links with other clusters and support defence-related SMEs in global competition.
- Exploit civilian military synergies to the maximum extent possible in order to ensure the most efficient use of European tax payers’ resources. In particular by:
 - concentrating its efforts on possible cross-fertilisation between civil and military research and the dual-use potential of space;
 - helping armed forces reduce their energy consumption and thereby contribute to the Union’s 20/20/20 targets.
- In addition, the Commission suggests actions which aim at exploring new avenues, driving the strategic debate in Europe forward and preparing the ground for more an deeper European cooperation. In particular by:
 - Assessing the possibility of EU-owned dual-use capabilities, which may in certain security areas complement national capabilities and become effective and cost-efficient force multipliers;
 - Considering launching a preparatory action for CSDP-related research focusing on those areas where EU defence capabilities are most needed.

The Commission invites Heads of State and Government to discuss this Communication at the European Council in December 2013, together with the report prepared by the High Representative of the Union for Foreign Affairs and Security Policy.

Action Plan

2. Strengthening the internal market for defence

2.1. Ensure market efficiency

With the Defence and Security Procurement Directive 2009/81 being fully transposed in all Member States, the regulatory backbone of a European Defence Market is in place. For the first time specific Internal Market rules are applicable in this sector to enhance fair and EU-wide competition. However, defence remains a specific market with a long-standing tradition of national fragmentation. The Commission will therefore take specific measures to ensure that the Directive is correctly applied and fulfils its objective.

Action:

- The Commission will monitor the openness of Member States' defence markets and regularly assess via the EU's Tenders Electronic Daily (TED) and other specialised sources how the new procurement rules are applied. It will coordinate its market monitoring activities with those of the EDA in order to exploit potential synergies and avoid unnecessary duplication of efforts.

In times of budget constraints, it is particularly important to spend financial resources efficiently. Pooling of demand is an effective way of achieving this objective. The Directive contains specific provisions on central purchasing bodies which enable Member States to use the new rules also for joint procurement, for example via the EDA. Member States should use this tool as much as possible to maximise economies of scale and take full benefit of EU-wide co-operation.

Certain contracts are excluded from the scope of the Directive, since the application of its rules would not be appropriate. This is particularly the case for cooperative programmes, which are an effective means to foster market consolidation and competitiveness.

However, other specific exclusions, namely those of government to government sales and of contract awards governed by international rules, might be interpreted in a way undermining the correct use of the Directive. This could jeopardize the level playing field in the internal market. The Commission will therefore ensure that these exclusions are interpreted strictly and that they are not abused to circumvent the Directive.

Action:

- The Commission will clarify the limits of certain exclusions. To that end, it will provide, in consultation with Member States, specific guidance, notably on government to government sales and international agreements.

2.2. Tackle market distortions

In order to further develop the Internal Market for defence and work towards a level playing field for all European suppliers, the Commission will tackle persisting unfair and discriminatory practices and market distortions. It will in particular mobilise its policies against offsets, i.e. economic compensations required for defence purchases from non-national suppliers. Offset requirements are discriminatory measures which stand in contrast to both EU Treaty principles and effective procurement methods. They can therefore not be part of the internal market for defence.

Action:

- The Commission will ensure the rapid phasing out of offsets. Since the adoption of the defence procurement directive, all Member States have withdrawn or revised their national offset legislation. The Commission will verify that these revisions comply with EU law. It will also ensure that these changes in the legal framework lead to an effective change in Member States' procurement practice.

The Commission has extensively applied the merger control rules to the defence sector. Those cases allowed the Commission to guarantee effective competition control, contributing to an improved functioning of the market for defence. Concerning state aid, and in line with the Communication on the Modernisation of State Aid policy, public spending should become more efficient and better targeted. In that respect, state aid control has a fundamental role to play in defending and strengthening the internal market, also in the defence sector.

Member States have an obligation, under the Treaty, to notify to the Commission all state aid measures, including aid in the pure military sector. They may only derogate from that obligation if they can prove that non-notification is necessary for reasons of essential security interests under Article 346 TFEU. Therefore, if a Member State intends to rely on Article 346, it must be able to demonstrate that the concrete measures in the military sector are necessary and proportionate for the protection of their essential security interests and that they do not go beyond what is strictly necessary for that purpose. The burden of proof that these conditions are fulfilled lies upon Member States.

Action:

- The Commission will ensure that all necessary conditions are fulfilled when Article 346 TFEU is invoked to justify state aid measures.

2.3. Improve Security of Supply

Security of supply is crucial to ensure the functioning of the internal market for defence and the Europeanisation of industrial supply chains. Most security of supply problems are the responsibility of Member States. However, the Commission can develop instruments which enable Member States to improve the security of supply between them. Directive 2009/43 on intra-EU transfers is such an instrument, since it introduces a new licencing system which facilitates the movement of defence items within the internal market. Member States should now fully exploit the possibilities of this Directive to enhance security of supply within the Union.

Actions:

- The Commission, together with the EDA, will launch a consultative process aimed at bringing about a political commitment by Member States to mutually assure the contracted or agreed supply of defence goods, materials or services for the end-use by Member States' armed forces.
- The Commission will optimise the defence transfer regime by: (a) supporting national authorities in their efforts to raise awareness of it with industry; (b) establishing a central register on general licences and promote their use; and (c) promoting best practices in managing intra-EU transfers.

Security of supply depends also on the control and ownership of critical industrial and technological assets. Several Member States have national legislation for the control of foreign investment in defence industries. However, the more international industrial supply chains become, the more can a change of ownership of one company (also at lower tiers) have an impact on the security of supply of other Member States' armed forces and industries. It is also an issue affecting the extent of the autonomy Europe has, and wishes to retain, in the field of military capacity, as well as the general question of control of incoming foreign investment in that sector. A European approach may be needed to cope with this challenge.

Action:

- The Commission will issue a Green Paper on the control of defence and sensitive security industrial capabilities. It will consult stakeholders on possible shortfalls of the current system, including the possible identification of European capacities, and explore options for the establishment of an EU-wide monitoring system, including mechanisms of notification and consultation between Member States.

3. Promoting a more competitive defence industry

The creation of a genuine internal market for defence requires not only a robust legal framework but also a tailored European industrial policy. The future of the EDTIB lies in more co-operation and regional specialisation around and between networks of excellence. A further reinforcement of their civil-military dimension can foster more competition and contribute to economic growth and regional development. Moreover, in an increasingly globalised defence market it is essential that European defence companies have a sound business environment in Europe to enhance their competitiveness worldwide.

3.1. Standardisation – developing the foundations for defence co-operation and competitiveness

Most standards used in EU defence are civilian. Where specific defence standards are required they are developed nationally, hindering co-operation and increasing costs for the industry. Therefore, the use of common defence standards would greatly enhance cooperation and interoperability between European armies and improve the competitiveness of Europe's industry in emerging technologies.

This highlights the need for creating incentives for the Member States to develop European civil-military standards. Clearly, these should remain voluntary and there must be no duplication with the standards-related work of NATO and other relevant bodies. However, much more could be done to develop standards where gaps and common needs are identified. This concerns particularly standards in emerging technologies, such as in Remotely Piloted Aircraft Systems (RPAS) and in established areas, such as in camp protection, where markets are underdeveloped and there is a potential to enhance the industry's competitiveness.

Actions:

- The Commission will promote the development of ‘Hybrid Standards’, for products which can have both military and civilian applications. It has already issued a standardisation request for such a “hybrid standard” in 2012 for Software Defined Radio. The next candidates for standardisation requests could deal with Chemical Biological Radiological Nuclear & Explosives (CBRNE) detection and sampling standards, RPAS, airworthiness requirements, data sharing standards, encryption and other critical information communication technologies.
- The Commission will explore options with the EDA and European Standardisation Organisations for establishing a mechanism to draft specific European standards for military products and applications after agreement with Member States. The main purpose of this mechanism will be to develop standards to meet identified needs while handling sensitive information in an appropriate way.
- The Commission will explore with the EDA new ways of promoting existing tools for selecting best practice standards in defence procurement.

3.2. Promoting a Common Approach to Certification – reducing costs and speeding up development

Certification, as with standards, is a key enabler for industrial competitiveness and European defence co-operation. The lack of a pan-European system of certification of defence products acts as a major bottleneck delaying the placing of products on the market and adds substantially to costs throughout the life-cycle of the product. There is a need for better arrangements in the field of the certification so that certain tasks currently performed at national level should be carried out in common.

In particular, in military airworthiness, according to the EDA, this is adding 50% to the development time and 20% to the costs of development. Moreover, having a set of common and harmonised requirements reduces costs by enabling cross-national aircraft maintenance or training of maintenance personnel.

Ammunition is another example. The lack of a common certification for ground launched ammunition is estimated to cost Europe €1,5 billion each year (out of a total of €7,5 billion spent on ammunition each year).

Action:

- Building on the civil experience of EASA, its experience gained by certifying the Airbus A-400M (in its civil configuration) and the work of the EDA in this area, the Commission will assess the different options for carrying out, on behalf of the Member States, the tasks related to the initial airworthiness of military products in the areas specified by the EDA.

3.3. Raw Materials – tackling supply risks for Europe’s defence industry

Various raw materials, such as rare earths elements, are indispensable in many defence applications, ranging from RPAS to precision guided munitions, from laser targeting to satellite communications. A number of these materials are subject to increased supply risks, which hamper the competitiveness of the defence sector. A key element of the EU overall raw materials strategy consists of a list of raw materials that are considered to be of critical importance to the EU economy. The current list of critical raw materials at EU level is expected to be revised by end 2013. Although these are often the same materials that are important for civil and defence purposes, there would be a clear value-added if this work would take into account the specific importance of raw materials to Europe’s defence sector.

Action:

- The Commission will screen raw materials that are critical for the defence sector within the context of the EU’s overall raw materials strategy and prepare, if necessary, targeted policy actions.

3.4. SMEs – securing the heart of Europe’s defence innovation

The defence directives on procurement and transfers offer new opportunities for SMEs to participate in the establishment of a European defence market. This is the case in particular for the subcontracting provisions of the procurement directive which improves access to supply chains of non-national prime contractors. Member States should therefore actively use these provisions to foster opportunities for SMEs.

Further steps are necessary, in particular in the area of clusters. These are often driven by a prime company that works with smaller companies in a supply chain. Moreover, clusters are often part of networks of excellence bringing together prime contractors, SMEs, research institutes and other academic sectors.

Clusters are therefore particularly important for SMEs, as they offer them access to shared facilities, niches in which they can specialise, and opportunities to cooperate with other SMEs. In such clusters, companies can combine strengths and resources in order to diversify into, and create new markets and knowledge institutions. They can also develop new civilian products and applications based on technologies and materials initially developed for defence purposes (e.g. internet, GPS) or vice versa, which is an increasingly important trend.

Actions:

- The Commission will explore with industry – taking a bottom-up approach - how to establish a European Strategic Cluster Partnership designed to support the emergence of new value chains and to tackle obstacles faced by defence-related SMEs in global competition. In this context, the Commission will use tools designed to support SMEs, including COSME, for the needs of defence-related SMEs. To this end the use of European Structural and Investment Funds may also be considered. This work will include clarifying eligibility rules for dual use projects.
- The Commission will also use the Enterprise Europe Network (EEN) to guide defence-related SMEs towards networking and partnerships, internationalisation of their activities, technology transfers and funding business opportunities.
- The Commission will promote regional networking with the objective of integrating defence industrial and research assets into regional smart specialisation strategies particularly through a European network of defence-related regions.

3.5. Skills – managing change and securing the future

The defence industry is experiencing profound change to which Member States and industry must adapt. As the European Council in December 2008 stated: “restructuring of the European defence technological and industrial base, in particular around centres of European excellence, avoiding duplication, in order to ensure its soundness and its competitiveness, is a strategic and economic necessity”.

The restructuring process is mainly the responsibility of industry but there is a complementary role for the Commission, national governments and local authorities. The Commission and Member States have a range of European tools available that foster new skills and tackle the impacts of restructuring. These should be deployed with a clear understanding of the capabilities and technologies critical to the industry. The

Commission will encourage Member States to make use of labour flexibility schemes to support enterprises, including suppliers, that suffer from temporary slump in demand for their products and to promote an anticipative approach to restructuring. In this context, Member States can use the support that can be provided by the European Social Fund (ESF) and in certain cases of mass redundancies also by the European Globalisation Adjustment Fund. An important foundation of this work will be to map existing skills and identify skills needed for the future, possibly on the basis of a European Sector Skills Council for Defence under the leadership of the sectors' representatives.

Actions:

- The Commission will promote skills identified as essential to the future of the industry including through the “Sector Skills Alliances” and “Knowledge Alliances” programmes currently being trialled.
- The Commission will encourage the use of the ESF for workers' retraining and re-skilling, in particular for projects addressing skills needs, skills matching and anticipation of change.
- The Commission will take into account the potential of the European Structural and Investment Funds to support regions adversely affected by defence industry restructuring, especially to help workers to adapt to the new situation and to promote economic reconversion.

4. Exploiting dual-use potential of research and reinforcing innovation

Since a range of technologies can be dual in nature, there is growing potential for synergies between civil and military research. In this context, there is an on-going coordination between the Security Theme of the 7th Framework Programme for Research and Technological Development and European defence research activities. Work has so far concentrated on CBRNE and has recently also addressed cyber defence in the context of CSDP and its synergies with cyber security. A number of activities in this regard are announced in the EU's Cyber Security Strategy, designed to make the EU's online environment the safest in the world. Furthermore, the SESAR Joint Undertaking has launched research activities on cyber security in the field of Air Traffic Management.

Within Horizon 2020, the areas of “Leadership in Enabling and Industrial Technologies” including the “Key Enabling Technologies” (KETs) and “Secure Societies” (Societal Challenge), offer prospects of technological advances that can trigger innovation not only for civil applications, but also have a dual-use potential. While the research and innovation activities carried out under Horizon 2020 will have an exclusive focus on civil

applications, the Commission will evaluate how the results in these areas could benefit also defence and security industrial capabilities. The Commission also intends to explore synergies in the development of dual-use applications with a clear security dimension or other dual-use technologies like, for example, those supporting the insertion of civil RPAS into the European aviation system to be carried out within the framework of the SESAR Joint Undertaking.

Defence research has created important knock-on effects in other sectors, such as electronics, space, civil aviation and deep sea exploitation. It is important to maintain such spill-over effects from defence to the civil world and to help defence research to continue feeding civilian innovation.

The Commission also sees the potential benefits of additional possibilities for CSDP-related research outside the scope of Horizon 2020. This could take the form of a Preparatory Action on defence capabilities critical for CSDP operations seeking synergies with national research programmes. The Commission will define content and modalities together with Member States, EEAS and the EDA. In parallel Member States should maintain an appropriate level of funding for defence research and do more of it co-operatively.

Actions:

- The Commission intends to support a pre-commercial procurement scheme to procure prototypes. The first candidates for these could be: CBRNE detection, RPAS and communication equipment based on software defined radio technology.
- The Commission will consider the possibility to support CSDP-related Research, such as through a Preparatory Action. The focus would be on those areas where EU defence capabilities would be most needed, seeking synergies with national research programmes where possible.

5. Development of capabilities

The Commission is already working on non-military capability needs supporting both internal and external security policies, such as civil protection, crisis management, cyber security, protection of external borders and maritime surveillance. Up until now, these activities have been limited to co-funding and coordination of Member States' capabilities. The Commission intends to go one step further in order to ensure that Europe disposes of the full range of security capabilities it needs; that they are operated in the most cost-efficient way; and that interoperability between non-military and military capabilities is ensured in relevant areas.

Actions:

- The Commission will continue to enhance interoperability of information service sharing between civilian and defence users as piloted by the Common Information Sharing Environment for Maritime Surveillance;
- Building on existing EU networks, the Commission will explore together with Member States the establishment of a civil-military cooperation group in the areas of (a) detection technologies, and (b) methods to counter improvised explosive devices, man-portable air defence systems (MANPADs) and other relevant threats, such as CBRNE threats;
- The Commission will work with the EEAS on a joint assessment of dual-use capability needs for EU security and defence policies. On the basis of this assessment, it will come up with a proposal for which capability needs, if any, could best be fulfilled by assets directly purchased, owned and operated by the Union.

6. Space and defence

Most space technologies, space infrastructures and space services can serve both civilian and defence objectives. However, contrary to all space-faring nations, in the EU there is no structural link between civil and military space activities. This divide has an economic and political cost that Europe can no longer afford. It is further exacerbated by European dependence on third country suppliers of certain critical technologies that are often subject to export restrictions.

Although some space capabilities have to remain under exclusive national and/or military control, a number of areas exist where increased synergies between civilian and defence activities will reduce costs and improve efficiency.

6.1. Protecting space infrastructures

Galileo and Copernicus are major European space infrastructures. Galileo belongs to the EU, and both Galileo and Copernicus will support key EU policies. These infrastructures are critical as they form the backbone for applications and services that are essential for our economy, our citizens' well-being and security. These infrastructures need to be protected.

Space debris has become the most serious threat to the sustainability of our space activities. In order to mitigate the risk of collision it is necessary to identify and monitor satellites and space debris. This activity is known as space surveillance and tracking (SST),

and is today mostly based on ground-based sensors such as telescopes and radars. At present there is no SST capability at European level; satellite and launch operators are dependent on US data for anti-collision alerts.

The EU is ready to support the emergence of a European SST service built on a network of existing SST assets owned by Member States, possibly within a trans-Atlantic perspective.

These services should be available to public, commercial, civilian, military operators and authorities. This will require the commitment of Member States owning relevant assets to cooperate and provide an anti-collision service at European level. The ultimate objective is to ensure the protection of European space infrastructures with a European capability.

Action:

- The Commission has put forward a proposal for EU SST support programme in 2013. Building on this proposal, the Commission will assess how to ensure, in the long-term, a high level of efficiency of the SST service.

6.2. Satellite Communications

There is a growing dependence of military and civilian security actors on satellite communications (SATCOM). It is a unique capability which can ensure long-distance communications and broadcasting. It facilitates the use of mobile or deployable platforms as a substitute for ground-based communication infrastructures and to cater for the exchange of large quantities of data.

Commercial SATCOM is the most affordable and flexible solution to meet this growing need. Since the demand for security SATCOM is too fragmented pooling and sharing SATCOM acquisition could generate significant cost savings due to economies of scale and improved resilience.

Commercial SATCOMs cannot fully substitute core governmental/military satellite communications (MILSATCOM) which are developed individually by some EU Member States. However, these communications lack capacity to cater for the needs of smaller entities, most notably military aircraft or Special Forces in operation.

Furthermore, by the end of this decade, current Member States' MILSATCOM will come to the end their operational life. This key capability must be preserved.

Actions:

- The Commission will act to overcome the fragmentation of demand for security SATCOM. In particular, building on the EDA's experience, the Commission will encourage the pooling of European military and security commercial SATCOM demand;
- The Commission will explore the possibilities to facilitate, through existing programmes and facilities, Member States' efforts to deploy government-owned telecommunications payloads on board satellites (including commercial) and develop the next generation of government-owned MILSATCOM capability at European level.

6.3. Building an EU satellite high resolution capability

Satellite high resolution imagery is increasingly important to support security policies including CSDP and CFSP. EU access to these capacities is crucial to perform early warning, timely decision making, advanced planning and improved conduct of EU crisis response actions both in the civilian and military domains.

In this field several national defence programmes are being developed. Some Member States have also developed high resolution dual systems to complement defence-only national programmes. These dual systems have allowed new forms of collaboration among Member States to emerge for the exploitation of satellite imagery whereby the acquisition takes place either on the market or through bilateral agreements. This successful approach, combining civil and defence user requirements, should be pursued.

As the need for high resolution imagery continues to grow, in order to prepare the next generation of high resolution imagery satellites which should be deployed around 2025, a number of technologies must be explored and developed such as hyper-spectral, high resolution satellites in geostationary orbit or advanced ultra-high resolution satellites in combination with new sensor platforms such as RPAS.

Action:

- The European Commission together with EEAS and EDA will explore the possibility to develop progressively new imaging capabilities to support CFSP and CSDP missions and operations. Also the European Commission will contribute to developing the necessary technologies for the future generations of high resolution imagery satellites.

7. Application of EU energy policies and support instruments in the defence sector

Armed forces are the biggest public consumers of energy in the EU. According to the EDA, their combined annual expenditures for electricity alone sum up to an estimated total of more than one billion euros. Moreover, fossil fuels remain the most important source to meet these energy needs. This implies sensitive dependencies and exposes defence budgets to risks of price increases. Therefore, to improve security of supply and reduce operational expenditures, armed forces have a strong interest in reducing their energy footprint.

At the same time, armed forces are also the largest public owner of free land and infrastructures, with an estimated total of 200 million square metres of buildings and 1% of Europe's total land surface. Exploiting this potential would enable armed forces to reduce their energy needs and cover a considerable part of these needs from their own low-emission and autonomous sources. This would reduce costs and dependences and contribute at the same time to accomplishing the Union's energy objectives.

In the research field, the Commission has developed the Strategic Energy Technology (SET) Plan to promote innovative and low-carbon energy technologies which have better efficiencies and are more sustainable than existing energy technologies. Given its important energy needs, the defence sector could be a frontrunner in the deployment of the emerging energy technologies of the SET-Plan.

Actions:

- The Commission will set up a specific consultation mechanism with Member States experts from the defence sector by mid-2014, based on the model of the existing Concerted Actions on renewables and energy efficiency. This mechanism will focus on (a) energy efficiency, particularly in building sector; (b) renewable energy and alternative fuels; (c) energy infrastructure, including the use of smart grid technologies and will:
 - Examine the applicability of the existing EU energy concepts, legislation and support tools to the defence sector.
 - Identify possible objectives and focus areas of action at EU level for a comprehensive energy concept for armed forces.
 - Develop recommendations for a guidebook on renewable energies and energy efficiency in the defence sector with a focus on the implementation of the existing EU legislation, innovative technologies' deployment and the use of innovative financial instruments.

- Exchange information with the SET-Plan Steering Group on a regular basis.
- The Commission will also consider developing a guidance document on implementation of Directive 2012/27/EU in the defence sector.
- The Commission will support the European armed forces GO GREEN demonstration project on photovoltaic energy. Following its successful demonstration, the Commission will also help to develop GO GREEN further, involving more Member States and possibly expanding it to other renewable energy sources such as wind, biomass and hydro.

8. Strengthening the international dimension

With defence budgets shrinking in Europe, exports to third countries have become increasingly important for European industries to compensate for reduced demand on their home markets. Such exports should be authorised in accordance with the political principles laid down in Common Position 2008/944/CFSP, adopted on 8 December 2008, and in accordance with the Arms Trade Treaty adopted on 2 April 2013 by the General Assembly of the United Nations Organisation. At the same time, Europe has an economic and political interest to support its industries on world markets. Lastly, Europe needs to ensure a coherent approach to the monitoring of incoming foreign investment (as set out in section 2.3 on ownership and security of supply).

8.1. Competitiveness on third markets

Whereas defence expenditure has decreased in Europe, it continues to increase in many other parts of the world. Access to these markets is often difficult, depending on political considerations, market access barriers, etc. The world's biggest defence market, the United States, is basically closed for imports from Europe. Other third countries are more open, but often require offsets which put a heavy burden on EU companies. Finally, on many third markets, several European suppliers compete with each other, which makes it difficult from a European perspective to support a specific EU supplier.

Action:

- The Commission will establish a dialogue with stakeholders on how to support the European defence industry on third markets. With respect to offsets on third markets, this dialogue will explore ways of mitigating possible negative impacts of such offsets on the internal market and the European defence industrial base. It will also examine how EU institutions could promote

European suppliers in situations where only one company from Europe is competing with suppliers from other parts of the world.

8.2. Dual Use Export Controls

Dual-use export controls closely complement arms trade controls and are key for EU security as well as for the competitiveness of many companies in the aerospace, defence and security sectors. The Commission has initiated a review of the EU export control policy and has conducted a broad public consultation, whose conclusions are presented in a Commission Staff Working Document issued in January 2013. The reform process will be further advanced with the preparation of a Communication which will address remaining trade barriers that prevent EU companies from reaping the full benefits of the internal market.

Action:

As part of the ongoing export control policy review, the Commission will present an impact assessment report on the implementation of Regulation (EC) 428/2009 and will follow up with a Communication outlining a long-term vision for EU strategic export controls and concrete policy initiatives to adapt export controls to rapidly changing technological, economic and political conditions. This may include proposals for legislative amendments to the EU export control system.

9. Conclusions

Maintaining and developing defence capabilities to meet current and future challenges in spite of severe budget constraints will only be possible if far-reaching political and structural reforms are made. Time has come to take ambitious action.

9.1. A new framework for developing civil/military co-operation

Civil/military co-operation is a complex challenge with numerous operational, political, technological and industrial facets. This is particularly true in Europe, where distribution of competences and division of work adds another layer of complexity. This Communication provides a package of measures that can help to overcome these challenges and incentivise co-operation between Member States. In this context, our objective is to develop an integrated approach across the civ-mil dividing line, with a seamless transition throughout all phases of the capability life cycle, i.e. from the definition of capability needs to their actual use on the ground.

As a first step towards this objective, the Commission will review its own internal way of dealing with security and defence matters. Based on the experience of the Defence Task Force, it will optimise its mechanisms for cooperation and coordination between its own services and with stakeholders.

9.2. A call to Member States

This Communication sets out an Action Plan for the Commission's contribution to strengthening the CSDP. The Commission invites the European Council to discuss this Action Plan in December 2013 together with the report prepared by the High Representative of the Union for Foreign Affairs and Security Policy on the basis of the following considerations:

- Decisions on investments and capabilities for security and defence should be based on a common understanding of threats and interests. Europe therefore needs to develop, in due course, a strategic approach covering all aspects of military and non-military security. In this context, a wider political debate on the implementation of relevant provisions of the Lisbon Treaty should be held;
- The Common Security and Defence Policy is a necessity. To become effective, it should be underpinned by a fully-fledged Common European Capabilities and Armaments Policy as mentioned in Article 42 of the TEU;
- To ensure coherence of efforts, CSDP must be closely coordinated with other relevant EU policies. This is particularly important in order to generate and exploit synergies between the development and use of defence and civil security capabilities;
- For CSDP to be credible, Europe needs a strong defence industrial and technological base. To achieve this objective, it is crucial to develop a European Defence Industrial Strategy based on a common understanding of the degree of autonomy Europe wants to maintain in critical technology areas;
- To maintain a competitive industry capable of producing at affordable prices the capabilities we need, it is essential to strengthen the internal market for defence and security and to create conditions which enable European companies to operate freely in all Member States;
- Facing severe budget constraints, it is particularly important to allocate and spend financial resources efficiently. This implies *inter alia* to cut back operational costs, pool demand and harmonise military requirements;

- To show real added value of the EU framework, what is needed is to identify a joint project in the area of key defence capabilities, where EU policies could fully be mobilized.

9.3. Next Steps

On the basis of the discussions with Heads of State and Government, the Commission will develop for the areas defined in this Communication a detailed roadmap with concrete actions and timelines.

For the preparation and implementation of this roadmap, the Commission will set up a specific consultation mechanism with national authorities. The mechanism can take different forms, depending on the policy area under discussion. The EDA and the External Action Service will be associated to this consultation mechanism.

Statement by EU High Representative Catherine Ashton on her final report on the CSDP

Brussels, 15 October 2013, 131015/01

The High Representative of the European Union for Foreign Affairs and Security Policy and Vice President of the Commission, issued the following statement today:

“I was asked by the European Council in December 2012 to present proposals to further strengthen the Common Security and Defence Policy (CSDP), ahead of a discussion by leaders in December of this year. I presented an interim report in July and I am now issuing the final report.

This debate among leaders comes at an opportune moment. The EU needs to protect its interests and promote its values, and it needs to be able to act as a security provider both in its neighbourhood and at the international level. To be credible, this requires capabilities and a strong industrial base. This is both a challenge and an opportunity. Defence cooperation is never straightforward, but there is certainly scope for further enhancing cooperation among the Member States to develop and deploy capabilities. In addition, the defence industry can be a driver for jobs, growth and innovation.

The report sets out proposals and actions in three areas:

- Strengthening CSDP: the Union needs to be able to respond rapidly to security challenges - cyber, space, energy, maritime and border security. To act as a security provider we need to be able to engage with partners, and to build the

capacity of partner organisations and third states, using all the tools of our external action. This is the idea of our comprehensive approach.

- Enhancing European defence capabilities: cooperation has become essential to the maintenance of capabilities and to the success of CSDP. It allows Member States to develop, acquire, operate and maintain capabilities together, making best use of potential economies of scale.
- Reinforcing Europe's defence industry: a strong and healthy industrial base is a prerequisite for developing and sustaining defence capabilities and securing Europe's strategic autonomy. The European Commission put forward a Communication 'Towards a more competitive and efficient European defence and security sector' in July. The proposals in my report complement the Commission's work."

Preparing the December 2013 European Council on Security and Defence: Final Report by the High Representative/Head of the EDA on the Common Security and Defence Policy

Brussels, 15 October 2013

"I would say there are three cases for security and defence. The first is political, and it concerns fulfilling Europe's ambitions on the world stage. The second is operational: ensuring that Europe has the right military capabilities to be able to act. And the third is economic: here it's about jobs, innovation and growth."

HRVP/Head of the Agency speech at the European Defence Agency (EDA) annual conference, Brussels 21 March 2013

I. The strategic context

The debate on capabilities, military or civilian, needs to flow from **an understanding of the strategic context**, building on the solid basis of the 2003 European Security Strategy and its 2008 implementation report. This first part of my report sets out the strategic context, puts forward priorities, and assesses the state of play of Common Security and Defence Policy (CSDP) against this overall background, in accordance with the tasking by the European Council in December 2012.

Europe's strategic environment today is marked by increased **regional and global volatility, emerging security challenges, the US rebalancing towards the Asia-Pacific and the impact of the financial crisis.**

The world as a whole faces increased volatility, complexity and uncertainty. A multipolar and interconnected international system is changing the nature of power. The distinction between internal and external security is breaking down. Complex layers of governance and new patterns of interdependence empower new players and give rise to new challenges. As a result, state power is becoming more fragile. Among the drivers for this are: changing demographics and population growth, embedded inequalities, and new technologies.

Intra-state conflict, with the potential to transcend national boundaries, has become more commonplace. This is particularly true in the EU's neighbourhood, where, in particular to the south, the Arab uprisings while full of promise have also led to increased instability and conflict. To the east, frozen conflicts remain, the most recent outbreak of open conflict having occurred in August 2008. In the Western Balkans, and in spite of remarkable progress over the last decades including the recent breakthrough in the EU-facilitated Belgrade-Pristina dialogue, unfinished business remains. Increasingly also the "neighbours of the neighbours" are being affected, e.g. in the Sahel or in the Horn of Africa, two regions where the Union is conducting five crisis management missions.

In addition to **long-standing threats** – proliferation of weapons of mass destruction, terrorism, failed states, regional conflict and organized crime - there are also **new security threats**, such as cyber attacks, as well as new risks such as the consequences of climate change, and increased competition for energy, water and other resources both at a national and international level.

To address these challenges, **the transatlantic relationship remains essential.** The renewed emphasis by the US on the Asia-Pacific region is a logical consequence of geostrategic developments. **It also means that Europe must assume greater responsibility for its own security and that of its neighbourhood.** European citizens and the international community will judge Europe first on how it performs in the neighbourhood.

Recent military operations have demonstrated that Europeans lack some of the necessary capabilities, in particular in terms of strategic enablers such as air-to-air refuelling, strategic airlift, intelligence and surveillance. In addition, the financial crisis continues to squeeze defence budgets while elsewhere defence spending is increasing. According to a recent report by the Stockholm International Peace Research Institute, global defence spending is shifting "from the West to the rest". **Europe needs to develop the full range of its instruments, including its security and defence posture, in the light of its interests and these geostrategic developments.**

At the same time, the **European defence market** is also feeling the effects of the financial crisis. Europe's defence industries are not only important for our security, by providing capabilities for our armed forces, but also for jobs, growth and innovation. Yet, the European defence market remains fragmented in terms of demand and supply. The question is whether this is sustainable in view of today's economic and budgetary realities.

In sum, Europe faces rising security challenges within a changing strategic context while the financial crisis is increasingly affecting its security and defence capability. These developments warrant **a strategic debate among Heads of State and Government**.

Such a debate at the top level must set priorities. I wish from the outset to set out my view on priorities:

- The Union must be able to **act decisively through CSDP as a security provider**, in partnership when possible but autonomously when necessary, in its neighbourhood, including through direct intervention. Strategic autonomy must materialize first in the EU's neighbourhood.
- The Union must be able to protect its interests and project its values by **contributing to international security, helping to prevent and resolve crises** and including **through projecting power**. The EU's call for an international order based on rule of law and its support for effective multilateralism need to be backed up by credible civilian and military capabilities of the right type, when required.
- The ability to **engage with partners** is crucial in any crisis. The EU must build regional and bilateral partnerships to be able to both cooperate in crisis management and help build the capacity of partner organisations and third states.
- In a context of increased volatility and new threats, there is a particular need to improve the ability to engage rapidly. Drawing as necessary on military capabilities, the EU should be able to engage **all 5 environments** (land, air, maritime, space and cyber). In addition to our traditional yet increasing dependence on security at sea, we have become increasingly dependent on space assets – indispensable in today's operations – and on the ability to operate in cyberspace.
- The **comprehensive approach** – the use of the various instruments at the disposal of the Union in a strategically coherent and effective manner - must also apply to capability development, to make best use of scarce resources.

We need to place CSDP within this overall context, and against these priorities.

There have been **many positive achievements** during the 15 years since St. Malo and the Cologne European Council. The EU has created structures, procedures, decision-making bodies for CSDP and has acquired considerable operational experience, having deployed close to 30 missions and operations in three continents. It has developed partnerships with the UN, NATO and the African Union. Following the Treaty of Lisbon, the ambition to “preserve peace, prevent conflicts and strengthen international security” has become an explicit objective of the Union (article 21 TEU).

The Union is currently deploying, through CSDP, more than 7,000 civilian and military personnel. More importantly, the engagement of our men and women in the field is **producing results**: the EU’s maritime operation ATALANTA has drastically reduced the scourge of piracy off the coast of Somalia, and security in Somalia has greatly improved thanks to the training provided by EUTM Somalia to 3,000 Somali recruits and the EU funding of AMISOM. EUPOL Afghanistan has trained up to 5,000 Afghan police officers, and EULEX Kosovo plays a key role in accompanying implementation of the recent Belgrade-Pristina agreement. In the Sahel, the Union is deploying a military mission (EUTM Mali) and a civilian mission (EUCAP Niger Sahel), both of which contribute to stabilizing the region. The impact of CSDP has raised interest among many partners (the US, Asia, Middle-East,...). **In short, the EU is becoming an effective security provider, and is increasingly being recognized as such.**

But CSDP also faces **challenges**: there is **no agreed long-term vision** on the future of CSDP. Decision-making on new operations or missions is often cumbersome and long. And securing Member States’ commitment to supporting missions and operations, especially when it comes to accepting risk and costs, can be challenging, resulting in force generation difficulties. CSDP also faces recurrent capability shortfalls, either due to a lack of commitment or because the capabilities are not available, as well as various legal and financial constraints resulting in difficulties to act rapidly.

Recent trends include:

- CSDP is becoming part of a wider, more **comprehensive approach**, i.e. part of a strategically coherent use of EU instruments.
- A tendency towards **capacity-building** missions in support of conflict prevention, crisis management, or post-conflict management: indirect action to complement direct action.
- CSDP is increasingly an integral part of bilateral relationships with third countries and with international and/or regional organisations. Concrete co-operation has resulted in an increased number of **security and defence dialogues** with partners.

The combination of expanding security challenges and contracting financial resources points toward **growing interdependence** within the Union to effectively provide security for its citizens, now and in the long term. No Member State alone can face all of the security challenges; nor do they have to. Doing more in common, to cooperate and coordinate more, is increasingly essential.

And in this context, there is a need to address the question of overall defence budgets, imbalances in defence spending across Member States (including between investment in personnel and equipment), as well as capability gaps and duplication among Member States.

The peace and security of Europe has always been a prerequisite for its economic welfare; we now need to avoid Europe's economic difficulties affecting its capacity to deal with security and defence challenges. For the EU to live up to its role as security provider means that European citizens and the international community need to be able to trust and rely on the EU to deliver when the situation demands. We must move from discussion to delivery.

The following paragraphs contain suggestions and proposals to that effect.

II. Proposals and actions to strengthen CSDP

Cluster 1: Increase the effectiveness, visibility and impact of CSDP

1. Further develop the comprehensive approach to conflict prevention, crisis management and stabilisation

The Union has at its disposal many **external relations policies and tools** – spanning diplomatic, security, defence, financial, trade, development and humanitarian aid, as well as the external dimension of EU internal policies – to deliver the end result that Member States and the international community seek. This is the EU's main strength at the international level. To better communicate this approach, work on a Joint (High Representative/Commission) Communication on the Comprehensive Approach is in hand. It can build on successful concrete examples, e.g. in the Horn of Africa or the Sahel.

CSDP crisis management instruments pursue short-term objectives, whereas development instruments are by nature oriented to the long term. Whilst objectives and decision-making procedures are different, this allows for natural synergies and complementarities enabled by an early and intense dialogue between the respective players, and a **better alignment** is needed.

More concretely, the revised Suggestions for **Crisis Management Procedures** were endorsed by PSC at the end of June. They aim at streamlining the CSDP decision-making

procedures, whilst at the same time ensuring joined-up EU action principally by using **shared awareness and joint analysis** across the EU, thereby establishing synergies and complementarity from the outset. Individual tools can then deliver within their own decision-making processes the activity required to reach the shared objective. In addition, a proposal for a revised **Exercise Policy** will be put forward in the autumn.

A joined-up approach will enhance the overall impact and deliver enduring results. A number of **regional or thematic strategies** are in place or under development to ensure such an approach, in addition to the existing Horn of Africa and Sahel strategic frameworks. This is also valid for the Western Balkans, which are moving closer to the EU, and where a variety of EU tools and instruments is being used.

Way forward:

- put forward a Joint Communication on the EU Comprehensive Approach, a policy document to lock in progress achieved and provide the basis for further concrete work;
- endorse and give renewed impetus to the EU Comprehensive Approach;
- strengthen further a regional perspective and ensure close cooperation and alignment between the different CSDP missions and operations in a region (Sahel, Horn of Africa, Western Balkans), as well as political/development activities to increase their impact, effectiveness and visibility;
- continue elaborating or updating regional security strategies (for instance as regards the Sahel, the Horn of Africa, the Gulf of Guinea; Afghanistan/Pakistan);
- strengthen further the EU's engagement with the Western Balkans and its overall coherence.

2. Working with partners

The European Union is firmly committed to working in close collaboration with partners: working with partners is an integral part of a comprehensive approach; **the Common Security and Defence Policy is an open project**. Partnerships can build upon the knowledge, expertise and specific capabilities of our partners, while also drawing them closer to the EU.

The UN, NATO and the AU

The UN stands at the apex of the international system. The long standing and unique co-operation between the EU and the **United Nations** spans many areas, and is particularly vital when it comes to crisis management. At the **operational level**, cooperation with the UN is dense and fruitful. Recent theatres include Mali, where a joint assessment team examined the needs for supporting the Malian police and counter-terrorism, and Libya, where the EU cooperates closely with UNSMIL. The considerable experience gained in working together in different theatres is accompanied by a **regular high level dialogue**. In addition, work on the **EU-UN Plan of Action** to enhance CSDP support to UN peace keeping is being carried forward, to further maximize the potential of the EU-UN relationship.

Strong, coherent and mutually reinforcing cooperation between the EU and NATO remains as important as ever. There are regular meetings between the High Representative and the NATO Secretary General. **Staff to staff contacts** and reciprocal briefings at all levels facilitate and support that high-level dialogue and cooperation. Operating side by side in a number of theatres, the EU and NATO share an interest in jointly delivering effect. In developing capabilities, we remain committed to ensuring mutual reinforcement and complementarity, fully recognising that the Member States who are also NATO Allies have a single set of forces. In this regard, **capability development within the Union will also serve to strengthen the Alliance**. Taking stock of earlier EU suggestions to help further improving relations, we should continue to strive to remove remaining impediments for formal cooperation, including with regard to the exchange of documents, and consider jointly addressing new security threats.

Progress was made on the three dimensions of the peace and security partnership between the EU and the **African Union**: strengthening the political dialogue, making the African peace and security architecture (APSA) fully operational and providing predictable funding for the AU's peacekeeping operations. In light of the EU's reaffirmed commitment to enabling partners, further impetus could be given at the occasion of **the EU-Africa summit** in April 2014.

Participation in CSDP missions and operations

Non-EU NATO Allies and candidate countries are among the most active contributors to CSDP activities and good cooperation continues in various fora and informal gatherings as well as bilaterally. In addition, the European Union has signed an increasing number of Framework Participation Agreements with third countries, to facilitate and foster their participation in **CSDP missions and operations**. Twelve such agreements are in force, two more are ready for signature (Australia, Bosnia and Herzegovina)

and for three countries (South Korea, Chile, Georgia) negotiations have reached an advanced stage. In addition, and following a decision by the PSC, the Union regularly invites third countries **to participate** in specific CSDP missions and operations, with partners providing key assets, expertise and knowledge.

Security and defence dialogues

Many active **dialogues in the field of CSDP** have been developed with countries and organisations beyond the signatories of an FPA. CSDP is systematically raised in the EU's political dialogue with third parties as well as in relevant counterterrorism dialogues. Such dialogues with partners in the neighbourhood in particular could also address security and law enforcement sector reform and democratic control over the armed forces. The newly created Panel on CSDP of the Eastern Partnership (EaP) opens new opportunities for dialogue and cooperation between the EU and EaP countries.

One size does, however, not fit all: a tailor-made approach is of benefit in better adapting such cooperation to the EU's and partners' respective expectations and interests.

Building the capacity of partners

The **support to capacity-building of local and regional partners**, for instance in Niger, Mali and Somalia or through actions in support of the Africa Peace and Security Architecture (such as AMANI Africa etc) is becoming **a core capability**. We should support partners – individual countries and regional organisations – to increasingly take the responsibility for preventing crises and managing them on their own.

The EU is already well engaged in supporting regional or sub-regional organisations. Building on the lessons learned from Somalia and Mali, we need to improve our ability to engage directly **with the countries** concerned. **Training national security forces** – which represent the essential building block of any regional or sub-regional force – is a key element of building the African peace and security architecture. This might imply developing tools similar to those at our disposal to support the African Union and the sub-regional organisations.

Further efforts should aim at better synchronising and coordinating the use of different instruments, fully recognising the nexus between security and development and enhancing our collective ability – the EU and its Member States – not only to train and advise but also to equip partners. Today, **the EU can train but often it cannot equip**. In this context there are lessons to be learned from the experience with bilateral support through the Member States, clearing house mechanisms, trust funds and project cells in missions.

Way forward:

- continue to develop the partnerships with the UN and NATO focusing on stronger complementarity, cooperation and coordination;
- further encourage and facilitate contributing partners' support to CSDP, with a focus on non-EU European NATO Allies, strategic partners and the partners from the EU's neighbourhood;
- operationalize the Panel on CSDP under the Eastern Partnership taking into account the results of the upcoming EaP Vilnius Summit;
- explore the use of available instruments to assist in progress towards international standards of transparency and accountability of security and defence institutions of partner countries;
- focus increasingly on concrete deliverables in the dialogue with partners, recognising their specificities, sensitivities and possible added value;
- address capacity building of partners from a more holistic and comprehensive angle, including the specific "train and equip" challenge;
- reinforce the peace and security partnership with the African Union and continue strong support to the African Peace and Security Architecture, notably through the support provided to the AMANI cycle of military and civilian exercises;
- search for complementarities and synergies between CSDP operations and other community instruments with a view to developing an EU comprehensive strategy;
- agree that appropriate instruments (concept, organisation, funding) be developed to engage in supporting national security services.

3. Respond to upcoming security challenges ('networked security')

The importance of **networks** in today's globalized world cannot be overestimated. Satellite navigation; communications and imagery, the ubiquity of computers, access to energy: these affect the daily life of citizens. Accordingly, **the security of space and cyber networks is crucial for modern societies, as is energy security.**

Progress in these various areas is unequal, but they are being addressed:

A joint Commission-High Representative **Cyber Security Strategy** has been published and endorsed by the Council. The strategy emphasizes achieving EU-wide cyber resilience by protecting critical information systems and fostering cooperation between the public and private sector, as well as civilian and defence authorities. It recommends focusing on enhanced EU-wide cooperation to improve the resilience of critical cyber assets, as well as on training, education, technologies, crisis management procedures, cyber exercises and the industry and market dimension. To implement its objectives, the EU could develop a **Cyber Defence Policy Framework**, focusing on capability development, training education and exercises. Additionally, Member States have agreed the EU Concept for Cyberdefence in EU-led military operations.

The EU and its Member States need to protect their space assets (e.g. Galileo). **As the EU role in space evolves, so too will the security and CFSP dimensions of the European space policy.** Space must be considered in all its aspects, encompassing technology, innovation and industrial policy, and must ensure strong civil-military coordination. The EU continues strongly to promote a Code of Conduct for outer space activities.

Energy security is a key objective of the EU energy policy. Foreign Ministers have been discussing how **foreign policy can support EU energy security.** The European Defence Agency and the EU Military Staff are addressing this further as regards capability development aspects as well as **measures to improve energy efficiency by the military.**

Way forward:

- recognize the importance of cyber and space networks and energy security for European security;
- ensure that cyber infrastructure becomes more secure and resilient within critical infrastructure in the EU. To increase the resilience of the communication and information systems supporting Member States' defence and national security interests, cyber defence capability development should concentrate on detection, response and recovery from sophisticated cyber threats.
- consider developing an EU Cyber Defence Policy Framework, defining also the division of tasks between the Member States and CSDP structures to (1) promote the development of EU cyber defence capabilities, research and technologies with the EDA Cyber Defence Roadmap; (2) protect networks supporting CSDP institutions, missions & operations; (3) improve Cyber

Defence Training Education & Exercise opportunities for the Member States; (4) strengthen cooperation with NATO, other international organisations, the private sector and academia to ensure effective defence capabilities; (5) develop early warning and response mechanisms and to seek synergies between civilian and defence actors in Europe in responding to cyber threats.

- take the necessary steps to ensure the integrity, availability and security of space systems. The EU will play its part in establishing the European Space Situational Awareness (SSA) capability, based on assets from Member States and in cooperation with partners. The EU needs to prepare for its role in space-related crisis management to be able to address threats to its space assets;
- further incorporate energy security into foreign policy considerations.
- call for increasing energy efficiency and environmental responsibility in CSDP missions and operations.

4. Increase our ability to address maritime and border challenges

Europe's maritime security is an integral part of its overall security. It is a crucial domain. Modern economies depend heavily on open sea lanes and the freedom to navigate (90% of European trade is by sea): strategic stockpiles are now based at sea, across the globe, on route from supplier to customer. In the near future, new sea lanes could open up with important geostrategic implications. The Arctic in particular will require increasing attention in terms of maritime safety, surveillance and environmental protection.

The EU has **strategic maritime security interests** around the globe and needs to be able to safeguard them against significant maritime risks and threats - ranging from illegal migration, drug trafficking, smuggling of goods and illegal fishing to terrorism maritime piracy and armed robbery at sea as well as territorial maritime disputes and acts of aggression or armed conflict between states.

To be a credible and effective partner, the EU needs a strategic, coherent, functional and cost-effective approach to maritime security. We can build on the successes of EU NAVFOR Operation ATALANTA, the EU's first naval operation, and on a significant number of other maritime security related EU initiatives to internal and external capacity building. The purpose of a **European Union Maritime Security Strategy** is to bind all these together.

Border security is an integral part of the EU's security. Terrorism, weapons dissemination, illicit trafficking (drugs and humans in particular), illegal immigration and organized crime affect the direct interests of the EU's Member States. It is therefore in the EU's interest to help **build the capacities of third States** to control their own territory, manage flows of people and goods and address their respective security challenges, while also fostering economic prosperity.

The EU has a **variety of suitable instruments** at its disposal in this regard: Common Security and Defence Policy (CSDP) missions, the European Neighbourhood and Partnership Instrument, FRONTEX, the Instrument for Stability (IfS), as well as other EU external cooperation instruments. The most recently established mission – EUBAM Libya – is the first CSDP mission fully devoted to border management.

There would be merit in developing a more joined-up **approach to capacity building of Third States and regions**. The first objective could be to facilitate, starting e.g. in the Sahel, EU support for the financing of infrastructures and equipment for border management forces, and improve and better coordinate the advisory and training actions.

Way forward:

- put forward a joint HR/Commission Joint Communication containing elements for an EU Maritime Security Strategy on maritime security and build upon it to foster concrete progress in the areas of joint awareness and collective response;
- develop a joined-up EU approach to helping Third States and regions better manage their borders (e.g. in the Sahel).

5. Allow for the deployment of the right assets, timely and effectively on the whole spectrum of crisis management operations

The world faces increased **volatility, complexity and uncertainty**. Hence the **ever increasing strategic value of rapid response**: the Union needs to be able to swiftly assess crises and mobilize its various instruments; speedy assessment and deployment can make the difference.

Rapid deployment of civilian CSDP missions

Over the past few months a **broad consensus** has emerged on the **need to further improve the planning, conduct and support of civilian CSDP missions**, and in particular to expedite their deployment.

A **roadmap** has been established to tackle shortcomings in the setting up of civilian CSDP missions, concerning *inter alia* financial rules, logistics, and staff selection. It puts forward proposals concerning **ownership, political buy-in, sustainability, rapidity of deployment, financing, and mission support**. Work on these various strands needs to be taken forward between now and December, and further impetus may be required at the level of the European Council.

Meeting the logistic needs of new civilian CSDP missions, in particular during start-up, will be further facilitated by the **permanent CSDP Warehouse** that became operational in June 2013. The Warehouse has the capacity to store strategic equipment primarily for the effective rapid deployment of 200 personnel into the area of operation of a newly-launched mission within 30 days of the approval of the Crisis Management Concept by the Political and Security Committee. The Warehouse was used for providing equipment to EUBAM Libya. There has been progress in the creation of dedicated instruments and tools (e.g. goalkeeper software) to **improve the recruitment and training of civilian personnel for CSDP**. As regards mission support, a feasibility study on the creation of a **shared services centre** has been launched.

The revision of the Crisis Management Procedures should allow improved access to funding for civilian CSDP missions, and thus facilitate quicker deployment. This would mean an earlier presence of the core team in the theatre of operations. The Head of Mission should also be appointed at an earlier stage and thus be fully involved in the build-up of the mission. In the interests of the more efficient operation of civilian CSDP missions, there is also scope to review relevant provisions in the Financial Regulation and as regards procurement rules (as also set out in the EEAS review).

Military rapid response

With regard to **military rapid response**, the case for highly capable and interoperable forces, available at very short notice for EU operations, is stronger than ever.

Within the broader area of rapid response, Battlegroups continue to be the **flagship military tool**. At their April meeting this year, Defence Ministers highlighted the need to improve the effective employment **of the EU Battlegroups (EU BGs)** and their operational relevance. EU BGs have been and are still instrumental for helping reinforce the interoperability and effectiveness of Member States' military forces, but they have yet to be deployed.

Work is under way to increase the Battlegroups' usability in the field, while maintaining the level of ambition and sticking to the common commitment of all Member States to the sole military capabilities on stand-by for possible EU rapid response operations. While efforts should intensify to mitigate the persistent gaps in the EU BG roster, a

number of avenues are being considered to make BGs more usable. With discussions still on-going, these include:

- developing Battlegroups' "**modularity**" would allow incorporating the modules provided by the Member States most interested in a given crisis, avoiding a too rigid and prescribed composition of the EU BGs, and allowing for more proportionate contributions according to Member States' means.
- enhancing further the "**exercises**" and "**certification**" dimension of EU BGs would lead to greater interoperability, readiness and operational effectiveness of Member States' forces. Efforts to seek synergies with NATO - notably in the context of its Connected Forces Initiative - should allow ensuring coherence and mutual reinforcement.
- improving **advanced planning** on the most likely crisis scenarios requiring the use of an EU rapid reaction.

The future of the EUBGs is but one part of the wide **Rapid Response concept** that provides capabilities fit for all environments either in support of a land based response or separately utilising the advantages of either European Air or Maritime capabilities or both. The challenge of Rapid Response is the need to adapt to a range of scenarios - this means flexibility and adaptability.

In addition, there would be value in **further developing its rapid response toolbox**. This would reinforce our ability to react to the wide range of possible crises rapidly, but also flexibly, mobilising the required capabilities possibly in combination with other instruments including civilian ones. This could include the means to assess crises and possible responses by the development of structured civil-military rapid reaction assessment teams.

In parallel, **cost sharing or common funding**, while being sensitive issues, must be addressed to foster Member States' involvement and help find consensus on EU BGs or other Rapid response assets' deployment.

Crisis management structures

The effectiveness of EU security and defence policies also relates to **appropriate structures and processes**. The revised Crisis Management Procedures have further improved the fast track procedure. The present CSDP system raises a number of questions in terms of 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 the speed and effectiveness of decision-making, in particular in crisis situations. While the debate on structures is part of the overall discussion on CSDP, concrete progress is to be taken forward in the context of the EEAS review.

The Lisbon Treaty

There is an **unused potential of the Lisbon Treaty** in terms of rapid deployment. The Treaty provides for a Start-Up Fund made up of Member States' contributions for CSDP tasks which are not, or cannot be, charged to the Union budget. However, so far there appears to be no consensus on creating such a Fund.

Secondly, **Article 44** opens up the possibility for the Council to entrust the implementation of a task to a group of Member States that are willing and have the necessary capability for such a task. This article could be used in the context of rapid reaction, when consensus exists, and a group of Member States is willing to provide capabilities and take action on behalf of the Union. This offers benefits in terms of **flexibility and speed of action**. Its application would be *ad hoc*, when a situation arises, but its potential scope of application should be further explored with the Member States. In a way, the case of Mali, with one Member State deploying quickly with others providing niche support such as strategic transport, prefigured such an approach.

Way forward:

- implement the roadmap on rapid deployment of civilian missions, for stock-taking in December and further impetus if required; consider reviewing the financial regulation as applying to civilian CSDP;
- Ministers to endorse in November a new approach to the EU's military Rapid Response, including the Battlegroups;
- discuss with Member States their willingness to address the issue of an increase of common funding areas of application and enhanced Member State support for CSDP missions and operations;
- consider improvements in terms of structures and processes in the context of the EEAS review;
- consider the relevant Lisbon Treaty articles, in particular article 44 TEU.

6. Increase the focus on conflict prevention and post-conflict management

Conflict is cyclical. 90% of violent conflicts occur in places that have previous experience in the past thirty years. It is therefore often difficult to neatly sequence conflict prevention and peace-building actions. In this regard, however, all CSDP missions and operations may be seen as directly or indirectly contributing to conflict prevention, and some have this objective at the core of their mandate.

More generally, **conflict analysis** is a key requirement for exploring options available to the EU for prevention, crisis management and peace-building, on the basis of a shared understanding of the causes and dynamics of violent conflict. Furthermore, **an early warning system** is also being developed to analyse short- and long-term risks of violent conflict more generally and identify early response options. This system has already been piloted in the Sahel region and is about to be rolled-out further. Finally, the crisis preparedness component of the Instrument for Stability continues to fund the training of civilian and police experts to participate in stabilization missions.

With regard to **post-conflict management, conflict sensitive programming** is essential in order to ensure that, to the extent possible, EU actions avoid negative impacts and maximise positive impacts on conflict dynamics, thereby contributing to conflict prevention, peace building and long-term sustainable development.

A joined-up approach, including through joint efforts or **joint programming of EU assistance with EU Member States** has the potential to further strengthen the EU's impact and its contribution to conflict prevention and sustainable development. In joint programming EU and its Member States (and possibly other donors) conduct a joint analysis of the country situation leading to a joint response strategy and a division of labour across sectors. In addition, indicative multi-annual allocations will be provided. **In more than 40 countries joint programming** is now taken forward, including in **more than 10 fragile states**. It is worth noting that in the global context so-called "**New Deal country compacts**" are developed (Somalia a very recent example) which have much in common with joint programming. How the two processes could feed into each other should be further explored.

Way forward:

- extend the use of conflict analysis, continue to build a culture of conflict sensitivity across the EU system;
- build on lessons-learned with regard to joint programming and New Deal country compacts.

7. Improve CSDP visibility

It is important to communicate to the public at large that **security and defence "matters"** now, and that it will matter to their future prosperity, even if our citizens do not necessarily see an immediate external security threat. Heads of State and Government are uniquely placed to pass this message to a wider public, and we should not miss that occasion.

Preparations for the European Council discussion have already provided an opportunity to raise the visibility of CSDP in general. The EEAS, in collaboration with the General Secretariat of the Council and the Commission, is working on a **specific communication campaign**. This needs to be linked to the communication efforts of the Member States. However, a further analysis of our target audiences, messages and tools is necessary to improve CSDP's visibility in a **sustainable** way. A targeted Eurobarometer survey on Security and Defence could contribute to this analysis.

We also need further to promote a common security and defence policy culture. In this context, the **European Security and Defence College** is currently being placed on a new footing, to strengthen a common culture in CSDP and promote training initiatives.

Training and education is a long-term essential investment that Member States can make in support of CSDP. The future generation should have the opportunity to train throughout their respective careers with a view to enhancing efficiency in operating together. Indeed, promoting the way ahead by developing the networking model or the integration of international activities in national programmes or consideration of the development of improved curricula will all assist in this challenge. A revision of the EU policy for CSDP-related training and education is a possible step to federate accordingly the initiative.

The **EU Institute for Security Studies** contributes to further develop a common European security culture by enriching the strategic debate, providing analyses and fora for discussion.

Way forward:

- express a strong commitment to CSDP and to fully grasp the occasion to communicate to wider public on “security and defence matters”; a specific website will be developed for the EC in December, with a web-documentary,
- further develop measures to improve CSDP visibility, including: using individual missions and operations as the main “flagships” of CSDP at the earliest possible stage, demonstrating how they benefit EU citizens; enhance the network of CSDP communicators, including at Member State level; modernise the CSDP website;
- promote interaction and cooperation between national education and training actors, building on the experience with “military Erasmus”.

Cluster 2: Enhance the development of capabilities

8. Allow for systematic and more long-term European defence cooperation

Cooperation in the area of military capability development has become essential to the maintenance of capabilities and to the success of CSDP. **Cooperation allows Member States to develop, acquire, operate and maintain capabilities together**, making best use of potential economies of scale and to enhance military effectiveness. Pooling & Sharing was launched to address this, and good progress has been achieved. Through intensive staff-to-staff contacts, including between EDA and NATO's ACT, there has been close and intensive cooperation with NATO to ensure complementarity and mutual reinforcement with the Smart Defence initiative and more broadly with capability development within NATO. Indeed, the strategic context and the impact of the financial crisis have made even more compelling the case for de-confliction on capability development.

A **strong impulse is required at European Council level**, both to embed Pooling & Sharing in Member States' defence planning and decision-making processes, and to deliver key capabilities through major cooperative projects.

In line with the Code of Conduct on Pooling & Sharing, there is scope for greater **transparency between Member States**, including on potential budget cuts, national defence strategies or "White Books" and national defence procurement and modernisation plans. This would facilitate the identification of capability gaps and/or duplications.

Member States should be encouraged to **share their future capability plans** in order to address current and future shortfalls. Few Member States will be able to address such shortfalls alone: pooled/shared solutions would allow them to acquire capabilities that would be out of reach individually. The future threats and challenges are such that some **convergence of defence capability plans** will be required if Member States are to be able to collectively to meet the challenges of the future.

The **Code of Conduct on Pooling & Sharing** aims at mainstreaming Pooling & Sharing in Member States' planning and decision-making processes. Its implementation will be supported by an annual assessment to Defence Ministers comprising: an analysis of the capability situation in Europe; progress achieved; obstacles; and the impact of defence cuts and possible solutions. The **Capability Development Plan (CDP)** – a tool endorsed by the EDA Steering Board to assess future threats, identify the capabilities required, prioritize and support the identification of collaborative opportunities – supports and guides capability planners. But the Code of Conduct and the CDP will both require the commitment of Member States if substantive progress is to be achieved.

Rationalisation of demand to reduce the number of variants within collaborative programmes would generate significant economies and improve operational interoperability. In particular, there should be a greater push for **harmonised requirements**. This would reduce the number of variants of the same type of equipment, maximise economies of scale, enhance interoperability, and facilitate cooperation for the whole life-cycle of the capability, which would in turn generate additional economies, efficiencies and improved interoperability (the in-service phase of a major system accounts for around two-thirds of its total through-life cost).

In order to make cooperation more systematic, the European Council should also decide on **incentives for defence cooperation** in Europe for collaborative projects, including of a fiscal nature such as VAT exemption. Protecting cooperative projects and initiatives **from budget cuts would act as a real incentive**. **Innovative financing arrangements** (Private Finance Initiative or Public Private Partnerships) should also be considered.

In addition to addressing current shortfalls, Member States should engage in a reflection on the **major capability enablers**: Air-to-Air Refuelling, Intelligence Surveillance and Reconnaissance, and Satellite Communications. Enablers in the maritime and land domains could also be identified.

In this context, a revision of the CDP is on-going. This, together with the review of the Headline Goal process and the updated Force Catalogue would form the basis to assess shortfalls and map the capability landscape of the future. This will assess longer-term trends and capability requirements, and contribute to the identification of priorities and collaborative opportunities.

Systematic and long-term defence cooperation could be supported by a **strategic level Defence Roadmap**, approved by the European Council, and underpinned by agreed priorities and milestones. It could also pave the way for closer synergies with the Organization for Joint Armament Cooperation (OCCAR), in order to support a seamless approach to capabilities through the whole life-cycle.

Finally, the Treaty provides for an opportunity for an enhanced form of cooperation through **Permanent Structured Cooperation** (PESCO). While there have been initial exploratory discussions in 2009 and 2010 on the implementation of PESCO, the appetite to move forward remains limited at this stage.

Way forward:

- promote convergence of Member States' defence plans through increased transparency and information sharing;

- encourage the incorporation of pooling and sharing into national defence plans and maximise the utility of the Capability Development Plan to support Pooling & Sharing;
- harmonize requirements and extend throughout the whole life-cycle;
- commit to extend cooperation in support activities, such as logistics and training;
- promote a strategic Defence Roadmap for systematic and long-term defence cooperation, setting out specific targets and timelines;
- reinforce synergies between EDA and OCCAR;
- decide on incentives for defence cooperation in Europe, including of a fiscal nature (VAT). Ring-fence cooperative projects from budget cuts. Explore innovative financing arrangements (PFI/PPP);
- discuss with Member States their willingness to make full use of the Lisbon provisions on Permanent Structured Cooperation.

9. Focus on delivering key capabilities

Member States' commitment is now required to cooperative projects in Air-to-Air Refuelling, Satellite Communication, Remotely Piloted Air Systems and Cyber Defence.

In **Air-to-Air Refuelling (AAR)**, the objective is to improve European operational capacity and reduce dependency on the USA. The key deliverable could be the **multinational acquisition of multirole tanker transport aircraft**, foreseen for 2020. This would also include cooperation in the areas of aircraft-basing, training and logistics support. In the meantime, short and mid-term solutions are being pursued with a view to increasing interoperability and maximizing the use of existing assets.

Taken together, these inter-related work-strands will considerably enhance Europe's AAR capability.

Pioneer Projects have been promoted to develop capabilities that have both military and civil applications. They are designed to harness synergies in the military and civil domains; maximise dual-use technologies; generate economies of scale; and **extend the comprehensive approach into the area of capabilities development.** Ministers have endorsed proposals to prepare three such projects, in the areas of Remotely Piloted Aircraft Systems, Governmental Satellite Communications (SATCOM) and Cyber

Defence. Airlift is another capability with military and civil applications and where greater synergies would be possible.

Remotely Piloted Aircraft Systems (RPAS) are very likely to constitute a key capability for the future. They offer a broad spectrum of capabilities that can contribute to various aspects of EU-led military and civilian operations. In the civil domain they would provide surveillance *inter alia* in the following areas: border control and management; key infrastructure; disasters; environment; and agriculture. In the military sphere they have demonstrated their operational capacities, including for surveillance and information gathering. There are important political and industrial implications that will need to be addressed.

The objective is to **promote a European approach for developing this key future capability**. RPAS are a concrete example of a European comprehensive approach applied to capabilities: while being closely linked to Single European Sky, the development of RPAS can benefit from the various EU instruments and actors (regulation, technologies needed for air insertion and anti-collision, certification). While promoting common employment for the short-term solution, there is also an urgent need to prepare a program for the next generation of Medium Altitude Long Endurance (MALE) RPAS. Such a program will be strongly supported by the development of enabling technologies and other activities (regulation, certification, standardization) undertaken under civil initiatives, in particular by the European Commission. Horizon 2020 could contribute to the MALE program through development for air insertion and anti-collision under its security dimension, with a potential for surveillance payloads. There is scope for a public private partnership between the Commission, EDA, Member States and industry to develop this capability.

Governmental SATCOM offers the potential for a genuine dual-use cooperative European approach respecting national sovereignty. Member States' military satellite communication assets are currently fragmented in five nationally-owned constellations comprising a total of twelve satellites, whose operational life is expected to end between 2018 and 2025. The objective is the development of a **future dual civil-military capability** by 2025 via a user-driven approach based on a detailed roadmap. It will require exploitation of the synergies with R&D programmes being performed at a European level and exploration of opportunities for innovative governance and procurement schemes to ensure synergies with the Commission's possible action.

In addition to the above mentioned pioneer projects, further efforts are needed to enhance access to **Satellite High Resolution Imagery** – a timely and precise source of information essential for the EU's effective decision-making and for supporting CSDP missions/operations. In particular, facilitating access to Member States' governmental imagery will increase the **EU Satellite Centre's capacity**. In parallel, taking advantage

of the dual nature of Space, the use of Copernicus (a Commission-funded programme to respond to European policy makers' growing need to rapidly access geospatial information) in support of CSDP should be further explored. This could provide EU missions with the less sensitive products.

As regards **Cyber Defence**, the objective is to establish a comprehensive and cooperative European approach. EDA activities, based on the recently adopted cyber strategy, focus on realistic deliverables within its remit and expertise: training and exercises, protection of headquarters, and Cyber Defence Research Agenda (focusing on dual use technologies).

A number of EU policies have implications for defence and require interaction between the Commission and the defence community. This is especially the case for **Single European Sky (SES)**, which will have an impact on defence in financial and operational terms and where the objective of the defence community is to ensure that its views and interests are taken into account. Member States will continue to be supported as the SES develops.

Way forward:

- commit to specific cooperative projects: AAR, RPAS, Cyber and Satellite communications; agree and implement roadmaps;
- commit to further developing the EU's access to high resolution imagery;
- consider tasking further work on SESAR, airlift.

10. Facilitate synergies between bilateral, sub-regional, European and multilateral initiatives

The development of capabilities through cooperation has become essential. But it is not necessarily straightforward. Member States have made progress in improving capabilities through defence cooperation, be it through multinational frameworks such as the EU's Pooling & Sharing or NATO's Smart Defence, and/or in **clusters at the bilateral and regional, and indeed functional, levels**. Regional or thematic cooperation offers perhaps the best prospect for coordination/cooperation and sharing of reform processes. It may also yield faster results than initiatives at 28. Importantly, these capabilities developed in regional or thematic groups can be used at the European level (e.g. operations).

Wherever a cooperative approach is pursued – multi-nationally, regionally, bilaterally or functionally – there is a need for coherence to avoid unnecessary duplication and/

or gaps. Moreover, whilst some capabilities can successfully be delivered through a regional approach, others cannot: AAR, Space and RPAS being cases in point. And issues such as interoperability or standardisation or certification require a broader approach. Coherence could be enhanced by **linking the regional and the European levels**, which would also allow smaller Member States and regional groupings to plug into wider EU policies and industrial interests.

The **Code of Conduct on Pooling & Sharing** provides for the EDA to act as a framework for coordination and transparency between regional clusters – as well as individual Member States – as a means to enhance and facilitate synergies and identify best practices. The first annual assessment of its implementation will be presented to ministers in November. EDA’s “à la carte” approach, which allows for interested groupings of Member States to work together, also offers a light and flexible model for capability development, as well as for sharing best practice and lessons learned, and improving standardisation, interoperability and through-life support.

One particular cooperative model that merits further examination is the **European Airlift Transport Command (EATC)**, the blueprint of which could be extended to other types of capability such as AAR or Sealift.

Sharing of Lessons Identified (LI) and best practices associated with on-going **national defence reform activities** could facilitate future regional cooperation in the domains of e.g. new capability development projects, joint HQs and forces, jointly developed doctrine fostering greater inter-operability, shared logistics and maintenance facilities, training and education establishments.

Way forward:

- in line with the Code of Conduct, EDA to provide an overarching framework for these clusters, to facilitate coordination, enhance transparency, and share lessons learned;
- consider extending the European Airlift Transport Command (EATC) model to other areas.

11. Civilian capabilities

The majority of CSDP missions are of a civilian nature. Generating **civilian capabilities** remains a priority, as well as a challenge, due notably to the shortages of personnel in specialised profiles.

In the multifaceted civilian area, political awareness and commitments by the many national ministerial stakeholders involved are essential. The EU continues to support Member States' central role in improving and streamlining national mechanisms and procedures to recruit specialised civilian personnel for CSDP.

Some positive steps were taken, for instance: the increasing number of Member States with a **national strategy** or equivalent to foster national capacity building for CSDP missions; and progress made in establishing **national budget lines for civilian crisis management**.

The implementation of the **multi-annual Civilian Capability Development Plan** agreed last year usefully helps Member States' address gaps and ensure that the required capabilities will be available, whilst aiming at the most efficient use of scarce resources. A number of concrete activities are underway:

First of all, the on-going mapping of Member States' niche capabilities provides a picture of national units and/or specialised teams' readiness for CSDP deployment. Furthermore, we continue to engage the **European Gendarmerie Force**. Their participation in the exploratory mission to Mali has been effective. A formal declaration is expected by the end of this year, which will facilitate appropriate support when rapid deployment of robust policing assets is at stake.

As **internal and external security aspects** are increasingly interlinked, we continue to strengthen ties between CSDP and the area of Freedom/Security/Justice so as to foster a greater understanding of respective objectives and ensure mutual benefits (including Rule of Law capabilities provided to CSDP missions). Exchange of information needs to continue to stimulate the political awareness and allow for identifying added value and avoiding overlap.

In terms of concrete work, we are encouraging the greater involvement of **EU Agencies** (EUROPOL, FRONTEX) in CSDP missions and EU external relations in general to benefit from their high expertise. The close association of FRONTEX in the planning and launching of the civilian mission EUBAM Libya is a recent example of this co-operation. Additionally, based on the successful experience of EUFNAVFOR ATALANTA with the circulation of data collected via **Interpol's** channels, we are exploring the possibility for a cooperation agreement with the latter organisation for CSDP operations and missions.

Way forward:

- call for renewed efforts in generating civilian capabilities for CSDP;
- continue work on strengthening the ties between CSDP and FSJ and explore ways to enhance support of EU Agencies and Interpol to CSDP.

Cluster 3: Strengthening Europe's defence industry

The European Commission published a Communication on “Towards a more competitive and efficient defence and security sector” on 24 July. The Communication highlights a set of measures to reinforce the EDTIB and is complementary to the actions outlined in the following cluster.

12. Making a more integrated, sustainable, innovative and competitive EDTIB a reality

A strong, healthy and globally competitive **European Defence and Technological Industrial Base (EDTIB)** is a prerequisite for developing and sustaining defence capabilities and securing the strategic autonomy of Europe. It is also an invaluable part of Europe's wider economy. In 2011 Europe's Aerospace and Defence Industries generated a turnover of €172 billion and 734,000 direct jobs, and invested €16 billion in R&D.

Declining defence budgets, combined with the fragmentation of European demand and supply requirements jeopardise the **sustainability of this industry**.

The concerted effort of all stakeholders (Member States, industry and the European Institutions) is required to safeguard the future of Europe's defence industrial base. This is particularly important for Member States whose investment decisions in 21 defence R&T, demonstrators and programmes shape the industry's future. Without substantive and strengthened cooperation at European level, including through programmes, there will not be an EDTIB in the future.

Apart from a few notable exceptions, **no European government alone can launch major new programmes**: the necessary investments are too high and the national markets are too small. With defence budgets under pressure, further market-driven industrial restructuring and consolidation is inevitable. The evolution of Europe's defence supply chain needs to be monitored at European level in order to maintain and develop the key industrial skills and competences necessary to meet future military capabilities. Having established the key skills at risk, there is a need to link available funding to the education providers (both civil and military). To achieve this it is proposed to create a strong, dynamic and coordinated “Defence Skills Network” between the key stakeholders.

The whole **defence supply chain** is of importance: from the prime contractor supplying systems-of-systems, through the range of intermediate suppliers to Small and Medium Enterprises (SMEs). **SMEs are increasing in importance as a source of innovation and act as key enablers for competitiveness**, even more so when part of a cluster. The EDA Steering Board in March endorsed an SME Action Plan, which will promote synergies across the whole European supply chain, with a particular focus on dual-use

activities. Commission support will be crucial in these joint initiatives. Feedback from the Member States on the interim report has shown a keen interest in enhancing support to SMEs.

EDA is developing, in close cooperation with its Member States and the European Commission, a **market monitoring mechanism** to provide objective data on the entire European Defence Equipment Market (EDEM), which will support the consideration of additional measures and initiatives to promote the global competitiveness of the EDEM. Active support and contributions from all stakeholders will be essential to ensure the pertinence, comprehensiveness and efficiency of this initiative.

Security of Supply is intrinsically linked to an effective EDTIB as it underpins successful collaboration and operational autonomy. In view of this Member States are working with EDA on concrete measures to increase both short- and long-term Security of Supply, whether related to supply chains, European non-dependencies, raw materials, or investments in key industrial and technological capabilities. Commission work to optimise the use of the Intra-Community Transfer Directive 2009/43/EC will also support in this respect. In addition, there is scope for the Commission to assist Member States in exploiting the possibilities offered by the Defence and Security Procurement Directive (2009/81/EC).

Member States are also looking at ways to enhance their **political commitment** by strengthening the Framework Agreement on Security of Supply adopted by the EDA Steering Board in 2006 to assist and expedite each other's defence requirements, involve industry in this work and exchange information on existing national regulations on control of strategic assets. This enhanced political commitment, supported by the EDA acting as a clearing house, would be an important step forward.

Member States are working with EDA on tangible measures in the areas of **standardisation, military airworthiness and certification**. This will benefit governments and industry alike by reducing the costs of testing for certification, as well as promoting mutual acceptance of results, and supporting interoperability. A closer and stronger support by the EU Standardisation Agencies to Military standardisation activities would generate efficiencies and synergies. While military airworthiness remains a national prerogative, there would be benefits in harmonising airworthiness standards based on achievements to-date and maximising synergies between EDA and EASA, starting with certification of RPAS. A continuous political commitment is required to make a step change in this domain.

Standardisation and the mutual recognition of processes and results are key enablers for making Pooling & Sharing a reality. In 2008 EDA received a ministerial mandate for the development of **military airworthiness regulation requirements**, and

significant progress has been achieved. By working together, the military community could develop a coordinated European approach similar to that in the civilian aviation safety sector.

Way forward:

- encourage further efforts to strengthen the EDTIB, to ensure that it is able not only to meet the equipment requirements of Member States and their security of supply and freedom of action, but also remains globally healthy and competitive and stimulates jobs, innovation and growth;
- recognize the role of SMEs in the defence supply chain; enhance support to SMEs;
- encourage further efforts to enhance and broaden support arrangements on security of supply, and encourage further progress on standards, including hybrid standards, certification and military airworthiness.
- incentivise the European defence industry to become more competitive globally including by undertaking collaborative programmes/procurement as a first choice solution with clear deadlines and commitments (e.g. on RPAS).

13. Stimulate synergies between civilian and defence R&T

From 2007 to 2011, defence **Research & Development expenditure** decreased by more than 18% and Research & Technology (R&T) by more than 20%. Moreover defence R&T is fragmented across Member States (more than 85% is still national): pooling resources would generate economies of scale. Strong investment is needed if Europe is to retain its R&T expertise.

Building on the list of **Critical Defence Technologies** elaborated in the EDA framework, the technologies that need to be developed at the European level for defence, space, and the civil sector should be identified on a systematic basis to underpin long-term planning of European R&T. It will also ensure that Europe is addressing the challenge of technology non-dependence at the strategic level. On this basis:

- Member States should be encouraged to commit to multi-annual investment in defence R&T through cooperation;
- the content and modalities of the **Preparatory Action on CSDP Research** should be prepared together between the European Commission, EDA and the Member States;

- if Member States so wish, a ‘Critical Defence Technology’ **funding programme** by Member States could be launched to fund defence technology research that matches the Commission’s proposed Preparatory Action on CSDP research. This joint initiative could allow for preparing the next generation of capabilities. It could fund projects that apply a multi-disciplinary approach through technology research. With a substantial budget for 2014-2020, the fund could lay the basis to develop innovative technologies that address current and future operational needs for the armed forces.

Because technology is increasingly dual-use in nature, there is considerable potential for **synergies between civil and defence research**. The European Framework Cooperation, which coordinates and complements security and defence research work between the Commission, ESA and EDA, has proved its worth. These synergies should be exploited in a more systematic manner under the Horizon 2020 Research Programme.

The **pre-commercial procurement scheme** can provide a way forward for the development of mature technologies: pooling civil and military requirements for technologies that are needed both for defence and civil applications can lead to the procurement of common prototypes. Joint procurement would enhance interoperability and common standards. This is an area where co-funding between security and defence research can yield promising results.

A **comprehensive research strategy** could exploit synergies between national dual-use programmes and European research, in areas such as RPAS, cyber security, space, maritime security, green energy and for the key enabling technologies. As requested by EU Ministers of Defence in April 2013, this should lead to a more cooperative and integrated approach in support of Research and Technology. Among the options to consider are: access to EU instruments for dual-use research activities (Horizon 2020, in particular the Programme on Key Enabling Technologies, and European Structural Funds); jointly funded R&T activities on the basis of the article 185 TFEU; and public-private partnership via the establishment of a joint undertaking on the basis of article 187 TFEU.

Since defence R&T carries risk due to uncertainty on the return of investment, **innovative funding solutions** should be explored for attracting private funding.

This approach should not be an excuse to reduce defence budget allocations, but rather to focus budget efforts toward the Critical Defence Technologies that need to be maintained and developed at the European level, and to maximise the impact of investment.

Way forward:

- encourage Member States to commit to the necessary levels of investment in R&T to support the capabilities of the future, and to do so increasingly through cooperation where this provides benefit. This could be further enhanced through joint research programmes with the European Commission through common funding with Member States; and/or Pre-commercial procurement and joint undertakings that leverage public-private funding.
- endorse a comprehensive research strategy to exploit synergies between national dual-use programmes and European research.
- consider how to stimulate innovative funding solutions for stimulating private funding in defence R&T.
- launch a ‘Critical Defence Technology’ programme to fund Technology research for 2014-2020, that matches the Commission CSDP research.
- support a Preparatory Action from the Commission on CSDP-related Research, seeking synergies with national research programmes.

III. The way forward

“The strategic, military and economic cases for defence are, for me, quite clear. What we need to make sure we have got is political will from the very top”.

HRVP/Head of the Agency Speech at the EDA annual conference, Brussels,
21 March 2013

On the basis of a common understanding of the strategic context, the December European Council offers the opportunity to provide **strategic direction for the further development of CSDP and defence cooperation in Europe** in accordance with the **Lisbon Treaty**. The discussion on the interim report has shown strong support for **a more regular reappraisal** of security and defence issues by the Heads of State and Government.

Three elements are of particular importance:

- first, there is a need for **concrete deliverables** by December. This needs to materialize first through commitments to capability projects. The Council of 18 and 19 November and the EDA Steering Board provide an opportunity for such commitments;
- second, **task further development** in particular areas;

- and third, a **robust follow-up process** is required, to monitor progress, sustain momentum, and provide renewed impetus.

As part of the follow-up process, and if Member States so wish, work could start on more clearly defining the **strategic role of the EU** in view of the evolving context and following the entry into force of the Lisbon Treaty.

On the basis of the preceding chapters, what follows are elements resulting from the preparatory work which could be considered by the Heads of State and Government:

- express a **strong commitment to defence cooperation** in Europe to further enhance the Common Security and Defence Policy;
- fully grasp the occasion to **communicate to the wider public** that “security and defence matter”;
- endorse and give renewed impetus to a strategically coherent and effective use of EU instruments through the **comprehensive approach**;
- continue developing the **partnerships with the UN and NATO** focusing on stronger complementarity, co-operation and coordination;
- further encourage and facilitate **contributing partners’ support to CSDP**: partners enable the EU, and the EU enables partners. Agree to develop appropriate instruments to engage in supporting the national security services of EU partners (transparency, accountability and capacity building);
- emphasize the critical importance to European security of **cyber and space** networks and **energy security**; support the development of an EU Cyber Defence Policy Framework;
- support work towards a **maritime security strategy**; call for a more comprehensive approach to help Third States and regions better manage their **borders**;
- call for **further improvements in rapid response**: rapid civ-mil assessment; rapid deployment of civilian missions including its financial aspects; endorse a new approach to EU’s rapid response assets including the Battlegroups; explore the use of article 44 TEU;
- promote greater **convergence of defence planning** of EU Member States (transparency, information sharing);
- encourage the **incorporation of pooling and sharing** into national defence planning;

- **harmonize requirements** covering the whole life-cycle;
- call for the development of **a strategic Defence Roadmap** for systematic and long-term defence cooperation, setting out specific targets and timelines;
- decide on **incentives for defence cooperation in Europe**, including of a fiscal nature (e.g. VAT); ring-fence cooperative projects from budget cuts;
- explore **innovative financing arrangements** (PFI/PPP);
- commit to **specific capability projects**: AAR, RPAS, Cyber and Satellite communications; implement roadmaps; and consider tasking work to be done on other key capabilities such as air transport and satellite high resolution imagery;
- renew efforts in generating **civilian capabilities for CSDP** and pursue efforts to strengthen the ties between CSDP and Freedom, Security and Justice (FSJ);
- encourage further efforts **to strengthen the EDTIB**, to ensure that it is able to meet the equipment requirements of Member States, remain globally competitive and stimulate jobs, innovation and growth;
- recognize **the role of SMEs** in the defence supply chain; enhance **support** to SMEs;
- encourage further efforts to enhance and broaden support arrangements on **security of supply**, and encourage further progress on **hybrid standards, certification and military airworthiness**;
- **incentivise the European defence industry** to become more competitive globally, including by undertaking collaborative programmes/procurement as a first choice solution;
- encourage Member States to commit to the necessary levels of **investment in R&T** to support the capabilities of the future, and to do so increasingly through cooperation. This could be further enhanced through joint research programmes with the European Commission through common funding with Member States; and/or pre-commercial procurement and joint undertakings that leverage public-private funding;
- endorse a **comprehensive research strategy** to exploit synergies between national dual-use programmes and European research.
- decide on innovative funding solutions for **stimulating private funding** in defence R&T;

- support a **Preparatory Action** from the Commission on CSDP-related Research, seeking synergies with national research programmes;
- agree on a **robust follow-up process**, to monitor progress, sustain momentum and provide renewed impetus at regular intervals, on the basis of input from the High Representative/Head of the Agency;
- consider launching a **European defence reporting initiative** to synchronise budget planning cycles and set convergence benchmarks, a “European semester on defence” in all but name.

Report on the implementation of the CSDP, Maria Eleni Koppa, MEP, Rapporteur

Motion for a European Parliament Resolution on the implementation of the Common Security and Defence Policy (based on the Annual Report from the Council to the European Parliament on the Common Foreign and Security Policy)

31 October 2013, 2013/2105/INI

The European Parliament,

- having regard to the Annual Report from the Council to the European Parliament on the Common Foreign and Security Policy, in particular the parts concerning the European Security and Defence Policy (14605/1/2012 - C7-0000/2013),
- having regard to Articles 2, 3, 21, 24 and 36 of the Treaty on European Union (TEU),
- having regard to Title V TEU and to the Treaty on the Functioning of the European Union (TFEU),
- having regard to the European Council conclusions of 14 December 2012,
- having regard to conclusions of the Inter-Parliamentary Conference for the Common Foreign and Security Policy and the Common Security Defence Policy of 6 September 2013,

- having regard to the European Security Strategy entitled ‘A Secure Europe in a Better World’, adopted by the European Council on 12 December 2003, and to the report on its implementation entitled ‘Providing Security in a Changing World’, endorsed by the European Council on 11-12 December 2008, having regard to the Council conclusions on Common Security and Defence Policy of 1 December 2011 and of 23 July 2012, as well as to the Council conclusions on pooling and sharing of military capabilities of 23 March 2012,
- having regard to the Council conclusions on maritime security strategy of 26 April 2010.
- having regard to the Council conclusions on Critical Information Infrastructure Protection of 27 May 2011 and to the previous Council’s conclusions on cyber security,
- having regard to the Code of Conduct on Pooling and Sharing adopted by the EU defence ministers on 19 November 2012,
- having regard to the Commission Communication of 24 July 2013 entitled ‘Towards a more competitive and efficient defence and security sector’ (COM(2013)0542), having regard to Directive 2009/43/EC of the European Parliament and of the Council of 6 May 2009 simplifying terms and conditions of transfers of defence-related products within the Community,
- having regard to Directive 2009/81/EC of the European Parliament and of the Council of 13 July 2009 on the coordination of procedures for the award of certain works contracts, supply contracts and service contracts by contracting authorities or entities in the fields of defence and security, and amending Directives 2004/17/EC and 2004/18/EC,
- having regard to its resolution of 12 September 2013 on the maritime dimension of the Common Security and Defence Policy and on the EU’s military structures: state of play and future prospects, of 22 November 2012 on the implementation of the Common Security and Defence Policy, on the EU’s mutual defence and solidarity clauses: political and operational dimensions⁶, on the role of the Common Security and Defence Policy in case of climate-driven crises and natural disasters, and on Cyber Security and Defence, of 14 December 2011 on the impact of the financial crisis on the defence sector in the EU Member States, of 11 May 2011 on the development of the common security and defence policy following the entry into force of the Lisbon Treaty and of 23 November 2010 on civilian-military cooperation and the development of civilian-military capabilities,

- having regard to its recommendation to the High Representative of the Union for Foreign Affairs and Security Policy and Vice-President of the European Commission, to the Council and to the Commission of 13 June 2013 on the 2013 review of the organisation and the functioning of the EEAS and to the EEAS Review 2013 presented by the High Representative in July 2013,
- having regard to the report of 15 October 2013 by the High Representative/ Vice-President of the Commission on the Common Security and Defence Policy,
- having regard to the EEAS report on the revision of CSDP crisis management procedures, adopted by the Political and Security Committee (PSC) on 18 June 2013,
- having regard to the Charter of the United Nations,
- having regard to Rule 119(1) of its Rules of Procedure,
- having regard to the report of the Committee on Foreign Affairs (A7-0360/2013).

European security and defence in a changing world

1. Notes the significant and ongoing changes in the geopolitical environment characterised by multidimensional and asymmetric threats, by transnational terrorism, by the rise of emerging powers and a strategic shift in attention by the US towards the Pacific region, by increased poverty, hunger and instability in the EU's southern neighbourhood, by growing maritime security challenges, by the proliferation of weapons of mass destruction and increased illicit trafficking of small arms and light weapons, by challenges in energy security, and by major systemic financial failure and a severe and long-lasting financial and economic crisis with a major impact on the GDP of many EU Member States and, consequently, on national defence budgets on both sides of the Atlantic;

2. Believes that reassessing and strengthening Europe's role in the world constitutes one of the major challenges of the 21st century and that the time has come for the Member States of the Union to show the political will needed for making the EU a relevant global actor and security provider with real strategic autonomy; considers that a change of mindset on the part of Member States is required in order to anchor a European approach to a committed and effective security and defence policy;

3. Welcomes, therefore, the European Council decision to hold a discussion dedicated to security and defence at the December 2013 Summit; considers that this provides a

timely opportunity to underline at the highest political level and to communicate to the public in Europe that security and defence issues still matter and that the European dimension is more relevant than ever; strongly believes that the EU needs to be able to provide security for its citizens, to promote and defend its fundamental values, to assume its share of responsibility for world peace and to play an effective role in preventing and managing regional crises in its wider neighbourhood, contributing to their resolution and protecting itself against the negative effects of these crises;

4. Welcomes also the report by the High Representative/Vice-President of the Commission on the CSDP, which pinpoints a number of obstacles which the policy faces; deplores the fact, however, that the report does not propose more in the way of measures aimed specifically at remedying the shortcomings of the CSDP;

5. Looks forward to substantive decisions being taken at the December Summit and puts forward its own recommendations with this report, building upon relevant positions taken by Parliament in the recent past and paying close attention to the ongoing debate on the three main issues (clusters) identified by the December 2012 European Council;

Unleashing the potential of the treaties

6. Notes that the Lisbon Treaty introduced several new instruments in the area of the Common Security and Defence Policy (CSDP) which have not yet been put into practice;

7. Emphasises in this regard the possibility of establishing permanent structured cooperation (PESCO) among Member States (Article 46(6) TEU), of entrusting CSDP instruments and military planning and conduct capabilities in particular to that group of Member States (Articles 42(5) and 44(1) TEU), and of establishing a start-up fund for preparatory activities for missions which are not charged to the Union budget (Article 41(3) TEU) and are not incorporated into the ATHENA mechanism; calls, therefore on the President of the European Council and the Vice-President/High Representative to establish the start-up fund; highlights in this context the importance of mainstreaming CSDP matters into those EU policies which have a multifaceted impact on security and defence or contribute to CSDP, such as development and human rights, industrial research and innovation, internal market, international trade and space policies and others, in order to support those Member States which are engaged in further strengthening the CSDP;

8. Stresses the importance of these commonly agreed provisions for the development of the CSDP and calls on the European Council to conduct a serious discussion about their implementation in a coherent manner; calls on the President of the European

Council, the President of the Commission and the Vice-President/High Representative (VP/HR) to play an active role in this process;

First cluster: increase the effectiveness, visibility and impact of the CSDP

9. Points out that, according to the Treaties, the EU's aim is to promote peace, its values and the well-being of its peoples (Article 3 TEU) and that its action on the international scene seeks to consolidate and support democracy, the rule of law and human rights, and to 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 TEU); is convinced that the CSDP serves these aims and underlines the need to upgrade it;

10. Stresses that the main asset of the European Union is the availability of various policies and instruments, combined through the 'comprehensive approach', and that it is possible to achieve better results at all levels by better integrating the CSDP into this approach; welcomes in this respect the review of the organisation and functioning of the EEAS published by the VP/HR in July 2013, which recognises the problems of coordination and those related to the speed and effectiveness of decision-making in the area of the CSDP; looks forward to specific decisions being taken at the December Summit and expects the further integration of the CSDP to be analysed thoroughly in the upcoming joint Communication by the VP/HR and the Commission on the implementation of the comprehensive approach;

11. Reiterates its conviction that although elements of the 2003 European Security Strategy, as supplemented in 2008, remain valid, the EU needs to review and to complement this strategy by taking recent developments and the new array of security challenges and risks into account and redefining its strategic interests, objectives and priorities, with a greater emphasis on the protection of its citizens, the defence of critical infrastructures and its neighbourhood, and by dovetailing the different regional and topical sub-strategies; believes that such an exercise will provide a clearer strategic framework for external action by the EU, enhance consistency and, at the same time, communicate better to the citizens the challenges and risks facing them in the future; requests therefore that the European Council launch a debate on the appropriate strategic framework for the Union, mandate the VP/HR to come forward with proposals in this respect before the end of 2014 and ensure sustainable follow-up, subject to regular updates, as primarily defined in the context of the European Security Strategy;

12. Calls for the review of the EU strategic framework to form the basis for a White Paper on EU security and defence policy and suggests that the European Council could set the necessary process in motion; urges the EU Member States, furthermore, to give serious consideration to the European dimension in their national security strategies, White Papers and decision-making in the field of defence; calls on the VP/HR to develop a common template for the shaping of concurrent national reviews;
13. Points to the need to ensure that the EU is in a position to contribute, by means of crisis management operations, to conflict prevention, stabilisation and resolution;
14. Believes that the introduction of a mutual defence clause and a solidarity clause by the Treaties (Article 42(7) TEU and Article 222 TFEU) reinforces the sense of common destiny among European citizens; reminds Member States that only in a spirit of commitment, mutual understanding and genuine solidarity will the Union be able to fulfil its global role, thus enhancing the security of Europe and that of its citizens; commends, therefore, the Commission and the European External Action Service (EEAS) for the Joint Proposal on the arrangements for the implementation by the Union of the solidarity clause and calls on the Heads of State and Government to reaffirm their commitment to mutual solidarity and to provide a clear operative interpretation of the two clauses;
15. Notes with concern that the number and timeliness of CSDP missions and operations, and the development of civilian and especially military means and capabilities for the CSDP, fall short of what is required, given the EU's increasingly insecure and unstable neighbourhood; deplores, in particular, the limited overall scope of the CSDP missions related to the crises in Libya and Mali and regrets the lack of flexibility within the Union's decision-making procedures which account for delayed effective responses in crisis scenarios, as the two examples illustrate; calls for the situation to be monitored and for the operational engagement in Eastern Europe and the Southern Caucasus, which has yielded positive results, to be maintained; calls for greater ambition and serious efforts to improve the design of future CSDP missions and operations under a 'lessons learned process' and to develop appropriate exit strategies; invites the VP/HR to steer this process and welcomes in this respect her report published on 15 October 2013 as an important step on how to make the CSDP more effective and proactive;
16. Emphasises the need to enhance the visibility of European crisis management and to place all efforts under the CSDP, making use, where appropriate, of the provision in Article 44 TEU for a Council decision entrusting the implementation of a task to a group of Member States which are willing and have the necessary capability for such a task;

17. Expresses its concern, based on experience in the recent past, that the comprehensive approach to crisis management has not yet reached its full potential; considers that missions and operations are more meaningful when they are embedded into a regional strategy, as the positive example of the Horn of Africa demonstrates; takes note of the 'Suggestions for crisis management procedures for CSDP crisis management operations' endorsed by the Member States on 18 June 2013;

18. Asks that the functional problems of civilian CSDP missions, notably regarding the speed of deployment and staffing, be tackled by reviewing their legal and financial framework, which often complicates the decision-making process and leads to delays; calls for an increase in the number of qualified and politically independent strategic planners, which is too small in comparison to the number of missions; further asks Member States to create a 'civilian reserve corps' that could be deployed quickly if needed; welcomes in this regard the recently established permanent CSDP warehouse;

19. Recalls its 2001 resolution, which called for the creation of a European Civil Peace Corps; welcomes recent efforts to create a Voluntary Humanitarian Aid Corps within the Commission and a pool of experts in mediation, dialogue and reconciliation within the External Action Service; also welcomes the existence and continuation of the Peacebuilding Partnership between the External Action Service and relevant civil society stakeholders;

20. Stresses the important role of mediation and dialogue in preventing and resolving conflicts peacefully; commends the progress which the EEAS has made in strengthening its mediation capacities and reiterates its support for further enhancing Europe's capacities in this field; believes that Parliament's successful involvement in mediation processes has demonstrated the important role parliamentarians can play in supporting mediation and dialogue processes and intends to further step up its efforts in this field;

21. Proposes the inclusion of human rights and gender advisors in all CSDP missions and encourages the exchange of best practices among CSDP missions to ensure that human rights concerns are fully taken into account and women are fully protected and included in conflict and post-conflict resolution; invites the Council and the EEAS to take further steps to include gender aspects in staff planning for CSDP missions;

22. Highlights the fact that successful military operations require a clear command and control function; reiterates therefore its call for the establishment of a permanent military operational headquarters; notes with regret the lack of progress on this issue and the strong resistance by some Member States; stresses further that an effective CSDP requires adequate early warning and intelligence support; considers, therefore, that these

headquarters should include cells for intelligence gathering and for early warning/situational awareness;

23. Reiterates its support for a provisional solution and draws attention to its proposal to improve the status of the currently active Operations Centre for the Horn of Africa and assist military planning and coordination among those operating on the ground; asks the VP/HR to develop such an option, within the constraints of its current size and infrastructure, in order to optimise the use of existing resources, and to examine the feasibility of widening the geographical area of operations to encompass other important regions; considers that this body should have legal capacity and be assigned the role of coordinating procurement between Brussels and individual mission headquarters, using economies of scale to maximise savings;

24. Notes the fact that EU battlegroups have never yet been deployed and considers that their existence will be difficult to justify over time; stresses that they constitute an important tool for timely force generation, training and rapid reaction; welcomes the decision to address this issue during the December Summit; is convinced that the EU should dispose of high-readiness standing battle forces, with land, air, naval, cyber and special forces components and a high level of ambition; underlines the fact that EU battlegroups should be deployable for all types of crises, including climate-driven humanitarian crisis; favours a more flexible and targeted approach to enhance the response and adaptability to different crisis situations, and to improve modularity in order to close gaps during the initial phases of the launch of CSDP operations without, however, compromising the operational capacity of the battlegroup as a whole;

25. Highlights the fact that greater efforts should be made to integrate at EU level initiatives such as the Eurocorps and the European Air Group;

26. Confirms that the existing financial system of 'costs lie where they fall' constitutes a serious problem for the CSDP, leading to delays or complete blockages in decision making, notably on the quick deployment of battlegroups; recommends that Member States agree on an EU financing mechanism based on burden-sharing for the use of battlegroups under the EU flag, in order to give them a realistic future; also calls – in the interests of consistency and efficiency – for the EEAS to be given control over the financial instruments linked to the crisis management measures that it plans and carries out; expects the VP/HR and interested Member States to put forward concrete proposals in this respect;

27. Expresses its concern, furthermore, that the economic and debt crisis may have an impact on the willingness of EU Member States to contribute to CSDP missions and operations, particularly those with military and defence implications; calls therefore for extension of the scope of the ATHENA mechanism and use of the start-up fund (Article

41(3) TEU) to ensure the rapid financing of urgent tasks; stresses, however, that even if the CSDP needs to be reenergised, this should be done in accordance with budgetary constraints;

28. Invites Member States to exploit the possibilities offered by PESCO and to start implementing this Treaty provision in order to tackle the prevailing 'CSDP fatigue' and deepen military cooperation and integration; calls on the European Council to deliver clear guidelines for its implementation and invites Member States that are not interested to act constructively; stresses that the possibility of joining at a later stage should be left open in order to ensure flexibility and to avoid a two-speed Europe;

29. Points out that the EU has a vital interest in a secure and open maritime environment that allows the free passage of commerce and the peaceful, legal and sustainable use of the oceans' riches; stresses the need to develop an EU maritime foreign policy which aims at protecting and preserving critical infrastructure, open sea routes and natural resources and puts an emphasis on the peaceful resolution of conflicts, within the context of international law and in line with the provisions of the UN Convention on the Law of the Sea; looks forward to the adoption of the EU Maritime Security Strategy, in line with the April 2010 Council conclusions, and calls for the development of a specific implementation plan; points out that the integration of maritime surveillance across sectors and borders is already a cross-sectoral tool of the EU Integrated Maritime Policy (IMP); highlights the importance of swiftly implementing the Common Information Sharing Environment project and building a 'bridge' between the IMP and the CSDP to improve information sharing between them;

30. Underlines the need to prevent the militarisation of regions like the Arctic and stresses the need to use peaceful means of conflict resolution, including trade instruments;

31. Requests that the European Council reconfirm the importance of space, which underpins the strategic autonomy of the EU and its Member States and the potential to gain autonomous access to space by developing launchers and satellites; reiterates the importance of gathering precise intelligence for both civil and military CSDP missions and operations; emphasises in particular the role of space-based assets in the field of conflict prevention and crisis management before, during and after a crisis; invites the Commission to develop a specific policy to support the development of multiple-use space assets;

32. Reiterates the growing importance of tackling cyber security threats; invites the European Council to develop guidelines for the implementation of the EU Cyber Security Strategy and to take concrete measures regarding the protection of cyber infrastructure, and investing in enhancing EU-wide cooperation on crisis management procedures, cyber exercises, training and education; calls on the Commission and the

VP/HR to ensure that cyber-security policy is enacted in a cross-sectoral manner, so as to ensure adequate bridging arrangements between the EU's internal and external security policies, and on all Member States to develop or finalise their respective national Cyber Security Strategies and to aim for a greater degree of synchronisation at Union level;

33. Asks the European Council to reaffirm the significance of Europe's energy supply and a diversified and sustainable access to energy resources; notes that some Member States lack the capacity to diversify their energy supplies and are thus becoming increasingly vulnerable; in this respect, strongly supports the collaborative efforts of Member States in crisis situations; stresses that the protection of critical infrastructure in Europe should activate the mutual defence and/or solidarity clause; notes also that operation ATALANTA is already performing an energy security role by combating pirates who have hijacked a number of oil tankers since 2008; believes, therefore, that these aspects need to be part of the necessary strategic approach; emphasises, in this connection, that energy supply is a crucial factor for successful CSDP missions and operations;

34. Underscores the importance of energy efficiency in the field of defence, in particular, stressing the need to assess the impact of energy consumption on defence budgets and military effectiveness and develop a comprehensive energy efficiency strategy for the armed forces;

35. Underlines the importance for the EU to further develop partnerships and deepen its security dialogue with the UN, regional organisations and relevant players, including Eastern Partnership and Southern Neighbourhood countries;

36. Points out that the EU should further engage with the UN, the African Union, the OSCE and ASEAN in order to share analysis and cooperate in addressing the challenges of environmental policy and climate change, including their security implications; underlines the need for preventive action and urges the EU to develop and improve early warning capabilities;

37. Calls for stronger cooperation between the EU and NATO structures through a complementary approach and closer coordination in order to help avoid duplication between the two partners and to effectively tackle the new threats; is convinced that strengthening the CSDP does no harm to, and indeed reinforces, collective security and transatlantic links; asserts that the development of defence capabilities within an EU context also benefits NATO; notes the constructive collaboration regarding the EU's pooling and sharing initiative and NATO's smart defence initiative; welcomes the Republic of Cyprus's intention to join NATO's Partnership for Peace Programme, which can be a game changer, and urges Turkey to adopt an equally constructive attitude; urges the development of a comprehensive framework for EU-NATO cooperation and the deepening of political dialogue with full respect for the decision-making of each party;

38. Takes the view that the EU needs to be able to act autonomously, particularly in its own neighbourhood, but always in line with the provisions of the UN Charter and ensuring full respect for international humanitarian law;

Second cluster: enhance the development of defence capabilities

39. Echoes concerns that further cuts in national defence budgets will make it impossible to maintain critical military capabilities and will result in the irreversible loss of know-how and technologies; notes that the shortfalls in Member States' capabilities became apparent during the operations in Libya and Mali and that the economic crisis has exacerbated existing structural problems; reiterates its view, however, that the problem is less of a budgetary nature than of a political one;

40. Notes the proposals put forward by the VP/HR in her October 2013 report on the CSDP, in particular those intended to create incentives, including tax incentives, for cooperation in the defence capability field; stresses the opportunity for Member States to enjoy the full benefits of working closer together to generate military efficiency and to decide to optimise and spend scarce resources in a better and smarter way, by creating synergies and by a coordinated reduction of unnecessary duplication, redundant and obsolete capabilities;

41. Welcomes the ongoing revision of the Capability Development Plan as the basis for a long-term joint transformation concept for capability-building; believes that this transformation concept should be discussed regularly and its implementation streamlined and, as appropriate, reviewed;

42. Draws attention to the mission of the European Defence Agency (EDA), as provided for in Articles 42(3) and 45 TEU, according to which the Agency is entrusted with important tasks in terms of implementing permanent structured cooperation, formulating a European capabilities and armaments policy, developing the military capabilities of Member States and strengthening the industrial and technological base of the defence sector, but without financial implications for the EU budget;

43. Considers that, although not a panacea, the pooling and sharing of military capabilities constitutes an important response to shortfalls in European capabilities; welcomes the facilitating role of the EDA and the progress achieved so far; believes that pooling and sharing should not only be considered in terms of joint sourcing, but also in terms of integration, and should cover the shared maintenance and utilisation of capabilities;

44. Calls for the European Defence Agency (EDA) to be given a stronger role in coordinating capabilities, with a view to ending duplication and the existence of parallel programmes in the Member States, which place an excessive burden on taxpayers;
45. Invites the EU Member States to improve information-sharing on defence planning and, in line with the Code of Conduct on Pooling and Sharing, to include pooling and sharing solutions in national defence planning cycles and decision-making processes;
46. Stresses that mutual trust, transparency and reliability are key factors for the success of any common endeavour in the area of security and defence; is convinced that the development of defence capabilities must be embedded into a strategic approach that determines the appropriate mix of capabilities and the goals for which they should be used;
47. In the light of the above, expects the upcoming Defence Summit:
 1. to provide political and strategic guidance, reconfirming the Member States' commitment to capability development and the level of ambition outlined in the 2008 Declaration on Strengthening Capabilities;
 2. to set the foundations for truly collective planning, ranging from strategic planning to procurement and technological development, whilst paying particular attention to the issues of financial arrangements and incentives;
 3. to step up the implementation of existing projects, particularly those regarding strategic enablers, and to provide political support for the EDA's flagship projects, i.e. Air-to-Air Refuelling, Satellite Communication, Remotely Piloted Aircraft Systems, Cyber Defence, and the Single European Sky;
 4. to task the VP/HR and the EDA, in tandem with the Commission, to come forward with new practical proposals regarding the development of defence capabilities by the end of 2014;
 5. to establish a monitoring process which regularly assesses the progress achieved;
 6. to reiterate the value of closer collaboration with NATO and strategic partners in the capabilities' development domain;
 7. to consider launching development work on a Military Headline Goal 2025, possibly complemented by an Industrial Headline Goal;

Third cluster: strengthen Europe's defence industry

48. Welcomes the Commission Communication entitled 'Towards a more competitive and efficient defence and security sector', which brings forward some fresh ideas and proposals; fully supports the Commission's efforts to deepen the internal defence and security market and to develop a defence industrial policy, providing adequate support for SMEs which play a key role in innovation, R&D, job creation and economic growth, in line with the Europe 2020 Strategy;

49. Underlines the fact that strengthening the technological and industrial base of the defence sector is an objective of the Union enshrined in Articles 42(3) and 45 TEU; stresses that a solid European Defence Technological and Industrial Base (EDTIB) which is able to sustain CSDP and further enhance Europe's military capabilities, whilst preserving the EU's strategic autonomy, is crucial for an effective European defence; highlights the link between research, industry and capability development, which are all necessary elements for economic growth, job creation and competitiveness, as well as for a stronger CSDP;

50. Reiterates the need for a strong and less fragmented European defence industry that is capable of sustaining the CSDP and enhancing the EU's strategic autonomy; highlights the importance of certification and standardisation for improving the interoperability of the armed forces; calls on the European Council to mandate the EDA to prepare a roadmap for the development of defence industrial standards, and on the Member States to streamline European certification procedures with the mutual recognition of certificates and to harmonise their certification procedures;

51. Stresses that the anticipation and management of change and restructuring are an integral part of any industrial policy; considers, therefore, that further market integration in the defence sector must go hand in hand with active social dialogue and the mitigation of its negative impacts on regional and local economies, making full use of EU financial instruments, such as the European Social Fund and the European Globalisation Fund;

52. Calls on the European Council to take action in these areas through sound financing of R&D, including at Union level; supports the development of effective and cost-efficient cooperation between civilian security and defence research activities; stresses, however, the continued need for an effective dual-use export regime;

53. Stresses the need to ensure new sources of financing for research and innovation in the defence field, e.g. through Horizon 2020;

Concluding remarks

54. Fully supports holding a debate on the three clusters at the December Defence Summit; highlights their equal importance and the fact that they are interlinked by an inherent logic serving the same strategic goals;

55. Calls on the European Council, as well as policymakers at all levels in the Member States of the Union, to show greater ambition and courage in launching a public debate, this being even more important in times of economic austerity; stresses the need to invest more and step up cooperation in the area of security and defence, and to explain the causal nexus between security and defence on the one hand, and freedom, democracy, rule of law and prosperity on the other;

56. Stresses the indivisible link between internal and external security and that a peaceful, secure and stable environment is a precondition for preserving the political, economic and social model in Europe;

57. Expresses its high hopes that this European Council will not be an isolated event, but the starting point of a continuous process that revisits security and defence matters at European Council level on a regular basis; favours, as a follow-up to the European Council, the establishment of a roadmap with specific benchmarks and timelines, and a reporting mechanism; advocates the creation of a Council of Defence Ministers in the medium term in order to give security and defence matters the weight they deserve;

58. Resolves to maintain and strengthen closer links with the Member States' national parliaments through regular meetings in order to promote dialogue and exchanges of views on matters of security and defence;

59. Believes that the CSDP is a basic pillar of the European integration process;

60. Instructs its President to forward this resolution to the President of the European Council, the VP/HR, the Council, the Commission, the governments and parliaments of the Member States, the Secretary-General of NATO, the President of the NATO Parliamentary Assembly, the Secretary-General of the United Nations, the Chairman-in-Office of the OSCE, the President of the OSCE Parliamentary Assembly, the Chair of the Assembly of the African Union and the Secretary General of ASEAN.

Council conclusions on Common Security and Defence Policy

EDUCATION, YOUTH, CULTURE and SPORT Council meeting

Brussels, 25 - 26 November 2013

The Council adopted the following conclusions:

“1. In today’s changing world the European Union is called upon to assume increased responsibilities in the maintenance of international peace and security, in order to guarantee the security of its citizens and the promotion of its values and interests. To this end, in its conclusions of December 2012, the European Council expressed its commitment to enhancing the effectiveness of the Common Security and Defence Policy as a tangible contribution to international crisis management. In line with these conclusions, the High Representative/Head of the European Defence Agency presented her report with further proposals and actions to strengthen CSDP.

2. The Council welcomes this report as a key contribution to the European Council on security and defence scheduled for December 2013. It stresses the importance of enabling the EU to assume increased responsibilities as a security provider, at the international level and in particular in its neighbourhood, thereby also enhancing its own security and its role as a strategic global actor. The Council believes that the EU through CSDP and other instruments has a strong role to play through its unique comprehensive approach to preventing and managing conflicts and their causes.

It stresses the importance of working with its partners, in particular the UN, NATO, OSCE, and African Union, as well as strategic partners and partner countries in its neighbourhood, with due respect to the institutional framework and decision-making autonomy of the EU. The EU faces long standing and emerging security challenges, within a rapidly changing and complex geostrategic environment, while the financial crisis is posing challenges to the security and defence capabilities of the European countries. It therefore underlines the need to build on the results achieved so far and renew the commitment by Member States to improve the availability of the necessary capabilities and to foster a more integrated, sustainable, innovative and competitive European defence technological and industrial base all across the EU, on which the capabilities of the future depend and which provides jobs, growth and innovation.

3. In this context, the Council underlines that security and defence matter. This should be reflected in our communication strategy to raise public awareness. The Council also underlines the importance of addressing the need to sustain sufficient expenditures

related to security and defence. Furthermore, the Council signals that European interdependence is becoming increasingly paramount and therefore stresses the need to address these challenges together, making the best use of scarce national and Union resources through increased and more systematic cooperation and coordination among Member States, and making coherent and effective use of the EU's instruments and policies. This should contribute to a less fragmented defence sector and to remedying capability shortfalls and avoiding redundancies. In order to effectively support these efforts, consideration should be given to more clearly defining the strategic role and priorities of the EU, also based on its contribution to global security through the comprehensive approach and experience with CSDP missions and operations, taking into account the evolving international context and the entry into force of the Lisbon Treaty.

4. The Council looks forward to the forthcoming discussion among Heads of State and Government providing strategic guidance to strengthen CSDP and deepen cooperation on security and defence in Europe, in accordance with the Lisbon Treaty. The Council strongly supports a robust follow-up process to ensure and monitor concrete progress and sustain the momentum across all three clusters of effectiveness, visibility and impact of CSDP, capability development, and industry and market. As part of this process, it welcomes the analysis of the EU's strategic context set out in the High Representative's CSDP report as a basis for further assessing the EU's challenges and opportunities in the strategic environment and considering priorities for further actions and for regional engagement. It invites the European Council to consider requesting the High Representative to present first high level observations, based on consultations with Member States, in Spring 2015.

The Council will revert to the issue of security and defence, and the concrete proposals and work strands below, by mid-2014 on the basis of a progress report. It further invites the European Council to remain seized of the matter and to provide renewed impetus at regular intervals, on the basis of input from the High Representative, also acting as Vice President of the European Commission, notably through the European External Action Service and the European Defence Agency, as well as the European Commission, all acting in accordance with their respective responsibilities and cooperating closely as required.

Increasing the effectiveness, visibility and impact of CSDP

5. CSDP crisis management missions and operations continue to provide a tangible and effective contribution of the EU to international peace and security. Today the EU deploys more than 7,000 staff, in 12 civilian missions and 4 military operations.

6. The Council welcomes that a number of regional strategies are in place, in particular for the Sahel and the Horn of Africa, to ensure a joined-up approach encompassing security that enhances the overall impact of EU action and delivers enduring results. It underlines the need to elaborate new regional strategies where necessary, or update existing ones, thereby further strengthening the regional perspective and close cooperation between the different CSDP missions and operations in a region. They should also take into account the sustainment of EU actions through for example capacity building of partner countries and regional organisations. The Council confirms the readiness of the EU to consider options for assuming further security responsibilities in the Western Balkans when the conditions are right and in coordination with all the relevant actors.

7. The EU has a uniquely wide array of policies and tools at its disposal – spanning the diplomatic, security, defence, financial, trade, and development fields. This is the EU's main strength at the international level. It is the world's largest trading bloc and, collectively, the biggest donor of development and humanitarian aid. The Council recalls the relevant Treaty provision regarding consistency in external action and with other policies, and the responsibility of the Council and the European Commission to cooperate to that effect, assisted by the High Representative. In order to tackle both long standing and new security threats, the EU needs to apply and further develop its comprehensive approach to all phases of the conflict cycle, from early warning and prevention, through management to stabilization and peace-building. In this context, practical improvements should be prepared for a smooth transitioning of CSDP missions and operations, drawing on the whole array of available EU and Member States' instruments, thereby sustaining progress achieved in the field. The Council supports a renewed impetus to a strategically coherent and effective use of the EU's and Member States' array of instruments, including to improve EU structures' shared awareness and joint situation analysis, using the EU delegations in the field. It looks forward to an ambitious Joint Communication from the High Representative and the European Commission on the EU Comprehensive Approach, forthcoming well ahead of the FAC in December, providing a basis for implementation, e.g. through an action plan, and allowing to make full use of the role of the High Representative who is also one of the Vice Presidents of the European Commission.

8. In this context, the Council recalls as well the important nexus between development and security as developed in the Agenda for Change: there cannot be sustainable development without peace and security, and without development and poverty eradication there will be no sustainable peace. The Council underlines that coherence between security and development, taking into account human rights and human security, both at a policy and an operational level, is a process that requires short-term improvements and longer term action. In this context, it recalls its Conclusions of November 2007 and May 2012, and calls for a swift follow-up of the adoption of the relevant Action Plan.

9. The Council notes that improvements in relation to the CSDP structures and their positioning within the EEAS, as well as in relation to the comprehensive approach including as regards maintaining active EEAS influence on programming of EU external assistance, should be considered in the context of the EEAS Review. It further notes that the revised Crisis Management Procedures also aim at facilitating greater efficiency and better synergies between civilian and military planning. Recalling its Conclusions of December 2011 and July 2012, the Council stresses the need for making optimal use of all the CSDP structures in this regard, and reiterates the importance of adequate resourcing, including civilian expertise, in order for them to be able to deliver on their mandates.

10. The Council stresses that supporting capacity-building of partner countries and regional organizations in crisis situations is crucial to enable them to increasingly prevent or manage crises by themselves. Enabling security forces (armed forces, police, gendarmerie, border management) through training and advice in the framework of CSDP should be complemented by, and may be dependent on, other measures to enhance their functioning by promoting or facilitating that they have adequate and appropriate equipment, resources, salaries and infrastructure. Such efforts should be part of a broader engagement on Security Sector Reform and cannot be separated from EU actions to promote human rights, democracy and good Governance. The Council stresses the need to consider with the recipient country as well as with other international donors, as appropriate, issues of early identification of equipment needs and resources, interoperability and international coherence, maintenance and sustainability, and suitable governance. It agrees that, notwithstanding bilateral assistance by Member States, further work is needed to more systematically address requirements for, and possible limitations to provide, equipment necessary for security forces to be trained effectively and sustainably by CSDP missions and operations, based on the principle of local ownership and in full respect of applicable EU and international rules on arms exports. It calls for concrete steps to improve the coherence and effectiveness of CSDP, wider EU and Member States' actions in this regard, with the aim of allowing for a more effective, systematic and swift mobilization of EU and Member States' instruments to achieve agreed EU political objectives in crisis situations. Such an EU initiative could be applied to a number of countries or regions and has particular relevance in the framework of the EU-Africa summit of April 2014. It invites the High Representative, together with the European Commission, to propose recommendations in the first semester of 2014, including on possible priority areas for concrete implementation.

11. The Council emphasizes that internal and external security dimensions are increasingly interlinked. It underlines the importance to continue to strengthen the ties between CSDP and Freedom/Security/Justice (FSJ) actors, so as to foster a greater understanding of respective objectives and ensure mutual benefits. This will, *inter alia*, help

to cope with important horizontal issues such as illegal immigration, organized crime and terrorism. In this context, the greater contribution of EU agencies (EUROPOL, FRONTEX, CEPOL) as well as of INTERPOL to CSDP should be further accelerated, as appropriate.

12. The Council emphasizes the increasing strategic value of rapid response. To be credible as a security provider, the EU must be in a position to swiftly and effectively assess crises and mobilize its various instruments to address them, preventing and managing conflict. Early warning, advance planning, conflict prevention, regional security strategies and crisis management planning and execution should be more closely linked. It notes that the revised crisis management procedures also facilitate swift action when necessary. Stressing that the Union needs to enhance its ability to plan and deploy the right civilian and military assets rapidly and effectively on the whole spectrum of crisis management operations, the Council:

- a. encourages the EEAS to further improve the planning, conduct and support of civilian missions and in particular to expedite their rapid deployment and early effective delivery on their mandates. To this end, a roadmap has been established to tackle shortcomings. In this context, the Council underlines the importance of its implementation as well as of regular reporting on progress made and urges to continue the efforts towards ensuring early access to financing of civilian deployments and flexibility in using of available resources. Recognizing that political support for CSDP Missions by Member States and host nations is key to their success, the Council also calls for continued work on ensuring ownership, political buy-in and sustainability of results achieved and looks forward to regular reporting on the respective work strands. As regards mission support, the Council looks forward to the early finalization of the recently launched feasibility study on setting up a Shared Services Centre. The Council also underlines the need to take work forward on evaluation of the impact of CSDP missions.
- b. underlines the need for concrete improvements in EU military rapid response capabilities including the EU Battlegroups (EU BGs), with the aim of developing a more flexible, multi-service suite of assets, and related mechanisms for making them available on a voluntary basis. This includes:
 - improving the operational usability/deployability of the EU BGs by strengthening their modularity, while maintaining their core capabilities, in order to make them more adaptable to the entire range of possible crises and crisis management tasks (including training and advice

to third countries), in coherence with the work on the identification of possible additional assets under the EU Rapid Response Concept and stressing that any EU BG on standby should be capable of meeting all the EU BG standards and criteria;

- taking forward the agreed Framework Nation approach to fill the EU BG Roster more systematically, while confirming Member States' continued commitment to the agreed level of ambition;
- improving the role of the EU BGs as a vehicle for transformation, multi-national cooperation and interoperability including through proposals to enhance and streamline the exercises involving EU BGs and improve the certification process;
- more structured involvement of the EU BGs in advance planning including contingency planning;
- the regular use of consultations and exercises at the political level by participants of a EUBG on stand-by, on a voluntary basis, in order to enable political engagement and faster decision-making;
- remaining in close contact with NATO to develop proposals for synergies between the EU and NATO in the field of rapid response where requirements overlap, retain best practices, and avoid unnecessary duplication, as well as preserve and improve when necessary and possible the commonality between standards and criteria, with due respect to the decision-making autonomy of the EU and NATO in this context;
- and agreeing to consider the financial aspects as part of the follow-up to the European Council in view of the next review of the Athena mechanism.

Noting that the financial aspects should be taken forward as a separate work strand, the Council endorses the proposals set out in the EEAS note on EU rapid response capabilities and Battlegroups. It invites the High Representative to further elaborate the proposals with the Member States with a view to a swift implementation.

- c. notes the possibility of looking into the appropriate use of relevant Treaty articles in the field of rapid response, including Article 44 TEU.

13. The Council also encourages further work to enhance cooperation in the field of emergency humanitarian response, in line with internationally agreed guidelines.

14. The Council recognizes the importance of networks in today's globalized world and the need for the EU to engage in all domains – land, air, maritime, space and cyber. It underlines the importance of improving the EU's ability to respond to emerging security challenges and calls for concrete steps, notably:

- a. to implement and take forward the CSDP-related cyber defence aspects of the EU Cybersecurity Strategy in line with the Council conclusions of June 2013, in full respect of the responsibility of Member States in particular regarding protection of critical infrastructure. The Council invites the High Representative, in cooperation with the EDA and the European Commission to present in 2014 an EU Cyber Defence Policy Framework to promote: the development of Member States' cyber defence capabilities, research and technologies through the development and implementation of a comprehensive roadmap for strengthening cyber defence capabilities; the reinforced protection of communication networks supporting CSDP structures, missions and operations; the mainstreaming of cyber security into EU crisis management; raising awareness through improved training, education and exercise opportunities for the Member States; synergies with wider EU cyber policies and all relevant other actors and agencies in Europe such as the EU Agency for Network and Information Security; to cooperate with relevant international partners, notably with NATO, as appropriate;
- b. to adopt by June 2014 an EU Maritime Security Strategy, on the basis of elements provided by a joint Communication from the European Commission and the High Representative to be presented by early 2014, that includes CSDP within a holistic, cross-sectoral and EU values-driven approach, taking into account Member States' contributions and achievements, to enable improved coordination in this field. The Council calls for the subsequent elaboration of action plans to implement the EU Maritime Security Strategy including as regards CSDP, by the end of 2014. It stresses the importance of safeguarding the EU's strategic maritime security interests against a broad range of risks and threats, enhancing EU and Member States' capabilities, and working comprehensively, making optimal use of existing structures and regulatory frameworks, and in coordination with all relevant actors, to respond to maritime challenges in strategic areas;
- c. to continue to develop CSDP support to border management as part of a wider and more joined-up EU approach to help third states and regions better manage their borders, and calls for the finalization of the concept for CSDP support to Integrated Border Management by the end of 2013,

recognizing its possible application to ongoing and future CSDP activities. The Council acknowledges the need to address the Sahel-Saharan region security challenges, including those in Libya. In this context, it invites the High Representative to present by early 2014 an options paper with proposals for further action to support Sahel-Saharan border management, in response to local needs and requirements, building on the concept for CSDP support to Integrated Border Management and taking into account the importance of strengthening the African Peace and Security Architecture, as well as the EU strategy for security and development in the Sahel;

- d. to strengthen the coherence in the EU response to energy challenges in the defence sector, with a focus on fostering cooperation and finding new solutions to promote energy efficiency in Member States' armed forces and EU crisis management operations, involving the Member States, the European Commission and the EDA, and taking into account all relevant EU tools as well as the ongoing work on energy efficiency in relevant other actors;
- e. to ensure the integrity, availability and security of space systems and promoting and working towards the adoption of an international Code of Conduct on outer space activities. The Council emphasizes the need to make optimal use of the EU Satellite Centre, including by effectively addressing requirements for high resolution satellite imagery, including from governmental sources, to support the EU's decision-making and CSDP missions and operations.

15. The Council stresses its commitment to working in close collaboration with its partners. The Union will continue building and operationalizing regional and bilateral partnerships to be able to cooperate in crisis management. Work will continue to be taken forward within the existing framework, as defined by various European Councils and subsequent arrangements and with due respect to the institutional framework and decision-making autonomy of the EU.

In light of this, the Council:

- a. supports maximizing the unique and long-standing cooperation with the United Nations in crisis management, building on the experience gained in working together in different theatres, pursuing regular high level dialogue, including through the EU-UN Steering Committee and taking forward the EU-UN Plan of Action to enhance CSDP support to UN peace-keeping, including in the area of rapid response;

- b. underlines the importance of strong, coherent and mutually reinforcing EU-NATO cooperation in crisis management, in particular in areas where both operate side by side, and on military capability development where requirements overlap, in order to seek synergies, ensure complementarity of effort and avoid unnecessary duplication; it encourages further implementation of practical steps for effective EU cooperation with NATO while keeping with the overall objective of building a true organization-to-organization relationship;
- c. welcomes the progress made in the peace and security partnership between the EU and the African Union, strengthening dialogue, making the African Peace and Security Architecture (APSA) fully operational and providing predictable funding for the AU's peacekeeping operations, and looks forward to giving renewed impetus at the forthcoming EU-Africa summit of April 2014;
- d. welcomes the close cooperation with the OSCE on shared issues in crisis management;
- e. encourages dialogue by engaging with regional fora with a security dimension;
- f. welcomes the valuable contributions and political support of partner countries to CSDP missions and operations, and encourages pursuing the further signing of Framework Participation Agreements. It further encourages and fosters contributing partners' support to CSDP, with a focus on non-EU NATO Allies, strategic partners, partner countries in the neighbourhood, notably the Mediterranean and Eastern partners (including through the newly established Eastern Partnership Panel on CSDP) and other individual partner countries, including by developing regular security and defence dialogues within the framework of EU political dialogues with these partners, and offering opportunities for training and advice, including through the European Security and Defence College. It notes that priority should be given to cooperation with partners who share with the EU common values and principles and are able and willing to support EU crisis management efforts.

16. The Council looks forward to the adoption of the Council Decision on the arrangements for the implementation by the Union of the solidarity clause (Article 222 TFEU).

Enhancing the development of capabilities

17. To deliver on security responsibilities, the Council reiterates that EU Member States must be ready to provide future-oriented capabilities, both in the civilian domain and in the field of defence. It underlines the need to enhance the development of capabilities, as they underpin the EU's ability to act as a security provider. It recalls that, on a national and voluntary basis, EU Member States develop capabilities and make them available to the EU.

18. Taking into account the frequent recourse to missions which are civilian in nature, the Council acknowledges that the demand for deployable civilian experts will remain high and underlines its determination to improve the generation of civilian capabilities. To this end, Member States are encouraged notably to continue to improve at national level, in full respect of national competences, and, as appropriate, also at EU level together with the EEAS and the Commission, mechanisms and procedures to recruit and train civilian personnel for CSDP. The Council encourages the EEAS to continue further work on improving recruitment procedures and increase transparency, including for senior positions, taking into account the nature of these missions, using capabilities provided by Member States. The Council considers that the ambitions and priority areas initially agreed at Feira European Council in 2000 and subsequently taken forward, could be revisited to take account of the 10 years of EU experience and lessons identified from civilian missions and capability development. In this light, the Council stresses the importance of fully implementing the Civilian Capability Development Plan and further work on tools to help address identified gaps, including by finalizing the Goalkeeper project and developing a List of generic civilian CSDP tasks.

19. The Council underlines that a more systematic and longer-term approach to European defence cooperation has become essential to preserve and develop military capabilities, as well as the technological and industrial base that underpins them, especially in the context of today's financial austerity. Cooperation allows Member States to develop, acquire, operate and maintain capabilities together, thereby achieving economies of scale and enhancing military effectiveness. In this regard, the Council calls upon Member States to deliver key capabilities through cooperative projects and encourages them to make best use of the EU Code of Conduct on Pooling and Sharing in their national defence planning processes, with the support of the European Defence Agency (EDA).

20. The Council reiterates the need to continue good co-ordination and mutual reinforcement with NATO in order to ensure complementarity and increase coherence, in particular regarding the EU military capability development process and the NATO

defence planning process in their outcomes and timelines, with due respect to the institutional framework and decision-making autonomy of both organizations.

21. With a view to developing a systematic and longer term approach, the Council:
- a. calls for the effective implementation and use of the Capability Development Plan as a tool to support and orientate national capability planning, identify the capabilities required, and seize collaborative opportunities;
 - b. underlines the need to further increase transparency and information sharing on defence planning to allow national planners and decision-makers to consider greater convergence of capability needs and timelines, with the aim of widening opportunities for cooperation from the outset;
 - c. promotes the consolidation of demand through, notably, harmonized requirements covering the whole-life cycle;
 - d. calls to examine the further development of incentives for cooperation in Europe, including by investigating non-market distorting fiscal measures for collaborative projects in accordance with the existing European law;
 - e. encourages synergies between bilateral, sub-regional, European and multilateral initiatives with a view to sharing information and contributing to improved coherence, with the support of the EDA;
 - f. calls on Member States to develop proposals to enhance multinational cooperation in the area of enablers and build on existing cooperative models in the area of strategic lift, ranging from multinational coordination centres (Athens Multinational Sealift Coordination Centre, Movement Coordination Centre Europe) to the European Air Transport Command (EATC), which integrates all transferred national responsibilities and resources in a multinational headquarters. It welcomes the increased pooling and sharing of European military transport capabilities after the announcement by Spain and Italy of their will to join the EATC and notes that the EATC will facilitate cooperation on the entry in service of the A400M multi-role airlifter within five Member States' air forces. It calls upon Member States to explore possibilities to replicate in particular the EATC model to areas such as transport helicopters, maritime capabilities, or protection of armed forces, including medical evacuation;
 - g. calls for further policy guidance to support systematic and long-term defence cooperation, focusing on closing identified capability gaps within CSDP, including by examining the idea of a strategic defence roadmap.

22. The Council remains committed to delivering key capabilities through concrete projects by Member States supported by EDA. It therefore:

- welcomes the substantive progress achieved in enhancing Europe's Air-to-Air Refuelling capacity, especially as regards the procurement and/or pooled operation of a Multi-Role Tanker Transport fleet (with initial operational capacity in 2020), under the lead of the Netherlands, with the development of the pooled procurement strategy in close cooperation with OCCAR, the pooled operational concept, and possible synergies in the field of certification, qualification, in-service support, and training. The Council calls on all participating Member States to continue their work on reducing the shortfalls by increasing the fleet inventory and see if their investment plans allow joining the MRTT project. Developing synergies and interoperability and reducing fragmentation between the various owners will reduce the whole-life cost. The Council also calls for greater commitments as regards short term solutions, including to increase interoperability between tankers/receivers through air-to-air refuelling clearance trials, as organized by Italy, and potentially through access to unallocated hours in the UK Voyager programme;
- welcomes the progress achieved in stepping up cooperation among Member States on Remotely Piloted Aircraft Systems (RPAS): the establishment of a user community for present and near-future use and the preparation of a programme on European Medium Altitude Long Endurance in the 2020-2025 timeframe;
- underlines the need to intensify EU-level cooperation on RPAS. In this regard, it encourages the European Commission to establish the regulatory framework for an initial RPAS integration into the European Aviation System by 2016. It supports appropriate R&D activities for this integration to be undertaken by SESAR (Single European Sky ATM Research) Joint Undertaking as soon as possible, as well as close synergies between EDA, SESAR Joint Undertaking and the Member States in the development of technologies needed for air traffic insertion and anti-collision and complementarity between EASA and EDA in the development of a pertinent certification system;
- underlining the need to prepare the next generation of Governmental Satellite Communication, welcomes the roadmap on Governmental Satellite communication;
- welcomes the development of concrete projects in the area of cyber defence, in the context of a comprehensive and cooperative EU approach on cyber security and defence, on the basis of EDA initiatives in: training and exercises,

protection of CSDP structures and missions and operations and research. It encourages the timely development and implementation of a comprehensive roadmap for strengthening Cyber Defence Capabilities involving all actors in this domain.

23. The Council calls for strong management of these programmes, on the basis of consolidated requirements and increased cooperation between EDA and OCCAR, in accordance with the mechanisms set out in EDA-OCCAR administrative arrangement.

24. The Council invites the European Commission to maximise cross-fertilisation between EDA programmes and the outcome of EU civil research programmes in areas of dual-use technologies such as, *inter alia*, RPAS and Governmental Satellite Communications in order to support activities by Member States in these areas. The Council encourages the European Commission, the EDA and the EEAS to examine modalities for dual-use capabilities, starting with pilot cases such as RPAS, air lift, future transport helicopters, satellite communications, cyber security and maritime security, in order to support Member States' activities in these areas.

25. While underlining the operational and financial impact of Single European Sky (SES) on military aviation, the Council welcomes the progress achieved so far, and encourages the EDA to continue its efforts to ensure that the views and needs of the defence community, including in support of Member States, are taken into account. It encourages the active participation of Member States in this work.

26. Acknowledging that the development of technologies is a prerequisite for the EU to preserve and develop its maritime capabilities, the Council calls for coordinated civil-military interaction in maritime research and technology to support cost-effective capabilities, European industry's global competitiveness and European non-dependence. The Council reiterates the need to improve information sharing across the range of European maritime actors, including building on the synergies provided by the technological solutions of the maritime surveillance network developed by Member States, supported by the EDA, and the Commission's work towards a Common Information Sharing Environment.

27. The Council underlines the importance of cooperation for new solutions to increase energy efficiency in defence and crisis management. Recalling the EU Energy 2020 strategy and its headline targets, the Council reiterates the need to contribute to innovative solutions in research and technology to improve the effectiveness of operations and the sustainability of European deployments. To this end, the Council supports increased efforts between all civilian and military stakeholders, including within EDA's Military Green initiative, and encourages the EDA and the European Commission to work with Member States on a more coordinated approach to identify possible objectives and

focus areas of action to increase energy efficiency in defence and crisis management, including through a possible strategic framework.

28. The Council welcomes European initiatives aiming at protecting critical space infrastructures; thus supporting efforts in further developing a civil-military Space Situational Awareness capability in Europe and further calls for increasing attention to cyber and maritime challenges in this area.

29. The Council calls for further progress in concrete projects related to Countering Improvised Explosive Devices (C-IED) and to consider building on the EU Concept for C-IED towards a Comprehensive EU Strategy to counter this threat.

Strengthening defence industry

30. The Council recalls that, including in the context of a fully comprehensive CSDP, a more integrated, sustainable, innovative and competitive European Defence Technological and Industrial Base (EDTIB) remains crucial for developing and sustaining Europe's military capabilities. This can also enhance Europe's strategic autonomy, strengthening its ability to act with partners. To this end, further efforts must be made to strengthen the EDTIB, while further reflecting on the way forward, to ensure operational effectiveness and security of supply, while remaining globally competitive and stimulating jobs, innovation and growth across the EU. To this end, these efforts should be inclusive with opportunities for defence industry in the EU, balanced and in full compliance with EU law.

In this context, the Council welcomes the Communication of the European Commission "Towards a more competitive and efficient defence and security sector" aimed at strengthening Europe's defence industry and enhancing the efficiency of the defence equipment market. It encourages the European Commission and the EDA, in close cooperation with the Member States, to identify and further develop concrete measures in support of the EDTIB, including in order to ensure its development across Europe. It notes that these issues will be further discussed in the context of the European Council and its follow-up.

31. A well-functioning defence market based on openness, equal treatment and opportunities, and transparency for all European suppliers is crucial. The Council calls on the European Commission to ensure the full implementation of the two defence directives on procurement in the fields of security and defence and on intra-EU transfers of defence-related products, without prejudice to Article 346 TFEU. The Council stresses the importance of fair market conditions across the EU as well as for access to the global market. It takes note that the European Commission with the EDA will monitor the im-

pact of both directives on the EDTIB and on cooperation in Europe and to see whether the directives have opened up the market for subcontractors from all over Europe.

32. The Council stresses the importance of Small and Medium Enterprises (SMEs) in the defence supply chain especially as a source of innovation and key enablers for competitiveness. In this regard, it invites the European Commission to investigate together with Member States the possibilities for additional measures to the framework of Directive 2009/81 to stimulate participation of European SMEs in the supply chain. It calls for further action to promote greater access of SMEs to both Defence and Security markets, as well as R&T. It invites the Commission to ensure the full implementation of its SMEs instruments and to encourage a strong involvement of SMEs in future EU R&T programmes. It encourages Member States to make full use of the relevant provisions of the two defence directives for SMEs in order to maximize the potential benefits. The Council encourages the European Commission's intention to foster EU-wide the development of value chains in the defence industry, in particular by strengthening the role of system providers to allow for a broad participation of SMEs in the defence market. It invites the European Commission, in close cooperation with the Member States, EDA and by promoting the active involvement of industry, to submit concrete proposals in the context of the progress report on how to promote regional networks and strategic clusters in line with a market-driven, competitive-based approach and geographical footprint, as well as proposals including financial options on supporting SMEs.

33. Moreover, the Council recognizes the importance of security of supply to enable further defence cooperation and ensure freedom of action, as well as the effective functioning of the European Defence Market and the EDTIB. In this regard, the Council welcomes the adoption within the EDA of the enhanced Framework Arrangement on Security of Supply, and urges Member States to implement its provisions in line with their constitutional obligations. It encourages the European Commission with the EDA to continue their efforts to enhance and broaden support arrangements on security of supply at the European level.

34. It also looks forward to tangible measures on standards and certification – which will benefit governments and industry alike by reducing costs and enhancing interoperability. The Council encourages the EDA, in close cooperation with the European Commission, to develop by mid-2014 a roadmap for the development of defence industrial standards on the basis of the preparatory work conducted by the EDA, based on the European Defence Standards Reference system (EDSTAR) and its experiences in the field of military airworthiness, while avoiding duplication with existing standards. Moreover, the Council encourages the EDA to produce options on how to increase mutual recognition of military certification within the European Union.

35. The Council encourages Member States to continue to invest in R&T in order to retain defence R&T expertise and contribute to innovation and competitiveness. Recognizing the consequences of the trend to cut in defence R&T, the Council encourages the Member States, EDA and the European Commission to preserve and further develop identified critical defence technologies, increase collaborative investments, maximize synergies between national and EU instruments and monitor the development of critical defence technologies.

36. The Council calls for concrete actions to exploit the potential for synergies between civil and defence research, notably: intensified cooperation between the European Commission, Member States and EDA in research programmes; innovative solutions for stimulating private funding in R&T; and proposals for relevant research topics which could be funded under a Preparatory Action from the European Commission on CSDP-related research, to be prepared together with Member States, the EDA and EEAS. As a matter of priority, the Council encourages the European Commission and EDA to work on solutions with the Member States, industry and research institutions to set up an EU framework allowing and improving the mutual use of civilian and military research results for dual-use applications, including results on the so called “key enabling technologies” stemming from Horizon 2020 and other civil focus programmes.

37. The Council underlines that its conclusions concerning the enhancement of military capability development and strengthening defence industry addressed to the EDA constitute the Council guidelines for EDA for its work in 2014, within the context of the Council decision defining the statute, seat and operating rules of EDA (Council decision 2011/411/CFSP of 12 July 2011).”

The EU’s comprehensive approach to external conflicts and crises

Joint Communication to the European Parliament and the Council

Brussels, 11.12.2013, JOIN(2013) 30 final

I. The case for a comprehensive approach

The Treaty of Lisbon sets out the principles, aims and objectives of the external action of the European Union. In the pursuit of these objectives, the Treaty calls for consistency between the different areas of EU external action and between these and its other

policies. Following the entry into force of the Treaty and the new institutional context it created, including the creation of the post of High Representative of the Union for Foreign Affairs and Security who is also Vice-President of the Commission as well as the establishment of the European External Action Service (EEAS), the EU has both the increased potential and the ambition – by drawing on the full range of its instruments and resources – to make its external action more consistent, more effective and more strategic.

The concept of such a comprehensive approach is not new as such. It has already been successfully applied as the organizing principle for EU action in many cases in recent years, for example, in the Horn of Africa, the Sahel and the Great Lakes. However, the ideas and principles governing the comprehensive approach have yet to become, systematically, the guiding principles for EU external action across all areas, in particular in relation to conflict prevention and crisis resolution.

This Joint Communication sets out a number of concrete steps that the EU, collectively, is taking towards an increasingly comprehensive approach in its external relations policies and action. More specifically the High Representative and the Commission are - with this Joint Communication – setting out their common understanding of the EU's comprehensive approach to external conflict and crises and fully committing to its joint application in the EU's external policy and action. This understanding covers all stages of the cycle of conflict or other external crises; through early warning and preparedness, conflict prevention, crisis response and management to early recovery, stabilisation and peace-building in order to help countries getting back on track towards sustainable long-term development.

The EU has a vital interest to prevent, prepare for, respond to, address and help recovery from conflicts, crises and other security threats outside its borders – this is a permanent task and responsibility, already recognised in both the European Security Strategy and the EU Internal Security Strategy. This is the case not only because the EU is widely considered as an example of peace and stability in its neighbourhood and in other parts of the world, but also because it is in the EU's global interest. The Union has a wide array of policies, tools and instruments at its disposal to respond to these challenges – spanning the diplomatic, security, defence, financial, trade, development cooperation and humanitarian aid fields. It is the world's largest trading bloc and, collectively, the world's biggest donor of official development assistance (ODA) and humanitarian aid.

Comprehensiveness refers not only to the joined-up deployment of EU instruments and resources, but also to the shared responsibility of EU-level actors and Member States. The EU has a unique network of 139 in-country EU Delegations, diplomatic expertise in the EEAS including through EU Special Representatives, and operational engagement through Common Security and Defence Policy (CSDP) missions and operations. By

bringing all these together, with the European Commission and the 28 Member States, to work in a joined-up and strategic manner, the EU can better define and defend its fundamental interests and values, promote its key political objectives and prevent crises or help to restore stability. In this way, it will help to improve the lives of those threatened by conflict and prevent or mitigate the negative effects – for the EU, its citizens and its internal security – of insecurity and conflict elsewhere. The EU is stronger, more coherent, more visible and more effective in its external relations when all EU institutions and the Member States work together on the basis of a common strategic analysis and vision. This is what the comprehensive approach is about.

As global challenges continue to rise in number and increase in complexity (effects of climate change and degradation of natural resources, population pressures and migratory flows, illicit trafficking, energy security, natural disasters, cyber security, maritime security, regional conflicts, radicalisation and terrorism, et cetera) and as economic and financial resources remain under pressure, the case for a comprehensive approach, making optimal use of all relevant instruments – be they external or internal policy instruments – is now stronger than ever.

Sustainable development and poverty eradication require peace and security, and the reverse is equally true: fragile or conflict-affected countries still remain the furthest away from meeting the Millennium Development Goals. The connection between security and development is therefore a key underlying principle in the application of an EU comprehensive approach. Other important principles underpin this approach. Firstly, our responses must be context-specific and driven by the reality and logic of real life situations encountered: there are no blueprints or off-the-shelf solutions. Secondly, the EU's comprehensive approach is a common and shared responsibility of all EU actors in Brussels, in Member States and on the ground in third countries. Collective political will, transparency, trust and the pro-active engagement of Member States are prerequisites for success. Finally, the approach is based on the full respect of the different competences and respective added value of the EU's institutions and services, as well as of the Member States, as set out in the Treaties:

- humanitarian aid shall be provided in accordance with its specific *modus operandi*, respectful of the principles of humanity, neutrality, impartiality and independence, solely on the basis of the needs of affected populations, in line with the European Consensus on Humanitarian Aid;
- for development assistance, the EU and its Member States act in line with the development policy as defined in the 2005 European Consensus on Development and the 2012 Agenda for Change as well as the guidelines of the Organisation for Economic Development's (OECD) Development Assistance Committee (DAC).

- EU Member States exercise political control over, and provide strategic direction for, CSDP missions and operations through the Political and Security Committee (PSC).

II. The way forward for a comprehensive approach to conflict or crisis situations

The following measures will further enhance the coherence and effectiveness of EU external policy and action in conflict or crisis situations.

1. Develop a shared analysis

A coherent political strategy for conflict prevention, preparedness and response starts with all relevant players sharing a common understanding of the situation or the challenge. A shared analysis should set out the EU's understanding about the causes of a potential conflict or crisis, identify the key people and groups involved, review the dynamics of the situation and assess the potential risks of action, or non-action. It must also identify the EU interests and objectives and our potential role to contribute to peace, security, development, human rights and the rule of law, taking into account existing EU resources and action in the country or region in question. To further improve a shared analysis, the following should be promoted:

Actions:

- Improve combined situational awareness and analysis capacity in particular by better linking up the dedicated facilities in the various EU institutions and services, including the Emergency Response Coordination Centre and the EU Situation Room (EU SitRoom). Facilitate access by EU institutions to information and intelligence including from Member States in order to prevent crises and prepare, mitigate, and accelerate the response to crisis situations.
- Strengthen early, pro-active, transparent and regular information-sharing, coordination and team-work among all those responsible in the EU's Brussels headquarters and in the field (including EU Delegations, CSDP missions and operations, Member States and EU Special Representatives, EU agencies as appropriate).
- Further develop and systematically implement a common methodology to conflict and crisis analysis, including development, humanitarian, political, security and defence perspectives from both the field and HQ, by all relevant available knowledge and analysis, including from Member States.

- Building on these analyses, systematically prepare proposals and options for discussion with Member States in the relevant Council bodies, including the Political and Security Committee. When a CSDP action is envisaged, this would generally follow the Political Framework for Crisis Approach (PFCA) approach, articulating what the problem is, explain why the EU should act (based on interests, values, objectives and mandates), and identify what instruments could be available, and best suited, to act.

2. Define a common strategic vision

Building on this shared analysis, the EU should, whenever possible, work across institutions and with Member States to develop a single, common strategic vision for a conflict or crisis situation and for future EU engagement across policy areas. This should then set the overall direction for EU engagement.

Actions:

- The EU's strategic vision for a country or a region should whenever possible be set out in an overarching EU Strategy document. Recent examples include the Horn of Africa Strategic Framework and the EU Strategy for security and development in the Sahel, and the proposed elements for an EU Strategy towards the Great Lakes region.
- Joint framework documents should set out the EU's and Member States' objectives and priorities for particular countries, as appropriate.

3. Focus on prevention

Whenever possible the EU must seek to prevent conflict before a crisis emerges or violence erupts – this is a constant and high priority for all EU diplomatic engagement. In the long run, prevention is far less costly than addressing conflicts which have erupted. Prevention contributes to peace, security and sustainable development. It saves lives and reduces suffering, avoids the destruction of homes, businesses, infrastructure and the economy, and makes it easier to resolve underlying tensions, disputes and conditions conducive to violent radicalisation and terrorism. It also helps protect EU interests and prevent adverse consequences on EU security and prosperity.

Actions:

- Early warning/early action: use new and existing EU early warning systems, including those of EU Member States, to identify emerging conflict and crisis risks, and identify possible mitigating actions.

- Work across EU institutions and with Member States to translate conflict and crisis risk analyses into specific conflict prevention measures, drawing on lessons learned from previous conflicts and crises.

4. Mobilise the different strengths and capacities of the EU

Effective and proactive EU policy responses to conflict and crises should draw on the different strengths, capacities, competencies and relationships of EU institutions and Member States, in support of a shared vision and common objectives.

Actions:

- Use the Crisis Platform mechanism, chaired by the EEAS with the participation of Commission services, in a more systematic way to facilitate coordination, share information and contribute to the identification and intelligent sequencing of available EU instruments as required. These mechanisms proved their value during the Arab Spring and in the EU's response to the Horn of Africa.
- Ensure that all relevant EU actors are informed and engaged in the analysis and assessment of conflict and crisis situations and at all stages of the conflict cycle – comprehensive engagement and action build on joined-up preparatory work. The EEAS informs and brings together other services on a regular basis for such analytical and preparatory work.
- Further strengthen operational cooperation among the various emergency response functions of the EU, using their complementary expertise. To this end, a Memorandum of Understanding between the EEAS and the Commission services is being prepared.
- Make best use of EU Delegations to ensure local coherence between EU and Member States actions.
- Strengthen the capacity of EU Delegations to contribute to conflict risk analysis. Identify appropriate tools and respond to conflict and crisis by rapid temporary reinforcement through the deployment of additional staff or other experts, where possible, drawing on existing EU resources capacity at the Brussels headquarters or in the region and on Member States' resources.
- Develop procedures and capacities for rapid deployment of joint (EEAS, Commission services, Member States) field missions where appropriate to conflict or crisis situations.

5. Commit to the long term

“It took the 20 fastest reforming countries on average 17 years to reduce military in politics and 41 years to reform rule of law to a minimum level necessary for development.”

World Development Report, World Bank, 2011

Long-term engagement in peace and state building and long-term sustainable development are essential to address the underlying causes of conflict and to build peaceful, resilient societies. The overall objectives of sustainable peace and development must be at the core of the EU’s response from the outset – the EU must also have a long-term vision for its short-term engagements and actions.

For instance, CSDP crisis management instruments and crisis response measures under the Instrument for Stability (IfS) pursue mostly short-term objectives, whereas development instruments by nature are oriented towards the long term. Although objectives and decision-making procedures are different, natural synergies and complementarities should be ensured by an early, inclusive and intense dialogue between the respective stakeholders, in order to have a greater impact and achieve better results. The EU can use, in a coherent manner, different tools and instruments within their own mandates and decision-making processes to deliver on the shared objectives.

Actions:

- Establish co-ordination systems between long-term and short-term objectives through dialogue among EU stakeholders including on the ground.
- Strengthen mechanisms for pooling and sharing European capacities and expertise (e.g. pool of experts for CSDP missions).
- Coordinate and where possible combine the use of a full range of EU tools and instruments (e.g. political dialogue, conflict prevention, reconciliation, programming of development assistance and joint programming, CSDP missions and operations, conflict prevention and stabilisation under the Instrument for Stability, support to disarmament, demobilization reintegration and support to justice and security sector reform processes, etc.) to craft a flexible and effective response during and after the stabilisation phase and in case of risks of conflict. The programming of aid in fragile and conflict-affected countries should integrate conflict analysis from the very beginning as well as the necessary flexibilities for re-programming to respond to new developments on the ground where appropriate.

- Take stock of lessons learned, including within the EU institutions, with Member States and external actors, and feed them back into the comprehensive approach cycle starting from early warning and including prevention efforts, training and exercises.

6. Linking policies and internal and external action

EU internal policies and actions can have significant external effects on conflict and crisis situations. Likewise, external action and policy can also impact on EU internal dynamics. For example, EU maritime transport policy in the Red Sea and the Indian Ocean is inextricably linked to the situation in Somalia and the Horn of Africa region. Similar impacts may arise in other situations, for example fisheries or energy policy. Conversely, the emergence beyond Europe's borders of organised crime, terrorism, or mass migration associated with violent conflict can have a direct impact on the security, stability and interests of the EU, its Member States and EU citizens.

Terrorist organisations will strive to exploit post-conflict or fragile states. In particular, poorly governed areas can prove to be a breeding ground for terrorist recruitment. For example, the activities of Al-Shabaab – which is formally aligned with Al Qaeda – have destabilised Somalia, and severely hindered regional development. Terrorist organisations can act to transmit the terrorist threat directly back into the EU.

Close cooperation, in particular between the High Representative and the Commission, is also vital on the various global issues where the external aspects of internal EU policies have a growing foreign and security policy dimension. This includes areas such as energy security, environmental protection and climate change, migration issues, counter-terrorism and countering violent extremism, organised crime and global economic governance.

“Climate change is a decisive global challenge which, if not urgently managed, will put at risk not only the environment but also world economic prosperity, development and, more broadly, stability and security. The transition towards safe and sustainable low-carbon economy and society as well as climate-resilient and resource-efficient growth patterns worldwide are of paramount importance. Addressing the risk-multiplying threats of a changing climate, including potential conflict and instability, related to reliable access to food, water and energy,

requires effective foreign policy responses at the global and EU level, as recognised in the European Security Strategy”.

Council Conclusions on climate change diplomacy, June 2013

Finally, and as the recent breakthrough in the EU-facilitated Belgrade-Pristina dialogue has demonstrated, the pull factor of the EU through the perspective of joining the Union – in combination with intense diplomatic engagement – continues to play a vital role in conflict prevention and longer-term stabilization.

Actions:

- The High Representative/Vice President, working closely with the President of the European Commission, to ensure strategic and operational coherence in external relations policy and strategy, including as regards the external impact of internal policies.
- Make better use of the diplomatic and external relations means at the disposal of the EU project and defend its interests linked to internal policies and global issues.
- Seek to identify and raise awareness of policies and instruments that have both an internal and external dimension and highlight potential in both directions.
- Internal policies should be part of the analytical crisis framework, the strategic thinking and policy documents on external action whenever possible and relevant.

7. Make better use of EU Delegations

The EU Delegation, and the Head of Delegation in particular, is the focal point of the EU presence in third countries and should – at that level – play a central role in delivering and co-ordinating EU dialogue, action and support.

Actions:

- Take full advantage of the role of the Head of Delegation to bring together the EU and Member States present on the ground across the full spectrum of relevant actions (political dialogue, development co-operation and joint programming, input to security-related strategies, local cooperation with CSDP missions and operations, consular protection, as appropriate, etc.).

- The Head of Delegation to co-ordinate joint reporting, where appropriate, enhancing co-operation with EU Member States on the ground, and sharing information and analysis, in particular at all stages of conflicts or crises.
- Ensure an appropriate breadth of expertise in Delegations, including on security issues.
- If appropriate, enable the co-location of EU actors in EU Delegations to build operational synergies.

Joint Programming has now started or is scheduled to start in more than 40 countries in the coming years. With this initiative, the EU and its Member States aim to increase their impact in partner countries and make their development cooperation more effective. At the same time, they will present a united package of support that significantly increases the EU's leverage and political weight as a donor. Joint Programming exercises are in-country, led by the EU Delegations and Members States Embassies.

8. Work in partnership

In facing complex global challenges, the EU needs to engage and work together with other international and regional actors. The role of the EU is linked – to a greater or lesser extent – to the action (or non-action), resources and expertise of others (e.g. the UN in most crisis situations, NATO in Kosovo and Afghanistan, the International Monetary Fund and the World Bank on macro-financial issues, et cetera).

“[M]utually reinforcing, beneficial and sustainable partnerships with ... the UN, OSCE, NATO, World Bank, African Union and other international actors ... need to be further strengthened to enable the European Union to operate successfully in the field of long term structural conflict prevention.”

Council Conclusions on Conflict Prevention, June 2011

Actions:

- When developing EU position and responses, engage with and take full account of the role of other international actors: the United Nations, international and regional organisations, strategic partners, International Financial Institutions.

- Engage more closely with major international NGOs, civil society, think-tanks, academia and public and private actors.

III. Conclusion

The EU has in recent years taken important steps towards a more coherent external relations policy and action, not least in its response to conflict and crisis situations. Significant progress has been made in the development of common EU policies and strategies and whole-of-Union responses. But the work is not over. The EU now needs to make further improvements and more consistently apply the comprehensive approach as a guiding principle to EU external policy and action.

The comprehensive approach, as outlined above, is a joint undertaking and its success a shared responsibility for the EU institutions as well as for Member States, whose policies, actions and support significantly contribute to more coherent and more effective EU responses.

In the coming months and years, the High Representative and the Commission will, in cooperation with Member States, implement these proposals and this approach and, through them, make determined progress towards better, stronger and faster EU external action. The High Representative and the Commission call on EU Member States to provide their full support for this approach and to fully engage in order to ensure that this vision and these objectives are fully implemented.

Council Conclusions 19/20 December

Common Security and Defence Policy

Brussels, 20 December 2013, EUCO 217/13

1. Defence matters. An effective Common Security and Defence Policy helps to enhance the security of European citizens and contributes to peace and stability in our neighbourhood and in the broader world. But Europe's strategic and geopolitical environment is evolving rapidly. Defence budgets in Europe are constrained, limiting the ability to develop, deploy and sustain military capabilities. Fragmented European defence markets jeopardise the sustainability and competitiveness of Europe's defence and security industry.

2. The EU and its Member States must exercise greater responsibilities in response to those challenges if they want to contribute to maintaining peace and security through

CSDP together with key partners such as the United Nations and NATO. The Common Security and Defence Policy (CSDP) will continue to develop in full complementarity with NATO in the agreed framework of the strategic partnership between the EU and NATO and in compliance with the decision-making autonomy and procedures of each. This requires having the necessary means and maintaining a sufficient level of investment. Today, the European Council is making a strong commitment to the further development of a credible and effective CSDP, in accordance with the Lisbon Treaty and the opportunities it offers. The European Council calls on the Member States to deepen defence cooperation by improving the capacity to conduct missions and operations and by making full use of synergies in order to improve the development and availability of the required civilian and military capabilities, supported by a more integrated, sustainable, innovative and competitive European Defence Technological and Industrial Base (EDTIB). This will also bring benefits in terms of growth, jobs and innovation to the broader European industrial sector.

3. In response to the European Council conclusions of December 2012, important work has been undertaken by the Commission, the High Representative, the European Defence Agency and the Member States. The Council adopted substantial conclusions on 25 November 2013, which the European Council endorses.

4. On that basis the European Council has identified a number of priority actions built around three axes: increasing the effectiveness, visibility and impact of CSDP; enhancing the development of capabilities and strengthening Europe's defence industry.

(a) Increasing the effectiveness, visibility and impact of CSDP

5. In recent years progress has been made in a number of areas relating to CSDP. The numerous civilian and military crisis management missions and operations throughout the world are a tangible expression of the Union's commitment to international peace and security. Through CSDP, the Union today deploys more than 7,000 staff in 12 civilian missions and four military operations. The European Union and its Member States can bring to the international stage the unique ability to combine, in a consistent manner, policies and tools ranging from diplomacy, security and defence to finance, trade, development and justice. Further improving the efficiency and effectiveness of this EU Comprehensive Approach, including as it applies to EU crisis management, is a priority. In this context, the European Council welcomes the presentation of the joint communication from the Commission and the High Representative.

6. The Union remains fully committed to working in close collaboration with its global, transatlantic and regional partners. Such collaboration should be further developed in a spirit of mutual reinforcement and complementarity.

7. The European Council emphasises the importance of supporting partner countries and regional organisations, through providing training, advice, equipment and resources where appropriate, so that they can increasingly prevent or manage crises by themselves. The European Council invites the Member States, the High Representative and the Commission to ensure the greatest possible coherence between the Union's and Member States' actions to this effect.

8. The EU and its Member States need to be able to plan and deploy the right civilian and military assets rapidly and effectively. The European Council emphasises the need to improve the EU rapid response capabilities, including through more flexible and deployable EU Battle groups as Member States so decide. The financial aspects of EU missions and operations should be rapidly examined, including in the context of the Athena mechanism review, with a view to improving the system of their financing, based on a report from the High Representative. The European Council invites the Commission, the High Representative and the Member States to ensure that the procedures and rules for civilian missions enable the Union to be more flexible and speed up the deployment of EU civilian missions.

9. New security challenges continue to emerge. Europe's internal and external security dimensions are increasingly interlinked. To enable the EU and its Member States to respond, in coherence with NATO efforts, the European Council calls for:

- an EU Cyber Defence Policy Framework in 2014, on the basis of a proposal by the High Representative, in cooperation with the Commission and the European Defence Agency;
- an EU Maritime Security Strategy by June 2014, on the basis of a joint Communication from the Commission and the High Representative, taking into account the opinions of the Member States, and the subsequent elaboration of action plans to respond to maritime challenges;
- increased synergies between CSDP and Freedom/Security/Justice actors to tackle horizontal issues such as illegal migration, organised crime and terrorism;
- progress in developing CSDP support for third states and regions, in order to help them to improve border management;
- further strengthening cooperation to tackle energy security challenges.

The European Council invites the High Representative, in close cooperation with the Commission, to assess the impact of changes in the global environment, and to report to the Council in the course of 2015 on the challenges and opportunities arising for the Union, following consultations with the Member States.

(b) Enhancing the development of capabilities

10. Cooperation in the area of military capability development is crucial to maintaining key capabilities, remedying shortfalls and avoiding redundancies. Pooling demand, consolidating requirements and realising economies of scale will allow Member States to enhance the efficient use of resources and ensure interoperability, including with key partner organisations such as NATO. Cooperative approaches whereby willing Member States or groups of Member States develop capabilities based on common standards or decide on common usage, maintenance or training arrangements, while enjoying access to such capabilities, will allow participants to benefit from economies of scale and enhanced military effectiveness.

11. The European Council remains committed to delivering key capabilities and addressing critical shortfalls through concrete projects by Member States, supported by the European Defence Agency. Bearing in mind that the capabilities are owned and operated by the Member States, it welcomes :

- the development of Remotely Piloted Aircraft Systems (RPAS) in the 2020-2025 timeframe: preparations for a programme of a next-generation European Medium Altitude Long Endurance RPAS; the establishment of an RPAS user community among the participating Member States owning and operating these RPAS; close synergies with the European Commission on regulation (for an initial RPAS integration into the European Aviation System by 2016); appropriate funding from 2014 for R&D activities;
- the development of Air-to-Air refuelling capacity: progress towards increasing overall capacity and reducing fragmentation, especially as regards the establishment of a Multi-Role Tanker Transport capacity, with synergies in the field of certification, qualification, in-service support and training;
- Satellite Communication: preparations for the next generation of Governmental Satellite Communication through close cooperation between the Member States, the Commission and the European Space Agency; a users' group should be set up in 2014;
- Cyber: developing a roadmap and concrete projects focused on training and exercises, improving civil/military cooperation on the basis of the EU Cybersecurity Strategy as well as the protection of assets in EU missions and operations.

12. Cooperation should be facilitated by increased transparency and information sharing in defence planning, allowing national planners and decision-makers to consider greater convergence of capability needs and timelines. To foster more systematic and

long-term cooperation the European Council invites the High Representative and the European Defence Agency to put forward an appropriate policy framework by the end of 2014, in full coherence with existing NATO planning processes.

13. The European Council welcomes the existing cooperative models, such as the European Air Transport Command (EATC), and encourages Member States to explore ways to replicate the EATC model in other areas.

14. The European Council welcomes the progress achieved in cooperation through the European Defence Agency Code of Conduct on Pooling and Sharing. It encourages the further development of incentives for and innovative approaches to such cooperation, including by investigating non market-distorting fiscal measures in accordance with existing European law. It invites the European Defence Agency to examine ways in which Member States can cooperate more effectively and efficiently in pooled procurement projects, with a view to reporting back to the Council by the end of 2014.

15. Taking into account the frequent recourse to missions which are civilian in nature, the European Council calls for the enhanced development of civilian capabilities and stresses the importance of fully implementing the Civilian Capability Development Plan.

(c) Strengthening Europe's defence industry

16. Europe needs a more integrated, sustainable, innovative and competitive defence technological and industrial base (EDTIB) to develop and sustain defence capabilities. This can also enhance its strategic autonomy and its ability to act with partners. The EDTIB should be strengthened to ensure operational effectiveness and security of supply, while remaining globally competitive and stimulating jobs, innovation and growth across the EU. These efforts should be inclusive with opportunities for defence industry in the EU, balanced and in full compliance with EU law. The European Council stresses the need to further develop the necessary skills identified as essential to the future of the European defence industry.

17. A well-functioning defence market based on openness, equal treatment and opportunities, and transparency for all European suppliers is crucial. The European Council welcomes the Commission communication "Towards a more competitive and efficient defence and security sector". It notes the intention of the Commission to develop, in close cooperation with the High Representative and the European Defence Agency, a roadmap for implementation. It stresses the importance of ensuring the full and correct implementation and application of the two defence Directives of 2009, *inter alia* with a view to opening up the market for subcontractors from all over Europe, ensuring economies of scale and allowing a better circulation of defence products.

Research – dual-use

18. To ensure the long-term competitiveness of the European defence industry and secure the modern capabilities needed, it is essential to retain defence Research & Technology (R&T) expertise, especially in critical defence technologies. The European Council invites the Member States to increase investment in cooperative research programmes, in particular collaborative investments, and to maximise synergies between national and EU research. Civilian and defence research reinforce each other, including in key enabling technologies and on energy efficiency technology. The European Council therefore welcomes the Commission's intention to evaluate how the results under Horizon 2020 could also benefit defence and security industrial capabilities. It invites the Commission and the European Defence Agency to work closely with Member States to develop proposals to stimulate further dual use research. A Preparatory Action on CSDP-related research will be set up, while seeking synergies with national research programmes whenever possible.

Certification and standardisation

19. Developing standards and certification procedures for defence equipment reduces costs, harmonises demand and enhances interoperability. The European Defence Agency and the Commission will prepare a roadmap for the development of defence industrial standards by mid-2014, without duplicating existing standards, in particular NATO standards. Together with the Commission and Member States, the European Defence Agency will also develop options for lowering the costs of military certification, including by increasing mutual recognition between EU Member States. It should report to the Council on both issues by mid 2014.

SMEs

20. SMEs are an important element in the defence supply chain, a source of innovation and key enablers for competitiveness. The European Council underlines the importance of crossborder market access for SMEs and stresses that full use should be made of the possibilities that EU law offers on subcontracting and general licensing of transfers and invites the Commission to investigate the possibilities for additional measures to open up supply chains to SMEs from all Member States. Supporting regional networks of SMEs and strategic clusters is also critically important. The European Council welcomes the Commission proposals to promote greater access of SMEs to defence and security markets and to encourage strong involvement of SMEs in future EU funding programmes.

Security of Supply

21. The European Council emphasises the importance of Security of Supply arrangements for the development of long-term planning and cooperation, and for the functioning of the internal market for defence. It welcomes the recent adoption within the European Defence Agency of an enhanced Framework Arrangement on Security of Supply and calls on the Commission to develop with Member States and in cooperation with the High Representative and the European Defence Agency a roadmap for a comprehensive EU-wide Security of Supply regime, which takes account of the globalised nature of critical supply chains.

(d) Way forward

22. The European Council invites the Council, the Commission, the High Representative, the European Defence Agency and the Member States, within their respective spheres of competence, to take determined and verifiable steps to implement the orientations set out above. The European Council will assess concrete progress on all issues in June 2015 and provide further guidance, on the basis of a report from the Council drawing on inputs from the Commission, the High Representative and the European Defence Agency.

Cybersecurity

Joint Communication to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions: Cybersecurity Strategy of the European Union: An Open, Safe and Secure Cyberspace

Brussels, 7.2.2013, JOINT (2013) 1 final

1. Introduction

Context

Over the last two decades, the Internet and more broadly cyberspace has had a tremendous impact on all parts of society. Our daily life, fundamental rights, social interactions and economies depend on information and communication technology working seamlessly. An open and free cyberspace has promoted political and social inclusion worldwide; it has broken down barriers between countries, communities and citizens, allowing interaction and sharing of information and ideas across the globe; it has provided a forum for freedom of expression and exercise of fundamental rights, and empowered people in their quest for democratic and more just societies – most strikingly during the Arab Spring.

For cyberspace to remain open and free, the same norms, principles and values that the EU upholds offline, should also apply online. Fundamental rights, democracy and the rule of law need to be protected in cyberspace. Our freedom and prosperity increasingly depend on a robust and innovative Internet, which will continue to flourish if private sector innovation and civil society drive its growth. But freedom online requires safety and security too. Cyberspace should be protected from incidents, malicious activities and misuse; and governments have a significant role in ensuring a free and safe cyberspace. Governments have several tasks: to safeguard access and openness, to respect and protect fundamental rights online and to maintain the reliability and interoperability of the Internet. However, the private sector owns and operates significant parts of cyberspace,

and so any initiative aiming to be successful in this area has to recognise its leading role.

Information and communications technology has become the backbone of our economic growth and is a critical resource which all economic sectors rely on. It now underpins the complex systems which keep our economies running in key sectors such as finance, health, energy and transport; while many business models are built on the uninterrupted availability of the Internet and the smooth functioning of information systems.

By completing the Digital Single Market, Europe could boost its GDP by almost €500 billion a year; an average of €1,000 per person. For new connected technologies to take off, including e-payments, cloud computing or machine-to-machine communication, citizens will need trust and confidence. Unfortunately, a 2012 Eurobarometer survey showed that almost a third of Europeans are not confident in their ability to use the internet for banking or purchases. An overwhelming majority also said they avoid disclosing personal information online because of security concerns. Across the EU, more than one in ten Internet users has already become victim of online fraud.

Recent years have seen that while the digital world brings enormous benefits, it is also vulnerable. Cybersecurity incidents, be it intentional or accidental, are increasing at an alarming pace and could disrupt the supply of essential services we take for granted such as water, healthcare, electricity or mobile services. Threats can have different origins – including criminal, politically motivated, terrorist or state-sponsored attacks as well as natural disasters and unintentional mistakes.

The EU economy is already affected by cybercrime activities against the private sector and individuals. Cybercriminals are using ever more sophisticated methods for intruding into information systems, stealing critical data or holding companies to ransom. The increase of economic espionage and state-sponsored activities in cyberspace poses a new category of threats for EU governments and companies.

In countries outside the EU, governments may also misuse cyberspace for surveillance and control over their own citizens. The EU can counter this situation by promoting freedom online and ensuring respect of fundamental rights online.

All these factors explain why governments across the world have started to develop cybersecurity strategies and to consider cyberspace as an increasingly important international issue.

The time has come for the EU to step up its actions in this area. This proposal for a Cybersecurity strategy of the European Union, put forward by the Commission and the High Representative of the Union for Foreign Affairs and Security Policy (High

Representative), outlines the EU's vision in this domain, clarifies roles and responsibilities and sets out the actions required based on strong and effective protection and promotion of citizens' rights to make the EU's online environment the safest in the world.

Principles for cybersecurity

The borderless and multi-layered Internet has become one of the most powerful instruments for global progress without governmental oversight or regulation. While the private sector should continue to play a leading role in the construction and day-to-day management of the Internet, the need for requirements for transparency, accountability and security is becoming more and more prominent. This strategy clarifies the principles that should guide cybersecurity policy in the EU and internationally.

The EU's core values apply as much in the digital as in the physical world

The same laws and norms that apply in other areas of our day-to-day lives apply also in the cyber domain.

Protecting fundamental rights, freedom of expression, personal data and privacy

Cybersecurity can only be sound and effective if it is based on fundamental rights and freedoms as enshrined in the Charter of Fundamental Rights of the European Union and EU core values. Reciprocally, individuals' rights cannot be secured without safe networks and systems. Any information sharing for the purposes of cyber security, when personal data is at stake, should be compliant with EU data protection law and take full account of the individuals' rights in this field.

Access for all

Limited or no access to the Internet and digital illiteracy constitute a disadvantage to citizens, given how much the digital world pervades activity within society. Everyone should be able to access the Internet and to an unhindered flow of information. The Internet's integrity and security must be guaranteed to allow safe access for all.

Democratic and efficient multi-stakeholder governance

The digital world is not controlled by a single entity. There are currently several stakeholders, of which many are commercial and non-governmental entities, involved in the day-to-day management of Internet resources, protocols and standards and in the future development of the Internet. The EU reaffirms the importance of all stakeholders in

the current Internet governance model and supports this multi-stakeholder governance approach.

A shared responsibility to ensure security

The growing dependency on information and communications technologies in all domains of human life has led to vulnerabilities which need to be properly defined, thoroughly analysed, remedied or reduced. All relevant actors, whether public authorities, the private sector or individual citizens, need to recognise this shared responsibility, take action to protect themselves and if necessary ensure a coordinated response to strengthen cybersecurity.

2. Strategic priorities and actions

The EU should safeguard an online environment providing the highest possible freedom and security for the benefit of everyone. While acknowledging that it is predominantly the task of Member States to deal with security challenges in cyberspace, this strategy proposes specific actions that can enhance the EU's overall performance. These actions are both short and long term, they include a variety of policy tools and involve different types of actors, be it the EU institutions, Member States or industry.

The EU vision presented in this strategy is articulated in five strategic priorities, which address the challenges highlighted above:

- Achieving cyber resilience
- Drastically reducing cybercrime
- Developing cyberdefence policy and capabilities related to the Common Security and Defence Policy (CSDP)
- Develop the industrial and technological resources for cybersecurity
- Establish a coherent international cyberspace policy for the European Union and promote core EU values

2.1. Achieving cyber resilience

To promote cyber resilience in the EU, both public authorities and the private sector must develop capabilities and cooperate effectively. Building on the positive results achieved via the activities carried out to date further EU action can help in particular to counter cyber risks and threats having a cross-border dimension, and contribute to

a coordinated response in emergency situations. This will strongly support the good functioning of the internal market and boost the internal security of the EU.

Europe will remain vulnerable without a substantial effort to enhance public and private capacities, resources and processes to prevent, detect and handle cyber security incidents. This is why the Commission has developed a policy on Network and Information Security (NIS). The **European Network and Information Security Agency ENISA** was established in 2004 and a new Regulation to strengthen ENISA and modernise its mandate is being negotiated by Council and Parliament. In addition, the Framework Directive for electronic communications requires providers of electronic communications to appropriately manage the risks to their networks and to report significant security breaches. Also, the EU data protection legislation requires data controllers to ensure data protection requirements and safeguards, including measures related to security, and in the field of publicly available e-communication services, data controllers have to notify incidents involving a breach of personal data to the competent national authorities.

Despite progress based on voluntary commitments, there are still gaps across the EU, notably in terms of national capabilities, coordination in cases of incidents spanning across borders, and in terms of private sector involvement and preparedness. This strategy is accompanied by a proposal for **legislation** to notably:

- establish common minimum requirements for NIS at national level which would oblige Member States to: designate national competent authorities for NIS; set up a well-functioning CERT; and adopt a national NIS strategy and a national NIS cooperation plan. Capacity building and coordination also concern the EU institutions: a Computer Emergency Response Team responsible for the security of the IT systems of the EU institutions, agencies and bodies (“CERT-EU”) was permanently established in 2012.
- set up coordinated prevention, detection, mitigation and response mechanisms, enabling information sharing and mutual assistance amongst the national NIS competent authorities. National NIS competent authorities will be asked to ensure appropriate EU-wide cooperation, notably on the basis of a Union NIS cooperation plan, designed to respond to cyber incidents with cross-border dimension. This cooperation will also build upon the progress made in the context of the “European Forum for Member States (EFMS)”, which has held productive discussions and exchanges on NIS public policy and can be integrated in the cooperation mechanism once in place.
- improve preparedness and engagement of the private sector. Since the large majority of network and information systems are privately owned and

operated, improving engagement with the private sector to foster cybersecurity is crucial. The private sector should develop, at technical level, its own cyber resilience capacities and share best practices across sectors. The tools developed by industry to respond to incidents, identify causes and conduct forensic investigations should also benefit the public sector.

However, private actors still lack effective incentives to provide reliable data on the existence or impact of NIS incidents, to embrace a risk management culture or to invest in security solutions. The proposed legislation therefore aims at making sure that players in a number of key areas (namely energy, transport, banking, stock exchanges, and enablers of key Internet services, as well as public administrations) assess the cybersecurity risks they face, ensure networks and information systems are reliable and resilient via appropriate risk management, and share the identified information with the national NIS competent authorities. The take up of a cybersecurity culture could enhance business opportunities and competitiveness in the private sector, which could make cybersecurity a selling point.

Those entities would have to report, to the national NIS competent authorities, incidents with a significant impact on the continuity of core services and supply of goods relying on network and information systems.

National NIS competent authorities should collaborate and exchange information with other regulatory bodies, and in particular personal data protection authorities. NIS competent authorities should in turn report incidents of a suspected serious criminal nature to law enforcement authorities. The national competent authorities should also regularly publish on a dedicated website unclassified information about on-going early warnings on incidents and risks and on coordinated responses. Legal obligations should neither substitute, nor prevent, developing informal and voluntary cooperation, including between public and private sectors, to boost security levels and exchange information and best practices. In particular, the European Public-Private Partnership for Resilience (EP3R) is a sound and valid platform at EU level and should be further developed.

The Connecting Europe Facility (CEF) would provide financial support for key infrastructure, linking up Member States' NIS capabilities and so making it easier to cooperate across the EU.

Finally, cyber incident exercises at EU level are essential to simulate cooperation among the Member States and the private sector. The first exercise involving the Member States was carried out in 2010 ("Cyber Europe 2010") and a second exercise, involving also the private sector, took place in October 2012 ("Cyber Europe 2012"). An EU-US table top

exercise was carried out in November 2011 (“Cyber Atlantic 2011”). Further exercises are planned for the coming years, including with international partners.

The Commission will:

- Continue its activities, carried out by the Joint Research Centre in close coordination with Member States authorities and critical infrastructure owners and operators, on identifying NIS vulnerabilities of European critical infrastructure and encouraging the development of resilient systems.
- Launch an EU-funded pilot project early in 2013 on **fighting botnets and malware**, to provide a framework for coordination and cooperation between EU Member States, private sector organisations such as Internet Service Providers, and international partners.

The Commission asks ENISA to:

- Assist the Member States in developing strong **national cyber resilience capabilities**, notably by building expertise on security and resilience of industrial control systems, transport and energy infrastructure
- Examine in 2013 the feasibility of Computer Security Incident Response Team(s) for Industrial Control Systems (ICS-CSIRTs) for the EU.
- Continue supporting the Member States and the EU institutions in carrying out regular **pan-European cyber incident exercises** which will also constitute the operational basis for the EU participation in international cyber incident exercises.

The Commission invites the European Parliament and the Council to:

- Swiftly **adopt** the proposal for a Directive on a **common high level of Network and Information Security (NIS)** across the Union, addressing national capabilities and preparedness, EU-level cooperation, take up of risk management practices and information sharing on NIS.

The Commission asks industry to:

- Take leadership in **investing** in a high level of cybersecurity and develop best practices and information sharing at sector level and with public authorities with the view of ensuring a strong and effective protection of assets and individuals, in particular through public-private partnerships like EP3R and Trust in Digital Life (TDL).

Raising awareness

Ensuring cybersecurity is a common responsibility. End users play a crucial role in ensuring the security of networks and information systems: they need to be made aware of the risks they face online and be empowered to take simple steps to guard against them.

Several initiatives have been developed in recent years and should be continued. In particular, ENISA has been involved in raising awareness through publishing reports, organising expert workshops and developing public-private partnerships. Europol, Eurojust and national data protection authorities are also active in raising awareness. In October 2012, ENISA, with some Member States, piloted the “European Cybersecurity Month”. Raising awareness is one of the areas the EU-US Working Group on Cybersecurity and Cybercrime is taking forward, and is also essential in the context of the Safer Internet Programme (focused on the safety of children online).

The Commission asks ENISA to:

- Propose in 2013 a roadmap for a “Network and Information Security driving licence” as a voluntary certification programme to promote enhanced skills and competence of IT professionals (e.g. website administrators).

The Commission will:

- Organise, with the support of ENISA, a cybersecurity **championship** in 2014, where university students will compete in proposing NIS solutions.

The Commission invites the Member States to:

- Organise a yearly **cybersecurity month** with the support of ENISA and the involvement of the private sector from 2013 onwards, with the goal to raise awareness among end users. A synchronised EU-US cybersecurity month will be organised starting in 2014.
- **Step up national efforts on NIS education and training**, by introducing: training on NIS in schools by 2014; training on NIS and secure software development and personal data protection for computer science students; and NIS basic training for staff working in public administrations.

The Commission invites industry to:

- Promote cybersecurity **awareness at all levels**, both in business practices and in the interface with customers. In particular, industry should reflect on ways to make CEOs and Boards more accountable for ensuring cybersecurity.

2.2. Drastically reducing cybercrime

The more we live in a digital world, the more opportunities for cyber criminals to exploit.

Cybercrime is one of the fastest growing forms of crime, with more than one million people worldwide becoming victims each day. Cybercriminals and cybercrime networks are becoming increasingly sophisticated and we need to have the right operational tools and capabilities to tackle them. Cybercrimes are high-profit and low-risk, and criminals often exploit the anonymity of website domains. Cybercrime knows no borders – the global reach of the Internet means that law enforcement must adopt a coordinated and collaborative cross border approach to respond to this growing threat.

Strong and effective legislation

The EU and the Member States need strong and effective legislation to tackle cybercrime. The Council of Europe Convention on Cybercrime, also known as the Budapest Convention, is a binding international treaty that provides an effective framework for the adoption of national legislation.

The EU has already adopted legislation on cybercrime including a Directive on combating the sexual exploitation of children online and child pornography. The EU is also about to agree on a Directive on attacks against information systems, especially through the use of botnets.

The Commission will:

- Ensure swift transposition and implementation of the cybercrime related directives.
- Urge those Member States that have not yet ratified the **Council of Europe's Budapest Convention on Cybercrime** to ratify and implement its provisions as early as possible.

Enhanced operational capability to combat cybercrime

The evolution of cybercrime techniques has accelerated rapidly: law enforcement agencies cannot combat cybercrime with outdated operational tools. Currently, not all EU Member States have the operational capability they need to effectively respond to cybercrime. All Member States need effective national cybercrime units.

The Commission will:

- Through its funding programmes, support the Member States to **identify gaps and strengthen their capability** to investigate and combat cybercrime. The Commission will furthermore support bodies that make the link between research/academia, law enforcement practitioners and the private sector, similar to the on-going work carried out by the Commission-funded Cybercrime Centres of Excellence already set up in some Member States.
- Together with the Member States, coordinate efforts to identify best practices and best available techniques including with the support of JRC to fight cybercrime (e.g. with respect to the development and use of forensic tools or to threat analysis)
- Work closely with the recently launched **European Cybercrime Centre (EC3), within Europol and with Eurojust** to align such policy approaches with best practices on the operational side.

Improved coordination at EU level

The EU can complement the work of Member States by facilitating a coordinated and collaborative approach, bringing together law enforcement and judicial authorities and public and private stakeholders from the EU and beyond.

The Commission will:

- Support the recently launched European Cybercrime Centre (EC3) as the European focal point in the fight against cybercrime. The EC3 will provide analysis and intelligence, support investigations, provide high level forensics, facilitate cooperation, create channels for information sharing between the competent authorities in the Member States, the private sector and other stakeholders, and gradually serve as a voice for the law enforcement community.
- Support efforts to increase accountability of registrars of domain names and ensure accuracy of information on website ownership notably on the basis of the Law Enforcement Recommendations for the Internet Corporation for Assigned Names and Numbers (ICANN), in compliance with Union law, including the rules on data protection.

- Build on recent legislation to continue strengthening the EU's efforts to tackle child sexual abuse online. The Commission has adopted a European Strategy for a Better Internet for Children and has, together with EU and non-EU countries,, launched a **Global Alliance against Child Sexual Abuse Online**. The Alliance is a vehicle for further actions from the Member States supported by the Commission and the EC3.

The Commission asks Europol (EC3) to:

- Initially focus its analytical and operational support to Member States' cybercrime investigations, to help dismantle and disrupt cybercrime networks primarily in the areas of child sexual abuse, payment fraud, botnets and intrusion.
- On a regular basis produce strategic and operational reports on trends and emerging threats to identify priorities and target investigative action by cybercrime teams in the Member States.

The Commission asks the European Police College (CEPOL) in cooperation with Europol to:

- Coordinate the design and planning of training courses to equip law enforcement with the knowledge and expertise to effectively tackle cybercrime.

The Commission asks Eurojust to:

- Identify the main obstacles to judicial cooperation on cybercrime investigations and to coordination between Member States and with third countries and support the investigation and prosecution of cybercrime both at the operational and strategic level as well as training activities in the field.

The Commission asks Eurojust and Europol (EC3) to:

- Cooperate closely, inter alia through the exchange of information, in order to increase their effectiveness in combating cybercrime, in accordance with their respective mandates and competence.

2.3. Developing cyberdefence policy and capabilities related to the framework of the Common Security and Defence Policy (CSDP)

Cybersecurity efforts in the EU also involve the cyber defence dimension. To increase the resilience of the communication and information systems supporting Member States' defence and national security interests, cyberdefence capability development

should concentrate on detection, response and recovery from sophisticated cyber threats.

Given that threats are multifaceted, synergies between civilian and military approaches in protecting critical cyber assets should be enhanced. These efforts should be supported by research and development, and closer cooperation between governments, private sector and academia in the EU. To avoid duplications, the EU will explore possibilities on how the EU and NATO can complement their efforts to heighten the resilience of critical governmental, defence and other information infrastructures on which the members of both organisations depend.

The High Representative will focus on the following key activities and invite the Member States and the European Defence Agency to collaborate:

- Assess operational EU cyberdefence requirements and promote the development of EU cyberdefence capabilities and technologies to address all aspects of capability development - including doctrine, leadership, organisation, personnel, training, technology, infrastructure, logistics and interoperability;
- Develop the EU cyberdefence policy framework to protect networks within CSDP missions and operations, including dynamic risk management, improved threat analysis and information sharing. Improve Cyber Defence Training & Exercise Opportunities for the military in the European and multinational context including the integration of Cyber Defence elements in existing exercise catalogues;
- Promote dialogue and coordination between civilian and military actors in the EU – with particular emphasis on the exchange of good practices, information exchange and early warning, incident response, risk assessment, awareness raising and establishing cybersecurity as a priority.
- Ensure dialogue with international partners, including NATO, other international organisations and multinational Centres of Excellence, to ensure effective defence capabilities, identify areas for cooperation and avoid duplication of efforts.

2.4. Develop industrial and technological resources for cybersecurity

Europe has excellent research and development capacities, but many of the global leaders providing innovative ICT products and services are located outside the EU. There is a risk that Europe not only becomes excessively dependent on ICT produced elsewhere,

but also on security solutions developed outside its frontiers. It is key to ensure that hardware and software components produced in the EU and in third countries that are used in critical services and infrastructure and increasingly in mobile devices are trustworthy, secure and guarantee the protection of personal data.

Promoting a Single Market for cybersecurity products

A high level of security can only be ensured if all in the value chain (e.g. equipment manufacturers, software developers, information society services providers) make security a priority. It seems however that many players still regard security as little more than an additional burden and there is limited demand for security solutions. There need to be appropriate cybersecurity performance requirements implemented across the whole value chain for ICT products used in Europe. The private sector needs incentives to ensure a high level of cybersecurity; for example, labels indicating adequate cybersecurity performance will enable companies with a good cybersecurity performance and track record to make it a selling point and get a competitive edge. Also, the obligations set out in the proposed NIS Directive would significantly contribute to step up business competitiveness in the sectors covered.

A Europe-wide market demand for highly secure products should also be stimulated. First, this strategy aims to increase cooperation and transparency about security in ICT products. It calls for the establishment of a platform, bringing together relevant European public and private stakeholders, to identify good cybersecurity practices across the value chain and create the favourable market conditions for the development and adoption of secure ICT solutions. A prime focus should be to create incentives to carry out appropriate risk management and adopt security standards and solutions, as well as possibly establish voluntary EU-wide certification schemes building on existing schemes in the EU and internationally. The Commission will promote the adoption of coherent approaches among the Member States to avoid disparities causing locational disadvantages for businesses.

Second, the Commission will support the development of security standards and assist with EU-wide voluntary certification schemes in the area of cloud computing, while taking in due account the need to ensure data protection. Work should focus on the security of the supply chain, in particular in critical economic sectors (Industrial Control Systems, energy and transport infrastructure). Such work should build on the on-going standardisation work of the European Standardisation Organisations (CEN, CENELEC and ETSI), of the Cybersecurity Coordination Group (CSCG) as well as on the expertise of ENISA, the Commission and other relevant players.

The Commission will:

- Launch in 2013 a public-private **platform on NIS solutions** to develop incentives for the adoption of secure ICT solutions and the take-up of good cybersecurity performance to be applied to ICT products used in Europe.
- Propose in 2014 recommendations to ensure cybersecurity across the ICT value chain, drawing on the work of this platform
- Examine how major providers of ICT hardware and software could inform national competent authorities on detected vulnerabilities that could have significant security-implications.

The Commission asks ENISA to:

- Develop, in cooperation with relevant national competent authorities, relevant stakeholders, International and European standardisation bodies and the European Commission Joint Research Centre, **technical guidelines and recommendations for the adoption of NIS standards and good practices** in the public and private sectors.

The Commission invites public and private stakeholders to:

- Stimulate the development and adoption of industry-led **security standards**, technical norms and security-by-design and privacy-by-design principles by ICT product manufacturers and service providers, including cloud providers; new generations of software and hardware should be equipped with **stronger, embedded and user-friendly security** features.
- Develop industry-led standards for companies' performance on cybersecurity and improve the information available to the public by developing **security labels** or kite marks helping the consumer navigate the market.

Fostering R&D investments and innovation

R&D can support a strong industrial policy, promote a trustworthy European ICT industry, boost the internal market and reduce European dependence on foreign technologies. R&D should fill the technology gaps in ICT security, prepare for the next generation of security challenges, take into account the constant evolution of user needs and reap the benefits of dual-use technologies. It should also continue supporting the development of cryptography. This has to be complemented by efforts to translate R&D results into commercial solutions by providing the necessary incentives and putting in place the appropriate policy conditions.

The EU should make the best of the Horizon 2020 Framework Programme for Research and Innovation, to be launched in 2014. The Commission's proposal contains specific objectives for trustworthy ICT as well as for combating cyber-crime, which are in line with this strategy. Horizon 2020 will support security research related to emerging ICT technologies; provide solutions for end-to-end secure ICT systems, services and applications; provide the incentives for the implementation and adoption of existing solutions; and address interoperability among network and information systems. Specific attention will be drawn at EU level to optimising and better coordinating various funding programmes (Horizon 2020, Internal Security Fund, EDA research including European Framework Cooperation).

The Commission will:

- Use Horizon 2020 to address a range of areas in ICT privacy and security, from R&D to innovation and deployment. Horizon 2020 will also develop tools and instruments to fight criminal and terrorist activities targeting the cyber environment.
- Establish mechanisms for better coordination of the research agendas of the European Union institutions and the Member States, and incentivise the Member States to invest more in R&D.

The Commission invites the Member States to:

- Develop, by the end of 2013, good practices to use the **purchasing power of public administrations** (such as via public procurement) to stimulate the development and deployment of security features in ICT products and services.
- Promote early involvement of industry and academia in developing and coordinating solutions. This should be done by making the most of Europe's Industrial Base and associated R&D technological innovations, and be coordinated between the research agendas of civilian and military organisations;

The Commission asks Europol and ENISA to:

- Identify emerging trends and needs in view of evolving cybercrime and cybersecurity patterns so as to develop adequate digital forensic tools and technologies.

The Commission invites public and private stakeholders to:

- Develop, in cooperation with the insurance sector, **harmonised metrics for calculating risk premiums** that would enable companies that have made investments in security to benefit from lower risk premiums.

2.5. Establish a coherent international cyberspace policy for the European Union and promote EU core values

Preserving open, free and secure cyberspace is a global challenge, which the EU should address together with the relevant international partners and organisations, the private sector and civil society.

In its international cyberspace policy, the EU will seek to promote openness and freedom of the Internet, encourage efforts to develop norms of behaviour and apply existing international laws in cyberspace. The EU will also work towards closing the digital divide, and will actively participate in international efforts to build cybersecurity capacity. The EU international engagement in cyber issues will be guided by the EU's core values of human dignity, freedom, democracy, equality, the rule of law and the respect for fundamental rights.

Mainstreaming cyberspace issues into EU external relations and Common Foreign and Security Policy

The Commission, the High Representative and the Member States should articulate a coherent EU international cyberspace policy, which will be aimed at increased engagement and stronger relations with key international partners and organisations, as well as with civil society and private sector. EU consultations with international partners on cyber issues should be designed, coordinated and implemented to add value to existing bilateral dialogues between the EU's Member States and third countries. The EU will place a renewed emphasis on dialogue with third countries, with a special focus on like-minded partners that share EU values. It will promote achieving a high level of data protection, including for transfer to a third country of personal data.

To address global challenges in cyberspace, the EU will seek closer cooperation with organisations that are active in this field such as the Council of Europe, OECD, UN, OSCE, NATO, AU, ASEAN and OAS. At bilateral level, cooperation with the United States is particularly important and will be further developed, notably in the context of the EU-US Working Group on Cyber-Security and Cyber-Crime.

One of the major elements of the EU international cyber policy will be to promote cyberspace as an area of freedom and fundamental rights. Expanding access to the Internet should advance democratic reform and its promotion worldwide. Increased global connectivity should not be accompanied by censorship or mass surveillance. The EU should promote corporate social responsibility, and launch international initiatives to improve global coordination in this field.

The responsibility for a more secure cyberspace lies with all players of the global information society, from citizens to governments. The EU supports the efforts to define norms of behaviour in cyberspace that all stakeholders should adhere to. Just as the EU expects citizens to respect civic duties, social responsibilities and laws online, so should states abide by norms and existing laws. On matters of international security, the EU encourages the development of confidence building measures in cybersecurity, to increase transparency and reduce the risk of misperceptions in state behaviour.

The EU does not call for the creation of new international legal instruments for cyber issues.

The legal obligations enshrined in the International Covenant on Civil and Political Rights, the European Convention on Human Rights and the EU Charter of Fundamental Rights should be also respected online. The EU will focus on how to ensure that these measures are enforced also in cyberspace.

To address cybercrime, the Budapest Convention is an instrument open for adoption by third countries. It provides a model for drafting national cybercrime legislation and a basis for international co-operation in this field.

If armed conflicts extend to cyberspace, International Humanitarian Law and, as appropriate, Human Rights law will apply to the case at hand. **Developing capacity building on cybersecurity and resilient information infrastructures in third countries**

The smooth functioning of the underlying infrastructures that provide and facilitate communication services will benefit from increased international cooperation. This includes exchanging best practices, sharing information, early warning joint incident management exercises, and so on. The EU will contribute towards this goal by intensifying the on-going international efforts to strengthen Critical Information Infrastructure Protection (CIIP) cooperation networks involving governments and the private sector.

Not all parts of the world benefit from the positive effects of the Internet, due to a lack of open, secure, interoperable and reliable access. The European Union will therefore continue to support countries' efforts in their quest to develop the access and use of the Internet for their people, to ensure its integrity and security and to effectively fight cybercrime.

In cooperation with the Member States, the Commission and the High Representative will:

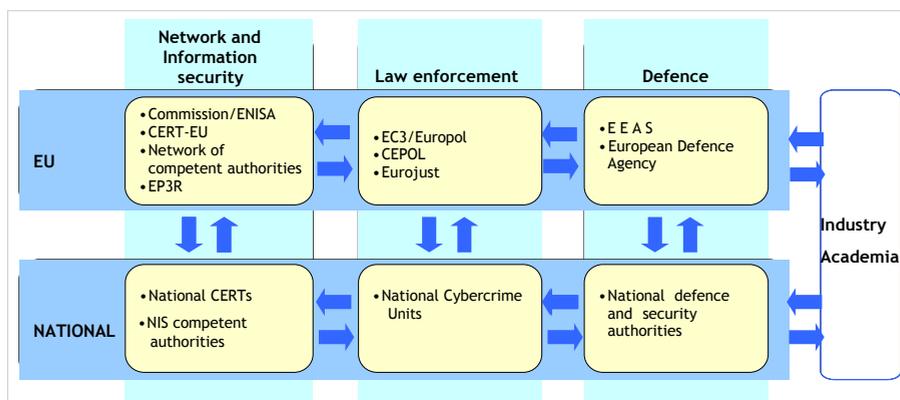
- Work towards a coherent EU International cyberspace policy to increase engagement with key international partners and organisations, to mainstream cyber issues into CFSP, and to improve coordination of global cyber issues;
- Support the development of norms of behaviour and confidence building measures in cybersecurity. Facilitate dialogues on how to apply existing international law in cyberspace and promote the Budapest Convention to address cybercrime;
- Support the promotion and protection of fundamental rights, including access to information and freedom of expression, focusing on: a) developing new public guidelines on freedom of expression online and offline; b) monitoring the export of products or services that might be used for censorship or mass surveillance online; c) developing measures and tools to expand Internet access, openness and resilience to address censorship or mass surveillance by communication technology; d) empowering stakeholders to use communication technology to promote fundamental rights;
- Engage with international partners and organisations, the private sector and civil society to support global capacity-building in third countries to improve access to information and to an open Internet, to prevent and counter cyber threats, including accidental events, cybercrime and cyber terrorism, and to develop donor coordination for steering capacity-building efforts;
- Utilise different EU aid instruments for cybersecurity capacity building, including assisting the training of law enforcement, judicial and technical personnel to address cyber threats; as well as supporting the creation of relevant national policies, strategies and institutions in third countries;
- Increase policy coordination and information sharing through the international Critical Information Infrastructure Protection networks such as the Meridian network, cooperation among NIS competent authorities and others.

3. Roles and responsibilities

Cyber incidents do not stop at borders in the interconnected digital economy and society. All actors, from NIS competent authorities, CERTs and law enforcement to industry, must take responsibility both nationally and at EU-level and work together to strengthen cybersecurity.

As different legal frameworks and jurisdictions may be involved, a key challenge for the EU is to clarify the roles and responsibilities of the many actors involved.

Given the complexity of the issue and the diverse range of actors involved, centralised, European supervision is not the answer. National governments are best placed to organise the prevention and response to cyber incidents and attacks and to establish contacts and networks with the private sector and the general public across their established policy streams and legal frameworks. At the same time, due to the potential or actual borderless nature of the risks, an effective national response would often require EU-level involvement. To address cybersecurity in a comprehensive fashion, activities should span across three key pillars— NIS, law enforcement, and defence—which also operate within different legal frameworks:



3.1. Coordination between NIS competent authorities/CERTs, law enforcement and Defence

National level

Member States should have, either already today or as a result of this strategy, structures to deal with cyber resilience, cybercrime and defence; and they should reach the required level of capability to deal with cyber incidents. However, given that a number of entities may have operational responsibilities over different dimensions of cybersecurity, and given the importance of involving the private sector, coordination at national level should be optimised across ministries. Member States should set out in their national cybersecurity strategies the roles and responsibilities of their various national entities.

Information sharing between national entities and with the private sector should be encouraged, to enable the Member States and the private sector to maintain an overall view of different threats and get a better understanding of new trends and techniques

used both to commit cyber-attacks and react to them more swiftly. By establishing national NIS cooperation plans to be activated in the case of cyber incidents, the Member States should be able to clearly allocate roles and responsibilities and optimise response actions.

EU level

Just as at national level, there are at EU level a number of actors dealing with cybersecurity.

In particular, the ENISA, Europol/EC3 and the EDA are three agencies active from the perspective of NIS, law enforcement and defence respectively. These agencies have Management Boards where the Member States are represented, and offer platforms for coordination at EU level.

Coordination and collaboration will be encouraged among ENISA, Europol/EC3 and EDA in a number of areas where they are jointly involved, notably in terms of trends analysis, risk assessment, training and sharing of best practices. They should collaborate while preserving their specificities. These agencies together with CERT-EU, the Commission and the Member States should support the development of a trusted community of technical and policy experts in this field.

Informal channels for coordination and collaboration will be complemented by more structural links. EU military staff and the EDA cyber defence project team can be used as the vector for coordination in defence. The Programme Board of Europol/EC3 will bring together among others the EUROJUST, CEPOL, the Member States, ENISA and the Commission, and offer the chance to share their distinct know-how and to make sure EC3's actions are carried out in partnership, recognising the added expertise and respecting the mandates of all stakeholders. The new mandate of ENISA should make it possible to increase its links with Europol and to reinforce links with industry stakeholders. Most importantly, the Commission's legislative proposal on NIS would establish a cooperation framework via a network of national NIS competent authorities and address information sharing between NIS and law enforcement authorities.

International

The Commission and the High Representative ensure, together with the Member States, coordinated international action in the field of cybersecurity. In so doing, the Commission and the High Representative will uphold EU core values and promote a peaceful, open and transparent use of cyber technologies. The Commission, the High Representative and the Member States engage in policy dialogue with international partners and with international organisations such as Council of Europe, OECD, OSCE, NATO and UN.

3.2. EU support in case of a major cyber incident or attack

Major cyber incidents or attacks are likely to have an impact on EU governments, business and individuals. As a result of this strategy, and in particular the proposed directive on NIS, the prevention, detection and response to cyber incidents should improve and Member States and the Commission should keep each other more closely informed about major cyber incidents or attacks. However, the response mechanisms will differ depending on the nature, magnitude and cross-border implications of the incident.

If the incident has a serious impact on the business continuity, the NIS directive proposes that national or Union NIS cooperation plans be triggered, depending on the cross-border nature of information and support. This would enable preservation and/or restoration of affected networks and services.

If the incident seems to relate to a crime, Europol/EC3 should be informed so that they – together with the law enforcement authorities from the affected countries – can launch an investigation, preserve the evidence, identify the perpetrators and ultimately make sure they are prosecuted.

If the incident seems to relate to cyber espionage or a state-sponsored attack, or has national security implications, national security and defence authorities will alert their relevant counterparts, so that they know they are under attack and can defend themselves. Early warning mechanisms will then be activated and, if required, so will crisis management or other procedures. A particularly serious cyber incident or attack could constitute sufficient ground for a Member State to invoke the EU Solidarity Clause (Article 222 of the Treaty on the Functioning of the European Union).

If the incident seems having compromised personal data, the national Data Protection Authorities or the national regulatory authority pursuant to Directive 2002/58/EC should be involved.

Finally, the handling of cyber incidents and attacks will benefit from contact networks and support from international partners. This may include technical mitigation, criminal investigation, or activation of crisis management response mechanisms.

4. Conclusion and follow-up

This proposed cybersecurity strategy of the European Union, put forward by the Commission and the High Representative of the Union for Foreign Affairs and Security Policy, outlines the EU's vision and the actions required, based on strongly protecting and promoting citizens' rights, to make the EU's online environment the safest in the world.

This vision can only be realised through a true partnership, between many actors, to take responsibility and meet the challenges ahead.

The Commission and the High Representative therefore invite the Council and the European Parliament to endorse the strategy and to help deliver the outlined actions. Strong support and commitment is also needed from the private sector and civil society, who are key actors to enhance our level of security and safeguard citizens' rights.

The time to act is now. The Commission and the High Representative are determined to work together with all actors to deliver the security needed for Europe. To ensure that the strategy is being implemented promptly and assessed in the face of possible developments, they will gather together all relevant parties in a high-level conference and assess progress in 12 months.

European External Action Service

EEAS Review

July 2013

Foreword

“In fulfilling his mandate the HR shall be assisted by a European External Action Service”

Article 27.3 TEU

As part of the political decision that enabled us to set up the EEAS, I was invited to review how the service was working and present a report in the summer of 2013.

At that time it seemed a long way off. We were at the very beginning of what needed to be done and grappling with what could be done.

Despite the length of the negotiations on the Constitution and then the Lisbon Treaty nothing had been put in place to make the EEAS a reality – in part because of the legal and political uncertainty surrounding the process.

There is much that could be written about those early days – and of the extraordinary events that took place as we started to build the service, turning a few words in the Lisbon Treaty into a global foreign policy service of 3,400 staff and 139 Delegations. I have likened it to trying to fly a plane while still bolting the wings on. The institutional challenges, and sometimes battles, were many. Different ideas on how the service should work and what impact it would have on existing institutions led to difficult decisions and sometimes lost opportunities.

For the people who joined this newly created service there were great challenges. Delegations in the field had to transform themselves overnight taking on new roles with no extra resources and without consolidated instructions or advice. For Brussels-based staff there followed a period of enormous uncertainty about their role in the new organisation and how they would relate to its new culture. For Member State diplomats there was the challenge of taking on new obligations and expectations.

It was, in a word, tough.

And against that tough beginning expectations were high, the world did not wait for a service to exist – challenges in our own neighbourhood and beyond demanded a European response. And all this was against an economic backdrop that made investment in the service more difficult.

This review sets out some of the lessons we have learned. We have sought to make the best use of scarce financial resources – and also to meet expectations that the EU should support progress towards democracy and prosperity in countries as varied as Libya and Somalia, Iraq and Afghanistan, Mali and Myanmar/Burma.

We are guided by our conviction that Europe has a special role to play in today's world. Our own recent history reminds us of the horrors of conflict and tyranny – and shows how prosperous, open societies can be built when those horrors are banished. One of the ambitions I encounter most frequently when I meet people struggling for justice and democracy is: “We want the same freedoms as you: please help us to achieve them”. The trust that people around the world are willing to place in us should not be underestimated. It is a vital asset. But that is not the only reason to engage with third countries. The hard truth that we must not avoid is that conflicts thousands of miles from our borders can damage our interests, while the spread of peace, prosperity and democracy around the world is good for Europe.

I am proud of what we have achieved so far. With the support of Member States in the Council, the European Commission and the European Parliament, the EEAS has developed into a modern and operational foreign policy service, equipped to promote EU interests and values in our relations with the rest of the world. Although much remains to be done, we can see the benefits of the comprehensive approach in the Balkans, the Middle East and North Africa, the crises in Africa, in support of the transition in Myanmar/Burma and in many other parts of the world.

Europe's role in the world is one of the major challenges of the 21st century. The EEAS is but one component of Europe's response to this global challenge. We seek to co-operate with, but not replace, the important work done by Member States. The EEAS seeks to add value by being more than a foreign ministry – combining elements of a development and of a defence ministry. The EEAS can be a catalyst to bring together the foreign policies of Member States and strengthen the position of the EU in the world.

This review reflects on what works and what doesn't. It identifies short and medium term issues and makes recommendations to the Council, the Commission and the Parliament. While the list of issues we raise here is not exhaustive and certainly not the last word in good ideas, I believe all of these proposals are important and necessary.

A lot of people have contributed their ideas and views – from Delegations across the world, Brussels-based staff, Commission, Council, Member States, the European

Parliament, think tanks, NGOs and individuals. I thank you all. Not all of them are incorporated here – in the end these are the issues that I think should be focused on now. In particular, the quality of the staff of the EEAS and the CSDP missions has been key to the progress we have made together over the last months. I am grateful to all of them for their support and professionalism during this difficult time, especially those working in challenging and dangerous environments far from home.

Over the coming months there will be time to consider the changes that I believe should be made. If we use this review to make sure the foundations of the service are as strong as possible then the capacity for the HR/VP and of the service to be more effective will be greater in the future.

Catherine Ashton
July 2013

The EEAS

It is important in this review not to lose sight of what the EEAS is for and what we mean by European foreign policy as distinct from the individual foreign policies of Member States. It is something new and unique that brings together all of the policies and levers at the EU's collective disposal and allows them to be focused on building influence and delivering results across the world to promote EU values and interests. The EEAS is not a European Ministry of Foreign Affairs designed to replace Member States' ministries. Nor is it a foreign policy department of the General Secretariat of the Council, or a revamped version of the former Directorate General for External Relations of the Commission with additional development and CFSP competences. Based on the central concept of the comprehensive approach, the main strengths of the EEAS are:

- a global coverage of all geographical and thematic issues, supported by an network of 139 EU delegations representing the EU in 163 third countries and international institutions. In more than 70 places where the EU has a Delegation there are fewer than 10 Member States represented and 50 countries where there are fewer than 5 Member States. The EU combined is the world's largest economy of over half a billion people. In today's world size and weight matter: collectively the EU can achieve things that no Member State individually is able to do;
- the capacity to engage strongly in support of key policy priorities, in particular in the neighbourhood to the south and to the east where the EU has influence and leverage to promote and to deliver change;

- an increasingly close partnership with the national diplomatic services of Member States, both in Brussels and in third countries, which is vital to an effective division of labour and efficient use of resources.

The EEAS ensures effective and timely delivery of EU foreign policy through a global network of EU delegations, crisis management structures and CSDP missions. Equally, the EEAS should provide strong and effective coordination of EU external policies, including trade, development and other global issues like energy security, climate change and migration. EU delegations are the operational focus of the service, working with national embassies of Member States in third countries and multilateral fora on the basis of trust, cooperation and burden sharing in all fields.

As the Service has been established the key elements of EU foreign policy have become clearer. At the beginning of the mandate the HR/VP set out three priorities: (a) establishing the Service; (b) the neighbourhood; and (c) strategic partners. Three main elements of EU foreign policy have emerged from the first two years of operation of the service: (I) the neighbourhood where the EU has all of the policies and instruments at its disposal to effect lasting change; (II) the Comprehensive Approach – which makes the EU uniquely able to tackle all aspects of a foreign policy issue and (III) those international issues where only the EU's collective weight allow us to play a lead role in today's globalised world.

The EEAS supports the High Representative in delivering Common Foreign and Security Policy and in ensuring the consistency of the Union's external relations, in her roles as chair of Foreign Affairs Council and Vice President of the Commission. The EEAS also provides support for the President of the European Council, the President of the European Commission and other Commissioners in their work on external relations (including in the preparation of policy papers, briefing files and preparation of Summits and other high-level meetings and visits). Co-operation between the EEAS and the European Parliament is strong, through the Declaration on Political Accountability and through the support EU delegations provide to Members of the Parliament when they travel.

I. The Organisation of the EEAS

Under this part of the review the focus will be on the structure of the service. The organigram of 1 January 2011 was designed for the start-up phase and reflected both the way that the service was created from pre-existing assets and also the new tasks that it would need to perform in terms of merging the roles previously done by the Commission, Council Secretariat and 6 month rotating Presidency of the Council on CFSP, CSDP and external relations issues. Now that the service is up and running and in the light of

experience changes can be proposed. In some cases – for example the identification and transfer of posts from headquarters to reinforce the Delegations network around the world – this work has already begun.

Structure of the EEAS

The current structure of EEAS Headquarters was agreed in early 2011 and flows from Article 4 of the EEAS Decision. The senior management of the service consists of the four members of the Corporate Board (the Executive Secretary General, Chief Operating Officer and two Deputy Secretaries General), eight Managing Directors with specific geographic or thematic responsibilities, the Director General of the EU Military staff and the directors of the other CSDP departments reporting directly to the High Representative.

The Corporate Board

The EEAS was established by means of a bloc transfer of staff from the Commission and Council Secretariat (Annex I of the EEAS Decision) supplemented with a small allocation of new posts to allow for the recruitment of national Diplomats from Member States. This posed complex challenges of combining different traditions and organisational cultures alongside the difficult task and on-going inter-institutional negotiations linked to setting up the service. For this reason the start-up EEAS included a strong and experienced senior management team including a top structure containing two posts – Executive Secretary General and Chief Operating Officer supported by two Deputy Secretary Generals. Both carried unique responsibilities but together they ensured global coverage on all the key political, economic and inter-institutional issues.

For the next phase of the EEAS, the necessity to have both posts will be less compelling. Both the present incumbents agree that a recommendation for the future would be to merge the roles creating a single Secretary General post (supported as necessary by the MD for Administration on resource and organisational issues). The Secretary General should continue to be able to call directly on two deputies to ensure global coverage reflecting the needs of the organisation.

Managing Directorates

The structure chosen for the start-up phase – geographical and thematic Managing Directorates – was a logical choice. However in some cases there is scope for combining posts as they become vacant for example where different geographical areas are covered by the same policy instruments.

Approximately 70% of staff arrived as part of the bloc transfer with their current grades which affected the capacity to design a new organisation. Member states had high expectations for their role in providing additional staff especially at senior level.

The Organigram reflects these realities. However it is clear that for the future the structure should change. The EEAS has already proposed a reduction in the number of the senior posts [AD15/16] by 11 in the 2014 budget. There is some scope for further reductions. But there is also a need for reallocation of posts to strengthen cross-cutting functions such as policy planning and to create short-term contract posts to help the service to regularise the anomalous status of EUSRs. The number of Managing Directorates should therefore be reduced in the next mandate and more responsibility given to Director-level posts. This should be implemented at the same time as the reform of the Corporate Board set out above.

EU Special Representatives (EUSRs)

The current status of EUSR is an anomaly post Lisbon. These positions were originally created by the Council linked to specific crises or situations in the era when there was no EEAS and only the Commission had Delegations around the world. With the Lisbon Treaty, the network of 139 EU Delegations has been brought under the authority of the HR/VP (Article 221) and represent the Union as a whole. At the time of the setting up of the EEAS, EUSRs had little connection to the Delegations or the central services, being housed in a separate building with a relationship primarily to the Member States through the PSC. Though we have changed this substantially more should be done to ensure that Article 33 TEU is implemented in a way that EUSRs are an intrinsic part of the EEAS. There are at present 12 EUSRs including 8 based in Brussels and 4 based in the countries or regions where they are active. In 2012, the total budget of EUSRs and their combined staff of 200 political advisors and administrative support was €28m. The current EUSRs should be fully integrated within the EEAS, while retaining a close link to Member States via the PSC. This pre-supposes however the transfer of their staff and the associated budget to the EEAS. This would also allow for savings to be made in terms of salary levels (all EUSRs are still graded AD16 despite an EEAS proposal to reduce this to AD14).

In any event, it will be important for the EEAS to have flexibility to recruit short-term senior figures (special representatives, co-ordinators or EU envoys) to undertake specific missions as the need arises.

Crisis Management Structures

The EU is highly regarded for our civilian and military missions. While these operate under different mandates there is still a need to improve our coordination. Currently there are 16 missions and operations deploying more than 7,000 military or civilian personnel. Of these 12 are civilian and 4 military operations. For the future development of a Comprehensive Approach to crisis prevention and management we need to ensure that these structures are better integrated into the operation of the EEAS. This includes more effective coordination on the ground between different missions, Delegations, EUSRs and partners.

In support of a more coordinated approach, a Managing Director with specific responsibility for crisis response was appointed, together with the creation of a new 24/7 situation room – merging the work previously done by “watchkeeper” and the open-source monitoring function of the old SitCen, both 24 hour services, thereby making better use of our resources.

The recent creation by the Commission of a 24/7 Emergency Response Centre which brings together Civil Protection and Humanitarian support mirrors this. However an even better use of EU resources would be to combine all of the 24/7 crisis capabilities into a single EU facility. To this end I have proposed that the EEAS Situation Room should be co-located with the Commission ERC to create a single EU ERC generating savings and avoiding duplication.

A crisis management board chaired by the Executive Secretary General and regular Crisis platform meetings coordinate responses across the EU institutions to crisis situations, for example on Mali, CAR, Syria, Yemen and Libya. This means the geographic services meeting with Commission and EEAS departments responsible for conflict prevention, crisis response, peace building, financial support, including humanitarian aid where appropriate, security policy and CSDP.

According to Articles 18 and 27 of the Treaty, the EEAS supports the High Representative in fulfilling her mandate to conduct the Common Foreign and Security Policy, including the Common Security and Defence Policy, both in making proposals for the development of policy and in its implementation as mandated by the Council. The planned European Council debate in December will be a further opportunity to consider ways of strengthening the effectiveness of EU security and defence policies, including whether the EEAS has appropriate internal management structures and the speed and effectiveness of decision-making on CSDP.

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. Any change in the basic reporting lines and authority of the High Representative will require a change to the EEAS decision but should now be considered. In the short term however, internal co-ordination can be reinforced by giving a clearer mandate to the Secretary General. Without prejudice to the specific profile and administrative status of military staff within the EUMS, ways should be explored of making their expertise more widely and directly available to other policy departments in the EEAS (for example by short-term staff loans in both directions), as well as in EU delegations by expanding the pilot programme of detached security/military experts. Similarly there is scope to improve synergy between the geographical experts in the INTCEN and the relevant delegations and policy departments, while preserving the specific links with the Intelligence Services of Member States. Finally, consideration should be given to clarifying and streamlining responsibilities for security policy issues and for the planning of CSDP missions.

In relation to the speed and effectiveness of decision-making in the area of CSDP, improvements could be made within the existing legal framework to reduce the number of intermediate steps of consultation of Council Working Groups in preparation for the implementation of a mission or joint action. The PSC has recently approved some proposals from the EEAS on the revision of crisis management procedures, and more radical steps could be considered for the future. These could include overhauling the management and procedures for CSDP operations (streamline planning functions for civilian and military missions; reduce intermediate steps in consultation of Council working groups). This analysis could also cover the level of decision making for operational issues, between Council working groups, the EEAS/FPI and the day-to-day management autonomy of missions themselves.

Similarly, despite considerable progress in recent years, a number of additional measures could be considered to accelerate procurement and improve financial procedures. Specifically, this could include changes to the financial regulation to bring urgent preparatory and implementation measures for CFSP actions within the fast-track procedures already available for humanitarian assistance. There is also a strong case for creating a shared services centre to provide logistical, procurement and administrative support for all CSDP missions and EUSRs as well as scope to put the employment conditions of the staff of CSDP missions and EUSRs on a sounder footing.

Working Groups

Post Lisbon, the HR/VP appoints the chair of the Political and Security Committee and the permanent chairs of 16 geographical and thematic working groups in the area of CFSP and external relations. These arrangements are generally working well and they ensure close links between the working group chairs and the policy departments

in the EEAS. However there remain a number of Council working groups chaired by the rotating Presidency, in particular the group of External Relations Counsellors, the Development working group, the Africa Caribbean Pacific (ACP) working group, the European Free Trade Area (EFTA) group, the Counter Terrorism Working Group (COTER), the International Public Law Working Group (COJUR) and Athena committee. Given the close relationship between the work of these groups and the policy areas covered by groups already chaired by the EEAS, and in the interest of policy coherence, it would make sense to consider a change in the relevant Council decision to provide permanent chairs for these groups as well (with the transfer of support staff from the Council Secretariat to the EEAS). In addition there should be a special relationship between the EEAS and the Enlargement Working Group (COELA) working group.

II. Functioning of the EEAS

Under this part of the review the focus will be on the systems of the service which includes the internal working of the EEAS and the inter-institutional relationships with the other Brussels institutions.

Policy Coherence and Strategic Thinking.

A central aim of the Lisbon treaty is to strengthen the EU's capacity to develop a long-term EU strategic framework in the area of external relations. In support of this objective, the EEAS produces a wide range of policy documents:

- draft Council conclusions on specific and topical issues;
- policy papers on key foreign policy issues (e.g. Human Rights Strategy, Communications and country reports under the European Neighbourhood Policy, Sahel Strategy, Caribbean Strategy);
- negotiating mandates for international agreements or contractual relations with third countries. Position papers and preparatory work for Summits and other high level political dialogue meetings;
- policy proposals and financing decisions for joint actions and missions in the context of the European Security and Defence Policy;
- country and regional strategy documents for the programming of external assistance (in co-operation with the relevant Commission services);
- analysis and recommendations on the external dimension of key internal EU policies like energy security, the environment, migration, counter-terrorism and transport.

There is no shortage of building blocks for comprehensive and effective EU external policies, and in many cases these instruments have helped to deliver a high level of consensus between Member States and the EU institutions, and on this basis, a strong and well-coordinated response to foreign policy challenges.

It is not always easy to achieve this since it requires the establishment of linkages between: related geographic or thematic topics; the work in different institutions, and even the different levels of discussion in the Council bodies (European Council, Ministerial Council formations, PSC, thematic working groups). At the same time, the Lisbon Treaty left CFSP intergovernmental and therefore subject to unanimity: in the absence of collective political will and agreement between Member States, this is a limiting factor on decision-making. The longer term perspective of the EEAS allows it to play an important role in policy formulation, brokering and implementation. The EEAS is uniquely well placed in the EU institutional framework to promote the strategic direction of the EU's external action, in particular with the active involvement of Member States and close co-operation with the Commission as well as the continued support of the European Parliament. With this in mind the EEAS policy planning capability should be reinforced.

Beyond this, there is clearly scope for the EEAS to use its unique position in the EU institutional framework to promote the strategic direction of the EU's external action, in particular with the active involvement of Member States and close co-operation with the Commission as well as the continued support of the European Parliament. The role of the High Representative in presenting the position of the Foreign Affairs Council in meetings of the European Council is important in this respect. The High Representative, as Vice President of the Commission, could contribute external relations priorities for inclusion in the Commission work programme. Similarly, the EEAS should continue to contribute to the broader work programme of the trio of rotating Presidencies.

More generally, it could be useful to reflect on a new basis for EU strategies or policies to be adopted jointly by Member States, the EEAS and the Commission (e.g. making the linkages between joint papers from the High Representative and the Commission with Council conclusions).

Relations with the Commission

Relations with the Commission are vital to the operation of the service. The Vice President role of the HR/VP gives a clear responsibility within the Commission for "responsibilities incumbent on it in external relations" and "for coordinating other aspects of the Union's external action" (Art 18(4) TEU). Under the EEAS Decision the EEAS provides information, advice and support to any of the Commissioners who request or need it, and EU Delegations not only offer support to Commissioners and their DGs

when visiting a third country but also host their staff and implement their instructions. For example in 2012 the EEAS prepared more than twice the number of briefings for the President and other members of the Commission as it did for the High Representative. Although it generally works well, there are a number of areas where more could be done to make this relationship work more smoothly.

Within the physical constraints of the triple hatted job, the HR/VP actively participates in meetings of the Commission. Her cabinet and the relevant services of the EEAS are fully involved in the upstream preparatory work for all Commission business, and make an active contribution to issues with an impact on the EU's external relations. The High Representative also participates in meetings of the External Relations Group of Commissioners (including the President, the Trade Commissioner, the Enlargement Commissioner, the Commissioner for Development policy, the Commissioner for Humanitarian Assistance and the Commissioner for Economic and Monetary Affairs). Unfortunately these meetings have not been held frequently enough. The President of the Commission and the High Representative have recently agreed that the Relex Group of Commissioners should meet more regularly, with the High Representative in the Chair. Meetings will be prepared jointly by the Secretariat General of the Commission and the EEAS.

In addition to the HR/VP and within the overarching strategic objectives defined by her, the EEAS works closely with the Commissioner for Enlargement and the European Neighbourhood Policy and the Commissioner for Development. The division of labour has generally worked well. Designating a Commissioner for the neighbourhood when the geographical responsibilities for these countries were transferred to the HR/VP and EEAS risked confusion. The EEAS has full responsibility for relations with all countries across the globe including the ENP countries where it provides support to both the High Representative and the Enlargement Commissioner and the ACP countries where it provides support to the HRVP and to the Development Commissioner. DG Enlargement has policy lead for relations with pre-accession countries in relation to the enlargement process, while more political aspects of relations with the Western Balkans and Turkey are handled by small geographical teams in the EEAS. DG DEVCO has the policy lead for cross-cutting development programmes. The current arrangements in terms of lead responsibility work mainly because of the good and close working relationships between the HR/VP and her Commissioner colleagues. But the division of responsibilities is potentially unclear and should be clarified. The allocation of portfolio responsibilities in the next Commission presents an opportunity for the President of the Commission to review the situation.

Close co-operation between the EEAS and the Commission is also vital on the various global issues where the external aspects of internal EU policies have a growing foreign

policy dimension. This includes areas such as energy security, environmental protection and climate change, migration issues, counter-terrorism, financial regulation and global economic governance. The EEAS is increasingly expected to provide the Foreign Affairs Council with ideas and policy proposals in these areas. Yet, following the allocation of responsibilities and resources at the creation of the EEAS, virtually all the expertise and capacity to manage the external aspects of these policies remained in the Commission services. The EEAS is not calling into question the lead responsibilities of Commission services in these areas. However, as their political significance and potential impact on the wider foreign policy agenda continues to grow, the EEAS will need to continue to reinforce its capacity to deal with them in future.

With the creation of the EEAS, the Commission created a new Service for Foreign Policy Instruments directly under the authority of the HR/VP with responsibility for the financial management and implementation of operational budgets for Common Foreign and Security Policy, the Instrument for Stability and support for election observation missions. This service is co-located with the services of the EEAS, but remains separate from the EEAS in administrative and functional terms because the Commission has exclusive responsibility for the management of operational chapters of the EU budget. This allows FPI to act as a bridge between the CFSP structures in the EEAS and the central services of the Commission responsible for the overall management of the budget. FPI is bound by the provisions of the EU Financial Regulation which apply to all EU institutions and all EU spending. Although it is not possible to integrate the activities of the FPI fully into the EEAS because of the Treaty responsibilities for the execution of the budget, more efficient and closer working with the EEAS should be explored. There is a strong case for considering a transfer of responsibilities and associated staff for the implementing measures for the EU sanctions regime from FPI into the EEAS or into a joint unit. Equally, there are on-going discussions on transferring responsibilities for external relations communication activities and budgets (including the management of EEAS and delegation websites) from the FPI to the strategic communications division in the EEAS. FPI, as a Commission service reporting directly to the HR/VP, could also be expanded to include a number of other financial programme areas directly linked to core policy objectives of the EEAS, and currently managed by DEVCO. Examples of such programme areas are those under the long-term component of the Instrument for Stability, Election Assistance in third countries (beyond Observation) as well as Human Rights and Democratisation generally (i.e. those covered by the EIDHR instrument).

In January 2012, the EEAS and the Commission agreed detailed working arrangements covering co-operation on instructions and management of work in EU delegations, specific arrangements for joint work on the programming and implementation of the EU external assistance programmes (building on Article 9 of the EEAS Decision), the

division of responsibility for preparation of briefings for Summits and other high-level meetings or visits involving the President of the Commission, the High Representative or other Members of the Commission, as well as co-operation in the area of communication and press work and specific arrangements covering the status of ECHO field offices in relation to EU delegations. These arrangements are working well, particularly in relation to the EU's external assistance instruments on programming and implementation. Further strengthening of the division for Development Cooperation coordination, for example through the secondment of additional experts from Member States, would help to raise the profile and impact of the EEAS in this area.

Relations with the European Parliament

Co-operation between the EEAS and the European Parliament is provided for under Article 36 TEU and the Declaration on Political Accountability. These arrangements are working well in ensuring proactive and systematic consultation of the appropriate committee of the Parliament before the decisions are taken on CFSP/CSDP actions or missions. Equally the practice of informal exchanges of views with newly appointed Heads of Delegation and EUSRs are helpful for both parties. There are systematic procedures for the EEAS to provide information to the AFET committee in the Parliament on the discussion at each Foreign Affairs Council. Most recently, the Chairman of the AFET Committee was invited to attend parts of the Gymnich informal meeting of Foreign Ministers for specific agenda items, in particular linked to the present review of the EEAS. The annual report on CFSP/ESDP in particular has provided a basis for a regular Plenary debate with the High Representative on these issues.

The High Representative has intensified co-operation with the European Parliament on the identification and planning of election observation missions, including on the choice of Chief Observers, through the Election Co-ordination Group. The EEAS has provided the European Parliament with timely and comprehensive information on progress in negotiations on international agreements covered by Article 218 of the Treaty and has actively developed arrangements for sharing of sensitive information with the Parliament through the Special Committee of security cleared MEPs. Similarly the Joint Consultation Meetings on the CFSP budget have been enhanced and the EEAS has been forthcoming in sharing emerging thinking on the future external assistance instruments and priorities under the next Multi-Annual Financial Framework. Finally, EU delegations have been keen to respond to the needs of the European Parliament in its contacts with third countries and international institutions, in particular in relation to official visits by representatives of the Parliament. The EEAS has also developed its capacities to engage with national parliaments in Member States.

The EEAS review provides an opportunity to take stock of progress with co-operation with the European Parliament, in particular under Article 36 of the Treaty and the Declaration on Political Accountability.

Relations with the Council Secretariat

The position of the HR/VP as a member of the Institutions but also a member of the Council when exercising the function of President of the Foreign Affairs Council is unique in the post Lisbon set-up. Coupled with this the EEAS Decision clearly states that the EEAS supports the HR/VP in the fulfilment of all of her roles. At the time of the creation of the EEAS more than 20 AD posts were retained by the Council Secretariat for residual external policy tasks. There should be a review of the division of labour between the EEAS and the Council Secretariat in support of the work of the Foreign Affairs Council and the foreign policy discussions in the European Council, to ensure a correct allocation of human resources and to avoid duplication. The transitional arrangements agreed pre-Lisbon for support for the HR/VP's European Council attendance also need to be reviewed to take account of the creation of the EEAS.

Service Level Agreements

When the EEAS was created as a functionally autonomous institution under the terms of the Financial Regulation and the Staff Regulations, it was decided that transfers of staff and other resources from the Commission and the Council Secretariat should be limited to policy departments falling under the future responsibilities of the service. As a result the EEAS received only a very limited transfer of resources for administrative and support services (no posts from outside the previous DG Relex and DG Development from the Commission and a skeleton staff from the Council Secretariat). This was explained by the view that the EEAS should rely on existing administrative and corporate support functions from the Commission and the Council. This support would come from a series of "service level agreements" covering, for example, HR, payroll, building management, IT support and security and administration of travel.

While this has prevented in some cases unnecessary duplication the "one size fits all" of the rules and procedures has been harder to manage as the systems were not adapted at all to the needs of the EEAS.

In addition specific problems have emerged. Whilst the Commission continues with these agreements, there are some activities that could more usefully be transferred to the EEAS (e.g. security inspections for EU delegations). On the other hand, the Council Secretariat has made clear they wish to end the SLA in place. This has created some challenges, for example, with buildings security and the handling of classified information.

It is important that where the Council Secretariat decides to end an SLA that the EEAS receives the corresponding resources to take on the responsibility seamlessly.

Brussels should be the natural location for international events where the EU is driving the agenda. Therefore there is a need to make sure we have the necessary facilities. This requires either the Council to agree to allow the EEAS to use their facilities or the EEAS to be able to create better facilities and/or an arrangement elsewhere in Brussels. In reality there is probably a need for all three possibilities. In particular, the EEAS should be provided with the resources for investment in a permanent in-house facility for such events.

Delegations

With the entry into force of the Treaty of Lisbon, EU Delegations were put under the authority of the HR/VP (Article 221 TFEU) and took on the role of local Presidency assuming responsibilities of local co-ordination with the diplomatic missions of Member States and external representation of EU foreign policy with third countries and multi-lateral organizations. This enhanced political role for Delegations remains challenging, resources are still limited to perform political tasks and provisions in the underlying Regulations (for example in terms of budget management or flexible use of staff from the Commission) are problematic.

Many delegations have managed the transition without any additional resources (13 have no political section, with the Head of Delegation the only AD official from the EEAS) and the transfer of Presidency responsibilities has gone well. The situation has been more complicated in multilateral delegations (New York, Geneva, Vienna, Paris, Rome, Strasbourg) given the complexity of legal and competence issues and the very heavy workload associated with EU co-ordination meetings. The Resolution in the UN General Assembly on “Participation of the EU in the work of the UN” in May 2011 provides a good basis for the EU to be present and have its voice heard. And the COREPER decision of October 2011 on the general arrangements on handling statements in multilateral fora has provided greater guidance on the respective role of the EEAS, the rotating Presidency and Member States. However, residual legal uncertainties in this area continue.

The EU has 139 delegations. Since the creation of the EEAS, delegations have opened in South Sudan, Libya and Myanmar and will shortly open in the UAE. Delegations have been closed in Suriname and New Caledonia (this will now be a Commission office), and the Delegation in Vanuatu will be closed soon. For each the unanimous approval of the Council and Commission is required and has been given. Yet the current network remains largely the result of past Commission decisions. It is clear that over time there is a need to ensure the EU is fully represented in parts of the world where we

do not currently have Delegations e.g. the Gulf States. This will mean further reallocation of resources from headquarters to abroad. But it will also entail the need for some additional funding. The EIB has shown willingness to partner with the EEAS and to provide a loan facility for building and capital projects. However given current resource constraints, we should also recognise that some areas can be fully covered either from neighbouring Delegations or by a small presence on the ground. This means Member States being ready to allow in some circumstances Chargés d’Affaires (Laos, Gambia, Costa Rica, New Zealand, Trinidad and Tobago and the Solomon Islands) to coordinate the local Presidency function.

More generally, there is huge potential to deepen the debate on the interaction between EU Delegations and national embassies, including innovative approaches to burden sharing and resource allocation. For example, the successful placement of a Spanish diplomat in the EU delegation in Yemen has created savings of up to €500,000 for the national budget. The growing opportunities for pooling activities and sharing resources should be exploited to the full. The resulting savings in national budgets should be a factor in setting the level of resources for the EEAS.

Instructions and management in Delegations

Under the overall authority of the EEAS Heads of Delegation, about 1/3 of staff are employed by the EEAS and 2/3 are employed by the European Commission. Within the EEAS staff, in line with the requirement for recruitment of national diplomats, a growing proportion of AD posts are occupied by staff from the Foreign Ministries of Member States. In general all staff in Delegations are conscious of the need to work together as a single team, while respecting individual roles and responsibilities. As part of the working arrangements between the EEAS and the Commission, there is a degree of flexibility for Commission staff in Delegations to contribute to the political work of the EEAS. And the general principle that both EEAS and Commission services can send instructions directly to Heads of Delegation with a copy to the responsible EEAS geographical desk works well in practice. The co-ordination of human resources management in delegations is less good, following the creation of two separate structures: contacts between the EEAS and the Commission on these issues are channelled through a working group (“EUDEL”) involving the administration of the EEAS and DEVCO and the central services of the Commission; separately an internal Commission working group (“COMDEL”) co-ordinates positions between the various Commission services with staff in delegations. This dual system, leads to multiple debate on the same issues, delays in decision-making and can be an obstacle to direct contacts between the EEAS and Commission services with a stake in Delegations.

Financial circuits in Delegations

Historically the Head of Delegation could delegate to their deputy the day to day management of external assistance programmes and had flexibility in small delegations for commission staff to be involved in the management of administrative expenditure. Since the arrival of the EEAS both are no longer allowed, creating a major administrative burden for Head of Delegation who are therefore often required to devote disproportionate time to signing off on minor transactions.

The EEAS believes it is of paramount importance to solve this quickly and look to this review to effect some change in the shortest possible timescale. Great efforts have been made in dialogue to resolve these issues but to no effect so far.

The EEAS is unable to make proposals of a legislative nature by itself, and must therefore rely on the Commission. The EEAS wishes to see changes to the Financial Regulation that would enable financial “circuits” in delegations to work better. Heads of Delegation raise this issue on a regular basis. While it is important to ensure that proper accountability exists this is an area we should aim to solve. The EEAS therefore recommends that the Commission puts forwards proposals on this at the earliest opportunity.

Cooperation with Member States in Delegations

Co-operation with Member States is based on well-established procedures for regular (at least monthly) meetings at the level of Heads of Mission and numerous co-ordination meetings at other levels (deputy heads of mission, political officers, trade experts, development specialists etc). The system for delivering demarches and making statements locally is working well. In most cases Delegations have put in place systems for information sharing and pooling of political intelligence, leading to increasingly frequent joint reports to Headquarters. This sharing of information, including of classified and sensitive material, should be further improved.

Given the very difficult economic context, the EEAS and Member States have a shared interest in further developing local co-operation in both policy and practical areas. The EEAS strongly supports the principle of co-location of EU Delegations and national embassies, shared logistics, security provision and procurement as well as joint field visits and public diplomacy initiatives. This should be stepped up. The global network of EU delegations offers huge opportunities for closer co-operation and burden sharing with national diplomatic services.

This is particularly relevant in the context of the debate on possible new areas of activity for EU delegations in the future, including consular protection and the further development of the network of security experts. Without prejudice to the political debate for Member States on whether the EEAS should extend into national competence for

consular protection, this is an area for which the Service has very limited resources in headquarters (concentrating on co-ordinating crisis response) and no resources or expertise in delegations. Article 5(9) of the EEAS Decision points to a future role for EU delegations in providing consular protection to citizens of the Union in third countries on a resource-neutral basis. This could only be achieved if the necessary resources and expertise were transferred from Member States. On security expertise in Delegations, the EEAS welcomes the response from some Member States to provide seconded experts from national defence and interior ministries or police services on a cost-free basis in response to an initial pilot project in a limited number of Delegations.

III. Role of the HR/VP

One of the main innovations of the Lisbon Treaty was to transfer the responsibilities of the rotating Presidency in the area of foreign policy to the High Representative and to the EEAS. Thus the High Representative has taken over the chair of the Foreign Affairs Council as well as the Defence Ministers' Council and the Development Ministers' meetings. On top of this she has become responsible for the institutional and representational obligations previously handled by the High Representative, the Commissioner for External Relations and the Foreign Minister of the Rotating Presidency.

Deputising for the High Representative

The Lisbon Treaty establishes the responsibilities of the High Representative, combining the tasks previously held by the Foreign Minister of the Member State with the Rotating Presidency, the High Representative/Secretary General of the Council Secretariat and the former Commissioner for External Relations. While the benefits of combining the jobs are clear, experience has clearly shown that this concentration of responsibilities in a single post generates a huge and relentless workload for one person. The HR/VP has to deal with the regular institutional meetings of the Council, the Commission, the European Council, and the European Parliament, as well as a large number of regular engagements with third countries including Summits and political dialogue meetings. At the same time, the High Representative needs to be able to make time to devote to key issues and relationships as underlined by the success of the recent Serbia-Kosovo dialogue.

The current arrangements for other EU representatives to deputise for the High Representative when she is unable to attend a particular meeting or event are ad-hoc and involve the Minister of the rotating Presidency, Members of the Commission with geographic responsibilities, senior EEAS officials and EUSRs. One option would be to formalise these arrangements, including a more direct co-ordinating responsibility on behalf of the Union for the HR/VP over one or more members of the Commission. At

the same time, the High Representative could involve Member States' foreign ministers in more specific tasks and missions. This approach could be achieved within the existing Treaty and legislative framework, in agreement with the Commission President, in the context of the composition of the next Commission.

An alternative model would be to create a new formal deputy HR/VP position(s). This would have a strong political and symbolic impact and reflect practice in most national Foreign Ministries where political State Secretaries or similar work under the authority of the Minister. It would however be more complex in institutional terms because of the absence of a clear legal basis in the Treaty, and in relation to the debate on the composition of the Commission.

In either model, there is a need to address the question of who represents the High Representative in European Parliament plenary debates, to ensure the best possible information for the Parliament and a real engagement with the EEAS on policy. The High Representative should continue to attend in person whenever possible. Commissioners and Ministers from the rotating Presidency can also make a very valuable contribution. But there are occasionally situations where the person standing in for the High Representative has not personally attended a key meeting or event and where another senior EEAS representative could provide a more informed contribution. It would therefore make sense to revise the Declaration on Political Accountability to allow EP plenary debates to follow the practice in the Foreign Affairs Committee of the Parliament where senior EEAS officials, Heads of Delegation or EU Special Representatives also take the floor.

The HR/VP job's extensive travel requirements affect her ability to participate in Commission meetings. HR/VP staff participate at every level of decision making and discussion on every aspect of Commission policy – from transport to single market issues. Greater use of modern technology such as enabling the HR/VP to contribute to Commission meetings by video link should be considered for the next Commission.

IV. Performance against targets

Staffing Issues

The EEAS has 3,417 staff divided between headquarters (1,457) and EU delegations (1,960). In addition there are about 3,500 Commission staff working in EU delegations. Within the EEAS staff, there are just over 900 AD posts (538 in HQ and 365 in Delegations). Other staff include 652 AST posts, 363 seconded national experts, 322 contractual agents, and 1,137 local agents in delegations.

In line with Article 6 of the EEAS decision, recruitment to the EEAS has been through a transparent procedure based on merit with the objective of securing staff of the highest standard of ability, efficiency and integrity, while ensuring adequate geographical and gender balance, and a meaningful presence of nationals from all Member States. During the transitional phase following the creation of the EEAS, there has been very good progress towards the objective of reaching the 1/3 target for temporary agents from national diplomatic services in AD posts. Following the decisions in the 2013 rotation exercise, the overall figure is 32.9% with 23.8% in HQ posts and 46.2% in Delegations (including 44% Heads of Delegation). The current imbalance between Headquarters and Delegations is the result of the majority of new posts provided for the EEAS being used to reinforce Delegations. Over time this imbalance will even out, as the EEAS develops new rotation and mobility policies for all staff.

In terms of geographical balance and the meaningful presence of nationals of all Member States in the EEAS, the table in annex 1 provides a complete breakdown of the different categories of staff by nationality. Specifically in terms of the newer Member States who were significantly under-represented in the staff transferred into the EEAS from the services of the Commission and the Council Secretariat, the 12 Member States who joined the EU since 2004 now account for 17.2% official posts in the establishment plan compared with a share of EU population in the order of 20%. The figure is slightly higher for AD posts at 18%. With the current exception of Cyprus, Luxembourg and Slovakia, there is at least one Head of Delegation post occupied by a national of each Member State. And new Member States account for 14% of the overall population of Heads of Delegation – 19 Heads of Delegation are held by nationals of Member States that joined the EU since 2004 (the equivalent figure at the start of the EEAS was launched was only 1 (0.7%). The EEAS is confident that the existing policy of recruitment on the basis of open competition remains valid and will further strengthen the geographical balance as posts are advertised and filled.

The HR/VP is also strongly committed to progress towards gender balance in the EEAS. The EEAS inherited a predominantly male workforce in the bloc transfer and like national Diplomatic Services, the EEAS faces challenges in attracting well qualified women candidates for senior positions in the Service. Since the creation of the EEAS, the number of women in Head of Delegation posts has more than doubled from 10 to 24 (17%). In Headquarters there are 22 women in management positions of head of division and above which represents 18% of the total. The most senior woman in the Service is Helga Schmid, who as Political Director is leading a network of women managers in the EEAS to encourage and support the professional development of women. Work on improving gender balance and on removing potential barriers to career progression should be intensified.

More generally the EEAS aims at an overall personnel policy that provides equal opportunities and perspectives for all staff. Based on the principle of equal treatment of permanent officials and temporary agents from Member States, the EEAS must remain within the targets of a minimum of 1/3 AD staff from national Diplomatic Services while maintaining at least 60% permanent staff. Now that the 1/3 target is within reach, the EEAS is actively considering the implications for recruitment and career management of temporary agents, the implications for the future mobility policy for internal staff moves within the Service as well as promotion possibilities for temporary agents and the need to publish a sufficient number of vacant posts to ensure the renewal of temporary staff who return to their national service at the end of their postings. The EEAS is convinced of the need to work closely with Member States in relation to the decisions affecting individual national diplomats. The established procedures in the consultative committee for appointments (CCA) provide a good basis for this co-operation, combined with full transparency to Member States through COREPER.

As the EEAS approaches the end of the transitional period for recruitment of national diplomats, it will be necessary to strike a new balance in the human resources policies of the institution. In particular, it is important to give clear and predictable career perspectives to permanent officials in the EEAS, both internally and by promoting a free flow of staff between the EEAS and other EU institutions. Equally it will be important to open up entry-level recruitment to EPSO competitions as soon as the 1/3 target has been reached to ensure the future generation of permanent officials. From 1 July 2013, the EEAS will also publish vacant posts beyond the traditional Treaty sources (EEAS, Member State diplomatic services, Commission and Council Secretariat) to include other EU institutions, including officials from the European Parliament.

Conclusion

This paper presents a range of proposals and suggestions from the High Representative on the organisation and functioning of the External Action Service, based on the relatively limited period of its operations since the adoption the Council Decision establishing the service and the entry into force of the subsequent changes in the financial and staff regulations on 1 January 2011. At this stage, the review deliberately concentrates on policy issues and possible improvements without addressing what these would require in terms of internal organisational changes, modifications in legal texts or other wider issues to be considered as part of the institutional transition in 2014.

Summary of Proposals for Change

Short-term recommendations

Organisation

1. Appoint permanent EEAS chairs for the Council Working Groups in the area of external relations that have remained with the rotating Presidency (Relex Counsellors, Development WG, Africa, Caribbean, Pacific (ACP) Working Group, the EFTA group, the Counter Terrorism Working Group (COTER), the International Public Law Working Group (COJUR) and Athena committee). Review staffing levels devoted to External Relations issues in the Council Secretariat and transfer necessary resources to EEAS. Create a special working relationship between the Enlargement Working Group (COELA) group and the EEAS.
2. Transfer Presidency responsibilities to EU delegations led by *chargés d'affaires* in Laos, the Gambia, Costa Rica, New Zealand, Trinidad and Tobago and the Solomon Islands;
3. Confirm co-ordinating responsibility for Deputy Secretary General for CSDP and Security Policy and Crisis Prevention departments, including their relations with the rest of the EEAS.
4. Review EUSR mandates and role, to closer integrate them into EEAS structures (HQ and delegations). Revisit the Council guidelines on the appointment, mandate and financing of EUSRs.
5. Strengthen EEAS sanctions team, including transfer of relevant staff from FPI and additional seconded staff from Member States;
6. Reinforce EEAS capacity for external aspects of key EU policies (energy security, environment, migration, fight against terrorism, external economic issues);
7. Strengthen the EEAS Policy Planning capability to work on strategic issues and papers.
8. Co-locate the 24/7 EEAS situation room with the newly created Commission of a 24/7 Emergency Response Centre to create a single EU Crisis Response Centre better using EU resources.

Functioning

9. The High Representative, as Vice President of the Commission, should propose specific external relations proposals for inclusion in the Commission annual work programme;
10. The EEAS should present medium-term strategies for specific regions or thematic issues in line with the established policy priorities, for discussion in the Council according to an agreed timetable. These strategies could also foster more joined-up discussions between discussions at different levels within the Council (European Council, Ministerial meetings, PSC, working groups);
11. The EEAS should contribute to the broader work programme of the trio of rotating Presidencies;
12. Regular meetings of Relex Group of Commissioners chaired by HRVP, supported by joint EEAS – Commission secretariat. Confirm lead co-ordinating role of HRVP, supported by EEAS geographical and thematic services, for all external relations issues.
13. Maintain active EEAS influence on programming of EU external assistance, within existing legal framework. Additional seconded experts from Member States could reinforce EEAS profile and impact;
14. Require all instructions to delegations to pass by Heads of Delegation, copied to the relevant EEAS geographical desk.
15. Promote closer co-ordination between EU delegations and embassies of Member States in third countries, in particular through greater use of joint reports and mutual sharing of information. Ensure full implementation of system for exchange of sensitive and classified information (including with non-resident EU ambassadors).
16. Establish priority list of joint projects for co-location and pooling support services between EU delegations and national embassies (with appropriate cost-sharing arrangements). Examine ways of providing MS national security resources to protect EU delegations on cost recovery basis;
17. Simplify administrative budget of delegations to ensure single source of funding (combining money from EEAS and Commission budgets);
18. Reinforced EEAS-Commission co-ordination on management of resources in delegations (merger of EUDEL and COMDEL structures).

19. Consolidate focal points in all EU delegations to cover key policy areas (e.g. human rights). Further develop network of military and civilian security experts in delegations. Pursue debate on possible consular role of EU delegations, subject to political agreement and additional resources and expertise from Member States.
20. Clarify division of labour between EEAS and Commission/Council Secretariat services with external relations responsibilities to improve efficiency and eliminate duplication. Any necessary staff transfers could be addressed in the 2014 budget procedure.
21. Review Service Level Agreements with Commission and Council Secretariat and the allocation of resources to address known problem areas (e.g. use of Council meeting rooms for conferences and political dialogue, transfer of secure communication systems, resources for security in third countries).
22. Review priorities and seek to streamline formal political dialogue meetings at Ministerial and senior official level. Meetings should be scheduled on the basis of the substance to be discussed.

Staffing

23. Human resources policies to keep balance of permanent officials and temporary agents stable at all levels in relation to 1/3 target for national diplomats and 60% minimum for officials (based on principle of equal treatment, ensuring attractive career prospects for all). Publication of posts to the three Treaty sources adapted to needs in terms of turnover of existing temporary agents.
24. Specific policy on status and management of temporary agents from Member States to cover contract duration/renewal, access to mobility and rotation policies for EEAS posts, grading, promotion and reclassification and re-integration into national foreign ministries.
25. Sustained efforts to address residual issues on geographical balance and achieving a meaningful presence of national of all Member States;
26. Additional measures to promote gender balance.

Medium-term recommendations

Organisation

1. Overhaul management and procedures for CSDP operations (streamline planning functions for civilian and military missions; reduce intermediate steps in consultation of Council working groups; simplified procurement and financial procedures). The December European Council debate on security and defence could also cover structural issues (e.g. integration of CSDP structures within the EEAS, reporting lines, mission support);
2. Create a shared services centre to provide logistical, procurement and administrative support for all CSDP missions and EUSRs.
3. Clarify system of political deput(ies) for the High Representative (either within EEAS structures or through clearer responsibility for HRVP over other Commissioners). Conclude formal arrangements for existing practice where Foreign Ministers, members of the Commission and senior EEAS officials can deputise for the HRVP (including having formal representation rights in EP, Council and Commission meetings);
4. In future allocation of Commission portfolios, strengthen HRVP position in Commission decision-making on external assistance programmes, to ensure optimal coherence with EU foreign policy priorities and clarify the HR/VP's lead responsibility for relations with Western Balkans and ENP countries.
5. Streamline EEAS top management structure, in particular the composition of the Corporate Board and the division of labour between Managing Directors and Directors. Merge posts of Executive Secretary General and Chief Operating Officer into a single post of Secretary General; reduce number of Managing Directors.

Functioning

6. As part of the forthcoming institutional transition, revise the HRVP declaration on political accountability (e.g. to address who can represent HRVP in EP debates; intensify EP input to upstream policy planning; access to classified information, including political reporting from EU delegations; support for EP visits in third countries);
7. Modify Financial Regulation to address problems of dual financial circuits in delegations

8. Review roles of Commission Accountant and Internal Audit Service in relation to financial management of EEAS
9. Address residual competence issues to ensure that EEAS and EU delegations are the single channel for EU external relations issues, including in areas of mixed competence and in multilateral fora including the UN system, OSCE etc.

Annex 1

| Member States diplomats as proportion of AD staff, taking into consideration already announced recruitments of 2013 rotation | | | | | | | AST staff as of 20 June 2013 | Contract agents as of 20 June 2013 |
|--|------------------------|------|--------------|------|-------|-------|------------------------------|------------------------------------|
| Countries | Member State diplomats | % | AD Officials | % | Total | % | | |
| Austria | 11 | 1,2% | 17 | 1,8% | 28 | 3,0% | 11 | 7 |
| Belgium | 16 | 1,7% | 49 | 5,2% | 65 | 7,0% | 166 | 85 |
| Bulgaria | 10 | 1,1% | 3 | 0,3% | 13 | 1,4% | 5 | 5 |
| Cyprus | 1 | 0,1% | 3 | 0,3% | 4 | 0,4% | 2 | 0 |
| Czech rep. | 12 | 1,3% | 11 | 1,2% | 23 | 2,5% | 13 | 2 |
| Denmark | 10 | 1,1% | 17 | 1,8% | 27 | 2,9% | 16 | 1 |
| Estonia | 7 | 0,7% | 5 | 0,5% | 12 | 1,3% | 10 | 0 |
| Finland | 7 | 0,7% | 13 | 1,4% | 20 | 2,1% | 17 | 4 |
| France | 39 | 4,2% | 83 | 8,9% | 122 | 13,0% | 51 | 68 |
| Germany | 22 | 2,4% | 69 | 7,4% | 91 | 9,7% | 42 | 19 |
| Greece | 9 | 1,0% | 26 | 2,8% | 35 | 3,7% | 28 | 3 |
| Hungary | 11 | 1,2% | 10 | 1,1% | 21 | 2,2% | 10 | 2 |
| Ireland | 7 | 0,7% | 15 | 1,6% | 22 | 2,4% | 14 | 3 |
| Italy | 15 | 1,6% | 84 | 9,0% | 99 | 10,6% | 53 | 39 |
| Latvia | 7 | 0,7% | 4 | 0,4% | 11 | 1,2% | 3 | 1 |
| Lithuania | 4 | 0,4% | 5 | 0,5% | 9 | 1,0% | 5 | 2 |
| Luxembourg | 0 | 0,0% | 2 | 0,2% | 2 | 0,2% | 0 | 0 |
| Malta | 6 | 0,6% | 2 | 0,2% | 8 | 0,9% | 4 | 0 |
| Netherlands | 10 | 1,1% | 21 | 2,2% | 31 | 3,3% | 25 | 2 |

| Member States diplomats as proportion of AD staff, taking into consideration already announced recruitments of 2013 rotation | | | | | | | AST staff as of 20 June 2013 | Contract agents as of 20 June 2013 |
|--|------------------------|--------------|--------------|--------------|------------|-------------|------------------------------|------------------------------------|
| Countries | Member State diplomats | % | AD Officials | % | Total | % | | |
| Poland | 10 | 1,1% | 27 | 2,9% | 37 | 4,0% | 24 | 4 |
| Portugal | 9 | 1,0% | 20 | 2,1% | 29 | 3,1% | 29 | 12 |
| Romania | 14 | 1,5% | 4 | 0,4% | 18 | 1,9% | 16 | 12 |
| Slovakia | 4 | 0,4% | 3 | 0,3% | 7 | 0,7% | 4 | 3 |
| Slovenia | 9 | 1,0% | 2 | 0,2% | 11 | 1,2% | 10 | 0 |
| Spain | 22 | 2,4% | 61 | 6,5% | 83 | 8,9% | 44 | 36 |
| Sweden | 11 | 1,2% | 25 | 2,7% | 36 | 3,9% | 28 | 1 |
| United Kingdom | 25 | 2,7% | 46 | 4,9% | 71 | 7,6% | 29 | 9 |
| Total | 308 | 32,9% | 627 | 67,1% | 935 | 100% | 659 | 320 |



America

Statement by EU High Representative Catherine Ashton on the bomb attack at the Boston marathon

Brussels, 16 April 2013, A 207/13

The High Representative of the European Union for Foreign Affairs and Security Policy and Vice President of the Commission issued the following statement today:

“I was shocked to hear of the terrible bomb attack at the Boston marathon, deliberately targeting men, women and children enjoying and participating in a sporting event. Our thoughts go out to the families of those who have lost loved ones and we wish speedy recoveries to those who have been injured.

Such acts are reprehensible. We stand with the United States government and people in condemning this bombing.”



Africa

Joint Statement by EU High Representative Catherine Ashton and Commissioner Andris Piebalgs on the adoption of a “Peace, Security and Cooperation Framework for the Democratic Republic of the Congo and the Region”

Brussels, 24 February 2013, MEMO 13/133

The HR/VP Catherine Ashton and Development Commissioner Andris Piebalgs, welcome the adoption in Addis today of a “Peace, Security and Cooperation Framework for the Democratic Republic of the Congo and the Region”. They commend the UN Secretary General for his strong leadership and the leaders of the region to have chosen dialogue and cooperation as a basis for addressing the many challenges the region is facing.

“We welcome the framework agreement signed today as well as the upcoming appointment of a UN envoy. We also support a stronger MONUSCO. These are important steps in order to find sustainable, political solutions for the structural problems both at domestic and at regional level. By adopting the agreement, leaders of the DRC and the region commit to respect important principles related to good neighbourliness and to take the concrete action at home that is needed.

In this context, we also welcome the contribution provided by the regional mediation between the DRC government and the M23, led by Uganda. The EU calls on the parties to negotiate in good faith and to prevent the resumption of hostilities in eastern DRC.

The EU has been a strong partner of the region for many years. It is committed to support the implementation of the framework agreement with all countries concerned and to foster regional cooperation.

We believe this is an opportunity for a new start for the region and its peoples who have suffered too much. We call on all leaders’ strong and genuine commitment to implement. The EU stands ready to do its part”.

Statement by EU High Representative Catherine Ashton on the attack in Nairobi

Brussels, 22 September 2013, A471/13

The High Representative of the European Union for Foreign Affairs and Security Policy and Vice President of the Commission, issued the following statement today:

“I am appalled by the brutal attack on innocent citizens at the Westgate Shopping Centre in Nairobi on Saturday. I send my sincere condolences to those who have lost family, friends and loved ones, and our sympathy to those injured and all affected by the events.

The European Union offers its full support to the Kenyan authorities in dealing with the situation. We are willing to do our utmost to help prevent such attacks happening in the future. My thoughts are with all those affected by Saturday’s events.”

Middle East

Statement by EU High Representative Catherine Ashton on the Iranian election

Brussels, 15 June 2013, A 325/13

The High Representative of the European Union for Foreign Affairs and Security Policy and Vice President of the Commission issued the following statement today:

“The Iranian people have chosen a new president in elections on 14 June. The announced results confirm that they have decided to entrust Mr. Hassan Rohani with a strong mandate to govern Iran in the next four years. I wish Mr. Rohani well in forming a new government and in taking up his new responsibilities. I remain firmly committed to working with the new Iranian leadership towards a swift diplomatic solution of the nuclear issue.”

Statement by EU High Representative Catherine Ashton on EU support for a Conference on the establishment of a Middle East zone free of weapons of mass destruction

Brussels, 01 July 2013, A 366/13

Catherine Ashton, High Representative of the Union for Foreign Affairs and Security Policy, made today the following statement:

“In view of the 2015 Review Conference of the nuclear non-Proliferation Treaty and its preparatory process, I would like to reiterate that the EU has been committed to establishing a Middle East zone free of nuclear weapons and all other weapons of mass destruction ever since the Barcelona Declaration of 1995.

It remains a strategic priority of the European Union to support peace and stability in the entire Middle East. I therefore expressed regret in my statement of 24 November 2012 that the Conference on the establishment of such a zone, agreed at the 2010 NPT Review Conference and scheduled to take place in 2012, was postponed.

Today, the EU continues to fully support the on-going preparations for a successful Conference and in particular the tireless efforts of its Facilitator, Ambassador Laajava of Finland, and his team, to lay the groundwork in this respect. I therefore call on all States in the region to urgently and proactively engage with the Facilitator and the Conveners with the aim of enabling the Conference to be convened as soon as possible this year, on the basis of arrangements freely entered into between the States of the region.”

Statement by EU High Representative Catherine Ashton following the US-Russian agreement on chemical weapons in Syria

Brussels, 14 September 2013, A 458/13

Catherine Ashton, High Representative of the Union for Foreign Affairs and Security Policy and Vice President of the Commission issued the following statement today:

“I welcome the agreement reached today between the United States and the Russian Federation to ensure the swift and secure destruction of Syria’s chemical weapons and programme. They are committed to finalising the details of this agreement and submitting a draft decision to the Executive Council of the Organisation for the Prohibition of Chemical Weapons (OPCW) in the next few days. This will set out detailed procedures for the expeditious destruction of materiel, the termination of the chemical weapons programme and a stringent verification process. I call on the UN Security Council to assume its responsibilities in agreeing swiftly on a resolution that will give further authority to the whole process.

I join the US and the Russian Federation in demanding that Syria provide the OPCW, the UN and other supporting personnel with immediate rights and unfettered access to inspect any and all sites in Syria. I welcome the statement of commitment by the Syrian authorities immediately to apply the Chemical Weapons Convention on a provisional basis prior to its entry into force.

The EU is already the largest financial contributor to the OPCW, and a number of EU Member States have the technical knowledge necessary to assist in securing sites, and in dismantling and destroying certain chemical agents. In close coordination with its Member States, the EU stands ready to offer further support to the OPCW in carrying out its important and urgent tasks.

I hope that today’s agreement will pave the way for the resumption of efforts towards a political solution to the Syrian conflict. I urge all partners in the international

community to support the swift holding of a peace conference on Syria and to work together toward bringing an end to the suffering of the Syrian people.”

Statement by EU High Representative Catherine Ashton on the adoption of the United Nations Security Council resolution on Syrian chemical weapons

Brussels, 28 September 2013, 130928/01

The High Representative of the European Union for Foreign Affairs and Security Policy and Vice President of the Commission issued the following statement today:

“I warmly welcome today’s UNSC resolution as it represents a major step towards a sustainable and unified international response to the crisis in Syria. It follows on from the important decision taken by the OPCW Executive Council in The Hague.

This decision should pave the way to the elimination of chemical weapons in Syria, and set a standard for the international community in responding to threats posed by weapons of mass destruction. The legally binding and enforceable resolution condemns the attacks of 21 August and calls for accountability for this crime and envisages a forceful international reaction in the event of non-compliance. The EU reiterates its readiness to support actions foreseen under the resolution as well as under the decision of the OPCW Executive Council.

We must not lose sight of the most important goal: ending the violence and heading towards a peaceful and democratic transition in Syria. In this respect, I am particularly pleased that the UNSC resolution contains a very clear endorsement of the Geneva agreement reached on the 30 June 2012 and calls for the convening of the follow up conference as soon as possible. In the meantime we also need to ensure that humanitarian aid reaches the most vulnerable populations in Syria and that access is granted to humanitarian aid agencies.”

Joint Statement by EU High Representative Catherine Ashton and Iran Foreign Minister Zarif

Geneva, 24 November 2013

The EU High Representative and the Foreign Minister of Iran, together with the Foreign Ministers and Political Directors of the E3+3 (China, France, Germany, the Russian Federation, the United Kingdom and the United States), met from 20 – 24 November 2013 in Geneva.

After intensive negotiations, we reached agreement today on a joint plan of action which sets out an approach towards reaching a long-term comprehensive solution. We agreed that the process leading to this comprehensive solution will include a first-step on initial reciprocal measures to be taken for both sides for a duration of six months.

We also share a strong commitment to negotiate a final, comprehensive solution.

The adoption of the joint plan of action was possible thanks to a sense of mutual respect and a determination to find a way forward which is beneficial for all of us.

The implementation of this first step creates the time and environment needed for a comprehensive solution, which remains the shared goal and on which talks will begin soon. The work on the implementation of this first step will begin shortly. We look forward to swift implementation, which we will jointly monitor, in close coordination with the IAEA.

Today's agreement is a significant step towards developing our relationship in a more constructive way.

Asia Pacific

Statement by the High Representative Catherine Ashton following the adoption by the UN Security Council of Resolution 2094 on DPRK's nuclear test

Brussels, 07 March 2013, A 120/13

The High Representative of the European Union for Foreign Affairs and Security Policy and Vice President of the Commission Catherine Ashton issued the following statement today:

“I welcome the unanimous adoption by the UN Security Council of Resolution 2094 on 7 March 2013. This is a clear expression of the unity of the International Community and its resolve to uphold the global non-proliferation regime. It sends an unequivocal message to the DPRK that the International Community will not tolerate the continued violations of its relevant non-proliferation Resolutions. The EU strongly supports the UN and the system of multilateral rules and norms and will swiftly act in support of the Resolution and transpose the measures it contains.

It is regrettable that the North Korean authorities have already threatened further provocative actions. I repeat my call on the North Korean authorities to reflect and, instead of threats, put the welfare of their people first and choose a more constructive path, through reengagement with the international community.”

Declaration by the High Representative Catherine Ashton on behalf of the European Union on the establishment by China of an ‘East China Sea Air Defence Identification Zone’

Brussels, 28 November 2013, 17082/1/13

The EU is concerned to learn of China’s decision to establish an ‘East China Sea Air Defence Identification Zone’ as well as the accompanying announcement by the Chinese Ministry of Defence of “emergency defence measures” in case of non-compliance. This development heightens the risk of escalation and contributes to raising tensions in the region. The EU calls on all sides to exercise caution and restraint.

With its significant interests in the region, the EU is following these developments closely. The legitimate use of sea and airspace are rights enshrined in international law and are essential for security, stability and prosperity. Actions that bring or appear to bring these rights into question are not conducive to finding lasting solutions to the differences that exist in East Asia’s maritime areas. The EU calls upon all parties to take steps to calm the situation, to promote trust building measures and reach out diplomatically to seek peaceful, cooperative solutions according to international law, in order to defuse tensions and resolve differences constructively.

The Candidate Countries Turkey and Montenegro*, and the Countries of the Stabilisation and Association Process and potential candidates Albania and Bosnia and Herzegovina, align themselves with this declaration.

* Montenegro continues to be part of the Stabilisation and Association Process.

Annex



EUISS 2013 Activities Report

1. THE EUISS IN 2013

A number of important changes have been planned and implemented throughout the year, with a view to streamlining the work of the EUISS and adapting it to today's ever-changing environment. Given that the Institute is set to soon acquire a new legal basis, this transformation is likely to continue well into 2014.

First and foremost, the team of experts has been almost entirely renewed. With the departure of a further three Senior Research Fellows (in addition to the two who had left in late 2012), the Director was able to recruit a new set of resident analysts. As a result, Eva Gross, Cristina Barrios, Florence Gaub and Thierry Tardy joined the EUISS in the spring, followed by Nicu Popescu in September. Nicola Casarini had his three-year contract extended by a period of four months (until December 2013) while Patryk Pawlak is due to stay on until December 2014.

Alongside the Senior Analysts, the Institute has recruited a number of Associate Fellows/Analysts on short-term contracts (6 months to start with) in order to work on specific projects and cover new areas. This is likely to remain a distinctive feature of the EUISS in the years to come, as it offers greater flexibility and adaptability while permitting the mobilisation of relevant expertise at short notice. Although the Associate Fellows/Analysts have come from a variety of backgrounds and contributed in different ways, all have been successfully integrated into the Institute's team. The Visiting Fellowships programme, by contrast, has been cancelled, while the process of recruitment of Trainees has been made more rigorous and is now aligned with the 5-month cycle adopted by EU institutions. In October, the EUISS also appointed a Data Protection Officer (DPO) to ensure effective compliance with Regulation (EC) 45/2001 of the European Parliament and of the Council.

Other important changes have been:

- the EUISS Brussels 'Antenna' becoming fully operational, made possible also by the availability of an agent to share her working week between Paris and Brussels
- the redesign of all EUISS publications, combining shorter pieces of analysis with more in-depth essays, plus the new *Yearbook of European Security*

- the constant evolution and adaptation of the EUISS website to make it more user-friendly and responsive to various demands
- the systematic launch of dedicated Task Forces on issues deemed relevant for EU policy, involving experts and policymakers and producing collective reports
- the support for and involvement in transnational networks, as well as bilateral dialogues with think tanks across the world, starting with the Union's 'strategic partners'.

Throughout 2013, special emphasis has been placed on the Institute's own contribution to the debates around and preparations for the European Council meeting, in December, devoted to defence; to the ongoing 'strategic' discussions across the Union, including within the ESPAS framework; to the ever more unstable 'neighbourhoods' of the Union, including 'the neighbours of the neighbours': and to the challenges raised by the changing energy markets, cyber-related vulnerabilities, and the cross-border management of civilian emergencies.

That said, the trademark activities of the EUISS not only remain, but have been re-launched: the Washington Forum was held in March (as part of the Institute's transatlantic activities), and the Annual Conference was held in Paris in late May with the participation of HR/VP Catherine Ashton. The EUISS has enjoyed excellent collaboration with the rotating EU presidencies (Ireland and Lithuania) – and the cooperation with the EEAS in organising regular workshops with and for the policy planners from the foreign ministries of member states has been equally productive.

2. BRUSSELS ANTENNA

Although the EUISS has had a small office in Brussels (a room inside the Justus Lipsius building) for several years, it was only at the very end of 2012 that its presence was 'upgraded' with the opening of the EUISS Brussels Antenna. 2013 was its first full year in existence.

A permanent presence in Brussels has made it easier both to follow the public debate in the EU capital and to stay in touch with internal policy development by attending meetings and reporting back to the Paris Headquarters. But the main purpose of the Antenna has been to enhance the profile of the EUISS in Brussels and provide a point of contact for permanent representations, institutions and think tanks. Through a series of bilateral contacts, small meetings, seminars, task forces and other formats, this aim has – by and large – been successfully achieved.

Perhaps the most appreciated format developed by the Antenna in 2013 has been the expert brainstorming meetings. These are smallish gatherings (of up to 20 people) which provide officials – principally from the EEAS and the member states, but also the Commission and other EU institutions – with the opportunity to meet with external experts for a frank exchange of views behind closed doors. Such meetings have been held, *inter alia*, on security in South-East Asia, the Sahel region, energy security, cyber security and the Union’s eastern and southern neighbourhoods.

In addition to these brainstorming meetings, there has been a series of more traditional-style seminars: on the Western Balkans (on the occasion of the 10th anniversary of the Thessaloniki Declaration and the publication of a relevant EUISS study); on the work done by four European think tanks for the release of the European Global Strategy (and, later on, to mark the 10th anniversary of the European Security Strategy); and on 50 years of EU-Korea relations (in cooperation with the Lithuanian EU presidency and Egmont).

The Antenna is responsible for all relations with the press and organised in March – in cooperation with the EU Delegation in Washington D.C. – an opportunity for a group of US journalism students to meet and exchange views and experiences with well-known Brussels-based journalists. In May, the Antenna arranged for the EUISS to attend the EU Open Day. The EUISS stand, manned by a team from both Brussels and Paris, interacted throughout the day with interested visitors asking questions about the work of the Institute and was also honoured by a visit from President van Rompuy. In June, the Antenna organised a visit to the European Parliament for a delegation from China.

Throughout 2013, the Antenna was staffed three days per week by one EUISS member of staff who also continued to work two days per week in the Paris Headquarters in order to facilitate information exchange. This staff member has been aided by two trainees and, since September, by a temporary Executive Research Assistant. In addition to their Brussels duties, the Trainees and Executive Research Assistant carry out research work for Senior Analysts at the Paris Headquarters and take notes at events the Analysts cannot attend. They have had the opportunity (at least once each) to visit their colleagues in Paris.

All the work of the Antenna remains subordinate to and dependent on the Paris Headquarters.

3. PUBLICATIONS AND WEBSITE

2013 saw the launch of two new online EUISS publications, *Briefs* and *Alerts*. Raising awareness of both existing and emerging foreign and security policy challenges facing the European Union, Briefs are designed to provide key information in a concise, focused format. Designed as short, rapidly-produced and easily-readable publications, Alerts offer succinct responses to the most pressing external challenges facing the Union and/or short analyses of emerging issues in a two-page format. Over the course of 2013, the EUISS team of experts (along with several external authors) published a total of 38 *Briefs* and 44 *Alerts*. These short publications have received praise for both their content and their appearance.

Chaillot Papers and *Reports* were graphically redesigned, creating a 'sister set' of publications which possess similar features. *Chaillot Papers* have been shortened in acknowledgement of the time constraints facing the Institute's target readership, and reports now correspond more closely to the activities of the Institute (tying in with research undertaken by Task Forces in particular). Overall, the EUISS produced five reports and two *Chaillot Papers* in 2013, as well as a book on the Western Balkans.

In May 2013, the Institute published the first issue of its *Yearbook of European Security* (YES). A new addition to the Institute's series of publications, YES is a compilation of documents, facts, figures, and maps aimed at informing practitioners on the evolutions and achievements of the EU's CSDP. YES contains a mapping chapter which focuses on regional or global analytical capabilities – the 2013 edition focused on foresight activities – and a timeline retracing the important events pertaining to Europe's security and defence. The facts, figures, and maps section contains detailed information, including financial figures, on the EU's security policy toolbox, as well as lists of partnership agreements, guidelines and restrictive measures currently in place. An annex contains additional information of interest, such as EU member states' votes on UN Security Council Resolutions, and key UNESCO and UN General Assembly votes, as well as an EEAS organigram.

The first of its kind, YES 2013 covered both 2012 and 2011 and was officially launched at the Institute's Annual Conference in May 2013. Abridged versions of the Yearbook were also published in French and German, and were presented at relevant events in Paris and Berlin respectively. YES 2014, to be published in the first half of 2014, will cover only 2013 and will take into account the comments and feedback received from readers.

In early 2013, the EUISS *website* was updated with a new colour scheme and the addition of a 'slider' feature for the homepage. In addition to other cosmetic changes, efforts were made to improve the functioning of the Document Register, the Contact Form

and the Search Bar, thereby making the website more user-friendly. A special feature page was also created in order to showcase the contribution of the EUISS to the security debates in the run-up to the European Council on defence. Over the course of the year, the number of unique visitors (unduplicated visitors) to the EUISS website increased by nearly 5% compared to same period of 2012, with some 145,000 people visiting the website in 2013.

Chaillot Papers



How EU sanctions work: A new narrative

Chaillot Paper n° 129 – *May* – **Francesco Giumelli**

The first of a new, restyled series of *Chaillot Papers*, this study focuses on how EU sanctions – or restrictive measures – work by providing an analytical framework to evaluate their success. In addition, it presents recommendations on how to improve the sanctioning process and elaborates on the future role of what has arguably become the most important foreign policy tool of the EU in recent years.



Peacebuilding in 3D: EU and US approaches

Chaillot Paper n° 130 – *December* – **Eva Gross**

This *Chaillot Paper* examines the concept of peacebuilding and the emergence in recent years of a comprehensive approach to conflict management that combines both civilian and military instruments. It highlights the importance of peacebuilding as a foreign policy goal and analyses US and EU approaches to the issue, focusing on the likely future trajectory of transatlantic cooperation in this area.

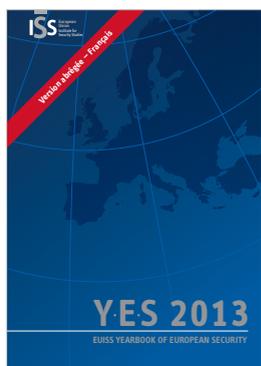
Yearbook of European Security (YES 2013)



YES 2013

May

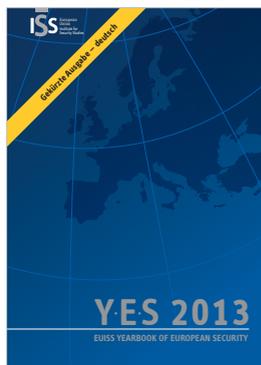
The Institute's *Yearbook of European Security* (YES) contains key facts, figures, chronological lists, documents and maps relating to the EU's external security dimension. Its purpose is to present a comprehensive picture of what the EU has achieved in the security policy domain during the preceding year/s. The inaugural edition covers 2011 and 2012, and includes a mapping section on foresight practices and trends in governments.



YES 2013 - Version abrégée - français

November

La version abrégée du *Yearbook of European Security* (YES) en français propose des faits, chiffres, chronologies, documents et cartes essentiels à la compréhension de la politique de sécurité de l'Union européenne au cours des années 2011 et 2012.

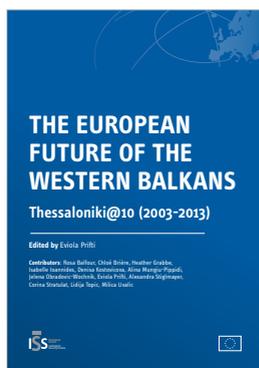


YES 2013 - Gekürzte Ausgabe - deutsch

November

Die gekürzte Ausgabe des *Yearbook of European Security* (YES) auf Deutsch beinhaltet grundlegende Fakten, Grafiken, Chroniken und Karten mit Blick auf die externe Sicherheit der EU. Sie gibt einen umfassenden Überblick über die sicherheitspolitischen Aktivitäten der EU in den Jahren 2011 und 2012.

2013 Book

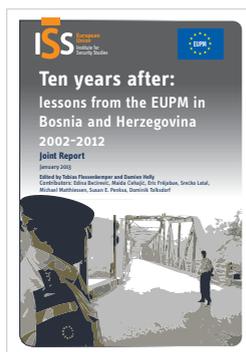


The European future of the Western Balkans - Thessaloniki@10

June – Edited by Eviola Prifti

In June 2003 the EU-Western Balkans summit resulted in the Thessaloniki Declaration, affirming unequivocally that ‘the future of the Balkans is within the European Union’. On the occasion of the tenth anniversary of the declaration, and on the eve of Croatia’s accession to the EU, this publication assesses the progress that the countries of the Western Balkans have made on the path to European integration in the past decade.

Reports



Ten years after: lessons from the EUPM in Bosnia and Herzegovina 2002-2012

January – Edited by Tobias Flessenkemper, Damien Helly

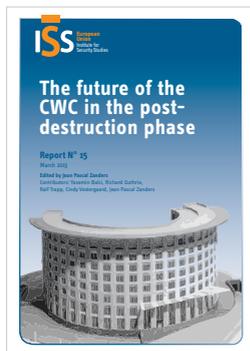
The launch of the EU Police Mission (EUPM) was for many the first tangible outcome from the EU CFSP. This joint report contributes, through the identification of key lessons and recommendations, to collaborative lessons learning for police reform in BiH, CSDP and the EU’s external action in general.



Brussels - Beijing: changing the game?

March – Edited by Nicola Casarini

China is poised to become the EU’s most important commercial partner, while simultaneously being a serious challenger in trade and a competitor for resources. It is against the backdrop of this dichotomy that this report offers a number of suggestions to assist EU policymakers in developing a more coherent approach towards China.



The future of the CWC in the post-destruction phase

March – Edited by **Jean Pascal Zanders**

Since the entry into force of the Chemical Weapons Convention (CWC) in 1997, much progress has been made in destroying existing stockpiles of chemical weapons. However, the CWC is faced with new threats and challenges due to advances in science and technology and the changing international security, political and economic environment. On the eve of the Third Review Conference of the treaty, this report examines some of the most pressing challenges facing the CWC over the next decade.



Enabling the future. European military capabilities 2013-2025: challenges and avenues

May – Edited by **Antonio Missiroli**

This report seeks to place European military capabilities in a broader perspective and demonstrate how the only way to safeguard common ‘strategic interests’ and counter potential risks is to do more together. What sort of armed forces are Europeans likely to have (and need) by 2025? How might Europeans better organise themselves to take part in the new global competition for wealth, influence and power?



CSDP between internal constraints and external challenges

November – Edited by **Eva Gross, Anand Menon**

This report is the result of a conference on European defence jointly organised by the EUISS and King’s College London in September. It focuses on CSDP with a view to informing official debates leading up to the upcoming European Council meeting in December. In particular, the report stresses the importance of EU member states strengthening their political and financial commitment to CSDP, as well as the key role of the EU institutions in fostering cooperation and coordination.

Briefs

| # | Date | Authors | Title |
|----|--------------|-----------------------------------|--|
| 11 | 18 February | Iana Dreyer, Gerald Stang | The shale gas 'revolution': challenges and implications for the EU |
| 12 | 18 February | Any Freitas | Water as a stress factor in sub-Saharan Africa |
| 13 | 20 February | Antonio Missiroli | Strategic foresight – and the EU |
| 14 | 4 March | Ondrej Ditrych | Good cop or bad cop? Sanctioning Belarus |
| 15 | 8 March | Chantal Lavallée | L'instrument de Stabilité – au service de l'approche globale de l'UE |
| 16 | 19 March | Gilles Bertrand | La révolution tunisienne deux ans après – est-elle réversible ? |
| 17 | 8 April | Gerald Stang | Global commons: between cooperation and competition |
| 18 | 15 April | Christian Dietrich | Nuclear multilateralisation – and Europe's role |
| 19 | 22 April | Eva Gross | The American sequester – and us |
| 20 | 22 May | Cristina Barrios | Fighting piracy in the Gulf of Guinea – offshore and onshore |
| 21 | 3 June | Rouzbeh Parsi | The usual surprise? Iran's presidential elections |
| 22 | 7 June | Lucia Marta | Europe: spread (not lost) in space |
| 23 | 10 June | Iana Dreyer | Renewables: do they matter for foreign policy? |
| 24 | 10 June | Costanza Caputi | Feed the world? The challenges of global food security |
| 25 | 24 June | Florence Gaub | Libya: the struggle for security |
| 26 | 8 July | Ondrej Ditrych | The Georgian succession |
| 27 | 15 July | Costanza Caputi | The Wider North – opportunities and challenges |
| 28 | 18 July | Cristina Barrios, Tobias Koepf | Building peace in Mali: the elections and beyond |
| 29 | 11 September | Andrea Gilli | Drones for Europe |
| 30 | 13 September | Thierry Tardy | Partnering in crisis management: ten years of EU-UN cooperation |
| 31 | 13 September | Hadewych Hazelzet | The added value of CSDP operations |
| 32 | 18 September | Patryk Pawlak | Cyber world: site under construction |

| # | Date | Authors | Title |
|----|--------------|---|--|
| 33 | 24 September | Jean Pascal Zanders | Disarming Syria |
| 34 | 27 September | David Camroux | Engaging Indonesia |
| 35 | 11 October | Nicola Casarini | The EU-China partnership: 10 years on |
| 36 | 18 October | Florence Gaub | Civil wars: a very short introduction |
| 37 | 25 October | Cristina Barrios | République Centrafricaine : défis humanitaires, politiques et sécuritaires |
| 38 | 8 November | Thierry Tardy | Funding peace operations: better value for EU money |
| 39 | 8 November | Iana Dreyer, Gerald Stang | What energy security for the EU? |
| 40 | 15 November | Anna Barcikowska | EU Battlegroups – ready to go? |
| 41 | 15 November | Katarina Engberg | Ten years of EU military operations |
| 42 | 22 November | Nicu Popescu | The Moscow riots, Russian nationalism and the Eurasian Union |
| 43 | 22 November | Olivier de France | What EU citizens think about European defence |
| 44 | 29 November | Eva Gross | BRICS – what's in a name? |
| 45 | 29 November | Agnieszka Nimark, Patryk Pawlak | Upgrading the Union's response to disasters |
| 46 | 6 December | Julia Howald, Stormy-Annika Mildner, Kirsten Westphal | What economies of shale for US foreign policy? |
| 47 | 6 December | Thierry Tardy | Mali, Centrafrique : les contours d'une réponse multiforme |
| 48 | 19 December | Florence Gaub | Reforming Arab security sectors |

Alerts

| # | Date | Authors | Title |
|----|----------|----------------------------------|--|
| 1 | 26 March | | Moldova's political crisis |
| 2 | 26 March | Gilles Bertrand | Can the Tunisian revolution be reversed? |
| 3 | 26 March | Nicola Casarini | The European 'pivot' |
| 4 | 26 March | Jean Pascal Zanders | Chemical weapon use in Syria? |
| 5 | 08 April | Costanza Caputi | Dimming power: Naim or Nye? |
| 6 | 29 April | Eviola Prifti | Belgrade-Pristina: un accord historique en perspective |
| 7 | 6 May | Gerald Stang | Pakistan on the eve of a vote – and change |
| 8 | 6 May | Ondrej Ditrych | The Tymoshenko case |
| 9 | 13 May | Hadrien-Laurent Goffinet | Le budget 2014-2020 et l'action extérieure |
| 10 | 22 May | Thierry Tardy | Mali: the UN takes over |
| 11 | 22 May | Florence Gaub | The Syria conference: last exit peace? |
| 12 | 27 May | Any Freitas | Water politics in the Nile basin |
| 13 | 3 June | Tobias Koepf | Terrorist attacks in Niger: not another Mali |
| 14 | 3 June | Patryk Pawlak | What is new in the 'global war on terror' |
| 15 | 3 June | Christopher Sisserian | Lebanon between crisis and elections |
| 16 | 7 June | Carole Richard | La propreté de l'espace |
| 17 | 10 June | Eva Gross | Obama 2.0: the new foreign policy team |
| 18 | 17 June | Rouzbeh Parsi | Yes they could – Iran's presidential surprise |
| 19 | 24 June | Florence Gaub | Arabism – 100 years of solitude |
| 20 | 1 July | Florence Gaub | Iraq: closing a chapter |
| 21 | 1 July | Ilektra Tsakalidou | The southern European corridor |
| 22 | 1 July | Florence Gaub, Boukje Kistemaker | All quiet on the Bahraini front? |
| 23 | 8 July | Eva Gross | Afghanistan: enter 2014 |
| 24 | 15 July | Nicu Popescu | Ukraine's gas loop |
| 25 | 26 July | Anna Barcikowska | Securing the future of European defence |

| # | Date | Authors | Title |
|----|--------------|--|---|
| 26 | 30 August | Nicu Popescu | The Russian-Ukraine trade spat |
| 27 | 30 August | Thierry Tardy | UN-veiling world governance |
| 28 | 5 September | Florence Gaub, Nicu Popescu | Russia and Syria – The odd couple |
| 29 | 6 September | Nicu Popescu | Keeping the Eastern Partnership on track |
| 30 | 6 September | Jean Pascal Zanders | After the chemical attacks in Syria – now what? |
| 31 | 13 September | Anna Barcikowska | Setting the stage for the defence summit |
| 32 | 19 September | Iana Dreyer, Nicu Popescu | A solidarity package for the eastern partners |
| 33 | 2 October | Florence Gaub, Boukje Kistemaker | Palestinians as ‘strategic’ refugees |
| 34 | 2 October | Florence Gaub, Ptryk Pawlak | Sykes-Picot and Syria |
| 35 | 18 October | Nicu Popescu | Behind – and beyond – Armenia’s choice |
| 36 | 15 November | Michito Tsuruoka | The EU and Japan: making the most of each other |
| 37 | 22 November | Jan Joel Andersson | Broader challenges, smaller budgets: the future of the US military |
| 38 | 29 November | Antonio Missiroli, Domhnall O’Sullivan | BRICS – the next layer |
| 39 | 29 November | Christian Dietrich, Ptryk Pawlak | Crowd-sourcing – crisis response in the digital age |
| 40 | 6 December | Nicu Popescu | After Vilnius |
| 41 | 13 December | Rosa Balfour, Alice Pappas | Kosovo’s local elections and the way ahead |
| 42 | 13 December | Tobias Koepf | Stuck in the desert: negotiations on northern Mali |
| 43 | 18 December | Gerald Stang | Warsaw to Paris: beyond the climate divide |
| 44 | 20 December | Antonio Missiroli | European defence – to be continued |

4. 2013 HIGHLIGHTS

Washington Forum – Washington, D.C. – 13-14 March



A number of issues have dominated the transatlantic agenda over the past few years, the most pressing of which has been the discussion about the ever-changing security environment in parts of the world that remain essential to transatlantic interests. Within this context, the 2013 Washington Forum – the annual transatlantic event organised by the EUISS – served as a reminder that diplomacy, development and defence are all important elements in attempts to maintain stability and generate growth, even in times of budgetary constraints.

Over 100 experts from both the US and EU were given the chance to meet with high-level policymakers (including 25 PSC Ambassadors and representatives from the State Department) and exchange views on transatlantic security cooperation in the Asia Pacific, Afghanistan, Mali, and maritime security/counter-piracy.

EUISS annual conference – Paris – 23-24 May



The 2013 Annual Conference of the EUISS, entitled ‘European Security. Taking stock and moving forth’, took place in Paris on 23 and 24 May. On this occasion, the Institute’s Director, Antonio Missiroli, had the pleasure of welcoming HR/VP Catherine Ashton, who delivered a keynote address.

This was followed by four sessions before an audience of policy planners and think tankers which were animated, *inter alia*, by Marta Dassù, the Italian Deputy Foreign Minister, Claude-France Arnould, Director of the EDA, and Maciej Popowski, Deputy Secretary-General of the EEAS. Discussions on European military capabilities, problems of the extended neighbourhood as well as the future of EU foreign policy provided material for an intense and probing debate. This conference also provided an opportunity to present the new EUISS *Yearbook of European Security* and to bring together all the former EUISS directors and many former research fellows, and introduce them to the new team of the Institute.

Year of European Defence



2013 was the year of European defence, following the Conclusions of the December 2012 European Council and in anticipation of the decisions scheduled for the December 2013 summit. Five years after the last foray by EU leaders into such matters, the various issues revolving around the impact, visibility and effectiveness of CSDP and the strengthening of Europe's military and defence industrial capabilities returned to the forefront.

The EUISS joined the debate and contributed to the preparation of the December 2013 European Council through a number of initiatives and activities – including its Report to the EU Military Committee (May) and the organisation of a Conference on CSDP with King's College London (September) – as well as targeted, short publications on the main questions to be addressed at the summit.

- **Brussels, 22 March**

EUISS seminar 'Back from the Future: European Military Capabilities – Horizon 2025'.

- **Brussels, 16 May**

The EUISS Director presented Report n° 16 'Enabling the future. European military capabilities 2013-2025: challenges and avenues' to the 27 Chiefs of Defence and the EU Military Committee.

- **Brussels, 6 June**

The members of the EUISS project (EUISS Director, Andrea Gilli, Christian Mölling (SWP), Sven Biscop (Egmont) and Fabio Liberti (IRIS) participated in the EEAS PMG workshop entitled 'Enabling the Future. EU Military Capabilities 2013-2025: Challenges and Avenues'.

- **Brussels, 20 November**

VIP Day for the EU Crisis Management Exercise – Military Exercise 2013 (MILEX 13) organised by the EEAS Military Staff.

Featured publications on defence



Enabling the future. European military capabilities 2013-2025: challenges and avenues

Report n° 16 – *May* – edited by **Antonio Missiroli**

What sort of armed forces are Europeans likely to have (and need) by 2025? How might Europeans better organise themselves to take part in the new global competition for wealth, influence and power? This report seeks to place European military capabilities in a broader perspective and demonstrate how the only way to safeguard common ‘strategic interests’ and counter potential risks is to do more together.



European defence – to be continued

Alert n° 44 – *December* – **Antonio Missiroli**

In the last alert of 2013, EUISS Director Antonio Missiroli offers his take on the Conclusions of the European Council on defence. Can its outcome be considered a turning point for European defence? And what developments lie on the horizon of a debate that is far from over?

5. NETWORKS AND DIALOGUES

EU Policy Planners

In close collaboration with the Strategic Division of the EEAS, the EUISS systematically involved policy planners from the foreign ministries of the EU-28 in a series of seminars and conferences. Apart from the Institute’s Annual Conference in Paris and other ESPAS-related initiatives (see below), dedicated workshops were organised on energy security and the regional dimension of conflicts in the Middle East. The Institute also hosted an informal gathering of policy planners from the Visegrad/Nordic/Baltic states in Paris, in late June, in cooperation with the Polish Ministry of Foreign Affairs.

- **Brussels, 8 March**
EEAS/EUISS Informal Policy Planners' Network of the EU meeting on 'The Shale Gas Revolution'.
- **Brussels, 17 October**
Meeting of the Informal Policy Planners' Network of the EU – 'Energy, its 'security', and EU foreign policy in a changing strategic landscape' – co-organised by the EEAS/EUISS.
- **Brussels, 14-15 November**
The EEAS/EUISS co-organised, in the framework of the EU Policy Planners network meeting, the brainstorming discussion on the regional dimension of the conflicts in the Middle East – a joint session held together with the ESPAS seminar 'Developing strategic thinking in the EU – Global Trends 2030'.

European Security and Defence College (ESDC)

In 2003, the EUISS cooperated with the European Security and Defence College (ESDC) at different levels. First, the EUISS is represented in the ESDC Executive Academic Board that meets every three months to review ESDC courses on offer, address methodological issues and discuss future needs and products. Second, the EUISS contributes to ESDC Courses through the regular participation of Senior Analysts in panels or stand-alone lectures (CSDP High Level Course, specialised modules, etc.). Third, the EUISS has been mandated to design (objectives, curriculum, methodology, speakers, etc.) and run the fourth module of the 9th CSDP High Level Course 2013/2014, to take place in Cyprus in May 2014 (organised in cooperation with the Cypriot Ministry of Defence).

- **Brussels, 19 March**
CSDP Orientation Course – with a focus on EU-China relations – organised by the ESDC/EEAS-CMPD and EUMS.
- **Vienna, 18 June**
Presentation on 'Towards a strategic culture for the EU?' at the ESDC High Level Course 2012/13 – Module 4: 'The future of CSDP – The European Council in December 2013 and beyond' – course organised by the Austrian National Defence Academy.
- **Brussels, 26 June**
Presentation on 'Effective Multilateralism and Working with Partners' at the CSDP Orientation Course hosted by the Edward M. Kennedy Institute for Conflict Intervention at National University of Ireland, Maynooth.

- **Larnaca, 18-21 September**
‘Train the Trainers’ workshop organised by the ESDC.
- **Brussels, 23 September**
ESDC High Level Course Module 1 on the topic ‘EU strategic culture and global governance’.

European Strategy and Policy Analysis System (ESPAS)

Following its direct involvement in the ESPAS pilot project in 2011/12, the Institute has remained associated with ESPAS-related activities through its participation in both the ESPAS inter-institutional Task Force (via the EEAS) and its dedicated Working Groups – on Economy, Society and Power and Governance respectively. The Director, the Brussels Liaison Officer, Senior Analysts and Associate Fellows have regularly attended meetings and workshops throughout 2013, including the Annual Conference held in Brussels in mid-February.

- **Brussels, 18-19 February**
European Strategy and Policy Analysis System (ESPAS) conference ‘Developing strategic thinking in the EU – Global Trends 2030’, organised by the European Commission.
- **Brussels, 21 February**
The European Parliament’s Committee on Foreign Affairs and Subcommittee on Security and Defence organised an exchange of views with Foreign Affairs Ministers Carl Bildt and Radoslaw Sikorski with the participation of the Chairs of the Foreign Affairs and Defence Committee of EU national parliaments on the topic ‘Towards a European Global Strategy’.
- **Brussels, 21 March**
Interim Workshop for members of the ESPAS Working Group 2 organised by RAND Europe.
- **Brussels, 25 March**
ESPAS Working Group 3 meeting organised by FRIDE/Chatham House on ‘Features of XXI century governance’.
- **Brussels, 19 July**
Presentation meeting of the RAND Trend Report organised by BEPA, European Commission.
- **Brussels, 22 July**
Meeting of ESPAS Working Group 3.

- **Brussels, 6 September**
ESPAS final seminar entitled 'Empowering Europe's future: Governance, power and options for the EU in a changing world'.
- **Brussels, 17 September**
Session on migration and population, moderated by the EUISS at the ESPAS expert seminar on 'Global Societal Trends and the EU' organised by RAND Europe.
- **Paris, 8 November**
RAND Europe presented the conclusions of their Trends Report on society prepared for the ESPAS project. They will focus on issues with implications for European security and foreign policy.
- **Brussels, 14-15 November**
ESPAS seminar 'Developing strategic thinking in the EU - Global Trends 2030', organised by the European Commission.
- **Brussels, 17 December**
16th meeting of the ESPAS Task Force, organised by the European Commission.

Sino-European Dialogue

Following up from the work of previous years, the Sino-European Strategic dialogue continued in 2013, during which two reciprocal visits were made. The Dialogue provides a framework for researchers and practitioners from China and the EU to engage in discussions pertaining to key strategic issues. On 10 and 11 June, a delegation of representatives and experts from Chinese research institutes visited their European counterparts in Paris and Brussels. Discussions were held on specific topics ranging from crisis management to new financing institutions for the 'BRICS', and culminated with the EU-China roundtable. On 21 and 22 October, a delegation of representatives and experts from European research institutes visited their Chinese counterparts in Beijing and Shanghai for a two-day discussion on Europe and China in the Changing International System and Key Challenges to International Security. The Sino-European Strategic Dialogue is set to continue in 2014.

- **Paris, 10-11 June**
'Eighth Sino-European Strategic Dialogue' seminar organised by the Asia Centre, *Deutsche Gesellschaft für Auswärtige Politik* (DGAP), EUISS and the China Institute of Contemporary International Relations (CICIR), sponsored

by the Centre for Analysis, Planning and Strategy (CAPS – French Ministry of Foreign and European Affairs).

- **Brussels, 12 June**

Closed-door seminar on the Sino-European Strategic Dialogue in cooperation with the EEAS for the CICIR Delegation. Meeting organised with the Policy Department at the European Parliament and a working dinner with the Managing Director and Head of the Asia-Pacific Department of the EEAS.

- **Brussels, 13 June**

Presentation in the session ‘China’s International Relations’ at the ECRAN Annual Conference entitled ‘10 Years of EU-China Strategic Partnership’ organised by ECRAN (Europe China Research and Advice Network).

- **Beijing, 21-22 October**

‘Ninth Sino-European Strategic Dialogue’ organised by the Asia Centre, DGAP, EUISS and the CICIR. Presentations on the themes of ‘Key challenges to international security’ and ‘Europe and China in the changing international system.’

The EUISS delegation subsequently went to Shanghai where they met with experts of the Shanghai Institute of International Affairs (SIIA), continuing the discussion on the current situation in China and in its neighbourhood, including the implications of current security dynamics in the Asia-Pacific for Sino-European relations.

EuroMeSCo

In 2013, the EUISS hosted the EuroMeSCo network (the Euro-Mediterranean Study Commission), a network which unites 93 think tanks working around and on the Mediterranean. On 3-4 October, almost 100 academics and policymakers from over 35 different countries gathered at the annual EuroMeSCo conference, whose theme ‘A transforming Arab world: between continuity and change’ set the framework for lively discussions. Covering not only the state of affairs in the Arab world since 2011 but also Euro-Mediterranean relations, the conference brought together high-level speakers from the European External Action Service as well as researchers from Europe and its southern neighbourhood.

Observatoire de l'Afrique

As a founding member of the *Observatoire de l'Afrique*, the EUISS continued to organise seminars on peace and security issues in Africa in cooperation with other European and African institutes. The 3-year project ended in June 2013, which led the EUISS to present a new offer to the French Ministry of Defence for the period 2014-2016.

- **Brussels, 16 April**
Briefing on 'Water Politics in the Nile Basin' organised in cooperation with Egmont, the Royal Institute for International Relations and the Clingendael Institute.
- **Brussels, 14 June**
Africa briefing 'The Politics of Africa intervention – The case of the Central African Republic' organised by the Egmont.
- **Brussels, 17 June**
Workshop 'Building peace in Mali: the political process' organised in cooperation with Egmont and the Clingendael Institute.
- **Brussels, 18 June**
Conference 'Time for a different approach on terror in Africa?' organised by Egmont.

CSCAP (Council on Security and Cooperation in the Asia-Pacific)

In November, the EUISS applied for membership of the Council for Security Cooperation in the Asia-Pacific (CSCAP) on behalf of the EU. The EUISS attended the meeting of the CSCAP Steering Committee and General Conference in Beijing on 2-4 December to present the application, which was accepted shortly thereafter. CSCAP provides an informal network for scholars, officials and others in their private capacities to discuss political and security issues and challenges facing the region. It also provides policy recommendations to various inter-governmental bodies such as the ASEAN Regional Forum. It encompasses a number of regular Study Groups and dedicated seminars, culminating with the CSCAP Annual Conference in early June. The EUISS will act as a collector and convenor of European expertise on the Asia-Pacific – in close collaboration with the EEAS and relevant EU Delegations in the region – with a view to bringing an EU 'voice' to the debate.

EGS/ESS

Ten years ago, the EUISS was actively involved in the preparation of the European Security Strategy released in December 2003. It has followed the developments of the strategic debate inside the EU ever since and, in 2013, it participated for the first time in a series of workshops organised by the four European think tanks engaged in the drafting of the European Global Strategy (EGS, released in May), then convened a seminar in Brussels at which their preliminary findings were presented to other European experts and officials. In December, the EUISS also organised in Brussels – in cooperation with Egmont and with the support of the Lithuanian EU Presidency – a conference on the occasion of the 10th anniversary of the ESS, which presented an opportunity to evaluate the state and prospects of the strategic debate in Europe.

- **Rome, 21 January**
EGS conference ‘EU external action: Priorities and policies’ organised by *Istituto Affari Internazionali* (IAI), in cooperation with PISM, *Real Istituto Elcano*, and the Swedish Institute of International Affairs (SIIA).
- **Stockholm, 25 March**
EGS conference ‘Instruments and Roadmaps for a European Global Strategy’ organised by the SIIA.
- **Brussels, 15 April**
Informal meeting on the European Global Strategy Initiative organised in cooperation with the SIIA, PISM, IAI and *Elcano*.

6. TASK FORCES

Energy Task Force

The EUISS initiated a Task Force consisting of high-level representatives from the European External Action Service and the EU Commission to examine EU energy security and foreign policy. Coordinated by two Associate Fellows, the Task Force organised seminars, conference panels and interviews with a wide range of energy and foreign policy experts from across Europe throughout autumn 2013. The EUISS report ‘Energy moves and power shifts: EU foreign policy and global energy security’ is the outcome of this extensive process. It appraises global energy trends and European energy security challenges, and outlines key priorities for managing the international dimension of EU energy policy for the coming years.

- **Brussels, 8 March**
EU Policy Planners meeting organised by the Strategic Planning Division (EEAS) and the EUISS, and a working session on ‘Energy and security: the shale “revolution”’.
- **Brussels, 10 September**
Preliminary meeting of the Energy Security Task Force organised in Brussels.
- **Paris, 16 October**
Closed-door energy security seminar with presentations by leading experts in the field.

Sahel Task Force

The EUISS initiated a Task Force of experts from academia and high-level representatives from the European External Action Service, the European Commission, the Council of the European Union, as well as delegates of the EU Council Africa Working Group (COAFR) to discuss security and development challenges in the Sahel region. Coordinated by a Senior Analyst and two Associate Fellows, the Task Force organised two seminars in September and November 2013. In 2014, the Task Force will continue its activities and will publish a final report that will be presented at a final conference before summer 2014.

- **Brussels, 9 April**
Conference ‘Women’s Leadership in the Sahel Region’ hosted by the HR/VP, Catherine Ashton and the United Nations Special Envoy for the Sahel, Romano Prodi.
- **Paris, 27 September**
First Sahel Task Force seminar ‘Countering fragility in the Sahel: mapping trans-border challenges, security and cooperation channels’.
- **Brussels, 14 November**
Second Sahel Task Force meeting ‘Terrorism in the Sahel region – Where do we stand?’.

Cyber Task Force

In 2013, the EUISS launched a Cyber Task Force. Its main objective is to support the EU institutions in the implementation of the EU Cyber Security Strategy by: (a) taking stock of the EU and member states’ efforts in cyber capacity-building in third countries; (b) improving the awareness with regard to the main threats and challenges; (c)

mapping capacity building efforts in recipient and donor countries; (d) raising awareness about cyber policies among the broader policy community.

With this aim, in November 2013, the EUISS organised the first Task Force meeting in Brussels with a focus on cyber capacity-building. This preparatory seminar contributed to ongoing discussions by paying particular attention to the linkages between security studies, international development and technology. The outcomes of this meeting provided input for a larger conference on capacity building planned for 13-14 March 2014 in Paris. As part of the Task Force activities, the EUISS also organises small targeted briefings on cyber issues with leading international experts. The report from the Task Force activities is expected in the first half of 2014.



Abbreviations

| | |
|---------|---|
| AAR | Air-to-Air Refuelling |
| ACP | African, Caribbean and Pacific Group of States |
| AFET | Committee on Foreign Affairs |
| ALA | Asia and Latin America |
| AMISOM | African Union Mission in Somalia |
| APSA | African Peace and Security Architecture |
| ASEAN | Association of Southeast Asian Nations |
| AU | African Union |
| BG | Battlegroup |
| BiH | Bosnia and Herzegovina |
| BTWC | Biological and Toxin Weapons Convention |
| CAR | Central African Republic |
| CBC | (i) Cross-border cooperation (ii) Capital Broadcasting Centre |
| CBRN | Chemical, Biological, Radiological and Nuclear defence |
| CBRNE | Chemical, Biological, Radiological, Nuclear, and Explosives |
| CDP | Capability Development Plan |
| CEPOL | European Police College |
| CERTs | Computer Emergency Response Teams |
| CFSP | Common Foreign and Security Policy |
| C-IED | Countering Improvised Explosive Devices |
| CIVCOM | Committee for Civilian Aspects of Crisis Management |
| CMPD | Crisis Management and Planning Directorate |
| COREPER | Committee of Permanent Representatives |
| COSME | Competitiveness of enterprises and SMEs |
| CPM | Civil Protection Mechanism |
| CSDP | Common Security and Defence Policy |
| CTBTO | Comprehensive Nuclear Test Ban Treaty |
| DAC | Development Assistance Committee |

| | |
|-----------|--|
| DCI | Development Cooperation Instrument |
| DDR | Disarmament, Demobilisation and Reintegration |
| DG | Directorate General |
| DoD | Department of Defense |
| DPRK | Democratic People's Republic of Korea |
| DRC | Democratic Republic of the Congo |
| EaP | Eastern Partnership |
| EASA | European Aviation Safety Agency |
| EATC | European Airlift Transport Command |
| EC | European Commission |
| ECHO | Humanitarian Aid and Civil Protection (formerly known as the European Community Humanitarian Aid Office) |
| EDA | European Defence Agency |
| EDEM | European Defence Equipment Market |
| EDF | European Development Fund |
| EDTIB | European Defence Technological and Industrial Base |
| EEAS | European External Action Service |
| EIB | European Investment Bank |
| EIDHR | European Instrument for Democracy and Human Rights |
| ENI | European Neighbourhood Instrument |
| ENISA | European Network and Information Security Agency |
| ENP | European Neighbourhood Policy |
| ENPI | European Neighbourhood and Partnership Instrument |
| EP | European Parliament |
| ERC | European Emergency Response Centre |
| ERTU | Egyptian Radio and Television Union |
| ESDC | European Security and Defence College |
| ESDP | European Security and Defence Policy |
| ESF | European Social Fund |
| EUAV | European Voluntary Humanitarian Aid Corps EU Aid Volunteers |
| EU INTCEN | EU Intelligence Analysis Centre |
| EUMS | EU Military Staff |

| | |
|-----------|--|
| EU SatCen | European Union Satellite Centre |
| EUSR | European Union Special Representative |
| FPA | Framework Participation Agreement |
| FPI | Foreign Policy Instrument |
| FSJ | Freedom, Security and Justice |
| FTA | Free-to-Air |
| fYROM | The former Yugoslav Republic of Macedonia |
| GBAORD | Government budget appropriations or outlays for R&D |
| GDP | Gross Domestic Product |
| GNC | General National Congress |
| GPS | Global Positioning System |
| HQ | Headquarters |
| HR/VP | High Representative of the Union for Foreign Affairs and Security Policy/Vice-President of the European Commission |
| IAEA | International Atomic Energy Agency |
| ICI | Industrialised Countries' Instrument |
| ICT | Information and Communications Technology |
| IFS | Instrument for Stability |
| IISS | International Institute for Strategic Studies |
| IMP | Integrated Maritime Policy |
| INRIC | National Authority for the Reform of Information and Communication |
| INSC | Instrument for Nuclear Safety Cooperation |
| IPA | Instrument for Pre-Accession Assistance |
| IPRs | Intellectual Property Rights |
| IT | Information Technology |
| JRC | Joint Research Centre |
| MEP | Member of the European Parliament |
| MFA | Macro-Financial Assistance |
| MFF | Multiannual Financial Framework |
| MRTT | Multi-Role Tanker Transport |
| MS | Member States |

| | |
|--------|--|
| NATO | North Atlantic Treaty Organisation |
| NAC | North Atlantic Council |
| NDP | National Democratic Party |
| NGO | Non-Governmental Organisation |
| NIF | Neighbourhood Investment Facility |
| NIS | Network and Information Security |
| NPT | Nuclear Non-Proliferation Treaty |
| NSA | National Security Agency |
| OAS | Organization of American States |
| OCCAR | Organisation for Joint Armament Cooperation |
| OECD | Organisation for Economic Co-operation and Development |
| OPCW | Organisation for the Prohibition of Chemical Weapons |
| OSCE | Organisation for Security and Co-operation in Europe |
| PESCO | Permanent Structured Cooperation |
| PHARE | Poland/Hungary, aid for restructuring of the economy |
| PFI | Private Finance Initiative |
| PI | Partnership Instrument |
| PPP | Public Private Partnership |
| PSC | Political and Security Committee |
| R&D | Research and Development |
| R&T | Research and Technology |
| RCA | République centrafricaine (Central African Republic) |
| RCD | Rassemblement constitutionnel démocratique |
| RPAS | Remotely Piloted Aircraft Systems |
| SALW | Small Arms and Light Weapons |
| SATCOM | Satellite Communications |
| SEESAC | South Eastern and Eastern Europe Clearinghouse for the Control of Small Arms and Light Weapons |
| SES | Single European Sky |
| SESAR | Single European Sky Air Traffic Management Research |
| SET | Strategic Energy Technology |
| SHAPE | Supreme Headquarters Allied Powers Europe |

| | |
|--------|--|
| SIPRI | Stockholm International Peace Research Institute |
| SLA | service level agreement |
| SMEs | Small and medium-sized enterprises |
| SSR | Security Sector Reform |
| SST | Space Surveillance and Tracking |
| TACIS | Technical Assistance to the Commonwealth of Independent States |
| TEU | Treaty on European Union |
| TFEU | Treaty on the Functioning of the European Union |
| UAE | United Arab Emirates |
| UN | United Nations |
| UNDP | United Nations Development Programme |
| UNIDIR | United Nations Institute for Disarmament Research |
| UNODA | United Nations Office for Disarmament Affairs |
| UNSC | United Nations Security Council |
| UNSCR | United Nations Security Council Resolution |
| UNSMIL | United Nations Support Mission in Libya |
| USD | US dollars |
| VAT | Value-Added Tax |
| WMD | Weapons of mass destruction |



Contributors

Dinah Abd El Aziz was a Junior Research Analyst at the EUISS from September 2013 to February 2014. She is currently a United Nations Volunteer in Jakarta, Indonesia.

Daniel Fiott is an Associate Analyst at the EUISS, where he works on defence-industrial policy. He is currently writing his doctoral thesis on the European Defence Technological and Industrial Base (EDTIB) at the Institute for European Studies, Vrije Universiteit Brussel.

Olivier de France is Research Director at the French Institute for International and Strategic Affairs (IRIS), where he works on security, defence and foreign policy, with a focus on CSDP, strategic affairs and Europe's external action.

Florence Gaub is a Senior Analyst at the EUISS where she covers the Arab world with a focus on security and transition processes. She holds a Ph.D in Political Science from Humboldt University and degrees from Sciences Po (Paris), Sorbonne University and Munich University.

Clodagh Quain has been a Junior Analyst at the EUISS since September 2013. She holds an MA in European Political and Administrative Studies from the College of Europe (Bruges) and a BA in European Studies from University College Cork (UCC) and Sciences Po (Paris).

The EUISS *Yearbook of European Security (YES) 2014* is the Institute's annual publication compiling key documents and data related to the EU's Common Foreign and Security Policy (CFSP) and Common Security and Defence Policy (CSDP) for the year 2013. The 2014 edition also includes chapters on new actors in the Arab political landscape post-2011 as well as on the evolution of defence spending across Europe. Visually appealing maps, graphs and charts provide added clarity on some of the key issues facing the European Union and its external action today.

YES is an indispensable publication that aims to inform experts, academics, practitioners and, more generally, all those wishing to know more about the EU and security-related matters through innovative, evidence-based analysis and the display of crucial facts and figures.

