European Security and Defence Assembly
Assembly of Western European Union

Address by the President of the Assembly at the Chatham House conference on "European Security and Defence: New Challenges, New Choices"

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Ladies and Gentlemen,

Last year was the tenth anniversary of the launching of the European Security and Defence Policy (ESDP) by EU governments at the Cologne Summit in June 1999. On 1 December 2009, the Lisbon Treaty entered into force. These landmark dates enable me to share with you some thoughts about what has been achieved and give some indications of the challenges that lie ahead, especially regarding the Common Foreign and Security Policy (CFSP), which has been further codified in the Lisbon Treaty and which includes what will henceforth be called the **Common** Security and Defence Policy (CSDP).

For the first time the Treaty covers all aspects of the EU's external action within a common set of principles and objectives.

A keynote reform in CSDP is the double-hatting of the new High Representative, who will chair the Foreign Affairs Council and will also be the Vice-President of the Commission in charge of External Relations. She will therefore play an important role in the preparation of the CFSP and will ensure the implementation of the decisions adopted by the European Council and the Commission, as well as representing the Union for matters relating to the CFSP. However, she will need time to fully assert herself and certainly in this transition period the impetus will still come from the rotating Presidency, currently held by Spain and to be followed in July by Belgium. I think we can expect that the Presidencies will continue to be a dominant factor in shaping the EU's agenda although as far as foreign policy is concerned, it is increasingly driven by events and less by policy initiatives stemming from the individual Presidency country.

A further important innovation is "permanent structured cooperation" which is meant to involve those member states with stronger military capabilities that are willing to enter into more binding commitments with a view to undertaking demanding crisis-management tasks.

Some experts have suggested that this permanent structured cooperation could also be the basis for a future common Union defence, based on a text similar to Article V of the modified Brussels Treaty, but I tend to think that this will not be feasible. If there were to be a common Union defence, it would have to include all the member states from the moment of its creation, without any of them being excluded.

I would like to emphasise here that the Lisbon Treaty does **not** lay down a common defence policy; there is no territorial or strategic defence policy in the classic sense with a binding mutual assistance clause. CSDP is not what the French call "Défense Europe". The strategic culture of the 27 EU members is too divergent to allow for such a move at this moment in European history. There is, for instance, no taste in the EU for a debate on the role of British and French nuclear forces for the collective security of Europe.

The Lisbon Treaty stipulates that the CSDP shall include the progressive framing of a "common Union defence policy" which "will lead to a common defence, when the European Council acting unanimously, so decides". But that wording, which reflects the continuing embryonic nature of EU military ambitions as expressed in the language of the 1991 Maastricht Treaty, has largely remained unchanged for the last 20 years. In fact, as far as common defence is concerned, Article 42 of the Treaty on European Union refers specifically to NATO. That is one reason why, in my view, more energy should go into improving relations between the EU and NATO and between the EU and the United States. That is also why I welcome France's decision to take its full place in NATO.

With regard to the EU's relations with NATO, there is no denying that they are still problematic, which is pretty incredible when you reflect that 21 EU member states are full NATO members and a further 4 are in Partnership for Peace. As a consequence, among other things, the Berlin Plus Arrangement does not today, if it ever did, satisfactorily serve as the basis for close cooperation between the two bodies.

Now, the EU could take initiatives which might lead to a solution by granting Turkey a status comparable to that which it enjoyed as an associate member of the Western European Union (WEU) and which, to Turkey's great regret and resentment, it was not granted in the ESDP structures.

The EU's relations with the United States are another important issue and need closer attention if Europe wishes to be considered as a serious partner and ally of a country which is playing a determining role in addressing the world's most serious problems.

Indeed, bilateral EU-US relations have become very significant for a number of major security issues such as Afghanistan, Iran, Iraq, the Middle East Peace Process and also Russia, but they are usually based on ad hoc talks and lack a proper structure, as was demonstrated yet again at the EU-United States summit in Washington in November last year.

Many, if not most, of the EU member states have their own bilateral dialogue with the US, often based on the presumption or the pretension that they have a special relationship.
I am not suggesting that there is no room for individual member states to conduct these bilateral dialogues, but when it comes to cooperation in strategic matters, including security and defence, it would be far more useful and efficient and also more in line with the acknowledged ambition of the Lisbon Treaty's CFSP, to create an appropriate structure for a regular all-encompassing strategic EU-US dialogue, which is not possible in NATO, given the different structure and interests of that organisation.

There is an urgent need for such a structure. A precondition is that the EU must be prepared to speak with one voice. That may be a tall order but a divided Europe will never have the strategic clout it needs if it is to be heard.

We are all aware of the importance of the US and we know that US engagement will be critical as we seek to address new global threats, but for Europeans the question is whether they want to be players or spectators in the new world order.

Another important issue for the EU's CFSP is its relations with Russia.

The EU is clearly failing in its ambition to conduct a coherent and effective foreign policy towards Russia – a vital partner for the Union and its member states – mainly because of continuing internal strife over how to deal with Russia, which for different member states has different connotations which I do not need to explain here.

Despite many efforts, the EU has not yet been able to conclude a new Partnership and Cooperation Agreement with Russia and there is currently no appetite for seeking a more robust cooperation framework for its security relations with that country.

In the short term, there is an urgent need to deepen practical security cooperation with Russia. The unresolved conflicts in the EU's and Russia's common neighbourhood must be addressed as a priority. We need to sit down together and come up with solutions before we can envisage new institutions. Otherwise we merely shift these issues sideways without solving anything. We will give a false impression of being busy but in practice we will achieve little.

Actually, Afghanistan is definitely an opportunity for cooperation because Russia too has an interest in a stable and pacified Afghanistan, and this may pave the way for making progress at a later stage in other areas.

Last month's EU-Russia summit in Stockholm again showed that the two partners are still a long way from reaching any substantial agreement on security issues, including Georgia.

In a wider framework, we are all aware of the Russian proposals for a new European Security Architecture, now set out in a draft European Security Treaty, which are being discussed within the OSCE's Corfu Process. But I suspect that the Corfu Process is a playground for diplomats, with many meetings being held on issues of little importance. We have yet to see any daring political response.

I take the view that we should respond openly and seriously to President Medvedev's interest in a debate on European security, while bearing in mind that the difficulties the existing security architecture has in responding to crises and conflicts are not primarily institutional in nature, but rather the result of an unwillingness on the part of the countries within that architecture to seek compromise.

The existing Partnership and Cooperation Agreement between the EU and Russia needs modernising. The considerable interdependence between both partners justifies the development of a meaningful strategic partnership. What we really need is a mature and predictable relationship based on mutual trust.

There can be no question that the EU's relationship with China and other powers such as India and Brasil will become increasingly important, but for reasons of time I would now like to turn to some other issues regarding the Common Security and Defence Policy.

The Council Conclusions on ESDP issued after the General Affairs and External Relations Council on 17 November show that at present any progress in this area depends first and foremost on the activities of a plethora of expert committees and working groups. All of them are doing useful work on a vast number of detailed technical questions but one has the feeling that the Council is reluctant to exploit to the full the bold opportunities offered by the Lisbon Treaty and that there is no longer any impetus to take the political leap forward, with many member states emphasising the importance of the activities of their own foreign service in parallel to those of the European External Action Service which is being set up.

On the practical side, progress has recently been made in a number of areas, and I welcome the fact that an overall agreement on the flexibility and deployability of battlegroups was reached among member states under the Swedish Presidency. States taking part in a battlegroup may authorise the use of an element or of a whole battlegroup in situations not involving a rapid response. This use will, however, require the unanimous agreement of all 27 member states. And we have yet to see a battlegroup deployed.

Under the Swedish Presidency of the EU, remarkable progress was made towards the establishment of a Europe-wide maritime surveillance system from the northern maritime basin to the Mediterranean Sea. This system will cover a range of issues from border control to emergency response.

The European Council has also acknowledged the growing need to ensure that civilian CSDP missions are an effective tool for crisis management and are able to be deployed rapidly alongside other instruments. A positive development is that the member states have made progress in implementing national measures facilitating the deployment of civilian personnel.

The Council has also created an integrated civil-military Crisis Management and Planning Directorate which will be established within the European External Action Service and which is expected to give important impetus to improving the efficiency of CSDP operations.

A logical consequence of the creation of this directorate will be the gradual establishment of a civil-military headquarters, the civilian dimension of which, by the way, exists already.

The EU has indeed made considerable progress in developing its capabilities for deploying troops for CSDP missions abroad and can boast a number of successes such as those in Chad, the Democratic Republic of Congo and the anti-piracy operation off the coast of Somalia, as well as the long standing mission in Bosnia-Herzegovina. However, we must not lose sight of the shortcomings which still need to be addressed: the EU's civilian action in Afghanistan is a case in point.

The EU has had and is still facing problems in framing a genuine common policy on Afghanistan; as a result of political differences between member states its approach remains piecemeal.

The EUPOL Afghanistan mission has encountered many of the problems that have plagued other civilian missions: political indecisiveness in Brussels, logistics problems in this naturally difficult theatre and slow planning and deployment due to the reluctance of member states to contribute the requisite staff.

EUPOL Afghanistan has not been able to achieve the channelling or better coordination of the EU member states' police reform efforts that would seem to be the logical consequence of an integrated European mission. Even inter-institutional relations between EUPOL, the Office of the EU Special Representative and the European Commission have proved to be complicated, and so far there has been little progress towards striking a better match between the Commission's financial resources and EUPOL's expertise and political profile in the area of security sector reform.

The November General Affairs/External Relations Council gave EUPOL the right to coordinate member states' and third countries' projects under its responsibility, but as its mandate will expire at the end of May 2010 this decision has probably been taken too late to have a real impact.

Lastly, due to the problems in EU-NATO relations, there is no comprehensive EU-NATO agreement on the provision by ISAF of security for EUPOL staff and no possibility to exchange classified and often vital information.

As a consequence, EUPOL has had to conclude individual agreements with Provincial Reconstruction Team (PRT) lead nations and has even been obliged to hire a private company to guarantee its security and to adopt an extremely tight security policy. Moreover, Turkey and the US have not concluded technical bilateral agreements with it. All this has slowed down EUPOL's deployment and hampered its effectiveness.

A number of recent Council decisions on technical issues may help to address some of the abovementioned problems, but further action, including political decisions, will be needed in the near future.

To my great regret, little progress is being made on the important question of resources. While the EU's foreign and security policy ambitions are growing, national defence budgets, which provide most of the money, personnel and equipment needed for CSDP operations, are being reduced every year.

The effects of the economic and financial crisis, which are now becoming visible, do not bode well for the armed forces, with major cuts in defence spending on equipment in 2010.

Only a few member states are spending more than 2% of their GDP on defence. And the British Government makes no secret of the fact that UK defence expenditure will continue to decline.

With Government efforts to stimulate the economy projecting an increase in the budget deficit, and with public debt due to peak by 2013, there is sure to be massive pressure on all major spending departments, which suggests that the recently announced Strategic Defence Review will be operating in a severely constrained environment when it comes to affordability.

It will of course be possible to achieve defence spending cuts as a result of a phased withdrawal from international operations − particularly Iraq. However, lingering operational commitments elsewhere, along with a persistent rise in military costs, set the stage for what is perhaps the greatest threat looming over future defence spending – the potential for substantial reductions in funding for modernisation of the armed forces.

In order to establish a balance between commitments and resources, there is a clear need for a debate on where we see defence in relation to the priorities of other government programmes. Financial constraints and budget cuts should be an incentive to increase defence cooperation and further develop standardisation and interoperability.

It has been suggested that a future Conservative government might no longer wish to play a leading role in European defence cooperation and will focus instead on what is called the primary strategic relationship with the US.

It is true, there is a belief in the Conservative Party that the cornerstone of European defence is NATO and that there must be greater burden sharing and development of capabilities by European NATO members in the overall strategy of the Alliance. But there is also a clear understanding of what has been achieved by the EU in ESDP in undertaking "Petersberg" tasks, but a clear desire to see CSDP develop in harmony with NATO.

10 days ago David Cameron launched a policy document on our National Security Strategy, which states, and I quote…. "The Conservative Party will work for more effective European policies on security issues and, in the context of NATO's review of its Strategic Concept, work for better integration of these with NATO force planning and operational capabilities".

There is a clear British belief, shared by both Labour and Conservative parties that we need to maintain the highest possible degree of interoperability between our forces and those of the United States.

However, in my view close cooperation with the Americans does not imply the exclusion of deep involvement in CSDP and defence cooperation with our European allies.

Procurement cooperation with the Americans remains important, if only because of the need to maintain the highest possible degree of interoperability with those with whom we may have to deploy in combat, but the same is true of cooperation with our European allies with whom we cooperate increasingly in all kinds of different CSDP operations, often in situations where the US prefers not to be involved.

Closer European defence cooperation can offer opportunities for cost cutting in times of scarce resources, among other things through the pooling of certain military capabilities.

We may be concerned that we would be contributing much and getting little out of pooled capabilities but in order to avoid that happening, one option would be for certain states to develop niche capabilities. Establishing such a system would not be easy, but we should not be afraid of discussing it in depth.

European cooperation through the European Defence Agency is part of the solution.

A report submitted by the European Security and Defence Assembly's Technological and Aerospace Committee welcomes the growing role of the European Defence Agency as the central organisation for shaping a European policy for defence and technological research and development programmes, but it rightly criticises the fact that, with a budget of 31 million euros, the Agency's financial resources are lower than those of the poorest member states.

Our recent experience in international operations, in particular in the wars in Iraq and Afghanistan which have stretched the British armed forces to their limits, raises fundamental questions about strategy and the future of warfare.

Our forces are now facing the challenge of having to adapt to civil-military crisis management as well as define their overall purpose and role in the changing geostrategic environment.

The new Strategic Defence Review will have to address a number of fundamental questions, not only regarding troop levels and equipment, but above all Britain's broader strategic interests and the capabilities needed to protect them.

Iraq and Afghanistan have demonstrated the vital importance of a cross-governmental policy process involving all the different ministries and government agencies. The cooperation mechanisms which have been created will have to be further improved and institutionalised.

Diminishing financial resources are forcing the MoD to make choices between current operational requirements and long-term defence needs. One has the impression that this is now leading to inter-service rivalry, which is not conducive to sound defence planning based on an evaluation of likely future needs.

In my view, the armed forces should be provided with what they need for the short term, but equipment ambitions for the medium and long term must take into account what can realistically be afforded.

Going back to the broader subject of the EU's security and defence policy I would like to remind you that since St Malo, the UK has been a pioneer and driving force of military modernisation in Europe, and we all know that the British engagement in ESDP was based on purely pragmatic considerations. In particular, the UK was keen to strengthen European military capabilities in order to maintain Europe's relevance as a strategic partner for the US in global security matters. Under the present circumstances, British participation in what is now called CSDP remains a prerequisite for the EU's ambition to develop an enhanced military capability.

The transformation of armed forces in order to adapt them to different operations is a slow and protracted process and a number of key shortcomings still have to be remedied. If the member states are serious about putting flesh on the bones of CSDP, they will have to provide the appropriate financial means.

In today's environment, soft power alone is not enough to shape the world around us to our advantage. I am not arguing in favour of aggressive hard power, but we will certainly need more military capabilities than at present and we must be prepared to use them if required.

The present geopolitical situation is far from reassuring: not only is the world still feeling the shock waves of a very serious financial crisis and its aftermath, but there is also an ongoing war in Afghanistan and growing tensions in a number of regions: the Middle East, large parts of Africa and also in the EU's eastern neighbourhood.

In this fragile environment, it is important for CFSP to be sustainable. This will depend on a joint political assessment of the challenges and threats facing the EU's member states, on their ability to identify their key common interests and on a decision as to whether they want to use CFSP as the instrument to respond to those threats and challenges. The EU should now make a dedicated effort to close the gap between discourse on CFSP and how it is actually put into practice.

The member states must learn how to cooperate more effectively within the EU across cultural and political divides and improve coordination so that together they can formulate genuine strategic responses to complex policy questions.

In the long term, the EU has no choice other than to become a committed and autonomous actor determined to promote stability in the world and safeguard its member states' security.

For that to become a reality, the EU will have to work arduously in order to develop its own strategic identity. Among other things, it will have to start considering the security of the Eurasian continent in the perspective of its own interests (and not as a derivative of American interests).

If the EU continues to be weak and divided, it will have little influence in the shaping of a new global system in which not only the US but also Russia and, even more importantly, countries like China and India are already playing a major role.

Lastly, there is an urgent need for the EU to acknowledge the fact that growing Euroscepticism across Europe, public indifference and sometimes even hostility towards it limit the national governments' scope for strengthening the role of the EU institutions and deepening cooperation at EU level.

There are those who dream of a situation in the more distant future in which CSDP could have evolved into what the Lisbon Treaty calls in Article 42.2, and I quote: a "common Union defence policy". Such a future common Union defence would imply that competence for its scrutiny will then have been transferred to the European Parliament. But we are not there yet. If the Lisbon Treaty confirmed anything, it was the intergovernmental character of CSDP, no nation being willing to transfer its own sovereignty to Brussels where the life and death of its soldiers and the security of its citizens is concerned.

So the governments need the support of national parliaments, whose members have a responsibility to inform the public about what the EU is really doing to take foreign, security and defence policy forward. It is for this reason that the involvement of national parliamentarians in the CFSP debate at an interparliamentary level is also crucial for the further development of Europe's Common Foreign and Security Policy.