



**Assembly of Western European Union
The Interparliamentary European Security and Defence Assembly**

DOCUMENT A/1918

7 December 2005

FIFTY-FIRST SESSION

Cooperation in the operational area between the EU and
NATO – reply to the annual report of the Council

REPORT

submitted on behalf of the Defence Committee
by Jean-Pierre Kucheida, Rapporteur (France, Socialist Group)

ASSEMBLY OF WESTERN EUROPEAN UNION
THE INTERPARLIAMENTARY EUROPEAN SECURITY AND DEFENCE ASSEMBLY
43, avenue du Président Wilson, 75775 Paris Cedex 16
Tel. 01.53.67.22.00 – Fax: 01.53.67.22.01
E-mail: info@assembly.weu.int
Internet: <http://assembly.weu.int>

FIFTY-FIRST SESSION

Cooperation in the operational area between the EU and
NATO – reply to the annual report of the Council

REPORT

submitted on behalf of the Defence Committee
by Jean-Pierre Kucheida, Rapporteur (France, Socialist Group)

*Cooperation in the operational area between the EU and NATO –
reply to the annual report of the Council*

REPORT¹

*submitted on behalf of the Defence Committee
by Jean-Pierre Kucheida, Rapporteur (France, Socialist Group)*

TABLE OF CONTENTS

RECOMMENDATION 774

on cooperation in the operational area between the EU and NATO – reply to the annual report of the Council

EXPLANATORY MEMORANDUM

submitted by Jean-Pierre Kucheida, Rapporteur (France, Socialist Group)

- I. Introduction
- II. The EU-NATO partnership: principles and operations
 1. Establishing cooperation: the Berlin plus agreements
 2. Berlin plus operations
- III. Cooperation, complementarity and competition
 1. Quo vadis, Unio Europaea?
 2. The United States, NATO and the EU: united in diversity

¹ Adopted by the Committee, 13 votes in favour with one abstention on 9 November 2005.

RECOMMENDATION 774¹

***on cooperation in the operational area between the EU and NATO –
reply to the annual report of the Council***

The Assembly,

- (i) Stressing the indivisibility of European defence;
- (ii) Considering that European defence today is embodied both by NATO and by the European Union, through the ESDP;
- (iii) Recognising the role of NATO as the embodiment of the collective defence alliance concluded among certain European states, the United States and Canada;
- (iv) Stressing the relevance of the modified Brussels Treaty as a binding collective defence treaty for European states in the absence of a similarly binding commitment in the European Union framework;
- (v) Considering that the efforts under way in NATO and the EU in the area of force projection and rapid reaction capabilities are complementary, and that hence it is important to preserve that synergy;
- (vi) Stressing that it is necessary for all states concerned to comply with their capability commitments within NATO and the European Union so as to be better able to respond to the expectations of non-European allies and enhance Europe's operational and decision-making autonomy;
- (vii) Considering that EU-NATO political and operational cooperation should go further than the framework established by the Berlin plus agreements, in compliance with the terms of the EU-NATO Declaration on ESDP of 16 December 2002;
- (viii) Noting that the Berlin plus agreements have worked for the benefit of the European Union in the former Yugoslav Republic of Macedonia and now in Bosnia and Herzegovina, in the framework of the EU-led Operation Althea;
- (ix) Considering that the making available to the EU of NATO operational command and control capabilities in application of the Berlin plus agreements will strengthen the EU's own capabilities and enable it to act more autonomously in the future;
- (x) Considering that NATO, through the Berlin plus agreements with the EU, also benefits from the experience acquired by the EU in the field of civil and military crisis management and that the dual character of those instruments is also necessary for the success of NATO's external operations;
- (xi) Stressing that the European Union is a long-term political project which includes the framing of a common defence policy which might lead to a common defence;
- (xii) Considering that this development calls for a revision of transatlantic relations in the field of security and defence which goes beyond the more limited NATO framework;
- (xiii) Taking the view that cooperation and complementarity are the basis for the political and operational relations between NATO and the EU;
- (xiv) Recalling that both the NATO and EU military capabilities are composed exclusively of national assets that are made available to the two organisations for the conduct of their missions;
- (xv) Stressing that in the event of a deployment of forces beyond the national territory, whether for the purpose of missions under Article 5 of the Washington Treaty or for crisis-management missions of the Petersberg type, the national parliaments are kept informed and may be called upon to express an opinion on the subject;

¹ Adopted by the Assembly on 7 December 2005 at the 9th sitting.

(xvi) Considering that it is crucial to guarantee a high degree of parliamentary scrutiny at national level over the development of NATO and the ESDP,

RECOMMENDS THAT THE COUNCIL INVITE THE WEU MEMBER STATES AS MEMBERS OF THE EU AND NATO TO:

1. Meet their commitments as regards the creation of the NATO Response Force (NRF) and the EU battlegroups within the agreed deadlines;
2. Ensure that the European forces made available to NATO and the EU have at their disposal the equipment needed to conduct their missions;
3. Contribute the financial and material resources needed to successfully complete ongoing projects or those to be developed in connection with the Prague Capability Commitments and European Capability Action Plan;
4. Establish in the area of intelligence and that of defence research, technology and development, genuine cooperation programmes open to the broadest possible participation, so as to avoid capability gaps among the European forces;
5. Provide adequate national and collective funding for European capability development programmes conducted in cooperation within NATO, the EU or other frameworks in order to avoid delays and cost over-runs;
6. Draw up in consultation with NATO a defence strategy for the European Union to supplement the European Security Strategy, while preserving the EU's decision-making and operational autonomy;
7. Envisage the establishment of a framework for dialogue and cooperation on security and defence between the European Union and the United States in order to deal with common threats, without prejudice to the role of NATO as a collective defence alliance among certain European states and the United States;
8. Continue to regularly inform the members of the WEU Assembly about present and future developments in the areas of the CFSP and ESDP and within the Atlantic Alliance, and guarantee a high degree of parliamentary scrutiny at national level over those matters.

EXPLANATORY MEMORANDUM

submitted by Jean-Pierre Kucheida, Rapporteur (France, Socialist Group)

I. Introduction

1. In just twenty years (1984-2004) Europe's geo-strategic situation has changed fundamentally, as it has abandoned its passive defence posture and engaged actively in the process of building a European defence. From the reactivation of WEU in October 1984 to the entry into force of the Berlin plus arrangements between NATO and the EU on 17 March 2003 and the start of EU Operation Althea on 2 December 2004 in Bosnia and Herzegovina, the European states have not ceased their efforts to develop an autonomous European defence capability. Their aim is to reduce their political and military dependence on the United States, firmly shoulder their responsibilities for security and defence in the European part of the Euro-Atlantic cooperation area and protect Europe's interests in the world.
2. The legacy of those twenty years of developments in Europe is today embodied almost exclusively by the European Union. Although NATO helped to win the cold war, it is the EU that has reaped the strategic benefits. The Common Market has become a political, economic, social, security and defence Union. The Union, whether its approach be integrated, based on the community pillar or on intergovernmental action, or a mixture of these, is extending its field of action to include the areas that traditionally were a national preserve. Its political and military crisis-management structures, pools of forces and ongoing development of autonomous European military and civil crisis-prevention and crisis-management capabilities are the result of a dynamic process set in motion by the Cologne and Helsinki European summits in 1999.
3. The European Union is successfully completing the transition from junior partner of the Atlantic Alliance to a fully-fledged partner on an equal footing. The two organisations, NATO and the EU, currently define the terms of the debate on the future development of European defence. They are not rivals, but complementary partners, each with its specific characteristics and assets. Among the European members of those two organisations there is a process of convergence in terms of organisation (politico-military structures, chains of command) and of operating procedures and capabilities.
4. Moreover, through a series of documents and initiatives endorsed by all its member states, the European Union has demonstrated its resolve to become a major international player in the area of security and defence. It is not yet a military alliance comparable to NATO, but it is already a political and military organisation equipped with the relevant structures, including now also in the field of security – with the creation of “European” police and gendarmerie forces – and of defence equipment and technologies.
5. NATO is still in the process of transforming itself from a traditional collective defence alliance into a provider of global security. Between the end of the cold war and its Prague Summit in 2002 it evolved continuously, starting in 1995 with the deployment of IFOR to implement the Dayton Accords in Bosnia and Herzegovina. During the Kosovo war in 1999, NATO asserted itself as the guarantor of stability in the Balkans, a role which it was to confirm in the former Yugoslav Republic of Macedonia in 2001 and again in 2004, following the riots in Kosovo.
6. In Afghanistan, and to a more limited extent in Iraq and Sudan, NATO's European component is currently demonstrating its capacity for intervention outside the continent of Europe. The International Security Assistance Force (ISAF) has entered the second year of its existence with plans for the geographic extension of its presence, requiring additional resources from the participating states.
7. The future development of European defence as it is evolving within the two power centres will be determined by the level of available human, technical and budgetary resources. Operational cooperation between the EU and NATO is therefore a necessity, for there can be no duplication of forces, equipment and defence budgets in order to meet their respective mission objectives. This calls for mutual confidence, although the question of political precedence remains an issue.

8. Nevertheless, it has to be admitted that the European Union with its coordinated policies in the intergovernmental and community spheres and its economic and social, technological, legal and judicial dimensions has an influence on almost all areas of national policy. The extension of its field of competence to include security and defence is a logical development which, while it does not call the current role of NATO into question, nonetheless calls for a re-definition of transatlantic relations in those areas.

II. The EU-NATO partnership: principles and operations

9. The basic principles for political and operational cooperation between NATO and the EU were discussed and drawn up between 2000 and 2003. That process is in fact a legacy of the working relations formed between NATO and WEU at the time when the latter was serving as a laboratory for European defence. In November 1999, following the June 1999 Cologne European Council, the signatory states to the modified Brussels Treaty decided to transfer WEU's operational functions to the EU. As a result the EU found itself with direct links with NATO in the operational sphere. The presence within WEU of non-EU European NATO member states – including the three new NATO members Hungary, Poland and the Czech Republic – made an effective partnership between the two organisations more necessary than ever.

10. Yet although WEU's relations with NATO are defined by Article IV of the 1954 modified Brussels Treaty, there is no direct reference to the EU's relations with NATO in the European treaties (Maastricht, Amsterdam and Nice Treaties and the draft Treaty establishing a Constitution for Europe), which merely stipulate that the Common Foreign and Security Policy (CFSP) and European Security and Defence Policy (ESDP) must be compatible with the orientations of NATO in this area.

11. Hence cooperation in the operational area between the two organisations has been organised pragmatically, on a case-by-case basis, whenever their interests have converged, as in the Balkans. Elsewhere – Operation Artemis in the Democratic Republic of Congo is a case in point – the Union has taken action on its own. For the purpose of assisting the African Union's efforts to establish stability and security in the Darfur region of Sudan, the two organisations have launched parallel missions in a "spirit of complementarity", to use the NATO jargon.

1. Establishing cooperation: the Berlin plus agreements

12. An EU-NATO relationship became inevitable when, at its Cologne Summit in June 1999, the Union expressed the desire to acquire military capabilities enabling it to "respond to international crises without prejudice to actions by NATO"². In so doing, the Union takes the view that "a more effective role for the European Union in conflict prevention and crisis management will contribute to the vitality of a renewed Alliance" and undertakes to "ensure the development of effective mutual consultation, cooperation and transparency between the European Union and NATO".

13. The way forward is set out in the declaration adopted by the Helsinki European Council in December 1999 in which the EU member states express their "determination to develop an autonomous capacity to take decisions and, where NATO as a whole is not engaged, to launch and conduct EU-led military operations in response to international crises". Thus from the outset the EU gave itself two options for conducting operations: with or without recourse to NATO assets and capabilities.

14. The concern to avoid duplication and the exclusively national nature of military capabilities explain in part this relationship of dependency between the EU and NATO. There are also major political issues at stake, given the central role in defence that many European countries, EU member states and accession candidates attribute to the Alliance. However, the link between the Union and NATO is not automatic, but rather an option exercised on a case-by-case basis, thereby preserving the decision-making autonomy and freedom of action of both organisations.

² Cologne European Council, Presidency Conclusions; Annex III – "Declaration of the European Council and Presidency report on strengthening the European common policy on security and defence"; Cologne, 3-4 June 1999; <http://ue.eu.int>

15. The Cologne European Council was therefore at pains to specify that the European capabilities were being defined as a first step for the purpose of crisis-management operations in connection with the Petersberg missions and that “the Alliance remains the foundation of the collective defence of its Member States”. Recourse to NATO assets is provided through a number of arrangements drawn up at the Alliance ministerial meetings and summits in Berlin in 1996 and in Washington in 1999. That same year the Union decided to assume full responsibility in the area of military crisis management by launching the process for absorbing WEU’s operational capabilities.

16. The EU and NATO needed from that point onwards to define some common ground in the political and operational areas in order to avoid conflicts of competence that could durably affect the functioning and activities of the two organisations. On 16 December 2002, after three years of negotiations, the Union and the Alliance issued a joint declaration setting out the principles for their cooperation. This was followed up in the operational sphere in 2003 by an exchange of letters between the EU and NATO Secretaries-General formalising the Berlin plus agreements.

(a) The EU-NATO partnership

17. The principles of the EU-NATO strategic partnership were adopted in December 2002, after two years of intensive discussions between the two organisations. That partnership paved the way for cooperation in the operational field in accordance with the Berlin plus agreements. In the EU-NATO declaration on the ESDP of 16 December 2002 the two partners:

- “Welcome the strategic partnership established between the European Union and NATO in crisis management (...);
- Welcome the continued important role of NATO in crisis management and conflict prevention, and reaffirm that NATO remains the foundation of the collective defence of its members;
- Welcome the European Security and Defence Policy (ESDP), whose purpose is to add to the range of instruments already at the European Union’s disposal for crisis management and conflict prevention in support of the Common Foreign and Security Policy, the capacity to conduct EU-led crisis management operations, including military operations where NATO as a whole is not engaged;
- Reaffirm that a stronger European role will help contribute to the vitality of the Alliance, specifically in the field of crisis management; (...)”

That preamble constitutes a veritable programme of action for the EU. It is recognised as a strategic partner on an equal footing with NATO and as a new player in the area of crisis management with or without the support of NATO. The Alliance does, it is true, continue to have a role in this area as well in that of collective defence. However, the latter guarantee does not cover the Union. The Union has the implicit possibility, *de jure* and *de facto*, of framing and implementing such a guarantee³ within the framework of the ESDP.

18. The principles of the strategic partnership are as follows:

- “Partnership: ensuring that the crisis management activities of the two organisations are mutually reinforcing, while recognising that the European Union and NATO are organisations of a different nature;
- Effective mutual consultation, dialogue, cooperation and transparency;
- Equality and due regard for the decision-making autonomy and interests of the European Union and NATO;
- Respect for the interests of the Member States of the European Union and NATO;

³ Provision was made for this in Article I-41.7 of the draft Treaty establishing a Constitution for Europe of 29 October 2004.

- Respect for the principles of the Charter of the United Nations, which underlie the Treaty on European Union and the Washington Treaty, in order to provide one of the indispensable foundations for a stable Euro-Atlantic security environment, based on the commitment to the peaceful resolution of disputes, in which no country would be able to intimidate or coerce any other through the threat or use of force, and also based on respect for treaty rights and obligations as well as refraining from unilateral actions;
- Coherent, transparent and mutually reinforcing development of the military capability requirements common to the two organisations”.

Those principles demonstrate the degree of self-confidence attained by the Union in matters of security and defence. Unlike the Treaty of Amsterdam which gave WEU the task of implementing the Union’s decisions in this area, in this declaration the EU has the CFSP and ESDP guidelines endorsed by NATO. This is a partnership between equals. The Union’s autonomy is reaffirmed several times, differences of appreciation are not ruled out and the partnership is seen in the context of “effective multilateralism”.

19. The references to the United Nations, to the commitment to the peaceful resolution of disputes, to compliance with the treaties and refraining from unilateral actions are components of this European version of multilateralism that is central to the European Security Strategy adopted by the member states on 12 December 2003. Given the state of transatlantic relations at the end of 2002 and beginning of 2003, that part of the EU-NATO declaration represents a political stance on the part of the EU with regard to the United States, which at the time was preparing to attack and invade Iraq, with or without the approval of the UN Security Council and in the absence of any major identifiable threat.

20. The two organisations are drawing closer in the operational sphere, which is normal in the light of the fact that the European military capabilities are common to both partners. The Union accepts involvement by the European member states of NATO in the ESDP, without however granting them a status similar to that which they enjoyed within WEU. The declaration also stipulates that NATO gives the EU guaranteed access to its planning capabilities, which is the key element of the Berlin plus arrangements.

21. That political declaration is not a treaty and its application depends on the balance of power between the two organisations and their member states and on the transatlantic dialogue. Nevertheless, it represents clear recognition of the EU’s maturity and readiness to assume its responsibilities in the area of security and defence. With WEU – with the exception of its parliamentary dimension for the scrutiny of European security and defence issues – gradually fading from the scene, NATO and the EU now dominate the European debate in this area. The two organisations have no choice but to cooperate in a symbiotic relationship governed by the abovementioned principles of the strategic partnership and the Berlin plus arrangements.

(b) The Berlin plus agreements: provisions and implementation

22. The EU attaches importance in its cooperation with NATO to guaranteeing two major principles: “assured EU access to NATO planning capabilities able to contribute to military planning for EU-led operations” and “the presumption of availability to the EU of pre-identified NATO capabilities and common assets for use in EU-led operations”. Those two guiding principles provided the basis for the negotiations that led to the Berlin plus agreements in 2002 and 2003.

23. Those two dates correspond to the formal announcement of the conclusion of the negotiations on 16 December 2002 and an exchange of letters on the subject between the then NATO Secretary-General, Lord Robertson, and Javier Solana, Secretary-General of the Council of the European Union and High Representative for the Common Foreign and Security Policy (CFSP) on 17 March 2003. The Berlin plus agreements have not been made public or transmitted to the national parliaments for possible ratification.

24. Those documents cover seven main points which were set out in a communication from SHAPE (Supreme Headquarters Allied Powers Europe):

- “a. NATO-EU Security Agreement;

- b. Assured Access to NATO planning capabilities for EU-led Crisis Management Operations (CMO);
- c. Availability of NATO assets and capabilities for EU-led CMO;
- d. Procedures for Release, Monitoring, Return and Recall of NATO Assets and Capabilities;
- e. Terms of Reference for DSACEUR and European Command Options for NATO;
- f. EU-NATO consultation arrangements in the context of an EU-led CMO making use of NATO assets and capabilities;
- g. Arrangements for coherent and mutually reinforcing Capability Requirements”.

25. Thus the Berlin plus agreements organise operational cooperation between the two bodies. The security agreement mentioned in point a. was no more than a formality in 2003. However, its application to the enlarged Union of 25 member states is currently encountering a number of difficulties, in particular as regards the transmission of classified NATO documents to Cyprus and Malta. Both states are represented in the EU’s politico-military structures and have a seat on the European Defence Agency Steering Board. Turkey’s current non-recognition of the Republic of Cyprus is a source of further complexity in this matter.

26. Points b., c. and d. are crucial for enabling the EU to draw on NATO capabilities such as operational planning and assistance in the area of command, control and communications (networks and infrastructure) for its operations. This is the most pragmatic solution, given that the doctrine, organisation and equipment of Europe’s national armed forces have been profoundly influenced by more than 50 years of experience of the rules and practices developed and implemented within NATO’s military bodies.

27. The same applies to the new member states and former Warsaw Pact countries, which reformed their defence structures over the period 1990-1999 to bring them into line with the transatlantic model. The Partnership for Peace set up in 1994 was a determining factor in the success of that process. During that period those countries’ participation in WEU’s political and military activities enabled them to familiarise themselves with purely European cooperation and by the same token the non-NATO EU member states were brought closer to the Alliance.

28. Access to NATO planning capabilities is the only thing to be explicitly guaranteed. It may take the form of a contribution to drawing up the EU military strategic options defined by the EU Military Staff (EUMS) or, in the case of a Berlin plus operation, it may involve implementation of operational planning decisions in cooperation and consultation with the EUMS.

29. In practice, recourse to NATO assets and capabilities is the result of a political choice that recognises NATO’s key role in European defence capabilities. It does not rule out the development of specifically European planning capabilities, but many EU member states are anxious to avoid the emergence of conflicts of interests and priorities between the two organisations.

30. In order to conduct the Petersberg missions (which since 2003 have included the fight against international terrorism and the illegal proliferation of weapons of terror and mass destruction) the European Union has a Military Staff (EUMS) and a Military Committee (EUMC), as well as, since 2004, a Civil-Military Cell within the EUMS:

- The task of the EUMS is “to perform early warning, situation assessment and strategic planning for Petersberg tasks including identification of European national and multinational forces”;
- The EUMC is “responsible for providing the PSC (Political and Security Committee) with military advice and recommendations on all military matters within the EU. It exercises military direction of all military activities within the EU framework”;
- The task of the Civil-Military Cell is to “assist in planning and coordinating civilian operations, develop expertise in managing the civilian/military interface, do strategic advance planning for joint civil/military operations, reinforce the national HQ designated to

conduct an EU autonomous operation”. It is interesting to note that in the absence of a designated national headquarters the Cell would be responsible for “generating the capacity to plan and run the operation”, but with the major caveat that it would not be a permanent headquarters but a mere capability.

31. Points c. and d. of the Berlin plus agreements concern access to NATO infrastructure and equipment such as communications and intelligence networks. Transport and logistics remain under national control, with NATO providing a planning and coordination framework. In the Berlin plus agreements NATO has set out a list of assets and capabilities that can be made available to the EU, as well as the arrangements for their recall in case of an unforeseen development.

(c) NATO assets

32. The number of assets that are actually owned by NATO is fairly small: they include the 18 E-3 AWACS (airborne warning and control system) radar aircraft, the air defence systems (command and control), the Alliance-level operational command and control and telecommunications system (including satellites) and the information, command and control systems needed to run the NATO Strategic Commands and sub-Commands.

33. NATO also has a number of installations and facilities such as “communications and information systems, radar, military headquarters, airfields, fuel pipelines and storage, harbours, and navigational aids which are needed to support the roles of the NATO Strategic Commands and are recognised as exceeding the national defence requirements of individual member countries”⁴. All these assets and capabilities come under the responsibility of an Infrastructure Committee and are funded by the NATO Security Investment Programme.

34. NATO does not have its own offensive weapons systems, combat and transport aircraft, intelligence capabilities or a logistics and support system for autonomous or joint combat missions⁵. In these areas it is up to the member states to ensure that the requisite assets and capabilities are available in the theatre of operations for crisis-management missions or operations under Article 5 of the Washington Treaty.

35. The NATO standardisation agreements (STANAG) are a set of standards and procedures that are common to all Alliance assets and capabilities for the planning, command, control and conduct of combined joint operations. They are applied or adapted by all Europe’s national armed forces, even in non-NATO member states, which do so for reasons of interoperability, with a view to their future accession, or for industrial and technical reasons.

36. The EU has to be sure that its access to NATO assets and capabilities cannot be blocked by extraneous issues: the Atlantic Alliance and the EU do not have the same membership and from time to time there are political or economic disputes that affect transatlantic, or indeed intra-European relations. Tensions in other areas must not be allowed to negatively affect the relations between the EU and NATO in the operational sphere. The advantage of the Berlin plus agreements is to codify and formalise the conditions for EU access in order to ensure transparent procedures and clearly-defined responsibilities, although the possibility of the decision being blocked by a national veto remains.

37. The role of DSACEUR (Deputy Supreme Allied Commander Europe), a European officer, as the commander of European operations, is an achievement that dates back to the last decade. During the period when WEU was developing its military crisis-management capabilities, it identified both with the European pillar of the Alliance and the defence component of the European Union. It was therefore logical for autonomous European crisis-management operations to be placed under the command of a European officer. Giving that role to DSACEUR was a means of strengthening the European pillar of the Alliance while providing reassurance to Alliance member states that Europe’s

⁴ NATO Handbook part II “Policy and Decision-Making”, chapter 9 “Common Financial Resources”, www.nato.int

⁵ Logistics are a “collective responsibility” that is shared between the member states and NATO (NATO Handbook, Part II: Policy and decision-making; Chapter 8 Programmes and activities – Logistics, www.nato.int)

autonomous efforts would be compatible with and complementary to NATO's strategic and military orientations.

38. In 2005, DSACEUR's role as Operations Commander for a Berlin plus mission is an established practice. A new development is the existence of an EUMS liaison cell within SHAPE and at political level, the regular working meetings that take place between the North Atlantic Council (at ambassadorial level) and the EU's Political and Security Committee. A number of joint exercises have already taken place (the first being "Atlantia" from 19 to 26 November 2003) or are scheduled, with a view to improving and strengthening cooperation in the operational area between the two organisations while preserving the autonomy and specific characteristics of each.

39. Application of the Berlin plus arrangements makes for a smooth transition between the two organisations and their commands. Duplication is avoided while ensuring that a force adapted to local requirements remains in place. It provides the opportunity, according to national interests, for certain states to disengage in order to redeploy to other theatres of operation, and for others to engage more actively. The Berlin plus arrangements are currently the reference for operations in the Balkans. Conversely, thousands of kilometres away on the African continent in the Democratic Republic of Congo, Operation Artemis was conducted without recourse to NATO assets and capabilities. It was a short operation which ran from July to September 2003 and involved a mainly French contingent which was already present in the region.

2. Berlin plus operations

40. Thus, on the basis of the Berlin plus agreements, the EU was able to launch its first crisis-management mission – Operation Concordia – in the former Yugoslav Republic of Macedonia in March 2003 and to launch Operation Althea in December 2004 to take over from the NATO mission in Bosnia. It would be perfectly logical for any EU deployment in Kosovo to take place on the same basis. In the first two cases the EU-NATO link is also justified by the fact that these were take-over operations, with national forces already on the spot and involved in the troop rotation and relief process.

41. The two EU operations, Concordia and Althea, involved recourse to NATO assets in compliance with the Berlin plus procedures, as much for political as for military and operational reasons. Due to the divisions among the European states on how to respond to the conflicts of the early 1990s in former Yugoslavia, in Croatia and Bosnia and Herzegovina, it was finally recognised that recourse to NATO was the only solution for establishing security and stability in the region. It also had the advantage of maintaining an American presence in Europe and demonstrating the vitality of the transatlantic link.

42. With the end of the war in Kosovo in May 1999 and the outbreak of ethnic conflict in the former Yugoslav Republic of Macedonia in 2000, the European Union became strongly involved in the reconstruction and reorganisation of south-eastern Europe. There was a general consensus among the European states that NATO was the only organisation capable through its military presence of guaranteeing the stability and security so essential for the future political, economic and social process. The political cooperation between the EU and NATO on resolving the crisis in FYROM was characteristic of this division of tasks between the two.

(a) Operation Concordia

43. Throughout the conflicts in former Yugoslavia and up until the end of the war in Kosovo the former Yugoslav Republic of Macedonia remained relatively unaffected by the destabilising consequences of those tragic events. From 1991 onwards, the country was protected by a United Nations force composed mainly of American troops. However, in 2000 irredentist action by the ethnic Albanian community threatened to upset the balance between the two communities. NATO, whose forces in Kosovo were dependent on logistic support and access facilitated by the former Yugoslav Republic of Macedonia, was concerned about the situation, as was the EU, which was engaged in a process of political and economic reconstruction of the region.

44. The two organisations coordinated their efforts and got the two Macedonian communities to agree to a ceasefire and the beginnings of a political settlement formalised on 13 August by the Ohrid Framework Agreement under the patronage of the then NATO Secretary-General, Lord Robertson, and the CFSP High Representative, Javier Solana. Following that initiative a NATO force was deployed to the former Yugoslav Republic of Macedonia with the task of disarming paramilitary groups and establishing security on the ground. This was Operation Essential Harvest, which was 3 500 strong and lasted one month, from August to September 2001.

45. This was followed by Operation Amber Fox (September 2001 to December 2002), with the mandate to protect the international observers sent by the EU in particular to monitor compliance with the Framework Agreement and oversee the national reconciliation process, and Operation Allied Harmony (December 2002 to March 2003), tasked with assisting the government of the former Yugoslav Republic of Macedonia with the reform of the security and defence sector, in order to guarantee the security of the territory as a whole. The two operations involved, respectively, 700 and 300 soldiers and officers.

46. In 2003 the regional situation had evolved considerably, in particular due to the political changes that had taken place in 2000 in Serbia. With the exception of Kosovo where a final settlement remained outstanding, the threat of conflict in the Balkans had to some extent abated. At international level, NATO was mobilised for the fight against terrorism and its ISAF engagement in Afghanistan, leading to a reduction of its forces in Bosnia and Herzegovina and to its disengagement from the former Yugoslav Republic of Macedonia. NATO decided to end Operation Allied Harmony in March 2003.

47. In order to avoid a security vacuum the EU decided to launch Operation Concordia at the request of the Macedonian authorities and with NATO's assistance. NATO had maintained a presence on the ground but its mission was taken over by the EU. The use of Alliance assets enabled a smooth transition and reassured the Albanian community about the continuity of the operation. In application of the Berlin plus agreements the command of the operation was given to DSACEUR, the German admiral Rainer Feist. A European headquarters under the authority of the Union was established at SHAPE, in Mons, Belgium.

48. On 31 March 2003, once the arrangements between the EU and NATO had been finalised in an exchange of letters on 17 March 2003 between the two Secretaries-General, Operation Concordia took over from the NATO forces in the former Yugoslav Republic of Macedonia. It was similar in strength to Operation Allied Harmony and made use of some of the NATO assets present on the ground, essentially national equipment that had been made available to the Alliance and was now being made available to the EU. Initially scheduled to last six months, the operation was extended until December 2003, at which time it was replaced by the Proxima police mission. The force was commanded first by France (General Pierre Maral) and then by EUROFOR (Major General Luís Nelson Ferreira dos Santos from Portugal).

49. Concordia was a success from the point of view both of its political and security objectives and its organisation. It was also a full-scale exercise preparing the way for the application of the Berlin plus procedures to a more ambitious mission, Operation Althea. The latter operation is extremely important in terms of its scale and objectives for the future of the CFSP/ESDP in the Western Balkans and beyond. Some 7 000 soldiers and officers from 33 countries, including 22 EU member states, are involved in this project for the stabilisation and reconstruction and perhaps also reorganisation of Bosnia and Herzegovina, which is managed at all levels by the European Union.

(b) Operation Althea and the European protectorate of Bosnia and Herzegovina

50. Through the intermediary of its High Representative for Bosnia, Lord Ashdown (United Kingdom), the EU was already exercising control: in the political, economic and social areas through the programmes of the European Commission and in the field of security through the EU Police Mission in Bosnia and Herzegovina. With the deployment of EUFOR (European Force for Bosnia and Herzegovina) the Union has at its disposal all the instruments it needs to implement its plans for Bosnia and Herzegovina, including its possible integration one day in the EU. As was the case for its

operations in the former Yugoslav Republic of Macedonia, cooperation with NATO is vital to the success of its action in Bosnia.

51. In the operational area we find the same arrangements as for Operation Concordia. The Operation Commander is DSACEUR, the British General Sir John Reith, and the Force Commander in Sarajevo is his compatriot, Major General David Leakey. There is an EU cell at SHAPE, in Mons, and there are liaison officers at the Joint Force Command Naples (formerly AFSOUTH, Allied Force Command Southern Europe), which is responsible for south-eastern Europe. The EUFOR headquarters in Sarajevo has permanent contacts with the NATO headquarters in Bosnia and Herzegovina, which is commanded by an American officer.

52. The EU Military Committee is the military body which supervises the operation as a whole and to which the Operation Commander DSACEUR reports. NATO is also kept informed about operational matters through the Military Committee and about political questions through the Political and Security Committee. Thus, as regards the political control and strategic direction of Operation Althea, the EU preserves its decision-making autonomy.

53. EUFOR assumes the same missions in military and operational terms as the NATO implementation force IFOR and its successor SFOR. It has the same size and structure and deploys the same assets on the ground as the NATO operation. There are three zones of operations: north, north-west and south-east, plus a police element responsible for law and order missions under the EUFOR mandate. The majority of forces come from NATO member states, so recourse to the Berlin plus agreements makes sense in terms of organisation and rationalisation of military resources.

54. With the force composed of 300 soldiers and officers that NATO has maintained in Bosnia and Herzegovina and the possibility in the event of serious unrest of recourse to Alliance reserves and to its forces stationed in Kosovo, there is very strong interaction between the EU and NATO over Operation Althea. What sets the EU presence apart is that not only is it the guarantor of the application of the Dayton Accords and of the security of Bosnia and Herzegovina against internal and external threats, like the NATO force before it, but it is also part of a medium- and long-term strategy aimed at integrating this region, the Western Balkans, into the enlarged European Union.

55. Althea and Concordia have in common the fact not only that they are Berlin plus operations, but also that they are the result of a convergence of interests between NATO and the EU. Both have an interest in promoting security, stability and development in the Western Balkans by means of a two-pronged strategy, with a European dimension embodied by the EU and a transatlantic dimension corresponding to United States interests in Europe. Their relations in the operational sphere for the purpose of Althea and Concordia are the result of that complementarity. Moreover, those two precedents pave the way for a future third mission in Kosovo, in connection with the process of settling the future status of the province, which could, in turn, lead to a partial disengagement by NATO.

56. The two operations have demonstrated the usefulness of the Berlin plus agreements for avoiding problems of priority and precedence and for reassuring countries concerned about a possible political and operational decoupling of the two organisations. Under those procedures the European chain of command has the benefit of NATO support while maintaining its autonomy. Moreover the presence of European cells at SHAPE and in NATO's regional commands can only speed up the process of Europeanising the Alliance, although admittedly this does tend to encourage an approach based more on coalitions of the willing and, above all, capabilities.

57. The Berlin plus agreements represent more than just a set of working rules and procedures between the two organisations. They mark the start of a long-term institutional, political and military relationship which will shape the future of the ESDP. That cooperation has now been extended to other areas, such as forces and equipment, and is being exported elsewhere, for example for the assistance being provided to the African Union. It will determine the future development of European defence and will have direct repercussions for defence relations between the European states and the United States.

III. Cooperation, complementarity and competition

58. EU-NATO relations have now entered into a more mature phase marked by a combination of cooperation, complementarity and competition. The more the Union develops its political and military instruments at regional and international level, the more it finds itself competing with NATO in its role as an exporter of security. It is the decisive factor in the development of Bosnia and Herzegovina and it holds the key to social and economic assistance to the whole of south-eastern Europe. Enlargement is a powerful force for promoting peace and security in this part of Europe.

59. Since 1998 and the St Malo Franco-British Agreements, which paved the way for the development of a security and defence policy in the framework of the CFSP, EU-NATO relations have been subject to the rules of the “three D’s” and “three I’s”. In December 1998, during a press conference at NATO headquarters, the then US Secretary of State, Madeleine Albright, expressed the American position that the development of a European security and defence identity (ESDI) should take place without any diminution of NATO’s role, and without discrimination or duplication. The diminution of NATO’s role was later referred to as “decoupling”.

60. In 1999, the new NATO Secretary-General, Lord Robertson, added that the ESDI should be based on an improvement of European defence capabilities, on inclusion and transparency and on the indivisibility of the transatlantic link. These “three D’s” and “three I’s” provided the basis for the initial development of the ESDP, which explains the emphasis placed on the Berlin plus agreements.

61. In the meantime, the war in Kosovo, the fight against Islamic terrorism in the wake of the 11 September 2001 terrorist attacks against the United States and above all the development of the transatlantic link since 2002-2003 have changed European perceptions and speeded up the development of the ESDP and Europeanisation of NATO. Today the focus of the European strategic debate, including as regards the issue of transatlantic defence relations, lies with the EU.

1. Quo vadis, Unio Europaea?

62. From the Cologne and Helsinki declarations to the draft Treaty establishing a Constitution for Europe, the European Union has worked unceasingly to build a political and military component capable of much more far-reaching operations than just crisis management. The Petersberg missions drawn up in 1992 were inspired by the post-war experience in the Gulf region in 1991 and the development of the conflict in former Yugoslavia. Today, now that those missions have been extended to include the fight against terrorism and the active efforts to combat the illicit proliferation of weapons of mass destruction and terror, the ESDP is taking a more offensive stance.

63. In all its treaties and declarations published since Maastricht the EU has not only consistently highlighted the importance of NATO’s role in collective security for those countries which are members of it, but also used it as a reference for the framing, implementation and development of the ESDP. This was the case right up to the draft Constitutional Treaty, with one major difference: the declared resolve to take responsibility for collective defence on an equal footing with the Alliance.

(a) Development of European crisis-management capabilities

64. The three D’s and I’s remain relevant, but the internal dynamics of developments within the European Union are such that the application of those principles is benefiting the EU. The development of the ESDP is not diminishing NATO’s role or leading to discrimination between the members of the two organisations or to unnecessary duplication of the command and control structures for crisis-management or other military operations. This is clearly demonstrated in theory and in practice by the improvement of capabilities and the inclusion of a larger number of European states in that process, as well as strength of the transatlantic link (indivisibility).

65. The difference lies in the nature and objectives of the two organisations. The Union is a political, economic and social undertaking which has some characteristics of a state, such as its monetary, foreign and defence policies. It has an increasing number of instruments available to it for intervention at all levels, ranging from security (police, gendarmerie, Europol, Schengen, borders) to

military assets (forces and capabilities) and civil and humanitarian instruments (Commission, approved NGOs, special agencies).

66. NATO for its part can provide a military presence, for this is the field in which it is effective, but the long-term success of the processes of establishing security and stability and of reconstruction depends on the involvement of a whole host of other bodies (EU, UN, NGOs and economic organisations) over which it has no control. Today only the EU is able to plan and implement a global crisis-management strategy, going beyond even the type of missions that the UN is capable of carrying out. The major role played by the Union in developments in the Western Balkans is an example.

67. The EU is undergoing a political, military and operational transformation which – although it has certain limits – is fundamental for enabling the EU to become an autonomous provider of security and defence in Europe and beyond. Major efforts have been made for that purpose since the period 1999-2000, with the practical result that the EU's reliance on NATO for capabilities and assets is gradually giving way to greater complementarity.

68. In the organisational area, politico-military command and control structures have been built up around the Political and Security Committee, the EU Military Staff and EU Military Committee. Two noteworthy developments are the presence of the Defence Ministers within the General Affairs Council of the Union (for matters pertaining to the ESDP) and the creation of the Civil-Military Cell. The latter was set up on 23 May 2005 and should be operational by 2006. Its task is to coordinate the different aspects of an EU crisis-management operation in order to provide the capacity "to plan and run an autonomous EU military operation".

69. The Union is also developing intelligence capabilities for the ESDP. The member states have undertaken to develop an "information collection system and an operational analysis instrument for the EU's needs" and to introduce a policy for the exchange of information in connection with the command and control of forces for an operation.

70. In the civilian sector, given the diversity of its policies and tools, the Union has access to a network of liaison officers present on all the continents. Indeed, the European Commission representations and EU missions for the support and monitoring of programmes and initiatives in the economic, social or security areas constitute a source of real-time information about the situation in a given country or region facing a crisis.

71. As regards strategic and operational intelligence, the EU has the Torrejón Satellite Centre in Spain, which gives it access to space images produced by European and other satellites. A command of space technology is increasingly being presented in Council and Commission documents as a strategic priority, the Galileo programme being one example.

72. On 16 November 2004, the Council adopted a reference document entitled "European Space Policy: ESDP and Space" which lays the foundations for the development of a European space strategy for military and security purposes that is complementary to the civil component, divided between the European Space Agency and the European Commission. For the Union, access to space provides the guarantee of autonomous decision-making at the service of the member states.

73. The other major area of ESDP development concerns the capabilities for extended Petersberg missions or for operations in connection with the European Security Strategy (adopted by the European Council on 12 December 2003 in Brussels) or the EU's strategies for combating terrorism and the proliferation of weapons of mass destruction and terror. If the deadlock on the Constitutional Treaty could be resolved, those capabilities could provide the core for future collective defence activities within the Union framework.

(b) EU military capabilities

74. Two major projects in the area of capabilities and forces are currently being implemented: the 2010 Headline Goal and the battlegroup concept. In 1999, under what was known as the 2003 Headline Goal, the EU member states decided to set up a 60 000-strong force that could be deployed within two months and sustained for at least one year. In parallel, action was taken to make good any shortfalls identified in connection with that Headline Goal in the area of forces deployment, logistics,

command and control and equipment. This was known as the European Capability Action Plan (ECAP).

75. The Union also decided to open up participation in this initiative to EU accession candidates and European NATO member states wishing to contribute. The initial objective was achieved in 2003-2004, although a number of capability shortfalls remained. Priority was then given to rapid reaction, both in terms of military capabilities and of the political decision-making process. This was the objective set out under the 2010 Headline Goal, which also redirects ECAP activities towards such areas as command and control and the related ISTAR (intelligence, surveillance, target acquisition and reconnaissance) capabilities.

76. In order to strengthen rapid reaction capabilities the EU member states, on the basis of an initiative proposed by Germany, France and the United Kingdom, decided to set up a number of battlegroups between 2005 and 2007. Thirteen such units have already been identified at national, bilateral or multilateral level, some with the participation of non-member states, EU accession candidates or European NATO member states. They are some 1 500 strong and designed to arrive first on the scene – imposing themselves if necessary by force – in a theatre of operations. They are self-sufficient, joint and in some cases also combined (multinational) combat units. The thirteen battlegroups have a total strength equivalent to that of the NATO Response Force (NRF). In practice most of them will involve the same units, given the need for similar capabilities.

77. In order to offset its capability shortfalls, the Union has set up the European Defence Agency with the task of rationalising the European states' efforts with a view to acquiring the equipment needed for ESDP operations. The decision to create the Agency was taken in 2003. It opened in 2004 and got off to a real start in 2005. It consists of four main directorates dealing with the following areas:

- Capabilities: in order to assist and progressively integrate the ECAP project groups following the Agency's takeover of the activities of WEAG, the WEU's Western European Armaments Group;
- Research and technology: with initial priority on drones (automatic or remote-controlled unmanned aerial, land or naval vehicles);
- Armaments cooperation: the first task being to analyse the state of Europe's armoured vehicles production sector and to submit proposals for making it more efficient. This directorate is also responsible for monitoring developments in the A400-M military transport aircraft programme being implemented under the auspices of OCCAR (Organisation for Joint Armaments Cooperation);
- Defence equipment market and European defence industrial and technological base: this directorate cooperates with the Commission on an ambitious project for revising the rules governing Europe's defence industries, in particular Article 296 of the consolidated version of the Treaty establishing the European Community.

78. A Steering Board, composed of the defence ministers of the 24 EU countries participating in the European Defence Agency and their representatives, defines the Agency's strategic and political orientations. The EDA's task is to develop cooperation with NATO in the area of capabilities as it supervises and gradually takes over the tasks of the ECAP project groups. Currently the point of contact in this area is the EU-NATO Capabilities Group. Its task is to more effectively coordinate the efforts being made by the member states of the two organisations in order to achieve the aims of ECAP and the Prague Capabilities Commitments.

79. In 2001 the EU member states decided to set up a capabilities development mechanism (CDM) with the aim of supervising and assessing the efforts in this field. The CDM, which was set up in 2003, takes account of everything being done within NATO and provides a reference for evaluating the progress of the ECAP project groups. Every six months it publishes a capabilities improvement chart. Progress is still not sufficient: out of the 74 capability shortfalls identified in Chart I/2005, 63 have shown no major progress since 2001-2002, seven have been resolved and four are currently undergoing improvement.

80. In parallel to the military aspects, the Union is developing a security component composed of police, paramilitary forces (gendarmerie), border-guard services and civilian intelligence services. These are national resources that are made available for ESDP operations designed to strengthen European security in the areas of the fight against terrorism (within the EU's geographic borders), organised crime and trafficking in weapons, people and illicit substances. The EU does not exercise direct control but provides a framework for coordination and exchanges of information and experience and contributes to harmonising capabilities and requirements in the security field.

81. Those resources may be actively called upon for crisis-management operations decided by the Union. Specific or mixed exercises involving military, police, gendarmerie and civil security forces have already been conducted and others are planned for the years to come. Operation Althea, which has a (civilian) police unit integrated within its military structures, is an example of the interaction between military and security forces.

82. To this brief overview of the major ESDP developments we should add the EU's growing cooperation with the UN and with the African Union in the area of crisis prevention and management. The Union has drawn up an ambitious strategy for Africa that began with Operation Artemis in the Democratic Republic of Congo (DRC) in 2003. Now it is engaged in a police assistance mission (EUPOL) in Kinshasa and in a mission for the reform of the security sector (EUSEC) in DRC, as well as in providing support in the area of training, planning, command and control, logistics, equipment and troop transport to the AU forces being deployed in the Darfur region of Sudan.

83. The European Union has geared the ESDP as a priority towards the development of autonomous intervention capabilities for managing crises and dealing with the current threats to international security and stability. Thus, over the short period from 2000 to 2005 it has already become a provider of security and defence in Europe (Western Balkans) and Africa, albeit in the latter case in a modest fashion through a limited presence and through the intermediary of the African Union. The Union is also very actively involved in a number of other missions: security sector reform and training in the area of security and justice (in the Democratic Republic of Congo and for Iraq) and monitoring compliance with political agreements (Aceh in Indonesia).

84. Although the EU member states do not all share the same vision of Europe's role on the international stage, they have maintained the cohesion and consistency of their efforts throughout a growing number of ESDP activities and initiatives, making the EU a key player in the area of European defence. All that the EU lacks is the declared competence for defending the member states against armed attack from outside, for which provision was made in the draft Constitutional Treaty. For the moment this remains the sole competence of WEU, and it is confined to the member states of WEU and NATO. Moreover, within the Atlantic Alliance it is a non-European member – the United States – which has the last word.

2. The United States, NATO and the EU: united in diversity

85. From 1945 to the end of the cold war, the defence of Western Europe against armed attack from the USSR was guaranteed by the 1948 Brussels Treaty (as modified by the 1954 Paris Agreements) and by the 1949 Washington Treaty. In 1951 the signatory states to the Brussels Treaty decided to abolish the Western Union's military structures in order to avoid duplication with the new military bodies of NATO. Article IV of the modified Brussels Treaty stipulates that in order to implement the provisions of the Treaty, WEU must cooperate with NATO.

86. The fact that WEU was eclipsed by NATO until the end of the 1980s was also due to implicit recognition of the crucial role being played by the United States in the defence of Europe. That role, which remains relevant in 2005, defines the terms of the debate on the emerging European defence. In spite of the progress made by Europe since the 1990s, the question of the EU's decision-making autonomy and freedom of action vis-à-vis the United States in the security and defence field remains a valid one.

87. In assuming responsibilities in the area of defence the EU finds itself directly confronted with one of the fundamental principles of the transatlantic relationship: that of the United States' dominant position. Yet the United States is not a member of the EU and the two political partners are also

economic rivals in Europe and on world markets. Moreover, since 2002-2003, public opinion and certain governments in Europe have been increasingly open in their disapproval of the policies and actions of the Bush Administrations (2000-2004 and 2005 onwards). Those recent developments reflect the way in which transatlantic relations have evolved since the end of the cold war.

(a) NATO and EU: convergent requirements

88. In 1991-92 the Alliance embarked on an ambitious process of extending its zone of influence and action and transforming its structures in order to adapt its capabilities to the new geo-strategic situation:

- enlargement, first of all indirectly, through the Partnership for Peace (1994) and then directly, with the accession of 13 central European states (three in 1999 and 10 in 2004), accompanied by a tightening-up of its ties with “neutral” states and the start of defence cooperation with Russia, Ukraine and other former USSR states (as far as Central Asia);
- putting an end to the geographic limits of the cold war period with its intervention in former Yugoslavia in Bosnia and Herzegovina (1995), Kosovo (1999) and the former Yugoslav Republic of Macedonia (2001), confirming its leading role as the guarantor of security and stability in the Western Balkans, followed by its assumption of responsibility for the ISAF (International Security Assistance Force) mission in Afghanistan (2003) and the launch of a training mission for Iraqi officers both in and outside Iraq (2004);
- reduction in the number of Strategic Commands and sub-Commands, the drawing-up and implementation of the CJTF (combined joint task forces) concept, the development of rapid reaction and forces deployment capabilities, the setting-up of the NATO Response Force (NRF) and the launch or rationalisation of programmes and initiatives in the area of equipment requirements and R&T (research and technology).

89. In parallel, with its image of close political and military cooperation on general security and defence issues between European states (both Alliance members and non-members) on the one hand, and the United States and Canada on the other hand, with a view to resolving regional conflicts, and the active presence of all the parties in the theatre of operations, the transatlantic relationship appeared to be the cornerstone of European defence. However, even though the United States was the driving force behind the reform of the Alliance, the success of that undertaking depends above all on NATO’s European member states. By becoming involved in that process they are also contributing to the development of a more harmonious and coherent European defence that is less dependent on its American ally.

90. The 11 September 2001 terrorist attacks in New York and Washington and the fight against international terrorism have speeded up the transformation of the Alliance. In order to be credible in the eyes of its biggest member state, NATO has to be more responsive and engage more actively in this new global conflict. The decision to set up the NRF and the framing of active strategies to combat terrorism and the proliferation of weapons of mass destruction and terror were central to the current process of reform of the Alliance.

91. The NATO summits in Prague (November 2002) and Istanbul (June 2004) paved the way for adapting NATO to the new international geo-strategic situation, with its focus on the American intervention in the Middle East (Iraq) and Central Asia (Afghanistan). The Alliance member states took three key decisions in Prague in the area of capabilities: the creation of the NRF, the launch of the Prague Capabilities Commitment process (PCC) and the stepping-up of cooperation with the EU on capabilities in order to avoid duplication and ensure consistent approaches to security and defence within the Alliance and the ESDP.

92. The NRF is intended to be the spearhead of NATO’s external operations. According to the Prague Declaration, it is to be “a technologically advanced, flexible, deployable, interoperable and sustainable force including land, sea, and air elements ready to move quickly to wherever needed, as decided by the Council”. Furthermore, “the NRF will also be a catalyst for focusing and promoting improvements in the Alliance’s military capabilities”. Certain aspects of that project converge with the

2010 Headline Goal and the EU battlegroups and it provides the basis for operational synergy between NATO and the EU.

93. This point is recognised in the declaration adopted by the NATO heads of state and government in Prague, which stipulates that “the NRF and the related work of the EU Headline Goal should be mutually reinforcing while respecting the autonomy of both organisations”. The NRF, which is composed almost entirely of European units, has a total strength of 21 000 to 25 000 soldiers and officers. It reached its initial operational capability (17 000 soldiers and officers) in 2004. In 2006, before the declaration of full operational capability, the concept is to be validated during a large-scale exercise off the West African coast in the Cape Verde archipelago.

94. NATO’s future posture involving more rapidly deployable expeditionary forces also calls for a reassessment of defence equipment and defence technology requirements. Numerous systems inherited from the cold war are still present in the European countries’ arsenals and they are not all adapted or adaptable to the new requirements, in particular that of interoperability with the American armed forces. The responsibility for improving capabilities within the EU is now shared between the different ECAP project groups and the European Defence Agency. Within NATO this effort is driven by the Prague Capability Commitment (PCC) process, which is the successor to the Defence Capabilities Initiative (DCI) adopted at the Alliance’s 1999 summit.

95. During the preparatory meetings in the run-up to the Prague Summit the defence ministers of the Alliance states, meeting in Brussels in June 2002, reached agreement on the objectives of the new approach which they stressed, in particular, “should achieve mutual reinforcement and full transparency with the related activities of the European Capability Action Plan, taking account of the importance of the spirit of openness respecting the autonomy of both organisations, under modalities to be developed”. That cooperation takes place within the Capabilities Development Mechanism (CDM) set up in 2003 under the auspices of the EU/NATO Capabilities Group.

96. The two parties have a common interest in those efforts, since they are designed to improve the European national capabilities to be made available to both organisations. The work done within the PCC and ECAP concerns, in particular, logistics and troop transport, power projection, interoperability between European forces and the United States, the new technologies and the systems necessary for network-centric operations, ISTAR/C4ISR (command, control, intelligence, surveillance and reconnaissance), information systems for the command and control of operations, drones and satellites.

97. These programmes, which have modest means but ambitious objectives, are funded by the member states *pro rata* to their participation, with the exception of some, like NATO’s AGS (Allied Ground Surveillance) and communications satellite programmes, which are jointly funded by contributions from all the member states.

98. The EDA is also directly concerned by EU-NATO cooperation on equipment and defence R&T. However, efforts to establish a formal relationship between the Agency and the relevant NATO bodies such as the NATO Consultation, Command and Control Agency (NC3A) have encountered a number of problems such as that of access by non-NATO EU member states to Alliance documents and the participation in the EDA’s activities of certain European NATO states that are not yet members of the Union.

99. Industrial aspects and the aim of an autonomous, or at least, less dependent Europe in the area of defence technologies are two very important factors that need to be taken on board. Indeed, the United States’ industrial and technological might weighs on all decisions concerning the choice of equipment and technologies within NATO.

100. Integration/cooperation in the area of R&T and the defence industries and transatlantic interoperability are the two dominant themes of this debate. However, the budgetary and technological gap with the United States has major implications for the survival of autonomous European defence industrial and technological capacities. Without these the EU’s capacity for external action as well as that of many of its member states will forever depend on the United States.

101. The NATO summits in Prague and Istanbul opened the door to stronger EU-NATO cooperation in the operational area while recognising the specific characteristics of each organisation. The transformation of European capabilities within the Alliance is also of concern to the EU, since the two organisations have access to the same forces. NATO planning rules, procedures and experience are common to the majority of European national armed forces and it makes sense for them to be adopted and adapted by the EU.

102. The complementarity between the EU and NATO is a recognised fact. NATO merely brings together European and American national armed forces. Nevertheless, since it has been “the mission that determines the coalition”, the capability gap or even political decoupling of the Europeans and Americans with respect to collateral issues (such as trade competition, technology transfers and strategic orientations) make it even more urgent to develop autonomous European military capabilities based both on NATO and the EU.

103. The same soldiers, officers and equipment are available to individual states and then to the two organisations. Duplication is not desirable, but it can be useful if it also provides the opportunity to seek and test out new approaches to the organisation, planning and conduct of crisis-management and other operations. NATO’s integrated military organisation is not a substitute for the national defence staffs, commands and sub-commands. Priorities in the field of assets and capabilities are always defined according to national interests, which may or may not converge with those of the other EU and NATO member states.

104. This being the case, the two organisations, while preserving their specificities – which does not rule out conflicts of political interest and some division of tasks – have more common interests than differences in the operational area or with regard to their respective competences. The unanimity rule which prevails both in NATO and the ESDP prevents any action that could lead to inter-institutional deadlock.

(b) Transatlantic relations: agreements and differences

105. The two organisations are inexorably bound to come closer together. Their capabilities are separable (for the purposes of a specific operation) but not separate, since they are always national capabilities made available to NATO or the EU, according to the priorities of the moment. The EU in particular needs NATO for everything pertaining to the security and defence dialogue with the United States, *primus inter pares* within the Alliance.

106. That role of the Alliance was explicitly reaffirmed in the declaration adopted by the NATO heads of state and government meeting in Brussels in June 2005, when they stipulated that, “We are committed to strengthening NATO’s role as a forum for strategic and political consultation and coordination among Allies, while reaffirming its place as the essential forum for security consultation between Europe and North America”.

107. That “essential forum” is not, however, an exclusive one, as shown by the titles of the declarations published at the EU-US Summit in Washington on 20 June 2005. They reflect all the themes of this century’s geostrategic debate, such as the proliferation of weapons of mass destruction and terror (WMDT), peace in the Middle East (Israel, Palestine, Iraq, regional democratisation, combating terrorism), the promotion of democracy and freedom worldwide, the fight against terrorism (linked with the threat of proliferation of WMDT), peace and stability in Africa.

108. It is the same themes, with a few semantic variations, that dominate NATO’s programme of strategic priorities for the coming years. However, NATO can only provide a military response that is limited in its range and duration, whereas any action by the Union is part of a medium and long-term political project. We do not have a transatlantic Europe but rather certain interests which converge – at given points in time or over longer periods – between the European states and the United States. Undeniably there are also many political, economic and social issues in the areas of domestic and foreign policy on which their views diverge.

109. It is in this area of transatlantic relations that we can talk in terms of competition between the EU and NATO. Since the United States launched its war on international terrorism, following the attacks in New York and Washington on 11 September 2001, transatlantic relations have alternated

between periods of crisis, periods of calm and reconciliation. There are a number of causes and consequences which, moreover, vary from one country to another. While the Europeans talk about a partnership on an equal footing, the United States wants to preserve its leadership. NATO's "transformation" aims to modernise and develop the military capabilities of the European member states of the Alliance, but also to achieve interoperability of concepts, doctrines, practices and equipment between American and European forces.

110. Although this development benefits European capabilities it has consequences for Europe's autonomy in the area of decision-making and action. Since 2001, the United States' approach to its allies has followed the line taken by Defense Secretary Donald Rumsfeld in December 2001: "The worst thing you can do is allow a coalition to determine what your mission is"⁶. From that point of view NATO can be considered as a toolbox for coalition operations decided and led by the United States. The United States has confirmed that perception on a number of occasions by endeavouring to merge the NATO-led security and assistance mission in Afghanistan (ISAF) with its combat operation against the Taliban and al-Qa'ida in that country, in which some European countries are participating in a national capacity.

111. The United States' request for active NATO involvement in Iraq is another example. This issue, which was concluded with the creation of the NATO Training Mission in Iraq (NTM-I), caused a mini-crisis within the Alliance, not surprisingly given the divisions among the allies during the period preceding the launch of the Iraqi Freedom and Telic operations by the United States and the United Kingdom respectively in March 2003. The NATO mission was launched following the June 2004 Istanbul Summit with the decision on 30 July 2004 to send the NATO Training Implementation Mission (NTIM-I) to Iraq.

112. NTIM began on 14 August 2004 and ended on 16 December of the same year. NTM-I was approved by the North Atlantic Council on 17 November 2004. The training took place both in Iraq and elsewhere, in particular in Germany and France, which do not have forces in Iraq. On 27 September 2005, NATO Secretary-General Jaap de Hoop Scheffer, accompanied by SACEUR, the US General James Jones, inaugurated the Iraqi Joint Staff College set up with NATO's assistance in the framework of the NTM-I mission. That training mission is important, giving NATO action visibility without directly involving the Alliance in a hypothetical solution to the Iraqi question.

113. Without a contribution from the allied forces, the United States cannot redeploy its forces in the country or region with a view to reducing its presence without sustaining a loss of influence. Yet a NATO engagement on the model of the operations in Bosnia, Kosovo and Afghanistan cannot be envisaged in the short term without causing a new crisis in transatlantic relations. Such an engagement, were it to take place, would, given also the difficulties being encountered by NATO for increasing the ISAF staffing and equipment, strengthen the Euro-scepticism that is already perceptible

⁶ Interview with journalist Larry King on CNN; United States Department of Defense News Transcript, 5 December 2005, www.defenselink.mil. Mr Rumsfeld was asked about the need for maintaining a coalition to combat terrorism:

"King: Is it very important that the coalition hold?"

Rumsfeld: No.

King: It's not important.

Rumsfeld: No. Let me explain my answer. First of all, there is no coalition. There are multiple coalitions. The project of going after terrorism involves every aspect of the globe, and a whole variety of different ways of doing it – financial, economic, political, diplomatic, military, overt, covert. Countries do what they can do. Countries help in the way that they want to help. It is not a single coalition for a single project, for the entire project. It's a single coalition for a single project. And those countries that want to supply intelligence are doing it; those countries that want to supply law enforcement assistance are doing it; and that's the way it ought to work.

I'll tell you why. The worst thing you can do is to allow a coalition to determine what your mission is. The mission has to be to root out the terrorists. It's the mission that determines the coalition. So it's what element of that task do countries want to help with, and that then is the coalition.

King: But the task is preeminent.

Rumsfeld: The task overrides everything. We have to go do this to defend this country."

in the American debate about the usefulness of the Atlantic Alliance⁷, particularly among some members of the Pentagon and Congress. By invoking Article 5 of the Washington Treaty in September 2001, the Alliance finds itself *de jure* and *de facto* bound by the decisions taken by the United States with regard to the war on terrorism.

114. A NATO identity crisis would also have negative repercussions for the EU, leading to divisions among the member states with regard to their strategic priorities and interests, as well as to a direct rift with the United States. This in turn would aggravate existing trading and political disputes between the US and the EU, such as the one over an embargo on sales of defence equipment and technology to the People's Republic of China. The United States' close allies engaged in transatlantic technological and industrial programmes would be the hardest hit by such a crisis of confidence⁸. Hence a NATO-EU rapprochement would help reassure the United States about the EU's intentions of being a partner rather than a competitor. This does not rule out each side taking parallel but separate approaches, as is the case for the assistance being given to the African Union operation in Darfur, Sudan.

115. NATO and the EU were not able in this case to organise a Berlin plus mission. The EU has had an active Africa policy for many years, in particular in the fields of development and economic assistance. With Operation Artemis in 2003 the Union took on the role of a provider of security and stability in support of UN and now also AU efforts in Africa⁹. In the Darfur crisis publicised by the media and humanitarian organisations¹⁰ in 2003, the EU provided aid and assistance to refugees and other persons displaced by the conflict. The possibility of sending a buffer force was discussed, but the majority of European states were unable to raise the levels of forces needed to make the Darfur region secure.

116. An operation of this kind could receive UN backing but would be opposed by the Sudanese government and some of the armed opposition forces engaged in a process of political reconciliation and power-sharing. An Iraq-type scenario is unthinkable for the European states. On the American side Secretary of State Colin Powell referred at the time to genocide in order to provoke a strong reaction by the UN against Sudan. Thus Sudan finds itself in the position of a rogue state that could be subjected to regime change. However this objective is not among the priorities set out by the EU states in the European Security Strategy.

117. The African states and the Islamic Conference and Arab League countries manifested their opposition to any operation that would destabilise Sudan (and risk breaking up the country). The African Union, with European support, obtained a mandate from the United Nations¹¹ for the launch of a peacekeeping, security-building and stabilisation mission in Darfur – Operation AMIS (African Union Mission in the Sudan) – on 20 October 2004. Between the decision and the actual launch of the operation the AU was confronted with problems of organisation (command, control and communications), logistics and supply, areas in which the European Union already has expertise and know-how.

118. The Union's technical assistance to AMIS is just one aspect of EU action in this area. The Union is to a large extent financing the activities of the Ceasefire Commission (CFC) and even Operation AMIS itself. Total assistance from the EU and its member states is estimated at 570 million euros, including 129 million for the CFC and AMIS. Technical and logistical military assistance is organised from Brussels through liaison officers and staff on the ground based either at the AU

⁷ The United States National Defence Strategy and United States Military Strategy published in March 2005 do not explicitly mention NATO or the Alliance. Both texts refer indifferently to "alliances", "partnerships", "allies", "friends" and "partners".

⁸ This would affect, for example, participation in programmes such as Joint Strike Fighter-F 35, MEADS, NATO's AGS programme and the purchase of American weapons systems such as the Tomahawk missiles.

⁹ The African dimension of the EU and ESDP was presented in an EU Council joint position on "Africa: Conflict prevention, management and resolution" of 26 January 2004 and in an action plan on support in the ESDP framework to peace and security in Africa of 22 November 2004; <http://ue.eu.int>.

¹⁰ France and the United Kingdom were also very active in denouncing the situation and calling for an adequate response.

¹¹ Resolution 1556 of 30 July 2004; www.un.org.

headquarters in Addis Ababa or in Darfur for transport operations. There are eight military liaison officers¹² and a police expert. The AU force in Darfur is 8 000 strong, comparable in size to EUFOR in Bosnia and Herzegovina, but covering a region that is bigger than France¹³.

119. Beginning in May 2005, the Union began its technical military cooperation with the AU in Darfur in areas such as “planning, logistics, equipment, strategic and tactical airlift, development of the AU’s observation capabilities and training”¹⁴. NATO, at the United States’ request, also decided to offer the AU assistance, but under the same conditions as the EU, in other words without deploying its forces on the ground, in order to allay any fears on the part of the Sudan Government and other Muslim states of the region about a possible agenda of regime change. Given the problems of availability of European resources, in the field of airlift in particular, it would have made sense to share the tasks among the two organisations.

120. The AU welcomes the NATO assistance that it requested in April 2005, for it means more resources and being less dependent on a single provider. The Alliance and the EU tried to agree on a division of the tasks, for neither organisation was prepared to accept the primacy of the other. From the organisational standpoint it was agreed that support in the area of air transport would be provided by NATO from the SHAPE Allied Movement Coordination Centre (AMCC) and by the EU from the European Military Air Transport Coordination Cell at Eindhoven in the Netherlands. The United States and the United Kingdom were the main contributors to this NATO “air bridge” which began in July 2005.

121. On 21 September 2005, the North Atlantic Council decided to extend its assistance mission to the AU in Sudan until 31 October 2005. So far, NATO has transported some 3 000 soldiers, officers and policemen. Training and technical assistance missions have been conducted or are under way in the areas of command and control procedures, reporting systems, battle rhythm, intelligence collection and analysis, force generation, situational awareness and task force and headquarters standard operating procedures. On 22 August 2005, 100 officers from the AU forces deployed in Sudan graduated from the training courses organised by the Alliance military authorities.

122. The action in Sudan involves an aspect of EU-NATO relations not explicitly provided for by the Strategic Partnership and the operational cooperation arrangements, for in this instance the two organisations are engaged separately, but simultaneously and with the same objectives. NATO could not refuse the American request to intervene in Sudan, while the Union could not forgo its leading role, for it alone is investing all the means (financial, humanitarian, social and economic, military, police assistance etc.) that are needed to stabilise the situation for the benefit of the Sudanese population, the AU and of regional and international security.

123. These elements give the EU a considerable political and diplomatic advantage over NATO. A military alliance can also be an alliance of values, ideals and objectives other than those of defence, but it is the EU which embodies the emergence of a political, economic and social Europe that aspires also to be a key player in the area of defence capabilities. Notwithstanding differences of views among its member states, it has taken a consistent approach in all its initiatives since 2003:

- in the political area with the adoption of the European Security Strategy and certain provisions of the draft Treaty establishing a Constitution for Europe: Articles 1-12 and 1-16 (competences in the area of the CFSP and ESDP); I-41-2 (recognition of the importance of the role of NATO) and I-41.7 (collective defence against armed attack); Article I-43 (solidarity clause in the case of a terrorist attack or a natural or manmade disaster);
- in the military, operational and capabilities sector with ECAP, the creation of the European Defence Agency, the 2010 Headline Goal – which is to be given naval and space components in the near future – and the battlegroups;

¹² Austria, Denmark, France, Italy, the Netherlands, Sweden and the United Kingdom.

¹³ However the desertification of this region and the absence of major urban areas must be taken into account.

¹⁴ Council of the European Union, External Relations, Conclusions on Sudan; Brussels, 23 May 2005; <http://ue.eu.int>.

- and finally in the area of civil-military and security cooperation, with the creation of European police and gendarmerie forces for the ESDP, the protection of the population against a major terrorist attack using weapons of mass destruction and terror, the surveillance of borders and coordination of intelligence in the fight against terrorism.

124. This is not an exhaustive list but it illustrates how the Union's field of action in the area of security and defence has expanded, both in Europe and on other continents (ESDP operations). NATO will continue to be the prime body for collective defence and for certain missions, in particular to coordinate operations in coalitions with the United States or to expand the Euro-Atlantic security and defence area by offering its expertise and assistance to European and Mediterranean states wishing to join the Organisation or become involved in its activities. However, there can be no doubt that political Europe is embodied by the European Union, in spite of all its shortcomings and divisions, and that increasingly in the future the Union will be relied upon to create a better balance in the field of international relations.

