



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

DOCUMENT 1921

8 November 2005

FIFTY-FIRST SESSION

First part of the fifty-first annual report
of the Council to the Assembly on the activities of the Council
(for the period 1 January to 30 June 2005)

ASSEMBLY OF WESTERN EUROPEAN UNION
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DOCUMENT A/1921

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I. ESDP DEVELOPMENTS

On the occasion of the informal meeting of representatives of the WEU Permanent Council with the Committees of the WEU Parliamentary Assembly, held at the Palais d'Egmont in Brussels on 9 March 2005, the Luxembourg Presidency of the EU and of WEU presented a thorough update on developments in the field of European Security and Defence Policy (ESDP). Ambassador Paul Duhr focused his presentation on the growing credibility of ESDP as a result of a constantly improving array of military tools in the framework of the Headline Goal 2010 together with an innovative approach to its civilian dimension. The Ambassador reviewed ongoing ESDP operations: **ALTHEA** and the European Police Mission in Bosnia and Herzegovina; **PROXIMA**, the Police Mission in the Former Yugoslav Republic of Macedonia; **EUJUST THEMIS**, the rule-of-law mission in Georgia; the **EUJUST LEX** mission in Iraq, and the **EUPOL Kinshasa** Police Mission then at the planning stage. Ambassador Duhr stated that the Political and Security Committee was giving priority to the implementation of the "Action plan for ESDP Support to Peace and Security in Africa", and this was illustrated by various initiatives in the context of the crisis in Darfur as well as of the transition process in the Democratic Republic of Congo. The European Union's Civilian Headline Goal for 2008 was being developed alongside a reflection on extending existing priorities to take in monitoring missions. Since mid-January 2005 the Civilian/Military Cell was being put in place within the EU Military Staff with the aim of enhancing the European Union's capacity for planning crisis management operations. The European Defence Agency (EDA) was similarly fast becoming operational. Ambassador Duhr also recalled the ongoing initiatives of the European Union to improve the coordination of responses to the threat of terrorism. His presentation finally highlighted the progress made in the cooperation with the United Nations and NATO.

II. ACTIVITIES OF THE PERMANENT COUNCIL (AND THE COUNCIL WORKING GROUP)

No meetings of the Permanent Council or of the Council Working Group were held during the period from 1 January to 30 June 2005.

The customary informal meeting between Members of the Council and the Committees of the Assembly was held on 9 March 2005 in Brussels. The meeting was addressed by H.E. Mr Karel De Gucht, Minister for Foreign Affairs of Belgium. The WEU/EU Luxembourg Presidency was represented by Ambassador Paul Duhr, Luxembourg Permanent Representative to WEU and Representative to the EU's Political and Security Committee, who briefed the Parliamentarians on ESDP developments.

The Council continued to be informed of WEAG and WEAO matters. On 15 March 2005, the Council took note of the report of the WEAG Staff Group on the WEAG Defence Ministers meeting on 22 November 2004 and on the 24th meeting of WEAG National Armaments Directors on 2 March 2005, both of which took place in Brussels (Belgium). Finally, on 3 June 2005, the Council took note of the Decision Sheet of the 25th (and final) meeting of WEAG National Armaments Directors, also held in Brussels, on 23 May 2005.

The Council approved the 2002 accounts of the Secretariat-General (including Pensions but excluding the management of the Social Plan), the Paris Ministerial Organs, the WEAG/WEAO Pension Fund, the Contributions and the Operational Fund, as well as the Provident Fund, and granted financial discharge to the WEU Secretary-General in respect of his ordinary management for 2002.

III. ACTIVITIES OF THE WESTERN EUROPEAN ARMAMENTS GROUP

1. The National Armaments Directors (NADs) of the Western European Armaments Group (WEAG) met in Brussels on 2 March 2005, and on 23 May 2005 for their final meeting. Recognising the establishment of the European Defence Agency (EDA), NADs' discussions focused on the closure of WEAG. At their final meeting, WEAG NADs, following the WEAG Defence Ministers' decision on 22 November 2004, decided to close WEAG with effect from 23 May 2005.

2. The aim of **Panel I** was to establish a basis for viable European cooperative armaments programmes. This resulted mainly in:

- the setting up of the Equipment Replacement Schedule (ERS), supported by a database and including a capability taxonomy which was kept common with the Letter of Intent initiative, and a database on ongoing programmes;
- the setting up and subsequent monitoring of several sub-groups which could have led to the creation of Project Groups;
- the establishment of a set of valuable documents, the most important being “Principles, Procedures and Methods for the Harmonisation of Military Requirements and the Facilitation of Armaments Cooperation in Europe”. This set of documents contained useful information that could be exploited by the EDA.

3. On 27 January 2005, a meeting took place between EDA and WEAG/Panel I experts. This meeting allowed WEAG to explain the Panel I assets and draw attention to lessons learned. EDA experts attended the Panel I meeting of 10 and 11 February 2005.

4. WEAG NADs decided on 2 March 2005 to close Panel I. The Armaments Secretariat has forwarded to the EDA the Panel I assets database with all the relevant documents together with the ERS database software tool. Furthermore, the Armaments Secretariat forwarded the authorised national inputs in the ERS database to the EDA. Finally, the Armaments Secretariat sent to the EDA all its information on the six extant sub-groups, including Points of Contact.

5. With regard to **Panel II**, it was expected that the EDA, which is working in the field of enhancement of the effectiveness of European defence R&T, would at the earliest opportunity become the principal policy-making body for European defence R&T. To assist the EDA in its decision-making process, expert-to-expert meetings took place between the EDA and WEAG/WEAO.

6. At their meeting on 23 May 2005, NADs agreed to close Panel II activities. They noted that Common European Priority Areas (CEPAs) in Defence R&T had been identified by the EDA for review before the end of the year 2005 in terms of their usefulness to the EDA, given that from then on R&T would, insofar as is desirable, be carried out under the latter’s auspices. Furthermore, NADs endorsed the establishment of an ad-hoc group of experts from within the EUROPA MoU signatory nations to provide advice on legal issues. Finally NADs noted that, as a result of discussions with the EDA, nations would be invited to nominate Test & Evaluation Points of Contact to provide an interface with the EDA Armaments Directorate.

7. **Panel III activities** were discontinued by NADs in October 2003. At that time, Panel III had established a set of valuable non-binding documents, some of which had been approved by NADs and even by Ministers. The voluntary application of these decisions by the nations (e.g. WEAG bulletins, establishment of focal points, advice provided in the Coherent Policy Document) led to a limited but effective opening up of the European Defence Equipment Market (EDEM). Nations applied these rules on a voluntary basis and can continue to do so after WEAG’s closure. The set of Panel III documents contained useful information that could be exploited by the EDA, which was handed all the relevant information.

8. With regard to the closure of the **Armaments Secretariat**, NADs acknowledged the scheme for loss-of-job indemnities and agreed on additional measures which did not include application of the WEU Social Plan for the personnel. NADs agreed that the WEU Secretariat-General would dispose of WEAG’s movable assets (furniture, information technology equipment, etc.) as proposed, and agreed to transfer WEAG’s archives to WEU. The WEU Secretariat-General will carry out the task of filing the complete records with a view to making them available to nations for reference and consultation.

IV. ACTIVITIES OF THE WESTERN EUROPEAN ARMAMENTS ORGANISATION RESEARCH CELL

1. Following the closure of the Western European Armaments Group (WEAG) by the National Armaments Directors on 23 May, the WEAO Board of Directors (BOD) decided that the WEAO Research Cell (WRC), which under its Charter “*is charged with support to the WEAG on all research and technology activities and the placement of contracts*”, would transfer all running R&T activities

to the new intergovernmental European Defence Agency (EDA). Decisions were taken in line with the working plan established by the EDA envisaging the closure of the WRC by 31 March 2006. At the same time stress was laid on the urgent need for administrative arrangements to be signed between Norway and Turkey and the EDA to pave the way for the transfer of material and reports on common-funded projects and activities.

2. The WRC was tasked to prepare the documents for this transfer of running R&T projects following consultation with the WEAO members concerned. This activity is under way and the results will be presented to the Research and Technology Committee on 15 September 2005.

3. In the first six months of 2005 the WRC issued contracts for 10 cooperative R&T projects amounting to a total of EUR 49.8 million split between a government contribution of EUR 28.3 million and an industry contribution of EUR 21.5 million. The WRC is currently responsible for 62 running contracts having a total value of EUR 301.4 million including industry contributions.

The Research Cell is maintaining its current level of service, continuing and contracting pending R&T projects as requested by the nations involved, until the EDA is fully ready to take them on and their transfer can be formalised and completed.

