

# European Security and Defence: Don't Get Your Hopes Up Just Yet

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"2022 will be the year of European defence".<sup>1</sup> These were the words of European Council President Charles Michel in October 2021. When he gave his speech at the Charlemagne Prize Award Ceremony in Aachen, no one expected that his statement would materialise in the way it did. Yes, headway was to be expected with the adoption of the Strategic Compass and European countries demonstrating commitment to investing more in defence cooperation. Although there is still a world of difference between ambitions and reality, the degree of

progress accomplished in the past twelve months was not foreseen.

Over the course of the year, Europe has moved towards setting bigger strides in the realm of security and defence. Ironically, this progress is the result of the Russian invasion of Ukraine. Jaap de Hoop Scheffer, former Secretary General of NATO, has, already before the Russian invasion, often stated that "Europe's geopolitical holiday is over".<sup>2</sup> Russia's aggression highlights

<sup>1</sup> European Council, *Speech by President Charles Michel at the Award Ceremony of the International Charlemagne Prize to Klaus Iohannis*, 2 October 2021, <https://europa.eu/!7tbcG9>.

<sup>2</sup> Former NATO Secretary General, Jaap de Hoop Scheffer, has expressed this message for quite some time now and repeated this on multiple occasions (on Dutch media) after the Russian invasion of Ukraine in February 2022. See for an original source: Jaap de Hoop Scheffer, "De Europese Unie: de geopolitieke vakantie is voorbij", in *Gezamenlijke*

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the truth of this statement as it has brought war back to the European continent for the first time in almost thirty years (that is, since the Balkan wars), thereby permanently affecting the European security architecture. The awareness to take greater responsibility for safeguarding Europe's security interests had heightened with the EU Global Strategy (EUGS) of 2016, but the war in Ukraine accelerated Europe's defence efforts. Europe has made substantial progress, but this does not mean that the finish line is in sight. There are still plenty of hurdles on the road to advancing European defence cooperation.

## *2022: The year of the EU's big defence efforts*

Since the publication of the EUGS, European security and defence has received a serious boost, with initiatives like the Permanent Structured Cooperation (PESCO), the European Defence Fund (EDF) and the Coordinated Annual Review (CARD) front and centre. However, after the Russian invasion of Ukraine, Europe quickly moved to reinforce its efforts, and European security and defence gained serious momentum. In a way, the war in Ukraine was the wake-up call Europe needed. Within the blink of an eye, Europe turned itself into an actor to be taken into account. For instance, it managed to finance the delivery of weapons through the somewhat ironically named European Peace Facility (EPF). At the time of writing,

*Nieuwsbrief Adviesraden*, December 2019, <https://nieuwsbriefadviesraden.nl/nieuwsartikel/?tx%5Fttnews%5Btt%5Fnews%5D=851&cHash=6ddf670a3fffe1f84d660c51fc8365b8>.

3.6 billion euro has been allocated for the financing of military assistance to Ukraine through the EPF.<sup>3</sup> EU member states have eagerly supported Ukraine from the beginning, both financially and militarily. With respect to the latter, support has been scaled up from military equipment, such as helmets, to the delivery of increasingly heavy weapons, like the recent commitment to deliver Leopard 2 tanks.

In addition to the efforts to support Ukraine, multiple efforts have emerged to strengthen European defence cooperation. The first clear signs were visible in the Versailles Declaration of March 2022, which states that "in view of the challenges we face and in order to better protect our citizens, [...] we must resolutely invest more and better in defence capabilities".<sup>4</sup> Subsequently, the European Commission was tasked with analysing the main defence investment gaps. At the end of May 2022, the Commission proposed a phased approach for the way forward. This included the establishment of the European Defence Industry Reinforcement through common Procurement Act (EDIRPA), which incentivises EU member states to buy European, fostering common procurement.

Relatedly, the Commission was called on by the Council to deliver a proposal for a European Defence Investment

<sup>3</sup> Council of the European Union, *Ukraine: Council Agrees on Further Military Support under the European Peace Facility*, 2 February 2023, <https://europa.eu/!JNTjgQ>.

<sup>4</sup> European Council, *The Versailles Declaration*, 10-11 March 2022, point 9, <https://europa.eu/!txdCTy>.

Programme (EDIP). EDIP will help to strengthen the capacity and resilience of the European defence technology and industrial sector,<sup>5</sup> thereby being “the anchor for future joint development and procurement projects of high common interest to the security of the Member States and the Union”.<sup>6</sup> Moreover, EDIRPA and EDIP provide a unique opportunity to achieve an increasing degree of specialisation, whereby countries invest in those capabilities in which they excel or want to excel. Eventually, this will improve interoperability and thus strengthen defence cooperation.

Another major achievement was the adoption of the Strategic Compass in March 2022, a month after the war in Ukraine broke out. The Compass shapes the EU's security and defence policy for the upcoming 5–10 years. With concrete objectives and strict deadlines, the Compass serves as a steppingstone for a greater degree of strategic autonomy. A downside of the Compass, however, is that it lacks a clear perspective beyond its 10-year timeframe. This is especially relevant when considering that larger defence investments often have a time horizon of sometimes 20 to 30 years.<sup>7</sup>

<sup>5</sup> European Council, *Conclusions*, 5 December 2022, <https://europa.eu/!FDf6Hf>.

<sup>6</sup> European Commission, *Defence Industry: EU to Reinforce the European Defence Industry through Common Procurement with a €500 Million Instrument*, 19 July 2022, [https://ec.europa.eu/commission/presscorner/detail/en/IP\\_22\\_4491](https://ec.europa.eu/commission/presscorner/detail/en/IP_22_4491).

<sup>7</sup> See, Dick Zandee, Adája Stoetman and Bob Deen, “The EU's Strategic Compass for Security and Defence. Squaring Ambition with Reality”, in *Clingendael Reports*, May 2021, <https://www.clingendael.org/node/12761>.

A final remarkable development has been the increase in defence budgets across Europe. After the Cold War, defence budgets drastically decreased, and until now, no substantial increases could be witnessed. The Russian invasion of Ukraine in 2022 has marked a turning point. Across the board, European countries are increasing their defence budgets, many of which are finally fulfilling the commitment to spend 2 per cent of GDP in defence as agreed within NATO in 2014. So far, the most momentous example is Germany's *Zeitenwende*, with an astonishing boost to its defence budget and its breaking with old traditions like not delivering weapons to a country at war. But also the Netherlands is projected to reach, for the first time, the 2 per cent target in 2024 and 2025.

### *The hurdles to (over)come*

Although these advancements are momentous, they do not imply that there are no longer obstacles on the way ahead. The war in Ukraine demonstrates that European security is still heavily dependent upon the United States and that European strategic autonomy is far from ever becoming a reality. Relatedly, there is no guarantee that Europe's unity on Ukraine will last indefinitely. Divergences on weapon deliveries are already visible, with Hungary and Austria arguing against them,<sup>8</sup> while pre-existing differences among EU member states on important themes, such as the rule of law in Hungary and Poland, have not vanished.

<sup>8</sup> Chiara Swaton, “Austria, Hungary Agree on Not Sending Weapons to Ukraine”, in *Euractiv*, 31 January 2023, <https://www.euractiv.com/?p=1871833>.

Moreover, while a few years ago doubts were cast about NATO's role in the European security architecture,<sup>9</sup> the war in Ukraine has led to renewed importance for NATO's primary task: collective defence. This is not problematic in itself; in contrast, it is welcomed by many. But it may lay bare at least two important issues.

First, NATO's revival means it will call upon the Allies to provide the necessary resources, in terms of capabilities, personnel, as well as financially. Simultaneously, the EU is also increasingly calling upon its member states to allocate more resources to, for example, the EU Rapid Deployment Capacity (EU RDC). This could put the countries that are members of both organisations in a difficult position as they most likely want to fulfil both requirements, a burden that would be particularly difficult to bear for the smaller states.

Second, the renewed focus back onto collective defence runs the risk that other security issues, such as instability on Europe's southern flank, are overlooked. Addressing these security matters, for example, through deploying crisis management operations, requires primarily light and rapidly deployable capabilities. Hence, a close eye must be kept on ensuring that these capabilities also remain available.

Zooming in on Europe's defence efforts, there is also room for improvement. The war in Ukraine and Europe's

<sup>9</sup> See for example Macron's interview: "Emmanuel Macron Warns Europe: NATO Is Becoming Brain-Dead", in *The Economist*, 7 November 2019.

weapon delivery puts pressure on the European defence industry. It must cope with replenishing stocks and an increasing demand following rising defence investment. Presently, it cannot live up to this demand,<sup>10</sup> a result of shortcomings in production capacity, but also of a shortage of the necessary raw materials.

Furthermore, there is also scope for improvement regarding the implementation of the Strategic Compass. The first cracks are already becoming visible with respect to the EU's RDC. It runs the danger of becoming just as much a toothless tiger as the EU battlegroups, the tactical multinational groups originally thought to be a main instrument of EU operations which, however, have never been used. There is already bickering about which country should oversee the organisation of the first live exercises and where the financial means to do so should come from. Moreover, there are concerns regarding the Military Planning and Conduct Capability (MPCC),<sup>11</sup> including the lack of an appropriate volume of staff and the proper functioning of operational systems, like the computers that are claimed to be too old.<sup>12</sup>

<sup>10</sup> See, Ilya Gridneff, "Why Europe's Defense Industry Can't Keep Up", in *Politico*, 11 October 2022, <https://www.politico.eu/?p=2249964>.

<sup>11</sup> See, Dick Zandee and Adája Stoetman, "Realising the EU Rapid Deployment Capacity: Opportunities and Pitfalls", in *Clingendael Policy Briefs*, October 2022, <https://www.clingendael.org/node/15124>.

<sup>12</sup> Emmanuelle Stroesser, "Géopolitique européenne", in *B2Pro Carnet de veille*, 24 January 2023.



### *Looking ahead*

The steps that Europe has taken in the past years, and in particular in the previous twelve months, are remarkable, though long overdue. There is still a long road ahead, however. A lot of work must be done, and Europe cannot afford to just sit back. In the long run, that would be detrimental to its role in guaranteeing European security, a responsibility that Europe must increasingly take upon itself, given that the US's commitment to European security is no longer self-evident. Wake-up calls or major crises, like the war in Ukraine, should not have been needed for Europe to become serious about strengthening defence cooperation. The need to strengthen European security and defence must become part of daily strategic thinking at the highest political levels – not only now but for the long haul.

Furthermore, European countries need to demonstrate long-term commitment to the European security and defence project, thereby moving towards realising European strategic autonomy in security and defence. This long-term commitment applies to the political, but also to the financial domain, as financial backing and optimising defence investments are essential to back political ambitions.

Moreover, both NATO and the EU will increase their defence efforts in the nearby future. Therefore, it is of crucial importance that the renewed attention to defence and associated increases in defence budgets in European countries, and especially those that are a member of both organisations,

are not short lived, but sustainable over the long term. Spending 2 per cent of GDP on defence should thus be regarded as the bare minimum to be able to maintain security and safeguard interests. In addition, the shared NATO and EU member states should closely coordinate their defence efforts so that investments are done most efficiently and unnecessary duplication can be avoided.

In addition, and more concretely, to optimise defence investments, and thereby enhance efficiency and eventually interoperability, European countries should adopt a framework based on the logic of specialisation. In such a framework, groups of countries should invest in those capabilities in which they excel or want to excel. Only if the EU manages to implement these elements, will it be able to safeguard its own security interests and become the reliable and credible actor in security and defence it so desperately wants to be.

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