



## Permanent Sovereign COoperation (PESCO) to Underpin the EU Global Strategy

*Jo Coelmont*

The EU now has a full-fledged Global Strategy for Foreign and Security Policy – and defence. Just in time. The EUGS includes a clear political level of ambition as well as a call to define the corresponding military level of ambition and the required capabilities. The list of strategic military shortfalls, first identified in 2000 at the start of the then European Security and Defence Policy, will obviously grow still longer. For new tasks have to be integrated, while in the last fifteen years, in spite of all the good intentions about “pooling and sharing”, not a single existing strategic shortfall has been solved. Because a shortfall cannot be pooled – one can only share one’s frustration at that. No wonder therefore that Permanent Structured Cooperation (PESCO) is once again on the agenda as a potential game changer. Yet the Member States are very reluctant to launch it. Why?

### **BOTTOM UP, YES!**

There are many examples of countries who in fact have already established a very permanent and very structured cooperation (or even integration) among themselves, in a bilateral or multilateral framework. Benelux and Nordic cooperation, European Air Transport Command, the Eurocorps, and the Framework Nations Concept are all cases in

in point. Clearly Member States are not averse to the principle of PESCO as such nor to the permanent mutual commitment that it entails. Then why are they reluctant to launch PESCO in the EU framework?

### **SOVEREIGNTY?**

The answer is simple: PESCO’s historic baggage. PESCO cannot be dissociated from how its initiators envisaged it during the European Convention back in 2003. At that time the aim was not for PESCO to be as inclusive as possible, but rather to assemble the happy few: “Those Member States whose military capabilities fulfil higher criteria and which have made more binding commitments to one another in this area with a view to the most demanding missions”, who would agree on “objectives concerning the level of investment expenditure on defence equipment”.

The aim was to start with the big three, plus a number of countries with a significant defence industry. One of the big three was not willing to increase its defence budget, however, and so PESCO died a quick and quiet death. So far for the past.

What counts today, is what the Lisbon Treaty has to say about PESCO. The Treaty actually leaves it up to the Member States to define

what exactly “more binding commitments” should entail and what precisely should be the “level of investment expenditure”. And yet PESCO is often seen as a top-down machination, directed by Brussels or, even worse, the Commission. As if PESCO would limit national sovereignty. Defence Ministers in particular feel this way and hence plead for a bottom-up approach instead.

### TOP DOWN?

In reality the Treaty stipulations on PESCO constantly refer to the Member States as sovereign actors. Every initiative must come from, and will be directed by, the capitals. The EUGS as well states that “Member States remain sovereign in their defence decisions”. Not the European External Action Service. Yes, “the European Defence Agency (EDA) has a key role to play”, but only in “assisting Member States to develop the capabilities stemming from the political goals set out in the EUGS”.

And the Commission? Its role is to provide incentives, such as funds for R&T and, in the long term, for R&D. Member States will retain control however of this European Defence Fund in the making. The EIB is to act as a bank and to ease the financing of major equipment programmes. Furthermore, in dialogue with the EDA and together with the Member States, it is a Commission priority to create a solid European defence industry. That does not amount to a hostile takeover of the defence industry by the Commission. Recent events (and non-events) in defence industrial cooperation clearly illustrate that the centre of gravity remains in the capitals.

### WHO IS AT THE TOP?

As the head of the EDA, the HR/VP chairs the meeting of the ultimate decision-makers: the Ministers of Defence who constitute the Steering Board the EDA. Ministers of Defence are too modest when they see themselves as no more than bottom up contributors to

European defence. They are on top. However, so far they have remained reluctant to forge any cooperation that would create the critical mass needed to finally tackle the strategic capability shortfalls. Are they afraid of the criteria to join PESCO?

### THE CRITERION

Actually, the only criterion for Member States to take part in PESCO is to commit to a mindset. To be convinced that national sovereignty can be enhanced: first by developing national defence planning, subsequently by considering it as a basis for a permanent dialogue with partners, in order, finally, to forge, in full sovereignty, “a capability generation community” that favours pooled procurement and programmes that are commonly managed from cradle to grave. This is indeed a long-term objective – but there are immediate benefits. Initiatives undertaken in the context of PESCO should be first in line for the incentives, such as access to EU funds, co-funding by EU institutions, and the EIB ensuring tailor-made payment schedules for each and every Member State participating in such programmes.

There is but a single PESCO, but within its framework every Member State can decide in full autonomy whether or not to participate in a specific programme. The same applies to CSDP operations. It will be much easier to cooperate however, for small and big Member States alike.

### AND NOW?

Many EU Member States are already engaged in bilateral and multilateral cooperative programmes that actually fully meet the criteria to launch PESCO. They must be aware that by nevertheless not launching PESCO, they are missing out on important opportunities and incentives. But nobody seems to want to make the first move. We are waiting therefore for one Member State to show leadership. The train cars are lined up, we are only waiting for the engine.

### **TO CONCLUDE**

The main threat to the EU and its Member States today is that we could lose our partners, in particular the US, as well as NATO, because of Europe's – so far – persistent reluctance to develop a credible security policy and forge a coherent and effective defence. Only the new way of looking at PESCO, as “Permanent Sovereign Cooperation”, is fit for purpose. It is to underpin the EUGS with the required capabilities. Because a strategy without capabilities is nothing but a hallucination.

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