



# Permanent Structured Cooperation In Defence of the Obvious

*Sven Biscop & Jo Coelmont*

**In their first *Security Policy Brief on Permanent Structured Cooperation* (No. 9 of March 2010), Sven Biscop and Jo Coelmont outlined a concrete proposal to implement this new defence mechanism introduced by the Lisbon Treaty. Taking into account the debate since then, they follow this up with a detailed analysis of the added value of PSCD.**

If the European Union is to be ready to share in the responsibility for global security and building a better world, as the *European Security Strategy* states, it is evident that the Common Security and Defence Policy (CSDP) must be strengthened: Europe still struggles to deploy more than 4% of its 1.8 million troops, and still the major capability shortfalls have not been addressed. Obviously, the existing mechanisms for capability development in the EU (as well as in NATO for that matter) have failed to generate significantly

more deployable European capabilities, and will probably never do so. If no action is taken, one cannot even hope for a standstill. Things will get worse, because of the economic crisis, which has already resulted in yet another series of budgetary cuts, and which will ensure continued budgetary pressure on all Member States. So the challenge is to provide the Union with more effective military capabilities to mount crisis management operations notwithstanding the current budgetary hurdles.

CSDP needs a new stimulus. The Lisbon Treaty actually provides several, not in the least the appointment of a permanent President of the European Council and the strengthening of the position of the High Representative, which can be hoped to generate more strategy, coherence and proactive policies at the highest political level. The extended definition of the Petersberg Tasks and the adoption of the Solidarity Clause, allowing the use of CSDP within the territory of the Union,

will help as well to set directions for future CSDP operations. Mutual Defence is another important addition. That leaves the required capabilities, in which area the Treaty introduces a new mechanism: Permanent Structured Cooperation in Defence (PSCD).

Unfortunately, PSCD features high among the provisions of the Lisbon Treaty that some EU Member States seem to have forgotten that they subscribed to. Perhaps because it is so ambitious: by setting criteria for participation, for the first time participating Member States (pMS) would enter into binding commitments in the field of defence and allow an EU body, the European Defence Agency (EDA) to assess their performance. This high level of ambition was clear from the outset, when PSCD was first formulated in the Convention. It is true, the Convention's initial proposals had an exclusive flavour to them, as some sought to create a small *avant-garde* of those Member States spending the most on defence and launching the most sophisticated armaments programmes, with the others being relegated to a secondary role. Such a scheme would indeed have been divisive. From the moment however of its incorporation in the Constitutional Treaty, the provisions of which were afterwards copied into the Lisbon Treaty, PSCD has been in the process of being rethought as a more inclusive mechanism, aiming to incorporate as many Member States as possible. As EU-operations have shown, e.g. in Chad, the contributions of all Member States are indeed welcome and necessary.

Therefore, the challenge now is to configure PSCD in such a way that it strengthens CSDP without dividing the Union. Rather, PSCD ought to increase solidarity and convergence. No longer seeking to establish an exclusive and highly political vanguard signposting the way ahead, the aim now is to create a pragmatic process that is attractive to all Member States, output-oriented and cost-effective.

### A CONCRETE PROPOSAL FOR IMPLEMENTATION

If the method is of necessity complex, the aim set by the Lisbon Treaty is simple: to proceed more intensely to develop defence capacities, which must of course be available and deployable. So more quickly than existing mechanisms, PSCD should enable pMS to field more and better equipped troops for the full range of operations and in all frameworks in which they engage: EU-led operations under CSDP, NATO, the UN, the OSCE and others. Our concrete proposal to implement PSCD has three dimensions: criteria, a permanent capability generation conference, and multinational cooperation.<sup>1</sup>

**Criteria.** No strict entrance criteria, but well-defined commitments to be achieved by pMS by an agreed deadline. We propose an integral set of four criteria:

(1) To be able:

The ultimate objective is to increase the deployability and sustainability of pMS' armed forces

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<sup>1</sup> For a more detailed version see [http://www.egmontinstitute.be/papers/10/sec-gov/SPB-9\\_PSCD.pdf](http://www.egmontinstitute.be/papers/10/sec-gov/SPB-9_PSCD.pdf).

by an agreed percentage within an agreed timeframe, until an agreed target is reached.

- (2) Solidarity in defence spending:  
pMS should harmonize their defence expenditures. At the very least, pMS spending less than the EU average<sup>2</sup> should commit not to further decrease their defence expenditures, neither in real terms nor in % of GDP.
- (3) Solidarity in common programmes led by the EDA:  
pMS should contribute fully to the programmes of the EDA, which is to be used as *the* forum to mount collective projects, notably to address the commonly identified strategic shortfalls. Obviously pMS cannot take part in each and every EDA project; they will select specific programmes that fit with their expertise and force structure. But their share in the overall cost of all projects combined should reflect their respective GDP, in order to ensure fair burden-sharing between pMS.
- (4) Solidarity whenever CSDP operations are launched:  
As an expression of the political solidarity that must underpin CSDP, pMS will participate in all CSDP operations requiring military assets (of the unanimous Council decision to launch which they are of course a part) with significant contributions, i.e. with military forces deployed in theatre and listed in the Statement of Requirements; the size and type are left to their own discretion. As a further option, in the context of

PSCD the pMS could also strengthen financial solidarity between them by revising the existing Athena mechanism for the funding of EU-operations.<sup>3</sup>

*A permanent capability generation conference.* In fact, Member States spend far more money on redundant capabilities than would be needed to address the strategic shortfalls. The criteria should go some way to ensure that defence budgets are spent more efficiently and where it is most needed. Experience shows however that even repeated calls to reconsider and harmonize national defence planning in order to focus on the common shortfalls yield few results. Useful inspiration can be found in the method used to launch CSDP operations: a Force Generation Conference.<sup>4</sup> Although such conferences can be difficult, as was the case for the Chad operation e.g., in the end they have always yielded result. Within PSCD, the EDA can organize a “Capability Generation Conference” aimed at remedying all commonly identified shortfalls of the Headline Goal 2010 within a reasonable timeframe.<sup>5</sup>

<sup>2</sup> In 2008, 1,63% of GDP.

<sup>3</sup> Currently about 90% of the cost of operations is born by the troop-deploying nations under the principle of “costs lie where they fall”.

<sup>4</sup> Once the military assets and capabilities required for a specific upcoming CSDP operation are identified, Force Generation Conferences are organised among Troop Contributing Nations. This process goes on until the entire list of requirements is met.

<sup>5</sup> In defence planning, the first significant results can reasonably be expected within 5 years, with cruising speed attained within 10 to 15 years. That fact should not be a cause for discouragement, but should rather stimulate all concerned not to postpone action any longer.

To participate in PSCD therefore, implies that through common dialogue pMS are willing:

- To revisit their respective national defence planning, without any taboos.
- To do away with national capability initiatives proven to be redundant.
- To pool assets and capabilities in order to generate savings.
- To contribute in function of their GDP to the programmes launched to fill the shortfalls.
- And finally: to remain engaged in negotiations for as long as it takes to achieve success.

In this process, the emphasis is put on the willingness of pMS, on the common quest towards effectiveness and efficiency, on convincing one another and not obliging one another. As is the case in Force Generation Conferences, where Troop Contributors take sovereign decisions on their respective participation, but at the end of the day solve the issue of the overall required capabilities.

***Multinational cooperation.*** The reality is that many countries are no longer able to maintain the range of nationally organized capabilities that they possess today. Multinational cooperation is essential to contribute relevant capabilities in a cost-effective way. New initiatives can be launched where opportunities for cooperation are identified, complementing the existing initiatives that will thus become part of a more comprehensive coordinated effort. The beauty of PSCD is its flexibility. Within the single PSCD, overlapping clusters will emerge, with e.g. pMS 1, 2 and 3 cooperating in area X and pMS 2, 3, 4 and 5 cooperating in area Y.

Cooperation can take various forms, from joint development or procurement to afterwards equip national formations, to pooling, i.e. permanent multinational formations, either deepening integration in relevant existing ones (e.g. the Eurocorps) or new initiatives (e.g. European Air Transport Command). PSCD can provide the link between existing bottom-up initiatives and the need for more top-down steering.

### CONCRETE ADDED VALUE

The added value of such PSCD is real, for the EU, NATO, national governments, and taxpayers alike.

***Inclusiveness.*** PSCD is not to punish or exclude, but to encourage *all* to do more; the best PSCD is that at 27.<sup>6</sup> Yes, the defence budgets of many individual Member States are relatively modest in scale, but together they represent tens of billions of euros – a chance to get more bang out of such sums should not be too easily ignored. PSCD should be an attractive forum for those able and willing to join when it is launched as well for those that might join later. Those opting out will not suffer direct political disadvantages – but they will miss out on the very real benefits that PSCD will bring. Hence realistic but real criteria: achievable by every Member State that wants to, yet a binding commitment to do more than today; open to entry by all, but ensuring growing solidarity and increasingly

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<sup>6</sup> Implying that within PSCD bi- or multilateral cooperation between certain pMS cannot be vetoed by another pMS; only constructive abstention remains possible.

ambitious commitments as the process continues.

**Coordination.** While preserving flexibility and bottom-up initiative, coordination through the permanent Capability Generation Conference should generate concrete projects to address *all* shortfalls needed to fulfil the Headline Goal 2010. This has proved impossible through an exclusively bottom-up approach, which has achieved some remarkable results – but which has also reached its limits. Without collective top-down steering, significant progress is beyond reach. Simultaneously, the Capability Generation Conference will allow those that seek cooperation to find suitable partners, including for deepening existing multinational units or setting up new ones. This is not to pull all multinational military units and structures into PSCD nor even to have some of them managed by PSCD, but to stimulate pMS to use the full potential of such multinational formations, and to use them as frameworks for common deployment – in this regard as well cost-effectiveness will improve.

**Cost-effectiveness.** The criteria will gently oblige pMS to explore the full potential of four important cost-cutters: (1) collaborative armaments projects (from cradle to grave); (2) pooling; (3) role specialisation; (4) and perhaps most importantly, doing away with redundancies, for Europe does not need 1.8 million uniforms and the combined cost of all redundant assets and structures by far exceeds what is required to address the strategic shortfalls. These cost-cutters will produce budgetary margin needed for the

required deployable and effectively deployed capabilities.

**Assessment.** pMS will of course decide, but the assessment role given by the Treaty to the EDA will ensure that for the first time their performance will be evaluated by a neutral body. Simultaneously, the Capability Generation Conference will engender an informal peer review process of investment plans. Unlike ESDP, CSDP should be more than a catalogue of paper commitments.

**Significant military contributions.** The permanent dialogue on defence planning will allow each and every pMS to opt for the development of specific military capabilities that would allow it to participate with significant military contributions in *all* of the potential Petersberg Tasks. That requires each to focus on his own centres of competence, to acquire or further develop those military forces and capabilities proven to be scarce during Force Generation Conferences, and to abandon capabilities proven to be redundant. This will considerably enhance political solidarity among all Member States and will strengthen the Union as such, at no additional financial cost.

**Boots on the ground.** And what ultimately counts most: Europeans will have available *and* will effectively deploy more troops for operations, be it under EU, NATO or UN command or in another multilateral configuration. In so doing they will finally live up to the expectations generated by the *European Security Strategy* and the Lisbon Treaty.

These are half a dozen good reasons why Member States should launch PSCD and mark the occasion by a declaration of the European Council. The Heads of State and Government can provide the high-level political impetus that will stimulate Foreign and Defence Ministers to take permanent and structured action.

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