EU-NATO COOPERATION
A SECURE VISION FOR EUROPE

DISCUSSION PAPER

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FOREWORD

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The relationship between the two big beasts of Brussels, NATO and the EU, has been a constant topic debate at seminars and conferences the world over in the 30 years since the end of the Cold War. In this time, thousands of policy briefs, academic papers and political speeches have been devoted to this topic, an overwhelming number of them calling for the two institutions to overcome bureaucratic obstacles and work more closely together. As the agendas of the two organisations increasingly overlap - with the EU branching into NATO-style defence while NATO has been branching into EU-style security – these calls for greater cooperation have become ever more strident and urgent.

And yet despite all this diplomatic and academic attention, NATO - EU relations seem to be a perpetual work-in-progress. Greater collaboration in some areas, such as countering hybrid warfare or cyber-attacks, is obviously welcome. However, it also highlights other security domains that should be under the joint responsibility of both institutions to deal with given the more dangerous and demanding environment developing in and around Europe. For instance, they could and should work more closely to reduce tensions and promote faster Euro-Atlantic integration in the western Balkans. Similarly, they need to pool efforts and resources to anchor eastern neighbours like Ukraine, Georgia and Moldova more closely to Europe. Additionally, The EU and NATO should formulate a more joined up and coherent approach is clearly needed to the South, where North African and Middle Eastern nations have a pressing need for help improving governance and developing more effective security structures and armed forces.

This is not to deny that much progress has been made in recent times. When EU High Representative Federica Mogherini says that more progress has been made in EU defence cooperation in the

last two years than in the last two decades, she could equally say the same about the NATO-EU relationship. Two high level Joint Declarations have been agreed - in 2016 and 2018 – in the past three years alone. These declarations have extended the areas of cooperation to over 70 activities, leaving virtually no division or section of the NATO bureaucracy that does not exchange its agenda of action plans, meetings or information with its EU counterparts.

Today, officials, military officers and diplomats criss-cross Brussels at a faster rate than ever before to brief, to brainstorm and to determine the best ways of aligning activities and procedures to achieve a complementary approach. Taboos, like NATO refusing speaking to the European Commission or refraining from discussing anything other than Bosnia in NAC-PSC meetings, have finally been broken. Information exchanges and occasional diplomatic meetings to share perspectives are fine in normal times - but these are not normal times. Whether they are in NATO, the EU or both, Europeans face security challenges coming at them from all directions.

An understanding of these common threats has Brussels buzzing with a new lexicon that suggests a more positive goal of combining efforts and resources to achieve a true strategic effect. Yesterday, the buzzwords were 'non-duplication', 'non-discrimination' and 'non-decoupling' carried slightly negative connotations as they suggested that the aim of both institutions was to not tread on one another's' toes. Today, those buzzwords have been replaced with 'synergy', 'pooling and sharing' and 'coordination'. This progression towards collaboration comes at a critical moment to achieving greater strategic influence as NATO and the EU share 22 common members - a number which is likely to increase when the EU opens its doors again in the future.

This more convivial conception of EU-NATO relations has been borne out of necessity as these institutions are beset by novel threats on all sides. To the East, these partners must engage Russia in a meaningful security and arms control dialogue; this will be a long-term venture requiring patience and unity if expected to succeed. To the West, the United States is calling for a renegotiation of burden sharing within NATO. To the South, constant turmoil has produced frequent crises which require interventions, partnerships and a massive rebuilding effort, in both economic and institutional terms.

Beyond facing great power involvement and competition in its vicinity, Europe must also formulate answers to security concerns of its own citizens. Our citizens demand protection from terrorism, cyber-attacks, uncontrolled migration, hybrid interference in their democratic processes and exploitation of their personal data. As the luxury we once enjoyed of dealing with one problem in one place at one time fades into history, it is clear that Europe's security demands the combined efforts and resources of both the EU and NATO working together to handle both these internal and external challenges simultaneously.

A division of labour whereby one does hard defence and the other does soft security, or one does the South and the other does the East, or one deals with borders and territory while the other does terabytes and data links will not work. All the problems are complex and multifaceted. They all require the application of a broad range of tools, expertise and capabilities that neither has full mastery of. Sometimes NATO will be the natural leader; other times the EU, according to the nature of the challenge. To rise for to these challenges, there will need to be a quality of NATO-EU relationship - equally at the high political, diplomatic, military and bureaucratic levels -which will be able to effectively deliver adequate burden sharing and response packages and timely crisis management, as well as long-term deterrence, response and stabilisation strategies.

As the two NATO-EU Joint Declarations were agreed already some time ago, this is a good moment to see how the implementation is going. Are the fine words, objectives and intentions of these

agreements being followed up with concrete action? Are resulting initiatives truly having a positive impact on the security enjoyed by our citizens? What is working well and what is working less well? Which priorities have been set and which lessons have been learned thus far under this new level of cooperation?

Aiming to draw up a provisional balance sheet, Friends of Europe has prepared this review of the state of EU-NATO cooperation. We have invited prominent specialists from both institutions and the wider strategic community to analyse the progression of this relationship and present their ideas on how it can be accelerated in the future. The following contributions cover key areas such as hybrid warfare, counter-terrorism, rapid response and crisis management and cyber and defence investment.

At Friends of Europe, we believe that an optimal and vibrant EU-NATO relationship is key to our future security. I hope this overview and reality check will be useful to you, the interested reader.

EU-NATO Cooperation in
Cyber Security and Defence

First and foremost, an EU-NATO working group on cyber security and defence issues must be established. This new working group should discuss policy themes where closer cooperation can create synergy.

Piret Pernik, Research Fellow at the Estonian Academy of Security Sciences, Estonia

The EU-NATO strategic relationship, based on shared interests and values, has found new momentum.

The 2016 EU-NATO Joint Declaration places cyber security at the top of its list of 74 areas of bilateral cooperation. Based on standards, education, training and exercises, as well as integrating cyber aspects into missions and operations, this cooperation has already made important strides.

However, it has proven difficult to engage the capitals as top-level tangible activities are still needed to improve the common understanding of threats and the interoperability of national capabilities.

Despite this obstacle, both organisations have shared experiences in developing cyber defence concepts as well as industry research and innovation activities.

At the highest political level, there have been cross-briefings on cyber policy in the North Atlantic Council (NAC) and in the Political and Security Committee (PSC). Both organisations have also shared threat assessments on a case-by-case basis as well as consultations on resilience measures and on integrating cyber aspects in crisis management.

Nonetheless, Brussels officials complain that these exchanges are bureaucratic, overly generic and lacking in substance. The challenge is a change of mindset and the generation of enough political will and investment from the capitals.

Key challenges

While there may be regular dialogue and occasional high political level discussions, long-term challenges in EU-NATO cooperation remain present.

On cyber, the main technical limitation lies in the ability to share classified information. This is an important drawback, as sharing such information is necessary to attribute cyberattacks with a sufficiently high level of confidence and to develop mutual trust.

NATO has instead prioritised military doctrinal development and mission assurance, as well as integrating sovereign cyber effects to support NATO missions and operations.

Meanwhile, the EU has focused on developing its cyber diplomacy tools, setting up a framework for certification of ICT services and products, as well as creating stronger research and competence capability. Most recently, it has prioritised securing the upcoming European Parliament elections from potential cyberattacks.

The two organisations focus on different themes but this does not mean that their capabilities are exclusionary. After all, 22 EU member states are NATO members with a "single set of forces" so the cooperation should be logical.

Yet, differences in state interests and in organisational memberships complicate taking meaningful common action. Countries differ in

operational capabilities, the maturity of their national civilian and military cyber capabilities and their bilateral strategic partnerships with major cyber powers. Moreover, they have a variety of priorities and interests when it comes to protecting critical infrastructure and securing military assets.

Despite the political blockage, it is time to expand current activities by engaging willing member states with the support of the key capitals. Topical policy issues like attribution, deterrence, joint response, resiliency and capability development should be discussed at joint working group meetings.

For example, the EU is currently discussing developing requirements for attributing cyberattacks and restrictive sanctions as part of cyber diplomacy toolbox. There is no reason why these discussions should not be broadened to key NATO allies. After all, the US provided technical evidence for attributing WannaCry and NotPetya ransomware attacks to European allies. It should not be forgotten that many smaller countries depend on bigger countries willingness to share situational awareness and intelligence.

Policy Proposals

To strengthen inter-organisational cyber security and cyber defence cooperation, the EU and NATO should solve the political blockage, develop joint action plans to be implemented by member states and do away with technical issues such as the lack of formal agreements between institutions.

The work done at staff-to-staff level must now be replicated at the national level by launching and investing in joint activities and projects that will increase member states' capabilities. While top representatives spoke of 'prioritising strengthened cooperation' at the 2016 and 2018 NATO summits, more should be done to generate investments from the capitals.

The following policy proposals aim to designate a number of joint activities with an aim to create more substantial cooperation among the member states of both organisations. A strong political support and prioritisation is necessary also from the key capitals.

First and foremost, an EU-NATO working group on cyber security and defence issues must be established. These topics must also be regular agenda items in other joint working and high political level meetings, such as the EU-NATO capability development group and the NAC-PSC meetings. This new working group should discuss policy themes where closer cooperation can create synergy (synchronising crisis response mechanisms, speeding political decision-making, developing joint response options to cyberattacks, etc).

Joint working groups at the subject matter expert level should explore possibilities to develop joint research and innovation programmes and coordinate national and union-level activities in the area of emerging technologies (including 5G and artificial intelligence).

Joint education and training courses should be created with the first step of opening all

existing courses to each other's officials and member states. The EU must be granted observer status at the Steering Committee of NATO's Cooperative Cyber Defence Centre of Excellence (CCD COE), as suggested by the Allied Command Transformation. Formal cooperation – including technical arrangements for information sharing – must also be established with ENISA and other relevant EU bodies (such as the Cybersecurity Research and Competence Centre and EU-CERT) in order to facilitate participating in each other's exercises.

Closer cooperation between research and competence centres is needed to jointly develop doctrine and concepts, and launch common research projects in areas such as cyber activities in the grey space, supply chain security, military dependencies on civilian critical infrastructure (such as energy, transport and finance), including how do develop common methodology to assess inter-dependencies.

The NATO Cyber Defence Pledge could also be applied to non-NATO EU countries and possibly in third countries. The resiliency requirements and cyber security standards of the EU and NATO should be complementary and ensure the minimum common level of protection in all countries.

Information sharing between the organisations has been improved but more should be done to create joint threat assessments and intelligence sharing for attribution of cyberattacks. The EU and NATO should continue synchronising their hybrid threats playbooks with a view to creating joint responses. They must also synchronise cyber defence capabilities development roadmaps and experiences on improving civil-military information sharing.

One way forward is through joint EU-NATO joint exercises, be they technical, crisis management or table-top style. The table-top exercises at the subject matter expert and ambassadors, foreign and defence ministers level should explore the application of EU's cyber diplomacy toolbox and joint response options.

More joint action is also needed to promote the application of international law, confidence building measures, and state responsible behaviour in cyberspace. Both organisations should create common cyber capability building programmes, including joint trust funds, for the third countries.

In the area of cyber defence, the EU and NATO should explore options on how to use the sovereign effects of the NATO Cyberspace Operations Centre with a view to support future EU missions and operations. PESCO's recent 'Cyber Rapid Response Team' initiative – comprised of nine participating EU member states – could be deployed to assist non-EU NATO countries and third countries to prevent, detect and respond to cyber incidents.
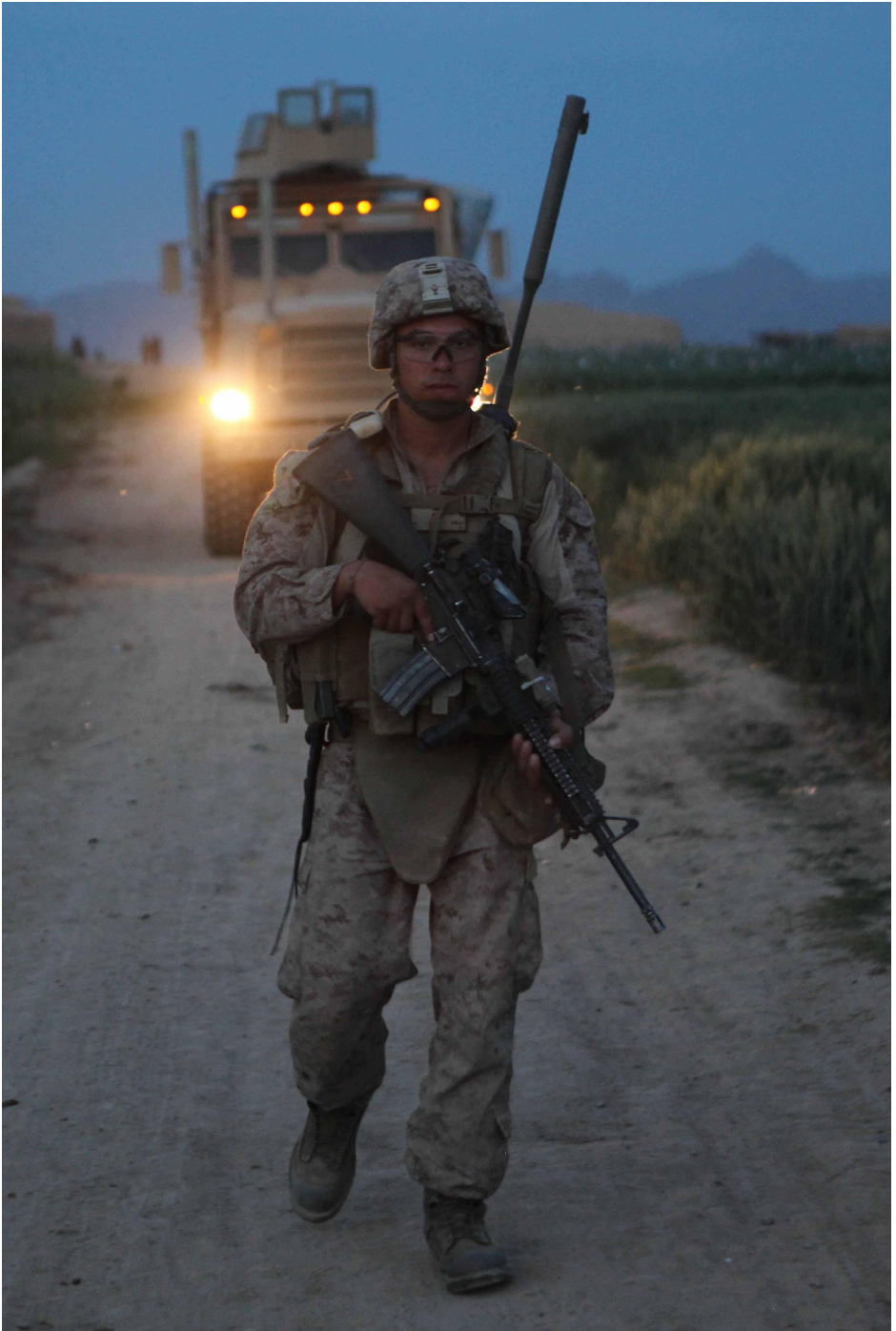
Getting the EU and NATO ready to face fluid and light hybrid threats

NATO and the EU´s resilience strategies are not sufficient in countering hybrid threats. Withstanding these emerging strategies requires tailored responses, scenario building and practice at all levels. Most importantly, it demands a change of mindset from a reactive to a proactive approach.

Dorhe Bach Nyemann, Senior Lecturer at the Royal Danish Defence College, Institute for Strategy

Russia rocks the boat

Over the last five years, the EU and NATO have found themselves in re-occurring stages of shock as they attempt to cope with overwhelming challenges. One of these shocks was felt after the Russian annexation of Crimea in 2014. This event established that Russia had re-emerged as an actor with the potential to threaten younger, less-rooted Eastern Europe democracies. Russia's new stature was seemingly confirmed as the Russian meddling in the 2016 US presidential elections proved them capable of 'rocking the boat' in stable well-rooted Western democracies. The wide range of means used by Russia, notably from its non-military toolbox, have been conceptualised as hybrid threats by both NATO and its EU member states. The term 'hybrid threat' is often used interchangeably with 'hybrid warfare', however the the two concepts are distinct and refer to different scenarios – the key aspect being whether or not use of force is included in the activity or not.

The low-cost strategy of hybrid threats

In its current usage, 'hybrid threats' refers to ongoing, as well as future, hybrid activities.

These operations take place in the grey zone between war and peace, purposefully ambiguous by strategic design. These nebulous undertakings hope to limit the ability of adversaries to perform timely *early warning and detection* counter measures. One often deployed tactic of hybrid threats is the extensive use of proxies in domains where it is often difficult to assign responsibility, or *attribution*, for hostile actions. The difficulty in mounting a response is exacerbated by the fact that the boundaries as to *when* it is lawful to take *which* actions are not entirely settled. Most importantly, the fact that it is difficult to detect, attribute and identify a proper response to hybrid threats essentially makes it a low-cost strategy with potential high gains for the aggressor. Subsequently, one can reasonably expect hybrid threats to be a *permanent* phenomenon of international relations.

Hybrid threats are fluid and light

To understand why it is so difficult for the EU and NATO to handle hybrid activities, it is helpful to introduce the metaphors used by Zygmunt Bauman to describe the core conditions of late modernity. In his book 'Liquid Modernity', he explains the key terms of *light* and *fluid*. To him, all social structures such as class, family, space, time and given truths erode in this period of late modernity. Likewise, the solid social structures of states, as well as organisations like NATO and the EU, can be damaged by fluid hybrid threats. These take the form of cross-border interference advanced through both ambiguous covert and overt actions tailored to specific

vulnerabilities throughout society. Bauman depicts the eroding processes as follows:

'Fluids travel easily (…), unlike solids, they are not easily stopped – they pass around some obstacles, dissolve some others and bore or soak their way through others still. (…)The extraordinary mobility of fluids is what associates them with the idea of "lightness"'.

To Bauman, the solid social structures one would expect to endure due to embedded knowledge, power, consent and support surprisingly erode as they meet the fluids.

How can *solid organisations* face the seemingly insufficient fluid threats? Today, in most cases, these threats, manifested as widespread election interference, fake news dissemination by bots on social media, private data theft, blackmail and hacking of civilian companies all over Europe, are carried out with near impunity. However, if in fact these activities over time leave the organisations and their member states diminished, the notion that such light threats are under the threshold which warrants robust responses may be a serious mistake.

In trying to counter hybrid threats, NATO and the EU have gone for resilience as their 'go-to-strategy'. Resilience is the ability to withstand, adapt and quickly recover from stresses and shocks. A highly relevant approach. Only, it is vital to keep the fluid nature of hybrid threats in mind. Obstacles like the huge and costly efforts of building resilience in critical sectors must be expected to be bypassed. The lightness, mobility and inconstancy of hybrid threats may

have NATO and the EU repairing yesterday's leaks, while other activities in different domains evolve concurrently. The political and social landscapes of most European countries and the US are increasingly characterised by varying degrees of polarisation, which makes resilience an enormous task. Small cracks in the foundation grow as the drip feed nature of the attacks continues. To make hybrid activities a more costly strategy, the answer is a more proactive approach. The EU and NATO must continue to strengthen the values and loyalties that lie at the heart of both organisations and start developing credible strategies for active responses to hybrid operations.

Three policy recommendations for a more proactive approach

In order to take a more active response to hybrid threats, it is necessary to develop legal frameworks, organisational structures, 'Rules of Engagement' and civilian oversight procedures. This is critical for legitimate, high-speed, creative and tailored actions taken by both NATO and the EU. These frameworks must allow states to chip in or stay out, according to their national interests or concerns, without slowing down the rest.

Second, practice makes perfect. In a world of complexity and constant surprise, we cannot rely on long-term planning. We need exercises, scenario building, training and experience to inform counter-hybrid threat policy. The European Centre of Excellence for Countering Hybrid Threats has already made great efforts

in this regard. However, exercises and training in required at all levels; strategic, juridical and operational actors must play greater roles than it does at the present. In addition, states must implement of these efforts at home.

Finally, the mindset of these organisations must change. Many still hope resilience will do the trick. However, resilience is insufficient in changing Russia and other malignant lactors' perceptions of the benefits of hybrid operations. Staying solid is not only about building high walls. The two organisations must communicate more offensively, both in words and deeds, the strength of their comprehensive instruments of power. They must begin to leverage all of the economic, political, informational, civilian and martial assets at their disposal to complete this objecivet. Doing so would display the EU-NATO partnership's protective armour of shared beliefs, values and loyalties. This is crucial in their attempt to create a trusted and credible bulwark against hybrid threats.

EU-NATO Cooperation on Counter Terrorism

The trend towards joined-up EU and NATO efforts is positive and, although many structural and cultural obstacles remain unchanged, more common projects should become possible.

Juliette Bird, Head of counter terrorism at the North Atlantic Treaty Organisation (NATO)

The beginning

NATO first rose to the terrorism challenge in response to the September 11 attacks on the United States. The use of Article 5 prompted the adoption of a Military Concept for Defence Against Terrorism and led to two Article 5 operations. Whilst NATO then reviewed its existing assets and strengths for relevance in the fight against terrorism and improved areas including intelligence sharing, capability development and outreach to partners, it made no attempt to further formalise a counter terrorism (CT) mandate until the 10th anniversary of the 9/11 attacks.

The EU, despite having a greater security-related mandate, only made its big step forward three years later, after the Madrid attacks of 2004. A Counter-Terrorism (CT) Coordinator post was created and, in 2005, an EU Counter Terrorism Strategy was adopted. Work on countering radicalisation and terrorist propaganda was to follow, as was addressing the challenge of 'foreign fighters' returning to Europe from Syria and Iraq.

Whilst national security remains a member state or ally's responsibility, much of the EU's wide remit is of relevance to CT. Be it legislation, policing, border security, critical infrastructure protection, or sanctions, the EU has a role to play. NATO fills a narrower niche but has unique strengths at the civilian/military crossover, e.g. defence sector reform, Special Forces, explosives management etc.

NATO and the EU's mutual complementary, through deconfliction, is essential in fields where both are active. Sadly, in the area of CT, recognition of this was largely rhetorical until at least 2010 – except when both organisations cooperated in operational theatres. Interaction in Brussels was restricted due to geopolitical and bureaucratic issues dividing the different communities (transatlantic and Cyprus-related considerations but also because intelligence issues were outside the EU's remit but included within NATO).

Progress

Direct EU relations with NATO, and invitations to brief on CT, depend on successive EU Presidencies (Lithuania, Luxembourg and Estonia invited NATO in 2013, 2015 and 2017 respectively). Bulgaria in 2018 and now Romania have sought informal events bringing together EU and NATO Committees. When CT is discussed at NATO Ministerial meetings the EU High Representative is usually present. Gilles de Kerchove, the EU CT Coordinator, has often, albeit informally, briefed NATO on the EU approach. The European Defence Agency and NATO's Capability Group have deconflicted capability developments since 2003.

Beyond this, CT-relevant deconfliction and mutual awareness of major policies and activities was initially personality-driven and informal. Shared approaches to mutual problems and discreet practical cooperation were possible safely below the political radar. The EU is a difficult interlocutor with CT-relevant functions spread across the Council, Commission, Agencies and CT Coordinator's office. Only with the creation of NATO's CT section within the Emerging Security Challenges Division (2010) and the European External Action Service (EEAS)'s CT division (2013) did clear docking points emerge.

June 2016 saw a ground-breaking, informal briefing given by the EEAS with DEVCO to NATO Deputies covering EU CT activities and potential NATO-EU cooperation. In July the same year a first Joint Declaration was signed in Warsaw by NATO's Secretary General and the Presidents of the European Council and Commission which enabled formal moves toward improved cooperation. This agreement contained no specific reference to CT cooperation but included several CT-relevant areas which were seized upon as the basis for a stronger relationship between EU and NATO CT staffs.

A further set of measures, agreed in December 2016, explicitly included cooperation on CT and prompted senior level engagement. Last year saw formal staff-to-staff talks on CT take place for the first time, along with a high-level Joint Declaration identifying 'cooperation on CT' as a priority.

The present

At working level, staff are regularly in contact, including when external visitors are in town (e.g. UN, AU, GCTF, visiting nations etc.) to coordinate programmes. EU security officials

overseas, particularly in North Africa, are proving invaluable contacts for visiting NATO CT officers. Sharing of situational analyses is now becoming routine, although the intelligence structures remain largely separate. Mutual attendance of events relating to technical challenges continues and, where relevant and possible, NATO meets with Europol. The EU regularly presents at NATO's CT courses so that participants understand NATO and EU roles within the UN's global approach to terrorism.

The future

The trend towards joined-up EU and NATO efforts is positive and, although many structural and cultural obstacles remain unchanged, more common projects should become possible. Cooperation is particularly likely in fields such as chemical, biological, radiological and nuclear (CBRN) response and efforts to counter drones and improvised explosives, where recent attacks make action imperative - Salisbury, Syria (and Gatwick), Sri Lanka (and worldwide) respectively.

There is potential for more cooperation through the Centres of Excellence of each organisation, training facilities and through mutually reinforcing work with partner nations. In the aftermath of Daesh's caliphate, as prosecution of its fighters is prioritised, the 2020s should be an interesting period for those who seek greater NATO and EU synergies in the global fight against terrorism.

EU-NATO Cooperation on Rapid Response and Crisis Management

Both the EU and NATO provide resilience and deterrence but their strategic narratives sometimes overlook each other's important role.

standard**Lieutenant-General Vincenzo Coppola**, Civilian Operations Commander at the European External Action Service (EEAS)

Let us first recall two facts that, though known, are at times forgotten: a) NATO is, in essence, a military alliance, the EU is not; and b) NATO's main role is to defend its allies against aggression, i.e., its role is primarily *within the borders of the Alliance,* whereas the Common Security and Defence Policy (CSDP) is a tool to be used *exclusively outside* the EU's borders.

Whereas NATO is essentially military, the EU's slant has become increasingly civilian in nature. The upshot is that cooperation between the two organisations can only take place through complementarity, avoiding duplication as much as possible – which should not be too difficult.

Though there have been ups and downs in this relationship, we can safely say that since the joint declarations of 2016 and 2018, cooperation has been stepped up and, today, we have seven areas for concrete operational cooperation[1]. Furthermore, there is a total of 42 implementing proposals and 32 implementing actions, of which new topics such as counter-terrorism; women, peace and security (WPS); and military mobility are inclusive.

As Commander for civilian operations, it is not for me to dwell on the military aspects of crisis management. There are colleagues better placed than me to do so. So, instead, I will concentrate on more general issues and, in as much as possible, on the civilian aspects of cooperation in the area of crisis management.

Given that 22 nations belonging to NATO are

also EU member states, cooperation should be a given, as their political masters are the same. However, some competition persists.

Firstly, it manifests itself in the efforts undertaken by each institution to maximise its mandate and act autonomously anywhere (at least in principle). This happens at institutional level, wherein the views of those based at the EEAS headquarters differ from those held at NATO's headquarters in Evere. It also happens at a national one, with different views and sensitivities at the Ministries of Foreign Affairs and Ministries of Defence, for instance.

Secondly, potential friction might arise from the varying levels of scope and hierarchy between NATO's Article V collective defence clause and the EU's Article 42(7)[2].

Finally, a third area of potential dissonance comes from the past rather than the present: there is some ambiguity surrounding the extent to which these institutions can claim credit for preserving peace in Europe: both the EU and NATO provide resilience and deterrence but their strategic narratives sometimes overlook each other's important role.

As of 2016 (the fact that the year is the same as the one of the first Joint Declaration with NATO in Warsaw is not a coincidence), the EU has positioned, at the centre of its external action agenda, the Global Strategy. It is the political manifesto, as it were, of the preceding comprehensive/integrated approach: the EU has a magnificent and wide range of tools that

can be used consecutively or simultaneously to address any crisis. From topics ranging from trade, diplomacy, development aid and sanctions all the way to the Common Security and Defence Policy (CSDP), the Union can act decisively, albeit subtly: to spell it out: the EU is, above all, about soft power. Today, out of a total of 16 ongoing missions, 10 are civilian on three key geographical areas for the EU: Europe, Africa, and the Middle-East. Compared to other policies, the civilian CSDP presents the great advantage of ensuring an important EU presence on the ground, through the deployment of EU Member States personnel. This allows the EU to accompany in the best possible way our partners in strengthening their State capacities (such as in Libya, in Sahel or in Somalia), to provide them with strategic advice in the field of security sector (such as in Ukraine and in Iraq), to monitor and prevent conflict (such as in Georgia) or to assist their institutions in enhancing their rule of law (such as in Kosovo).

However, in this context, it is important to bear in mind that whereas for military endeavours, the line of command is quite straightforward, the architecture is more complex for civilian missions: beyond Foreign Affairs Ministries, the ministries of the Interior and Justice and various police authorities have their say notably when it comes to generating personnel for the Missions. Paradoxically, whereas the level of ambition for civilian CSDP is currently very high, its implementation might be hampered by real difficulties such as the lack of financial and human resources.

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[1] Countering hybrid threats, operational cooperation including maritime and on migration, cyber-security, defence capabilities, defence industry and research, exercises and supporting Eastern and Southern partners' capacity-building efforts.

[2] It is worthwhile recalling that ultimately both use Article 51 of the Charter of the UN as their basis.

To remedy these difficulties, the EU has come up with a four-step approach: a forward-looking concept on the strengthening of civilian crisis management (the Concept), a civilian capability development plan (the CCDP), a Compact for member states to enter (non-binding) capability development commitment and National Implementations Plans (NIPs) alongside efforts from the institutions to mirror them.

This flurry of activity has already produced a number of results: capability gaps are being identified and will be addressed. Training, which is probably the most important capability development tool we have, is in the process of being redesigned and strengthened, and interoperability with our external partners, especially with NATO and the UN, is the name of the game (cyber and hybrid being at the top of subject matters).

It is especially in this context that I believe we have the best probabilities for progress. For the defence related issues, the EU has a single set of forces which it will use, as required, either for its own CSDP or to contribute to NATO efforts. But neither the EU nor NATO have a single set of civilian forces, and it is highly unlikely that there will ever be one.

We know for a fact that mustering capabilities in the civilian area is very difficult: we are all fishing in the same pond: CSDP, the CGBGA (Frontex), Europol, etc. are all vying for the same resources. It follows that when dealing with irregular migration, counter-terrorism or hybrid threats, if we are to work with NATO, we will have to ensure that we are not adding an extra layer of competition. Not only that, we need to work more closely together and refrain from conflict as much as possible.

The first step has been taken through the organisation of two consecutive Parallel and Coordinated Exercises (PACE) with NATO. In theatres such as Ukraine, Kosovo and Iraq, we already have an excellent level of coordination in place.

The Global Strategy and several recent Council Conclusions have stressed the need to strengthen our coordination with NATO and with the UN. The EU has already initiated, through the European Defence Fund (EDF), Permanent Structured Cooperation (PESCO) and Coordinated Annual Review on Defence (CARD), a strengthening of its military capability development in the military area. It is now in the process of mirroring the effort in the civilian one. It is key that this effort is made while taking fully into account the civil-military aspects that will make our interaction on the ground more effective with NATO.

The Friends of Europe annual Security Policy Summit in 2019, I am sure, will be the perfect venue to address a number of these issues as a step towards the achievement of the full complementarity we require.

The burden-sharing debate
From spending to capabilities in the EU and NATO

Given that most European countries are both members of NATO and the EU, what matters the most is addressing European defence needs as a continent, not focusing on organisational issues.

Lucie Béraud-Sudreau, Research Fellow for Defence Economics and Procurement, International Institute for Strategic Studies, United Kingdom

The debate on European military capabilities is tied, but not limited to, that on burden-sharing and defence spending.

The United States has long been the security guarantor of Europe, but at the same time protested that Europeans were not doing enough for and by themselves. The European Leadership Network (ELN) analysed the history of the debate.[i] Burden-sharing discussions began as early as 1952 with the Lisbon force goals, in the wake of the Korean War. Since then, US pressure on its allies never ceased. In May '78, the 'Long Term Defence Program' created a guideline for 3% real-term yearly increases in defence spending.[ii]

Later on, the 2% of GDP target emerged at the 2002 Prague Summit, to be restated in 2006

at the Riga Summit, when the 20% target was also agreed on.[iii] Pressure kept mounting, with a speech by Robert Gates in 2011 criticising European allies. Eventually, under the Obama administration, the 2% and 20% goals were formalised in the 2014 'Wales pledge'.[iv] The current Administration however, has escalated its criticism, going as a far as threatening a US withdrawal unless European states met these targets.

This criticism may seem unfair in some respect. The International Institute for Strategic Studies (IISS) estimated that direct US expenses on defence in Europe reached US$35.8bn in 2018, or around 5.6% of total US 'national defence function' outlays. These numbers put the total defence spending by European NATO states –US$264bn– in a different light. Of course,

this does not entirely reflect the totality of the US political commitment to Europe: a major contingency would also involve significant reinforcement from the continental US; it also encompasses the US nuclear umbrella. But, given Washington's other global obligations, attributing to European defence the entirety of the US\$643bn 2018 US defence outlay would equally overstate the US commitment.[v]

Nonetheless, the 2% symbol has garnered ground. Defence spending increases are also more widely accepted politically in European countries. The European External Action Service's Implementation Plan on Security and Defence, following the European Union Global Strategy, acknowledged that *'the Level of Ambition needs to be underpinned by the necessary financial coverage'.*[vi] Without setting specific figures, it further stated that *'a stronger*

Union in security and defence requires each Member State to do its fair share and invest more in sustainable security for future European generations. Member States are called upon to allocate a sufficient level of expenditure for defence and make the most effective use of resources.' States involved in the European Defence Agency (EDA) and in the Permanent Structured Cooperation (PESCO) subscribed to the collective benchmark which is similar to NATO's: 20% of defence expenditure should be dedicated to arms procurement and R&D.[vii]

Currently, according to the International Institute for Strategic Studies' (IISS) independent assessment, available in *The Military Balance* publication and the Military Balance+ database, in 2018, four countries hit the mark of the 2% (Greece, Estonia, Lithuania and the United Kingdom), with 4 just behind (Latvia, Poland,

Romania and France) (see Figure 2). Where data is available, the IISS found that, in 2017, nine European NATO member states met the 20% threshold for their defence investments in procurement and R&D. Another five countries were between 15 and 20%.

However, the increased US pressure and the political focus on the 2% number has diverted governments' attention towards adapting their definitions of defence spending, and distracting them from the key issue, which is addressing their shortfalls in meeting the current security environment.

According to RUSI, in 2015, the United Kingdom included provisions for war pensions, contributions to UN peacekeeping missions, pensions for retired MoD civilian personnel, and MoD's income into its expenditure.[viii] Similarly in

2019, Denmark updated its definition of defence expenditure to include their armed forces' income, healthcare for the military, training for civilians, pensions, UN peacekeeping operations, as well as its contributions to the future EU budget earmarked for defence.[ix]

These adjustments may be justifiable, but the burden-sharing debate should not distract us from the capability issues we collectively face. Europe is now at risk of becoming a pawn in the great power competition between the United States, China, and Russia. These risks mean we need to look at the bigger picture – what can we achieve? What is required to meet our collective goals? Given that most European countries are both members of NATO and the EU, and that there are strong ties between NATO and most non-NATO member states (e.g. Sweden, Finland), what matters most

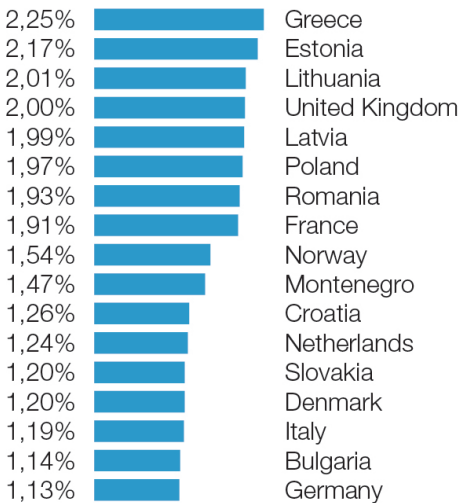*Figure 1. US contributions to European defence in perspective, 2018 (Current US$bn)*
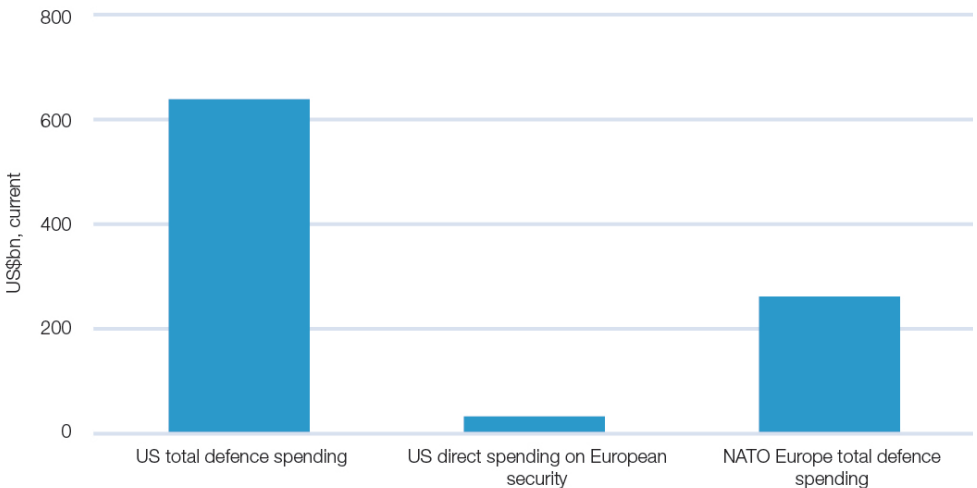
Source: 'On the up: Western defence spending in 2018', Military Balance Blog, 15th Feb. 2018,
https://www.iiss.org/blogs/military-balance/2019/02/european-nato-defence-spending-up

is addressing European defence needs as a continent, not focusing on organisational issues.

In a recent series of papers,[x] the IISS, in cooperation with other leading think tanks (DGAP in Germany, the ELN in London), looked at both EU and NATO Europe capability shortfalls. The research reveals the extent these shortfalls, and the relative inadequacy of current initiatives to address them.

Figure 2. Top NATO Europe spenders in terms of share of GDP, 2018

Share of GDP	Country
2,25%	Greece
2,17%	Estonia
2,01%	Lithuania
2,00%	United Kingdom
1,99%	Latvia
1,97%	Poland
1,93%	Romania
1,91%	France
1,54%	Norway
1,47%	Montenegro
1,26%	Croatia
1,24%	Netherlands
1,20%	Slovakia
1,20%	Denmark
1,19%	Italy
1,14%	Bulgaria
1,13%	Germany

Source: International Institute for Strategic Studies, Military Balance+ database

First, even by including the United Kingdom in the EU's total available armed forces, member states could not meet their current level of ambition. Together, they could only achieve rescue and evacuation, and support to humanitarian-assistance operations. Key requirements include combat intelligence, surveillance and reconnaissance (CISR) UAVs, electronic-warfare aircraft, tanker aircraft, aircraft carrier, and principal amphibious ships. However, the thirty-four PESCO projects launched in March and November 2018 are far from covering these gaps, as they focus essentially on the low-end of the capability spectrum.

Turning to NATO, in a worst-case scenario of US withdrawal from the Alliance and in the event of a Russian attack on the Eastern part of the continent and subsequent trigger of Article 5, European member states would face significant capability shortfalls. The most important ones would be in the area of air-defence, main battle tanks, and fighter aircraft. Overall, filling the gaps left by the United States would cost between US$288 and US$357bn. Looking at the higher end of this estimate, this would represent a 35% increase over existing totals. As these extra-expenses would be spread over 10 to 15 years, this would nonetheless require an extra US$36bn per year approximately over the next decade.

If Europeans were to spread procurement priorities among themselves and agree to more mutual interdependence, this figure is actually less daunting than it seems: it represents just under 2.0% of their aggregated GDP.

[x] Douglas Barrie, et al., Protecting Europe: meeting the EU's military level of ambition in the context of Brexit, IISS/DGAP report, Nov. 2018; Alice Billon-Gallant, Yvonni Stefania Efstathiou, Are PESCO projects fit for purpose, ELN/IISS report, Feb. 2019; Ben Barry, et. al., Defending Europe: scenario-based capability requirements for NATO's European members, IISS report, May 2019

CONCLUSION

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This year NATO turns 70 years old and in 2020 it will have been 70 years since the Schuman Declaration proposed an integrated Europe, the impetus for the creation of the European Union. Throughout this period, the two organisations have both shaped history and ensured peace in Europe. Different in nature and purpose, the EU and NATO have naturally contributed to European security in their own distinct ways.

70 years on, the security landscape looks complicated, to say the least. Threats are becoming more hybrid and the security context inside and around Europe is increasingly complex. It has become ever more difficult to distinguish the 'hard' from the 'soft'. This provides a perfect backdrop for the EU and NATO approaches to complement one another.

There are no reasons why the two organisations shouldn't seek closer ties. Ruled by the same ideological conviction, sharing the same world outlook and with a major overlap between member states and allies, why is cooperation still knotty?

As we have seen in this discussion paper, the relationship between the institutions is evolving. Yet authors agree that further cooperation is needed. In 2016, a joint declaration highlighted seven areas for potential inter-organisational cooperation. This has since grown into 74 areas of engagement. New threats, such as cyber security and countering hybrid threats, have become areas of particular focus.

However, protecting peace and prosperity will depend on a variety of factors. Concretely, this means blending military and civilian approaches in crisis management, agreeing on defence spending commitments and sharing sensitive information in the area of counter terrorism. Continued dialogue and coordination between the EU and NATO are essential to find common ways to meet today's challenges.

Recent developments in the relationship have accelerated thanks to leaders setting the political tone with the two EU-NATO joint declarations. These declarations will need to translate into deeper common objectives at the operational level to change the organisational culture and mindset. At the moment, competition still co-exists with cooperation as the organisations strive to maximise their mandates. Moreover, there is still diffuse overlap in scope and hierarchy between NATO's Article 5 and the EU's Article 42(7).

Joint research and innovations programmes, with clear provisions on third party participation, may help alleviate unnecessary competition between the two organisations and allow for better coordination of activities. Uniting around a common understanding of threats could lead to a change of mindset in capitals, allowing for an increased interoperability of capabilities. Freeing the EU and NATO's access to civilian forces from competition, may help deconflict and facilitate cooperation in civilian-military missions.

In this discussion paper, contributors have suggested that the EU and NATO need to take a common proactive approach to counter hybrid threats. This will require the creation of legal frameworks that allow states to either cooperate or opt out. As hybrid threats are likely to become a permanent global phenomenon, joint exercises should continue to explore ways to counter them. The centres of excellence set up for different areas in each organisation may increase interoperability and cooperation further.

The EU, and its member states, allies or not, is nevertheless a partner to NATO. A good partner needs to bring something to the table. This requires capabilities, not duplication. Friends of Europe's annual Security Policy Summit in 2019 will explore the concept of European strategic autonomy, and identify how it could affect the relationship between the two organisations.

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