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Brexit and EU Defence Integration: A Headline Summary of 'Emerging Legacy' Threats

In Brief

The EU is in a period of accelerated defence integration. The failure of MoD officials to explicitly indicate the UK intends to stand outside new common EU structures and budgets is generating strategic risk as well as expectations of EEA levels of participation. This covers all of defence, but procurement and common funding are of immediate concern.

Fields

The EU treaties already allow for the development of “a common defence.” The process of EU defence integration is now extremely wide ranging, and encompasses the following -

- Structural: generating permanent frameworks for activity such as standing HQs and support systems
- Policy: increasing central/communal decision-making, and common doctrine
- Financial: creating common budgets
- Industrial: generating a common EU defence industry, at the cost of shutting national production and limiting R&D capability through regional specialisation
- Organisational: generating standing units, training, and pooled/commonly-funded assets.

Risks

Fundamentally, the problem comes down to the UK currently signing up to the establishment of new common structures, budgets, and decision-making which carry implied or explicit legacy commitments. At the very least these will make the task of Brexit negotiators subsequently more complicated by their later having to clarify or assert they will not pursue them.

Some proposals are easy for the UK to avoid, like signing off on a common EU Engineers Corps. Others are more complex or obscure. They include -

- Generation of EU defence entities that duplicate and thus undermine NATO counterparts (notwithstanding explicit claims that they do not)
- Strategic development, meaning the UK has endorsed new jointery before DExEU has reviewed it

- Rationalisation of procurement, generating potential Single Market obligations even after Brexit
- Legal implications arising from CJEU oversight, both commercially and operationally

Core developments

Since November 2016, the EU has launched a range of deeply ambitious projects. These include the European Defence Fund (EDF), the European Defence Research Programme (EDRP) and the European Defence Industrial Development Programme (EDIDP).

The DExEU defence paper (inevitably on MoD guidance) references the prospect of participating in these and the European Defence Agency (EDA) “closer than a third country”. The only existing model for this is Norway, which is required to be heavily compliant with EU strictures.

The problem with continuing participation in the above is that the EU is pursuing them as a means of expanding ‘EU sovereignty’ across defence (Juncker, June 2017). EU sovereignty has also been cited by the Commission as justification for participants in the projects adhering to EU strictures (EDA and EU Commission, June 2017). The EDIDP is being pursued alongside legislation that treats participating countries as a single market for defence, known as the European Defence Technology Industrial Base (EDTIB). This has the corollary of extending the Commission’s Single Market powers over industries held to be vital for national independence (and indeed thus constituting the logical final extension of the original Coal and Steel plan of the 1950s).

A delegation agreement between the European Defence Agency and the EU Commission also links the EDA to new EU funds and legal frameworks, principally for research and defence industries.

UK participation

Close affiliation with any of the above carries corresponding baggage.

The UK begins from a standpoint of participation (rather than opting out) after agreement in five separate EU Council meetings since the UK’s vote to leave the EU. In 2017, the UK has even entered preparatory arrangements such as in defence research, where projects involving the UK are designed to continue beyond the UK’s EU exit in March 2019.

In March 2017, UK ministers approved plans for a Military Planning and Conduct Capability (MPCC). The UK Government negotiated changing the title of this facility from ‘headquarters’ to ‘capability’, but beyond the cosmetics, it will operate with the same inputs and outputs. At the same meeting, the UK approved the EU’s ‘Concept Note for Operational Planning and Conduct Capabilities for CSDP Operations’. This included policy affecting the MPCC but was wider. The UK would remain subscribed to these functions as a condition for continued participation in the EDF, EDRP and EDIDP.

In addition, the UK approved headline objectives contained in the EU’s Security and Defence Implementation Plan (SDIP) in November 2016. SDIP can principally be considered as the

document tying emerging EU defence capabilities to EU foreign policy, but additionally outlines the EU's 'New Level of Ambition' and financing arrangements. It also covers intelligence.

Throughout 2017, the MoD has voiced support for the concept of Permanent Structured Cooperation (PESCO), described by EU Commissioners as "precursor to an EU military", without stating directly whether the UK will be involved. However, the UK Government's stated desire to participate in the EDF, EDRP and EDIDP could legitimately be interpreted as leaving that prospect open. For example, in EU documents the capabilities component of the European Defence Fund is simultaneously regarded as the capability pillar of PESCO. As another indicator of the linkage, European Defence Fund agreements already prescribe "higher co-financing rates for projects developed within PESCO", thereby serving as a financial incentive to member states to participate.

Recommendations

Civil servants engaged in discussions with the EU on defence and security issues should be given a simple standing instruction that, after leaving the EU, the UK will not participate as a member in common EU defence structures, or support common budgets on such terms.

UK representatives would instead seek to operate as allies and associates on a case-by-case basis, with liaison mechanisms in place to permit this, and with primacy set on NATO frameworks. Focus should instead be placed on including "Docking ports" in the less politicised structures to allow temporary participation where it is of mutual interest (and crafted in such a way as they also permit participation by other non-EU states).

Further Reading

Strategic direction: see the Veterans for Britain audit [here](#). This provides an overview of what the EU institutions themselves are working on and working towards. The activity underpinning what the Council has mandated the Commission and High Representative to do is key.

Defence industry: this is the area of greatest immediate concern and a paper will be forthcoming from Veterans for Britain setting out the detail. However, the problems posed by an obligation to adhere to EU directives in the future are described [here](#) and [here](#).

Most likely medium term risk: Macron's Sorbonne speech can be found [here](#).

Most dangerous risk: See [this paper](#) for one set of wider official proposals, noting that the main effect of a radical initiative is to shift what constitutes the centre ground.

Defence spending: A description of where and how an increase in UK defence funding should be spent by Veterans for Britain chairman Maj-Gen Julian Thompson in an article [here](#).