

EXPLANATORY MEMORANDUM FOR EUROPEAN UNION DOCUMENT

10165/17
COM(2017) 315

Reflection Paper on the Future of European Defence

Submitted by Ministry of Defence on 13 July 2017.

SUBJECT MATTER

1. This Explanatory Memorandum (EM) relates to the European Commission's 'Reflection Paper on The Future of European Defence'. The paper is the fourth in a series of five papers on themes the Commission believes will define the coming years for Europe. It follows the Commission's White Paper on the future of Europe which was presented on 1 March 2017 and intended as the starting point for a wide ranging debate on the Union's future.
2. It accompanied a wider package of proposals from the Commission on European Defence, including a proposal for a regulation on a European Defence and Industrial Development Programme (on which a separate EM has been submitted by MOD). Taken together, these papers mark a significant new role for the Commission in EU defence policy, with the aim of strengthening cooperation, and stimulating research and capability development.
3. As the UK will leave the EU by 29th March 2019, the options set out in this paper will be for the EU27 to discuss in order to decide what the possible future of the EU's Security and Defence may look like in 2025.
4. Based around the question "how quickly do Member States want to build a genuine European Security and Defence Union?" the paper sets out three possible future scenarios for Europe in 2025:
 - a. **Security and Defence Cooperation.** This scenario is largely based upon current Defence and Security within the EU. Cooperation between Member States, minus the UK, would occur more frequently than in the past, but remain largely voluntary, with ad-hoc decisions being made when a new threat or crisis emerges. Member States would not be politically or legally bound by a common direction of travel in security and defence. EU-NATO cooperation would continue to intensify in relevant areas, combining hard and soft power to form effective responses to threats. **The EU proceeding in this direction would appear to complement UK national interests and not require any changes to treaties.**
 - b. **Shared Security and Defence.** This scenario would move the EU towards shared security and defence, with far greater financial and operational solidarity. This is intended to enable the EU to project military power and engage fully in external crisis management and in building partners' security and defence capacities. EU-NATO cooperation would increase by systematically cooperating and coordinating the full range of their respective tools and instruments. Defence cooperation would become the norm for

Member States. National defence planning would become far more aligned, facilitating Member States' cooperation on the acquisition and maintenance of capabilities. An ambitious European Defence Fund would drive towards developing multinational capabilities in several fields, supported by joint planning and command structures at EU level. **The EU proceeding in this direction could move away from the principles of sovereign defence forces and nationally owned capabilities and risk duplicating NATO. After Brexit, the UK as a non-EU Member State would be unlikely to support this EU position as it potentially conflicts with our national key principles of retaining sovereign defence forces and avoiding duplication of NATO.**

- c. **Common Defence and Security.** This scenario is the most radical and would see Member States deepen cooperation and integration, combining their defence and security to an unprecedented degree. This option suggests the EU would be able to run high-end operations, potentially including operations against terrorist groups, naval operations in hostile environments or cyber-defence actions to better protect Europe, in complementarity with NATO. This option is underpinned by a greater level of integration of Member States' defence forces, pre-positioned and permanently available for rapid deployment on behalf of the EU. The defence forces would engage in regular joint military exercises, and receive regular training in European Defence Colleges to facilitate the convergence of strategic cultures. Member States' defence planning would become fully synchronised, and national priorities for capability development would take into account agreed European priorities. Capabilities would be commonly procured by Member States with the support of the European Defence Fund, and collaborative multinational development and procurement programmes would be scaled up significantly. **The EU proceeding in this direction would distinctly move away from the principles of sovereign control over national defence forces and potentially shift towards EU military command. After Brexit, the UK as a non-EU Member State would be unable to support this EU position as it conflicts with our national key principles which include maintaining sovereign control over UK defence forces. This option would likely require changes to the treaties.**

5. **Other EU Member States views.** Almost all Member States have shown political support for continued ambition in the enhancement of EU security and defence, but a minority have responded with caution. There is a consensus amongst Member States that duplication must be minimised with NATO.

SCRUTINY HISTORY

6. MOD submitted an Explanatory Memorandum 15160/16, COM(16)950: *Communication From The Commission To The European Parliament, The European Council, The Council, The European Economic And Social Committee And The Committee Of The Regions European Defence Action Plan*, to both Commons and Lords EU committees on 21 February 2017.

7. The Commons European Scrutiny Committee reported the paper as raising issues of political importance in report 36, 16/17 and further information was requested: https://www.publications.parliament.uk/pa/cm201617/cmselect/cmeuleg/71-xxxiv/7114.htm#_idTextAnchor019 This further information was provided by the MOD on 26th June 2017.

The Lords EUC: Cleared at sift 1650.

8. The FCO submitted an Explanatory Memorandum 10715/16: *A Global Strategy for the European Union's Foreign and Security Policy*, to both Commons and Lords EU committees on 13 July 2016.

9. The Commons European Scrutiny Committee reported the paper as raising issues of political importance in reports 9 & 11 16/17 and clearing on 14 September 2016

The Lords EUC: Cleared at sift 1627.

MINISTERIAL RESPONSIBILITY

10. The Secretary of State for Defence has overall responsibility for defence policy. Other Ministers with an interest include Minister of State for Europe and the Americas, and Secretary of State for the Department for Exiting the European Union.

INTEREST OF THE DEVOLVED ADMINISTRATIONS

11. The UK's policy on security and defence is a reserved matter under the UK's devolution settlements and therefore the devolved administrations have not been consulted in the preparation of this Explanatory Memorandum.

LEGAL AND PROCEDURAL ISSUES

12. Not applicable. This is not a legislative proposal.

APPLICATION TO THE EUROPEAN ECONOMIC AREA

13. Not applicable. This is not a legislative proposal.

SUBSIDIARITY

14. Defence and security are areas of national competence, so subsidiarity questions do not arise. If or when more specific proposals are made in due course in relation to these proposals by the Commission, those will need to be examined to assess what areas of competence are engaged and whether subsidiarity issues arise.

POLICY IMPLICATIONS

15. On 23 June 2016, the EU referendum took place and the people of the United Kingdom voted to leave the European Union. The government respected the result and triggered Article 50 of the Treaty on European Union on 29th March 2017 to begin the process of exit. Until exit negotiations are concluded, the UK remains a full member of the European Union and all the rights and obligations of EU membership

remain in force. As stated in the Article 50 letter and subsequently reiterated by the Prime Minister, the UK wishes to establish a deep and special partnership with the EU on economic and security matters following our departure.

16. This paper is a high-level reflection on security and defence on issues which will define the coming years for Europe. As DExEU has made clear in its assessment of the Commission's Initial White Paper, while it remains overwhelmingly and compellingly in Britain's national interest that the EU should succeed, this is a Paper on the future of the EU following our departure and it will be a matter for the remaining members of the EU which course they should follow.

CONSULTATION

17. Not applicable. This is not a legislative proposal.

IMPACT ASSESSMENT

18. The Commission has not published an impact assessment on each individual scenario. This is purely a high level paper for broad public discussion at this stage.

FINANCIAL IMPLICATIONS

19. Not applicable. This is not a legislative proposal.

TIMETABLE

20. Not applicable. This is not a legislative proposal.

MINISTERIAL NAME AND SIGNATURE

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