
NEWS FROM THE BRUSSELS' BUBBLE

#2021-3, 21 September 2021

Main news items:

- ✓ EU Defence: Informal Defence ministers meeting, State of the Union speech by EC president
- ✓ EU Defence Fund updates

In short:

- ✓ Main defence-related reports of the EP to come
- ✓ Conference on the Future of Europe
- ✓ interesting links

2021 EU Calendar: main meetings to come

- 21-22 October** European Council
- 16 November** Foreign Affairs Council - Defence
- 07 December** EDA Annual Conference, online and Brussels
- 16-17 December** European Council, draft agenda includes crisis management and resilience
- 01 January 2022** French Presidency of the European Union
- 16 February 2022** Possible summit on European Defence, Toulouse (TBC)
- 24-25 March 2022** European Council, draft agenda includes security and defence

[Access the previous Newsletters here](#)

EU Defence: Informal MoDs meeting, EC President State of the Union speech

➤ Outcomes of the informal meeting of EU Defence ministers (02/09 in Bro, Slovenia)

EU Defence ministers were expected to discuss, among others, the "resilience" chapter of the Strategic Compass (the EU Defence strategic paper under process, see [NBB 2021-2](#)), examining the full range of tools for dealing with hybrid threats and preserving access to the 'global commons' (cyberspace, maritime, space).

Not surprisingly, this discussion was postponed to a special meeting in October while the crisis in Afghanistan shifted the agenda: MoDs discussed in particular the lessons to be learned at military level, with a focus on (the lack of) coordination and EU capacity for action in military matters. During and around the meeting, many political leaders across the political and geographical spectrum called for a

stronger European Defence, including from the countries closest to NATO. In particular the idea of a first entry force of 5'000 soldiers was raised again, and the usual remarks about the need for a common strategic vision and an efficient decision-making process. Many observers saw this crisis as an 'opportunity' or momentum for EU leaders to "step up to the next level", but once it comes to the concrete proposals, the usual contradictions rapidly took over again.

The EU should present a draft proposal for a potential "first entry force" in November, for a possible deal in March under the French presidency (that is before French presidential elections).

Yet just days after the informal meeting, Swedish

Defence Minister rejected the idea of a First entry force and repeated that “Cooperation with the US is the backbone of European security”, reflecting the position of Baltic states and Poland in particular. Several leaders insisted that the main weakness of the current EU battle-groups is the political decision.

Other issues addressed during the informal MoDs meeting were:

Discussion of the proposal for an EU mission in Ukraine made by six Eastern European countries: no decision was taken during the informal meeting, the High Representative will ask his services to evaluate

➤ **EC president State of the Union Speech: whose ambitions?**

EC president Ursula von der Leyen (VDL) delivered her State of the Union speech to the EU Parliament on 15 September, during which she claimed that the EU should take a further step in Defence and be able to react alone: “*what we need now is a European Defence Union*”.

VDL mentioned three broad categories in which she considers European defence should act:

- stability in our neighbourhood: “*if you don’t deal in time with the crisis abroad, the crisis comes to you*”; “*There will be missions where NATO or the UN will not be present, but where the EU should be.*”

- Technological adaptation: the use of disruptive technologies “*has been a great equaliser in the way power can be used today by rogue states or non-state groups.*” From hybrid or cyber attacks to the intensification of the arms race in space, “*the nature of the threats we face is evolving rapidly*”.

- Civil-military: “*We can combine military and civilian, along with diplomacy and development, and we have a long history in peacebuilding and protecting peace.*”

Her 6 concrete proposals are:

1. Have a military intervention capability, be it “*battlegroups or EU entry forces*”, but coupled with the political will to use them.
2. Consider a “Joint Situational Awareness Centre” in order “*to be better prepared, to be fully informed and to be able to decide*”.
3. A VAT exemption for the purchase of defence equipment developed and produced in Europe in order to “*use all possible synergies*”, “*increase our interoperability but also decrease our dependencies*”.

the options raised.

EUTM Mozambique almost ready: the 2-years long EU mission training in Mozambique will be deployed in the autumn. Several Member States should participate: Italy, Spain (as expected), but also Greece, Finland, Romania, Estonia and Luxembourg among others, allowing the Portuguese to provide only a little over half of the workforce. The EU is to send 200 to 300 military-training officers to Mozambique by 2022 to train its forces to fight jihadists. Portugal already sent 60 soldiers in May for an initial four-month period to teach local forces how to use drones.

4. EU should become a leader in cyber security, in particular by developing its cyber defence tools in Europe, and putting in place “*a European Cyber Defence Policy, including legislation on common standards under a new European Cyber Resilience Act*”.

5. A better cooperation with NATO: VDL reassured that her proposals do not call into question the cooperation between the EU and NATO. She announced that a new joint EU-NATO declaration should be reached by end of the year.

6. An unexpected summit in Toulouse in 2022
To everyone's surprise, VDL concluded by announcing that she and President Macron will convey a Summit on European Defence during the French Presidency (now planned on 16 February in Toulouse according to [B2pro](#)), while the official EU Council of March 2022 was meant to discuss exactly that. It seems that the decision was taken by the two without consulting anyone.

Such move is illustrative of the power game and other motivations around European Defence that have nothing to do with peace and citizen's interests: On the one hand, the Commission's attempts to expand its mandate to defence matters (not to say about personal revenge from VDL against Charles Michel, the EU President in charge of EU Councils, following the famous Sofagate) On the other hand Macron's willingness to instrumentalise the EU for his own re-election, on top of shaping EU defence to the French interests. The choice of Toulouse as a location is not innocent in this regard, as it is an important industrial base of Airbus

Defence & Space, as well as the headquarters of the new space command set up by the French army.

The 27/08 blog article of the French Commissioner for Internal market and Industry, Thierry Breton, is a perfect illustration of both motivations: he writes that *"European defence is no longer an option"* and that *"beyond the capability pillar, a Common Defence should be built around three additional pillars: a European security and defence doctrine (...), a military projection force (...) a renewed European institutional*

➤ **And the winner will be... the arms industry**

It is quite difficult to predict to which extent there will be concrete progress towards a Defence union in the coming months, with so many diverging geopolitical interests and petty political calculation. What is more predictable is that the arms industry lobby will take advantage again of the Afghan crisis, as it did with the COVID, to claim for further subsidies and political support.

Honest observers, even if pro-EU defence, are clear that capacities are not the problem: *"Today, Europe does not lack military capabilities. In fact, it is overflowing. On paper, the 27 Member States have no less than 1.4 million soldiers, hundreds of fighter planes and ships, thousands of tanks and armoured vehicles, and have pre-positioned bases or an equivalent in several parts of the world (Asia, the Pacific, the Middle East, Latin America)"* says Nicolas Gros-Verheyde (read [article in French](#)).

[Links to relevant documents](#)

[Post-Afghanistan, EU defence moves closer towards military coalitions](#), Euractiv, 02/09/21

[Non NATO-member Sweden rejects EU rapid reaction force](#), Euractiv, 06/09/21

[State of the Union Speech](#), Ursula von der Leyen, 15/09/21

[Von der Leyen rides two horses on EU defence](#), Euractiv, 15/09/21

[Afghanistan: common European defence is no longer an option](#), official blog post by Thierry Breton, 27/08/21

EU Defence Fund updates: EEE & Norway, calendar and award criteria, Eurodrone

➤ **Norway will participate to EDF and contribute NOK 2 billion**

The Storting (Norwegian Parliament) approved Norway's participation to the European Defence Fund (EDF) on June 9. This is *"important for the Norwegian defence industry"*, stressed the Minister of Defence, Frank-Bakke-Jensen, on June 24. The adopted strategy considers it necessary to *"support the connection with the large EU countries that are our closest allies in*

and political framework". His statement has upset a number of his EC colleagues as well as the High Representative. It is perceived as 'remotely guided' from Paris and overlapping on the competences of his colleagues. Breton was welcomed in Brdo with an ironic greeting from Josep Borrell calling him *"Mr. Defence Minister"*.

Beyond the anecdotal dimension, this is quite revealing of the mindsets.

Yet for EU leaders, responding to the arms industry demands is the easiest path, allowing them to claim that they take action while avoiding the tough decisions. [At the press briefing on Monday 20/09](#), the HR/VP spokesperson made it clear that a European army *"is not on the agenda for the moment"*, and that priority is given to supporting member states, defence capabilities, industrial strengthening and intensifying work with partners.

At some point so much attention and money put into military capacity needs a justification, as VDL involuntarily confessed in her speech: *"You can have the most advanced forces in the world - but if you are never ready to use them - what good are they?"*. In other words, once you have them, you need to use them, in order to justify the investment.

agreement. However, it requires a decision by the EEA Committee and by each country concerned.

The European Commission has thus submitted to the EU Council draft decisions for the extension of

Norway's participation in the Preparatory Action on Defence Research (PADR) for 2021 as well as for the extension to the European Defence Fund (EDF). Liechtenstein and Iceland have not expressed their interest in participating in the EDF so far.

➤ **EU Defence Fund calendar and award criteria**

The EC organised on 15-17 September a virtual information day and networking event for potential applicants to the European Defence Fund (EDF) 2021 calls for proposals.

It was a free three-day virtual event consisting of an info day to introduce the 2021 calls for proposals, followed by a 2-day brokerage and matchmaking event *"offering a unique international networking experience to forge winning defence research and development consortia."*

The results of the evaluation of the first call for proposals are expected to be announced by summer 2022, while the grant agreements between the consortia and the European Commission will have to be negotiated and signed before the end of 2022. In

parallel, the second call for proposals will be launched in the first half of 2022.

Regarding the award criteria, the EC will emphasise *"on excellence and contribution to competitiveness and strategic autonomy,"* claimed François Arbault, director of the Defence Industry Directorate at DG DEFIS, when speaking at the SEDE (security & defence) subcommittee on July 13. Projects will be evaluated on criteria relating to *"technical and technological excellence and whether the projects contribute to the competitiveness of the European defence and industrial base, and to the integration of the consolidation of this EDTIB. The expertise of technical excellence will be done by "independent experts".*

➤ **Eurodrone grant agreement signed (€100 million)**

The grant agreement allowing the MALE program (Medium Altitude Long Endurance) to benefit from partial funding under the European Defence Industrial Development Program (EDIDP) was signed on July 15 in Rome between OCCAR and Airbus Defence & Space GmbH as the coordinating company. The main industrial partners are Leonardo S.p.a, Airbus Defence & Space SAU and Dassault Aviation. The amount allocated by the EDIDP is €100 million, and OCCAR

plays a management role delegated by the European Commission.

"The OCCAR European MALE RPAS programme includes development and manufacturing of 20 drone systems, which each contain 3 aircraft and 2 ground control stations. Furthermore it includes Ground Support Equipment, spare parts incl. warehousing, training and 6.5 years initial in-service support."

[Links to relevant documents:](#)

[OCCAR and MALE RPAS partners sign grant agreement on the development of the Eurodrone, press release, 15/07/21](#)

Short News

➤ **Interesting EP reports under way relating to military matters (source: [B2pro](#))**

- **Challenges and prospects for the multilateral arms control and disarmament regimes**, own-initiative report, SEDE Subcommittee / AFET Committee

Rapporteur is Sven Mikser (S&D/Estonia), Shadow rapporteurs are Vangelis Meimarakis (EPP/Greece), Klemen Grosej (Renew/Slovenia), Mounir Satouri (Greens/France), Anna Bonfrisco (ID/Italy), Zdzislaw Krasnodebski (ECR/Poland) and Clare Daly (GUE/Ireland)

The objective of the Report is *"to assess the state of play of the disarmament and arms control architecture, in particular in light of the ongoing erosion of the various arms control instruments (INF, New START) and to take into account the recent proliferation activities of North Korea and Iran, as well as the rise of China as a military (and nuclear) power."*

A [draft report](#) was presented in SEDE subcommittee on September 9, the Committee vote is planned in November and the Plenary vote is scheduled for December 13. ([procedure file](#))

- **Annual report on the Common Security and Defence Policy (CSDP) 2021**, SEDE Subcommittee / AFET Committee

Rapporteur is Nathalie Loiseau (Renew/France), the draft Report will be presented in the SEDE subcommittee on Monday 11 October 2021, and the vote in Committee is expected in December.

- **The EU roadmap on climate change and defence**, own-initiative report, SEDE subcommittee / AFET Committee
Rapporteur is Thomas Waitz (Greens/Austria), and Shadow rapporteurs are Tonino Picula (S&D/Croat), Christophe Grudler (Renew/France), Anna Bonfrisco (ID/Italy), Alexandr Vondra (ECR/Czech Republic), Mick Wallace (GUE/Ireland).

The draft Report will be presented in the SEDE sub-committee on Monday 11 October 2021, and the vote in committee is planned for January 2022. ([procedure file](#))

➤ **Conference on the Future of Europe**

The first Citizens' Panel took place in Strasbourg on 17-19 September, and focused on economy, social justice, jobs/education, youth, culture, and sport/digital transformation. Panel 2 will meet on 24-26 September and discuss European democracy/values and rights, rule of law, security. Panel 3 will address Climate change, environment and health on 1-3 October, and panel 4 will be dedicated to the EU in the world and migration on 15-17 October. The second set of sessions will be held in remote format throughout November, while the third and final sessions will take place in December 2021 and January 2022. The process should conclude on 22-24 April 2022.

[Conference on the Future of Europe: European Citizens' Panels set to start](#), EP press release, 08/09/21

➤ **Subjective list of interesting links**

[Peace Facility staff, EC answer to Hannah Neumann's question](#)

The implementation of the EPF will require 28 full-time equivalent staff (11 administrative, 1 assistant, 5 contractual and 11 seconded national experts), financed through the EU budget

[The Defence Transfers Directive Handbook for SMEs](#), edited by the EC in order to "to provide SMEs active in the defence sector with a simple presentation of the Transfers Directive and useful advice on how to make the most of it"

["How much do governments spend on defence?"](#) Official data from Eurostat for... 2019

Total EU spending amounts to 168.5 billion euros, making 2.6% of total government expenditure, or 1.2% of GDP. Highest ratio in Estonia, lowest in Ireland.

[New dual-use export control regulations enter into force on September 9](#) (EC press release)

[EDA Annual Conference 2021: Innovation in European Defence](#), Event online and in Brussels, 7 December

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