

Making sense of European defence

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Clingendael Report



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Introduction

European defence cooperation appears to have gained momentum. Particularly in the EU, new cooperation initiatives, such as Permanent Structured Cooperation, the European Defence Fund and a Coordinated Annual Review on Defence, address a number of weaknesses that defence cooperation was suffering from. It is clear that a number of external incentives have spurred on recent quick developments: an increasing critical and disengaged White House, a deteriorating security situation around Europe and an assertive Russia. However, it was perhaps the EU's internal upheavals, such as Brexit, that really turned the tide. The Commission under Juncker's leadership broke a number of taboos by becoming involved in defence cooperation and the French and German tandem chose defence as the policy area where they wanted to excel.

Amidst these new developments, this report wants to take a step back and look at the broader landscape of European defence cooperation. How do these new initiatives and existing cooperation formats fit together in a logical framework? What kind of patterns are developing and how can the recent developments be connected to the many already existing cooperation initiatives, both operational and in capability development? As new ideas seem to fall over each other, can we still make sense of European defence? What are the next steps for Dutch defence in light of the rapid developments in European defence cooperation, taking into account Permanent Structured Cooperation (PESCO), the Framework Nations Concept, the European Defence Fund and other existing cooperation formats?

Chapter 1 will look into how the multitude of operational formations can be organised in a logical and pragmatic way, trying to fit in new ideas in PESCO and the French President's European Intervention Initiative. The Chapter concludes with a diagram that attempts to give a stylised overview of the collective tasks for European defence and how this can be organised.

Chapter 2 wants to make sense of cooperation on capability development. In this important area the existing complexity of national and multinational efforts, in the EU and in NATO, has now been enriched but also further complicated by the European Defence Fund as proposed by the European Commission. PESCO is also to play an important role in capability development projects as well as the Coordinated Annual Review on Defence. Understanding how NATO's and the EU's efforts differ is vital for the ability of these organisations to work together and to align their capability development involvement.

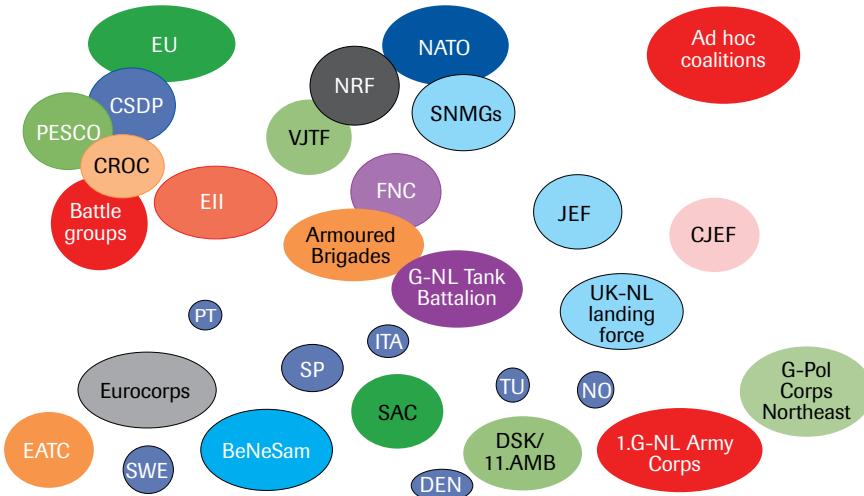
Chapter 3, written by HCSS Analyst Eric Wilms, provides an analysis of four existing cases of multinational defence cooperation in which the Netherlands participates. Two models of operational cooperation and two of capability development cooperation will be assessed on the basis of success and failure factors for multinational defence cooperation as well as on the potential impact of the new EU instruments.

The report ends by drawing a number of conclusions and making certain recommendations. The Netherlands is central to these recommendations, but they apply to any country that not only wants to make sense of European defence, but also to strengthen it.

1 Operational defence cooperation

The defence cooperation landscape is a highly complex one. This is certainly the case with the various formats and scopes of operational defence cooperation. The various bi-, tri- and multinational forms or ‘clusters of cooperation’ can be classified by the nature and intensity of the cooperation format. There are modular operational formations (countries maintaining the option of withdrawing their contribution and deploying it nationally) with examples such as the binational Franco-British Combined Joint Expeditionary Force or the multinational UK-led Joint Expeditionary Force. Another category is multinational deployable headquarters, such as the Eurocorps, the German-Polish Multinational Corps Northeast and the 1st German-Netherlands Army Corps. A mutual dependency to deploy exists in the category of integrated operational formations. Examples are the German-Netherlands tank battalion and the Strategic Airlift Capability. The multitudes of clusters of operational cooperation in Europe, which run into the hundreds, have been created to be deployed in three different settings: in NATO, the EU and in ad hoc coalitions. Figure 1 depicts this rather confusing array of operational clusters, adding stand-alone national formations to the mix as well.

Figure 1 The landscape of operational defence cooperation



So, does one make sense of this landscape of which Figure 1 is even a simplification? If we take a step back and look at it from a distance, what kind of patterns are emerging, also taking into account the latest proposals of a ‘flagship’ project within PESCO, the EUFOR Crisis Response Operation Core (CROC)¹ and Emmanuel Macron’s European Intervention Initiative (EII)?² How can we devise an overall framework that provides some guidance on how the multitude of cooperation frameworks on various levels fit together in a logical whole? One of the dangers of this complex and scattered landscape is that the goal of meeting the challenges and threats, which are shared collectively by EU and NATO nations, disappears from view.

Three layers: force formations – docking stations – frameworks of deployment

A. Force formations

The European setting of operational defence cooperation has in essence three layers, from bottom to top: Firstly, force formations of two or more countries, which are constructed on stand-alone national formations. They are the ‘single set of forces’ available to the EU or NATO and form the building blocks of international operations. In practice, those force formations that train and exercise together do not always deploy together, but they are prepared for such a deployment. These formations can ‘plug in’ and ‘plug out’ according to demand and the need for the performance of tasks.

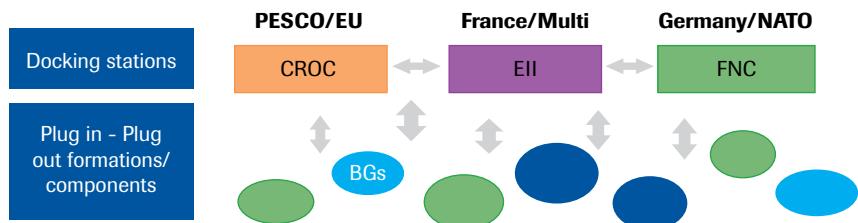
B. Docking stations

Secondly, there is the layer of entities that are comparable to ‘docking stations’ for these ‘plug in–plug out’ formations. In Figure 2, a stylised model of what these two layers could look like is depicted.

1 Sven Biscop, *What is in the CARDs for PESCO?* Security Policy Brief, No. 91, Egmont Institute, Brussels, October 2017, p. 4. For an explanation of CROC, see elsewhere in this report.

2 For an explanation of the EII, see elsewhere in this report.

Figure 2 Docking stations



These ‘docking stations’ can either perform tasks for the EU, NATO or for *ad hoc* coalitions of the willing and able. This ‘docking station’ layer is still developing, but looks to be an interesting formula to enable countries and the various clusters of operational cooperation to choose their cooperation framework in which they train, prepare and possibly also purchase or develop capabilities. Ideally (as it is most efficient), these formations would also be deployed together, but because of a ‘plug-out’ option, actual deployment can also take place in other formations or alongside other troops. The three types of ‘docking stations’ that are mentioned in Figure 2 (all three are explained below) are at a different stage of development, but share the principle of aspiring to enable multiple countries to contribute to larger force formations, thereby collectively generating more operational effectiveness.

For NATO, the Framework Nations Concept (FNC) with Germany as the ‘framework nation’ can be described as a ‘docking station’ that has already made some headway.³ The FNC is a German idea that originated in 2013 and was adopted by NATO in 2014. Currently, it involves 20 countries of which 7 will contribute troops. Although it has the two goals of cooperation on capabilities and operations, creating operational capacity has priority. The purpose of the FNC is to create a robust multinational capacity to counter the Russian threat. It therefore represents a shift by Germany and its armed forces away from crisis management operations to collective defence. Through the FNC group, Germany has made itself available as the ‘backbone’ nation that organises and offers smaller countries command and control structures, provides enablers, training and all kinds of combat services. In 2032 the FNC must lead to combined and joint forces consisting of three mechanized divisions, each capable of commanding up to five armoured brigades. Although it is clear that the FNC is meant to contribute to collective defence, there are ideas about creating ‘mission packages’ to enable units to be deployed for crisis management operations as well.⁴

³ Rainer L. Glatz and Martin Zapfe, *Ambitious Framework Nation: Germany in NATO*, SWP Comments. No. 34, Berlin, Stiftung Wissenschaft und Politik, September 2017.

4 Ibid., p. 3.

One of the flagship projects within PESCO as envisaged by France, Germany, Italy and Spain is the creation of an “EUFOR Crisis Response Operation Core” or EUFOR CROC. The current EU Requirement Catalogue and EU Force Catalogues are much too generic and are therefore of only limited use for operational planning. The intention is echoed in the “more ambitious list of common commitments” in the PESCO notification document of 13 November 2017. It states: “Making available formations, that are strategically deployable, for the realization of the EU LoA, in addition to a potential deployment of an EUBG.(...) This commitment does neither cover a readiness force, a standing force nor a stand by force. Developing a solid instrument (e.g. a data base) (...) to record available and rapidly deployable capabilities in order to facilitate and accelerate the Force Generation Process.”⁵ The idea is to have a force element list of deployable and interoperable force components ready to be employed under one command and as one multinational coherent full spectrum force package for the most demanding EU crisis response operations. The EUFOR CROC is eventually envisioned to comprise a Corps Headquarters, three divisions consisting of nine to twelve land brigades, including maritime, air force and Special Operations Forces enablers. This Crisis Response Operations Core would be suitable as follow-on forces for rapid reaction formations, such as the EU Battlegroups. This “Core” will have to consist of formations by the PESCO countries. This therefore omits the UK, but would also mean a considerable increase in the level of ambition for the participating member states.⁶ Although only in its early stages of thinking, the EUFOR CROC idea is likely to be part of the PESCO flagship projects that are a part of the decision to launch PESCO at the European Council on 11 December 2017. From then onwards, it can be expected that it will receive considerably more political attention and policy urgency.

In September 2017 French President Emmanuel Macron suggested a European Intervention Initiative (EI). The proposal was subsequently mentioned in the French *Revue Stratégique* of October 2017.⁷ This EI also has the characteristics of a ‘docking station’ in which willing and able European countries can pragmatically work together outside the EU and NATO contexts. It intends to have a modular build up and is not meant as a standing formation. The EI can be deployed at the high end of the force spectrum intervention operations for the EU, NATO, UN or in an ad hoc coalition. There might be merit in establishing a relation to PESCO’s EUFOR CROC, as they are made up of the same formations and components. Although not specifically mentioned

5 *Notification on Permanent Structured Cooperation (PESCO) to the Council and the High Representative of the Union on Foreign Affairs and Security Policy*, Brussels, 13 November 2017, at: <http://www.consilium.europa.eu/media/31511/171113-pesco-notification.pdf>

6 Biscop, p. 4.

7 *Revue Stratégique de Défense et de Sécurité Nationale*, 13 October 2017, p. 63, at: www.defense.gouv.fr.

the EII seems to be primarily aimed at interventions in Africa, which President Macron labelled as the priority area in his September speech at the Sorbonne University.⁸

Together, the three ‘docking stations’, the FNC, the EUFOR CROC and the EII, potentially cover all types of operations, from collective defence, to border security, stabilisation operations, to intervention operations. It has to be noted that the European countries collectively still suffer from too many crucial capability shortfalls to be able to live up to the NATO’s and EU’s levels of ambition. Although attractive in theory, the ‘docking stations’ which enable pragmatic operational cooperation in various formats for a variety of tasks, is currently a paper reality.

C. Frameworks of deployment

The third and final layer consists of the frameworks of deployment, the EU, NATO or ad hoc coalitions.⁹ The principle of ‘pragmatic cooperation first and framework second’ pays tribute to the dire security situation that the EU and NATO member states find themselves in. Despite the EU-NATO membership issue (only exacerbated by the UK leaving the EU), European states share a great deal of similar concerns about their threats to security. It is increasingly clear that meeting these challenges can only come about through a collective effort. The EU and NATO both have their roles to play in the European security architecture. In terms of Europe’s security challenges their roles should mainly focus on providing a collective requirement setting, collective planning, organising collective capabilities, stimulating capability cooperation, ensuring interoperability, standardization and guarding overall coordination. A prerequisite for effective operational cooperation is a common standardisation of evaluation, certification, training criteria and major equipment to ensure the interoperability of the respective force components. As NATO has extensive experience in operational standardisation processes, also the efforts within the EU should be modelled according to those existing NATO standards. Obviously, the two organisations are crucial in the political sense as forums for consultation and providers of legitimacy.

A great deal of focus is on how to work together on operations within the frameworks of the EU and NATO. However, in practice, the largest and most ambitious operations have been initiated in ad-hoc formations. Examples of this are the interventions in Iraq (2003), in Libya (2011) and the anti-ISIS coalition in Syria and Iraq (since 2014). Neither the EU nor NATO were the frameworks of first choice, but were either chosen for command and control purposes (Libya), for follow-on operations (Afghanistan) and for legitimisation.

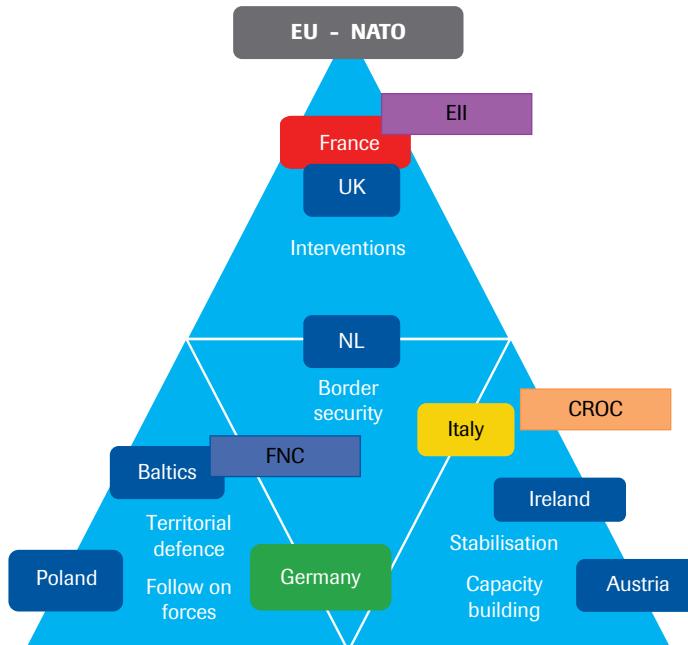
⁸ *Initiative pour l'Europe, Discours d'Emmanuel Macron pour une Europe souveraine, unie, démocratique*, 26 Septembre 2017, Paris, at: www.elysee.fr.

⁹ For the purpose of parsimony, but also priority, other frameworks such as the UN are not included in this report.

Making sense of operational cooperation: priority profiles diagram

Learning lessons from the operational experiences of the last few years and taking into account what the single set of forces collectively set out to do, a diagram as depicted in Figure 3 emerges.¹⁰

Figure 3 The priority profiles diagram



This is a rough and much stylised diagram of the different priority profiles for the various tasks. Although countries will not specialise in one task only (the lines are much more blurred), there are priority profiles emerging among the European member states of the EU and NATO. Germany prioritising territorial defence with heavy formations, while France and the UK favour more interventionist, first entry, deployable forces. Counter-terrorism operations and interventions in a non-permissible environment are more likely to be formed around one of these two countries. Italy is focused on naval operations and border security, while countries such as Ireland and Austria are more interested in capacity building and stabilisation operations.

¹⁰ See also: Dick Zandee, *Core Groups: The Way to a Real European Defence*, Security Policy Brief, Egmont Institute, No. 81, Brussels, February 2017.

A medium-sized country such as the Netherlands is situated at the centre of the schematic depiction of profiles, as it has the ambition to be able to take part in all of these tasks. This might have political advantages, but is difficult to sustain in terms of military contributions. Germany and France (possibly with the UK through the Joint Expeditionary Force) are emerging as backbone nations, while Italy could become one on border security. Outside these basic profiles, countries could design mission packages to enable them to also play a role in other tasks. While it is clear that interventions and territorial defence operation types have backbone nations, the question remains if there is such a lead available on border security, stabilisation operations and capacity building operations. The EU's EUFOR CROC plan could provide this, but having a backbone nation or a 'champion' country promises to have more political traction.

2 Capability development

At first glance one becomes completely confused when looking at EU cooperation in military capability development: an alphabet soup of acronyms, from ‘oldies’ such as CDP, EDTIB, HLG and CoDaBa to a range of ‘newcomers’ – CARD, EDF, EDIDP and PADR.¹¹ How does one bring order into this world of capability development disorder? A logical start would be to define what capability development entails. The European Defence Agency, established in 2004, presented the four-phased approach of capability development: defining military requirements – research & technology – development and procurement programming – industrial production (see Figure 4). Even this chain approach falls short of what is needed to deliver military capabilities. Industry produces fighter aircraft, naval ships and armoured vehicles, but these will not fly, sail or drive without well-trained crews, fuel and other logistical support. For that purpose NATO uses a list of key elements which together constitute capabilities: doctrine, organization, training, material, leadership, personnel, facilities plus interoperability. It results in the ugliest acronym of all – DOTMLPF-I – but it tells us that capability development is much more complicated than producing military equipment. The latter is the task of defence industries. The European Commission places capability development foremost in the latter context. In its European Defence Action Plan and in the European Defence Fund proposal the Commission refers to ‘the capability window’ which follows the ‘research window’. In the capability window the Commission is prepared to co-fund industrial development, in particular of prototypes of defence equipment. So, the Commission brings money into the development and procurement phase.

Figure 4 The four phases of capability development

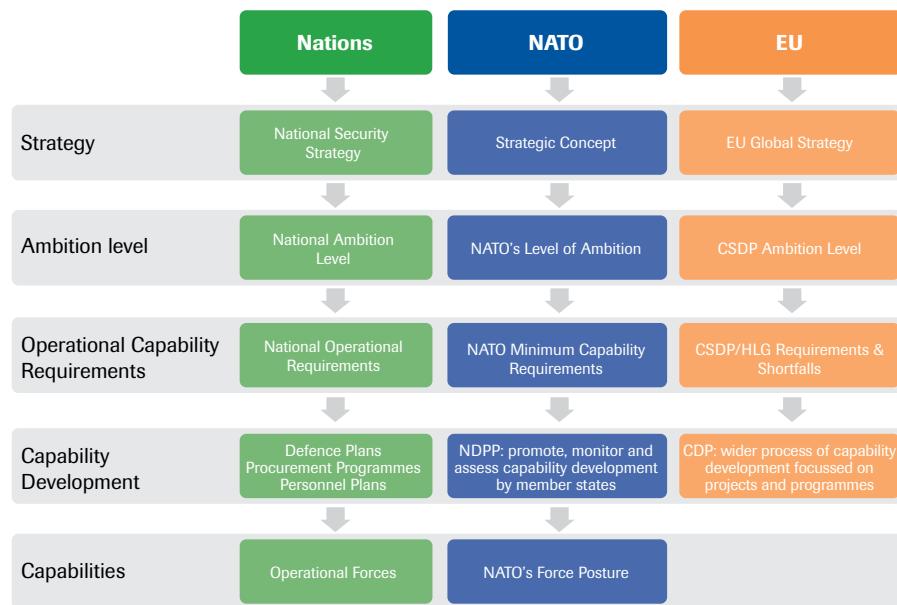


11 See the list of acronyms in the Annex.

From strategy to capability development

Capability development can also be placed in the wider context of security strategies and their implementation. Most nations have a national security and defence strategy, which provides direction to a political level of ambition ('what should we be able to do'). The Ministries of Defence translate the level of ambition into military operational requirements ('what capabilities do we need to have'). Defence plans, procurement programmes and personnel plans are the key tools in fulfilling the operational aims ('how do we realise the required capabilities') – the capability development phase. The operational capabilities of the armed forces are the outcome of this process. The same sequence (strategy level to ambition to operational requirements to planning to operational capabilities) can also be applied to NATO and the EU (see Figure 5).

Figure 5 From strategy to capability development

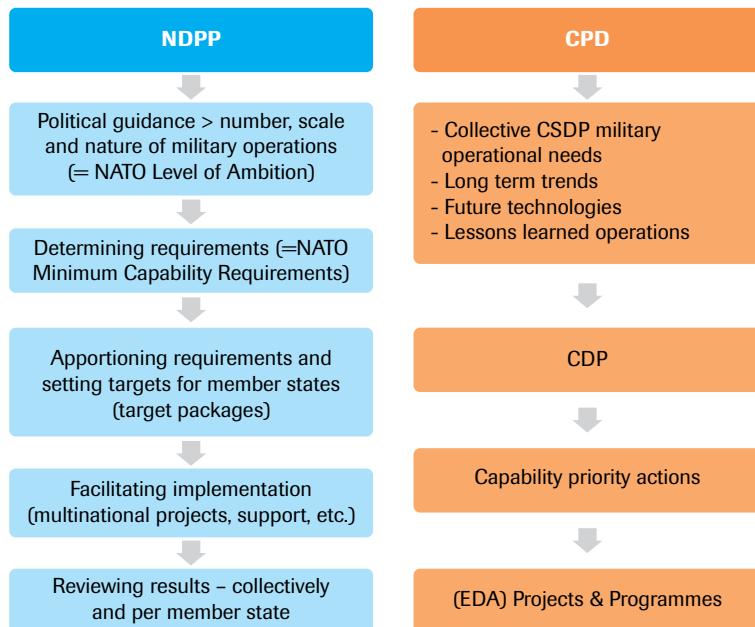


However, as the EU and NATO member states 'own' the armed forces and procure their equipment, the roles of both organisations are limited when it comes to capability development. Through the NATO Defence Planning Process (NDPP) member states are held accountable for their performance in realising their military contributions to NATO's Force Posture. In the EU, the Capability Development Plan (CDP) provides guidance to the member states on capability priorities. In essence neither the NDPP nor the CDP deals with capability development: both support the member states' efforts to address the shortfalls and improve their military capabilities.

NATO defence planning and EU capability development

A closer look at the NDPP and CDP reveals that there are some similarities but also important differences between the two mechanisms (see Figure 6).

Figure 6 NATO and EU mechanisms



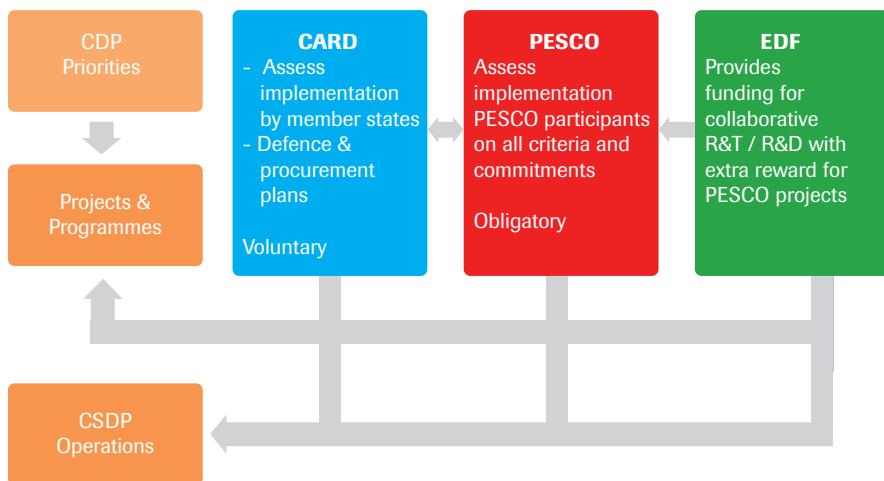
The NDPP has a fixed cycle of five steps and is primarily focussed on assisting the Allies in realising their capability targets – the sum of which provides NATO with the Force Posture needed to carry out the Alliance's Level of Ambition. The last step in the cycle is the capability review, taking place every two years. NATO Staffs assess whether the Allies, all together, can provide the forces needed, in quantitative and qualitative terms, to reach the minimum operational requirements as defined in step two of the NDPP cycle. Member states are also assessed individually on the realisation of the target packages, as defined in step three. The CDP also takes on board the collective operational requirements needed for the Level of Ambition of the EU's Common Security and Defence Policy. But three other strands are also brought into the analysis: long-term trends, future technologies and lessons learned from operations. The mix of all these four strands results in the CDP capability priority actions, which the Ministries of Defence in capitals should take into account when elaborating their national plans. Contrary to the NDPP, the CDP does not result in an assessment of the performance of the member states in realising the operational requirements for CSDP. Rather, the

CDP is the bridge to selecting collaborative research & technology projects, armaments programmes or other multinational activities carried out with (or without) the support of the European Defence Agency. In simple terms: the NDPP focus is operational forces and the CDP focus is projects and programmes.

The impact of CARD, PESCO and the EDF

In the EU important changes in the security and defence area are underway. The Coordinated Annual Review on Defence (CARD), Permanent Structured Cooperation (PESCO) and the European Defence Fund (EDF) are three key separate but interrelated initiatives with a clear impact on EU capability development. Together they should “bring about the step-change in defence cooperation between Member States”.¹² Figure 7 visualises the relationship between CARD, PESCO and the EDF. The chart also explains how these three initiatives relate to the CDP priorities and the projects and programmes.

Figure 7 The impact of CARD, PESCO and EDF



The EDF is a funding tool for PESCO projects as well as for other projects. CARD provides an assessment system, which the EU has lacked up till now. However, CARD participation is voluntary. Most likely CARD is to be absorbed by PESCO, because the assessment for PESCO participants – based on Protocol 10 of the EU Treaty – is obligatory. As almost all EU member states join PESCO, ‘CARD in PESCO’ becomes

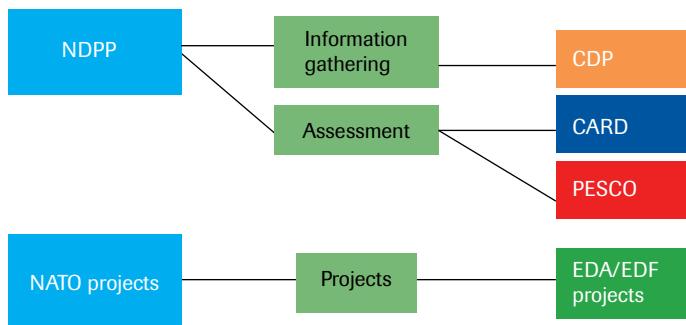
¹² *Council conclusions on security and defence in the context of the EU Global Strategy*, Council of the European Union, 14190/17, Brussels, 13 November 2017.

obligatory for them. PESCO defines the commitments concerning both operational objectives and capability development. Thus, the annual assessment will also encompass both elements. EDA will provide the assessor input on defence investments and capability development while the EEAS/EUMS will do this for operational aspects. The High Representative will send the annual assessment report to the Council.

Scope for NDPP-CDP synchronisation

Thus, there now seems to be more scope for synchronisation between the NDPP and the EU capability development process than in the past. So far, information-gathering on member states' armed forces was the only area of overlap between both systems. With CARD and PESCO an additional element of NATO-EU synchronisation comes into the picture: assessment. As PESCO entails operational aspects as well as defence investment and capability development reporting, it seems that there is scope for a certain amount of commonality between the EU and NATO in assessing member states' performance. A third area would be the level of projects and programmes: EU/EDA and NATO staffs informally exchange information in order to synchronise the R&T, procurement and other capability development activities of both organisations. With PESCO and the funding from the EDF for defence research and industrial development, there also seems to be room for a more structured approach to synchronise capability development projects in the NATO and in the EU/EDA context. Figure 8 depicts the three potential areas for NATO-EU synchronisation in capability development.

Figure 8 The scope for EU-NATO synchronisation



As OCCAR¹³ is mentioned in the PESCO list of commitments as “the preferred collaborative program managing organization” this Bonn-based entity should also be brought into the EU-NATO synchronisation process, either directly or through the EDA which is OCCAR’s upstream natural partner in the EU.

The involvement of the defence industry

Defence industries are essential for producing the kit that European armed forces need. Yet, defence industries are only partly state-owned. Many companies have either a mixed public-private ownership or are completely in the hands of private shareholders. Their interests do not necessarily coincide with the capability-driven approach which may lead to reducing or even closing down old production lines and to start up new ones. The latter always entails a risk, in particular when development costs are high and adequate procurement numbers are still uncertain. Here, the Commission’s European Defence Industrial Development Programme (EDIDP) with a proposed financial volume of € 500 million for 2019–2020 and € 1 billion as of 2021 can play an important role to cross what is known as the ‘valley of death’. But it will be essential, firstly, to steer the money to projects that are directly related to Europe’s capability needs as defined by the CDP. Secondly, the EDIDP’s conditions on forming cross-border industrial consortia and involving small- and medium-sized supply chain companies from all over Europe have to be met as well. Multinationalising demand, resulting in more collaborative projects, has to be mirrored by cross-border industrial cooperation. The Franco-Italian-German-Spanish governmental and industrial cooperation on the next generation medium-altitude Remotely Piloted Air System is a good example. The Franco-German cooperation on the next generation tank, bringing Kraus Maffei Wegmann and Nexter Industries together, is another example. Thus, industry becomes part of multinational defence cooperation linking them to the European capability development process. This could also help to raise more awareness of the importance of European defence industries as a strategic asset – a notion which exists in a country like France but is almost absent in other countries such as the Netherlands. Becoming part of a more European production chain instead of a purely national one will help to create such awareness, but naturally it will also require the large companies in the bigger European nations to look across national borders and to open up their business to outside suppliers.

13 See the list of acronyms in the Annex.

3 Four Dutch case studies¹⁴

The Netherlands' Armed Forces have hundreds (bi- and multilateral) defence cooperation partnerships. This chapter explores which roles the four initiatives – CARD, PESCO, EDF and the FNC – can play in strengthening the Netherlands' defence cooperation, but also how the various formats can or will fit together in one logical framework. Four existing Dutch defence cooperation cases will be analysed, equally divided into two operational and two capability development cases. The operational cases are the United Kingdom-Netherlands Amphibious Force and the Netherlands 11th Air Mobile Brigade-German Division Schnelle Kräfte defence cooperation projects. The two capability development cases are the NH90 helicopter development project and the Multi-Role Tanker Transport Fleet initiative.

For each case, the lessons learned are identified and the three new EU initiatives and the Framework Nations Concept are projected onto the results. For the capability development cases earlier research carried out by the Clingendael Institute and HCSS for the Dutch interdepartmental policy study on international materiel cooperation has been used.¹⁵ Another Clingendael report has formed the basis for the analysis of operational cooperation.¹⁶

Operational defence cooperation cases

UK/NL Amphibious Force

The UK/NL Amphibious Force (UK/NL AF) is based on a Memorandum of Understanding originally signed in 1973. It is an outward and visible expression of the resolve of both nations to act in close harmony in the pursuit of mutual defence within the context of NATO and the European defence cooperation. The Force is Europe's oldest fully integrated military force. The UK/NL AF is uniquely configured in that it is able

¹⁴ The authors thank Frank Bekkers, Karlijn Jans and Michel Roelen for their contribution to this section.

¹⁵ *Internationale Materieelsamenwerking – Rapport ten behoeve van het Interdepartementaal Beleidsonderzoek (IBO) naar internationale samenwerking op het gebied van defensiematerieel*, Clingendael Report, januari 2015.

¹⁶ Dick Zandee, Margriet Drent, Rob Hendriks, *Defence cooperation models - Lessons learned and usability*, Clingendael Report, October 2016, at: <https://www.clingendael.org/publication/defence-cooperation-models>.

to concentrate forces from the UK and NL Marine Corps up to brigade level, together with specialist shipping and supporting maritime assets, for operational deployment as authorised by both governments.

Netherlands 11th Air Mobile Brigade – German Division Schnelle Kräfte

On 12 June 2014 the Netherlands 11th Air Mobile Brigade (11 AMB) was put under the command of the German Division Schnelle Kräfte (DSK). The aim of this integration of different high-mobile German and Dutch capabilities is the creation of a high-readiness and high-mobile intervention unit. The DSK-11AMB is lead by a German-Netherlands Headquarters in Stadtallendorf (Germany). Germany provides the Commander and the Netherlands the Deputy Commander. The combined Headquarters is responsible for common doctrine, exercises and the certification of the German and Dutch units. The respective units of the division are stationed at their national home bases. They can also be deployed without contributions from the partner nations. Thus, the DSK-11 AMB is an example of both integration (Headquarters) and modular defence operational cooperation.

Comparison of the two operational cooperation cases

Characteristics	UK/NL Amphibious Force	GE/NL AMB-DSK
Single command structure	✓	✓
Binational headquarters	-	✓
Exchange of officers at different levels	✓	✓
Common language	✓ (English)	✓ (English)
Common doctrine	✓	- (under development)
Shared military culture	✓	✓
Interconnectedness	✓ (radios)	-
Standards for education and training	✓	-
Integrated annual training programme	-	✓
Logistics	+/- (partly)	+/- (partly)
Maintenance	+/- (for specific equipment)	-
Operational Deployment	-	-
Fully integrated units	✓ (not permanent)	-

Success and failure factors

The scoring of the success and failure factors for the UK/NL Amphibious Force is as follows:

Trust, confidence and solidarity	Sovereignty and autonomy	Similarity of strategic cultures	Geography and history	Number of partners	Countries and forces of similar size and quality
✓	✓	✓	✓	✓	Size no, Quality ✓
Top-down and bottom-up	Mind-set, defence culture and organisation	Defence planning alignment	Standardisation and interoperability	Realism, clarity and seriousness of intentions	Involvement of parliaments
✓	✓	✓	✓	✓	✓

The scoring of the success and failure factors for the Netherlands 11th Air Mobile Brigade (AMB) - German Division Schnelle Kräfte (DSK) cooperation is as follows:

Trust, confidence and solidarity	Sovereignty and autonomy	Similarity of strategic cultures	Geography and history	Number of partners	Countries and forces of similar size and quality
✓	✓	-	✓	✓	Size no, Quality ✓
Top-down and bottom-up	Mind-set, defence culture and organisation	Defence planning alignment	Standardisation and interoperability	Realism, clarity and seriousness of intentions	Involvement of parliaments
✓	✓	In progress	In progress	✓	✓

Both partnerships have been initiated based upon a mostly bottom-up approach, also driven by the personal relationships of the key actors in the political or military domains. Both collaborations were not initially considered as an EU and/or NATO instrument, but rather as bilateral initiatives with mutual benefits. At a later stage it was investigated whether they would fit into EU and/or NATO concepts. The working standards, which the countries impose on themselves within the initiatives, were initially self-chosen and not imposed externally. This also means that any other country has to follow these standards when joining. Often the choice for NATO standards will be made, as they are already used and adequately described and tested. Mutual trust and equality are key factors for success, both at the political as well as at the military level. In both cases the

Netherlands is the smaller partner, but there is a fair share in military burden-sharing and also in the appointment of key personnel.

Impact of European defence initiatives

The role that new initiatives (PESCO/FNC) can play in strengthening current partnerships or in setting up new initiatives is currently difficult to predict. In the examined cases, cooperation was established on the basis of long-term relationships and trust, and in a bottom-up way. No EU or NATO framework was needed for success. Financial resources can possibly help in setting up new cooperation initiatives, but it seems unlikely that these complex processes can be initiated and also be successful due to this incentive only.

Capability development

The NH90 project

The NH90 helicopter project is an example of cooperation between European NATO partners which was also based on the political will to strengthen the European helicopter defence industry. There was no lead nation or lead industry in the project. Instead, the participating nations formed a programme organisation: the NATO Helicopter Management Agency (NAHEMA). The industrial partners are represented by NH Industries (NHI).

Success and failure factors

The scoring of the success and failure factors for the NH90 project is as follows:

Amount of partners	Lead nation	Common planning of procurement schedule	Common operational requirement	Common R&D, minimized separate materiel requirements
Too many	No	No	No	No
Common procurement	Fair share of orders to national industries/R&D institutes	Fair share of in-service support activities and investments	Effective project management	Realistic planning of investments and cost containment
No	Initially yes, but not lasting	No	No	No

Impact of European defence initiatives

The European Defence Fund is intended to promote defence cooperation in the areas of research and development by offering financial and other incentives from the EU budget. If properly applied the EDF will contribute to realising more standardisation and interoperability of the military equipment of European countries, as both demand and industrial supply have to be based on cross-border cooperation in order to secure funding from the EU. Furthermore, such a constellation can also more easily involve smaller countries in a larger project, as the (start-up) costs will be lower than in the traditional set-up of multinational procurement projects. The EDF will finance up to 20% of development costs (prototypes and testing); for PESCO projects the percentage is higher (30%). For the NH-90 project (when executed within a PESCO arrangement and with maximum EDF funding) this additional cash flow could have contributed to a more efficient implementation. Applying the cross-border conditions could have reduced the risks associated with the specific national interests. Instead, there could be more common requirements planning and a fairer distribution between participating countries in terms of the involvement of national industries.

The FNC offers the framework, such as a corps structure or a headquarters, in which a number of smaller nations ‘plug in’ with specific contributions, in order to achieve NATO defence planning targets together. However, although capability development is one of the two goals of the FNC, so far, most attention has gone to the operational side. The FNC is therefore not suitable for projecting onto the NH90 project.

Summary NH90

Initiative	Impact
PESCO	+
EDF	+/-
FNC	N/A

(+ = positive impact, N/A = not applicable)

Multi-Role Tanker Transport (MRTT) Fleet

In 2013, the Netherlands as the project lead country officially expressed interest in the A330 MRTT to replace its two KDC-10 tanker/transport aircraft. In December 2014, after having issued a request for information to industry earlier that year, the bulk of the project member states decided to enter into negotiations with Airbus Defence and Space (ADS) for the procurement of a fleet of A330 MRTT aircraft. In 2017 Germany, Norway and Belgium joined the Netherlands and Luxembourg to participate in the common acquisition of a pool of A330 MRTT aircraft.

Success and failure factors

The scoring of the success and failure factors for the MRTT programme is as follows:

Amount of partners	Lead nation	Common planning of procurement schedule	Common operational requirement	Common R&D, minimized separate materiel requirements
✓	✓	✓	✓	✓
Common procurement	Fair share of orders to national industries/R&D institutes	Fair share of in-service support activities and investments	Effective project management	Realistic planning of investments and cost containment
✓	✓	✓	✓	tbc

Impact of European defence initiatives

PESCO would probably not have contributed to an already efficient project. Although difficult to assess, PESCO decision-making processes could have resulted in delays. It should be taken into account that the project partners are procuring the A330-MRTT ‘off the shelf’. PESCO, in particular when EDF money is allocated, is primarily focussed on research and the development of new equipment. On the other hand, when EU member states decide to commonly acquire equipment, for instance by jointly purchasing aircraft to reduce costs, the Commission can offer practical support through the ‘Financial Toolbox’ of the EDF. For example, it can help them by deploying the most suitable and cost-saving financial arrangements and by providing on-demand tools such as templates for terms and framework agreements and advice on ownership structures¹⁷. It is however doubtful whether this practical support would have an impact on this already successful programme.

¹⁷ *Launching the European Defence Fund*, Communication from the European Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions, COM(2017) 295 final, Brussels, 7.6.2017.

Summary MRTT

Initiative	Impact
PESCO	?
EDF	?
FNC	N/A

(N/A = not applicable)

Assessment of the cases

The role that NATO (FNC) and the EU initiatives (PESCO, EDF) can play in strengthening current partnerships or in setting up new initiatives is currently difficult to predict. In particular in the two examined operational cases, cooperation was established on the basis of long-term relationships and trust, and in a bottom-up way. No EU or NATO framework was needed for success. Social connections, trust and equality play an important role in deeper operational defence cooperation. These elements cannot easily be enforced or shaped top-down.

National industrial interests, combined with diverging technical requirements and other failure factors, have turned the NH90 helicopter project into a nightmare resulting in 23 different types. On the other hand, the MRTT project, with a clear lead nation, common requirements and buying ‘off the shelf’ can be regarded as a successful multinational capability development project. Possibly, financial support and other measures under the EDF/PESCO can help in setting up new cooperation initiatives, but it seems unlikely that the failure factors of multinational defence cooperation projects can simply be overcome by these incentives only. A further strengthening of European defence cooperation will also require a different mindset by the key actors in the member states, based on the assumption that meeting the level of ambition from the EU Global Strategy will require not only better but also more standardised and interoperable armed forces.

Conclusions and recommendations

1. ‘Pragmatism first, framework second’ is a catchphrase that follows from the logic that European countries have a single set of forces and can only spend each Euro once and can deploy each capability at one time as well. Leading in decisions on the types of capabilities and operational tasks is not only whether they are to fit into the EU or NATO, but what strategic effect they can achieve in collaboration with partners. Depending on a country’s specific interests and strategic culture these capabilities can be made available to either of these organisations (also including the UN or ad hoc coalitions). For medium-sized EU countries, such as the Netherlands, this means planning and investing not so much in self-contained, standing formations, but in the concept of ‘plug in’ and ‘plug out’ usable, modular formations.
2. The larger European countries – while maintaining capabilities for both collective defence and crisis management operations – are structuring their armed forces with a specific focus. France and the United Kingdom place much emphasis on expeditionary forces which are suitable for rapid reaction or first entry intervention operations. For France, European solidarity in defence means primarily a willingness and readiness to join the country in operations in Africa. The European Intervention Initiative must be placed in this context, although Paris underlines that it can also serve NATO’s collective defence as a quickly deployable force. Germany is restructuring its land forces into heavy formations that are the most suitable for collective defence. The German Framework Nations Concept offers other European nations the opportunity to ‘plug in’ to a robust multinational formation to deter and counter the Russian threat. Italy is taking the lead in border security operations built around a core of naval forces. Several smaller European countries focus mainly on stabilisation operations.
3. The Netherlands has a broad capability profile, which allows the country to ‘plug in’ into larger formations for any type of operations – be it for interventions, traditional territorial defence or stabilisation. This certainly has political advantages. The country keeps all options open and can show maximum solidarity towards partners, depending of course on the will to really deploy force contributions. However, this ‘multipurpose tasks’ approach does raise questions in terms of maintaining credible and sustainable capabilities for all contingencies.

4. The capability development processes in the EU and NATO overlap in certain aspects but they are different in nature. The NATO Defence Planning Process (NDPP) is primarily focussed on planning and assessing the contributions of Allies to the NATO Force Posture needed to carry out the Alliance's Level of Ambition. The Capability Development Plan (CDP) of the EU is the bridge to selecting collaborative research & technology projects, armaments programmes and other multinational activities carried out with (or without) the support of the European Defence Agency. However, new EU initiatives, such as PESCO and the Coordinated Annual Review on Defence, broaden the scope for NDPP-CDP synchronisation in information flows, from the existing notification of forces and plans to the areas of assessment and project planning.
5. The European defence industry plays a key role in capability development. It is essential that the European Defence Fund is allocated to projects that serve Europe's capability needs as defined in the CDP. Furthermore, it is crucial that the conditions as proposed by the Commission on forming cross-border consortia in order to be eligible for financing from the Fund are met and incorporate Small and Medium-Sized Enterprises. Cross-border industrial consortia can also help to raise more awareness of the importance of European defence industries as a strategic asset.
6. The case studies show that operational defence cooperation is most effectively constructed in a bottom-up way between partners with a long tradition of trust, personal relationships and equality. For capability development projects new instruments such as PESCO and the European Defence Fund can have a positive influence on multinational procurement projects as the combination of financial incentives and industrial cross-border conditions have the potential to reduce the failure or risk factors as shown in the case of the NH90 helicopter programme.

Annex

List of acronyms

11 AMB	11 th Air Mobile Brigade (Netherlands)
ADS	Airbus Defence and Space
BeNeSam	Belgisch-Nederlandse Samenwerking (Belgian-Dutch naval cooperation)
BG	Battlegroup
CARD	Coordinated Annual Review on Defence
CDP	Capability Development Plan
CJEF	Combined Joint Expeditionary Force
CoDaBa	Collaborative Data Base
CROC	Crisis Response Operation Core
CSDP	Common Security and Defence Policy
Den	Denmark
DOTMLPF-I	Doctrine, Organization, Training, Material, Leadership, Personnel, Facilities plus Interoperability
DSK	Division Schnelle Kräfte
EATC	European Air Transport Command
EC	European Commission
EDA	European Defence Agency
EDF	European Defence Fund
EDIDP	European Defence Industrial Development Programme
EDTIB	European Defence Technological and Industrial Base
EEAS	European External Action Service
EUMS	European Union Military Staff
EII	European Intervention Initiative
EU LoA	European Union Level of Ambition
EU	European Union
EUBG	European Union Battlegroup
EUFOR CROC	European Union Force Crisis Response Operation Core
FNC	Framework Nations Concept
HLG	Headline Goal
HCSS	The Hague Centre for Strategic Studies
ISIS	Islamic State of Iraq and the Levant
ITA	Italy
JEF	Joint Expeditionary Force
MFF	Multi-annual Financial Framework
MRTT	Multi-Role Tanker Transport

NAHEMA	NATO Helicopter Management Agency
NATO	North Atlantic Treaty Organization
NDPP	NATO Defence Planning Process
NHI	NATO Helicopter Industries
NO	Norway
NRF	NATO Response Force
OCCAR	Organisation Conjointe de Coopération en matière d'Armement
PADR	Preparatory Action on Defence Research
PESCO	Permanent Structured Cooperation
PT	Portugal
R&T	Research and Technology
SAC	Strategic Airlift Capability
SNMG	Standing NATO Maritime Group
SP	Spain
SWE	Sweden
TU	Turkey
UK/NL AF	United Kingdom/Netherlands Amphibious Force
UK	United Kingdom
UN	United Nations
VJTF	Very High Readiness Joint Task Force