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Subject: Council conclusions on Security and Defence in the context of the EU
Global Strategy

Delegations will find in the Annex the Council conclusions on Security and Defence in the context of the EU Global Strategy, adopted by the Council at its 3538th meeting held on 18 May 2017.

**COUNCIL CONCLUSIONS ON SECURITY AND DEFENCE
IN THE CONTEXT OF THE EU GLOBAL STRATEGY**

Introduction

1. *By responding to external conflicts and crises, building the capacities of partners and protecting the Union and its citizens* – the three strategic priorities identified in the EU’s level of ambition as derived from the EU Global Strategy – the EU remains committed to strengthen security and defence. To this end, the EU is enhancing its ability to act as a security provider, as well as its global strategic role and its capacity to act autonomously when and where necessary and with partners wherever possible. In this regard the Council stresses the importance of tackling challenges and threats along the nexus between internal and external security as well as to develop an integrated approach, including to better address prevention, linking up different EU instruments in a coordinated way.
2. Following the European Council Conclusions of 15 December 2016, noting the Conclusions by the President of the European Council of 9 March 2017, and recalling the Council conclusions of 6 March 2017, 14 November and 17 October 2016 and other relevant conclusions¹, the Council welcomes the further progress made in implementing the EU Global Strategy in the area of security and defence, as set out further below.
3. The Council stresses the importance of continuing concrete work, also in view of the European Council in June. In particular it looks forward to:
 - The progress report from the High Representative expected also in June on the implementation of all work strands of the EU Global Strategy, including in the area of security and defence.

¹ European Council Conclusions of 19-20 December 2013 and June 2015, as well as the Council conclusions of November 2013, November 2014 and May 2015.

- The proposal from the Commission expected in June implementing the European Defence Action Plan of November 2016 focusing on setting up the European Defence Fund.
- The forthcoming report in June of the High Representative/Vice President/Head of European Defence Agency on the follow-up to the Council conclusions of 6 December 2016 regarding the implementation in all areas of the Joint Declaration signed in Warsaw by the President of the European Council, the President of the European Commission and the Secretary General of the North Atlantic Treaty Organization. In this regard, it reiterates its call for further work on the implementation of the common set of proposals approved by the Council in December 2016 in full respect of the principles of inclusiveness, reciprocity and the autonomy of the EU's decision-making processes.

The Council also looks forward to the report of the High Representative/Vice President and the Commission on the implementation of the Joint Framework on countering hybrid threats by July 2017.

Improving CSDP crisis management structures

4. Further to its conclusions of 6 March 2017 and 14 November 2016 in particular, the Council looks forward to the effective establishment, as a short term objective, of the Military Planning and Conduct Capability (MPCC) within the EU Military Staff in Brussels. Through a Council Decision and the approval of the revised terms of reference for the EU Military Staff, the MPCC will assume responsibilities at the strategic level for the operational planning and conduct of the EU's non-executive military missions, working under the political control and strategic guidance of the Political and Security Committee. The Director General of the EU Military Staff will be the Director of the MPCC and in that capacity will assume the functions of missions' commander for non-executive military CSDP missions, including the three EU Training Missions deployed in Central African Republic, Mali and Somalia.

5. The Council reiterates that the MPCC will work in parallel and in a coordinated way with the Civilian Planning and Conduct Capability (CPCC). It welcomes the work ongoing to bring together civilian and military expertise in key mission support areas within a Joint Support Coordination Cell (JSCC) in Brussels, in order to work on a daily basis to further strengthen and enable effective civilian/-military coordination and cooperation in the operational planning and conduct of CSDP civilian and non-executive military missions, while respecting the respective civilian and military chains of command and the distinct sources of financing.
6. The Council recalls that the establishment of the MPCC and the JSCC shall be reviewed one year after becoming fully operational, but no later than by the end of 2018, based on a report by the High Representative and on lessons learned. This review should be prepared in full consultation with the Member States and would not prejudice any political decisions to be taken.
7. The Council welcomes the progress made in promoting EU civil-military intelligence-based situational awareness, notably through the systematic alignment of structures and procedures between EU Intelligence Centre and the Intelligence Directorate of the EU Military Staff, within the EEAS. It supports the gradual approach chosen to enhance the capabilities of the Single Intelligence Analysis Capacity (SIAC) of the EU and the short term needs already defined for additional staffing. It will revert to the issue again in view of further progress achieved and plans elaborated for the longer term development on SIAC. The Council furthermore underlines the important role of the EU Satellite Centre (EU SATCEN).

Strengthening CSDP cooperation with partner countries

8. While recognising the importance of deepening partnerships with other international organisations, in particular the UN, NATO, OSCE, African Union, League of Arab States and ASEAN, the Council reiterates the commitment to develop a more strategic approach of CSDP cooperation with partner countries in line with the EU's three strategic priorities as mentioned above. Such a strategic approach should (i) focus on partner countries that share EU values, including the respect for international law, and are able and willing to contribute to CSDP missions and operations, (ii) closely involve Member States and (iii) fully respect the EU's institutional framework and its decision-making autonomy.

While recognising the valuable contributions by partner countries to CSDP missions and operations and acknowledging that partnerships serve the EU's political and strategic interests, the Council supports efforts to improve cooperation with partner countries, notably by:

- enhancing cooperation with partner countries in areas such as countering hybrid threats, strategic communication, cyber security, maritime security, security sector reform, border security, the external dimension of irregular migration/human trafficking, the fight against organised crime and arms trafficking and preventing and countering radicalisation and terrorism, using to the extent possible existing fora of cooperation in the area of security and defence;
- enhancing efforts to help build the resilience of third countries including through training and capacity-building and in line with ongoing work on a future Joint Communication on Resilience and the Capacity Building in support of Security and Development (CBSD) initiative, bearing in mind their flexible geographical scope;
- dialogue and consultation with third countries on security and defence related issues, tailored to address the concerns of both the EU and the partner country;
- further exploring the need for an enhanced role for EU Delegations in this regard, in line with the EU's integrated approach and including through security and defence advisors particularly in destabilised, fragile and crisis areas, taking into account the cooperation with Member States' representations in the field where relevant;

- including partner countries in CSDP training activities and deepening their involvement in EU exercises and lessons learned, where possible, with due respect to the EU Exercise Policy Framework and the existing procedures with regard to the exchange of classified information;
 - exploring options with a view to more structured cooperation with partner countries with a strong civilian focus.
9. The Council reiterates as well the importance of associating contributing partners as closely and as early as possible to the conduct of these missions and operations, in full respect of the EU's institutional framework and its decision-making autonomy, and in full transparency with Member States. In this regard, it supports regular dialogue with third countries, in particular those having a Framework Participation Agreement (FPA) with the EU and regularly contributing to CSDP missions and operations, aiming at partners' commitment, informing them on CSDP developments, and identifying possible contributions. It also stresses the need to continue work to facilitate partners' participation in CSDP missions and operations.
10. On this basis and in line with the above-mentioned principles, the Council invites the High Representative to continue work on a more strategic approach to CSDP partnerships, in full transparency, and to revert to the issue early 2018.

CBSD

11. As an important contribution to allow the EU to provide capacity building in an effective, responsible and seamless way, the Council reiterates its call for the swift finalisation of work on the legislative proposal to amend the Instrument contributing to Stability and Peace. The Council recalls its Conclusions of 14 November 2016 and 6 March 2017 about the need to fully cover all requirements to further support partner countries in preventing and managing crises on their own, including those in the context of CSDP missions. It reiterates the flexible geographical scope of the initiative and, in this context, calls to continue the ongoing work, including on the pilot cases, and to identify and develop new projects in the area of Capacity Building in support of Security and Development (CBSD). The Council further recalls its proposal to work on a dedicated instrument for providing capacity building taking into account the necessary preparatory work.

Developing civilian capabilities

12. The Council highlights the essential contribution of civilian CSDP to the three strategic priorities identified in the EU's level of ambition derived from the EU Global Strategy, namely to respond to external conflicts and crises, to build the capacities of partners and to protect the EU and its citizens. Further to its conclusions of November 2016 and March 2017, it welcomes the ongoing work to assess in more detail the implications of the EU Global Strategy for the priority areas of civilian crisis management, initially agreed in Feira (2000). Recalling that the tasks of strengthening the police, rule of law and civil administration will remain at the core of civilian CSDP, the Council reiterates the need to take into account the evolving political priorities and enable a better response to current and future security challenges, in accordance with the principles of EU's Comprehensive Approach. These security challenges include irregular migration, hybrid threats, cyber security, terrorism, radicalisation, organised crime, border management and maritime security.

In this context, the Council underlines the importance of substantially updating civilian capability development in order to address both identified new challenges and persisting gaps in the originally agreed capabilities. Furthermore, synergies and links to the work on building resilience, the nexus between internal and external security, and an integrated approach to conflicts and crises should be fully taken into account. Promoting civil-military cooperation in the field is also necessary due to the nature of threats and in order to maximise the CSDP response. The Council also notes the need to improve and strengthen cooperation and exchange of information between CSDP and FSJ actors and to enhance compatibility and interoperability with UN crisis management structures and missions, particularly in the field.

The Council invites the High Representative, in close consultation with the Member States to determine in due time the contribution of civilian CSDP alongside other EU instruments in addressing the new security challenges in order to submit subsequently by December 2017 concrete proposals on the key requirements for civilian capabilities. The Council agrees on the importance of timely reviewing the priority areas of civilian crisis management, when required, and invites the High Representative to report on these in the framework of her reporting on the Implementation Plan on the EU Global Strategy. The key requirements should be assessed as part of the regular review process to ensure the continued effectiveness of civilian CSDP.

Enhancing the responsiveness of civilian crisis management

13. Against this background, the Union must become more responsive, flexible and rapid in reaction. The Council invites the High Representative, in close consultation with the Member States as well as the Commission to submit proposals with the intention to take concrete steps by December 2017 for implementing a multi-layered approach to a more responsive civilian CSDP, including concrete options for the creation of a core responsiveness capacity. This core capacity, building on existing structures, could act as a planning and start-up capacity as well as provide scalable and temporary reinforcement or provision of specialised expertise. This core responsiveness capacity can be complemented through rapidly deployable assets and planning elements from Member States, including, where agreed, specialised teams and multinational formations such as the European Gendarmerie Force. These rapidly deployable assets could support new missions, bridge gaps between an initial start-up phase and full deployment as well as temporarily provide key expertise to existing missions. In order to contribute to responsiveness, the use of preparatory measures remains an important tool. Furthermore, the Council recalls the importance of the established Mission Support Platform, as part of an effort to take forward a Shared Services Centre concept.

14. Swift decision-making and effective planning are essential for swift action. The Council supports the possibility of using limited and targeted CSDP missions including for assessment, analysis and limited operational activity to be deployed through a rapid political decision making process on the basis of accelerated planning. These could be standalone missions or serve as a stepping stone for subsequent CSDP action, if deemed necessary and so decided by Member States, as part of a flexible approach. They could be supported by the core responsiveness capacity and complemented by other rapidly deployable assets from Member States and existing structures, as appropriate. Furthermore, the Council underlines the importance of swift decision-making for effective implementation of missions' mandate and for steadily adapting the missions to the changing environment and evolving needs on the ground.

Reinforcing military Rapid Response

15. The Council reaffirms its commitment to strengthen the EU's rapid response toolbox including notably the EU Battlegroups (EUBGs), in support of the EU Level of Ambition. It stresses that more systematic arrangements and commitments could be considered to promote predictability, consistency, efficiencies and a more equitable sharing of the burden. In this regard, the Council reiterates in particular the need to reinforce the preparation of the EUBGs, their modularity and their effective financing, also in order to facilitate political decision-making on deployment. It furthermore calls for an early identification of follow-on forces and reserves (exit/transition strategy). To this end, the Council agrees to:

- Reinforce the preparation of EUBGs, which remains a national responsibility, notably by strengthening their preparatory exercises, including the possibility for EUBG troop contributing nations to organise an exercise at political (ministerial) level (POLEX) or a live exercise.
- Develop further their modularity in a pragmatic way, while underlining that the EUBGs, according to the EUBG Concept, are considered to be a coherent force package capable of conducting stand-alone operations:

- the core of the EUBG should continue to be ready to undertake the required military tasks as set out in the Concept;
 - specialised assets with specific skills, including possibly also a limited civilian element, based on a needs assessment, should be pre-identified if possible, to be aggregated to an existing structure, in order to respond to specific deployment requirements;
 - at the level of the force enablers, a greater contribution from all Member States should be considered as part of the need to share the burden of the framework and other troop contributing nations in view of a particular operation.
- The continued exploration of, in the relevant framework in view of the comprehensive revision of the Athena mechanism foreseen by the end of this year, the common funding provisions and arrangements that may facilitate rapid decision-making and deployment, including as regards:
 - greater predictability by integrating the ad hoc Declaration on the common costs of EUBG deployments into the Athena mechanism;
 - the question of common costs in areas such as the redeployment of and key support for EUBGs;
 - ensuring rapid financing by reviewing the necessary arrangements in view of effective EUBG deployment.
 - Regular dialogue with the United Nations as well as with NATO to seek synergies in the area of rapid response and to retain best practices, including on exercises, with due respect to the decision-making autonomy of the EU.

Deepening European defence cooperation

Permanent Structured Cooperation

16. Following its conclusions of 6 March 2017, the Council welcomes the progress made in further developing an inclusive Permanent Structured Cooperation (PESCO) in 2017, based on inputs provided by the Member States. It reiterates that PESCO should be open to all Member States who are willing to make the necessary binding commitments and meet the criteria, based on articles 42.6 and 46 TEU and Protocol 10 of the Treaties. It stresses that PESCO should subsequently, within the Union framework, help generate new collaborative efforts, cooperation and projects. Any capabilities developed through PESCO will remain owned and operated by Member States, who have a single set of forces that they can also use in other frameworks, including the UN and NATO. With a view to an ambitious and output-oriented PESCO, in accordance with the relevant Treaty provisions, the Council agrees that:

- The goal of PESCO would be to strengthen European security and defence and contribute to fulfilling the EU Level of Ambition agreed by the Council in 2016 across its three strategic priorities also with a view to the most demanding missions, and to facilitate the development of Member States' defence capabilities and strengthen European defence cooperation, while making full use of the Treaties.
- The necessary binding demanding common commitments for all PESCO participating Member States and specified criteria will need to be developed by Member States, fully in line with Protocol 10 annexed to the Treaties.
- The governance of PESCO, following its establishment, would essentially consist of two layers: at the Council level where all Member States are present, to ensure transparency and overall coordination, and PESCO participating Member States are entitled to vote; and at the level of projects and initiatives, where only those contributing to each specific project or initiative will be represented. Appropriate arrangements for oversight, transparency and participation in projects and initiatives could be considered in due course.

- Concrete collaborative projects and initiatives need to be identified based on a modular approach in support of PESCO's common goals, commitments and criteria.
- Without prejudice to participating Member States' principal role in the decision making through the Council, the EDA and the EEAS will provide support to the implementation of PESCO within their respective areas of competence. The Commission will be associated to the work to ensure coherence with and support through the EDAP.

17. The Council agrees to take this work forward with a view to reaching an agreement as soon as possible on the issues mentioned in paragraph 16. It will revert to the matter, most preferably in June.

Coordinated Annual Review on Defence

18. The Council recalls its Conclusions of 6 March 2017, notably highlighting that the Coordinated Annual Review on Defence (CARD) would be implemented on a voluntary basis and in full respect of Member States prerogatives and commitments in defence including, where it applies, in collective defence and their defense planning processes and taking into account external threats and security challenges across the EU. It also reiterates the need to ensure coherence between the CARD, as well as the Capability Development Plan (CDP), and respective NATO processes, such as the NATO Defence Planning Process (NDPP), where requirements overlap, while recognizing the different nature of the two organisations and their respective responsibilities.

19. The Council welcomes the further work undertaken by the High Representative/Head of the Agency and Member States on the more detailed proposals regarding the scope, methods and content of CARD. It underlines that CARD should support Member States in delivering capabilities against present and future strategic trends and challenges, and actively promoting enhanced defence cooperation among Member States. The CARD should be built up incrementally over time to further improve its output in support of Member States and the EU as a whole.

- 20 The Council welcomes the idea of a written report being prepared by EDA in its capacity as CARD secretariat, in cooperation with the EUMS and the EUMC which is to be presented to the EDA Steering Board at Ministerial level initially every two years and to be forwarded to the Council. Such report will provide a comprehensive overview on (i) Member States' aggregated defence plans, including in terms of defence spending plans taking into account the commitments made by the European Council in December 2016, (ii) the implementation of the EU capability development priorities resulting from the CDP while considering also prioritization in the area of Research & Technology and Key Strategic Activities, and (iii) on the development of European cooperation; providing over time a comprehensive picture of the European capability landscape in view of Member States identifying the potential for additional capability development.
21. The Council underlines that such comprehensive overview will build on information made available by Member States to EDA in order to support the CARD analysis, while avoiding any unnecessary additional administrative effort. The Council underlines that EDA should gather the supporting information by making best use of existing tools and processes (e.g. CDP, Cooperative Database) and encourages Member States to make their contributions provided to NATO through NDPP and the Defence Investment Pledge or the Partnership for Peace Planning and Review Process, respectively releasable to EDA. To complement these elements, additional points of discussion could be addressed, as necessary, in a bilateral dialogue between Member States and EDA on topics of interest for CARD, including the mid- and long-term trends as far as capability development is concerned.
22. The Council endorses the modalities set out above to establish the CARD along those lines, starting with a trial run involving all Member States as of autumn 2017. This will allow Member States to test, adapt and validate the approach as necessary, in view of Member States' decision making, based on early lessons identified, ahead of the first full CARD implementation to be launched in autumn 2019. The first CARD report emanating from this trial run together with an assessment of the lessons learnt in view of future CARD exercises is to be presented to the EDA Steering Board at Ministerial level in November 2018 and to be forwarded to the Council.

Other EDA work

23. The Council welcomes the work being taken forward within the EDA framework to strengthen European defence cooperation. The Council highlights in this context the proposals on strengthening the EU capability development process as approved by the EDA Steering Board in March 2017, to be applied to the revision of the CDP in spring 2018, taking into account the contribution from the EUMC. The Council acknowledges the progress made by the Agency in developing further an Overarching Strategic Research Agenda in order to inform the envisaged European Defence Research Programme. The Council further acknowledges the work taken forward in defining five Key Strategic Activities pilot cases with a view to testing the methodology for future Key Strategic Activities which will be identified on the basis of the revised CDP priorities in spring 2018. The Council encourages the Agency to move ahead in the implementation of proposals related to critical enablers such as training and education, standardisation, certification, test and evaluation. The Council welcomes the Agency's work in support of strengthening the European Defense Technological and Industrial Base (EDTIB) based on a structured dialogue with industry.

European Defence Action Plan

24. The Council welcomes the ongoing work on the implementation of the European Defence Action Plan (EDAP) by the Commission, in close cooperation with the Member States and in line with the Treaties. In particular, it welcomes the launch of the Preparatory Action for defence-related research, including with view to the proposals for an EU defence research programme to be examined under the next Multiannual Financial Framework. In this regard, the Council calls on the EDA to support Member States in identifying the defence capability priorities and the Research & Technology priorities that will inform the programme.

The Council furthermore welcomes the Commission's intention to present a proposal in June 2017 for a Regulation to establish a European Defence Industrial Development Programme. In this regard, the Council reiterates the need to develop and maintain Member States' capabilities, including notably in support of capability priorities laid down in the CDP, supported by a more integrated, sustainable, innovative and competitive EDTIB, which also contributes to jobs, growth and innovation across the EU and can enhance Europe's strategic autonomy, strengthening its ability to act with partners. The Council recalls that these efforts should be inclusive, with equal opportunities for defence industry in the EU, balanced and in full compliance with EU law. The Council also reiterates its call for ensuring fair access to cross-border markets and international supply chains, in particular for small and medium-sized enterprises (SMEs), involving all stakeholders (including contracting authorities and industry). The Council recalls the invitation made by the European Council in December 2016 to the European Investment Bank to examine steps with a view to supporting investments in defence research and development activities.

Coherence

25. The Council invites the High Representative/Vice-President/Head of the Agency to explore, in close cooperation with Member States, the potential links between PESCO, CARD and the European Defence Fund as initiatives aimed at enhancing defence cooperation between Member States, while acknowledging that these standalone initiatives, based on different Treaty provisions, are under development.