

#33

PeSCo

THE BELGIAN PERSPECTIVE

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Policy Paper

Belgium was one of the first countries of the European Union to discover, in 2010, the abstruse provisions concerning PESCO tucked away in a corner of the Lisbon Treaty. Its first reaction to this unidentified object, which emerged unannounced from the meanderings of the European Convention (2001-2003), was one of astonishment. The astonishment then gave way to misunderstanding, which inevitably turned into concern (we fear that which we do not understand). And last of all, when the PESCO was finally launched in December 2017, a feeling of relief ultimately prevailed.

Keywords : *PESCO, Common Security and Foreign Policy, CSDP, European integration, defence, European Defence Fund, European military capabilities*

Belgium has played an important role in the negotiations on permanent structured cooperation (PESCO) since the beginning of the talks. Actually, the first EU country to be required to deal with this new form of military cooperation was Spain. Indeed, the PESCO should have been in place as soon as the Lisbon Treaty entered into force in December 2009. The first rotating presidency of the EU under the Lisbon regime, from January to July 2010, was held by Madrid. It was, therefore, entirely logical that Spain would be the first to try to get to grips with it, by arranging an exploratory seminar aiming to do the groundwork, before passing the hot potato onto the next presidency, that of Belgium.

Once the astonishment phase had been and gone, Belgium has taken the bull by the horns by arranging an informal Council session in “Defence” format in the city of Ghent¹. Its aim was to work towards concrete proposals to allow the launch of the permanent structured cooperation, amongst other things². This was in September 2010 and from that point onwards, Belgium’s position, which will be examined in depth in this article, would not change.

As for the PESCO, it would fall back into obscurity for a number of years, before making a timid reappearance in the European debate in 2014, with the election of Jean-Claude Juncker to the Presidency of the European Commission, and a more forceful comeback in 2015, after the attacks in Paris.

¹ Johan Andries, “The 2010 Belgian EU Presidency and CSDP”, *Egmont Security Policy Brief*, No. 21, April 2011.

² Sven Biscop, Jo Coelmont, “CSDP and the ‘Ghent Framework’: The Indirect Approach to Permanent Structured Cooperation?”, *European Foreign Affairs Review* (2011) 16, Issue 2, pp. 149–167.

NATIONAL PERSPECTIVE ON PESCO: WHAT EXPECTATIONS?

The position adopted by Belgium on structured cooperation is easier to understand by looking at what the country does not want, rather than by looking at its aspirations. First of all, the Belgians were concerned about some unclear wording used in the Treaty of Lisbon regarding the criteria to join the PESCO. The English version of the Treaty states that “*Those Member States whose military capabilities fulfil higher criteria and which have made more binding commitments to one another in this area with a view to the most demanding missions shall establish permanent structured cooperation within the Union framework*”³. It is the words “*Those Member States whose military capabilities fulfil higher criteria*” that were a particular problem for Belgium, and in fact for other countries besides.

What did the authors of the Treaty mean by that? Did they intend to bring in a mechanism designed to drive up military budgets? Or worse: was the PESCO devised as an initiative aimed only at the militarily most capable member states, in other words, the ones that spend the most on defence, amongst other things? The English language version of the Treaty seems to support this interpretation. The French one, however, comes across as being more flexible and open to other possible readings. By stating that the PESCO is open to countries which “*... remplissent **des** critères plus élevés de capacités militaires...*” (‘whose military capabilities fulfil **some** higher criteria’), this version could certainly intimate that the PESCO was simply devised as an initiative aimed at member states pledging to do more than they did before the PESCO was launched.

In any event, the possibility of permanent structured cooperation becoming an initiative reserved for an exclusive club of the most capable member states in military matters was of great concern to Belgium and definitively shaped its viewpoint on the subject. Belgium has always aspired to be in the vanguard when it comes to the process of European integration (although this mindset has not always been entirely evident in recent years, as we will see). As the Belgian defence budget is one of the lowest in the EU, the spectre of a two-speed European defence without Belgium haunted the country’s senior echelons until the day on which the PESCO was instituted: 11 December 2017.

Against this backdrop, we can easily understand why this country has been on a mission since 2010 to make sure that the PESCO was as inclusive as possible and that its accession criteria were accessible to all. This means that when, on 11 December 2017, the EU launched a PESCO made up of 25 member states out of a possible 26 participants⁴, based on low-level binding commitments that had mostly already been subscribed within various other frameworks, Belgium could not but feel relieved.

If the Belgian stance towards the PESCO has not moved on since 2010 in either its

³ Art.46.6 of the Treaty on European Union.

⁴ Denmark, which has opted out of the EU Common Security and Defence Policy, and the United Kingdom, which will soon no longer be a member of the EU, were not eligible to join the PESCO.

foundations or its substance, its underlying motivation, on the other hand, has changed to some extent. Up to 2014 and throughout its recent history, Belgium has fostered strongly pro-European convictions. Support for the European integration process, particularly in the field of defence, has long been the subject of a solid national consensus⁵. In this context, as we stated above, the main challenge and objective for the Belgian authorities as regards the PESCO was to make sure that they were not excluded from the hypothetical inner circle of the EU in defence matters.

From 2014 onwards, however, this enthusiasm for the process of European integration began to wane a little. Most Belgian parties remain sincerely pro-European, but the participation of the Flemish nationalists of the N-VA (*Nieuw-Vlaamse Alliantie* – New Flemish Alliance) in the government coalition compromised the readability and clarity of this commitment. Admittedly, the N-VA has never propounded any Eurosceptic or Europhobic positions such as those that have been seen in other countries on the continent in recent years. Even so, the Flemish nationalists, who became a key player in the Belgian political landscape, ultimately continue to be less fervent supporters of European integration and have ended up diluting Belgium's traditional enthusiasm for it⁶. Simply put, if Belgium seems lukewarm towards the PESCO today, it is no longer so much out of concern that it will be out of its reach, but rather because the principal stakeholder of the government coalition lacks belief in the benefits of European integration.

For all that, the line taken by the Belgian government towards the PESCO is not easy to categorise. This is firstly because the military and diplomatic elite of the country are still much more strongly in favour of the initiative, and secondly because the government is also made up of other parties, including that of Foreign Affairs Minister Didier Reynders, which are staunch proponents of greater integration at European level. Despite these ambiguities, a clear observation must serve as a conclusion: the PESCO dossier will have been managed by the least "pro-European" government in Belgium's post-war history.

THE PESCO AND ACCESSIBILITY TO THIRD COUNTRIES

When the member states discuss the matter of the participation of third countries in the various EU policies, since 2016 they have inevitably had mainly the United Kingdom in mind. The whole issue of third countries, which was a secondary consideration prior to 2016, has suddenly become a vital and highly sensitive subject. This is particularly true of initiatives such as the PESCO or the European Defence Fund, which have the objective of reinforcing European military capabilities, and which are aimed at the defence industries.

The stance Belgium has taken on this issue follows on from its more general position on the

⁵ Sven Biscop, "Belgium and the miracle of European defence", *European Geostrategy*, 9 December 2014.

⁶ Interview.

PESCO: the country would like the initiative to remain flexible and “light”, and therefore to be inclusive and as open as possible to the United Kingdom. On this point, the Belgian government has opted for a very clear and firm position since May 2018, by adopting a “non-paper” on the subject with its closest partners from Benelux. Several other EU countries have since got behind this noteworthy Benelux position, namely Poland, Estonia, Lithuania, Latvia, Sweden, Bulgaria, Finland, the Czech Republic, Slovenia and Portugal⁷.

This position is at odds with the one adopted on the same subject by France, Germany, Spain, Austria and Greece, which have shown a good deal more caution on the matter⁸. Although Austria and Greece are particularly keen to avoid Turkey becoming involved with the PESCO⁹, and therefore hope to restrict the access of third countries to the initiative, Paris, Berlin and Madrid have highlighted the concepts of strategic autonomy and European sovereignty to justify their ambitions of restricting third countries’ access to the PESCO.

The fact that Belgium has lined itself up in opposition to the Franco-German camp on this issue is highly significant. Certainly, the Belgians have always had excellent relations with the United Kingdom. But on European issues, they have traditionally been much more on the same wavelength as France and Germany, whose key role in integration Belgium acknowledges, even though it has often warned of the risks of hegemony, to the detriment of the smaller countries. This willingness to open up the PESCO to third countries as much as possible tends to demonstrate that Belgian support for the process of European integration is no longer as solid as once it was.

ASSESSMENT OF THE DIFFERENCES BETWEEN PESCO IN THE LISBON TREATY AND THE DECEMBER 2017 AGREEMENT ON PESCO

As originally devised, the PESCO was intended as a means of achieving two things that the EU Common Security and Defence Policy (CSDP) could not: gather the most willing member states into a **vanguard** of forerunner countries (while the CSDP is open to all but Denmark), so that they can adopt **binding commitments** that will allow them to bring their defence apparatus closer together (while the CSDP functions only on the basis of voluntary cooperation)¹⁰.

By instituting an “**inclusive**” and “**modular**” PESCO, the member states basically decided to do the opposite. The inclusive nature of this initiative signed the death warrant of any idea of a vanguard of the most committed countries, while the notion of modularity seems

⁷ Benelux non-paper: Benelux Food for Thought Paper: “Third state participation in PESCO projects”, May 2018 (co-sponsored by Portugal, Latvia, Estonia, Bulgaria, Lithuania, Sweden, Finland, Czech Republic, Slovakia and Poland).

⁸ Food for Thought Paper of France, Germany, Spain and Italy on Third State participation in PESCO projects.

⁹ Jacopo Brigazzi, “UK and US will be allowed to join some EU military projects”, *Politico*, 2 October 2018.

¹⁰ Federico Santopinto, “La coopération structurée permanente : opportunité et embûches pour la défense européenne” (available in French only), *Les Éclairages du GRIP*, 6 March 2017.

to have been introduced in order to offset the binding nature of the commitments made. Moreover, the concept of “modularity” (called for by the member states) bears all the hallmarks of an oxymoron, as it has been tacked onto the concept of “binding commitment” (the latter having been provided for by the Treaties).

What the authors of the Treaty of Lisbon exactly wanted to do with PESCO? By establishing binding commitments, they wanted to promote the convergence of the military apparatus of those countries that were ready to accept more integration, in the same way as the common currency (Euro) has done in the economic field¹¹. But in the end, as it appears now PESCO will ultimately include almost all member states, including a Poland that is determined to take over the pro-sovereigntist baton from the United Kingdom (and therefore refrain from integrating), on the basis of fairly flexible criteria.

The purpose of this kind of a PESCO has, therefore, inevitably changed. The member states have decided to make what was supposed to be a **tool of integration** and convergence into a **tool of coordination**, to create a framework for a series of capability projects they would like to carry out jointly. In other words, they have made it into a mechanism to manage and, if needs be, to generate projects. Thus hijacked, the objective is still a praiseworthy one, but it is by no means a new one. It actually corresponds roughly to the role assigned to the European Defence Agency in 2004. The EU is a new structure for these purposes.

This configuration assigned to the PESCO perfectly reflects what Belgium wanted. As we stated above, the Belgians did not want a two-speed European defence, as they feared that they would be unable to join the first circle. They also hoped to avoid being subject to binding commitments which the public debt (one the highest of the Eurozone) would have made it difficult for them to honour.

Belgium is, on the other hand, highly committed to the development of capability projects, which it pursues through bilateral or mini-lateral cooperation projects. And, going forward, it intends to continue with this approach. With this in mind, therefore, Belgium wanted a PESCO involving few commitments and that was modular, inclusive and flexible. And it wanted it to be based almost exclusively on projects that were independent of each other, small in scale if possible, and which could be cherry-picked. It got its own way on all of these.

¹¹ Frédéric Mauro and Federico Santopinto, *Permanent Structured Cooperation: national perspectives and state of play*, study for the European Parliament, SEDE committee, 2017.

WHAT TYPES OF PROJECTS FOR PESCO AND WHAT IMPACT ON SUB-REGIONAL INITIATIVES?

Although Belgium has, in the past, played the specialisation card, for instance by focusing its capability efforts on developing special forces, minesweepers and a small high-tech air combat capability, the country now seems to be changing tack, with the intention of preserving the broadest possible range of military capabilities.

Indeed, Belgium appears to have lost confidence in the process of “pooling and sharing” launched by the EU in the framework of the CSDP. In a strategic document adopted in 2016, the Belgian authorities argue that it is premature, or even outright risky, to move the country forward into excessive specialisation based on unshakeable faith in European integration¹².

The country remains nonetheless deeply committed to capability cooperation projects, which incidentally constituted the only way of getting around the massive budgetary constraints facing it. However, Belgium prioritises bilateral or “mini-lateral” cooperation projects, for instance with Benelux, the Netherlands in particular, rather than projects on a broader European scale. Its aim is to focus first and foremost on the countries that are geographically closest to it, including France and Germany, in addition to the Benelux countries. From this point of view as well, the PESCO as set out on 11 December 2017 therefore appears to correspond to the Belgian wish list.

Among the first wave of seventeen projects placed under the aegis of the PESCO, only one would benefit from Belgium’s leadership: this concerns the development and design of an underwater mine-clearing drone (Maritime Semi-Autonomous Systems for Mine Countermeasures – MAS MCM)¹³. This is a logical decision, in view of the specialisation Belgium has acquired in the field of minesweepers over the years.

Brussels also participates in a further five projects¹⁴, and has observer status in four more¹⁵. As Nicolas Gros-Verheyde pertinently points out on his specialist website *Bruxelles 2*¹⁶, with very few exceptions, the Netherlands and Belgium participate in the same PESCO initiatives, which tends to support our observations above.

As regards the next wave of projects, to be adopted in November 2018, Belgium does not seem to wish to take on any new leadership roles, due to its budgetary constraints¹⁷.

¹² Belgian Ministry of Defence, “The Strategic Vision for Defence (2016-2030)”, pp. 35-37, 29 June 2016

¹³ EU Council, Permanent Structured Cooperation (PESCO) first collaborative PESCO projects – Overview, 11 September 2017.

¹⁴ These are as follows: European Secure Software defined Radio (ESSOR), Network of Logistic Hubs in Europe, Simplifying and standardising cross-border military transport procedures, Energy Operational Function (EOF), European Union Training Mission Competence Centre (EUTMCC).

¹⁵ One on port surveillance, another on ground forces and the number two on cyber-defence

¹⁶ Nicolas Gros-Verheyde, “PESCO. Les champions, les actifs, les réticents. Qui participe à quoi ?”, *Bruxelles 2 Club*, 9 December 2017.

¹⁷ Interview with Steven Vandeput: “Facilité de paix, Pesco, Sophia ... Il reste encore des points à clarifier”, *Bruxelles 2*, 14

However, the country is still very interested in one project in particular, which is not currently part of the PESCO framework: the project concerning the Future Combat Air System (FCAS). A number of Flemish companies (active in the electronics and embedded components sector) and their Wallonian counterparts (aircraft components) are said to be keen to be included in any European initiative that is launched in this area. It remains for a single project to get up and running and to be placed under the umbrella of the PESCO. And then, it will also remain to understand how the ambition of being included in the FCAS development project can be compatible with the recent choice to purchase the American F-35 instead of the European fighter aircrafts Thyphoon or Rafale.

From a more general point of view, Belgium considers that although the project launched in the framework of the PESCO should aim to plug the capability gaps identified at European level, other areas of action should not be excluded. The possibility of including existing cooperation projects in the framework of the PESCO, for instance, has had strong support from Brussels. In this field as well, incidentally, Belgium also carried its point, as several projects that were developed elsewhere are now in the PESCO management portfolio (and principally the military mobility project).

Finally, it is interesting to note that throughout the negotiations on the PESCO, the Belgians have been staunch proponents of the idea that the countries may enjoy maximum flexibility in the management terms and conditions of the projects in which they are involved. This, again, tends to highlight their preference for a PESCO that is free from constraints and is as modular and flexible as possible¹⁸.

LINKS BETWEEN THE PESCO, THE EUROPEAN DEFENCE FUND, AND THE COORDINATED ANNUAL REVIEW ON DEFENCE

The links between the CARD and the PESCO appear quite obvious to the Belgian authorities. Participation in the CARD is considered an absolute prerequisite to come on board the PESCO. The complementarity of the objectives of the two initiatives, which aim to bring the defence apparatus of the member states closer together, has been highlighted by the Belgian representatives in the principal negotiating documents adopted in the framework of the PESCO¹⁹. The European Defence Fund is naturally also seen as an essential piece of the same jigsaw puzzle²⁰.

Nevertheless, Belgium, as most of the other EU member states, does not seem ready to fully assume the political implications that the launch of CARD, EDF and PESCO should imply. In theory, these tools were created to promote what is now called the European strategic

September 2018.

¹⁸ Belgian answers to a questionnaire on PESCO, April 2017.

¹⁹ Ibid.

²⁰ Interview with Sven Biscop.

autonomy (mainly from the US). The decision to purchase the American F-35 instead of its European alternatives is therefore emblematic of how the Belgians remain shy and hesitant when they have to act concretely in order to pursue this final goal.

The F-35 choice does not mean that Brussels turned its back on the European defence policy. Generally speaking, and with the notable exception of the fighter aircrafts, Belgium still tends to focus its military purchases on European equipment. However, such a decision demonstrates that Belgian authorities are not ready to break away from 'business as usual' in this field, in spite of the new tools, ambitions and declarations displayed at EU level.

Belgian politics is well-known for its art of compromise, not for its capacity to make clear choices. It is therefore no coincidence that, on the day after the decision to buy the F-35, Prime minister Charles Michel announced his intention to purchase French land force rolling equipment for €1.6 billion, as part of a strong partnership with Paris (training and maintenance). An American choice and a European one: what else for the country where both NATO and EU headquarters are based?

CONCLUSION

Surprise, disbelief, concern and relief: these are the four words that best describe the attitude adopted by the Belgian authorities towards permanent structured cooperation.

Since 2010, when it should have been created, until December 2017, when it was finally established, permanent structured cooperation has been perceived by Belgium (and by many other Member States) as something cumbersome: we could call it the cumbersome Treaty of Lisbon. For more than 7 years, Member States have been turning the matter upside down, not understanding what to do with it, but knowing exactly what they did not want to do with it.

Then, a series of tragic events (conflicts at Europe's borders, terrorist attacks) led to promises of action at European level in order to reassure public opinion. This is how the process leading to the birth of this initially unwanted baby was triggered. As PESCO is no longer threatening the sovereignty of some states and the budgets of others, but it is simply focusing on the management of capability projects (most of which would have existed with or without PESCO), it is likely that it will end up being loved by the member states. ■

#33

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The Armament Industry European Research Group (Ares Group) was created in 2016 by the French Institute for International and Strategic Affairs (Iris), who coordinates the Group. The aim of the Ares Group, a high-level network of security and defence specialists across Europe, is to provide a forum to the European armament community, bringing together top defence industrial policy specialists, to encourage fresh strategic thinking in the field, develop innovative policy proposals and conduct studies for public and private actors.

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