
TONY BLAIR INSTITUTE FOR GLOBAL CHANGE

The following submission represents the views of experts in the Geopolitical Team at the Tony Blair Institute for Global Change (TBI). It brings together the insight of internal experts on UK-EU defence relations, wider geopolitics, international security, cyber policy and global political leadership on foreign affairs. It also draws on long-standing engagement with external experts, policymakers and other stakeholders.

EXECUTIVE SUMMARY

Despite significant historical involvement and accelerated cooperation following the Russian invasion of Ukraine, structural barriers hinder expanded defence cooperation between the UK and the EU. The UK's lack of structural cooperation with Europe is untenable. The UK is arguably the most prominent and capable European defence actor and the leadership provided by the UK in response to Russia's invasion of Ukraine is evidence of its importance and alignment. PESCO remains one possible avenue for deeper UK-EU cooperation. However, practical considerations such as intellectual property pose challenges.

We recommend a new and ambitious approach to UK-Europe defence cooperation:

- Convening a regular European defence summit between the UK and EU and include non-EU member states and European defence platforms such as the EDA, EDF and JEF. This should be the basis of working toward greater European cooperation in three key areas:
 - a. *Procurement*: the UK should spearhead a collective 'European defence capability review' which aims to identify collective asset and capability shortfalls in competitive context.
 - b. *Capacity*: the UK should work in partnership with the EU and other platforms to identify European 'centres of excellence' to capitalise on states' and networks of states' strengths with regard to research and production.
 - c. *Research*: the UK should work toward securing a special track arrangement with PESCO and the EDF to smooth the path for UK collaboration on specific defence projects. This could allow the UK associated-country privileges, including access to EU funding and classified information, based on the framework of Norway's participation.
- In parallel, the UK should continue to deepen its bilateral collaboration arrangements, including through a new Combined Joint Experimentation Force with France and cooperation on tank procurement with Germany, among other areas. It should similarly deepen defence ties by formalising agreements with Poland and other Eastern European states. The UK should further consider its European security investment in a NATO context to ensure inefficiencies apparent in European defence are not replicated further.

Historic UK-Europe Defence Cooperation

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1. Prior to the UK's withdrawal from the EU, it played a leading role in a number of EU-led, unilateral and bilateral European defence cooperation platforms. Whilst the former have been interrupted as a consequence of withdrawal, the latter continue.
 2. The UK was once a critical member of the Common Security and Defence Policy (CSDP). The CSDP involves the deployment of military missions for peace and conflict carried out by secondments from EU member states. The UK's lack of access to the CSDP prevents the UK from joining any current or future peacekeeping/advisory operations run by the EU such as ALTHEA, ATLANTA and SOPHIA. Although at first glance, this seems not to be a major disadvantage, one needs to remember that the EU plans to increasingly engage in such operations in the future. The fact that the UK will no longer have a say over the direction of development for the European armed forces and will no longer be bound to follow them, may in the long term result in a development of a 'two-speed' or even two-direction Europe.
 2. The UK had significant influence in the inception of the European Defence Agency's (EDA) in 2004, which is an intergovernmental agency of the Council of Europe. Its aim is to support development of defence capabilities and military cooperation amongst member states as well as resource research and development in the European defence sector. The EDA is the gateway to R&D projects, the European Defence Fund and most importantly is likely to be the route for future European Commission investments in defence. The UK is no longer a member of the EDA following its withdrawal from the European Union. To be a member of the EDA, a country must be in the EU, however, some countries such as Norway, Serbia, Switzerland and Ukraine have 'Administrative Arrangements' with the EDA. They allow for interaction, project partnerships and voluntary personnel contributions but they do not confer voting rights or automatic presence at any meeting.
 3. Prior to the renewed Russian aggression towards Ukraine, the UK had become significantly engaged in Eastern Europe through its contributions to NATO's Enhanced Forward Presence by leading a battalion-sized battlegroup (in Estonia) and contributing to another (in Poland), while simultaneously contributing air power to the Baltic Air Policing Mission. Britain has also deployed Typhoon fighters to Romania since 2016 as a contribution to NATO's Tailored Forward Presence in South-eastern Europe. The UK has sent additional military support in the form of the Royal Engineers to Poland to counter the border crisis created by the regime in Belarus and 350 Royal Marines in response to the build-up of Russian forces on Ukraine's borders.
 4. The Joint Expeditionary Force (JEF) was established in 2014 to develop a platform for readiness and coordination between a smaller group of countries that could be used flexibly. The JEF is UK-led and includes 10 other northern European nations: Denmark, Estonia, Finland, Iceland, Latvia, Lithuania, the Netherlands, Norway, Sweden and the UK. Under an 'opt-in' arrangement, every nation can provide
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capability and expertise. It has provided a flexible multilateral forum to help northern European nations coordinate and emphasise their support for 'significant economic and humanitarian support in response to the deteriorating situation in Ukraine and the region'. The JEF has coordinated a number of joint maritime exercises.

5. The Organisation for Joint Armament Co-Operation (OCCAR) is a European inter-governmental organisation established in 1996, managing bilateral and multilateral collaborative armament programmes between its members (Belgium, France, Italy, Spain and the UK) and associated states (Finland, Luxembourg, the Netherlands, Poland, Sweden and Turkey).
6. The Lancaster House agreement & UK-France Combined Joint Expeditionary Force (CJEF) are treaties aimed at improving interoperability, the capacity to act together quickly (expeditionary capability) and the joint development of capabilities of Europe's two largest defence powers. The treaties envisage the creation of a Combined Joint Expeditionary force of 10,000 personnel, the development of an integrated maritime task force by the early 2020s and collaboration in capabilities, particularly in the complex weapons sector. The overriding ambition for the next decade is to deliver further integration of UK and French armed forces including in the coordination of aircraft carrier deployments and armaments cooperation.

Post-Brexit UK-Europe Defence Dynamics

7. The British armed forces remain among Europe's most capable fighting forces. In the land domain, with its NATO Allied Rapid Reaction Corps Headquarters, the UK provides a high-quality standing deployable corps headquarters. The UK's Special Forces Group provides a joint special-forces brigade at very high readiness with the capability for covert surveillance. In the air domain, the UK holds about 50% of all heavy transport aircraft and more than 25% of all heavy transport helicopters among the 28 EU member states. Its airlift capability was demonstrated recently in support of French-led operations in Mali, and in response to humanitarian assistance and disaster-relief operations relating to Hurricane Irma in 2017. The Royal Navy holds 50% of all nuclear-powered attack submarines in the EU, with only France providing a similar capability. British boats have a special operations-forces deployment capability and land attack cruise missiles. The Royal Marines are probably the most capable amphibious landing force in Europe, able to deploy a brigade-sized force, depending on shipping and support-asset availability. The UK's comparatively strong military capabilities and significant role in defending Europe demonstrates the need for greater cooperation.
8. The war in Ukraine has already reshaped the UK-EU relationship. The UK and EU have worked together in productive cooperation in the application of sanctions towards the Russian state and the Putin regime, as well as coordination around the provision and flow of weapons and vital infrastructure. The UK has been at the front

of the pack on arms deliveries. It was the first European state to provide lethal aid (anti-tank missiles) to Ukraine, followed by cyber support, electronic warfare capabilities, drones, air defence and combat vehicles. It is providing large-scale training of Ukrainian armed forces in the UK itself, leading a wider group of countries in doing so. In December, it became the first country to agree to provide Western main battle tanks to Ukraine, along with large numbers of other armoured vehicles from its own stocks. All these initiatives together mean that the UK remains the biggest European defence donor to Ukraine, with assistance totalling some £2.3 billion in the 2022/23 fiscal year, and another £2.3 billion in prospect for 2023/24.

9. There has also been a defence/security mindset shift since the beginning of the invasion. NATO nations have rebooted defence plans and budgets. Chancellor Scholtz discarded decades-long German policy and boosted defence spending by €100bn. President Macron has promised the same budget increase. Poland, Estonia, Lithuania will all raise spending to 3% of GDP on defence this year. Finland and Sweden overturned decades of non-alignment and applied to join NATO. However, there has been little evidence of the UK following suit in scaling up its defence capabilities.
10. The UK's recent joint bilateral declarations with Finland and Sweden following both countries stated intentions to join NATO, create an obligation to offer military assistance in the event of attack (and will cover the period before NATO's Article 5 collective defence guarantee will be activated).
11. Despite the UK's importance as a defence partner for Europe, in particular with reference to Ukraine, existing approaches present a number of challenges for greater UK-EU defence cooperation. Firstly, the UK government has not been particularly proactive in pushing for inclusion in EU defence projects. The government launched in 2021 a [Defence Industrial Strategy](#) which is designed to improve procurement. However, the section on international collaboration talks almost exclusively about UK-NATO collaboration, discussing the EU only in vague terms. The [Integrated Review](#), published in 2023, was even less specific about collaboration with the EU.
12. Despite public expressions of support, there appears to be no great willingness on the part of the EU to involve the UK either. Access to EDA-funded projects is very difficult for the UK for the moment as it is controlled and funded directly by the European Commission and hence its actions have to be compatible with European Single Market regulations. The Commission is understood to view the EDA as a tool of European industrial policy as much as anything else, with defence needs ultimately subordinated to boosting Europe's industrial base. Opening up any of its projects to the UK, even if the bulk of the funding was supplied by the UK, would detract from this goal.

The UK & PESCO

13. PESCO (Permanent Structured Cooperation) is an EU-legislated strategic defence cooperation platform aiming to simplify and standardise national cross-border military transport procedures, enabling the swift movement of military personnel assets throughout the EU. Composed of 25 EU-member states, in November 2022 Britain was allowed to participate in the military mobility project, as the EU recognises the 'substantial added value' the UK could bring to it. Canada, Norway and the US also participate in the PESCO project Military Mobility. The UK joining PESCO's military mobility project represents the first post-Brexit formal engagement between the UK and EU's Common Security and Defence Policy (CSDP). PESCO is currently developing 68 projects, in areas ranging from cyber security, naval and air asset development to communications infrastructure and missile defence systems.

14. PESCO is seen as a possible vehicle for UK involvement in EU defence as it is coordinated by member states, many of whom support greater UK involvement in defence. However, UK involvement in procurement via PESCO is also likely to prove unviable. Both the EDA and PESCO incorporate strict rules on third party involvement, in part because of concerns over intellectual property. This is potentially a major difficulty for both sides. If the UK became involved, it would open up the door to other third- party nations as well, for example Turkey. For the UK, it would have no veto over the export of jointly-developed defence technology to, for example, Argentina. UK involvement in PESCO is therefore opposed by some nations, including the French and Spanish, for protectionist reasons, although Germany has been supportive.

Recommendations

The UK is a critical defence power in Europe and greater cooperation between the EU, UK and other non-EU states is required given the imminent threat of Russia and other security challenges. His Majesty's Government should consider the following as it explores new ways to cooperate with Europe toward common defence:

- Convening a regular European defence summit between the UK and EU and include non-EU member states and European defence platforms such as the EDA, EDF and JEF. This should be the basis of working toward greater European cooperation in three key areas:
 - a. *Procurement*: the UK should spearhead a collective 'European defence capability review' which aims to identify collective asset and capability shortfalls in competitive context.
 - b. *Capacity*: the UK should work in partnership with the EU and other platforms to identify European 'centres of excellence' to capitalise on states' and networks of states' strengths with regard to research and production.
 - c. *Research*: the UK should work toward securing a special track arrangement with PESCO and the EDF to smooth the path for UK collaboration on specific

defence projects. This could allow the UK associated-country privileges, including access to EU funding and classified information, based on the framework of Norway's participation.

- In parallel, the UK should continue to deepen its bilateral collaboration arrangements, including through a new Combined Joint Experimentation Force with France and cooperation on tank procurement with Germany, among other areas. It should similarly deepen defence ties by formalising agreements with Poland and other Eastern European states. The UK should further consider its European security investment in a NATO context to ensure inefficiencies apparent in European defence are not replicated further.

This response has been prepared by Dr Matthew Godwin and Mr Daniel Sleat.

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