



Kangaroo Group Discussion Paper for the December Defence Summit

Better spending in Security and Defence through more Cooperation

In December 2013 the heads of state and government will meet for the first time since 2008 to discuss defence and security issues. This European Council has the aim of making specific progress towards a more common defence policy as foreseen by the Lisbon Treaty.

Recalling these aspirations for common defence and considering the success of the Internal Market, the Kangaroo Group calls on the heads of state and government to **launch, as part of a sustained endeavour, common specific and realistic projects in the field of capabilities.**

Recent events have shown that the EU and the member states still do not have at their disposal key capabilities necessary to achieve the goals of the European Security Strategy. Main deficits concern intelligence, navigation, protected telecommunications and transport. Space surveillance, high resolution imagery systems, next generation satellite communications, UAVs, strategic airlift and hospital ships are but a few examples. Shortfalls are often the same for civilian purposes and military missions.

Union programmes in areas such as internal and border security, disaster management, space, research a significant prospect of jointly developing capabilities relevant for security and the CSDP.

As a first step, this process should lead to a **better synchronisation of national procurement, harmonisation of requirements and pooling and sharing** which in turn will result in less duplication in capabilities, more specialisation and more efficient spending.

This process should, furthermore, lead to **consolidation of demand** and common procurement. Member States should also recognise the need for **common assets** and commit themselves to make all the necessary steps to achieve this objective by 2020, i.e. funded under the next MFF. These steps include a sound analysis of needs and means, the strengthening of EDA, OCCAR and EEAS and possibly even a revision of the relevant Treaty provisions.

Furthermore, the Kangaroo Group considers the European Council should not miss the opportunity to agree on the following projects:

1. Renewed strategy. Any attempt to develop capabilities and strengthen the European Industrial and Technological Base will inevitably fail if it is not based on a renewed assessment of European strategic interests, and the way to protect them from current and



unforeseen risks and threats. Hence, the European Council should launch a **process of reflection**. This process should not be conducted behind closed doors. Questions like the definition of European interests, the contribution of CSDP to the collective defence in NATO, the stabilisation of Europe's neighbourhood, and to the global collective security, or even the legitimacy of the use of force call for a **wide public debate, involving the European Parliament, national parliaments and civil society**.

Building on this debate, the Vice-President/High Representative shall then draft a **White Paper** or strategic concept closing the gap between EU's strategic ambitions and the urgently needed capabilities. The European Council should adopt this white paper and set up a **revision process every five years**. Furthermore, in order to assess implementation of the decisions to be taken in December 2013 and to be able to take new initiatives on defence and security matters, **the European Council should decide to dedicate one meeting every year to this issue**.

2. Internal Market. The directives of the European Parliament and the Council on defence and security procurement and on intracommunity transfers of defence-related goods opened the common market to defence products in order to **improve the quality, deliver cheaper products and enhance the competitiveness of our European Industry**.

The European Commission and the Member States should confirm their commitment to extend the rules of the Internal Market to the field of security and defence while recognising the specific strategic nature of the defence and security industry. **Member states must fully apply the two directives of 2009, opening up their markets to EU-wide competition, putting an end to unfair and market distorting practices, and making maximum use of possibilities of the new regime for intra-EU transfers**. At a later stage, the scheduled revision of the directive on intra-EU transfers of defence related products should be used to simplify the current system of licences.

3. Standardisation. Common technical standards can lead to **economies of scale and improve the global competitiveness of our European industry**. We, therefore, support as an example the Software Defined Radio (SDR) project of a common technical standard for protected telecommunications. This will facilitate communications between blue light services, police and armed forces in the fight against natural disasters, crime or terrorist attacks. However, the success of this project could be jeopardised if different versions of this standard are elaborated. This has to be avoided. The European Commission and the European Defence Agency should take the initiative further and set more European standards in other defence and security fields.

4. Certification. At this time, much unnecessary duplication is caused by the fact that new products have to be certified in every of the 27 Member States. This causes **additional costs of up to twenty percent of the respective products**. We need a common European certification procedure based on the mutual recognition of certificates and in the future on the development of common standards. The heads of states and governments should launch the work on a common procedure of certification on security and defence goods at the European level.



5. Research. As the European Union will have € 70 billion for its research framework programme Horizon 2020 during the period 2014-2020, the European Commission and the Member States supported by the European Defence Agency should develop common research projects supporting the equipment for civilian and military CSDP missions. Financing CSDP related research from the Horizon 2020 budget is the only way to guarantee a long term impact. The Kangaroo Group calls on the European Commission, the European Parliament and the Council of Ministers to **use the potential of the Horizon 2020 security research programme in order to foster synergies between civilian and military research.** Therefore it is necessary to integrate defense requirements from the beginning into research projects and to **set up a Preparatory Action for CSDP related research, focusing on areas where EU defence capabilities are most needed.**

6. Navigation and space situational awareness. With the EU financed Galileo and Copernicus projects the EU became a prominent European space actor. For reasons of European strategic autonomy, it is necessary that the Member States take advantage of the public regulated signal (PRS) and put Galileo at the centre of European navigation procedures serving both civilian and military actors in the field of CSDP. As the Galileo project already is a joint European project and against the background of the limited national capabilities in space observation, it is necessary to **use civilian and military synergies to protect European satellites** from space debris. For this endeavour the Member States, the European Space Agency and the European Commission should pool their financial resources and find a coherent governance structure.

7. Transport capabilities. While all future conflict scenarios call for a **high level of deployability and in-theatre mobility as the most important enabling capabilities, European armed forces still widely lack this capability.** Sophisticated airlift assets, in particular, offer huge potential for civil-military synergies as they can be used over the whole spectrum of CSDP missions. The European Air Transport Command (EATC) is a good example of what can be achieved at European level. Nevertheless, without a further, concerted European effort, the dependence on American, Ukrainian and Russian capabilities will not be alleviated. We, therefore, call on the European Council to envisage a **specific project to satisfy the European need for heavy transport helicopters and aircraft.**