



PERMANENT STRUCTURED COOPERATION - PESCO

DEEPENING DEFENCE COOPERATION AMONG EU MEMBER STATES

MORE SECURITY FOR THE EU AND ITS CITIZENS

In light of a changing security environment, the [EU Global Strategy for Foreign and Security Policy \(EUGS\)](#) started a process of closer cooperation in security and defence. The EU Member States agreed to step up the European Union's work in this area and acknowledged that enhanced coordination, increased investment in defence and cooperation in developing defence capabilities are key requirements to achieve it.

This is the main aim of a Permanent Structured Cooperation on security and defence (PESCO), as outlined in the Treaty of the EU, Articles 42 (6) and 46, as well as Protocol 10. Through PESCO, Member States increase their effectiveness in addressing security challenges and advancing towards further integrating and strengthening defence cooperation within the EU framework.

DEEPENING DEFENCE COOPERATION THROUGH BINDING COMMITMENTS

PESCO is a Treaty-based framework and process to deepen defence cooperation amongst EU Member States who are capable and willing to do so. The aim is to jointly develop defence capabilities and make them available for EU military operations. This will thus enhance the EU's capacity as an international security actor, contribute to the protection of EU citizens and maximise the effectiveness of defence spending.

The difference between PESCO and other forms of cooperation is the legally binding nature of the commitments undertaken by the participating Member States. The decision to participate was made voluntarily by each participating Member State, and decision-making will remain in the hands of the participating Member States in the Council. This is without prejudice to the specific character of the security and defence policy of certain EU Member States.



We have activated a Permanent Structured Cooperation on Defence – ambitious and inclusive. 25 Member States have committed to join forces on a regular basis, to do things together, spend together, invest together, buy together, act together. The possibilities of the Permanent Structured Cooperation are immense.

Federica Mogherini

High Representative/ Vice-President (December 2017)

STEPS TOWARDS A PERMANENT STRUCTURED COOPERATION

On 13 November 2017, as the first formal step towards setting up PESCO, Ministers signed a common [notification](#) on the PESCO and handed it over to the High Representative and the Council. The notification sets out a list of 20 more binding common commitments in the areas of defence investment, capability development and operational readiness. It also contained proposals on the governance of PESCO and its principles.

Based on this [notification](#), on 11 December 2017, the Council took the historic step to adopt a [decision](#) establishing PESCO and its list of participants. A total of 25 Member States decided to participate in PESCO¹.

¹ - The participating Member States are: Austria, Belgium, Bulgaria, Czech Republic, Croatia, Cyprus, Estonia, Finland, France, Germany, Greece, Hungary, Italy, Ireland, Latvia, Lithuania, Luxembourg, the Netherlands, Poland, Portugal, Romania, Slovenia, Slovakia, Spain and Sweden.

STRUCTURE AND GOVERNANCE

PESCO has a two-layer structure:



- **Council Level:** Responsible for the overall policy direction and decision-making, including as regards the assessment mechanism to determine if participating Member States are fulfilling their commitments. Only PESCO members are voting, decisions are taken by unanimity (except decisions regarding the suspension of membership and entry of new members which are taken by qualified majority).



- **Projects Level:** PESCO's effectiveness will be measured by the projects it will develop. Each project will be managed by those Member States that take part in it, under the oversight of the Council. To structure the work, a decision on general governance rules for the projects has been adopted by the Council.

PESCO Secretariat: The European Defence Agency (EDA) and the EEAS, including the EU Military Staff, are jointly providing secretariat functions for all PESCO matters, with a single point of contact for the participating Member States.

Implementation of PESCO: On 6 March 2018, the Council adopted a [Recommendation which sets out a roadmap](#) for the further implementation of PESCO.

Assessing the fulfilment of the more binding commitments

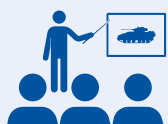


- > Each participating Member State is required to communicate every year a National Implementation Plan (NIP), informing the other participating Member States on how it is contributing to fulfilment of the binding commitments it has undertaken. Participating Member States will submit their National Implementation Plans every year in January, in line with the Recommendation on the Roadmap adopted by the Council on 6 March 2018.

- > The National Implementation Plans form the basis of the assessment process, as described in the Council decision establishing PESCO. The High Representative will present an annual report on PESCO to the Council. Based on an assessment done by the PESCO secretariat, the High Representative will present the annual PESCO report to the Council in spring.

- > On this basis, the Council will – also annually - review whether the participating Member States continue to fulfil the more binding commitments.

PESCO projects: A Member State owned process



- > PESCO projects must have a clear European added value in addressing the Union's capability and operational needs, in line with the EU Capability Development Priorities and CARD. The projects contribute to fulfilling the more binding commitments and achieving the EU Level of Ambition.

- > On 6 March 2018, the Council formally adopted the first set of **17 different projects and the project members for each of them**. A second set of another 17 projects is was adopted by the Council on 20 November 2018.

The 34 projects in the areas of capability development and in the operational dimension range from the establishment of a European Medical Command, an EU Training Mission Competence Centre, Cyber Rapid Response Teams, Mutual Assistance in Cyber Security, Military Disaster Relief or an upgrade of Maritime Surveillance to the creation of an European Military Space Surveillance Awareness Network, a joint EU Intelligence School, specialised Helicopter Training as well as co-basing, which would allow the joint use of national and overseas bases.

On 25 June 2018, the Council adopted a Decision establishing the common set of governance rules for the PESCO projects. It includes an obligation to report on progress to the Council once a year, based on the roadmap with objectives and milestones agreed within each project.

- Each year, the process to generate new projects will be launched in view of updating the list of projects and their participants, by November by the Council. Assessment criteria have been developed by the PESCO secretariat to inform the evaluation of the project proposals by the participating Member States.

Third States participation in PESCO projects



> While membership of the Permanent Structured Cooperation is only for those Member States who have undertaken the more binding commitments, third States may exceptionally participate at the level of PESCO projects.

> In principle before the end of 2018, the Council will agree on the general conditions under which third states may exceptionally be invited to participate in PESCO projects.

> It is first up to members of individual projects to consider inviting a third State that meets the general conditions. The Council will decide whether a third State meets these requirements. Following a positive decision, the project may then enter into administrative arrangement with the concerned third State, in line with procedures and decision-making autonomy of the Union.

PESCO – AN INSTRUMENT RELEVANT FOR THE SECURITY OF THE EU AND ITS CITIZENS

- ✔ PESCO is both a permanent framework for closer cooperation and a structured process to gradually deepen defence cooperation within the Union framework. It will be a driver for integration in the field of defence.
- ✔ Each participating Member State provides a plan for the national contributions and efforts they have agreed to make. These national implementation plans are subject to regular assessment. This is different from the voluntary approach that is currently the rule within the EU's Common Security and Defence Policy.
- ✔ PESCO is designed to contribute to making European defence more efficient and to deliver more output by providing enhanced coordination and collaboration in the areas of investment, capability development and operational readiness. Permanent structured cooperation in this domain will allow decreasing the number of different weapons' systems in Europe, and therefore strengthen operational cooperation among Member States, connect their forces through increased interoperability and enhance industrial competitiveness.
- ✔ PESCO will help reinforce the EU's strategic autonomy to act alone when necessary and with partners whenever possible. Whilst PESCO is underpinned by the idea that sovereignty can be better exercised when working together, national sovereignty remains effectively untouched.
- ✔ Military capacities developed within PESCO remain in the hands of Member States that can also make them available in other contexts such as NATO or the UN.

PESCO AS PART OF A COMPREHENSIVE DEFENCE PACKAGE

PESCO is closely connected to the new Coordinated Annual Review on Defence ([CARD](#)) and the European Defence Fund (EDF). They are complementary and mutually reinforcing tools supporting Member States' efforts in enhancing defence capabilities:



CARD, run by the European Defence Agency, through systematically monitoring of national defence spending plans, will help identify opportunities for new collaborative initiatives.



The EDF provides financial incentives for Member States to foster defence cooperation from research to the development phase of capabilities including prototypes through co-financing from the EU budget. PESCO projects may benefit from increased EU co-financing, which could amount to 30% - instead of 20% - for prototypes.



PESCO will develop capability projects responding to the EU priorities identified by EU Member States through the Capability Development Plan, also taking into account the results of the Coordinated Annual Review on Defence. Eligible projects could also benefit from financing under the EDF, as explained above.