House of Commons
Defence Committee

The Government’s proposals for a future security partnership with the European Union: Government Response to the Committee’s Sixth Report

Tenth Special Report of Session 2017–19

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The Defence Committee

The Defence Committee is appointed by the House of Commons to examine the expenditure, administration, and policy of the Ministry of Defence and its associated public bodies.

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Publications

Committee reports are published on the Committee's website at www.parliament.uk/defcom and in print by Order of the House.

Evidence relating to this report is published on the inquiry page of the Committee’s website.

Committee staff

Mark Etherton (Clerk), Dr Adam Evans (Second Clerk), Martin Chong, David Nicholas, Eleanor Scarnell, and Ian Thomson (Committee Specialists), Sarah Williams (Senior Committee Assistant) and Arvind Gunnoo (Committee Assistant).

Contacts

All correspondence should be addressed to the Clerk of the Defence Committee, House of Commons, London SW1A 0AA. The telephone number for general enquiries is 020 7219 5745; the Committee's email address is defcom@parliament.uk. Media inquiries should be addressed to Alex Paterson on 020 7219 1589.
Tenth Special Report

On 8 June 2018, the Defence Committee published its Sixth Report of Session 2017–19 [HC 594] on The Government’s proposals for a future security partnership with the European Union. The response from the Government was received on 6 September 2018. The response is appended to this report.

Appendix: Government Response

The Government notes and welcomes the House of Commons Defence Committee’s sixth report ‘The Government’s proposals for a future security partnership with the European Union’ published on 8 June 2018. (HC 594)

Europe’s security has been and will remain the UK’s security, which is why we have made a commitment to maintain it. During the UK’s membership of the EU, we have worked with all Member States to develop capabilities and cooperate to help keep our citizens safe and to tackle global challenges. It is important that our future UK-EU security partnership allows us to continue this collaboration, which is in the best interest of all parties.

The Government’s responses to the Committee’s Conclusions and Recommendations are detailed below. The Committee’s findings are in bold, with the Government’s response in plain text.

Timing and nature of the future partnership

(i) Is it the Government’s intention to enter into Future Partnership with the European Union’s Defence institutions (a) before the UK leaves the EU in March 2019; (b) before the UK’s future economic relationship with the EU has been agreed; or (c) while the Implementation phase of the UK’s departure from the EU is still underway? What assessment has the Government made of the potential (i) advantages and (ii) disadvantages of each of these timings?

We agreed with the European Union (EU), at the March European Council, that our future partnership on Common Foreign and Security Policy (CFSP) and Common Security and Defence Policy (CSDP) could be brought into effect during the time-limited Implementation Period, providing suitable arrangements could be reached. As the Prime Minister has said, there is no reason why we should not agree distinct arrangements for our foreign and defence policy cooperation in the Implementation Period. This is the Government’s preferred course. The precise timing and sequencing of when we enter into the Future Security Partnership will depend on the outcome of ongoing negotiations. It will not be possible to enter into the Future Security Partnership before leaving the EU, as the UK will not be a third country.

Article 122(2) of the Draft Withdrawal Agreement provides for bringing forward the negotiations on the future partnership for CFSP and CSDP: “Should the Union and the United Kingdom reach an agreement governing their future relationship in the area of the Common Foreign and Security Policy and the Common Security and Defence Policy
which becomes applicable during the transition period, Chapter 2 of Title V of the Treaty of the EU and the acts adopted on the basis of those provisions shall cease to apply to the United Kingdom from the date of application of that agreement.”

(ii) In what respects will the proposed Future Partnership with the European Union’s Defence institutions, if achieved as envisaged, differ from the UK’s current Defence relationship with the EU or from the continuing participation in those institutions by the remaining members of the EU?

The UK is leaving the EU and therefore the nature of our arrangement on foreign and defence policy will change. We have been clear that we are not expecting to have a decision-making role or voting rights, but we will be seeking a new model of co-operation that reflects our shared interests and enables us to act together when it is in our mutual interests, if we decide we wish to participate.

We have proposed a partnership that respects both the sovereignty of the United Kingdom and the decision-making autonomy of the EU. We wish to develop a security partnership with the EU which builds on the breadth and depth of our shared interests and values, and goes beyond existing third country arrangements, where they would limit cooperation. It must also have the flexibility to ensure that, as the threats we face change and adapt, our relationship will evolve.

We are therefore of the view that a new, flexible and scalable framework of consultation and cooperation with the EU would be in our mutual interests and best suited to the unique circumstances we face. This would enable the EU and the UK to work closely together to have maximum impact – through coordinated positions in the UN Security Council or by cooperating during a crisis.

The UK is committed to using our assets, capabilities and global influence alongside our European partners in support of our common goals and interests. So, our partnership should provide the UK and the EU with the means and choice to combine our efforts to the greatest effect. For instance, we are open to taking part in EU operations or missions, where this is in our mutual interests. This would be on case-by-case basis, and subject to establishing adequate mechanisms for consultation.

The UK is also seeking a partnership with the EU on research and development, and defence capabilities. This will ensure that we can continue to work together to provide our Armed Forces with the equipment they need while also realising maximum choice and economies of scale, if we deem such projects within our national interest.

CSDP

(iii) Will the Government make a commitment not to deploy UK troops as part of any CSDP operation or mission unless it has been fully consulted – from the time at which the decision to participate has been taken by the UK and agreed by the EU – about the operation’s or mission’s objectives, the military plans and their execution?

The Government has set out detailed proposals for consultation and cooperation with the EU on external security, including CSDP missions and operations. The exact form of such future arrangements is a matter for negotiation. However, the Government is clear that
it would not deploy UK troops to any CSDP operation or mission unless we were fully satisfied with the objectives, military plans, and execution of the operation or mission in question.


(iv) **Is it the Government’s intention to participate in CSDP operations or missions (a) only on a case-by-case basis, and (b) only after a decision taken by the United Kingdom autonomously?**

We can confirm that it is the Government’s intention to participate in CSDP operations and missions on a case-by-case basis and only after a decision has been taken autonomously by the United Kingdom to do so.

(v) **In which EU exercises over the next 5 years has the UK made a commitment to take part?**

The UK is not committed to any EU specific exercises for the next five years. However, we will participate in any NATO/EU Parallel And Coordinated Exercise (PACE) that is planned after 2018.

(vi) **Have UK personnel or equipment been withdrawn or reduced after previously being committed to any EU exercises in the last 2 years?**

No.

**PESCO**

(vii) **Is it the Government’s intention to participate in any future PESCO projects (a) only on a case-by-case basis, and (b) only after a decision taken by the United Kingdom autonomously?**

Arrangements for third state participation in PESCO projects are still to be agreed. A Council Decision on parameters for third state participation should be adopted by PESCO participating Member States by the end of the year. The UK intends to consider participation in specific future PESCO projects on a case-by-case basis.

Our interest in third-country arrangements to participate in PESCO projects goes beyond our own future involvement. To make best use of relevant expertise and to strengthen the involvement of all interested parties, we believe it is important that PESCO projects are open to third states from their inception.

The UK will only decide to participate in PESCO projects where there is clear value for the UK including our defence industry. We will take decisions autonomously on whether or not to participate.
(viii) What would be the policy, financial, broader resources and legal implications of the UK taking part in the Dutch-led military mobility PESCO project, what are the outcomes expected to be and when is it expected to conclude?

It is vital that military assets and personnel can be mobilised and deployed across Europe quickly, in order to respond to any security crises that may occur. To achieve increased military mobility, it is important that European nations, NATO and the EU work together. The Dutch-led PESCO project on military mobility is an encouraging step, and we believe it would be very beneficial for European security if the UK and other non-EU NATO countries could participate in such projects in future. The governance arrangements for such third-party participation in PESCO projects, including Military Mobility, will be discussed later this year. As a result, we cannot give a definitive answer on any future UK involvement at this time.

Our work on military mobility is not limited to our interest in this PESCO project. We continue to contribute to the projects led by the European Defence Agency on the standardisation of customs requirements and cross-border movement. We are engaged in work on Military Mobility through both EU and NATO channels and are pushing for coordination across the two organisations.

Both the EU and NATO are committed to concrete outputs towards ensuring the movement of forces in the Dutch-led Common Commitment Text confirmed through the Conclusions at the recent June European Council and which were agreed at the NATO Summit (11–12 July). These outputs include reduced border crossing times to enable rapid deployment of forces. We look forward to progress under this initiative as soon as possible.

The European Defence Fund

(ix) If third countries are allowed to engage with the European Defence Fund, will the Government do so only on a “pay and play” basis, or would it be willing to pay an annual subscription?

Discussions on the draft European Defence Fund regulation are currently taking place in the European Union. We are concerned that the draft regulation for the European Defence Fund limits the potential for third country involvement and, as drafted, could exclude future UK participation. The Government has been clear that it will continue to work with European allies and partners on capability development. While much of this work takes place outside of an EU framework, we have been clear that we would like to participate in European Defence Agency and European Defence Fund projects, where this is in our mutual interest.

(x) With which other EU Defence or other institutions, if any, would the UK have to be associated, if it participated in the European Defence Fund?

It is not yet clear if the UK would have to be associated with any EU Defence or other institutions if it participated in the European Defence Fund. However, we have been clear that as part of our future relationship, we wish to negotiate an Administrative Arrangement with the European Defence Agency as we look to continue to work together with our European partners to ensure the best capability that Europe can achieve, through
cooperation on research and development and defence industrial issues. Any implications of UK participation in the European Defence Fund, including any requirement for associations, would be considered before a decision on participation was made.

(xi) What discussions, if any, has the Government had to date with UK defence industry about the potential participation in the European Defence Fund?

The Government, including the MOD, is working closely with defence industry to understand the implications and opportunities presented by our departure from the EU. Ministers and officials regularly consult with industry and proactively keep industry updated, both on the progress of negotiations, and on potential UK participation in the European Defence Fund.

Support for pan-European complex supply chains and research funding

(xii) What model is the Government proposing to ensure that the Future Defence Partnership supports the effective co-operation of UK and EU defence companies; does not disrupt complex supply chains; and does not disadvantage leading companies with EU-UK ownership?

The Government believes that there is clear benefit to facilitating a collaborative and inclusive approach to European capability development and planning. In order to enable this continued collaboration, we have set out that we would like to agree a partnership that includes continuing to work together in the European Defence Agency and through the European Defence Fund. The precise nature of this future relationship is subject to negotiation.

The Government has also proposed the establishment of a free trade area for goods, enabled by:

- a common rulebook for goods covering only those rules necessary to provide for frictionless trade at the border;
- participation by the UK in those EU agencies that provide authorisations for goods in highly regulated sectors including chemicals and aviation; and
- the phased introduction of a new Facilitated Customs Arrangement that would remove the need for customs checks and controls between the UK and the EU.

In combination with no tariffs on any goods, these arrangements would avoid any new friction at the border and protect the integrated supply chains that span the UK and the EU including in the defence sector.

(xiii) If European nations developed a proposal for collaboration on major defence projects (such as a sixth-generation fighter), on what basis would the Government decide whether or not to take part? Would the potential involvement of the European Defence Fund and the European Defence Agency make the proposition more, or less, attractive?

The UK would decide, based on the national requirement for such a capability, the proposed construct of the programme and the UK role within the programme from both a military
capability and an industrial perspective. The benefits and disadvantages of any such action receiving European Defence Fund (EDF) funding depend on the final regulations and the ability of third party states to be involved in EDF projects. We have managed highly successful European projects before such as Tornado and Typhoon without the involvement of the EU and we have no doubt that we can do so again in the future.

The EU and NATO

(xiv) For what reason is NATO barely referred to in the two most recent documents, namely the ‘Framework for the UK-EU Security Partnership’ and the ‘Technical Note: Consultation and Cooperation on External Security’, published on the proposed Future Defence Partnership between the UK and the EU after Brexit?

The two documents were produced by the UK negotiating team for discussion with the EU, and relate to the UK-EU relationship on external security. The UK has always been strongly of the view that NATO is the cornerstone of European security, and that will continue to be the case after we have left the European Union. We have been very clear about the importance of ensuring that EU defence initiatives complement NATO.

(xv) What role does the Government intend to play in the relationship between the EU and NATO, with special reference to any moves to (a) create integrated EU armed forces, and (b) issue security guarantees to non-NATO countries?

Greater cooperation between the EU and NATO is important for achieving coherence and avoiding unnecessary duplication between the two institutions. The UK has championed closer cooperation for over a decade now, and has never been a lone voice. Neither organisation alone has the full suite of tools and capabilities to confront the common threats we face in Europe. To tackle these successfully, the EU and NATO need to coordinate their different but complementary tools. The UK will continue to support better working between the two institutions while we remain in the EU and after we leave.

It is important to encourage greater interoperability between the armed forces of EU Member States to support crisis response and more efficient cooperation in CSDP operations and missions. However, there has never been any formal EU proposal for the creation of a European Army. We believe any such proposal would receive little support and would have no prospect of achieving the unanimous agreement required to progress. The Government’s position is that defence remains a national, not EU, competence, and we will not support measures that would undermine Member States’ competence for their own military forces, or lead to potential competition with, or duplication of, NATO.

We have made clear our unconditional commitment to European defence and security, reflecting our shared values and interests, and shared threats. NATO will remain the cornerstone of European defence and security, including through its Article V guarantee. The EU also has an important, complementary role to play, both in its own right, and in partnership with NATO and others.

The September 2017 White Paper said that “The UK will continue to offer aid and assistance to EU Member States that are the victims of armed aggression, terrorism and natural or man-made disasters”.
Parliamentary scrutiny

The Government should make a commitment to holding a debate on the floor of the House before agreeing any binding document on a future EU–UK defence and security partnership. Will the Government additionally commit to holding this debate in Government time before the UK leaves the EU in March 2019?

The Government is committed to providing both Houses with opportunities for scrutinising both the approach we are taking to EU exit and any implementing exit legislation.

We will continue to keep Parliament updated through regular statements and by providing opportunities for debate. And Ministers and senior officials will continue to report regularly to select committees in person and by responding fully to inquiries and reports.