

Focus: The Versailles summit [EN](#) [EN](#)

On March 10th and 11th, the European Council, gathering the Heads of States and governments, met in Versailles, France, to discuss the ongoing war in Ukraine. This summit was expected as a renewal for Europe's defence and security issues, but despite the outcomes showing intent and will, few concrete decisions were taken.

The declaration published after the summit states that the Council "acknowledged" the European aspirations of Ukraine. It invited the Commission to "submit its opinion" on the application, as well as those of Moldavia and Georgia, who followed Ukraine in their wish to join the Union. The Head of the Commission Ursula Von der Leyen insisted that Ukraine "is part of the European family".

It also identified three key dimensions to take more responsibility for Europe's security.

- **Bolstering our defence capabilities:** the Member States agreed to "increase substantially defence expenditures", with defence capabilities built in a collaborative way, with a focus on cybersecurity and space-based connectivity. To best prepare Europe for fast emerging challenges, protection against hybrid warfare and enhancement of military mobility within the EU were identified. It invited the Commission and the European Defence Agency (EDA) to analyse by mid-May the defence investments gaps. Such a report is already published every year by the EDA, but it may be updated towards high-intensity threats.
- **Reducing our energy dependencies:** all Member States agreed to reduce their dependency to Russia gas, oil and coal imports, by both finding other sources including liquified gas, and the energy transition. The production of key components of renewables and the management of energy consumption are also identified as leverage to this aim. A plan, Repower EU, is due to be presented also in May.
- **Building a more robust economic base:** this includes reducing Europe's dependencies in many sectors.

The Member States also announced that they would participate in Ukraine's reconstruction once the war is over.

The next council is planned on March 23rd and 24th, the date originally devoted in the French presidency of the EU's programme to the Strategic compass adoption. Another European council was also announced in May on military capabilities.

International relations

Denmark will consider joining the European Union defence policy [FREN](#) [EN](#)

As a result of Russia's invasion of Ukraine, the Danish government agreed to hold a referendum on joining the common EU defence policy to improve its national security. Danish Prime Minister Mette Frederiksen mentioned that historic times call for historic decisions.

Indeed, while the shadow of a possible extension of the ongoing conflict in Ukraine still hangs over the Baltic States, Denmark aims to strengthen its defence capabilities by taking part in a larger-scale project within the European Union.

To this end, the Danes are invited to vote on the 1st of June for or against abolishing a derogation that exempts the country from contributing to the EU defence policy and therefore joining the European programme. This particularity dates back to the Danish "no" to the Maastricht Treaty in 1992, which was seen as encroaching too much on national sovereignty. It was the only country in this case.

This potential turnaround to lift the opt-out on defence would constitute a major step in European integration and cooperation. At the same time, countries such as Finland and Sweden have both seen public support for joining the military alliance NATO.

Industry

Olaf Scholz unveils a 100b€ equipment budget for the Bundeswehr [GE](#) [GE](#) [GE](#) [FR](#) [GE](#)

After the invasion of Ukraine, there have been some concerns in Germany that the reserves in equipment (especially ammunition) would not allow the country to last very long in case of a direct conflict. The Bundeswehr inspector, Generalleutnant Alfons Mais, stated that the German armed forces were “empty” and that the options they could offer to the politicians were “limited”.

To tackle this challenge, the new German chancellor, Olaf Scholz, decided on February 27th to open a special fund (or “Sondervermögen”) worth €100 billion to be used for equipment investments and purchases. This fund is also released from the German debt limits rules, which has raised some criticism from the opposition parties. The Chancellor insisted that this had been decided not because of a promise to Germany’s allies but “for our own safety”.

He also announced that Germany would match the requirement of 2% GDP in defence spending in the next years and could also insert it in its constitution. Even with the special fund spread over 5 to 10 years, it would mean an increase of the current yearly defence budget. Currently around €50 billion, the defence budget would rise to €70 billion per year with the current GDP (€3.500 billion), and even more in the coming years with an economic growth. As a comparison, the French defence budget will be €41 billion in 2022, the second largest in the European Union.

Following this, the German Ministry of Defence Christine Lambrecht detailed some guidelines in 3 points for the use of this fund for the Bundeswehr:

- To concentrate on mature and combat-proven products
- To become faster and more economical, and therefore to optimise sometimes heavy procedures. All exceptions under the European laws for procurement law will be used and the limits for direct orders from the troops raised from €1.000 to €5.000.
- To set up the Bundeswehr needed equipment more quickly. However, parliamentary rights will be fully respected, and the Bundeswehr will remain a parliamentary army, Mrs. Lambrecht pointed out.

The German Ministry of Defence has decided on the successor of the Tornado Aircraft [GE](#) [GE](#) [EN](#)

Currently, the Tornado is used for the roles of Electronic Combat and Reconnaissance, Air Strike and Tactical Reconnaissance. Additionally, the Tornado is dedicated to dispose US-American nuclear bombs in a scenario of the defence of the NATO territory. This principle is called 'Nukleare Teilhabe' (nuclear sharing) and means in practice, that German pilots and aircraft would drop US-American nuclear bombs with authorization of the US-president. Given the age of the Tornado, a successor has been sought for some time now.

Two different aircraft will undertake the tasks of the Tornado aircraft. While the Eurofighter shall undertake the task of Electronic Combat and Reconnaissance after further technical development, the Lockheed Martin F-35 will be dedicated to the other former tasks of the Tornado aircraft. General Lieutenant Ingo Gerhartz, the current German Air Force Inspector, has praised the F-35 as the most modern aircraft worldwide, which shall also accelerate the modernization of the German Air Force.

This has been generating some fears on the French side that such a choice would lead Germany to disengage from the FCAS programme, a 6th generation fighter-jet developed in cooperation with Spain and currently struggling through industrial discussions on the workshare. However, Germany reaffirmed its will to stay a part of the programme.

European Union military cooperation and external operations

The European Atalanta operation is no longer authorised to sail in the Somali territorial waters [EN](#) [EN](#)

The mandate for the European mission Atalanta, extended in December 2020 for two years, is still ongoing. However, the UN resolution, from which came its legitimacy to intervene in the Somali territorial waters, expired in March.

It had only been extended for three month last December, and no further extension has or is intended to be voted on by the UN security council.

This may be explained by the fact that the permanent presence of naval forces for twelve years in the area, and the presence of armed security aboard the ships, have significantly reduced the attacks, as stated by the Maritime Information, Cooperation and Awareness Center from the French Navy. However, the Atalanta Command has confirmed that it will continue to fulfil its mandate in its wide area of operations in the Indian Ocean.

European policies

The European commission presents the Repower EU plan to foster the EU energy autonomy [EN](#)

To decrease the European Union's dependency to the Russian gas, oil and coal, and enhance the cost of the economic sanctions for Russia the European Commission has presented a draft of plan.

It aimed at diversifying the procurement of energy supplies and accelerating the deployment of renewable energy. The strategic reserves, that may be used to go through the end of winter, will have to be filled again for the 2022-2023 winter. One of the propositions is to make the filling of underground reservoirs at 90% compulsory by October 1st every year.

The target given is to reduce the imports of Russian gas by two thirds by the end of 2022. This is the first time since tensions and sanctions have been taken against Russia in previous crises that the gas trade is impacted. The Vice-President for the Green Pact in Europe, Frans Timmermans, mentioned it as a vulnerability. This will go through imports of Liquefied natural Gas (LNG), biomethane and hydrogen.

It also deals with the energy price increase that Europe has faced since the beginning of the year.

The European union will invest two times €500 million to provide Ukraine with equipment [EN](#) [EN](#) [EN](#) [EN](#)

The High Representative for Foreign Affairs of the European Union, Josep Borrell, announced in Versailles on March 11th that an additional €500 million will be invested to support the equipment of Ukraine to face the Russian aggression. However, it has not been confirmed by the Heads of State nor included in their common declaration, and they implied it was still under discussion.

A first €500 million amount was announced on February 26th for the same purpose. This was a first for the European Union, whose treaties prevent normal budget funds from participating in military operations. Therefore, the €1 billion in total will come from the European Peace Facility, an off-budget fund worth €5 billion. Through this, the European Union will not directly purchase and send military equipment to Ukraine, but "finance their purchase and delivery", said the president of the European Commission Ursula Von der Leyen. This means that this budget will be used to reimburse the Member States which provide equipment directly to Ukraine.

The European Peace Facility (EPF), adopted in 2021, is an off-budget investing tool created to fund the common costs of EU military operations, support peace support operations and strengthen the capacities of third-states. Ukraine was already benefiting, before the war, from the €5 billion budget planned for the 2021-2027 period, for medical, demining, logistical equipment and cyber-defence. The Facility replaces previous mechanisms such as the Athena mechanism or the African Peace Facility.

European members of parliament debating on the future of European Security [EN](#)

Last week, on 9 March 2022, European members of parliament (MEPs) debated on European Security in the context of the intensification of armed conflicts in Ukraine. The Estonian Prime Minister, Kaja Kallas and High Representative of the Union, Josep Borrell participated in the debate. The meeting was held ahead of the Versailles Summit of March 10th-11th.

It was the occasion for the Parliament's New President, Roberta Metsola to reaffirm the need to "boost European Union's investment in defense and innovative technologies" and to "build a real Security and Defense union".

In their speeches, many MEPs pointed out the shortcomings of the EU's previous efforts to strengthen its defense capabilities. French MEP Arnaud Danjean, from the EPP Group, recalled that progress has never matched the promises made. He added that the European defence industry has the capacity of meeting the current challenges faced by the Union. Some of them also called for more effective sanctions against Russian President Vladimir Putin and his oligarchs, increased fiscal transparency and the need to slow down the current arms race. MEP Iratxe García Pérez, on behalf of the S&D Group, highlighted the fact that European policy towards Russia has traditionally been very hesitant and calls for more sanctions.

Finally, many MEPs welcome the establishment of the EU Strategic Compass, which sets out a common strategic vision for EU security and defence.