PERMANENT STRUCTURED COOPERATION - PESCO

DEEPENING DEFENCE COOPERATION AMONG EU MEMBER STATES

A CRUCIAL INSTRUMENT IN TIMES OF INCREASING SECURITY CHALLENGES

Since its establishment in 2017, the Permanent Structured Cooperation (PESCO) has become a valuable instrument for defence cooperation, contributing to the implementation of the Strategic Compass.

PESCO provides a platform to:

- Implement **the 20 more binding commitments** that the participating Member State have undertaken to one another (e.g., defence spending and investment expenditures, aligning national processes, availability and interoperability of forces or collaborative capability development).
- **Collaborate and deliver concrete results**, with 68 PESCO projects aimed at developing new capabilities (e.g., in the air and maritime domain), providing training and support to military forces (e.g., medical command) or pooling expertise in certain areas (e.g., in the cyber domain).
- **Build synergies with other defence initiatives**, such as the EU Capability Development Priorities, the Coordinated Annual Review on Defence (CARD), and the European Defence Fund (EDF).
- Enable **cooperation with third countries** within individual PESCO projects on concrete issues, also facilitating transatlantic and EU-NATO cooperation.

DEEPENING DEFENCE COOPERATION THROUGH BINDING COMMITMENTS

PESCO is a Treaty-based framework to deepen defence cooperation among the EU Member States who are capable and willing to do so. It enhances the EU's ability to act as a security provider and maximises 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. Decision-making remains in the hands of the participating Member States in the Council without prejudice to the specific character of the security and defence policy of certain EU Member States.

STRUCTURE AND GOVERNANCE

PESCO has a two-layer structure:

Council level

Responsible for the overall policy direction and decision-making in PESCO. The Council is also assessing and providing recommendation on the fulfilment of the 20 more binding commitments and the PESCO projects on a yearly basis. Legal acts are adopted by unanimity (except decisions regarding the suspension of membership and entry of new members, which are taken by qualified majority). Only PESCO members can take part in the vote.

Projects level

PESCO projects allow for collaboration in smaller groupings of participating Member States. Each project is managed by its members, under the oversight of the Council. The PESCO projects contribute to the fulfilment of the more binding commitments and cover all operational domains - Maritime; Air; Land Systems, Cyber Defence and C4ISR Systems, Joint/ Enabling, Training and Space.

PESCO Secretariat: The EEAS, including the EU Military Staff, and the European Defence Agency (EDA), jointly provide secretariat functions for all PESCO matters and a single point of contact within the Union framework.

The first **PESCO Strategic Review** was conducted in 2020, resulting in Council guidance for the next PESCO phase (2021-2025) in terms of overall aim, key policy goals, processes, as well as incentives to improve the fulfilment of the more binding commitments and the implementation of the projects. A next review is foreseen by 2025.

Assessing the fulfilment of the more binding commitments

> PESCO commitments are binding on the participating Member States and are to be fulfilled by 2025.

> Each participating Member State submits its National Implementation Plan (NIP) every year, informing about its progress as well as its national plans on the fulfilment of the PESCO commitments.

> Every second year, the NIP is accompanied by a high-level political statement, where participating Member States outline their main achievements and specific national priorities and contributions. The first such political statements were submitted in 2022.

> Every year, the High Representative presents to the Council an Annual Report on the status of PESCO implementation, based on an assessment of the NIPs, done by the PESCO secretariat.

> On this basis, the Council reviews progress and adopts its recommendation for future implementation.

PESCO projects: A Member State owned process

> PESCO projects aim at a clear added-value in addressing the EU's capability and operational needs.

> New projects are assessed and adopted every two years, with the fifth wave of 11 new projects adopted in May 2023. The new projects cover a wide range of capabilities addressing conventional threats and next generation capabilities; protection of critical seabed infrastructure; enabling capabilities in the area of communications; and the medical support tailored to the EU Rapid Deployment Capacity.

> There are 68 PESCO projects. A list of all current projects and participating Member States can be found here: https://www.pesco.europa.eu/

Third States participation in PESCO projects

> While membership in PESCO is open only to EU Member States, third States can exceptionally be invited to participate in PESCO projects upon meeting certain conditions.

> These general conditions and related procedures, adopted by the Council in November 2020, encompass a set of political, substantial and legal requirements in line with the nature and goals of PESCO, while acknowledging the added-value that partners can bring to PESCO projects.

> It is first up to members of individual projects to consider inviting an interested third State. If they agree and the participation of the third State meets the conditions, the Council is to take its decision.

> The United States, Canada and Norway participate in the PESCO project "Military Mobility". The United Kingdom was invited to this project following a positive decision by the Council in November 2022 and Canada was invited to the PESCO project "Network of Logistic hubs in Europe and Support to Operations". This also facilitates and boosts transatlantic and EU-NATO cooperation.