



BACKGROUND<sup>1</sup>
Brussels, 12 December 2017

## **European Council**

### 14-15 December 2017

On Thursday 14 December, the 28 heads of state or government will discuss the ongoing work to strengthen their **defence** cooperation. Leaders will welcome the launch of the Permanent Structured Cooperation (PESCO) and review progress in other fields, notably EU-NATO cooperation.

The European Council will also adopt conclusions on **social issues**, **education and culture**, building on the discussions in Gothenburg during the Social Summit and the Leaders' Agenda debate on culture and education.

As part of the Leaders' Agenda, the heads of state or government will hold a debate on the way forward on **migration** policy, covering both the internal and external dimensions.

On Friday, there will be a **Euro Summit** in an inclusive format of 27 member states to discuss the next steps for the Economic and Monetary Union (**EMU**) and the **banking union**.

Afterwards, the **European Council (Article 50)**, also in EU 27 format, will meet to assess whether sufficient progress has been achieved in the Brexit negotiations to move to the second phase of the talks. Leaders are expected to adopt guidelines for the second phase, in which transitional arrangements and the framework for a future relationship can start to be discussed.

## <u>Invitation letter by President Donald Tusk</u>

### Indicative programme:

Thursday: 15:00 Exchange of views with the President of the European Parliament and the

NATO Secretary-General

15:30 Working session

18:45 Reinforcing European defence: PESCO family photo and short press event

19.15 Working dinner

Friday: 09:00 Euro Summit

11:00 Working session of the European Council (Article 50)

13.00 Press conference by Presidents Tusk and Juncker and PM Ratas

This note has been drawn up under the responsibility of the press office.

### Security and defence

Following the European Council conclusions of December 2016 and June 2017, where leaders called for a strengthing of Europe's security and defence and for closer cooperation, they will review the progress so far. The heads of state or government will welcome the establishment of the permanent structured cooperation (PESCO) earlier in the week between 25 member states. Participating member states also adopted a declaration which sets out an initial list of 17 projects.. These projects either build-up EU defence capabilities (such as cyber defence systems) or improve the EU's operational readiness (for instance, by removing obstacles to the transit of military personnel and equipment across the EU).

Leaders are also expected to call for further work on the European Defence Fund as well as implement the proposals agreed on EU-NATO cooperation, included those agreed in December. To underline the importance of EU-NATO cooperation, the Secretary-General of NATO is invited to have an exchange of views with the EU heads of state and government before the discussion begins.

EU cooperation on security and defence

Council conclusions on EU-NATO cooperation, endorsing common set of new proposals for further joint work - 5 Dec. 2017

### Social issues, culture and education

In line with the Leaders' Agenda, the results of the political discussions on education, culture and the social dimension in Gothenburg will become part of the work of the EU through the European Council conclusions.

Leaders are expected to call for the implementation of the European Pillar of Social Rights, for swift progress on pending files in this area and for tackling the gender pay gap. On education, heads of state or government will address how to step up mobility and exchanges, enhance the learning of languages and promote mutual recognition of diplomas. Increasing awareness of the importance of cultural heritage and promoting the participation of students in education and cultural activities will also be covered.

Concluding report of Gothenburg Social Summit

Leaders' Agenda note on education and culture

### Migration

The situation on all migratory routes is under control. On the Central Mediterranean route, there has been a 67% decrease of illegal arrivals over the last five months compared to the same period in 2016.

On the basis of a note prepared by President Tusk, the 28 heads of state or government will have an open exchange on the future of EU policy on migration, drawing on the lessons learned from the migration crisis that began in 2015. The discussions are expected to cover both the internal and external dimensions.

Amongst other issues, leaders will discuss the financing of migration policies and whether stable and long-term financing mechanisms are more appropriate than the existing system of pledging. Cooperation with neighbouring countries, tackling smuggling and how to increase the returns of irregular migrants are also expected to be raised.

The debate should also help achieve a shared understanding of the political limitations regarding the reform of the Common European Asylum System (Dublin reform) which should prepare the way for a future agreement which combines responsibility and solidarity.

No written conclusions are expected at this stage. The leaders will come back to these matters in order to take decisions in June 2018.

Leaders' Agenda note on migration

EU response to migratory pressures

## Foreign affairs

Leaders will also receive an update from President Macron and Chancellor Merkel on the implementation of the Minsk Agreements. This is expected to lead to a formal decision soon after the summit on the rollover of economic sanctions on exchanges with Russia.

EU restrictive measures in response to the crisis in Ukraine

### **Economic and monetary union**

Against the background of a positive economic situation, in which the euro area economy is set to grow at its fastest pace in a decade, and with unemployment at its lowest level in eight years, the Euro Summit, in an inclusive format of 27 member states, will reflect on how to make sure that member states and the economic and monetary union (EMU) have the appropriate means available to face potential shocks.

In preparation for this discussion, the Eurogroup has examined (also in inclusive format) a number of ideas on how to strengthen EMU. On the basis of these debates and a note prepared by President Tusk, leaders will discuss the way ahead.

President Tusk has identified three priorities where there is broad convergence among the member states:

- putting into operation a common backstop for the Single Resolution Fund, possibly in the form of a credit line from the European Stability Mechanism
- further developing the European Stability Mechanism, possibly to become a so-called European Monetary Fund
- further developing the Ecofin Council Roadmap of June 2016 on completing the banking union, detailing the yardsticks and timelines for progress to be achieved in risk reduction and risk-sharing, including the gradual introduction of a European Deposit Insurance Scheme

Leaders are not expected to adopt any written conclusions at this stage, but they will come back to these matters in June 2018 with a view to taking decisions.

Leader's Agenda note on the Economic and Monetary Union

Remarks by President Dijsselbloem after Eurogroup meeting in inclusive format - 4 Dec. 2017

### **Brexit**

At a formal European Council (Art. 50), the EU27 leaders will be briefed by the Commission's chief negotiator, Michel Barnier, on progress in the negotiations with the UK as reflected in the communication from the Commission and the EU-UK joint report.

The heads of state or government are expected to decide that sufficient progress has been achieved on citizens' rights, Ireland and the financial settlement to move on to the second phase of the negotiations, where the possible transition and the framework for the future relationship can also begin to be discussed. The European Council (Article 50) is also expected to adopt guidelines which will serve as the overall political mandate for the second phase of the talks.

Commission's communication on the progress made in the Brexit negotiations - 8 Dec. 2017

Joint report of the EU and UK negotiators - 8 Dec. 2017

Brexit: background information and timeline

- Media accreditation: <a href="http://www.consilium.europa.eu/en/press/press-releases/2017/11/20/last-minute-accreditation-for-the-european-council-on-14-15-december-2017/">http://www.consilium.europa.eu/en/press/press-releases/2017/11/20/last-minute-accreditation-for-the-european-council-on-14-15-december-2017/</a>
- Press conferences by video streaming: http://video.consilium.europa.eu/
- Video coverage in broadcast quality and photos in high resolution: <a href="http://tvnewsroom.consilium.europa.eu">http://tvnewsroom.consilium.europa.eu</a>
- Meeting webpage: <a href="http://www.consilium.europa.eu/en/meetings/european-council/2017/12/14-15/">http://www.consilium.europa.eu/en/meetings/european-council/2017/12/14-15/</a>



# **PERMANENT STRUCTURED COOPERATION - PESCO**

### WHAT IS PESCO?

It is a legally binding, ambitious and inclusive framework to deepen defence cooperation among the EU Member States that are capable and willing to do so. It was introduced by the Lisbon Treaty. It is driven by Member States who are making more binding commitments to each other in the area of defence, while respecting national sovereignty.

This permanent framework for defence cooperation is a crucial next step in the development of the EU common defence policy. It introduces a new mindset, one that privileges cooperation among EU Member States.

PESCO is output oriented: it should lead collectively to increased and more efficient defence investments in military equipment, to make Member States' armed forces more easily deployable for missions and operations and to strengthen the European defence industrial base.

Enhanced defence capabilities of EU Member States will also benefit NATO and will strengthen its European pillar.

### Which countries participate?

The 25 Member States participating in PESCO are: Austria, Belgium, Bulgaria, Czech Republic, Croatia, Cyprus, Estonia, Finland, France, Germany, Greece, Hungary, Italy, Ireland, Latvia, Lithuania, Luxembourg, the Netherlands, Poland, Portugal, Romania, Slovakia, Spain and Sweden.

## **WHY PESCO?**

Opinion polls show that security has become the top concern for citizens across the EU. The common defence and security policy among EU Member States is one of the most appreciated EU policies, with 75% citizens supporting it.

Although collectively EU countries are the second largest military spender worldwide, duplications and lack of interoperability reduce efficiency.

Through PESCO, Member States will increase their effectiveness in addressing security challenges. This will contribute to the protection of European citizens and increase the efficiency of defence spending.

The establishment of PESCO shows that the EU delivers on the real challenges that matter to its citizens. It also signals in the current geopolitical context that the EU is taking greater responsibility, also in the area of defence.

## Are there already specific projects?

Member States participating in PESCO have identified an initial list of 17 projects. These initial projects are expected to be adopted formally by the Council in early 2018.

### What are the projects about?

The projects are aimed to cover EU defence capability gaps and should improve the EU's responsiveness to crises. They focus either on building-up EU defence capabilities including in the maritime and cyber security domains or they improve the EU's operational readiness, for example through a network of logistic hub and a European medical command, or by removing obstacles to transit of military personnel and equipment throughout the EU territory.

See the table attached for further information.

#### Governance

The Council decision establishing PESCO sets out its governance, with the Council maintaining the coherence and ambition of the PESCO, complemented by specific governance procedures at projects level.

#### **Timeline**

In December 2016, the EU leaders agreed that Europeans needed to take greater responsibility for their security and asked High Representative Mogherini to come forward with proposals, including on PESCO. Meanwhile the EU Global Strategy for Foreign and Security Policy (EUGS) had started a process of closer cooperation in security and defence.

In June 2017 the European Council agreed on the need to launch an ambitious and inclusive PESCO. On 13 November 2017, ministers from 23 Member States signed a joint notification on the Permanent Structured Cooperation (PESCO) and handed it over to the High Representative and the Council. On 7 December 2017, Ireland and Portugal also notified their decision to join PESCO.

On 11 December 2017, the Council adopted a decision establishing Permanent Structured Cooperation (PESCO), less than a month after receiving a joint notification by Member States of their intention to participate.

December 2016	16 European Council conclusions	
	Leaders agree that Europeans must take greater responsibility for their security and ask High Representative Mogherini to come forward with proposals, including on PESCO.	
June 2017	European Council conclusions Leaders agree on the need to launch an inclusive and ambitious PESCO	
September 2017	List of common commitments	

November 2017 Notification

First formal step to set up PESCO

presented by Member States

December 2017 Council decision establishing PESCO

and list of first projects

# Permanent Structured Cooperation (PESCO) first collaborative PESCO projects - Overview

Project	Description	Press contact
European Medical Command	The European Medical Command (EMC) will provide the EU with an enduring medical capability to support missions and operations on the ground.  The EMC will provide critical medical resources, including a multinational medical task force with a rapidly deployable capability for basic primary care. The EMC will also provide evacuation facilities, triage and resuscitation, treatment and holding of patients until they can be returned to duty, and emergency dental treatment.  The European Medical Command (EMC) will ensure efficient joint EU management of scarce European medical services (planning, management and coordination unit).  It will provide critical medical resources and contribute to harmonising national medical standards, legal (civil) framework conditions and sanitary service principles.  The project is expected to make progress the interoperability and the coherence of health care capabilities in Europe (standardization of concepts, training and certification).	Sebastian FISCHER Spokesperson of the Permanent Representation of Germany sebastian.fischer@diplo.de
European Secure Software defined Radio (ESSOR)	The European Secure Software Defined Radio aims to develop common technologies for European military radios. The adoption of these technologies as a standard will guarantee the interoperability of EU forces in the framework of joint operations, regardless which radio platforms are used, thereby reinforcing the European strategic autonomy. The European Secure Software Defined Radio project will provide a secure military communications system, improving voice and data communication between EU forces on a variety of platforms.	Mathilde FELIX-PAGANON Spokesperson of the Permanent Representation of France mathilde.felix- paganon@diplomatie.gouv.fr

Network of logistic Hubs in	The Network of logistic Hubs in Europe and support to Operations will	Sebastian FISCHER
Europe and support to	improve strategic logistic support and force projection in EU Missions and	Spokesperson of the Permanent
Operations	Operations.	Representation of Germany
	It aims at establishing cross-border solutions for more efficient, seamless	sebastian.fischer@diplo.de
	military transport/logistics and connection of existing European initiatives	
	under one logistic umbrella.	
	It is expected to enhance logistic planning and movement as well as to	
	deliver common standards and procedures, that will greatly improve the	
	EU's and NATO's capability to conduct even the most demanding missions.	
Military Mobility	This project will support Member States' commitment to simplify and	Roy KENKEL
	standardize cross-border military transport procedures. It aims to enhance	Spokesperson of the Permanent
	the speed of movement of military forces across Europe.	Representation of the Netherlands
	It aims to guarantee the unhindered movement of military personnel and	roy.kenkel@minbuza.nl
	assets within the borders of the EU. This entails avoiding long bureaucratic	
	procedures to move through or over EU Member States, be it via rail, road,	
	air or sea.	
	The project should help to reduce barriers such as legal hurdles to cross-	
	border movement, lingering bureaucratic requirements (such as passport	
	checks at some border crossings) and infrastructure problems, like roads and	
	bridges that cannot accommodate large military vehicles.	
European Union Training Mission	The European Union Training Mission Competence Centre (EU TMCC) will	Sebastian FISCHER
Competence Centre (EU TMCC)	improve the availability, interoperability, specific skills and professionalism	Spokesperson of the Permanent
	of personnel (trainers) for EU training missions across participating Member	Representation of Germany
	States.	sebastian.fischer@diplo.de
	Moreover, it will accelerate the provision for EU training missions due to a	
	higher situational awareness regarding trained, educated and available	
	personnel for current and future EU training missions.	

European Training Certification	The European Training Certification Centre for European Armies aims to	Davide BONVICINI
Centre for European Armies	promote the standardisation of procedures among European Armies and	Spokesperson of the Permanent
	enable the staff, up to Division level, to practice the entire spectrum of the	Representation of Italy
	command and control (C2) functions at land, joint and interagency levels in a	davide.bonvicini@esteri.it
	simulated training environment.	
	The Centre will ensure that soldiers and civilian employees will work	
	together in a simulated training environment with scenarios such as	
	"Humanitarian Assistance" and "Support to Stabilization and Capacity	
	Building" and eventually contribute to ensure that corporate experience and	
	knowledge is consolidated, shared and made available to plan and conduct	
	CSDP missions and operations.	
Energy Operational Function	Based on lessons learnt from recent operations, the project "Energy	Mathilde FELIX-PAGANON
(EOF)	Operational Function" aims at a double objective. On one part, it aims at	Spokesperson of the Permanent
	developing together new systems of energy supply for camps deployed in	Representation of France
	the framework of joint operations and for soldier connected devices and	mathilde.felix-
	equipment. On the other part, it aims at ensuring that the energy issue is	paganon@diplomatie.gouv.fr
	taken into account from the conceiving of combat systems to the	
	implementation of the support in operations, and including in the	
	framework of operational planning.	
Deployable Military Disaster	The Deployable Military Disaster Relief Capability Package will deliver a	Davide BONVICINI
Relief Capability Package	multi-national specialist military package for the assistance to EU and other	Spokesperson of the Permanent
	States, which can be deployed within both EU-led and non EU-led	Representation of Italy
	operations.	davide.bonvicini@esteri.it
	The new EU capability will manage a range of emergencies including natural	
	disasters, civil emergencies, and pandemics.	
	The project aims to include the establishment of a new EU Disaster Relief	
	Training Centre of Excellence, and ultimately a Disaster Relief Deployable	
	Headquarters.	

Maritime (semi-) Autonomous	The Maritime (semi-) Autonomous Systems for Mine Countermeasures (MAS	Stephanie ROSSION
Systems for Mine	MCM) will deliver a world-class mix of (semi-) autonomous underwater,	Spokesperson of the Permanent
Countermeasures (MAS MCM)	surface and aerial technologies for maritime mine countermeasures. The	Representation of Belgium
	project will enable Member States to protect maritime vessels, harbours and	stephanie.rossion@diplobel.fed.be
	off shore installations, and to safeguard freedom of navigation on maritime	
	trading routes.	
	The development of underwater autonomous vehicles, using cutting-edge	
	technology and an open architecture, adopting a modular set up, will	
	contribute significantly to the EU's maritime security by helping to counter	
	the threat of sea mines.	
Harbour & Maritime Surveillance	The Harbour & Maritime Surveillance and Protection (HARMSPRO) will	Davide BONVICINI
and Protection (HARMSPRO)	deliver a new maritime capability which will provide Member States with the	Spokesperson of the Permanent
	ability to conduct surveillance and protection of specified maritime areas,	Representation of Italy
	from harbours up to littoral waters, including sea line of communications	davide.bonvicini@esteri.it
	and choke points, in order to obtain security and safety of maritime traffic	
	and structures.	
	It will deliver an integrated system of maritime sensors, software and	
	platforms (surface, underwater and aerial vehicles), which fuse and process	
	data, to aid the detection and identification of a range of potential maritime	
	threats.	
	The project will also deliver a command and control function for the	
	deployable system, which could operate in harbours, coastal areas and the	
	littoral environment.	

Upgrade of Maritime Surveillance	The project on Upgrade of Maritime Surveillance will integrate land-based	Panagiotis AGRAFIOTIS
	surveillance systems, maritime and air platforms in order to distribute real-	Spokesperson of the Permanent
	time information to Member States, so as to provide timely and effective	Representation of Greece
	response in the international waters.	pagrafiotis@gpo.be
	The main objective of the program is to enhance the Maritime Surveillance,	
	Situational Awareness and potential Response Effectiveness of the EU, by	
	using the existing infrastructure, deploying assets and developing related	
	capabilities in the future. It aims to address timely and effectively new and	
	old threats and challenges (such as energy security, environmental	
	challenges, security and defence aspects); thus ensuring accurate Awareness	
	and Rapid Response, so as to contribute to the protection of the EU and its	
	citizens.	
Cyber Threats and Incident	Cyber Threats and Incident Response Information Sharing Platform will	Panagiotis AGRAFIOTIS
Response Information Sharing	develop more active defence measures, potentially moving from firewalls to	Spokesperson of the Permanent
Platform	more active measures.	Representation of Greece
	This project aims to help mitigate these risks by focusing on the sharing of	pagrafiotis@gpo.be
	cyber threat intelligence through a networked Member State platform, with	
	the aim of strengthening nations' cyber defence capabilities.	
Cyber Rapid Response Teams and	Cyber Rapid Response Teams (CRRTs) will allow Member States to help each	Žana TARASĖ
Mutual Assistance in Cyber	other to ensure higher level of cyber resilience and to collectively respond to	Spokesperson of the Permanent
Security	cyber incidents.	Representation of Lithuania
	Cyber RRTs could be used to assist other Member States and EU Institutions,	zana.tarase@eu.mfa.lt
	CSDP operations as well as partner countries.	
	CRRTs will be equipped with unified Deployable Cyber Toolkits designed to	
	detect, recognise and mitigate cyber threats.	
	The response teams would be able to assist with training, diagnostics and	
	attribution forensics, and assistance in operations.	
	The aim of this project is to integrate Member State expertise in the field of	
	cyber defence.	

Strategic Command and Control (C2) System for CSDP Missions and Operations	The project aims to improve the command and control systems of EU missions and operations at the strategic level. Once implemented, the project will enhance the military decision-making process, improve the planning and conduct of missions, and the coordination of EU forces. The Strategic Command and Control (C2) System for CSDP Missions will connect users by delivering information systems and decision-making support tools that will assist strategic commanders carry out their missions. Integration of information systems would include intelligence, surveillance, command and control, and logistics systems.	Ana Belen VÁZQUEZ GONZÁLEZ Spokesperson of the Permanent Representation of Spain ana-belen.vazquez@reper.maec.es
Armoured Infantry Fighting Vehicle / Amphibious Assault Vehicle / Light Armoured Vehicle	The project will develop and build a prototype European Armoured Infantry Fighting Vehicle / Amphibious Assault Vehicle / Light Armoured Vehicle.  The vehicles would be based on a common platform and would support fast deployment manoeuvre, reconnaissance, combat support, logistics support, command and control, and medical support.  These new vehicles will also strengthen the EU CSPD ensuring, at the same time, the interoperability among European armies.	Davide BONVICINI Spokesperson of the Permanent Representation of Italy davide.bonvicini@esteri.it
Indirect Fire Support (EuroArtillery);	The Indirect Fire Support (EuroArtillery) will develop a mobile precision artillery platform, which would contribute to the EU's combat capability requirement in military operations.  This platform is expected to include land battle decisive ammunition, non-lethal ammunition, and a common fire control system for improving coordination and interoperability in multi-national operations.  This project aims at procuring a new capability / platform of a key mission component for land forces in the short to mid-term.	Janka NAGYOVA Spokesperson of the Permanent Representation of Slovakia Janka.Nagyova@mzv.sk
EUFOR Crisis Response Operation Core (EUFOR CROC)	EUFOR Crisis Response Operation Core (EUFOR CROC) will decisively contribute to the creation of a coherent full spectrum force package, which could accelerate the provision of forces.  EUFOR CORC will improve the crisis management capabilities of the EU. In phase 1 the project will start with an implementation study.	Sebastian FISCHER Spokesperson of the Permanent Representation of Germany sebastian.fischer@diplo.de