EDA's Pooling & Sharing

What is Pooling & Sharing

"Pooling & Sharing" is a EU-led concept which refers to initiatives and projects to pool and share more military capabilities among EU Member States.

As stated in the German-Swedish Food for Thought Paper on European Imperative Intensifying Military Cooperation in Europe "Ghent Initiative" (November 2010), "the goal of the initiative is to preserve and enhance national operational capabilities – with improved effect, sustainability, interoperability and cost efficiency as a result".

The utilisation of Pooling and Sharing as a means of addressing the impact of the financial crisis on European defence capability has been a major theme of capabilities work in the European Union. Defence Ministers in Ghent gave P&S a strong political push, which led to Member States submitting a range of P&S candidates to the EUMC. EDA has been mandated by Ministers of Defence to submit proposals at their 30 November 2011 Steering Board meeting in this regard.

The creation of EDA in 2004 initiated a systematic European approach to collaborative defence capability development, offering a forum for identifying and satisfying operational requirements and supporting the European defence technological and industrial base. Within the Agency's framework, the Member States initiate capability development programmes, with the Agency providing expertise, legal and administrative support to Member States' initiatives (e.g. helicopter training, the counter-IED laboratory, and the European Air Transport Fleet).

Context

Over the past decade, European defence budgets have been declining steadily. The current financial crisis is exacerbating the situation and resulting in further deep cuts[1]. European armed forces have increased their international cooperation for the development of defence capabilities. However, a number of capability gaps continue to exist, as illustrated by the recent operation in Libya. There is also overcapacity in certain areas at the European level, for which there is scope for rationalisation.

Back ground: Ghent Summit & EDA's work

EDA's work follows the Ghent[2] initiative, where defence ministers have agreed to draw up an inventory of projects where they could cooperate by sharing and pooling military capabilities in order to avoid duplication and cut costs. Ghent initiative is recognised as a starting point for Pooling & Sharing, being the "wake-up call", the origin of a "political momentum" for Pooling & Sharing.

On 23 May 2011, the EDA Steering Board tasked the Agency to "produce, in close cooperation with the EUMC and other EU actors, proposals on how European Pooling & Sharing could be taken forward, inter alia by identifying common operational requirements, areas and modalities with potential for substantial development, on the basis of an in-house EDA analysis possibly reinforced by voluntary senior level external support".

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1 *Defence Expenditure and Investment: 2008 to 2010 - In the two years following the economic crisis, the overall defence expenditure of the 26 EDA pMS decreased by almost 4% (or 5% if we look at real variation by taking inflation into account). The steepest fall happened in 2009 since from a value of € 201.4 billion in 2008 the 26 pMS aggregated defence expenditure decreased to € 194.0 billion in 2009 (3.7%). The decrease between 2009 and 2010 was much smaller amounting only to € 0.5 billion (-0,2%). (Source: EDA Defence Data - http://www.eda.europa.eu/DefenceData).*

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2 *Ghent Ministerial Meeting, Belgium Presidency, September 2010.*

In order to tackle the higher level issues and to play a facilitating role in enabling P&S initiatives, EDA was assisted by senior level experts[3] , who have been discussing with national decision-makers to gain insight into current issues and possibilities. They supported EDA in making proposals to allow the Ministerial Steering Board in 30 November to commit to concrete outputs and give EDA's work impetus for further deliverables in the Steering Board in the Spring 2012.

Non-duplication and link to operational needs

EDA has been working closely with NATO in order to seek synergies with the respective work-strands and avoid unnecessary duplication. The overall objective is to facilitate European capability improvement by addressing Europe's defence capability shortfalls, some of which have been recently illustrated in the operation in Libya. With Member States' support and through staff-to-staff contacts, the Agency will continue to ensure that all efforts will be de-conflicted and complementary with activities undertaken in the NATO framework.

What will happen at the EDA Steering Board in Ministers of Defence formation

The Steering Board[4] will endorse the EDA analysis and the way ahead on Pooling & Sharing, including the NEW opportunities identified, giving top-down political direction.

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3   General Camporini (former IT Chief of Defence), Mr Lureau (former FR National Armaments Director), Mr Lavonen (FI National Armaments Director), General Nilsson (SE) and Mr Linnenkamp (former EDA Deputy Chief Executive).

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4   The Steering Board, composed of the participating Member States' Defence Ministers plus a representative from the Commission (without voting rights), is EDA's governing body. It represents the decision-making level in the capitals. Each year, at least two Ministerial Steering Board meetings take place - plus several at sub-ministerial level. The Ministerial Steering Board is chaired by the Head of the Agency, Ms. Catherine Ashton, and it usually takes place in Brussels, normally back-to-back with the half-yearly meetings of the Foreign Affairs Council in Defence Ministers' formation.

NEW concrete projects discussed by Ministers of Defence

Based on the senior level experts' analysis and EDA's report, Ministers have identified the following Pooling & Sharing initiatives so far:

• Helicopter Training Programme: The driver of this programme has been the need to prepare European helicopter crews for the demands of current operations. Through the pooling and sharing of expertise over 150 crews have been trained. The work was initiated by an EDA Steering Board Ministerial Declaration in May 2008, and following a successful 3-year programme of exercises, specialist training courses and lessons identified seminars, the concept has now been proved. Due to both the success of the work and the very low cost envisaged, a high level of participation is expected.

• Maritime Surveillance Networking: As a component part of the overall Intelligence Surveillance and Reconnaissance capability, the production of a comprehensive picture of the maritime situation is a key requirement for both deployed operations and security of the home base. It is also an area where major synergies can be achieved through the military and civilian authorities exchanging information. The pooling and sharing of information and the acceptance of the need to share through incremental trust building has been a key feature of this work undertaken by 16 pMS in the EDA MARSUR Project Team led by Finland. Their links with the EU Commission and Agencies, and maritime organisations worldwide, have been enhanced through 6 pMS (ES, FI, FR, IT, SE, UK) linking their national systems through an EDA developed interface. This initial network will be joined by at least 15 pMS (BE, CY, DE, EL, ES, FI, FR, IE, IT, LT, NL, PL, PT,

SE, UK). This will be further developed through an EDA opt-in project commencing in mid-2012.

• European Satellite Communication Procurement Cell (ESCPC): Satellite Communication (SATCOM) is a critical high demand operational enabler that links both command and control systems and intelligence, surveillance, reconnaissance and targeting systems. Demand is growing significantly, particularly with the widespread use of Unmanned Aerial Vehicles on the battlefield which require significant SATCOM capacity for control and transmission of data from sensors. The ESCPC "pilot" programme is designed to prove that pooling demand will reduce both costs (10% estimate) and ensure better availability (security of supply and rapid access). It also meets a Steering Board in Ministers of Defence tasking of May 2008.

• Medical Field Hospitals: The provision of medical capability is a fundamental enabler for any military operation and deployable medical capability is both scarce and expensive. It is an ideal capability for European Pooling and Sharing due to commonly recognized civilian qualifications and it is very much a "dual use" civ/mil capability that can be utilized in humanitarian operations. Italy proposed the deployable field hospital initiative at the EUMC CHODS meeting on 3 May 2011 and subsequently undertook to lead the initiative through EDA. The modular concept is based on work done under the auspices of NATO and allows a wide range of levels of contributions within a flexible framework. Importantly, a pre-operational integration capability is envisaged to bring the modules together prior to deployment. Work has already commenced with 12 Member States (AT, BE, CY, CZ, FR, FI, HU, IE, IT, RO, SE, SL and possibly NL) with the plan to field deployable capability in 2014.

• Air to Air Refuelling: Air-to-Air Refuelling is a critical enabler for air power projection and it is required to enable anything beyond short range air combat operations. A unique force multiplier, it is a fundamental capability embedded in modern aircraft design, not just in combat aircraft, but across the full spectrum of air platforms – including in the near future Unmanned Aerial Vehicles. In the past, European armed forces have relied substantively on American assets and this was originally demonstrated in the Kosovo Campaign, and the increased reliance on the US was a lesson from operations over Libya. Europe can field 42 aircraft of 10 different types, which compares with US resources of over 650 of 4 types. As AAR is a major capability shortfall that can be ameliorated through a wide series of European options, significant interest is expected.

• Future Military Satellite Communications: A once in a 15-year opportunity to address the needs of the next generation of Military SATCOM exists now and decisions on the future need to be made. Currently, there are five European systems in orbit, several of which have limited global coverage and replacement is needed between 2020 and 2025. The aim is to start addressing the development of the next generation of Military SATCOM (post-2020) in a European context, by investigating future capability needs of governmental user communities at Member States and European level and preparing for the development of relevant SATCOM technologies in a civ-mil perspective.

• Intelligence Surveillance Reconnaissance (ISR): The operational, legal and humanitarian aspects of current and future operations will require even more precision in target acquisition (from surveillance to direct action), and this can only come from improved ISR.

An ISR system involves platforms, sensors and networks and it is the optimisation of this system through Pooling and Sharing that is the focus of this initiative. Sharing information and intelligence multinationally is a sensitive matter (albeit often resolved quickly on operations), but the technical issues allowing sharing, such as standardised image formats, network architectures, storage capacity, analysis capacity and coherence of the global ISR chain, can be addressed independently.

Space Situational Awareness is equally part of the Intelligence Surveillance and Reconnaissance (ISR) capability. It is a civil/military capability that looks at the threat to space assets. It is of particular interest to a community of Member States operating space assets and in need of developing a "Recognised Space Picture".

• Pilot Training: All Member States train military pilots, albeit at reducing numbers. Economies of scale, improved interoperability and the enabling of European based solutions are all potential advantages of this initiative. Further, by considering the matter over the range of pilot training (basic, transport, helicopter, fast jet and tactical) it gives more opportunity to spread the benefits between Member States thereby offsetting losses in different areas.

• European Transport Hubs: Currently, transportation is considered mainly through national systems, with consequent duplication and the associated inefficiencies. The best commercial practice is to use consolidated transport hubs that can manage a range of transport means such that the most efficient transport type is used. This is not only ensuring the efficient use of road/rail/sea/air assets, but also includes types of aircraft – strategic, tactical, liaison – and optimising their use. When logistic storage and distribution centres are added, then very significant savings in terms of cost are made and efficiency is increased. The EDA European Air Transport Fleet programme is starting to address the air aspects of such an initiative.

• Smart Munitions: Consideration needs to be given as to the extent armed forces will ever be able to realistically utilise non-guided munitions in the future for both operational (utility and vulnerability of platforms) and legal reasons. Many systems and munitions stockpiles could become obsolete, with the option being either of disposal or modernisation. Additionally, the Libya operation demonstrated that European smart munition stockpiles were insufficient and also that the majority of munitions were sourced from the USA.

• Naval Logistics and Training: The current EDA Naval Logistics work stream has mapped out the European landscape and highlighted potential areas of collaboration across the area of Naval Logistics.

Commercial options have also been developed through the EDA Third Party Logistic System in support of Operation ATALANTA. Further detailed study of the Naval landscape is being undertaken to report early in 2012 and will look to elaborate further Pooling & Sharing initiatives (eg a leased afloat naval command facility is under consideration). All of the work concludes that there are very significant options for pooling and sharing ranging from platform and sub-system developments to synchronizing national maintenance programmes. For example, key European capabilities such as aircraft carriers could be made available at all times through simply synchronizing maintenance schedules on a multi-national basis. Naval training is also an area that has been raised as being of interest to several Member States.

EDA's role: what's next

Some projects will kick off soon – already in December 2011.

EDA is a Pooling & Sharing body in action, supporting Member States ambitions and the cooperative business dynamics.

Pooling & Sharing is an endeavour requiring long-term commitment. EDA provides an overall framework for Pooling & Sharing opportunities and expertise and advice on financial, legal and contractual issues.

Furthermore, EDA will examine and propose ways to optimise the use of existing capabilities across Europe, by developing generic models for cooperation drawing on best practices. EDA will also examine ways to improve the use of existing instruments for facilitating Pooling & Sharing (Capability Development Plan, the Collaborative Database).