

Considerations on ‘Capacity building in support of security and development (CBSD) in third countries’

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About ASD

The AeroSpace and Defence Industries Association of Europe represents the aeronautics, space, defence and security industries in Europe in all matters of common interest with the objective of promoting and supporting the competitive development of the sector. Its membership comprises major European aerospace and defence companies as well as national associations.

Introduction:

Recent crises have shown the importance of stability in Europe's Southern and Eastern neighborhood and in Africa for Europe's own security. ASD therefore believes that the European Union (EU) should support the internal security of its partners as a precondition for peaceful development abroad, but also to ensure security at home.

In this context, we welcome the initiative of the European Commission and the European External Action Service (EEAS) on "Capacity building in support of security and development (CBSD) in third countries"¹, which followed the Conclusions of the European Council of December 2013 and the Foreign Affairs Council of May 2015².

We do believe that the EU must have in its toolbox all the necessary instruments if it wants to achieve sustainable results. Consequently, we support the idea that "capacity building" should include not only training and technical assistance, support for the rule of law and democratic control of the security sector, but also support for the build-up of security capabilities. From our point of view, this support should cover the procurement of both equipment and services, depending on the capability needs.

We are fully aware of the political sensitivity of such support. The decision to use EU funds for procurement of security equipment and / or services in third countries should therefore always be based on a sound evaluation of the potentially associated risks. However, we do believe that it is important for the EU to have the possibility to do so if it wants to become a credible and effective security provider. At the same time, we believe that such support necessitates very close coordination between EU and Member States to ensure coherence of European and national activities.

Since security equipment and services are generally produced and supplied by industry, ASD considers it legitimate to provide its contribution to the debate on CBSD. The recommendations that we put forward in this position paper are twofold:

- **In the first part, we elaborate on the conditions for a successful short-term solution for CBSD.** The current CBSD initiative originated from the pressing need to support armed forces of developing countries with equipment they need to ensure the rule of law in fragile states and (post-) crisis situations. We believe that a revision of the Instrument contributing to Security and Peace (IcSP)³ is the best option to achieve this objective. At the same time, we argue that some practical aspects need to be addressed to ensure the effectiveness of the support.
- **In the second part, we look at a more comprehensive long-term solution.** We encourage the European Commission, the EEAS and Member States to take the current CBSD debate as a starting point for a wider reflection on the EU support for 'home affairs' in partner countries. Given the current instability around Europe, we believe that capacity building for security should become a priority for all the EU's external policies and always include the option to support the build-up of security

¹ Joint Communication JOIN (2015) 17 final on 'Capacity building in support of security and development – enabling partners to prevent and manage crises', 28/04/2015.

² European Council Conclusions of 20/12/ 2013 (EUCO 217/13) which emphasised "the importance of supporting partner countries and regional organisations, through providing training, advice, equipment and resources where appropriate, so that they can increasingly prevent or manage crises by themselves". See also Council Conclusions on CSDP of 18 May 2015 (REF: 8971/15).

³ Regulation (EU) No 230/2014 of the European Parliament and of the Council of 11 March 2014 establishing an instrument contributing to stability and peace.

capabilities. From our point of view, the current financial instruments supporting these policies are not fit for that purpose and should be reformed quite substantially. The forthcoming mid-term review and the preparation of the next Multi-annual Financial Framework (MFF) are opportunities to introduce such changes.

Part 1: CBSD in the short term

The current CBSD discussion is a result of the experience of CSDP missions in Africa. In terms of capacity building, the mandate of these missions is limited to training and administrative support for security sector reform. Support for equipment and infrastructure for local forces is not included, even when it would be urgently needed to ensure the sustainability of training measures. Other EU external instruments cannot fund such support either: most of them follow long-term programming cycles and lack the flexibility to rapidly provide assistance in crisis situations. Moreover, none of them allow support for armed forces, although the latter fulfil in most African countries security rather than defence missions.

The CBSD initiative aims to tackle this shortfall and enable the EU to both ‘train and equip’ local armed forces to ensure security in third countries. To achieve this objective, a revision of the legal basis of one of the external instruments is necessary. In its Communication and inception impact assessment⁴, the European Commission presents different options for this.

We consider an adaptation of the IcSP as the best solution to rapidly implement the ‘train and equip’ concept. It seems to us the obvious candidate as it is one of the few EU instruments with a specific security focus, and – as a subsidiary instrument – its purpose is to provide assistance when other EU instruments cannot provide an adequate response (which is the case here). Moreover, the IcSP offers from our point of view two important advantages: First, it is funded through the EU budget, which ensures better visibility and transparency than instruments outside the MFF (like the African Peace Facility under the European Development Fund). Second, the IcSP is relatively flexible since it has a worldwide scope and covers explicitly assistance in “exceptional and unforeseeable situations”.

A revision of the IcSP regulation this year (or early next year) would enable an implementation of the CBSD concept still during the second part of the current MFF. Up until now, the debate on CBSD focussed very much on legal aspects, in particular the eligibility of armed forces for EU support. Notwithstanding the importance of this, we believe that a number of other issues need to be clarified to ensure that the IcSP (or any other instrument) can successfully be used for CBSD in third countries.

Firstly, the revision of the IcSP regulation should introduce a new provision clarifying that the instrument can support CBSD through both technical assistance and supply of equipment and services. This provision should also specify which type of ‘non-lethal’ equipment and services IcSP can fund, and for which missions. In the current security context, we recommend defining border control and counter-terrorism as priorities. Given the nature of these missions, we would also recommend specifying explicitly that the instrument can be used to strengthen the capabilities of both military and non-military security forces.⁵

⁴ http://ec.europa.eu/smart-regulation/roadmaps/index_en.htm

⁵ For example, the EU concept on CSDP support to Integrated Border Management indicates that “Border infrastructure can range from the physical facilities (border crossing points, patrol bases, surveillance towers and physical marking of the border line (border posts, signs etc.)) to technical surveillance systems (equipment for gathering biometric data and for examining travel documents, sensors, cameras, radars and operational IT-system for their use). Typical border control equipment includes patrol

Secondly, a revision of the IcSP regulation should be accompanied by a thorough assessment of the budget needed for a credible CBSD component. The current IcSP budget of €2.4 billion for 2014-2020 is one of the smallest of Heading 4 (Global Europe) and would from our point of view have to be increased considerably to fund supply of (even basic) equipment and services.

Finally, the IcSP revision should come along with an explanation of the *modus operandi* of the support. This seems necessary in particular as the main purpose of the IcSP is to provide at short notice assistance in response to crisis.⁶ These cases are by nature not foreseeable and therefore not specified in the IcSP programming documents that set the framework for longer term cooperation with partners.⁷ As a consequence, there is very little visibility today about IcSP spending on short-term needs, which we find particularly problematic for the procurement of equipment. We therefore recommend issuing, together with the revision of the regulation, guidelines specifying the modalities of the procurement process. These guidelines should clarify in particular the following questions:

- **Who defines capability needs?** We believe that the definition of the needs should be done in a structured way under the responsibility of the EU. This seems important to ensure political control and strategic guidance (from an EU perspective), but also to prepare an efficient procurement process. Heads of CSDP missions, EEAS services, the FPI (Foreign Policy Instrument), relevant EU Agencies and EU Delegations should work closely together on this.
- **How to communicate capability needs?** Today, it is often for members of the CSDP mission to evaluate the needs on the ground, but the results of that assessment are not made public. We believe that equipment or service needs which are identified for EU support should be made accessible to potential suppliers whenever possible (subject to confidentiality requirements). For that purpose, a system of pre-qualified tenderers could be envisaged.
- **How to procure capabilities?** In crisis situations capability needs may be too urgent for procurement through competitive procedures. However, even equipment delivered without competition may need maintenance and upgrades. Such follow-on supply and service contracts should be made accessible for industry via normal public tendering procedures. To facilitate such tendering, it would make sense to be more transparent about urgent deliveries and publish at least ex-post contract award notices. For certain needs (e.g. transport) leasing of equipment on the basis of framework contracts could be an alternative. For all cases, we would recommend creating a specific Security section into the Europaid publication system.⁸
- **Who is responsible for procurement?** The Joint Communication defines 'ownership of the partner country' as one of the key principles of capacity-building, identifying local administrations as the primary stakeholders. However, supply of security equipment and services necessitates a sound procurement system. Many partner countries may have difficulties to run a proper procurement process and organise fair and transparent calls for tender. We would therefore recommend that the EU services responsible for the IcSP should directly manage the procurement process on behalf of the beneficiaries. This would also help ensuring proper use of the material.

vehicles, thermal/night vision equipment, detection equipment (e.g. for detecting persons from vehicles/containers) and service weapons, etc".

⁶ Article 3 of the IcSP Regulation.

⁷ According to Article 8(1) of the IcSP Regulation, the Thematic Strategy Paper and its accompanying Multi-annual Indicative Programme only apply to assistance under Articles 4 and 5 of the Regulation, i.e. "assistance for conflict prevention, peacebuilding and crisis preparedness" and "assistance in addressing global, transregional and emerging threats".

⁸ The EU's website for publication of tenders related to IcSP, ENI, IPA, etc.

- **How can industry participate?** Up until now, IcSP has funded mainly activities of international organisations, NGOs, Think Tanks, etc. We believe that the natural partner for the supply of EU-funded equipment and services should be European industries, where appropriate in cooperation with local partners. We therefore suggest that the revision of the IcSP should also foresee the establishment of a structured dialogue with industry. For that purpose, a platform could be set up for interaction between EU contracting authorities, national experts from Member States and economic operators as potential suppliers to exchange information and identify solutions for third countries operational needs.⁹

Part 2: CBSD in the mid- and long term

In the current security context, a CBSD initiative tailored specifically to short term needs of armed forces in developing countries is important, but not sufficient. Supply of equipment and services should not only be conceived as a response to an urgent crisis, but as a means to develop sustainable security capabilities and enable partner countries to accomplish security missions (border control, fight against terror, etc.) in the long run, no matter whether the end-users are military or non-military security forces.

Today, several EU external action instruments fund security-related activities. However, the budgets earmarked for security are small and almost exclusively dedicated to technical assistance. Given the deteriorating security situation in our closer and wider neighbourhood, we strongly question the efficiency and the effectiveness of this approach. We are convinced that the logic underlying the current CBSD initiative applies to all external policies and instruments that have a security dimension: training and technical assistance are important, but in itself not sufficient to achieve sustainable solutions.

Consequently, support for the procurement of security equipment and services should be a tool available under all relevant EU external instruments, namely: the long term elements of the IcSP, the European Neighborhood Instrument (ENI), and the Instrument for Pre-Accession (IPA). This would allow a more comprehensive approach to support security in all partner countries which are relevant for the EU's own security.

The forthcoming mid-term review (2017) is an opportunity to introduce the (enlarged) concept of capacity building into these instruments already under the current MFF. With a view to the next MFF (2021 onwards), we advocate initiating more far-reaching structural reforms and the adoption of a new instrument to support security and 'home affairs' in the EU's partner countries.

Mid-term review (2017):

In order to implement certain measures still under the current budget cycle, we recommend raising considerably the ceiling of 'home affairs' funding of each of the external instruments under Heading 4 (Global Europe). Moreover, the strategic programming for the second half of the MFF (2018-2020) and the related work programmes should be adapted to the new security environment:

- For the Neighborhood South and East (funded by ENI), we suggest that the EU (EEAS, DG NEAR and HOME) undertakes together with Member States a systematic assessment of current and future security capability needs. This would be in line with the new security priority of the revised

⁹ The EDA's Contractor Support to Operations Platform (CSP), although limited to European needs of CSDP mission, could serve as a model for this.

European Neighborhood Policy and set a sound basis to identify which partner country needs which equipment. We would recommend focusing on border surveillance, counter terrorism and protection of transport infrastructure as priority areas. The relevant strategy papers for the years 2018-2020 should be adapted accordingly and introduce (a) specific multi-annual security programme(s).¹⁰

- For the IcSP, we would recommend strengthening also the long-term security elements (listed in Article 5 of the Regulation) and concentrate on the areas of border surveillance, counter terrorism, organised crime, protection of critical infrastructures and CBRN risk mitigation. The objectives and priorities laid down in Thematic Strategy Paper should be reviewed accordingly and include an updated assessment of capability needs as the basis for the next multi-annual indicative programme (2017-2020). We would also recommend shifting parts of the budget of the Development Cooperation Instrument (DCI) to the IcSP (as the latter is primarily a development and cooperation instrument). This would rationalize the financial setting and enable each of the two instruments to concentrate on its core business (fight against poverty for DCI, security for IcSP).
- For IPA, we suggest increasing the budget for ‘home affairs’ in candidate countries to ensure that they can bring in particular their capacities for the fight against terrorism and border control up to the future EU standards. The focus could be on an Integrated Border Management programme for the Western Balkans, which would bring together Member States and industry and could be combined with bilateral and ISF funding.

Next MFF (2021-2028):

Except the IcSP, all external action instruments of the EU have been developed for other policy objectives than security. Moreover, they all follow complex programming cycles and procedures, which reduce flexibility, but also the role and access for industry. The modifications suggested above for the mid-term review operate within the existing framework and can therefore strengthen the security dimension only to a limited degree. In the long run, we believe more far-reaching reforms are necessary.

The challenges of migration, terrorism, border management etc. will certainly persist beyond 2020, and other unpredictable challenges might arise. This calls for an increase of funding for security-related activities in the EU’s neighborhood. However, to make the support to partner countries effective and sustainable, it is crucial not only to spend more on security-related activities, but also to spend differently: what we need is more coherence between EU policies and instruments, closer coordination between the EU and Member States, and more efficiency in spending.

We believe that the best means to achieve these objectives would be to establish a new EU instrument specifically to support security in third countries, which combines in a comprehensive approach Security Sector Reform and Capacity Building, long-term and short term assistance, support for training and build-up of capabilities. From our point of view, all security-related budgets of other external instruments and facilities should be transferred to such a single security instrument. This new instrument should have a leaner and more flexible programming in order to better define priorities and needs in direct cooperation with local security actors. Work programmes should be directly managed by the EU under the responsibility of a single coordinator to ensure the efficiency and effectiveness of spending.

¹⁰ These programmes should build on the experience of the security programme established for Tunisia in 2015.

We believe that a dedicated instrument for ‘home affairs’ in third countries would have numerous advantages. It would allow to:

- Overcome the current competition between development-related activities and security-related activities under the same budget headings;
- Concentrate security-related efforts and re-focus other instruments on their initial objectives;
- Develop tailor-made strategy and planning documents as a basis for more coherent and targeted security activities;
- Establish a direct dialogue with local security actors of beneficiary countries to improve preparation and implementation of work programmes;
- Cooperate closely with industry on procurement to ensure best value for money;
- Design and apply specific criteria for a better evaluation of funded projects;
- Increase the visibility of the EU as a security provider in its relations with partner countries.

Such an instrument for the support of security in partner countries would be a major contribution to the implementation of the EU’s forthcoming Global Foreign and Security Strategy. It could strengthen the political relations between the EU and its partners, contribute to the sustainable development of our neighborhood and indirectly improve security inside the EU, as advocated recently in the European Agenda on Migration¹¹, the Valletta Summit Action Plan¹² and the ‘Border package’¹³.

To ensure consistency of the EU’s external and internal security policies, the EEAS and the European Commission (in particular DG NEAR, DEVCO and HOME) should closely coordinate for the preparation and the implementation of the instrument. Last but not least, the instrument should be closely coordinated with Member States’ national programmes and have a budget at the level of Europe’s security needs.

Conclusions

We are aware that the discussion on capability building in security is only at its beginning. The present Position Paper is therefore only a first contribution to a debate that we expect to intensify and widen in the years to come. ASD stands ready for a close dialogue with the relevant EU services and institutions on these matters.

Signed by Jan Pie, ASD Secretary General, on 20 June 2016

¹¹ ‘A European Agenda on Migration’, COM(2015) 240 Final, 13.5.2015, p.11/12.

¹² ‘Valletta Summit Action Plan’, 6 November 2015, p.8/18, calling for action to “provide capacity building and financing for investments in improved integrated border management systems at regional and national level (and) reinforce State capacity to ensure security and fight terrorist threats”.

¹³ “A European Border and Coast Guard and effective management of Europe’s external borders “ (15.12.2015 COM(2015) 673 final).