Towards a UK-EU Security Pact

by Luigi Scazzieri, 6 August 2024

The UK wants to forge a 'security pact' with the EU. But too much ambition now risks failure. A gradual approach will be more successful.

The new Labour government's reset with the EU is in full swing. The European Political Community summit in Blenheim in mid-July allowed Prime Minister Keir Starmer to present Britain as a key ally to EU partners. Foreign Secretary David Lammy and Defence Secretary John Healey have been touring European capitals, reinforcing the message that Britain is fully committed to close co-operation with its neighbours.

Britain's new leaders have also been more willing than their predecessors to engage with the EU itself as well as individual member states: Starmer is supposed to meet Commission President Ursula von der Leyen in coming weeks and Lammy is due to attend October's meeting of EU foreign affairs ministers. All this prepares the ground for the security pact that the UK wants to strike with the EU. Striking a deal would allow the EU and the UK to maintain the current momentum in improving relations. But that will only be possible if both sides agree to pursuing an incremental approach.

The rationale for a pact

There are two sets of reasons why the new Labour government wants a security pact. First, Labour wants to improve relations with the EU, but any changes to the Trade and Co-operation Agreement (TCA) require difficult compromises and trust. Security is, at least in theory, a shared interest and common good, and is the obvious starting point to rebuild trust. Security also does not involve the same trade-offs as other policy areas: the European Court of Justice plays a very limited role, and Labour would not need to compromise on its red lines on free movement, the customs union or the single market.

Second, Labour thinks a security pact would fill a genuine gap in relations. The TCA has few provisions for co-operation on foreign, security and defence policy. When prime minister, Theresa May sought to conclude an ambitious foreign and security co-operation agreement with the EU. In 2018 her

government released proposals for a partnership that went significantly beyond existing EU models for co-operation with other partners. The EU rebuffed many of these proposals, but the UK and the EU still agreed on a blueprint for security co-operation in the Political Declaration of October 2019. This envisaged "structured consultation and regular thematic dialogues" between ministers and officials, as well as ad-hoc UK participation in informal meetings of EU foreign ministers and co-operation on sanctions, operations and defence capabilities. However, Boris Johnson's government lost interest in foreign policy and security co-operation, and dropped it from the negotiations.

The absence of formal structures for co-operation has not prevented the EU and the UK from working together in responding to Russia's war on Ukraine. There has been intense dialogue and good co-operation on sanctions, including on enforcement. However, EU and UK policies towards Russia and Ukraine have been closely aligned, and it is unclear how well co-operation would work if the two sides had different policy goals. Moreover, much co-operation has also taken place within the G7 – which may not be possible in cases where the G7 is not as united. Labour's idea of seeking a set of more structured arrangements to work with the EU is sound. Regular meetings on a broad range of topics would ensure that all the key officials (who often change jobs) meet each other, and that consultations take place even if there is a significant difference in policy between the UK and the EU. A formal agreement can also make it easier for EU delegations in third countries to co-ordinate positions with UK diplomats there.

At the same time, a pact could mitigate the UK-EU 'defence gap' that has emerged as the EU's involvement in defence has deepened. In 2017, the EU launched Permanent Structured Co-operation (PESCO), a framework to deepen defence co-operation between EU members. Since 2021, the EU has had a Defence Fund to finance joint R&D and foster a stronger defence industrial base. The EU's involvement in defence has further grown since Russia's large-scale assault on Ukraine: the EU now has tools to encourage joint procurement, and it is channelling funding directly to defence firms to expand ammunition production. A proposed European Defence Industrial Programme is meant to scale up these instruments. The EU's tools are designed in such a way that it is difficult for third-country firms and their subsidiaries in the EU to participate meaningfully in them. The risk for the UK is that over time more and more co-operation will take place in an EU framework, undermining existing industrial partnerships and cutting the UK out of much-needed efforts to deepen defence industrial co-operation. The EU also stands to lose from such a situation, given the size of the UK's defence sector and long-standing co-operation between British firms and those of countries such as France, Italy and Sweden.

Labour has not yet fully fleshed out its vision of a security pact, but its objectives are aligned with the UK's aims during much of the Brexit negotiations. Lammy has said the pact should entail co-operation with the EU on a broad range of issues, ranging from foreign policy to defence, energy and climate, health, migration and critical minerals. Writing in a pamphlet last year, Lammy explained that the idea was to have structured dialogue between ministers and officials to allow them "to exchange ideas and information more freely and at a regular tempo". The pact may also entail ad-hoc contributions to EU missions, and Labour has said it could envisage participating in those in the Balkans or off the Horn of Africa. On defence industrial issues, Labour has spoken of a 'bespoke' relationship but not clearly said what it wants. Its current focus is on strengthening bilateral relationships, for example with Germany.

The EU recognises that co-operation with close partners is more necessary than ever, and von der Leyen wants to strengthen relations with the UK on energy, security and resilience. However, the Commission maintains that existing issues with the implementation of the Withdrawal Agreement need to be resolved for the UK to have a better relationship. In general, the EU's attitude towards co-operation is

shaped by the principle that there is a difference between being in the club and out of it, and by its desire not to give some partners more favourable treatment than others.

What could a pact look like?

One option for the pact would be to create an overarching and legally binding agreement covering the areas that the UK wants, along the model of the Strategic Partnership Agreement that structures foreign policy co-operation between the EU and Canada. Such an agreement would require ratification by all the member-states and (depending on whether it touches upon issues of sole EU competence) by the European Parliament.

Alternatively, the pact could be lighter and take the form of a joint statement or a declaration issued at a UK-EU summit, in which the two sides committed to deepening co-operation and agreed to set up consultative structures. For example, EU-US foreign policy co-operation is based on the 1990 Transatlantic Declaration, which committed the two sides to a specified schedule of regular meetings and summits. Over time this has been complemented by other structures, including the Trade and Technology Council and a security and defence dialogue, both launched at the June 2021 EU-US summit. A joint declaration could be issued at a UK-EU summit and could be quickly followed by practical arrangements for enhanced co-operation. As trust deepens, these arrangements could be expanded, and eventually they could be subsumed under a legally binding treaty (as happened in the case of the EU-Canada relationship), or even under an EU-UK association agreement covering the whole bilateral relationship.

There is a strong case for the EU and the UK to pursue the option of a joint declaration. A declaration would be quicker to agree and would allow both sides to build on the momentum of their rapprochement and help to create the trust necessary for a deeper security partnership and better relations more generally. Conversely, there is a risk of negotiations over a legally binding deal becoming stuck over difficult issues.

The core of a joint declaration would be a decision to set up consultative structures immediately. The UK and the EU should agree to hold an annual summit and regular meetings between ministers and officials. In principle, it would make sense for dialogue to be broad, covering issues such as climate and energy policy, migration, health and supply chains. However, many EU policy-makers are sceptical of including in the pact issues that do not belong to foreign policy proper, such as energy or migration. Scepticism may dissipate over time as relations improve, but in the short term it is unlikely that the EU will be willing to include these issues, not least as it is the Commission, and not the External Action Service (EEAS) which leads on them. The areas covered by the recently agreed EU-Norway 'security and defence partnership' are a good guide of what the EU is likely to agree to. These include international peace and crisis management, maritime security, defence initiatives, space, cyber and hybrid threats, foreign interference, critical infrastructure and the 'external aspects of economic security'. The easiest solution would be for the UK and the EU to agree to establish a dialogue on security and defence issues straight away, while also committing to exploring closer co-operation in areas like energy and migration.

Following a joint declaration, the EU and the UK should focus on harvesting some relatively low-lying fruit. First, they could agree to a system of staff secondments between the UK's Foreign, Commonwealth and Development Office (FCDO) and the EEAS. The EU already has arrangements for this with countries such as Norway, Switzerland, Canada and the US. Second, the EU and the UK could conclude a

memorandum on co-operation on sanctions, as suggested by a recent report by the House of Lords European Affairs Committee. Third, the UK and the EU could agree to a so-called 'framework participation agreement', a standard agreement setting out the rules for partners' contributions to EU missions. The UK will find it difficult to go beyond the general provisions of similar agreements the EU has with partners such as Australia, Canada, New Zealand and the US. But in instances where the UK is willing to make a substantial contribution, as may be the case in Bosnia, the value of that contribution would give Britain influence over how the EU mission operates in practice. And if the EU wanted to launch a new operation, and the UK signalled it wanted to make a significant contribution, then that should also give it informal influence over defining the mandate of the operation. Meanwhile, the lack of influence will be a minor problem in other instances, when the UK may want to second a few specialists to an EU mission merely to show political support. Finally, the UK could conclude an administrative arrangement with the European Defence Agency (EDA), similar to those that US, Ukraine or Switzerland already have. That would allow more contacts between officials and pave the way for some UK involvement in individual EDA projects.

With these essential building blocks in pace, EU-UK co-operation can broaden and deepen as relations improve and trust increases. Consultations can expand beyond security and defence, to issues such as climate and energy, migration and economic security. On the UK side, dialogue could involve Whitehall departments other than the FCDO and the Ministry of Defence; and on the EU side the relevant Commission Directorates General as well as the EEAS. Ideally, consultations would allow each side to better understand the others' priorities in each policy field, and to assess whether it makes sense to align efforts and pursue a joint approach.

Closer co-operation on defence is also possible. Disagreements between the UK and Spain over Gibraltar have held up the UK's full participation in the PESCO military mobility project, which is designed to ease physical and regulatory barriers to moving troops across Europe. Once that is fixed, the UK may want to join other PESCO projects. The one on logistics hubs is a natural complement to military mobility. The UK could also benefit from joining some PESCO capability development projects, to ensure its priorities are understood, to gain a better understanding of how its EU partners are thinking of capability development in individual areas, and to test the limits of third country involvement in them.

The UK and the EU could also work towards closer UK association with EU defence tools like the European Defence Fund and the proposed Defence Industrial Programme. The UK's current approach is to invest in bilateral partnerships and in NATO, and to argue that the EU's approach to third country participation in its defence initiatives undermines existing partnerships between EU and UK firms, and makes strengthening Europe's defence industrial base harder. Some EU members think the UK should be more closely involved, and a critical mass of member-states might agree to change the rules to the effect that third-country companies can be allowed in a project without receiving funding, if they do not pose undue risks. However, there is likely to be significant opposition from those EU members, like France, that think involving non-EU countries detracts from efforts to build up the EU's defence industry, and worry about opening the door to other third countries, particularly the US.

The willingness of EU members to involve the UK in defence industrial initiatives will depend on the state of bilateral relations, and especially on the Anglo-French relationship. But the UK's case for involvement would also be strengthened if it signalled interest in formal association with the EU's defence industrial toolbox. Norway currently has associate membership by virtue of its EEA membership, and the proposal for a Defence Industrial Programme envisages that Ukraine will be very closely associated. The UK is neither an EEA member nor a membership candidate, but it could make the case that it is in a unique

position as a third country, and that it wants to contribute to strengthening Europe's defence base. Full involvement with the likes of the Defence Fund and Defence Industrial Programme will also require a financial contribution by the UK, and there would have to be talks on how to ensure a fair mechanism, as in the case of British association with the Horizon Europe research programme.

Conclusion

The UK is right to pursue deeper security co-operation with the EU: the line between security and economics is blurring and the Union is an increasingly important security actor in its own right. Labour's idea of a security pact is a genuine offer to improve relations and deepen co-operation on common challenges, and it would be a mistake for EU leaders to see it as the UK asking for favours, or to refuse deeper security co-operation until other disagreements are addressed. The two sides should avoid getting bogged down in lengthy negotiations on a treaty and maintain the current momentum with a joint statement at a UK-EU summit. Instead of aiming too high, the priority now should be putting the right building blocks in place so that security co-operation can deepen over time.

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