Written evidence from Crispin Blunt MP (EUR0002)

Summary

- The Foreign Affairs Committee in the previous Parliament repeatedly stressed the importance of investing in the UK’s diplomatic capability and network as the UK leaves the European Union and reshapes its role in the world. The diplomatic activity that we are able to undertake will be critical, not only during the negotiations on withdrawal from the EU, but well beyond as we settle into a new relationship with the EU27.

- The Government’s Future Partnership Paper sets out a high level of ambition for a close UK-EU security partnership. I have made proposals for the kind of arrangements that would be needed to achieve this in practical terms. I have proposed structured EU-UK cooperation based on Permanent Observer Status for the UK in the Political and Security Committee, as the key coordinating body of the EU’s Common Foreign and Security Policy (CFSP), backed up by regular high-level political dialogue, and with an Enhanced Framework Participation Agreement for continued UK participation in Common Security and Defence Policy (CSDP) missions.

Diplomatic capability

The Foreign Affairs Committee in the previous Parliament recommended significant investment in the UK’s diplomatic capability at the bilateral level in EU Member State capitals. The Committee made this clear both before and after the referendum. In its report published in April 2016, the Committee sought “swift action” to build independent capacity in the event of a ‘leave’ result:

“32 … a vigorous response would require resources and a decision to double, or even treble, the budget of the FCO. This could have a powerful, positive impact in the event of a “Brexit”—potentially guided by re-allocating some of the money that had hitherto been included in the UK’s contributions to the EU budget. As already referenced in paragraph 22, committing significant resources to hiring teams of skilled negotiators to manage the EU withdrawal process and to pursue new international agreements and FTAs would go some way towards ensuring successful outcomes…

“33. It would also be necessary for the FCO to ensure strong representation in Brussels and in EU countries—reversing the recent trend of down-sizing its European network—to maintain positive relations, to ensure UK interests are represented, and to facilitate bilateral political co-operation in areas of mutual interest. Significantly boosting the FCO’s capacity would, moreover, send a strong signal of the UK’s commitment to an outward-looking, globally engaged foreign
policy, thereby helping to reassure our allies and to mitigate the reputational risk associated with EU withdrawal. Indeed, the FCO would have to take the opportunity of withdrawal from the EU to launch a wide-ranging review of the UK’s position in the world (and in our view the apparent lack of such contingency work in government has been regrettable). In so doing, it could identify the particular areas of UK interest and strength around which specific goals to be achieved could be set, either alone or through one of the many other international alliances and networks of which the UK would remain a part.”

Immediately following the referendum, the Committee repeated, in the strongest terms, the importance of a substantial uplift in the FCO’s budget and expressed disappointment that the Foreign Secretary of the day was not seized of the importance of this “given the scale of the challenge that leaving the EU will pose to the UK’s international role and diplomatic network.”

“… The decision to leave the EU provides both an opportunity and an obligation to re-consider the Government’s spending on the FCO and related activities. We were deeply disappointed by the Government’s apparent unwillingness to recognise the urgency and importance of equipping the FCO to manage the most significant re-adjustment of British foreign policy in over 50 years, including a period of intensive diplomacy. We recommend that the new Government commits to a substantial increase in the funding available to the FCO commensurate with the enormity of the task it now faces. The FCO should be able to use this additional funding wherever in the world it deems necessary, on the programmes or personnel it considers essential to support the country’s reputation, security, values and prosperity through this period of transition.”

In the Queen’s Speech debate of 26th June 2017 I stressed again the merits of investing in our diplomatic capability and network at this crucial juncture in the reshaping of the UK’s role in the world:

“Few in this House, regardless of their position on the referendum question that we resolved a year ago, want the United Kingdom to be anything other than open and internationalist in its outlook. Now more than ever, the Foreign and Commonwealth Office will have a central role in maintaining our networks and alliances, and in developing our political, security and economic ties around the world…

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1 Foreign Affairs Committee: Implications of the referendum on EU membership for the UK’s role in the world, Fifth Report of Session 2015-16, HC 545 Published on 26 April 2016
https://publications.parliament.uk/pa/cm201516/cmselect/cmfaff/545/545.pdf
2 Foreign Affairs Committee: Equipping the Government for Brexit, Second Report of Session 2016-17, HC 431 Published on 20 July 2016
3 Foreign Affairs Committee: Equipping the Government for Brexit, Second Report of Session 2016-17, HC 431 Published on 20 July 2016
https://publications.parliament.uk/pa/cm201617/cmselect/cmfaff/431/431.pdf
“... the Department for Exiting the European Union and the Department for International Trade have been created, but the diplomatic task required in all European capitals and beyond will outlast the withdrawal process and is discrete from the trade agenda. I reiterate that just protecting the FCO budget is wholly inadequate for the task in hand.”

The diplomatic activity that we are able to undertake will be critical, not only during the negotiations on withdrawal from the EU, but well beyond as we settle into a new relationship with the EU27 and other European states based upon the terms of any withdrawal agreement, transitional arrangements, future preferential trade agreements or, indeed, no withdrawal agreement at all. In all scenarios, there will be a need for HMG to build bilateral relationships with Member States. For, whilst the trade relationship will broadly be governed by the EU27 collectively (due to the EU’s exclusive competence in external trade), bilateral engagement will be required to gain the fullest understanding of the scope of trade and investment opportunities in each Member State under an EU-UK preferential trade agreement or otherwise; to take forward regulatory and research cooperation with national authorities and universities; to maintain military and security cooperation, as well as to foster our ongoing cultural ties with our closest neighbours – many, of course, with large numbers of their citizens living in the UK and vice versa.

**Future foreign and security policy coordination**

I have made proposals for a potential institutional framework for post-Brexit foreign and defence policy cooperation, which I have presented as a short paper to the Inter-Parliamentary Conference for the CFSP and CSDP in Malta on 28th April 2017.⁴ The paper sets out the outline of a proposal for future EU-UK cooperation on foreign, security and defence issues, including ongoing UK involvement in military and civilian missions, following the UK’s departure from the EU.⁵ I believe my proposals are complementary to the Government’s Future Partnership Paper on foreign policy, defence and development, published in September.⁶ The Government has set out a high level of ambition for the future security partnership that “goes beyond the existing third country arrangements” and should be “unprecedented in its breadth, taking in cooperation on foreign policy, defence, and development, and in the depth of engagement”.⁷ My proposals flesh out “the how” in terms of potential institutional arrangements to maintain the close working relationship between the UK and the EU.

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⁷ ibid
Both my paper and the Future Partnership Paper recognise that the UK and EU will continue to have shared interests in the peace and security of Europe. These shared interests are founded on shared values, such as preserving peace; strengthening international security and cooperation; and developing and consolidating democracy, the rule of law, and respect for human rights. Ideally, the UK and EU should continue to work on shared strategic goals, maintaining the transatlantic alliance whilst enhancing European defence capability, managing migration challenges, tackling the terrorist threats, facing potential threats from Russia to the east, etc.

Crucially, I believe that the design of a close working partnership between the UK and the EU should not be elusive, at least in the context of the CFSP and CSDP, because these are already substantially intergovernmental in nature, for example, including unanimity in decision-making, and outside co-decision and the remit of the European Court of Justice. It should be possible therefore to conceive of mechanisms for a high degree of involvement of the UK, so long as both parties respect the ultimate autonomy of one others’ decision-making.

Political and Security Committee

At the heart of my proposal, the UK would remain on the Political and Security Committee (PSC), as a Permanent Observer with speaking rights. The PSC is central to the formation of CFSP positions and to the inception of and coordination of CSDP missions. Convened by the European External Action Service (EEAS), it meets intensively - twice a week and more often if necessary - at Ambassadorial level to monitor the international situation and as the preparatory body for the monthly Foreign Affairs Council. It prepares and monitors the implementation of policies within the CFSP, including the CSDP, drafting opinions for the Council at its request or own initiative. For example, the Crisis Management and Planning Directorate (CMPD) within the EEAS works under the political control and strategic direction of the PSC.

Observer status would need to be governed by specific rules of procedure governing speaking rights, rights to place items on agendas, how UK positions might be recorded in minutes and documents, and occasions calling for the UK representative to be absent from (certain sensitive) discussions.

Due to sensitivities on the part of some Member States about setting precedents for the inappropriate or premature inclusion of candidate countries, such as Turkey, the agreement on observer status would need to be specific and tailored to the UK as part of a treaty on a special partnership. This would be in recognition of the UK’s distinct position as a departing Member State, with a “privileged position in international affairs” as one of the two permanent European members of the UN Security Council, a leading member of

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8 EU Foreign and Security Policy: https://europa.eu/european-union/topics/foreign-security-policy_en
NATO making a significant contribution to European defence and capable of projecting forces globally, and a leading player in international development assistance.9

Since the PSC prepares Conclusions agreed by the Foreign Affairs Council, a way of working could be established whereby the UK representative at the PSC could signal in advance of Council meetings whether the UK intended to associate itself with expected Conclusions and how the timing and content of any UK Foreign and Commonwealth Office statements would be aligned.10

Further alignment and mutual understanding would be achieved via regular high-level political meetings, for example, there could be a half-yearly meeting of the EU Foreign Ministers and the Foreign Secretary, and the Foreign Secretary or other Foreign Office Ministers could meet the EU’s High Representative for Foreign and Security Policy on a monthly or quarterly basis. Regular dialogue between Members of the Foreign Affairs Committee and counterparts in other national parliaments and the European Parliament should also be implemented.

CSDP operations and missions

The UK has made an important contribution to CSDP operations and missions in terms of capabilities, expertise, assets and personnel. The UK contributes to all 15 CSDP operations and missions.11 For example, the UK has a ship continuously assigned to Operation SOPHIA in the Mediterranean, and the UK hosts one of the EU’s five designated Operation Headquarters at Northwood for the EU’s anti-piracy mission off the Horn of Africa, Naval Force ATALANTA.

Non-EU states can participate in CSDP activities if and when they are invited to do so by the EU. Partners assume costs associated with their participation and contribute to the common costs of military operations in the same way as EU Member States under the ATHENA financing mechanism.12 Some 25 partner countries have contributed to 16 CSDP missions and operations, including the United States in Kosovo and Congo. A number of countries such as Canada, Iceland, Montenegro, Norway, Serbia, Turkey and Ukraine have

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9 HM Government: The United Kingdom’s exit from and new partnership with the European Union, February 2017, Chapter 11, para 9: “We want to use our tools and privileged position in international affairs to continue to work with the EU on foreign policy security and defence”.
10 This would help to realise the aim in the Government’s Future Partnership Paper to “have regular close consultations on foreign and security policy issues, with the option to agree joint positions on foreign policy issues” (p18)
12 The ATHENA mechanism applies to Member States and participating third countries for the financing of common costs of CSDP operations having military or defence implications - with contributions based on a Gross National Income scale. These common costs account for under 10% of total costs for an operation; the rest follows the principle of ‘costs lie where they fall’. Civilian missions are funded from the general budget of the EU.
framework agreements in place by which they have agreed the conditions for case-by-case participation in CSDP operations. The United States signed a Framework Agreement on the participation of the USA in EU-led crisis management operations in 2011. However, these Framework Participation Agreements (FPAs) provide limited scope for involvement in the formulation and planning stages. Whilst there is informal dialogue between allies and partners, there is no extensive, formal or institutionalised role for non-EU states to provide input into the shaping of the CFSP, from which CSDP missions, and other decisions and activities, flow.

An ‘Enhanced Framework Participation Agreement’

Whilst the existing FPAs provide a template and basis for the UK to participate in CSDP operations post-Brexit, the EU27 and UK should go further by agreeing some kind of ‘Enhanced Framework Participation Agreement’. This would be in line with the Government’s stated intention to “offer assistance through a continued contribution to CSDP missions and operations”.13 It would be akin to NATO’s ‘Enhanced Opportunity’ partners (Australia, Finland, Georgia, Jordan and Sweden), which make significant contributions to NATO operations and exercises, and are able to participate in many important NATO meetings, contributing to shaping (but not making) decisions. Additional features in such an Enhanced FPA could include:

- An automatic right of first refusal to participate in initiatives.
- A defined role in development of mission concept and purpose, and mandate development and operational planning, through PSC and CMPD consultation.
- The possibility of seconding national experts to relevant directorates of the EEAS and relevant committees.14 The Government’s Future Partnership Paper offers “reciprocal exchange of foreign and security policy experts and military personnel”.15
- Guaranteed inclusion in force generation conferences and committee of contributors.
- An agreement for the sharing of confidential intelligence and planning documents, as the US has with the EU. The Government’s Future Partnership Paper suggests “classified information exchange to support external action”.16
- The possibility of hosting Operating Headquarters. The Foreign Affairs Committee noted in its report published on 12th March 2017 that “there is no precedent for an Operational Headquarters for a CSDP mission to be outside the EU”; this would

13 HM Government, Foreign policy, defence and development, A Future Partnership Paper, September 2017, para 72, p19
14 There would need to be specific agreement on staff secondments in accordance with Commission Decision C(2008) 6866. Most SNEs [to the Commission] are nationals from a European or European Economic Area country, but in exceptional cases non EU/EEA nationals can also be seconded to the Commission. http://ec.europa.eu/civil_service/job/sne/index_en.htm
15 HM Government, Foreign policy, defence and development, A Future Partnership Paper, September 2017, para 83, p22
16 ibid
need to be agreed exceptionally with the UK for Northwood to remain as the headquarters of Operation ATALANTA and for Northwood or other centres to be put at the disposal of future operations.\textsuperscript{17}

As part of a new model of partnership in foreign and security policy, there is likely to be mutual interest in creating the possibility for contributions to be made to certain of EU external financing instruments, or specific programmes within these, by agreement. The Government envisages partnerships to “facilitate collaboration and alignment on development policy and programming”.\textsuperscript{18} This will probably require a high degree of informal consultation and coordination as many of the EU’s external financing instruments supporting third countries and people abroad are funded from the general budget of the EU, decided by the Council and European Parliament. Such external financing instruments include the Development Cooperation Instrument (€19.66b, 2014-20), the Instrument contributing to Stability and Peace (€2.34b), and the Partnership Instrument (€955m) to work with partner countries of strategic interest to the EU in responding to global challenges and enhancing opportunities for companies and academia in the EU.\textsuperscript{19} On the other hand, the EU’s main instrument for providing development aid to African, Caribbean and Pacific (ACP) countries and to overseas countries and territories (OCTs) - the European Development Fund - is created by an intergovernmental agreement and financed by direct contributions from EU Member States according to a contribution key.\textsuperscript{20}

**Deepening of EU defence integration**

EU security and defence cooperation has been given fresh impetus over the course of this year and since the publication of the European Defence Action Plan in November 2016.\textsuperscript{21} Significant progress has been made in preparing a Permanent Structured Cooperation (PESCO) notification with a common list of commitments, expected to be launched before the end of the year.\textsuperscript{22} Using PESCO – described by the President of the European Commission as “the Sleeping Beauty of the Lisbon Treaty” which now needs to be awakened – nine or more willing Member States can purchase, develop and maintain shared capabilities and military assets under the coordination of the European Defence Agency and the Coordinated Annual Review on Defence (CARD).\textsuperscript{23} France, Germany, Spain and Italy,

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\textsuperscript{17} Foreign Affairs Committee: Article 50 negotiations: Implications of ‘no deal’ Ninth Report of Session 2016-17, HC 1077 Published on 12 March 2017
https://publications.parliament.uk/pa/cm201617/cmselect/cmfaff/1077/1077.pdf

\textsuperscript{18} HM Government, Foreign policy, defence and development, A Future Partnership Paper, September 2017, para 80, p21

\textsuperscript{19} External action financing instruments: https://ec.europa.eu/europeaid/funding/about-funding-and-procedures/where-does-money-come/external-action-financing-instruments_en

\textsuperscript{20} European Development Fund (EDF): http://ec.europa.eu/europeaid/funding/instruments-programming/funding-instruments/european-development-fund_en

\textsuperscript{21} Communication from the Commission to the European Parliament, the European Council, the European Economic and Social Committee and the Committee of the Regions - European Defence Action Plan, 30 November 2016, COM(2016) 950

\textsuperscript{22} European Council meeting Conclusions, 19 October 2017
with the support of Belgium, Czech Republic, Finland and the Netherlands presented proposals on commitments for an inclusive and ambitious PESCO in July. This initiative could lead to a strengthening of European strategic autonomy through a phased approach, allowing Member States to move at different paces towards the capability goals. In time, PESCO could also be used to create multinational forces with a unified strategic command, capable of being deployed as part of a NATO operation or an EU operation.

I believe that the UK should welcome these developments. Indeed, one of the consequences of leaving the EU is that the veto that the UK so often exercised on further EU defence integration and a permanent EU civilian-military headquarters leaves with us. The growing recognition of our partners, including Germany, that the EU must get its act together to take greater responsibility for its security by investing in defence capability and increasing efficiencies can only be positive for our overall common European defence output and for the collective defence of the liberal democracies. I would envisage the UK and the EU continuing to work together on defence primarily through NATO, but there also being greater scope over time for non-NATO operations involving EU countries with or without UK support, as determined on a case-by-case basis.

The UK’s participation in European Defence Agency (EDA) projects and initiatives to foster cooperation in capabilities-building, procurement and the defence industry is foreseen in the Government’s Future Partnership Paper, which cites Administrative Arrangements which the EDA has signed with Norway, Switzerland, Serbia and Ukraine.

November 2017

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23 Speech by President Jean-Claude Juncker at the Defence and Security Conference Prague: In defence of Europe, Prague, 9 June 2017