

Implementing the “Pooling & Sharing” Concept in the Balkans and the Black Sea Area

Nikolay Pavlov and Stefan Hadjitodorov¹

Abstract: *The paper’s objective is to explore the possibility for implementing the novel “pooling & sharing” concept by three EU Member States in the Balkans and the Black Sea Area. First, a critical review of the “pooling & sharing” concept as defined by the European Union will be presented. Secondly, the geopolitical and economical arguments for implementing the concept in the Balkans and the Black Sea Area will be set out. Finally, the limitations for this concept’s implementation in the Balkans and the Black Sea Area will be analyzed.*

The “Pooling & Sharing” concept

“Pooling and sharing” is a novel approach in the area of defence acquisition and procurement at the EU level. This concept was launched in 2010 with the ambitious objective to step up defence cooperation and integration among the EU Member States. From technological point of view “pooling and sharing” has been borrowed from NATO just like the EU’s comprehensive approach in the Common Security and Defence Policy (CSDP) of the Union. Technically speaking, “pooling and sharing” could be considered as institutionalized cooperation between states or other institutions where capabilities / assets are shared, either in a bilateral, multinational and supranational context.² From an ideational perspective the concept is based upon the federalist approach to EU integration which aims at developing the EU as a Federal super-state rather than as an international organization. Although the federalist approach is widely contested in the EU it has proponents in many of the EU institutions including the European Commission and the EU Parliament. In this context the “pooling & sharing” concept could be connected with the concept for European Armed Forces which has also become a common currency in the EU newspeak. In addition, the “pooling & sharing” concept fits well the recent efforts to enhance EU defence integration under the so-called Permanent Structured Cooperation (PESCO). In June 2017 the European Council launched the Permanent Structured Cooperation in defence as set forth in Art.42 and Art.46 of the Lisbon Treaty. PESCO is seen as a mechanism for deepening defence integration in the EU which will have impact on the “pooling & sharing” process.

From economical point of view pooling & sharing (P&S) is seen as a tool for achieving cost effectiveness in defence resource management. However, in the policy analyses the costs for

¹ Centre for National Security and Defence Research at the Bulgarian Academy of Sciences

² Standardization review: Comparing the Analysis (D6.1, IECEU project), 2016, p.12 – available at <http://www.ieceu-project.com/>

coordination required for P&S are not calculated and they might actually outweigh the potential benefits. Being a politically conceived concept P&S's economical aspects are not sufficiently explored.

The “pooling and sharing” concept could be considered as one of the examples of the “good intentions – mixed results” dilemma in EU public policies. As recently noted in a report the absence of a core group of Member States and the limited number of EU institutions driving forward pooling and sharing within the EU has resulted in “silos of cooperation”.³ Of these silos, it is possible to recognize four types of cooperation: unilateralism, where a Member State takes action on its own; bilateral ententes, where two Member States take joint action, patchy multilateralism, where Member States advance their cooperation in groups and ad-hoc coalitions especially in response to US requests for military cooperation.

Pooling and sharing is most typically used in defence cooperation and in the EU context the European Defence Agency (EDA) plays a central role in its promotion. The EDA has been appointed in charge of the pooling & sharing development process. The mission of the Agency is to support the Council and the Member States in their effort to improve the Union's defence capabilities in the field of crisis management and to sustain the CSDP. Its work is based on Art.42 of the Lisbon Treaty, where capability-development is defined as an EU competence.

The P&S process in the EU is conducted by the development of the Capability Development Plan by the EDA. Based on the identified trends, information gathered from Member States and the EU Military Staff, capability shortfall assessments, and P&S opportunities, a set of priority actions have been selected by Member States. As of 2014 there are 5 priority actions, as follows⁴:

- Protection of Forces in Theatre
- Securing Sea lines of Communication
- Gaining Information Superiority
- Enabling Expeditionary Operations
- Crosscutting Drivers

Currently, there are more than 50 multinational small P&S projects managed by the EDA. By participating in more than 30 projects, four countries have shown particular interest in cooperation: Germany, France, Italy and Sweden. A second group of countries which actively pursue cooperation is composed of The Netherlands, Spain, Finland, Belgium, Austria and Norway. As noted in a recently published report, there is a significant gap between the cooperation rhetoric of governments' joint declarations within the EU and what they deliver.⁵ Member States make progress in the P&S process at a snail's pace and the results of

³ More Union in European Defence (Report of a CEPS Task Force), Brussels 2015 – available at <https://www.ceps.eu/system/files/TFonEuropeanDefence.pdf>

⁴ EDA Future Capabilities – available at: <https://www.eda.europa.eu/>

P&S are yet marginal. The core of the problem remains the sovereignty question within Member States.

Despite the difficulties related with the P&S process in 2017 the European Commission launched a European Defence Fund to help Member States spend public money more effectively and get better value for money. The Fund will coordinate, supplement and amplify national investments in defence research, in the development of prototypes and in the acquisition of defence equipment and technology. The European Defence Fund has two strands:

- Research – for the first time the EU starts offering grants for collaborative research in innovative defence technologies and products, fully and directly funded from the EU budget.
- Development and acquisition – the Fund will create incentives for Member States to cooperate on joint development and the acquisition of defence equipment and technology through co-financing from the EU budget.

The establishment of the European Defence Fund is closely connected with the efforts to launch the Permanent Structured Cooperation (PESCO) in defence.

Arguments and limitations for implementing P&S in the Balkans

In the above mentioned context it is high time for the EU Member States in the Balkans and the Black Sea Area to make the first steps towards the implementation of the P&S concept in this geopolitically very important region. It is logical that the three EU Member States on the Balkans – Bulgaria, Greece and Romania – should play a leading role in the Balkan P&S process. There are a number of geopolitical and economical arguments for implementing the P&S concept in the Balkans:

1. All Balkan countries share common threats such as the violent conflicts in the Near East, the Middle East and North Africa, the convulsions of the so-called Islamic state, the refugee crisis and Islamic terrorism;
2. Two of those countries – Bulgaria and Greece are entitled to provide the external security of the EU borders in South-Eastern Europe. Therefore, it is natural for the three EU Member States in the Balkans to increase defence and security cooperation including by means of the P&S mechanisms;
3. Given the limited resources it would be much more effective to buy security equipment in a collaborative manner and to share it afterwards.
4. **The P&S concept could be implemented in all the main military domains – Land Forces, Air Force, Navy and Cyber-defence.**

⁵ Christian Molling, Stay of play of the implementation of EDA's pooling and sharing initiatives and its impact on the European defence industry (report for the European Parliament), 2015, p.6

There are also a number of limitations for the P&S process in the Balkans:

1. Historical contradictions and lack of trust still play a role in the international relations in this region. From a political perspective the lack of political will might be the major impediment to the P&S process;
2. The coordination of the acquisition processes in three different nation states will be difficult to achieve;
3. Political bias in all three countries to link the defence acquisition process with the development of the national defence industry (e.g. by offset mechanisms);
4. In operational terms the issues related to command, control, subordination, coordination and mutual exploitation of the joint equipment must be clearly regulated. The training of personnel on joint platforms is another practical challenge.

In this context it is recommendable to test the P&S concept first by smaller collaborative projects for defence and security integration – for example in the area of security and defence R&D for border security and then to enlarge and intensify all these activities.

Conclusion

This paper makes the case for implementing the Pooling and Sharing concept in the Balkans and the Black Sea Area by the three EU Member States from the region – Bulgaria, Greece and Romania. Enhancing defence and security integration between these countries by means of the P&S process and in the context of the Permanent Structured Cooperation would benefit the European Union and its citizens in a region that could become one of the strongholds of the “European fortress” in the near future.