



# GKKE

Gemeinsame Konferenz  
Kirche und Entwicklung

Joint Conference Church  
and Development

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**Extract from:**

**“Arms Export Report 2017”**

**By the Joint Conference Church and Development (GKKE)**

**GKKE's Working Group on Arms Exports**

## **Summary**

### **Key Demands of the Joint Conference Church and Development (GKKE)**

1. The GKKE reiterates its demand for an Arms Export Control Act and calls upon the Federal Government and the German *Bundestag* to elaborate such an Act.
  2. The GKKE calls upon the Federal Government to adhere to its own principles and end the delivery of weapons of war to third countries—unless it can prove specific foreign or security policy interests. These interests should then be identified in detail.
  3. The GKKE calls upon the Federal Government to stop all arms exports to Saudi Arabia. This also includes the supply of components to third countries who incorporate these into weapon systems and re-export them to Saudi Arabia.
  4. The GKKE calls upon the Federal Government to reject until further notice any application for arms exports to Turkey. Licences already issued should be revoked.
  5. In the current situation, the GKKE opposes any further supply of the Peshmerga with arms from Germany. The Federal Government shall effect no further deliveries. The GKKE calls upon the German *Bundestag* to not renew the *Bundeswehr* mandate to train the Peshmerga.
  6. The GKKE joins the European Parliament in its demands to establish a supervisory body to monitor arms exports and a mechanism of sanctions for Member States who do not adhere to the EU Common Position. To this end it calls upon the Federal Government to advocate the strengthening of arms export control at EU level.
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## **0.1 Focus: Quo vadis, German arms export policy?**

### **0.1.1 The balance sheet of the Grand Coalition's arms export policy**

(0.01) The Grand Coalition has triggered some changes, in specific regarding the structural framework of decisions on arms export. Steps have been taken in the right direction by increasing transparency in reporting, by introducing on-site-inspection to control end-use, and also with the introduction of the »Small Arms Principles«.

This is not reflected, however, in current licensing practice. The value of single export licences issued in 2014 (the first year in which the Grand Coalition had to decide on all exports) amounted to almost € 4 billion. While this was a notable decrease in comparison to the previous year (€ 5.8 billion), the years 2015 and 2016 registered for the highest values of the last 20 years with almost € 7.9 billion (2015) and € 6.8 billion (2016), respectively. This applies to both the number and the total value of licenses issued to third countries.

But it is not just the high figures that are causing concern. Individual cases in the licensing practice of the Grand Coalition continue to hit the headlines. The export of patrol boats and components for combat aircraft to Saudi Arabia and battle tanks to Qatar, or the construction of a plant to manufacture Fuchs NBC reconnaissance vehicles in Algeria have been repeatedly and severely criticised by the GKKE. A turnaround is still needed in the licensing practice of the Federal Government.

The concept of »enable and enhance« and its implications for German arms export policy are also controversial. The »enable and enhance« policy, which German chancellor Merkel stipulated during the coalition with the Free Democratic Party (FDP), also made its appearance in the Grand Coalition in terms of military equipment aid issued to the Kurdish regional government in Northern Iraq. What had been initially justified as exceptional circumstances turned in routine practice, although the Kurdish Peshmerga were actively involved in war.

### **0.1.2 Party positions in the electoral campaign**

(0.02) In their electoral programmes, the Christian Democratic Union and its Bavarian sister party CSU did not specify their plans regarding German arms exports. The Social Democrats (SPD), Alliance 90/The Greens, and in particular the Left Party, however, all came out in favour of a restrictive German arms export policy. The SPD advocates legislation to provide a legal basis for the »Political Principles for the Export of Weapons of War and Other Military Equipment«, which was adopted by the Federal Government in 2000 and is only politically binding. Alliance 90/The Greens have even incorporated their concepts for a more restrictive arms export policy in the party's ten-point plan (the key demands of their electoral programme) and demand a binding Arms Export Control Act. The FDP also advocates an arms export act that specifies the existing export guidelines. The Left Party demands a ban on all arms exports from Germany.

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### **0.1.3 Demands for the new Federal Government**

(0.03) The GKKE calls upon the new Federal Government in particular to not authorize any more arms exports into crisis regions and to recipients who are guilty of systematic human rights violations. On principle, both state and non-state actors who are actively involved in violent conflicts must not be supplied with armaments. On principle, ammunition should no longer be exported and export licenses for small arms and light weapons no longer issued to states outside the EU, NATO and NATO-equivalent countries.

The GKKE moreover calls upon the new Federal Government to cease exporting weapons to countries who have not signed the international Arms Trade Treaty (ATT). Moreover, transparent monitoring of all criteria stated in the ATT shall be included in domestic licensing procedures, in keeping with the Foreign Trade and Payments Act and War Weapons Control Act.

The GKKE renews its demand for an Arms Export Control Act. This should incorporate into German law among other things the content-related criteria of the EU Common Position, and moreover make the Political Principles of the Federal Government legally binding. An Arms Export Control Act should likewise give binding legal authority to the Small Arms Principles and regulations for on-site-inspection that were introduced by the former Federal Government, and also to their amendments for timelier reporting. Furthermore, a key element of an Arms Export Control Act should consist in shifting the duty to state reasons from the critics of arms exports to its advocates. To this end, the issuing obligation/authorization approval in Section 8 of the Foreign Trade and Payments Act could be abolished, for instance, and one should, at least for the export of armaments to third countries, proceed from a denial. If the Federal Government were to make an exception to this, it would be have to provide precise and positive reasons for doing so. Finally, an Arms Export Control Act should also make clear that all licenses issued according to the War Weapons Control Act und Foreign Trade and Payments Act are issued subject to revocation.

The GKKE also joins the European Parliament in its demand to establish at EU level a supervisory body to monitor arms exports and to inaugurate a mechanism of sanctions for the Member States who do not adhere to the EU Common Position. The GKKE expects the Federal Government to advocate such a strengthening of the EU system to control arms exports.

## **0.2 International arms trade and German arms exports in 2016**

### **0.2.1 German arms exports in the international context**

(0.04) The volume of global arms transfers increased in the period 2012 to 2016 compared to the previous five-year period (2007–2011) by 8.4 percent, and thus reached the highest value (for a five-year period) since 1990.

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The five major exporters are the USA, Russia, China, France, and Germany. Between them, these five countries are responsible for 74 percent of the global arms trade. As in the previous year, Germany ranks in fifth place with a share of 5.6 percent.

According to statements from SIPRI, in 2012–2016 German exports of conventional major weapons and components decreased by 36 percent in comparison to the years 2007–2011. This decrease of 36 percent must be considered, however, within the context of an overall increasing volume in international arms trade. In 2016, moreover, German arms exports once again had the same average as in the period 2007–2011 when Germany ranked third on the list of the world's biggest arms exporters.

Besides Germany, four other EU member states feature in the Top Ten: France, Great Britain, Spain, and Italy. The GKKE considers the increase in European arms exports to countries outside the EU particularly alarming. Many of these countries are states that are involved in regional arms dynamics and/or have alarming human rights records. Arms exports to the Middle East have increased considerably. The GKKE has observed this development with growing concern.

### **0.3 Arms exports in 2016: licences, exports, and denials**

#### *Single and collective export licences*

(0.05) In 2016, the Federal Government issued a total of 12,215 single export licences for military equipment exports amounting to a total value of almost € 6.848 billion. This is a decrease of about 13 percent compared to the previous year. It should be noted, however, that the € 7.8 billion in 2015 marked an absolute record level for German single export licences. Hence, despite the decrease by approximately €1 billion in 2016, it still registers as the second highest licensing value since the Federal Government began to publicly report license values. The share of weapons of war in the total value of single export licences issued in 2016 amounted to approximately 27.5 percent (€ 1.88 billion).

In 2016, the Federal Government issued 12 collective export licences amounting to a total value of € 58.7 million. Thus, both the number and value of collective export licences has decreased notably.

#### **0.3.1 Recipients of German arms deliveries**

(0.06) In 2016, exports amounting to a total of € 3.668 billion were authorized for third countries. That corresponds to 54 percent of all single export licences issued. Three third countries outside the EU and NATO — Algeria, Saudi Arabia, and Egypt — feature among the five largest recipients of German military equipment. With licenses amounting to a total value of more than € 1.4 billion, Algeria is the number one recipient of German armaments. Given the constantly high licensing values for the export of military equipment and war weapons to third countries, the GKKE no longer considers it acceptable to speak of exceptions. Rather, it states that the export to third countries has now become the rule.

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The GKKE cannot see how the armament of regimes such as those in Egypt, Saudi Arabia, or Qatar can be of interest for German foreign policy or security. Quite the opposite: the continuous armament of states in the Saudi Arabian-led coalition that is waging war in Yemen not only contributes to the suffering of many people in Yemen, but also promotes the erosion of the core principles of international humanitarian law, such as the protection of civilians in armed conflict.

In particular, the GKKE considers the continued issuing of licenses for the supply of components of combat aircraft and combat helicopters to Saudi Arabia as highly problematic. The GKKE has already criticised this licensing practice in previous years and maintains the position that such licenses fail to comply with the criteria of the EU Common Position on the export of military equipment and military technology. Thus, the Federal Government and its European partners urgently need to stop this export practise to Saudi Arabia.

### **0.3.2 Exports of small and light weapons**

(0.07) In 2016, the Federal Government authorized the export of small arms and light weapons amounting to a value of € 46.89 million. That is an increase of about € 15 million or approximately 45 percent respectively compared to 2015 (€ 32.4 million). From those, licenses amounting to a value of € 16.38 million account for third countries. This corresponds to a share of about 35 percent.

After the license values for the export of small arms and light weapons decreased consecutively in 2014 and 2015, an increase was registered for 2016—both in total and in exports to third countries. From the point of view of the GKKE, this is not consistent with the given objectives of the Federal Government to apply particularly rigorous standards to small arms. Instead, the GKKE has the impression that the figures for the export of small arms are due less to conscious policy than to current orders.

The high values of exports of small weapons and their ammunition to third countries must also be attributed to larger deliveries to Iraq. The Federal Government thus continues its policy of supporting Peshmerga fighting in Northern Iraq with arms supplies. The GKKE has already criticised this practice in its last two Arms Export Reports, and in the current situation renews its rejection of the continued supply of German weapons to the Peshmerga.

## **0.4 Current debates and controversies in German arms export policy**

### **0.4.1 The Arms Export Control Act debate and the »Future of the Arms Export Control« consultation process**

(0.08) The GKKE regrets that contrary to the original announcement of former Minister of Economy Gabriel, the Federal Government was not willing to appoint an expert commission assigned to develop specific proposals for an Arms Export Control Act. Instead, only a thus far inconclusive consultation process has been conducted. The opportunity was missed to finally tackle the long overdue review of the current insufficient regulations.

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The GKKE upholds its demand for an Arms Export Control Act and calls on the Federal Government to elaborate such an act.

#### **0.4.2 No arms exports to Turkey**

(0.09) In August 2017, Foreign Minister Sigmar Gabriel announced that meanwhile the Federal Government authorized hardly any arms exports to Turkey. However, this does not imply that the majority of applications have been denied—they have merely been put on hold for the time being. While the developments in the aftermath of the failed coup d'état seem to have instigated a change in German arms export policy, these measures do not amount to a suspension in the delivery of war and military equipment.

The GKKE welcomes the decision of the Federal Government to handle arms exports to Turkey more restrictively, and that it does not withdraw from the question about the consequences of the alarming developments in Turkish politics for German arms export licenses by referring to Turkey's NATO membership. In GKKE's view, the Federal Government should have then directly denied applications for arms exports to Turkey instead of merely putting them on hold. In any case, the GKKE calls upon the Federal Government to deny new applications for arms exports to Turkey until further notice. Export licenses that have already been issued should be revoked. The GKKE considers the involvement of German companies in the Turkish weapon and armament industry to be highly problematic.

#### **0.4.3 The significance of arms export policy in the new crisis prevention strategy of the Federal Government**

(0.10) On 14 June 2017, the German Cabinet adopted the policy guidelines of the Federal Government »Preventing crises, resolving conflicts, building peace«. The GKKE welcomes that this strategic document provides guiding principles that commit to the peace policy according to the concept of »Just Peace« and are thus geared to a positive understanding of peace and the need for sustainability.

The GKKE stated, however, that the noble intentions set down in the guidelines do not fit with how the controversial issue of arms exports are dealt with in the document. In the GKKE's view, it is highly objectionable that arms export policy plays only a marginal role in the peace policy guidelines. There is hardly any self-critical analysis of how German arms exports could have possibly contributed to the escalation of conflicts. This void has the potential to cause considerable damage to the credibility—and thus also the efficiency—of German peace policy.

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## **0.5 European armament and arms export policy:**

### **0.5.1 Military »Enable and Enhance« with instruments for civil conflict management, at the expense of development**

(0.11) In July 2016, the EU Commission submitted a proposal to the Member States to supplement the »Instrument contributing to Stability and Peace« (IcSP) established in 2014. The Commission wants to use the IcSP in future to also fund the training and equipment of partner armies in third countries. The Federal Government in close cooperation with other EU Member States has been a driving force in advancing this project.

The likely outcome is that in future the IcSP budget (so far used predominantly for the support of civil initiatives for conflict prevention, crisis management, and reconciliation) will even more than has hitherto been the case equip and train partner armies in African countries for border security, »migration management«, and the war against terrorism.

Development organisations as well as church and secular aid organisations have spoken out against this planned misappropriation of IcSP funds. The GKKE also sees the credibility of EU peace policy jeopardized. It criticises the fact that, of all instruments, the advocates of »Capacity Building for Security and Development« want to use the thus far only EU instrument to be established to strengthen the civil approaches for crisis prevention and peace building.

### **0.5.2 Europeanization of the arms industry: for the first time EU funds for armament research and procurement**

(0.12) A qualitative leap must be noted for this past year in the Europeanization of the arms industry in the EU context: for the first time funds from the EU budget were provided specifically for armaments research and development. Additionally, decisions were made that extend this practice, making it permanent. The European Defence Action Plan, presented by the European Commission on 30 November 2016, has at its core a European Defence Fund (EDF), which in turn consists of two strands. One strand is to serve the advancement of armament research, the other one military procurement. Both will receive funds from the regular EU budget. As of 2020, armament research will be allocated annual funds amounting to € 500 million (initially until 2027). For the development fund, €1 billion has been earmarked annually in the EU budget as of 2021 (initially until 2027). For 2019 and 2020, € 500 million are earmarked as start-up funding for this programme.

The development fund is intended as a financial incentive for the Member States to cooperate in developing and procuring military technologies and equipment. Initiated by Germany and France, who plan a comprehensive Franco-German armaments cooperation within the scope of the EU, 23 EU countries committed on 13 November 2017 to an extensive military cooperation. Beyond the joint development of a new combat aircraft, a battle tank, and an artillery system conceptualized by Germany and France, 47 joint ventures have been envisaged.

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In the GKKE's view, an increased coordination of armament procurement and joint armament production within the EU and a related Europeanization of the arms industry require first and foremost stronger export control at the national and European level. If this is not the case, a Europeanization could induce an export boom of armaments manufactured in Europe.

## **0.6 International efforts for arms trade control:**

### **0.6.1 Third Review Conference on the Programme of Action: reviving the fragmentary implementation with new drive**

(0.13) In June 2018, France will host the Third Review Conference on the UN Programme of Action on small arms. The illicit proliferation of small arms and light weapons remains one of the biggest challenges worldwide: this needs to be challenged with renewed energy. More than sixteen years after coming into effect, the *PoA to Prevent, Combat, and Eradicate the Illicit Trade in Small Arms and Light Weapons in All Its Aspects* suffers from the incomplete implementation of its admittedly rather extensive area of action.

It is therefore all the more important to finally define the general stipulations in concrete steps, which will be routinely applied, for instance, in post-war situations or peacekeeping. As with the legally binding international Arms Trade Treaty, specific implementable measures should also be agreed upon at national level.

### **0.6.2 The Third Conference of States Parties to the Arms Trade Treaty: From Process to Substance?**

(0.14) From 11 to 15 September 2017, 108 State Parties convened in Geneva to consider progress in the implementation of the international Arms Trade Treaty (ATT). The numerous NGOs in particular, as well as the civil society network »Control Arms«, drew attention to the problematic armament supply of leading western arms exporters to Saudi Arabia and the United Arab Emirates, who are waging war in Yemen. Those arms exports, it was stated, were in clear violation of the rules of the ATT.

CSP 2017 focused initially on the reports of the three working groups, which had been established in the previous year for the implementation of the treaty. CSP 2017 adopted the resolution to consolidate these as permanent working groups who would meet between the annual CSPs to address Effective Treaty Implementation, Treaty Universalization, and Transparency and Reporting.

In the GKKE's view, the ATT process must be continued systematically. It regrets, however, that substantial issues, in particular a debate on the transfer of arms to states such as Saudi Arabia or the United Arab Emirates, have been virtually irrelevant in the discussions of the State representatives. In addition to further devising the implementation process of the treaty, substantial discussions on the varying interpretation of the central criteria for

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arms transfers are required so that the ATT can take full effect and contribute to the reduction of human suffering.

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## **Chapter 6**

### **European armament and arms export policy**

(6.01) In the last issues of its *Arms Export Report*, the GKKE has recurrently reported about the so-called Enable and Enhance Initiative conducted by the Federal Government. This initiative has already featured in several key documents of German Foreign, Security, and Development Policy, such as »The German Government's 15<sup>th</sup> Development Policy Report« or the »White Paper on German Security Policy and the Future of the Bundeswehr«. <sup>1</sup> Under the topic »enable and enhance«, € 100 million have been entered into the federal budget in 2016, and € 130 million in 2017 for the training and equipment of armed forces, police, and border posts in third countries. In 2016, the partner countries of the German »Enable and Enhance Initiative« were Iraq, Jordanian, Tunisia, Mali, and Nigeria. In 2017, they will be joined by the Lebanon, Niger, and Chad. Some of these countries also participate in the EU Partnership Framework on Migration.

A look at recent political forays of the EU Commission quickly reveals that they have also adopted the »enable and enhance« concept promoted by Germany. During these past two years, critical developments in the immediate vicinity of the European Union have induced a gradual militarisation of the civil programmes for crisis prevention and development cooperation. The EU Commission thus recently suggested using in future the »In-

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<sup>1</sup> Federal Ministry for Economic Cooperation and Development, *Development Policy as Future-Oriented Peace Policy*. 15. The German Government's 15th Development Policy Report, Berlin 2017; GKKE Arms Export Report 2016, Bonn/Berlin 2017, pp. 63–72.

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strument contributing to Stability and Peace« (IcSP, the main pillar of European peace policy focusing on civil crisis prevention and peace consolidation) to additionally fund the training and equipment of partner armies, police, and border control in third countries.

This is criticised in chapter 6.1 as it would also involve reallocating funds that have been withdrawn from civil and development policy budgets. Thus, the trend is continued within the EU of interpreting security for crisis prevention in military terms. This also includes, for instance, the fact that for the first time public EU funds will be used for research and development in the defence sector, as will be shown in chapter 6.2.

The likely outcome will be that in the future, the IcSP budget (so far used predominantly to support civil initiatives of conflict prevention, crisis management, and reconciliation) even more than was previously the case will equip and train partner armies in African countries for border security, »migration management«, and the war against terrorism.

Development policy organisations, as well as church and secular aid organisations have spoken out strongly against this planned misappropriation of IcSP funds. The GKKE also sees the credibility of the EU peace policy jeopardized. It criticises the fact that the advocates of »enable and enhance« measures / »Capacity Building for Security and Development« want to use, of all instruments, the thus far only EU instrument to be established to strengthen the civil approaches for crisis prevention and peace building.

## **6.1 Military »enable and enhance« with instruments for civil conflict management—at the expense of development?**

(6.02) In July 2016, the EU Commission submitted a proposal to the Member States to supplement the »Instrument contributing to Stability and Peace« (IcSP) established in 2014.<sup>3</sup> The Commission wants to use the IcSP in future to also fund the training and equipment of partner armies in third countries.<sup>4</sup> The Federal Government in close cooperation with some other EU Member States has been a driving force in advancing this project. In Summer 2016, the proposal was finally rubber-stamped in the German *Bundestag* without any further discussion. Although a few parliamentarians used question time in the *Bundestag* just before the summer break for critical queries, neither the Committee on Foreign Affairs nor the Committee on Development put the issue on their agendas. To be finalized, the Commission proposal must pass through the regulations of the EU bodies for legislative texts.

### **The debate in the European Parliament**

(6.03) In the early summer of 2017, the Standing Committees in the European Parliament (EP) addressed the issue and it became obvious just how strongly the Initiative polarised MEPs. Ar-

<sup>2</sup> The information provided in this section is based upon research and blogs by Dr. Martina Fischer, consultant for Peace and Conflict Management at Bread for the World, accessed at: <https://info.brot-fuer-die-welt.de/blog/dr-martina-fischer> (17.11.2017).

<sup>3</sup> European Union, Regulation of the EP and of the Council amending Regulation (EU) No 230/2014 establishing an instrument contributing to stability and peace, accessed at: [http://ec.europa.eu/dgs/fpi/documents/key-documents/com\\_2016\\_447\\_f1\\_proposal\\_for\\_a\\_regulation\\_en\\_v7\\_p1\\_855656.pdf](http://ec.europa.eu/dgs/fpi/documents/key-documents/com_2016_447_f1_proposal_for_a_regulation_en_v7_p1_855656.pdf) (17.11.2017).

<sup>4</sup> The GKKE already reported about that in its Arms Export Report 2016, Chapter 5.2.

naud Danjean (European People's Party, EPP), France, who was appointed rapporteur on the IcSP, vehemently advocated the Commission proposal in the responsible Committee on Foreign Affairs (AFET), and even tried to add an amendment to note that assistance within the IcSP framework should take account of the »strategic and industrial« interests of the European Union.<sup>5</sup> But the main controversy triggered by the Commission proposal was due to its being linked to the option of also using funds from the EU Development Cooperation Instrument (DCI) to increase the IcSP budget (from € 2.3 to € 2.4 billion for the period of 2017 to 2020). This is also documented in the draft budget of the EU Commission. Danjean was able to gather a majority of EPP members as well as members from the Progressive Alliance of Socialists and Democrats (S&D) and the Alliance of Liberals and Democrats for Europe (ALDE) when he back-pedalled somewhat with his amendment proposals and agreed to include a declaration, according to which the funds for increasing the IcSP budgets should not be reallocated from the DCI.

From the very beginning, the GREENS/EFA and the Left (GUE/NGL) as well as individual members from ALDE and Eurosceptic parties, however, firmly opposed the opening of the IcSP for military purposes. Not only do they reject the possible use of development cooperation funds for military tasks, but also the misappropriation of funds earmarked for civil conflict management. They argue that with the IcSP the Commission has in fact chosen the wrong instrument and that the numerous civil approaches of crisis prevention und peace-building that it is supposed to fund, will lose out to the military. Moreover, they consider the enlarged scope of the IcSP (involving the financing of military tasks with the general budget of the Union) as legally inapplicable and incompatible with European Treaties.<sup>6</sup>

(6.04) Advocators of the Commission proposal continue to point out that it precluded the delivery of arms and ammunition. Nevertheless, the proposal has considerable grey areas. Since the text does not specify in any way what kind of technical support may be delivered for what purpose, it may include a variety of military equipment from uniforms to IT infrastructure or the establishment of military bases. Paavo Väyrynen, vice-chair of the Committee on Development in the EP, demanded that all IcSP related expenditure must meet the criteria of the OECD Development Assistance Committee (DAC) or be eligible for ODA.<sup>7</sup> Yet in the EP, both the Committee on Development (DEVE) and the Committee on Foreign Affairs (AFET) agreed with a majority on the project in July 2017.

(6.05) In September 2017, MEPs had then to decide in plenary whether the bill of the responsible AFET should be included in the inter-institutional negotiations with the European Council and Commission. 430 MEPs (including above all EPP members but also the vast majority of the Progressive Alliance of Socialists and Democrats (S&D)) voted on 14 September for the AFET

<sup>5</sup> European Parliament, DRAFT REPORT on the proposal for a Regulation of the European Parliament and of the Council amending 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 (COM(2016)0447-C8-0264/2016-2016/0207(COD)) Committee on Foreign Affairs, 31 March 2017, accessed at: <http://www.europarl.europa.eu/sides/getDoc.do?type=COMPARL&reference=PE-601.194&format=PDF&language=EN&secondRef=01> (17.11.2017).

<sup>6</sup> Cf. Heidi Hautala, Europe's legal U-turn on militarising development policy, 3. July 2017, accessed at: <https://www.euractiv.com/section/development-policy/opinion/europes-legal-u-turn-on-militarising-development-policy/> (17.11.2017).

<sup>7</sup> Committee of Foreign Affairs, 21. March 2017, accessed at: <http://www.europarl.europa.eu/news/en/press-room/20170316IPR67174/committee-on-foreign-affairs-21-03-2017-pm> (17.11.2017).

bill, and just a minority of 157 voted against it (including 23 abstentions). Though no debate on the issue had been planned, as practically the only guest speaker, High Representative Federica Mogherini was given (much to the surprise of the MEPS present) the opportunity to promote the proposal to enlarge the scope of the IcSP<sup>8</sup> —which she did very vigorously. Numerous partners, she stated, had long been waiting for military support in training and equipment, and opening up the IcSP meant contributing to the implementation of »Sustainable Development Goal 16« (SDG-16), which connected security and development with each other. Subsequently, the revised legal text was negotiated between EP, Council, and Commission and voted on for the last time on 30 November 2017 in plenary session. With a great majority of the EPP and the S&D, the proposal to amend the IcSP (with the aforementioned legally not binding declaration) was adopted. 473 MEPs voted in favour, 163 against (with 7 abstentions). Members of the GREENS/EFA and the Left (GUE/NGL) voted against the bill.<sup>9</sup>

This means that in future, the IcSP budget (so far used predominantly for the support of civil initiatives for conflict prevention, crisis management, and reconciliation) will be used, even more than has hitherto been the case, to equip and train partner armies in African countries for border security, »migration management,« and the war against terrorism.<sup>10</sup> Currently (in the budget year 2017), almost one third of the flexible funds contained in the IcSP are already committed to »migration management« and »border control« in Turkey. In future, military equipment and services additionally funded from EU budgets will be supplied to the Sahel states. In doing so, the European arms industry will gain a new sales market.

### **The European arms industry as a »natural partner«?**

(6.06) The European arms industry und its associations welcome these developments. They are ready to serve an additional market that could open up with EU subsidised »enable and enhance programmes«. The Aerospace and Defence Industries Association of Europe (ASD) welcomed the amendment of the IcSP in a position paper on 20 June 2016.<sup>11</sup> It recommends focusing this budget line on the areas of border surveillance, counter terrorism, organised crime, and protection of critical infrastructures, and with this in mind to shift parts of the budget of the Development Cooperation Instrument (DCI) to the IcSP. So far, »the IcSP has mainly funded activities of international organisations, NGOs, Think Tanks, etc.« The association demanded that »the natural partner for the supply of EU- funded equipment and services should be European industries«, and suggested establishing a »structured dialogue« with the industry. In view of the declared interests of the armament manufacturers, the case made by IcSP Rapporteur Arnaud Danjean to link the conversion of the IcSP to the »strategic and industrial interests« (see above) is to be understood.

<sup>8</sup> European Parliament, Sitting of 2017-09-14 in Strasbourg, accessed at:

<http://www.europarl.europa.eu/plenary/EN/vod.html?mode=unit&vodLanguage=EN&vodId=1505384636108#> (17.11.2017).

<sup>9</sup> Martina Fischer, EP für Nutzung ziviler Budgets für Militärhilfe, Blog from 30.11.2017, <https://info.brot-fuer-die-welt.de/blog/ep-nutzung-ziviler-budgets-militaerhilfe>.

<sup>10</sup> See Martina Fischer, Entwicklungsgelder für die Ertüchtigung von Armeen, 11. July 2017, accessible at: <https://info.brot-fuer-die-welt.de/blog/entwicklungsgelder-ertuechtigung-armeen> (17.11.2017).

<sup>11</sup> AeroSpace and Defence Industries Association of Europe, Considerations on 'Capacity building in support of security and development (CBSD) in third countries', 20 June 2016, accessible at: [http://asd-europe.org/sites/default/files/atoms/files/ASD\\_Position\\_Paper\\_on\\_CBSD.pdf](http://asd-europe.org/sites/default/files/atoms/files/ASD_Position_Paper_on_CBSD.pdf) (17.11.2017).

(6.07) Development policy organisations, as well as church and secular aid organisations have spoken out strongly against this planned misappropriation of IcSP funds. Bread for the World considers plans to reallocate funds that are committed to civil purposes of peace building or development for military aid, as giving the wrong signal and as an affront to all initiatives advocating peaceful conflict management and reconciliation in areas of crisis.<sup>12</sup> According to the Protestant relief agency, the breach of this taboo will massively undermine the credibility of European peace policy. Bread for the World also points out that the misappropriation of development funds is still on the table, given that decisions on the use of funds will be made within the course of budget negotiations (separate from consultations of the legislative initiative). And likewise, the other sources earmarked to increase the IcSP (neighbourhood assistance, Heading 4, and joint foreign and security policy) are still civil instruments. Bread for the World maintains that every single euro reallocated from civil or development budgets is one euro too many because these funds are needed to fight poverty and deal with the causes of war. The ecumenical network *Church and Peace*<sup>13</sup> speaks of a »fundamental change of paradigm« to the effect that funds for peace building and development aid have been increasingly exploited for other goals, such as building military capabilities or migration control. European foreign policy, which refers to »good governance, social and economic development« is thus implausible, and »military deterrence of refugees replaced fighting the causes of armed conflicts«. The Conference of European Churches (CEC)<sup>14</sup> has also taken a stand against the conversion of the IcSP, as has the *Aktionsgemeinschaft Dienst für den Frieden* (Action Service Committee for Peace, AGDF), and the *Association of Development and Humanitarian Aid* (VENRO). The Commissioner for Peace of the Council of the Evangelical Church in Germany, Renke Brahms, rose to the occasion during the recent plenary session in the EP and rejected the misappropriation of the IcSP for military »enable and enhance« measures.<sup>15</sup>

## Assessment

(6.08) In a similar way as the critics cited here, the GKKE sees the credibility of the EU peace policy in jeopardy. It criticises the fact that the »enable and enhance« advocates want to use, of all instruments, the thus far only EU instrument to be established to strengthen the civil approaches for crisis prevention and peace building. Once the possibility of military aid has been included in the IcSP, it is clear that military actors will compete for the scarce funds with civil actors, who are committed to peacebuilding and who stand to lose out. In order to prevent this competition, the Member States interested in »enable and enhance measures« should establish an independent mechanism, a new instrument. In doing so, they would have to provide the necessary additional funds rather than reallocating other budgetary positions.

<sup>12</sup> See Martina Fischer, *Friedenspolitische Glaubwürdigkeit der EU in Gefahr*, 14 September 2017, accessible at: <https://info.brot-fuer-die-welt.de/blog/eu-friedenspolitische-glaubwuerdigkeit-gefahr> (17.11.2017).

<sup>13</sup> Press Release: Church and Peace warnt vor Ausweitung de EU-Instruments für Stabilität und Frieden auf militärische Unterstützung von Drittstaaten, accessed at: [http://www.church-and-peace.org/fileadmin/downloads/Pressemitteilungen/CP-PM-EU-IcSP-D\\_10-2016.pdf](http://www.church-and-peace.org/fileadmin/downloads/Pressemitteilungen/CP-PM-EU-IcSP-D_10-2016.pdf) (17.11.2017).

<sup>14</sup> Conference of European Churches, *Prioritise peacebuilding and reconciliation instead of the militarisation of the EU*, 11. July 2017, accessed at: <http://www.ceceurope.org/prioritise-peacebuilding-and-reconciliation-instead-of-the-militarisation-of-the-eu/> (17.11.2017).

<sup>15</sup> EKD peace spokesperson: *Geld zur Krisenprävention, nicht für Militär*, accessed at: <https://www.evangelisch.de/inhalte/145941/13-09-2017/ekd-friedensbeauftragter-geld-zur-krisenpraevention-nicht-fuer-militaer> (17.11.2017).

(6.09) The intent and purpose of the military »enable and enhance programmes« are open to dispute (some of the issues involved have already been addressed in chapter 5.2 of the GKKE *Arms Export Report 2016*). Measures to reform the security sector may be useful, provided that there are government structures legitimised by society and the political will to reform armed forces. In fragile states, however, »enable and enhance« may prove to be rather problematic. In any case, the GKKE demands that those who execute »enable and enhance measures« provide precise proof of which partners they chose according to what criteria. This should prevent equipment delivered with European support from being used for operations that violate human rights or that repress the population. Advocators, including High Representative Mogherini, have indicated time and again the need for a network approach, emphasizing that »development« requires investment in »security«. Yet the cooperation with militias in Libya during the past months has made it blatantly obvious that so far there are no reliable concepts or efficient control mechanisms. The evidence is now becoming stronger for the fact that partners are chosen less for their democratic suitability than for their capability and willingness to curtail refugees in their freedom of movement within the framework of so-called »Partnerships on Migration«, and to support with questionable methods (such as controlling degrading reception camps) the pushing of EU external borders into African countries.<sup>16</sup>

(6.10) Apart from the issue of shifting funds, an expansion of the scope of the IcSP raises additional questions about the character and prioritisations in the global context of future EU policy. Reading the pertinent papers of the EU Commission and Council on foreign and security political issues reveal a narrow understanding of security, which is guided mainly by violent means. In the meantime, this trend can be seen in several levels of EU policy. During the past ten years, the European Union began to increase subsidies for security research, and with the designated European Defence Fund (EDF), EU funds are to be made available for armaments research and procurement (see chapter 6.2 of this report).

The GKKE considers this development to be profoundly problematic. After opening up the IcSP, technical equipment will be available for the EU to purchase from the armaments manufacturers of the Member States and to proliferate globally. Although no actual weapons and ammunition are delivered, this equipment can be still be used to some extent for acts of war.

In the long run, terrorist structures, failed states, and refugee movements cannot be stopped by strengthening military capacities. The EU and its member states remain obliged to prioritize the extension of political instruments for civil development over military capacity. Furthermore, the EU should focus on designing its policy in the various pillars and departments

<sup>16</sup> Just how problematic the context in which the military move is was shown on German public television on 15. June 2017 and 9. July 2017, respectively. Proof was adduced that EU countries are increasingly withdrawing from the sea rescue of refugees in the Mediterranean Sea, while Libyan coastguards (trained with EU funds) have prevented private sea rescue measures from NGOs. Refugees, even when they have already reached international waters, are returned to the Libyan mainland and interned in camps where human rights are systematically disregarded. The coverage also illustrates that the »cooperation partner« coastguard is under the command of self-proclaimed warlords and merchants of violence, who look after their own interests, while the government has no control over the country. Accessed at: <http://www.ardmediathek.de/tv/Monitor/Monitor-vom-15-06-2017/Das-Erste/Video?bcastId=438224&documentId=43577116>; <http://www.daserste.de/information/wissen-kultur/ttt/sendung/sendung-vom-09072017-102.html> (17.11.2017).

so that they are able to contribute to overcoming the causes of war and flight, instead of supporting a policy that depends on sealing off refugees with military and police, and ignores the global problems that Europe has helped to create. This would require a policy that consistently reduces the export of military equipment rather than opening up new sales markets in crisis areas.

## **6.2 Europeanization of the arms industry: for the first time EU funds for armament research and procurement**

(6.11) Regarding the Europeanization of the arms industry in the EU context, a qualitative leap can be noted for this past year: for the first time funds from the EU budget were provided specifically for armaments research and development. Moreover, by signing a joint notification on 13 November 2017, 23 EU Member States made the decision to extend this practice and make it permanent. This represents a substantial change in the erstwhile EU policy since the regulation that EU funds may only be used for civilian purposes has been rescinded by a tacit new interpretation of the corresponding article in the EU treaty. Article 41.2 of the Lisbon Treaty stipulates: *»Operating expenditure to which the implementation of this Chapter gives rise shall also be charged to the Union budget, except for such expenditure arising from operations having military or defence implications and cases where the Council acting unanimously decides otherwise«.*

### **Strategic autonomy as a goal of EU Global Strategy**

(6.12) The new interpretation of the distinct provisions of the Treaty accrue from a new interpretation of the »operative« tasks for which the EU is responsible within the framework of the Common Foreign and Security Policy (CFSP). In particular, the new assessment of the security policy situation (documented June 2016 in the new EU Global Strategy (EUGS)<sup>17</sup>) and the resulting provisions for the policy of the EU and its Member States reveal a new understanding of the term »operative«, if one bears in mind the strategic objectives of the EUGS. There, among other things, it states: *»As Europeans we must take greater responsibility for our security. We must be ready and able to deter, respond to, and protect ourselves against external threats ... An appropriate level of ambition and strategic autonomy is important for Europe's ability to foster peace and safeguard security within and beyond its borders. ... European security and defence efforts should enable the EU to act autonomously ...« (EUGS 19–20).*<sup>18</sup>

Subsequently: *»Third, regarding high-end military capabilities, Member States need all major equipment to respond to external crises and keep Europe safe. This means having full-spectrum land, air, space and maritime capabilities, including strategic enablers«.* (EUGS 45) Regarding the arms industrial base that means: *»A sustainable, innovative and competi-*

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<sup>17</sup> European Union, Shared Vision, Common Action: A Stronger Europe. Global Strategy for the European Union's Foreign and Security Policy, Brussels June 2016.

<sup>18</sup> This is discussed, rather affirmatively and in detail, under the keyword European Army in: Hans-Peter Bartels/Anna Maria Kellner/Uwe Optenhögel (eds.): Strategische Autonomie und die Verteidigung Europas. Auf dem Weg zur Europäischen Armee? Bonn: Dietz, 2017.

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tive European defence industry is essential for Europe's strategic autonomy and for a credible CSDP«.<sup>19</sup> (ibid.)

While so far »operative expenditure« recorded those costs that accrued for the CFSP from the political-bureaucratic implementation and administration of CFSP decisions, the EUGS now makes clear that conflict management with military measures will present no problem for the EU. Likewise, the term »operative« now has the connotation of being capable of warfighting, thus resulting in a much broader concept. This should open up the possibility to finance research and procurement measures from the EU budget as well. In the foreword to the Reflection Paper on the Future of European Defence, High Representative Mogherini and EU Commissioner for Jobs, Growth, Investment, and Competitiveness, Jyrki Katainen, praise the programme with a reference to the European promise of peace: »The stakes for Europe and our citizens are very high. It is our responsibility to deliver on the peace promise for the benefit of current and future generations«.<sup>20</sup>

### **The European Defence Fund**

(6.13) On 14 November 2016, the European Council endorsed the concept of the European Defence Action Plan (EDAP). It was subsequently presented in more detail by the European Commission on 30 November 2016 and adopted by the European Parliament on 14 December 2016. The EDAP aims to implement the planned strengthening of the European arms industry.<sup>21</sup> The Action Plan has at its core a European Defence Fund (EDF), which in turn consists of two strands. One strand is to serve the advancement of armament research, the other one military procurement. Both will receive funds from the regular EU budget.

As of 2020, armament research will be allocated annual funds amounting to € 500 million (initially until 2027). However, a preparatory programme already allocated € 25 million for the EDF in 2017 and an additional € 65 million until the end of 2019. The funding is granted to promote the development of so-called innovative defence technologies. Listed as possible areas of priority are: electronics, metamaterials, encrypted software, or robotics, as well as unmanned systems in a naval environment and soldiers systems.

The procurement fund is intended as a financial incentive for the Member States to cooperate in developing and procuring military technologies and equipment. So far, the willingness of Member States to cooperate on joint armament projects has been limited: whenever possible national procurements were often favoured.

For the procurement fund, the annual sum of €1 billion has been earmarked in the EU budget as of 2021 (initially until 2027). For 2019 and 2020, € 500 million are earmarked as start-up funding for this programme. The Commission hopes that this will initiate substantial national armament investments in joint development and acquisition projects and thus

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<sup>19</sup> CSDP stands for Common Security and Defence Policy, which forms part of the European CFSP.

<sup>20</sup> European Commission, Reflection Paper on the Future of European Defence, COM(2017) 315 of 7 June 2017, p. 3.

<sup>21</sup> European Commission, European Defence Action Plan, COM(2016) 950 final, 30.11.2016.

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counts on an annual investment of € 5 billion from the EU Member States in cooperative projects. A proportion of funds from the procurement budget is earmarked for projects with the cross-border participation of SMEs.

Financing shall be achieved by redeploying EU funds, that is, Member States will not be asked for new contributions. Taken into account for this endeavour are funds from the European Fund for Strategic Investments (EFSI) that has currently mobilised € 315 billion and is expected to trigger € 500 billion in the next budgetary round (2021–2027). Furthermore, Member States will have the option to exempt national expenditure from the deficit calculations consistent with the Stability and Growth Pact. This means that debts can be incurred without having to follow the usual rules.

(6.14) The promotion of cooperation on armaments is not only justified with the strategic needs for a standardisation of armaments in the European Union to render it interoperable,<sup>22</sup> but also with the fiscal argument that national funds no longer suffice to maintain competitive national armament industries<sup>23</sup> — despite NATO's goal for a growth rate in military expenditure of two percent of the gross national product. For Member States, the following advantages are usually given: reasonable costs for the weapon systems, higher efficiency of research grants, more modern arms, and higher security of supply.<sup>24</sup> Moreover, arguments such as safeguarding jobs, technological innovation, and competitiveness of the European armament economy have been put forward.<sup>25</sup> Of no significance to the EU debate, however, seems to be the argument that a strengthened armament cooperation could considerably attenuate the economic issues that are cited time and again as the reasons for arms exports, as is indicated in a study by the Hans Böckler Foundation.<sup>26</sup> This implies that a change in export policy is not part of the plan.

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<sup>22</sup> The »Munich Security Report« issued in February 2017 published a McKinsey survey, according to which » 178 weapon systems are in service in the EU, whereas just 30 in the USA «, Andreas Seifert, Auf dem Weg zu einer EU-Rüstungsindustrie? Triebfedern und Hindernisse, in: Informationsstelle Militarisation (IMI) (eds.), Kein Frieden mit der Europäischen Union, Tübingen: IMI, 2017, pp.34–36. [Munich Security Report 2017: 21]

<sup>23</sup> A Commission press release from 7. June 2017 reveals that man, »Up to 30% of annual European defence investment could potentially be saved through pooling of procurement«. [Quelle: Munich Security Report 2017: 16] Estimates for the real balance fluctuate between € 26 billion and €130 billion annually. If one would take this statement seriously, aims to increase spending would be unnecessary in the end.

<sup>24</sup> Cf. Seifert, *ibid.*, p.35.

<sup>25</sup> Cf. Wendela de Vries, Stop Wapenhandel. European money for the arms industry, Amsterdam, 2017.

<sup>26</sup> Jörg Weingarten/Peter Wilke/Herbert Wulf, Perspektiven der wehrtechnischen Industrie in Deutschland, Düsseldorf: Hans-Böckler-Stiftung, 2015, pp. 211–215.

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