

**EU-NATO RELATIONS IN A NEW
THREAT ENVIRONMENT**

**SIGNIFICANT COMPLEMENTARITY BUT A LACK OF
STRATEGIC COOPERATION**

Tuomas Iso-Markku



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- The relationship between the EU and NATO has traditionally been characterised by a degree of ambiguity and competition but also by attempts at coordination and cooperation.
- In the context of Russia’s war on Ukraine, the EU and NATO have played crucial and mutually complementary roles, taking advantage of their respective strengths.
- However, there are also many areas in which their efforts overlap and closer cooperation would be necessary. Thus far, only small steps in this direction have been taken.
- Ideally, the EU and NATO would work together to develop a more strategic outlook on issues such as developing Europe’s military capabilities, strengthening the security and defence of membership aspirants as well as managing crises beyond EU and NATO territory.
- Formal relations between the EU and NATO remain complicated. However, there are ways to work around the existing obstacles to EU–NATO cooperation, not least in the capitals of EU and NATO member states.



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INTRODUCTION

Ever since the inception of the EU’s security and defence policy in the late 1990s, the relationship between the EU and NATO has been characterised by a degree of ambiguity and competition, with both entities engaging in partly overlapping areas of action. While the EU and NATO, and the world around them, have gone through major changes in the past decades, many of the sensitivities and obstacles related to EU–NATO relations have proven remarkably durable. Despite several attempts to foster EU–NATO cooperation, certain factors have made substantial rapprochement difficult. These include the persistent Cyprus–Turkey dispute, divergent views on the roles of the EU and NATO across European capitals, and the shifting currents of the transatlantic relationship.¹

Russia’s war of aggression against Ukraine represents a watershed for both the EU and NATO, challenging them to adapt their priorities and ways of working. So far, the EU’s and NATO’s responses to the war have highlighted their complementary roles and strengths. In essence, NATO seeks to ensure that Russia’s war will not reach NATO territory. The EU, for its part, manages Europe’s broader politico-economic response to the war. However, remarkably, the EU has also played an important part in supplying Ukraine with weapons and offering training to Ukrainian troops. Meanwhile, NATO’s agenda now extends to several issues that touch upon EU policies, including resilience, innovation, energy security and climate. Furthermore, the overlap between the memberships of NATO and the EU has increased as a result of Finland joining NATO and Sweden applying for membership (see Figure 1). In addition, Denmark – a member of both NATO and the EU – abolished its opt-out from the EU’s defence endeavours in July 2022.

These examples underline that the roles of the EU and NATO in European security are not as easily separable as some would like them to be. They also indicate how much European and Euro-Atlantic security could profit from a closer and more strategic EU–NATO partnership.

Against this backdrop, this Briefing Paper analyses the current state and prospects of the relationship between the EU and NATO. The first section of the paper offers a succinct description of how EU–NATO relations have evolved since the late 1990s. The second section then describes the current state of play as both entities seek to adjust to the demands posed by Russia’s war on Ukraine. In this context, EU–NATO cooperation has thus far witnessed only small advances. In the third section, three areas are described in which a more strategic EU–NATO partnership would be beneficial but remains elusive. The paper closes with a short concluding section, including some recommendations for the future.

THE MIXED TRAJECTORY OF EU–NATO RELATIONS

The EU and NATO first came into direct contact with each other in the late 1990s as their activities started to intersect. In search of a new purpose after the end of the Cold War, NATO was reorienting itself towards international crisis management. Meanwhile, the EU started to develop its foreign and security policy in earnest. In 1998, France and the United Kingdom, the EU’s leading defence actors, agreed that the EU, too, needed a military component for crisis management purposes. The result – nowadays known as the Common Security and Defence Policy (CSDP) – represented a compromise between French ambitions for an independent European military capacity and the UK’s insistence on NATO’s primacy and close transatlantic links.

These tensions have remained at the heart of the EU’s security and defence policy ever since, but they have also crucially affected the EU–NATO relationship, which has been marked by ambiguity and inter-institutional rivalry. The US, as the most powerful NATO ally, has shaped EU–NATO relations as well, expressing support for a more capable Europe but frequently warning against decoupling, duplication or discrimination with respect to NATO.

These sensitivities notwithstanding, the early 2000s witnessed serious attempts to put EU–NATO relations on a cooperative path. The 2003 “Berlin Plus” arrangements laid the groundwork for a close partnership,

¹ Tardy, Thierry and Gustav Lindström (2019) “The scope of EU–NATO cooperation”. In *The EU and NATO: The essential partners*, edited by Gustav Lindström and Thierry Tardy. Luxembourg: European Union Institute for Security Studies/ NATO Defence College, 5–12.

EU ONLY	EU & NATO			NATO ONLY
				Albania
	Belgium	Germany	Poland	Canada
Austria	Bulgaria	Greece	Portugal	Iceland
Cyprus	Croatia	Hungary	Romania	Montenegro
Ireland	Czech Republic	Italy	Slovakia	North Macedonia
Malta	Denmark	Latvia	Slovenia	Norway
	Estonia	Lithuania	Spain	Turkey
	Finland	Luxembourg	Sweden*	United Kingdom
	France	Netherlands		United States

*Pending Sweden's formal accession to NATO.

Figure 1. The partially overlapping memberships of the EU and NATO.

allowing the EU to draw on NATO's assets and capabilities in its own crisis management operations. However, EU-NATO cooperation soon met a significant political hurdle. With the accession of non-NATO member Cyprus to the EU in 2004, relations between the EU and NATO became hostage to the long-standing dispute between Cyprus and non-EU NATO ally Turkey, which has hindered progress in formal EU-NATO cooperation – including the exchange of classified information – to this day.

In the 2010s, EU-NATO relations underwent further changes. After Russia's first invasion of Ukraine in 2014, NATO gradually returned to its traditional core task of collective defence, in which its primacy is explicitly recognised in EU treaties. At the same time, there was a tacit acknowledgement – also within NATO – of the significance of the EU in other areas of security such as countering cyber, hybrid and terrorist threats, as well as facilitating military mobility. Accordingly, these were among the topics highlighted in two high-level joint declarations on EU-NATO cooperation, published in 2016 and 2018 (see Figure 2), as well as the 74 co-operation proposals that followed.

However, political relations between the EU and NATO remained thorny. The EU's Global Strategy of 2016 stressed that the EU should increase its contribution to Europe's collective security and called for an appropriate level of "strategic autonomy" for the Union. Although the strategy also unequivocally acknowledged NATO's position as Europe's primary framework for collective defence, underlying disagreements about the EU's and NATO's roles in European

security resurfaced in the late 2010s, and the idea of strategic autonomy became a contested one.

Transatlantic turbulences played a central part in all this. US president Donald Trump showed a general disregard for NATO and vocally criticised European allies for not doing enough for Euro-Atlantic security. This, together with the UK's pending exit from the EU, provided impetus for some European states – France and Germany above all – to foster the EU's defence dimension. Consequently, the Union adopted several defence initiatives in quick succession, including the Permanent Structured Cooperation (PESCO), the European Defence Fund (EDF) and the European Peace Facility (EPF). These initiatives aimed to increase European cooperation on defence capabilities and defence-industrial matters and strengthen the EU's capacity to act. However, rather than alleviating the burden-sharing concerns of the US, they fuelled further suspicion. The Trump administration considered them an unnecessary distraction from NATO and blamed them for their allegedly protectionist and exclusive character.² These views were also shared by some Central and Eastern European states.

Relations between the US and Europe eased with the start of Joe Biden's presidency. Significantly, the US and several other non-EU NATO allies joined the EU's PESCO project on military mobility, which now stands as a flagship of EU-NATO relations. However, the chaotic withdrawal of the US-led Western coalition from Afghanistan again brought the idea of European

2 Brattberg, Erik and Tomáš Valášek (2019) "EU Defence Cooperation: Progress Amid Transatlantic Concerns". Carnegie Endowment for International Peace, https://carnegieendowment.org/files/WP_Brattberg_Valasek_EU_Def_Coop_v3.pdf.



Figure 2. Areas of cooperation as outlined in the joint declarations on EU-NATO cooperation by the President of the European Council, the President of the European Commission, and the Secretary General of the North Atlantic Treaty Organization.
Source: Author's compilation.

strategic autonomy to the fore, also pushing the EU to start redeveloping its rapid deployment capacity.

Apart from the factors described above, EU-NATO relations are convoluted by the fundamentally distinct nature of the two entities. NATO is an intergovernmental organisation that follows a rather traditional understanding of security and defence, whereas the EU is a complex and wide-ranging political and economic union with strong supranational elements. And although the EU and NATO share a large part of their membership, their relationship also encompasses multiple other actors³ – especially on the EU side where several institutions, bodies and actors can be involved, depending on the matter at hand. Consequently, it is sometimes difficult for EU and NATO representatives to identify the right counterpart within the other entity, let alone develop relations in a coherent manner across the different institutional layers.

EU-NATO RELATIONS AND RUSSIA'S WAR ON UKRAINE

The start of Russia's war on Ukraine in February 2022 marked an important watershed for both the EU and NATO. The war has had an impact on both entities' roles in European security, thereby also influencing the relations between them. For now, the defining feature of the EU-NATO relationship in this context has been the complementarity of the two actors, with each drawing on its traditional strengths.

NATO's primary task is to ensure that Russia does not escalate the war beyond Ukraine and into the alliance's territory. As a treaty-based military alliance – backed up by the supreme military capabilities of the US, including its nuclear deterrent – NATO is the most credible actor to assume this role. Finland's and Sweden's decision to seek NATO membership shortly after the beginning of the Russian invasion is proof of the alliance's continued pre-eminence in European defence.

For NATO, Russia's war means an ever clearer focus on deterrence and defence (despite the alliance's official insistence on a "360-degree approach"). Consequently, NATO has strengthened its military presence in Eastern Europe. It has also introduced a new line of operative plans to defend the allies and an ambitious force model that should increase the number of troops that are deployable at short notice from 40,000 to 300,000. A new cycle of the NATO Defence Planning Process aims to help the alliance to meet the challenges of the new security environment, setting concrete capability requirements for the allies. NATO has also reviewed its defence investment pledge, with the target for each ally to spend 2% of their GDP on defence now defined "as a floor rather than the ceiling".

NATO's direct role in assisting Ukraine has been more limited, however, as most allies want to minimise the risk of the alliance becoming a party to the war. Apart from strong political statements, NATO has duly provided only small-scale non-lethal assistance to Ukraine while continuing its efforts to help reform the Ukrainian security and defence sector and advance

³ Tardy and Lindström 2019, 10.

political and practical cooperation with the country.⁴ Moreover, although NATO acknowledges that Ukraine's place is in the alliance, there is no consensus on when it could become a member.

In contrast to NATO, the EU obtains its strength primarily from its legislative and regulatory power, the importance of its single market, and the financial resources it can mobilise. Remarkably, the EU has been able to leverage many of these to respond to the Russian aggression and support Ukraine. In concrete terms, the EU has imposed unprecedented sanctions against Russia and Belarus, introduced measures to wean European states off Russian fossil fuels, facilitated the settlement of Ukrainian refugees, provided humanitarian and macro-financial assistance to Ukraine and offered the country a pathway to EU membership – even though the last remains fraught with major challenges.

Importantly, the EU has also found novel ways to use its instruments. The Union quickly identified the EPF as a tool through which to encourage member states to provide weapons to Ukraine and launched a CSDP mission – EUMAM Ukraine – to train Ukrainian soldiers. The EU has also set up mechanisms to facilitate common procurement of military equipment, including the slowly progressing plan to provide Ukraine with one million rounds of ammunition by means of coordinated deliveries from existing ammunition stocks, joint procurement to refill stocks, and measures to ramp up the European defence industry's production capacity.

Overall, Russia's war on Ukraine has shown that both the EU and NATO have a crucial part to play in the European security architecture. Moreover, it has emphasised that the EU's and NATO's roles – while complementary – are not as easily separable as sometimes imagined. For these reasons, closer cooperation between them appears imperative. However, so far, the war has not transformed the EU-NATO relationship.

This is not to say that EU-NATO relations have not seen any progress. Since the start of the Russian invasion, there has been frequent cross-participation in the summits and meetings of the two entities. Moreover, staff-to-staff coordination on some topics has been enhanced. A dedicated NATO-EU staff coordination on Ukraine and a task force on the resilience of critical infrastructure have been set up.⁵ The objective of

strengthening EU-NATO relations also features prominently in the most recent guiding documents of both entities, the EU's Strategic Compass for Security and Defence of March 2022 and NATO's Strategic Concept of June 2022. Furthermore, in January 2023, a third joint declaration on EU-NATO cooperation was published, promising to extend the EU-NATO partnership to cover the growing geostrategic competition, resilience, the protection of critical infrastructures, emerging and disruptive technologies, space, the security implications of climate change, as well as foreign information manipulation and interference.⁶ However, most of the underlying sensitivities and obstacles in EU-NATO cooperation remain unchanged.

Going forward, it may sound appealing to organise the EU-NATO relationship based on complementarity, distinctive strengths and a clear division of labour. However, in practice, this is an unsustainable and even undesirable solution.⁷ First, the EU and NATO remain independent entities, whose memberships overlap only in part. It is thus not realistic to expect that they would accept a strict distribution of their responsibilities. Instead, as both seek to respond to changes in their environment and remain relevant to their members, they will continue to engage in mutually overlapping areas of action.⁸

Second, even though duplication is a dirty word in the EU-NATO relationship – and especially on the NATO side – overlaps are not necessarily the same thing, nor are they automatically harmful. On the contrary, overlaps are preferable to gaps.⁹ Indeed, it makes a lot of sense that both the EU and NATO address issues like cyber and hybrid threats or the protection of critical infrastructure as they approach these matters through different lenses and with different means. While NATO brings to the table its experience and know-how in military security, the EU's comparative advantages lie in its broad policy portfolio, financial resources and legislative power. Third, complementarity is not synonymous with cooperation. Even though it is good that both the EU and NATO possess different

4 Niehus, Gerlinde (2023) "Op-ed: How NATO is helping Ukraine". *Internationale Politik Quarterly*, 30 August 2023, <https://ip-quarterly.com/en/op-ed-how-nato-helping-ukraine>.

5 Eighth progress report on the implementation of the common set of proposals endorsed by the EU and NATO Councils on 6 December 2016 and 5 December 2017.

6 Joint Declaration on EU-NATO Cooperation, 10 January 2023, https://www.nato.int/cps/en/natohq/official_texts_210549.htm.

7 Ojanen, Hanna (2022) "NATO and the EU's strength lies in their unity". *Carnegie Europe*, 28 June, <https://carnegieeurope.eu/strategieurope/87403>.

8 Ojanen, Hanna (2023) "Researching EU-NATO relations". Presentation at the University of Helsinki, 17 November 2023.

9 Droin, Mathieu (2023) "NATO and the European Union: The Burden of Sharing". *Centre for Strategic and International Studies*, 17 January, <https://www.csis.org/analysis/nato-and-european-union-burden-sharing>.

instruments and strengths, cooperation between them should go beyond that, creating true synergies.¹⁰

PRIORITY AREAS FOR MORE STRATEGIC EU-NATO COOPERATION

The list of areas in which the EU and NATO have agreed to work together between 2016 and 2023 is impressive and relevant (see Figure 2). So far, the EU and NATO have managed, at the very least, to establish staff-to-staff contacts, raise awareness of each other's activities and take each other's plans into account when developing their own. However, what is often lacking in the EU-NATO partnership is a more strategic approach. Ideally, EU-NATO cooperation should be about more than just processing individual action points and work streams. As Europe's two most important security organisations, the EU and NATO should be able to approach key topics of European and Euro-Atlantic security and defence in a more comprehensive and structured manner.¹¹

One of the major issues highlighted by the war in Ukraine has been Europe's continued military dependency on the US. However, although the Biden administration has been ready to assume a leading role in supporting Ukraine and strengthening NATO's deterrence and defence, European states have strong reasons to invest in their own military capacity and credibility and step up their support for Ukraine. Europe's military weakness is a long-standing concern for the US, fuelling criticism of NATO and European allies in US domestic debates. If anything, such criticism has grown louder. Moreover, despite the Russian war, the US long-term strategic focus is more on China and the Indo-Pacific than on Europe. As a result, there are growing expectations in Washington for Europe to take more responsibility for its own security – within and beyond NATO.

The above points appear even more pressing against the backdrop of the upcoming US presidential election and a potential second Trump presidency. Bearing all this in mind, there are at least three areas in which a closer and more strategic EU-NATO cooperation would be highly beneficial.

First, the EU and NATO should work together to strengthen Europe's military capabilities. As a reaction to Russia's war, many European states have announced

increases to their defence budgets. However, traditionally they have failed to invest their money in a coordinated and cooperative manner, instead approaching defence primarily in national terms. This has resulted in a highly fragmented and largely inefficient European defence landscape. Both the EU and NATO should help to overcome this situation – but can do so only by working together.

NATO is the best placed entity to put forward concrete capability requirements for European states. The EU, for its part, has financial and regulatory instruments to incentivise defence cooperation between them. However, so far, the EU's track record in this area is meagre, and the sums at play small compared to the member states' national defence budgets. Furthermore, the EU and NATO have also not been able or willing to align their respective efforts with one another to a sufficient degree. At present, each entity follows its own distinct capability planning process, which translates into a mix of partly overlapping targets and commitments that EU and NATO member states generally have little trouble ignoring.

A second mutually shared strategic issue concerns the relations of the EU and NATO with their membership aspirants and closest partners. As highlighted above, both the EU and NATO have acknowledged that Ukraine has a place in their structures in the future. This should show in the form of continued joint commitment to support Ukraine. In addition, several other states aspire to become members of the EU, NATO or both. This raises important questions about how to enhance these states' security during the membership process, and how to guarantee it once they have become members.

Thus far, enlargement seems a more concrete prospect on the EU side. However, it is still unclear whether states such as Ukraine or Bosnia and Herzegovina could become EU members without joining NATO first. Would they – or the EU member states themselves – consider the EU's mutual assistance clause, Article 42.7, a sufficient security guarantee? A closer EU-NATO dialogue about, and practical cooperation in, enhancing the security of the membership aspirants and partners of both entities is clearly called for.

The third field in which the EU and NATO would benefit from a more strategic cooperation is military crisis management and response beyond EU and NATO territory. Currently, there is little appetite for military crisis management among EU and NATO member states. This owes to Russia's war on Ukraine as well as the discouraging experiences of past operations in Libya, Afghanistan and the Sahel. However, recent

10 Droin 2023; Szewczyk, Bart M. J. (2018) "EU-NATO Coordination in Crisis Management: From Complementarity to Synergies". German Marshall Fund of the United States, 26 November, <https://www.gmfus.org/news/eu-nato-coordination-crisis-management-complementarity-synergies>.

years have seen persistent instability and several conflicts in different parts of Europe's neighbourhood. Several EU and NATO member states consider these developments to directly affect their security. It is thus likely that demand for crisis management efforts will grow again within the EU and NATO, as well as among their partners, in the future.

In the past, NATO has been responsible for crisis management operations at the higher end of the military spectrum, whereas the EU has focused on the lower end and specialised in civilian missions. However, with NATO now rightly concentrating on deterrence and defence, the EU may need to play a bigger role – and do so in conflict situations that are increasingly complex and competitive. Accordingly, many of the proposals in the EU's Strategic Compass seek to strengthen the EU's credibility as a military actor and capacity to act. Ideally, the EU would do so in close cooperation and coordination with NATO to maximise potential synergies and avoid a divisive competition over resources.

CONCLUSIONS AND THE WAY FORWARD

In the context of the Russian war on Ukraine, both the EU and NATO have played crucial complementary roles, but cooperation between them has taken only small steps forward. Formal EU–NATO relations are likely to remain complicated in the future as well. The Cyprus–Turkey issue will not vanish, nor will the different perspectives of some EU and NATO member states on the roles of and relationship between the two entities. Moreover, the 2024 presidential election in

the US – depending on its outcome – bears disruptive potential for transatlantic relations and could have major implications for NATO and EU–NATO relations. However, its impact is difficult to gauge at this point.

Regardless of these challenges, those actors with an interest in a close EU–NATO partnership have different ways to work towards this objective. Informal meetings between both entities, while informal, can be promoted more systematically, and their number increased. The same goes for staff-to-staff contacts between the EU and NATO, the maintenance of which should be an integral part of job descriptions on both sides.

But an even more important, and often overlooked, venue for enhancing EU–NATO relations are the national capitals and national administrations of those states that are members of both entities. It is still too often the case that politicians and policymakers in the capitals concentrate on either the EU or NATO, with the dividing line frequently running through the more EU-focused ministries of foreign affairs on the one hand, and the highly NATO-oriented defence ministries and defence forces on the other. A more holistic approach encompassing both the EU and NATO would be welcome – and should not be impossible to achieve, considering that the foreign and defence ministers as well as chiefs of defence of 22 states (23 with Sweden) already sit at the table within both.

Despite all the obstinate sensitivities and obstacles in EU–NATO relations, the EU and NATO remain crucial for European security, and their partnership, its limitations notwithstanding, an essential one. /