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Brexit and European Security

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Key Points

THE UK'S vote to leave the EU was not primarily about security. But it could have serious consequences for future security cooperation between the UK and its European neighbours. Prime Minister Theresa May made it clear in her speech to the Munich Security Conference on 17 February that she wanted to build a 'deep and special partnership', which will allow the UK and the EU to 'retain the cooperation that we have built and go further in meeting the evolving threats that we face together'.¹ Achieving this objective will not be straightforward, and will require a strong effort from both the UK and the EU at a time of considerable turbulence in the overall relationship.

There are five areas in which Brexit is likely to have an important impact on European security.

First, from 29 March 2019, the date on which the UK is due to exit, **the EU will formulate its foreign policies without UK participation.** The UK will no longer have a vote at the Political and Security Committee, or at the many other committees and working groups – both in Brussels and in diplomatic posts elsewhere – charged with developing and implementing common policies. There will be a strong mutual interest in developing new mechanisms for consultation and coordination, for example in relation to sanctions. But these are likely to be significantly weaker than those currently in place while the UK remains a member. Over time, the balance of internal policy debates within the EU will change, potentially contributing to growing divergence from the UK in policies and regulations. The removal of one of its most globally oriented powers also seems likely to increase the extent to which the EU focuses on its own neighbourhood. The UK, for its part, will want to 'pursue an independent foreign policy'.² It may struggle to balance competing demands on its limited resources from both European and global commitments.

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1. HM Government, 'Prime Minister Theresa May's Speech at the 2018 Munich Security Conference', 17 February 2018, <<https://www.gov.uk/government/speeches/pm-speech-at-munich-security-conference-17-february-2018>>, accessed 23 February 2018.
 2. *Ibid.*

Second, Brexit will have an immediate impact on **the UK's future defence relationship with the EU**. The logic of Brexit points to a rapid disengagement of the UK from its role in Common Security and Defence Policy (CSDP) missions, including the relocation of EU's anti-piracy headquarters at Northwood, the reassignment of the role of Deputy Supreme Allied Commander Europe (DSACEUR) – currently a UK general – in providing operational command of the EU force in Bosnia, the reallocation of the UK's place on the roster for leading an EU Battlegroup in the second semester of 2019, and the relocation of the Galileo Security Monitoring Centre to one of the remaining 27 EU member states (the EU27). As one of the few EU states able to provide high-level military enablers, the UK has made a significant addition to the credibility of key missions. After Brexit, these arrangements may no longer be able to continue in their current form. If EU states want to maintain an option for involving the UK in future European military operations, work will be needed to create new structures for doing so. A potentially important step in this direction came with French President Emmanuel Macron's proposal last September to create a European Intervention Initiative (EII), outside the framework of the EU, and the UK's agreement to take part in it.

Third, Brexit will have an impact on **efforts to maintain a strong European defence and security industry**. If the UK leaves the Single Market and the Customs Union at the end of the transition period, it could have a significant effect on the cross-border supply chains of defence and security companies, especially if there is a divergence between regulatory structures (for example in relation to data protection and aircraft safety) and greater restriction on the movement of labour. While the UK will no longer be a member of the European Development Fund (EDF), it will be in the mutual interest of both sides to ensure that the Fund's rule maintain maximum flexibility for involving UK industries in joint ventures with EU-based companies, and for joint EDF–UK funding of pan-European initiatives.

Fourth, Brexit could make it difficult to maintain current levels of **cross-border cooperation in combating terrorism and organised crime** once the transition period is over. Because of its unique character, based on the legal supremacy of EU law in defined areas, member states can maintain levels of police and judicial cooperation (for example, regarding arrest warrants and exchange of personal data) that do not exist with any non-member state. A new legal basis for the sharing of personal data between the UK, European agencies, and EU member states will therefore be needed. The prime minister has proposed a new security treaty to address these issues and has conceded that 'when participating in EU agencies the UK will respect the remit of the European Court of Justice', that the UK will need to maintain EU data protection standards, and that there will need to be 'a strong and appropriate form of independent dispute resolution'.³ Yet the EU has already rejected British attempts to 'cherry pick' the economic sectors in which it will continue regulatory alignment, insisting that the UK must choose between full Single Market membership (the 'Norway model'), involving full freedom of movement and commitment to follow all EU rules, and a looser Free Trade Area (the 'Canada model'). For a security treaty to be possible in the absence of full UK membership in the Single Market, it will be necessary to separate it from this wider discussion. Whether this proves achievable may depend in part on

3. *Ibid.*

whether the two sides can agree to align their regulations in those areas – most notably data protection – which play a vital role in both security and economic cooperation. Even if such a separation is agreed, the UK could be required to sign up to automatic adherence to future EU regulations, which will be agreed without its direct participation.

Fifth, this paper discusses **possible security spillover from a failure to agree a close post-Brexit trading relationship**. A disruptive Brexit could undermine the UK's nascent recovery from recession and accelerate the relative economic decline of both the UK and some of its European neighbours. In doing so, it could further strengthen nationalist political forces across Europe, resurgent even in the EU's most powerful states. It could also damage intra-Ireland trade, and make it harder to sustain the fragile political settlement within Northern Ireland.

The extent to which Brexit has serious strategic consequences for European security will depend on whether the UK and the EU can move beyond Brexit to create a new and substantial security partnership. This will not be easy, with political forces on both sides opposed to likely compromises. In the end, though, both the UK and the EU may come to recognise that they remain uniquely bound by common interests and values.

Europe in an Uncertain World

Brexit is taking place at a time of growing concern over Europe's strategic and economic position, as well as potential threats to its cohesion from the rise of nationalism and political extremism in several member states. The increased assertiveness of Russia on the EU's eastern frontier, along with multiple spillovers from political turmoil and conflict in the Arab world and Africa, mean that the security threats to Europe are more significant than at any time since the end of the Cold War. The rapid growth of China, and other emerging economies, suggests that Europe faces the prospect of long-term decline in its relative power. Donald Trump's record in his first year as US president has generated widespread concern that Washington is prepared to undermine global environmental and trade regimes and may no longer be committed to an international order based on shared values, alliances and institutions. Despite the protests of its closest allies in Europe and Asia, the US is also close to walking out of the Iran nuclear deal.

On every one of these issues, and in contrast (for example) to the position over the Iraq War in 2003, the UK is now closer to its main EU allies than to the US. One of the ironies of Brexit is that it has come at a time when the UK's approach to geopolitical and security issues is more closely aligned to that of the EU than it has been for some time, and when the need for European foreign and security policy cooperation is greater than ever.

The Future of Foreign and Security Policy Cooperation

Shared values and geographical proximity suggest that both the UK and the EU27 will have powerful reasons to continue to cooperate on security issues after Brexit, and to limit the collateral damage to shared security interests.

Pre-existing institutional arrangements, most notably NATO, as well as bilateral security agreements, such as the 2010 UK–France Treaty,⁴ will provide an important element of continuity outside EU structures. On the key issues of the day, small-group mechanisms (for example, between the UK, France and Germany on Iran nuclear talks) will continue to play a key role.

However, the EU itself is now becoming the primary mechanism through which its member states coordinate, and often pool, their approaches to non-military foreign and security policy. It is also becoming more important in relation to defence.

After Brexit, on current transition plans, the UK will no longer take part in the formulation of common EU policy on responding to new and ongoing international crises, trade, international climate agreements and other environmental regimes, development and humanitarian assistance, membership enlargement, arms exports, and setting standards for cyber security and nuclear safety.

From 29 March 2019, the EU will insist on formulating its foreign, security and defence policies without UK participation. Even if a transition agreement is in place, the UK will no longer have a vote at the Foreign Affairs Council, the EU's Political and Security Committee, or at the many other committees and working groups – both in Brussels and elsewhere – charged with developing and implementing common policies.

Nor is the EU likely to accept permanent UK observer status in its foreign and security policy mechanisms, especially if the UK is not prepared to commit to following the decisions that result. The Commission's current negotiating position is that no such arrangement will be allowed even during the transition, except in exceptional circumstances. In many areas, the UK's commitment to take back control of national policy may make this tension moot in any case. Even where policy remains primarily a matter of inter-governmental negotiation, UK representation could be seen as undermining the EU27's ability to formulate its own policies and is likely to be opposed for this reason.

If a transition agreement is to be reached, the UK will have to be prepared to follow EU rules in areas related to the Single Market and Customs Union without having a say in regulatory development: a position that can be justified because of the relatively small number of new rules that are likely to be developed over a short transition period. During the transition, the UK might be prepared, even without a seat at the table, to implement new EU decisions in circumscribed areas tied to transitional economic arrangements (for example, sanctions implementation) and the allocation of budgets to which the UK has contributed, such as EDF and associated projects.

It is much harder to imagine that the UK will be prepared to accept subordination to EU foreign and security policy decisions, which, by their nature, would be more responsive to changing

4. HM Government, *Treaty Between the United Kingdom of Great Britain and Northern Ireland and the French Republic for Defence and Security Co-operation*, Cm 8174 (London: The Stationery Office, 2010).

circumstances. May's Munich speech emphasised that, once the UK leaves the EU in March 2019, 'it is right that the UK will pursue an independent foreign policy'.⁵ Subsequent press reporting suggests that she is keen to use this as a means of reassuring her eurosceptic colleagues that something has changed during the transition period, and that she is committed to pulling Britain out of the EU's common foreign and security policy, giving the UK full control of diplomacy, peacekeeping, defence and overseas aid for the first time in 26 years.⁶

Towards a Global Britain – and a European EU?

Brexit will give both the UK and the EU more freedom to pursue their own separate foreign and security policy priorities than they currently enjoy. As a result, there will be areas of current foreign policy cooperation in which the UK and the EU will be more inclined to go their separate ways. The UK will no longer be able to influence the EU's use of market access, and ultimately the prospect of membership, as a tool for shaping the development of its closest neighbours. UK influence in the western Balkans, as well as Ukraine, Belarus and Moldova, is therefore likely to decline substantially. In turn, it is possible that the EU could reduce the priority it gives to countries, such as Pakistan and Somalia, where the UK has been a strong advocate of engagement by European institutions.

The removal of one of its most globally oriented powers seems likely to increase the extent to which the EU focuses on its own neighbourhood (North Africa and the eastern Mediterranean, Russia and Eastern Europe). The UK, for its part, will struggle to balance competing demands on its limited diplomatic, defence and intelligence resources from both European and global commitments. The withdrawal from Afghanistan and concerns over Russian aggression, reinforced more recently by the political imperatives of Brexit negotiations, have helped to persuade the UK to increase its military commitment to NATO, both in Eastern Europe and the North Atlantic. Whether this prioritisation of European defence is sustained in the long term, however, will depend in part on whether it is supported by strong political and security relationships with the EU and key member states. The more isolated that the UK becomes from European political consultation, the less inclined it may be to put Europe first.

The Future of EU Defence Missions

The EU has made it clear that, as of 29 March 2019, the UK will no longer take part in the decision-making structures of the CSDP. While UK policy statements have left their options open on future participation in EU security and defence missions, such participation would require the UK to be adequately represented in the processes whereby the mandates of such missions are developed, and their effective resourcing ensured. Otherwise, it is hard to imagine that the UK will want to be more involved in the CSDP than it was when it was a full member.

5. HM Government, 'Prime Minister Theresa May's Speech at the 2018 Munich Security Conference'.

6. Tim Shipman, 'Theresa May Vows to Take Back UK Foreign Policy from Brussels', *The Times*, 18 February 2018.

The logic of Brexit points to a progressive disengagement of the UK from CSDP missions. The EU has already stated that the headquarters of its counter-piracy operation (Operation *Atlanta*), currently provided by the UK and based in Northwood, will need to be transferred to an EU member state. New arrangements will have to be made to ensure access to NATO command-and-control assets for the EU military mission in Bosnia (Operation *Althea*), currently provided through the Operational Command provided by the UK general serving as DSACEUR. Unless the UK is persuaded to give up this position, this suggests that another senior NATO position, held by an EU national, will need to be designated to fulfil this role. The UK's role as the framework nation for the EU's Battlegroup Roster – currently scheduled for the second semester of 2019 – would also have to be reallocated. The Galileo Security Monitoring Centre will need to be relocated from the UK to an EU27 state.

UK withdrawal from the CSDP will have a greater impact on its effectiveness than raw personnel numbers may suggest. As one of the few EU states able to provide high-level command, control, intelligence and reconnaissance assets, the UK has made a significant addition to the credibility of key missions. UK in-country support for EU missions has also been important, drawing on one of the EU's strongest diplomatic networks in fragile and conflict-prone regions and countries. After Brexit, these arrangements will no longer be able to continue in their current form.

It is far from clear that there is much political appetite in London for the UK to take part in future CSDP missions. Ministers are likely to see little reason why the UK should commit to new missions when the country is about to leave the EU, and when stories of a planned 'EU Army' have not yet disappeared from the political discourse of some member states. Their reluctance is likely to be redoubled if the EU also insists that the UK cannot be represented in the decision-making committees charged with mandating and managing any missions.

There is a strong security case for creating a mechanism through which the UK and EU member states can generate multinational military missions when a NATO mandate is not available or appropriate. It is not hard to imagine scenarios – for example, in the western Balkans – where both the UK and the EU agree on the need for action to be taken in the European neighbourhood, but where either the US or Turkey is not prepared to give its assent for NATO assets to be used. In such circumstances, UK military participation could contribute substantial capability to a joint mission.

However, such a mission would carry with it significant political and operational risks, especially if the US had already absented itself. In these circumstances, the UK could not be expected to accept a mission mandate that had already been pre-cooked by the EU. If the EU wants to maintain an option for involving the UK in future European military operations, therefore, work may be needed to create new structures for doing so. In practice, this might well involve cooperation outside the formal EU framework.

A potentially important step in this direction came with the UK's agreement to work with France and other states to develop Macron's proposal to create an EII, designed to 'improve operational planning and coordination of military deployments among European partners with meaningful

capabilities'.⁷ Since the EII will be separate from the EU, it could potentially be developed into a valuable means of ensuring UK involvement in future European military missions, widening the core capabilities provided by the UK–France Combined Joint Expeditionary Force, due to be fully operational by 2020.

The Future of the Defence and Security Industry

The UK relies on European collaboration for some of its most important defence capabilities, most notably in relation to aircraft and missiles. Several of the most important UK-based manufacturing capabilities are also owned by EU-headquartered companies, such as Thales, Leonardo and Airbus. The UK's security industry is also a large exporter to the rest of the EU, with an annual value estimated at around £2 billion in 2016.⁸

If the UK leaves the Single Market and the Customs Union at the end of the transition period, it could have a significant effect on the cross-border supply chains of these and other defence and security companies, especially if there is a divergence between regulatory structures (for example in relation to data protection and aircraft safety) and greater restriction on the movement of labour. It will be important to find ways to minimise the effects of these new barriers.

As part of its efforts to maintain and improve Europe's strategic autonomy in the production of modern military systems, the EU recently agreed ambitious plans for the EDF, devoting substantial amounts from the EU budget (as much as €1.5 billion annually after 2020, together with further contributions from national governments) for the funding of European Defence Research and Development Programmes. The amounts involved may turn out to be smaller, not least because of the additional pressures on the EU budget from Brexit. Even so, if the UK were still to be an EU member state, there would have been substantial opportunities for UK-based defence companies to benefit from the EDF, and to contribute to enhancing the competitiveness of the EU's defence industry.

Once the UK is outside the EU, it will no longer be able to fully participate in project-selection processes (due to be led by the Commission). Once the transition is over, moreover, it will no longer be contributing to the EU's general budget, from which the EDF will be funded. In these circumstances, it is hard to imagine that the UK Ministry of Defence will be prepared to contribute a significant part of its own already stretched budget to finance a European fund over which it has little or no control.

7. HM Government, 'UK and France Commit to New Defence Cooperation', press release, 18 January 2018, <<https://www.gov.uk/government/news/uk-and-france-commit-to-new-defence-cooperation>>, accessed 23 February 2018.

8. Bastian Giegerich and Christian Mölling, 'The United Kingdom's Contribution to European Defence and Security', International Institute for Strategic Studies/German Council on Foreign Relations, February 2018.

In the face of fierce competition from major US defence contractors, and increasingly from East Asia, the case for close cooperation between the industries of the EU27 and the UK remains as strong as ever. Rather than pursuing direct UK participation in the EDF after Brexit, however, it may be better to ensure that the rules of the fund maintain maximum flexibility for involving UK industries in joint ventures with EU-based companies, and for joint EDF–UK funding of pan-European initiatives.

The Future of Security and Home Affairs Cooperation

The security incentives for reaching an agreement that allows continuing UK–EU cooperation are substantial and growing. The threats facing European countries from transnational terrorism and organised crime, as well as from states seeking to exploit cross-border vulnerabilities, are growing in complexity. Both the UK and the EU will need to be able to respond creatively, and rapidly, to new threats as they emerge.

EU institutions now play an increasingly important role in facilitating cross-border cooperation in combating terrorism and organised crime, as well as criminal activities more widely. The UK government wants to maintain as many of these agreements as possible, as well as being able to opt in to future developments as appropriate. The most important current agreements include Europol, Eurojust and the European Arrest Warrant (EAW), together with the mechanisms for granting reciprocal real-time database access (such as the Schengen Information System, Passenger Name Record (PNR) sharing and the Prüm Convention on DNA, fingerprint and vehicle registration data). In relation to foreign and security policy, the UK also provides substantial levels of classified information to the EU External Action Service through the Security Information Service (SIS), allowing the UK to support, for example, the design and implementation of EU sanctions policy.

The EU is a unique organisation, involving a depth of supranational integration, based on the legal supremacy of EU law in defined areas. Because of this unique character, arrangements for security cooperation between its members go far beyond any current agreements with ‘third countries’, such as Norway, Switzerland, Canada and the US. The existence of the EU’s single juridical space, ultimately overseen by the European Court of Justice (ECJ), together with adherence to agreed EU standards for data protection, allows its member states to maintain levels of police and judicial cooperation (for example, in relation to arrest warrants and exchanges of personal data) that do not exist with any non-member state. Due to the supremacy of EU law within member states, including the UK, these arrangements have allowed government security agencies to share sensitive personal information on their citizens, in a timely fashion, to an extent that is not possible with states (such as the US) whose governments are not subject to the rule of EU law.

Once the UK leaves the EU, if current levels of data exchange are to be continued, a new legal basis for the sharing of personal data between the UK, European agencies and EU member states will be needed. One possibility, for an interim period, would be for the UK to agree to continue to accept ECJ authority in some areas for an extended transition period. Such an

option might be part of a broader UK commitment to ‘regulatory alignment’, as envisaged in the provisional Withdrawal Agreement clauses related to Ireland.

Work-arounds – involving, for example, bilateral arrangements and replications of existing third-country arrangements – may mitigate the security costs of Brexit, given the mutual interest that the UK and key member states will have in maintaining security cooperation. In the absence of a wider agreement on ECJ oversight and the maintenance of EU standards for data protection beyond the transition period, however, there is a risk that current levels of information sharing will be substantially curtailed, with the UK largely excluded from future developments in EU policy (for example, in making PNR, EAW and SIS interoperable).

The prime minister has proposed a new security treaty to address these issues and has conceded that ‘when participating in EU agencies the UK will respect the remit of the European Court of Justice’, and that there will need to be ‘a strong and appropriate form of independent dispute resolution’.⁹ Yet, in the same speech, she also made clear that any agreement will have to respect the UK’s ‘unique status as a third country with our own sovereign legal order’. Such a treaty would also require, she argued, a ‘bespoke arrangement’ on data protection to ensure that the UK remains aligned with EU standards as they develop, as well as mechanisms to ensure that the UK and the EU remain able to adapt together to new threats as they emerge. All this will have to be achieved while being ‘respectful of the sovereignty of both the UK and the EU’s legal orders’.

For its part, the EU will not be satisfied with assurances that the UK already meets (or exceeds) EU standards and will want legally binding commitments that the UK will be prepared to continue to mirror relevant future EU regulations, even when it has no direct role in devising them.

Reaching an agreement on maintaining current levels of operational cooperation will therefore require further difficult choices on both sides. As with the wider economic relationship, both the UK and the EU will face difficult trade-offs between access and autonomy. The UK will not be prepared to make an unconditional commitment to implement relevant new EU regulations – for example, on data protection – decided upon after its departure. For its part, the EU has made clear its reluctance to continue current levels of database access without assurance on these, and other, key issues.

Moreover, it is far from clear that agreement can be reached on the UK proposal for a new security treaty in isolation from the wider negotiations on the future relationship. An agreement on aligning standards for data protection, for example, would presumably limit the UK’s ability to develop regulations for its financial services and health sectors in ways that might breach EU standards. An agreement to accept ECJ jurisdiction over some aspects of the UK’s involvement in security agencies might also provide an important precedent for its continuing relationship with EU agencies dealing with security-relevant civilian sectors such as cyber security standards, nuclear power and aircraft safety. But it also means that an agreement to continue close

9. HM Government, ‘Prime Minister Theresa May’s Speech at the 2018 Munich Security Conference’.

cooperation on internal security is more likely if it is part of a wider package of post-Brexit regulatory alignment in a range of security-related sectors.

To create a new security partnership with the UK that addresses this challenge, the EU needs to move beyond existing third-country agreements and recognise that the loss of the UK from existing arrangements would pose a much more significant risk, potentially even undermining them from outside if member states begin to divert more resources into new mechanisms – bilateral and multilateral – for cooperating with the UK on internal security outside the EU framework. For its part, the UK is likely to have to go further to reassure the EU on its willingness to adhere to EU regulatory standards and court judgments.

The Security Spillover from Economic Separation

The nature of the deal over the future UK–EU trading relationship is likely to have a significant impact on their political and security relationship.

If the UK does withdraw from both the Single Market and the Customs Union, and moves to a looser economic relationship, a substantial reduction in trade volumes is probable, bringing with it a significant reduction in projected national income for the UK and probably (to a lesser extent) for those EU states with whom it has the closest economic links. Brexit could undermine the UK's nascent recovery from recession and accelerate the relative economic decline of both the Eurozone and the UK. In doing so, it has the potential to further strengthen nationalist political forces across Europe, resurgent even in the EU's most powerful states.

A 'clean break' Brexit – involving an end to regulatory alignment and withdrawal from the Customs Union – could also threaten the provisional withdrawal agreement reached in December 2017, have a damaging impact on intra-Ireland trade and incomes, and make it harder to sustain the fragile political settlement within Northern Ireland.

More generally, the psycho-political effects of Brexit are likely to be profound. Most leaders on both sides of the Channel profess their commitment to strong post-Brexit security relations. However, both in the UK and in the EU, there will be pressures to define political and strategic identities without, or even against, the other. The cleavages seen in the 2016 referendum will shape UK domestic politics for years to come; and much of the next decade is likely to be spent creating new distinct UK institutions and policies in areas which had previously been subject to shared regulation.

For its part, the intense institutionalisation of relations within the EU will mean that, once the UK is no longer represented in its councils, its views will become increasingly less relevant. The balance of internal policy debates in Brussels will change, potentially contributing to growing divergence from the UK in policies and regulations.

Conclusion: Towards a 'Deep and Special' Security Partnership?

The extent to which Brexit has serious strategic consequences for European security will depend on whether the UK and the EU are able to move beyond Brexit to create a new and substantial security partnership. This will not be easy, with political forces on both sides opposed to the compromises that are likely to be involved. In the end, though, both the UK and the EU may come to recognise that they remain uniquely bound by common interests and values.

Both the UK and the EU27 have a strong interest in negotiating new agreements, at strategic and operational levels, that can help fill the post-Brexit institutional gap in defence and security cooperation. Existing 'third-party' agreements with Norway, Switzerland or Canada, while valuable, do not provide an adequate model for future EU security relations with a large European ally and a soon-to-be former member. An agreement on 'deep and special' security cooperation will therefore require both the UK and the EU to support the creation of a new type of bespoke partnership involving new policy instruments, including new legal frameworks for European cooperation.

About the Author

Professor Malcolm Chalmers is Deputy Director-General of RUSI, where he has been based since 2007. His research is focused on UK defence, foreign and security policy. His recent publications have included RUSI studies on: the implications of the UK's National Security Capability Review for defence priorities; prospects for, and implications of, a war in Korea; the UK and the North Atlantic; implications of Brexit for UK foreign and security policy; and future nuclear threats to the UK. He has been an Adviser to Parliament's Joint Committee on the National Security Strategy since 2012. He was a Visiting Professor in the Department of War Studies, King's College London (2008–2011). During 2006 and 2007, he was a Senior Special Adviser in the Foreign and Commonwealth Office to Foreign Secretaries Jack Straw MP and Margaret Beckett MP.