REVIEW ON FINLAND'S SECURITY COOPERATION

MINISTRY FOR FOREIGN
AFFAIRS OF FINLAND

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Contents

1 Summary

The purpose of this review is to provide an overview of the content of international security cooperation under the present guidelines, and to point out the options of said cooperation. The review concentrates on cooperation implemented within the EU, under the auspices of NATO partnership, between the Nordic countries and, especially on bilateral cooperation with Sweden.

International cooperation is of the utmost importance to Finland's international position and security. It also helps strengthen national defence. The review focuses on these perspectives; an analysis of the security environment in flux, an in-depth assessment of international security cooperation and questions associated with comprehensive security are not reviewed in this context.

International law and a rules-based international system are the prerequisites for welfare, security and stable development. Defending them is increasingly topical. A key goal of Finland's foreign and security policy is to nurture and strengthen this foundation.

The UN system, in particular, plays a central role in this. However, in Europe the principles of the OSCE and the Council of Europe also lay an important foundation. The European Union, for its part, is Finland's most important frame of reference and channel of influence.

From the perspective of Finland's international position and, broadly speaking, its security the membership of the EU has been its most important decision. The extensive vertical and horizontal integration of the EU impacts Finland in a profound manner.

Each of the aforementioned cooperative fora, central to Finnish security policy, brings added value to Finland, be it from a security policy perspective or from a national defence viewpoint. The fact that the different cooperative structures complement each other, and that there is no conflict between them, is a positive factor.

Development of European capabilities is the shared goal of each structure. Whereas NATO's dominant objective is to bolster the collective defence capacity, the EU has emphasised crisis management. Nordic defence cooperation is tangible proof of the goals' parallel nature in principle. When it comes to developing Finland's national defence, our NATO partnership provides the most concrete added value and possibilities.

Europeans are expected to shoulder more responsibility over their own security. The EU's Common Security and Defence Policy and defence cooperation lay the foundation for establishing the base for a European defence capacity in the long term. Nevertheless, the structures and capabilities for the EU's mutual defence are not being created.

Society's values are the basic cornerstones of security. The Nordic identity continues to be irreplaceably important to Finland.

As the international security and defence policy cooperation keeps developing, it is important to have a sufficient statutory basis for the utilisation of potential partnerships.

Security dimension of the European Union

Membership of the European Union is a fundamental value-based choice for Finland. Finland has stated that, as a Member State of the European Union, Finland is not neutral.

The significance of the EU's enlargement policy remains great. The strong and attractive Union has a stabilising effect by promoting economic and social reforms in its neighbourhood. The Union does not exercise spheres-of-influence politics. It wants to promote good relations in its neighbourhood. Finland supports the EU's continuing enlargement policy.

The EU's importance to its Member States is highlighted in questions associated with comprehensive security such as energy security, cyber security and terrorism, the threat of extremism, communicable diseases as well as corruption and international crime. From Finland's standpoint the EU is the key actor regarding most issues of comprehensive security, apart from military security.

Many of the aforementioned topics also involve action which may intend to destabilise the stability and viability of societies through unconventional means. In principle, the resilience of society and institutions, both nationally and at Union level, is a fundamental security issue. The European Union should tackle the topic with a more determined and goal-oriented approach.

National measures are also necessary. Within the sphere of comprehensive security Finland is prepared to secure its vital functions through means of extensive inter-sectoral cooperation. Finland also advocates the utilisation of this model on an international scale.

Strengthening the EU's global influence calls for a vigorous external relations policy, and bolstering the Common Foreign and Security Policy (CSDP). Strengthening the Union's external action is important to Finland. Developing the Union as a security community serves Finland's interests. For this reason, among other things, it is Finland's view that the Union needs to draft a new, updated European Security Strategy.

Finland supports the active development of the CSDP and defence cooperation, as agreed in the EU Council in December 2013. The objective is to actively promote cooperation with other similar-minded actors.

Crisis management has been, and continues to be, the most visible and successful element of the CSDP. The capacity for comprehensive action is the EU's particular forte. The challenge for the Union involves the practical execution of these capabilities, and the ability and willingness to carry out demanding operations. The need to meet this challenge, for its part, guides and strengthens the EU's capability cooperation.

The Treaty of Lisbon, entering into force in 2009, strengthened the character of the EU as a security community. The solidarity clause and the mutual defence clause emphasise solidarity among the Member States, and obligate them to act in support of mutual assistance in different crises. Work on securing the preconditions for the solidarity clause's concrete implementation continues.

The mutual defence clause is a commitment between the Member States and it does not bestow any additional competence for the EU *per se*. In practice each

Member State will make an individual decision regarding the provision of aid and assistance, including its forms. Most EU Member States are also members of NATO and they do not see the need to develop mechanisms and capabilities for military support within the framework of the EU. It is clear that the EU would not remain passive should one of the Member States become the victim of an armed attack.

Thus far the EU has added relatively little value to the development of national defence. However, the CSDP and defence cooperation are systematically being developed.

From the Finnish perspective participation in crisis management operations and EU Battlegroups is both rational and beneficial. Finland wants to improve the usability of the Battlegroups. The capability projects have helped develop the Defence Forces' capabilities. The EU's capability cooperation can open a venue for Finland to participate in projects which otherwise would be completely out of Finland's national reach.

While the EU's capability projects depend on the initiative of the Member States, the European Defence Agency plays a strong and established role in their implementation. The point of departure is that the projects are coordinated between the EU and NATO. It is unlikely that the capability projects be extended to the area of critical defence capabilities in the foreseeable future.

The EU's emerging defence cooperation covers the development of the defence sector's internal market, its defence industry and defence research. The objective is to make available the Union's different instruments. This kind of progress serves Finland's interests.

The strengthening of the European defence industry is important for the overall development of defence materiel cooperation and the CSDP. It increases the EU's strategic autonomy. The work that occurs through the development of the internal defence market in the EU adds unique value. Advancing transparent and fair competition is in the interest of Finland. It is necessary to secure the competencies of the critical domestic defence industry in the future as well.

The option of developing the EU's mutual defence is included in the EU's constitutional treaties. For the foreseeable future the majority of the Member States do not consider it to be necessary to create any common defence arrangements for the EU. For most of them NATO provides the framework of their collective defence. The EU has no structures for a common defence such as defence planning or plans, command and control arrangements or any other resources required by a common defence. There are no plans to create structures duplicate to those of NATO.

NATO PfP cooperation and cooperation with the United States

Finland is not a member of NATO, but in many ways the Alliance influences Finland's security. The possibility for engaging in dialogue and tangible cooperation with NATO through the partnership remains valuable for Finland's security. NATO also considers questions associated with comprehensive security. However, NATO's role in questions associated with comprehensive security is not as central to Finland as that of the EU.

In military terms NATO will remain the most important actor in Europe for the foreseeable future. While NATO is in the process of shifting its focus to collective defence, crisis management and partnership policy remain important for it as well. The significance of the Alliance from the standpoint of the transatlantic relationship has again become emphasised.

NATO has reformed its partnership policy in such a manner that it provides an opportunity for considering new openings with partner countries selectively. The partner countries, in turn, define their goals nationally, and from their own standpoints. The core activities associated with collective defence will remain the sole purview of NATO Member States; they will not be opened to the partner countries. The reformed partnership policy resonates well with the previous proposals made by Finland and Sweden regarding partnership policy development.

The new partnership initiative can be regarded as an indication of NATO's willingness to improve and open its activities to earnest partners. However, NATO clearly realises that the status of a partner country is completely different than that of a Member State. The partner countries are not under the umbrella of collective defence, nor does the collective defence obligation apply to them.

Continued success in partnership cooperation requires that it not only benefit the partner countries, it must also serve the interests of the Alliance. The partner countries' forces must be effective and interoperable with NATO. Moreover, there must be sufficient political will to cooperate and deploy the capabilities.

From the Finnish perspective the core area of NATO partnership involves the development of military effectiveness and interoperability. In practice, the capabilities are developed in, among other things, international crisis management operations, through country-specific Partnership Goals and in multinational exercises. Large multinational exercises offer an environment in which the troops can efficiently train for demanding operations. The development of capabilities and interoperability serves the needs of international crisis management and national defence alike.

NATO cooperation provides versatile practical benefits for Finland. The Partnership Goals are selected on the basis of national defence development needs and, for all practical purposes, they cover the whole spectrum of the defence system. Despite its importance, from the viewpoint of Finland's national defence the added value achieved through NATO cooperation is supplementary at best. It can advance the development of the defence capacity, but even if the cooperation expands it will not affect the basic principles of Finland's defence solution, nor will it solve defence materiel related challenges.

Partnership cooperation does not lead to membership of the Alliance. Nonetheless, the interoperability achieved through PfP cooperation for its part helps eliminate any practical obstacles to potential membership. This, as such, enhances Finland's options and possibilities in influencing its security policy position.

It is safe to assume that the benefits of PfP cooperation will continue and evolve in the future as well. Under the present terms of cooperation Finland can access most of the capability development sectors it is interested in.

It behoves Finland to remain an advanced partner in the future as well so as to be able to maximise the benefits from the partnership. It is also significant to Finland's security policy position.

The United States is an important partner for Finland, both bilaterally and through NATO. The bilateral defence cooperation has an established setting,

and the goals of cooperation are, for the most part, associated with interoperability and capabilities, exercises and training cooperation as well as research and development (R&D).

Materiel cooperation is the most important dimension of Finnish-US defence cooperation. Much of our critical wartime materiel originates in the United States. Especially the F-18 project has fostered close contacts between the Finnish Defence Forces, Finnish industry and their American counterparts.

It is important that Finland maintain well-functioning relations with the United States, both bilaterally and through different international cooperative frameworks.

Nordic cooperation and cooperation with Sweden

The significance of Nordic cooperation and togetherness is profound for Finland and Finland's security. The Nordic countries have a shared view of the preconditions and challenges of security. By acting together the Nordic countries can improve the security of their region, and increase their influence on topics related to promoting international security.

Deepening cooperation among the Nordic countries, cooperation between the Nordic countries and the Baltic States and EU-NATO cooperation improve stability and security in the Baltic Rim and Northern Europe.

When it comes to security and defence policy the Nordic countries are not a homogenous group. Iceland, Norway and Denmark, as founding members of the North Atlantic Alliance, are strongly transatlantic-oriented countries for whom all other cooperation only supplements their NATO membership. They emphasise the primacy of NATO's collective defence, and their defence planning and defence plans originate from this premise. The guiding principles of Sweden's security and defence policy are guaranteeing its national security and solidarity. Sweden has followed the policy of abstaining from mutual defence obligations.

The Nordic countries aim at advancing peacetime cooperation in a manner that facilitates the generation of national defence capabilities.

The possibilities of developing Nordic defence cooperation have been assessed exhaustively. NORDEFCO provides a flexible framework for this cooperation. The countries participate in joint projects which they deem to be of value in case-by-case tailored compositions. The implementation of NORDEFCO's vision, adopted in 2013, as such will not result in any noteworthy specialisation in the generation of defence capabilities, or commitment to the sharing of capabilities.

Materiel and logistics cooperation contains possibilities for intensified Nordic cooperation. Whereas the expansion of materiel cooperation is challenging, the exchange of information on acquisition programmes may improve the odds for future cooperation.

Finland aims at a continually developing, pragmatic and active Nordic cooperation under the auspices of NORDEFCO in the future as well.

Owing to similar security policy solutions and geographical proximity, Finnish-Swedish cooperation is exceptionally close and wide-ranging, and both parties want to invest in it.

Finnish-Swedish bilateral cooperation is associated with their wider international defence cooperation. The inclusion of potential defence cooperation as early as the planning phases of defence development programmes could lay a good foundation for the further development of Finnish-Swedish defence cooperation.

The point of departure for deepening defence cooperation always entails a political consensus on how far the parties want to proceed in harmonising their defence systems, and whether the goal of cooperation, in addition to defence capability development, should extend all the way to pooling and sharing of capabilities.

It is possible for Finland and Sweden, if desired, to deepen their cooperation towards a joint use of capabilities, especially in the area of air and maritime defences. Should the cooperation extend to the development of further capabilities or projects related to the joint development and use of capabilities, associated contractual arrangements would become necessary.

It is possible to gradually advance bilateral cooperation and goal-setting between Finland and Sweden without having to pre-determine the desired end state. The development of cooperation may advance further even without including or excluding a defence alliance as a goal.

In order to enter into an actual defence alliance both countries would have to sign a State Treaty. A defence alliance between the two countries would also result in deeper cooperation in other foreign and security policy.

Introduction

Points of departure

On 2 July 2014 the President of the Republic and the Cabinet Committee on Foreign and Security Policy decided that a review on security cooperation be written. The purpose of the review is to describe the content and development of Finland's present security policy framework and partnerships as well as their significance to Finland's security and defence. In addition, the review assesses how far it is possible to advance under the respective cooperation fora. The review does not evaluate military non-alignment or abolishing it.

The most recent Finnish Security and Defence Policy Report, published in 2012 (VNS 5/2012), states that "Finland's security policy encompasses both actively creating security and anticipating and responding to security threats". The point of departure for Finnish security-policy thinking is from the comprehensive concept of security, which entails using a wide range of instruments.

Even though analysing the different dimensions of comprehensive security is very important in view of the overall picture, it is outside the remit of this review. First and foremost, the cooperative fora and their significance for Finland are described and assessed from a general security policy perspective and from the standpoint of defence development. The review does not contain an in-depth analysis regarding the transformations in the international operating environment.

The 2012 Report states that "Finland's security and defence policy guidelines are characterised by continuity, transparency and a strong commitment to European and international cooperation. These are epitomised by active participation in the development of the EU's common security and defence policy, NATO partnership, Nordic cooperation and international crisis management." This being the case, the review particularly focuses on the European Union, NATO partnership and Nordic cooperation as well as bilateral cooperation with Sweden and the United States.

This review is not an update of the Security and Defence Policy Report. Rather, its purpose is to be an element that helps clarify the structure that Finland's security policy is comprised of.

The review was written at the Ministry for Foreign Affairs. The Office of the President of the Republic of Finland, the Prime Minister's Office and the Ministry of Defence provided comments and expert assistance to the review.

The security policy perspective and key challenges

Finland's security is integrally linked with its immediate surroundings, Europe and global development. Increasing international interdependence means that improving security and countering threats call for wide-ranging participation in international cooperation.

Comprehensive and active foreign and security policy is needed to advance Finland's international status and security. In practice this is done by nurturing bilateral relations, through active involvement in the European Union and the most important international organisations for Finland, such as the UN system and the OSCE, as well as through Nordic cooperation and under the auspices of NATO PfP cooperation.

International law and a rules-based international system lay the foundation for international security. Maintaining and developing them is, particularly, the task of the UN and other international organisations such as the OSCE and the Council of Europe. A key goal of Finland's foreign and security policy is to nurture and strengthen this foundation.

Taking care of the functioning of society and the welfare of the citizens is the foundation of security. The citizens' confidence in the fairness and viability of society is important to stability. The resilience of society and institutions has received particular prominence especially in light of new threats and 'hybrid warfare'.

Increasingly resolute international cooperation is required to meet the new, asymmetric and hybrid threats and to improve crisis resilience. Finland raises these questions within the EU framework, particularly, as well as in Nordic cooperation and in the UN.

Finland has focused long-term attention on this problem by, among other things, drafting a Security Strategy for Society. Comprehensive security has now become an established model which could even serve as an example on a wider scale.

The challenges associated with comprehensive security are typically of such a nature that they can only be met through international cooperation. International cooperative arrangements and involvement in different organisations complement each other. From Finland's standpoint the EU is the key actor regarding most issues of comprehensive security, apart from military security.

Cyber security serves as a good example of intertwined international cooperative mechanisms. From the viewpoint of cyber security it is essential for Finland to participate in the UN system, the EU, the OSCE, the Council of Europe and NATO as well as in several organisations and bilaterally with different states.

Membership of the European Union defines Finland's international position and comprehensively impacts its security. The Union is an important global actor and political force in international cooperation. Owing to its extensive vertical and horizontal integration the EU is more than an international cooperative organisation. It is a value and security community, a political and economic union as well as an internal market. As stated in the Government Report on EU Policy 2013 (VNS 11/2013) Finland highlights the importance of strengthening the Union's external action.

International cooperation builds on international law, a shared value base and mutual benefit. Alongside one's own goals it is important to recognise and show consideration for the goals of the other partners. By bearing international responsibility Finland can contribute its fair share to the creation of peace, security and welfare, and also shape Finland's image as a credible actor and an important security partner.

In this respect Finland's long-standing arms control policy and strong participation in crisis management, among other things, have played an important role. In the future this will continue to be the case as well.

Participation in international cooperation is of great importance to Finland's security, even though its tangible benefits may be difficult to weigh. From a se-

curity perspective Finland's EU membership, its status as a Nordic country and its solid international profile are of essential importance, irrespective of Finland having membership of a military alliance or not.

The Finnish Security and Defence Policy Report of 2012 emphasised comprehensive security. When it comes to military security the Report stated that "While the probability of armed aggression against Finland is low … A security threat extending to Finland can emerge within the context of a wider regional or European conflict" and that "the unpredictability of the operating environment and uncertainty may also cause negative security impacts on Finland".

Since the 2012 Report negative developments in the international situation have taken place that also affect the security of Europe and Finland. The following presents a brief overlook of the key phenomena.

- Russia, through its actions in Ukraine, has breached international law and the fundamental principles of European security, which include *inter alia* the right of states to independently take decisions regarding their own security policy guidelines. While Russia's precise goals and intentions are unknown, great-power posturing and spheres-of-influence thinking seem to be guiding its actions.
- Relations between the West and Russia have deteriorated and are pervaded by mistrust. Furthermore, military tension has increased. These also impact Finland's immediate security environment. Russia's internal development is worrying.
- The situation in the Middle East and North Africa has become more and more unstable. Islamist extremist movements create a cross-border security threat which can only be countered by means of effective international collaboration. The stalled peace process in the Middle East also makes the situation there ripe for new conflict.
- Ebola serves as an example of a suddenly emerging cross-border threat which blurs the boundary between external and internal security. Rapid response, a wide range of instruments as well as multi-level and extensive international efforts are also necessary in meeting these kinds of threats.
- The complexity of security threats has been highlighted. The stability and viability of societies can be compromised in many ways through a phenomenon called hybrid warfare. Correspondingly, actions that bolster the cohesion and resilience of society are emphasised.

- In recent years the cohesion of the European Union has particularly suffered from weak economic growth. The Union's internal problems impede its ability to help stabilise its neighbourhood.
- It is increasingly challenging to defend shared values and cooperative security, principles agreed under the auspices of the OSCE and the Council of Europe.
- International cooperative structures, including the UN system, suffer from various confrontations. At the same time global challenges such as climate change call for increasingly focused and more purposeful international cooperation. Because of this schism it is even more difficult to defend and improve the international rules-based system in line with the new requirements.

On the importance of international defence cooperation

The point of departure for Finland's defence policy is that Finland, in every situation, is responsible for its own defence. The fundamental purpose of the resources allocated to defence is to guarantee the military defence of Finland. The same resources are used for the international military crisis management missions in which Finland participates.[1] The cornerstones of Finland's defence solution are: general conscription, defending the entire territory of the country and military non-alignment.

The defence allocations of several countries have been decreased after the Cold War. The protracted recession has manifested itself in the defence budgets of European countries. Technological advances have made defence procurements extremely expensive. All of the abovementioned only increases the need for international defence cooperation.

From the European viewpoint the situation has dramatically changed within a decade: development occurring under the auspices of NATO or the EU is no longer perceived as rivalry. Instead, it is viewed as a mutually complementary process. The United States holds a positive view of the EU's Common Security and Defence Policy development. In general, cooperative goals under various

[1] Pursuant to the Act on the Defence Forces (551/2007) the duties of the Defence Forces are: the military defence of Finland; providing support for other authorities, and; participating in international military crisis management.

frameworks complement and support each other. This is largely explained by the fact that most countries that participate in different cooperative fora are members of NATO.

Often defence development is spawned by action initiated by individual countries or country groupings whose capabilities are advanced, which is also evident at the organisational level. For example, the UK-France Summit 2010 Declaration on Defence and Security Co-operation provided an impetus for action in the EU and NATO alike. Germany's Framework Nations Concept, which it proposed in NATO, is yet another example of a single country's initiative.

In October 2014 a parliamentary assessment group published its estimate of the long-term challenges associated with Finland's defence. The group focused particular attention on shortages in materiel and stated that additional financing at the level proposed by the defence establishment for 2016-2020 in the Finnish Security and Defence Report 2012, at minimum, must be allocated to procurements in order to eliminate the shortage of systems and equipment. According to the parliamentary group the abovementioned additional appropriations could secure the basic structure and the defence of the entire territory of the country into the early 2020s. Still, even such additional financing would be insufficient to cover the sizeable capability related acquisition programmes scheduled for the 2020s. While the increasing international defence cooperation supplements and supports national action, it does not solve the discrepancy between the goals set for the defence capacity, and maintaining and developing capabilities.

International defence cooperation is a cost-effective way to add value to Finland's defence. The guiding principle of defence cooperation is how it can best serve the development of Finland's national defence capabilities. Another factor which speaks for more defence cooperation is associated with military security of supply. Access to materiel through reliable supply channels is of the utmost importance during a crisis.

Materiel cooperation plays an important role in the overall picture of defence cooperation. Along with technological advances its importance has progressively grown as simultaneously procurements are being sourced from more and more countries. Finland acquires defence materiel with the objective of establishing the best possible defence capability within the limits of the available

resources. Usually decades-long partnerships are created between key countries and manufacturers, which may help pave the way for the domestic defence industry to engage in industrial cooperation through maintenance, updates and, possibly, deliveries to third parties.

Cooperation within user communities makes it possible to achieve savings and bolster defence relationships. Especially the user communities of the F-18 C/D fighter, the CV-90 combat vehicle and the NH-90 transport helicopter are prime examples of such cooperation. It is an international trend and but one example of increasing interdependence in the defence branch, as well.

As the international security and defence policy cooperation keeps developing, it is important to have a sufficient statutory basis for the utilisation of potential partnerships. Associated with this are the Government bill (HE 297/2014 vp) on amending the Act on Military Crisis Management, presented to Parliament this past December, and assessments, in general, for the purpose of legislative review concerning international cooperation.[2]

Crisis management viewed from the standpoint of security policy and national defence

Finland participates in international crisis management on foreign and security policy grounds; this is a part of international burden-sharing and the establishment of shared security. In crisis management Finland has traditionally emphasised comprehensiveness and the roles of civilian and military crisis management. The goal is to create stability, alleviate human suffering and generate proper conditions for development in crisis areas through crisis management activities. At the same time the intention is to prevent the escalation of conflicts. In a globalised, interdependent world the effects of conflicts spread far and wide.

Participation in international military crisis management also strengthens the national defence capacity. For the Defence Forces participation in crisis management operations translates into developing the interoperability of troops and capabilities at the practical level. Operating as part of a larger international

[2] On 14 May 2013, the Ministry for Foreign Affairs set up a working group to assess the needs for legislative amendments related to crisis management and other international cooperation. The working group completed its report in November 2014.

contingent provides an opportunity to improve competence and demonstrate it to others. Lessons learned in demanding conditions strengthen the professional skills of personnel. Crisis management participation and national defence do not compete with each other. Quite the contrary, they complement each other.

When measured by the number of personnel participating in crisis management operations Finnish participation has decreased from its peak years. At the same time the operations have become much more demanding in nature and, consequently, more expensive. The share of the NATO-led operations KFOR and ISAF from Finland's total participation has been high. At present, the Finnish crisis management force in Lebanon (SKJL, approximately 350 troops) in UNIFIL is the largest single Finnish crisis management contingent. Alongside the SKJL another large Finnish contingent (ca 80 troops) is deployed in Afghanistan in the NATO-led mission called Resolute Support which continues the work of Operation ISAF to help stabilise Afghanistan.

Military crisis management and international defence cooperation are closely associated with each other. The EU and NATO have been the key actors in implementing, in particular, demanding military crisis management operations. An important goal of capability development under the auspices of the EU and NATO has been to improve the crisis management abilities of their Member States. The role of the UN in demanding military crisis management is rising, especially as NATO-led crisis management is on the wane. NATO is increasingly focused on questions associated with the Alliance's collective defence. For the UN to succeed in its peacekeeping operations, countries possessing critical capabilities must participate in these missions. NATO and some of its Member States continue to be the only ones that possess the required capabilities for the most demanding operations. Simultaneously, the UN still expects that the EU make a significant contribution. The development of capabilities needed in international crisis management continues to be an important goal for the EU and NATO alike.

New features in international military crisis management include the emphasis of cooperation between international organisations, developing the capacity of regional organisations and bolstering the local security structures. Actions associated with the latter include Security Sector Reform (SSR), Disarmament, Demobilisation, Reintegration (DDR) and Defence Capacity Building (DCB).

The EU, several international organisations and country groupings are presently developing the capabilities and models needed in the abovementioned activities.

From a security policy and national defence perspective participation in military crisis management is valuable for Finland. In the future it will be important to guarantee a sufficient level of participation, and to participate in UN, EU and NATO-led operations. Wide-ranging participation with troops and niche capabilities achieves maximum benefits and visibility. As crisis management participation capabilities are being developed, it is important to pay attention to the aforementioned new developments in military crisis management.

Finland continues to emphasise the importance of comprehensive action and the need for military and civilian crisis management. Finland deems it important that the effectiveness of crisis management be continually improved and evaluated.

2 Significance of the multilateral system

United Nations

The security significance of the UN system is fundamental for Finland. It is particularly important as the guarantor of a rules-based international system and in meeting challenges associated with comprehensive security.

The United Nations plays a unique role in the international system. The UN Charter is the most important 'rulebook' of the international community, widely respected for its international legitimacy. The input of the UN General Assembly and UN agencies is noteworthy in developing international justice and in monitoring its implementation. The UN Security Council plays a central role in preventing and resolving conflicts as well as in mandating the use of armed force, even though the Security Council has not always been able to function when its resolutions were needed. Agreements and codes of practice negotiated under the auspices of the UN are fundamentally important for many key questions regarding security.

The key standards regulating the use of armed force, indispensable from the perspective of international security, are included in the UN Charter. The point of departure is that "all Members shall refrain from the threat or use of force" (UN Charter, Chapter II, Article 4) except under a Security Council decision (UN Charter, Chapter VII) or in self-defence (Article 51). Article 51 of the UN Charter gives the state the "right of individual or collective self-defence" should it become the victim of an armed attack. It is important to influence the interpretation of these basic standards in such a manner that the most far-reaching international consensus be reached.

Article 51 of the UN Charter, alongside with a Security Council mandate, is generally recognised as the sole exception to the prohibition of the use of force, but different interpretations exist regarding, for example, the pre-emptive use of self-defence or situations in which the aggressor is a non-state actor. Furthermore, it has proved difficult to draw the line between the prohibited use of

force and other infringements, for instance, in anti-terrorist action and questions associated with cyber security. Situations in which a state actor carries out an attack by using armed groups, yet denying any complicity, are another matter altogether. Even though this kind of action was already defined as an attack during the Cold War, it is reappearing in new forms and manners of implementation, thereby causing uncertainty.

The Responsibility to Protect (RtoP or R2P) is a political commitment adopted by the UN Member States in 2005 to protect civilian populations from genocide, crimes against humanity, war crimes and ethnic cleansing. The response includes the wide range of measures included in Chapters VI-VIII of the UN Charter. While these primarily include non-violent response measures, they also permit the use of military force when mandated by the Security Council. The debate regarding the implementation of the Responsibility to Protect principle continues. Finland, highlighting its preventive character, is in favour of consolidating the RtoP principle.

The UN is not an important actor from the standpoint of developing and maintaining the national defence with the exception of its peacekeeping operations, whose environments are increasingly demanding and dangerous. The mandates of peacekeeping operations are gradually becoming more demanding and their tasks are extremely challenging.

UN-led peacekeeping operations combine military action with police missions and wide-ranging civilian activity. Women's status in conflicts and involvement in conflict resolution (SC Resolution 1325 (2000), questions associated with the protection of civilians, and topics related to the rule of law as elements of conflict resolution have become focal points in the development of UN-led peacekeeping operations.

Nearly 90,000 troops served in UN-led operations in September 2014. Add to that the police, observers and civilian staff, the total number of personnel in UN-led missions in the autumn of 2014 was approximately 116,000. The volume of personnel serving in UN missions has surged in the 2000s, considering only 10,000 persons served in UN missions in 2000.

The focus of UN peacekeeping operations has shifted to Africa. Nine out of the sixteen UN-led operations are being implemented in Africa, and when the op-

erations led by the African Union are taken into account, the role of Africa as the main stage of present military crisis management becomes all the more manifest.

All crisis management and peacekeeping operations rely on the resources allocated by the UN Member States. Great powers in UN peacekeeping include states such as India, Pakistan, Nepal, Bangladesh, Rwanda and Senegal. Owing to the wide spectrum of countries that deploy peacekeepers, there are wide discrepancies with regard to capabilities and training among the contingents participating in UN-led operations.

In order to meet the challenges of the new security environment the UN must be able to strengthen the mandate of operations, develop the command of operations as well as the operational effectiveness and training of troops, including human rights issues, and improve logistics and the utilisation of modern technology. Finland, deeming it important that the UN be capable of meeting these challenges, continues its active involvement in ensuring it. There are many expectations for the work of the High-Level Independent Panel on Peace Operations, established by the Secretary General.

Cooperation between the UN and regional organisations continues to increase. The preconditions of crisis management are developed within the framework of the plan of action aimed at enhancing EU support to UN peacekeeping. The EU and the African Union have closely cooperated with the UN in several crisis management operations in Africa. NATO's crisis management operations have been carried out under UN mandate. NATO supported the work of UN agencies in delivering humanitarian assistance, for instance, when it protected the aid transports of the World Food Programme (WFP) in Somalia, and in the aftermath of an earthquake in Pakistan in 2005.

Organization for Security and Co-operation in Europe (OSCE)

The activities of the Organization for Security and Co-operation in Europe (OSCE) are based on the concept of comprehensive security which, in addition to politico-military security, emphasises the significance of democracy and human rights, as well as economic and environmental issues regarding the overall picture of security. Its goal is to improve cooperation between the participating states. There are 57 participating states in the OSCE, which also include countries from outside Europe such as the United States and Canada.

The key commitments of the OSCE are the Helsinki Final Act including its Accords as well as the Charter of Paris for a New Europe and its human dimension commitments, adopted at the end of the Cold War. The original *Conference* on Security and Co-operation in Europe (CSCE) was renamed an *Organisation* in 1994.

The key principles of the OSCE, on which the security structure of Europe relies, include the respect for states' territorial integrity and sovereignty. The principles also include every state's right to join international agreements or organisations, for example.

The OSCE is a key actor in Europe as regards election monitoring, minority rights, human rights questions as well as a forum for military transparency and confidence-building and the democratic control of armed forces. The organisation employs different instruments in promoting cooperative security and in supporting social development in its participating states. Through its field operations the OSCE supports development and security in many of its participating states, and advances the implementation of their OSCE commitments.

At its best the OSCE can be a flexible and resourceful actor in civilian crisis management, conflict prevention, early-warning and mediation. Nonetheless, the OSCE, abiding by the principle of consensus, is vulnerable to shifting international relations. In recent years distrust among the participating states has impeded action in the OSCE. This has resulted in a debate within the organisation regarding the future of OSCE cooperation, which is built on shared values and commitments.

Russia's action associated with the crisis in Ukraine has dealt a severe blow to the OSCE's model of cooperative security. Russia has violated the OSCE's central principles. Then again, the OSCE has proved its worth in conjunction with the Ukraine crisis; through its international presence in Ukraine the organisation has carried out special monitoring and election monitoring, among other things. The organisation has also played an important part in the efforts to find a political solution to the crisis.

Ever since the preparatory phases of the Helsinki Final Act Finland has had an important role in the organisation. Finland hosted the Summits of 1975 and

1992, and held the OSCE Chairmanship in 2008. Among other things, Finland has also significantly contributed to the OSCE's field operations. Finland deems that, in the future as well, there is room for wide-ranging European cooperation in which the USA also participates. The OSCE's principles still constitute one of the basic pillars of Europe's security; it is therefore vital to preserve them.

Arms control and disarmament

Arms control and disarmament play central roles in strengthening international security. For this purpose there are countless international regimes and cooperative mechanisms, and international conventions. Arms control and disarmament cover both conventional and nuclear weapons as well as other weapons of mass destruction. The rapid development in arms technology, such as robotic weapons, poses a particular challenge, as do new environments such as space and cyberspace.

The regime that regulates the limit and regional deployment of conventional weapons, the exchange of information and compliance with obligations comprises the Treaty on Conventional Armed Forces in Europe (CFE), the Agreement on Adaptation of the Treaty on Conventional Armed Forces in Europe (also known as the adapted CFE Treaty), the Vienna Document and the Treaty on Open Skies.[3]

The CFE Treaty regime has probably reached an unsolvable impasse since Russia placed a moratorium on participating in the Treaty in December 2007, and after NATO countries ceased to deliver the annual exchange of information document to Russia in December 2011.[4] Following the impasse with the CFE Treaty the significance of the Vienna Document (VD) as an instrument of military exchange of information and openness has grown. The crisis in Ukraine has demonstrated the worth of the VD. The implemented inspection and evaluation visits have contributed to the access of information. For its part, the Treaty on Open Skies facilitates aerial surveillance flights in the airspace of its participants

[3] The CFE Treaty entered into force in 1990; the adapted CFE Treaty entered into force in 1999 (Finland is not a party to this Treaty); the Vienna Document entered into force in 1990, and the Treaty on Open Skies entered into force in 1992 (entered into force internationally in 2002).

[4] Foreign Minister Lavrov reiterated Russia's position regarding the CFE Treaty in the Duma in November 2014.

on short notice, and the use of such instruments defined in the Treaty to photograph military targets and activities.

All of the abovementioned elements of the treaty regime need updating, but this is blocked by the disagreement between Russia and, mostly, NATO countries as regards the goals of conventional arms control and its relationship to missile defence and nuclear weapons. The problems with conventional arms control were already discernible before the outbreak of the crisis in Ukraine. The United States has made two attempts to kick-start talks for an agreement replacing the CFE Treaty, most recently in 2011, but to no avail. The NATO countries confirmed their commitment to conventional arms control in Europe at the 2012 Chicago and 2014 Wales Summits.

It is widely regarded that conventional arms control measures are needed. However, any hopes for breaking the deadlock are probably unrealistic before the frosty international relations significantly improve. In principle, the need for openness and confidence-building measures in general increases as tensions grow. However, for a long time already, Russia has only selectively implemented the available measures.

Nuclear weapons have retained their importance in great-power military strategies. All traditional nuclear powers, being the State Parties reaffirmed in the Treaty on the Non-Proliferation of Nuclear Weapons (NPT)[5], i.e. the United States, Russia, China, France and the United Kingdom, are presently modernising their strategic nuclear arsenals. Because of the sheer scope and expense their modernisation programmes will continue over several years, even decades. India and Pakistan, both non-state parties to the NPT, continue to develop their nuclear weaponry. It is generally presumed that Israel possesses nuclear devices. Up until the present day it has been impossible to verify the peaceful purpose of Iran's nuclear programme. Iran is a State Party to the NPT. North Korea withdrew from the NPT and it is suspected to be continuing with its nuclear weapon development.

In 2010 the United States and Russia signed a new Strategic Arms Reduction Treaty. The 'New START Treaty' entered into force in February 2011: it limits

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5 Treaty on the Non-Proliferation of Nuclear Weapons, NPT (SopS 18/1972)

the number of deployed strategic nuclear warheads to 1,550, and the Treaty extends to 2021.

The situation with the Intermediate-Range Nuclear Forces Treaty (INF) between the United States and Russia is a topical issue. The treaty concerns ground-launched ballistic and cruise missiles with intermediate ranges, defined as between 500 – 5,500 km. The United States claims that Russia has violated the Treaty. Russia, denying this, countered the allegation by referring to the missiles of the US missile defence system, and to combat drones. Should the Treaty fail it would be a setback to nuclear disarmament.

No agreement has been reached on tactical nuclear weapons.[6] Russia and the United States are presently modernising their nuclear arsenals, tactical nuclear weapons included. Russia's military doctrine still assigns concrete tasks to tactical nuclear weapons and Russia's large military exercises organised in recent years have included tactical nuclear weapon drills. Russia has also introduced the road-mobile Iskander missile system into its Western Military District. The Iskander can carry a tactical nuclear warhead. The tactical nuclear weapons of the United States are part of its overall nuclear deterrence.

In the present, tense international situation it is unlikely that disarmament will also extend to tactical nuclear weapons. Whereas the United States has expressed certain readiness to talk about tactical nuclear weapon control, Russia has shown no inclination to this. In NATO the question of tactical nuclear weapon disarmament continues to divide the Member States. In the present situation there is no support for unilateral reductions.

Thanks to the NPT the United Nations also plays a central role in action concerning nuclear threats. The NPT and its review process lay the foundation for nuclear non-proliferation, for the peaceful use of nuclear energy and nuclear disarmament. The next NPT Review Conference is scheduled for the spring of 2015. Authorised by the international community, Finland advances the effort to

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[6] Tactical nuclear weapons normally mean short-range (<500 km) nuclear weapons which remain outside the START and Intermediate-Range Nuclear Forces Treaty (INF) regimes which regulate continental and intermediate-range missiles. It is estimated that Russia has approximately one thousand of these weapons, 500 of which being deployed in its western regions, and that the USA has approximately 500 of them, some of which being deployed in Europe. Of the European states France has air-launched cruise missiles whose range is approximately 500 km.

organise a conference on the establishment of a Middle East zone free of nuclear weapons. [7] This question is one of the most important ones from the standpoint of a successful NPT Review Conference. In addition, the still continuing negotiations on Iran's nuclear programme will have an effect on the background of the conference. It remains to be seen how negative the effect of Ukraine's example will be on nuclear disarmament. Ukraine acceded to the NPT and gave up its nuclear weapon stockpile in the early 1990s. In return, in the 'Budapest Memorandum' of 1994, it received security assurances from Russia, the USA and the UK against the threat of using force against it, and for its territorial integrity and political sovereignty.

Arms control and Finland

Traditionally, Finland's foreign and security policy has had a clear arms control-orientation. The point of departure is that properly functioning arms control increases stability, transparency and confidence. Finland's active involvement has strengthened its international profile and security; most recently in conjunction with the destruction of Syria's chemical weapons.[8] Finland has acted systematically in support of enhancing export control and arms control measures.

Finland actively supported the efforts to negotiate the Arms Trade Treaty[9] regulating the trade of conventional weapons including small arms and light weapons, within the UN. The Treaty which entered into force in 2014 is one of the few truly remarkable steps forward in the UN disarmament sector in recent years.

Finland actively influences the European Union's arms control policy formulation, and the Nordic countries are an important frame of reference for Finland. Finland has promoted the intensification of Nordic arms control cooperation. When it comes to the NPT Review Conference in 2015, Finland's emphases lie on tactical nuclear weapons, humanitarian consequences of nuclear weapons and

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[7] Organising the conference was agreed in the 2010 NPT Review Conference. In October 2011 the Secretary General of the UN, the United Kingdom, Russia and the United States informed the UN General Assembly of Finland's role, following their consultations with the countries in the region.

[8] Finland played a comprehensive role in the phases of weapons identification (VERIFIN), protecting the transports from Syria (Vessel Protection Detachment) and destruction (Boarding Team and EKOKEM).

[9] Arms Trade Treaty, ATT, (SopS 98 and 99/2014)

the goal of instituting a ban on the production of fissile materials for military purposes.

Finland and Sweden are not parties to the CFE Treaty. However, they have been actively involved within the framework of the Vienna Document. The verification mechanisms of the VD and the Open Skies Treaty have generated information which supplements the assessment compiled by national intelligence authorities regarding military developments in nearby areas.

Finland's defence solution is based on general conscription and mobilised wartime units formed by reservists; they guarantee the defence of the entire territory of the country within the framework of a territorial defence system. Because of the special features of the defence system, in-depth verification methods included in conventional arms control regimes are challenging for Finland. Arms control arrangements à la CFE Treaty, which could result in explicit conclusions regarding the principles of Finland's wartime formations and unit types, would be problematic for Finland.

Even in the future Finland's challenge will be how to balance the need to protect the special features of the defence system with the exchange of critical military information within the security environment of Finland. It is nevertheless important for Finland to participate in the development of arms control regimes.

Attention must be paid to the active involvement of NGOs in issues related to international disarmament. Among other things, their active participation in recent years has directly influenced the establishment of the Arms Trade Treaty, the Anti-Personnel Mine Ban Convention and the Convention on Cluster Munitions.[10] In this way their active involvement may even impact national defence planning. The Defence Forces' acquisition programmes should take into account any comparable treaty negotiations and their impact on weapon system availability. This is especially important when large procurement projects are being prepared.

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[10] Convention on the prohibition of the use, stockpiling, production and transfer of anti-personnel mines and on their destruction ('Ottawa Treaty') , (SopS 12 and 13/2012), Oslo Treaty prohibiting the use, transfer and stockpile of cluster bombs, which entered into force internationally on 1 Aug 2010. Finland has not signed this treaty.

3 Security dimension of the European Union

The Treaty of Lisbon, strengthening the security community character of the Union

The European Union has become a global power whose strengths include its comprehensive character. Comprehensiveness is also the forte of its external action. Nevertheless, in foreign and security policy the EU is not a global power the way it is in, for instance, economic policy, in which it exerts exclusive competence.

European integration started out as a peace process after WWII. For decades, the European project had no foreign and security policy role to speak of. The task of defending its Member States was, in practice, assigned to NATO. The security of Western Europe relied on US commitment and military power.

The development of the EU's Common Foreign and Security Policy (CFSP) which had its origin in the Maastricht Treaty (1993), picked up speed towards the turn of the millennium. Moreover, the development of a Common Security and Defence Policy (CSDP) began. Its goal, first and foremost, was to achieve a strong role for the EU in crisis management. For this purpose common Headline Goals were set and the development of crisis management structures started.

The Treaty of Lisbon[11], signed in December 2007, consolidated the base for strengthening the EU's external action. It was seen that the Common Security and Defence Policy was an integral element of the Common Foreign and Security Policy. Europe was facing ever-increasing expectations pertaining to the responsibility-bearing for security on its own continent and in its neighbourhood.

The Treaty of Lisbon strengthened the character of the EU as a security community. The Treaty included two clauses – the solidarity clause and the mutual defence

[11] The Treaty of Lisbon amending the Treaty on European Union and the Treaty establishing the European Community, (SopS 66 and 67/2009). The Treaty entered into force on 1 December 2009.

clause – which bolster solidarity between the Member States and require that they take action in providing mutual aid and assistance in different kinds of crises.

Pursuant to the solidarity clause the Union and its Member States shall act jointly 'in a spirit of solidarity' if a Member State is the object of a terrorist attack or the victim of a natural or man-made disaster. The Union shall mobilise 'all the instruments at its disposal', including the military resources made available by the Member States. In addition to action at Union level the solidarity clause includes assistance between Member States should the aforementioned threat scenarios materialise. The Member States can choose the most appropriate means to comply with their own solidarity obligations towards the other Member States. In June 2014, on the joint proposal of the European Commission and of the High Representative of the Union for Foreign Affairs and Security Policy, the Council of the European Union made a decision on the arrangements for the implementation of the solidarity clause by the Union.

The mutual defence clause of the Treaty of Lisbon states that "If a Member State is the victim of armed aggression on its territory, the other Member States shall have towards it an obligation of aid and assistance by all the means in their power, in accordance with Article 51 of the United Nations Charter." When it comes to those EU Member States that are members of NATO, the Treaty states that "Commitments and cooperation in this area shall be consistent with commitments under the North Atlantic Treaty Organisation, which, for those States which are members of it, remains the foundation of their collective defence and the forum for its implementation." In addition, the Treaty states that the mutual defence clause "shall not prejudice the specific character of the security and defence policy of certain Member States". This refers to the non-aligned Member States.

The Treaty of Lisbon includes no provisions for decisions on the arrangements for the implementation of the mutual defence clause, nor has this been discussed among the Member States since the Treaty entered into force. The clause is a commitment between the Member States and it does not bestow any additional competence for the EU *per se*. In practice each Member State will make an individual decision regarding the provision of aid and assistance, including its forms. Finland maintains that the mutual defence clause must be interpreted in such a manner that it requires sufficient preparedness from the Member States

to provide assistance, when necessary, should a Member State become a victim of armed aggression on its territory.

Strengthening the Common Security and Defence Policy and defence cooperation

In December 2009, as the Treaty of Lisbon entered into force, the EU was predominantly focused on dealing with the economic crisis. Crisis management activities continued and developed, but in all other aspects the development of CSDP remained in the shadow of economic questions until December 2013 when topics associated with security and defence were brought to the agenda of the Council of the European Union. The Council provided guidance for the development of three interleaved entities: 1) increasing the effectiveness, visibility and impact of the CSDP, 2) enhancing the development of capabilities, and 3) strengthening Europe's defence industry. The EU Council plans to discuss topics related to the CSDP and defence cooperation in June 2015. Defence topics are becoming regular items on the EU's agenda.

Bringing the theme to the agenda of the EU Council was important because it was necessary to obtain strong political support and guidance on the subject matter. It is also important to make available all instruments, whether they be elements of the CSDP or other matters under the EU's competence. Following the Council's discussion, cooperation questions associated with the internal market, industrial policy and research can better be taken into account.

The status of the Commission as a facilitator of cooperation has strengthened. The Commission has increasingly made available its own financing and support instruments for defence cooperation. For example, it is possible to get financing from structural funds for such projects that meet the required criteria. At the same time the Commission can steer cooperation in a direction which supports addressing the EU's identified capability shortfalls. By doing so, it serves the development of the EU's strategic autonomy.

The intention, confirmed by the EU Council in December 2013, is to increasingly make defence cooperation more strategic and systematic, rather than focusing on individual projects, which often only involve defence materiel cooperation. For this purpose, in November 2014 the Council adopted a policy framework

which includes a description of the goals, principles and processes of defence cooperation.

Defence cooperation is a new and somewhat nebulous concept in the EU. It involves cooperation that overlaps with the Common Foreign and Security Policy which, however, is not only limited to the Common Security and Defence Policy, but also encompasses the development of the defence market, defence industry and defence research. The goal is to improve capabilities and to facilitate the strategic guidance of defence policy and the exchange of information regarding planning processes and supply sector cooperation.

The meeting of the EU Council confirmed the Member States' commitment to the wide-ranging development of the CSDP. Crisis management is the most visible and most effective area of the Common Security and Defence Policy. The EU is a strong actor in civilian and military crisis management, and much has been invested in the comprehensive approach. These questions have already been Finland's focal points for a long time now.

Since 2003 the EU has executed approximately 30 military and civilian crisis management operations. The Union's crisis management activities have particularly supported the stabilisation of conflict areas in Europe, in its neighbourhood and in Africa. At present, there are five ongoing crisis management operations and eleven civilian crisis management missions. Finland participates in most of them. The most recent military crisis management operations of the EU are in Mali (EUTM Mali) and the Central African Republic (EUFOR RCA).

The lack of the EU having its own command systems is a hindrance in military crisis management. In 2002 the EU and NATO signed the 'Berlin Plus' agreement. This allowed the EU's military crisis management activities to draw on NATO's planning and command assets in such military peacekeeping operations which are not led by the Alliance. This arrangement has only been used in conjunction with one operation (EUFOR ALTHEA in Bosnia and Herzegovina, which began in 2004). The arrangement's lack of use derives from the political problems in the Turkey-Cyprus discord. Should these problems at some stage cease to exist an opening for closer EU-NATO cooperation would emerge as regards meeting the needs of the EU's military crisis management activities, especially considering particularly demanding crisis management tasks.

While the dialogue between the EU and NATO has intensified, it is unlikely that any significant new decisions for closer relations will be taken in the near future (such as reforming the cooperative arrangements or joint crisis management exercises). Nevertheless, it is important that cooperation at the practical level functions properly. The EU and NATO have acted successfully and in a mutually complementary manner in, among other things, operations in Afghanistan (EUPOL Afghanistan, ISAF) and Kosovo (EULEX Kosovo, KFOR).

The EU Battlegroups are a rapid reaction instrument in the EU's military crisis management. The Battlegroups which rotate every 6 months have been available since 2007. They have never seen action even though during their existence several crises have occurred in which they could have been put to good use. This has raised many questions regarding the wisdom of the concept. If, despite a need, the Battlegroups are never deployed, the Member States will begin to question participating in their rotation periods.

The need to make the Battlegroups more flexible and usable is recognised. From the Finnish perspective participation in the Battlegroups has been a useful vehicle in capability development. Finland has participated in the rotation periods and supports the improvement of their usability by, among other things, increasing the share of collective financing and by developing their 'modularity'; meaning that the troops in rotation could be utilised, when needed and as applicable, by deploying smaller units than the entire Battlegroup. Correspondingly, the Battlegroups in readiness could accommodate units and required capabilities from willing Member States whose troops are not in rotation at the time.

The EU is considered to have succeeded in crisis management, and there is every expectation that this activity will continue to be successful. Even so, the finite limit of European capabilities may prove to be challenging in large and demanding crisis management operations.

Enhancing the development of capabilities

Progressively more, the EU has attempted to support multilateral cooperation in the development of military capabilities. Primarily, the goal has been to guarantee the capabilities needed in crisis management, but this activity also strengthens other military capabilities in general. By pooling procurement plans and

by tapping into economies of scale it is possible to increase the efficient use of resources and ensure interoperability. Another aim is to facilitate cooperation by increasing openness and the exchange of information in defence planning, so that national planning and decision-making could harmonise capability requirements and development schedules at the European level.

Europe's military capabilities encompass both shortfalls and duplication. The situation can be rectified by influencing both demand and supply. Demand is for the most part the purview of Member States, while the defence industry takes care of supply.

Capability development is based on the Headline Goal process which identifies critical military shortfalls and the EU's Capability Development Plan (CDP), which is primarily compiled with the assistance of the European Defence Agency (EDA). The first plan was drafted in 2008. The CDP helps identify areas from a large volume of capabilities (defence materiel, exercises, research etc.) where pooling and sharing would add special value.

When it comes to capability development in the EU, the 'Pooling & Sharing' model, i.e. the joint use and sharing of capabilities, is often mentioned. It is one of the key elements in the wide development of capabilities within the EU. Even though the work is led by Member States, the physical work occurs with the support and within the framework of the EDA. It takes no more than two Member States to launch a project, which makes Pooling & Sharing flexible. The activity has raised many expectations, but thus far the savings achieved through Pooling & Sharing have been quite limited. There are several ongoing projects and there have been discussions on a number of initiatives which, so far, have not resulted in any concrete projects.

The concern the Member States have for the usability of shared assets in a crisis brings its own challenges because the EU Member States will hardly rescind national control over key capabilities. While the Pooling & Sharing concept will achieve savings, it does not solve the structural materiel problems of the Member States' defences.

Among other things, Finland has participated in the Maritime Surveillance networking (MARSUR) project as the lead nation, and in a helicopter pilot train-

ing programme in which the participating countries have pledged to organise a certain number of exercises on a reciprocal basis. Finland is also involved in a project aimed at developing military medicine (Medical field Hospitals). In the autumn of 2014 Finland became the lead nation for the project 'European Maritime Capabilities in the Arctic'.

It would be desirable to increase cooperation between the EU's Pooling & Sharing activity and its NATO counterpart, Smart Defence. In the conclusions of the EU Council's December 2013 meeting it is stated that the development of the CSDP will continue, keeping in mind the complementarity of effort with NATO and within the framework of the strategic partnership between the EU and NATO, with due respect to the decision-making autonomy of both organisations.

There are expectations and possibilities associated with the EU's capability development. This work is coordinated with that occurring within NATO. Even though the EU's capability cooperation is not aimed at achieving a common defence, it does improve European capacities. Simultaneously, it also bolsters the European NATO Member States' ability to meet their collective defence obligations. And since many capabilities are dual-use ones they are also beneficial for the civilian sector.

The development of the defence sector's internal market and defence industrial cooperation offer possibilities for strengthening the European capability base in the long run. NATO does not have any such instruments at its disposal. Therefore, from NATO's standpoint the strengthening of European capabilities in this manner is a welcome development. Even though the defence industry is at the same time concerned about competition, the strong networks between the European and American defence industries, and sizeable joint projects must also be taken into account.

In addition to capability development it may be possible to increase coordination in exercising and evaluating the EU's Battlegroups and the NATO Response Force, among other things. Up until today the EU has not organised any military exercises or conducted exercise planning of its own. Battlegroup exercises are organised by the participating countries in their own manner.

Strengthening Europe's defence industry

Taskings associated with strengthening Europe's defence industry may, in the long term, become the most important cluster of the EU Council's December 2013 conclusions. The goal is to develop the defence industry and open the traditionally closed defence market.

The European Defence Technological and Industrial Base (EDTIB) is an important factor in the long-term development of capabilities. In the wider sense the defence industry is also important to Europe's industrial and technological base. The turnover of the European defence industry in 2012 was approximately EUR 96 bn and it directly provided approximately 400,000 jobs. Its indirect impact on employment was even greater, amounting to up to 960,000 jobs. In 2013 the defence industry employed approximately 7,000 people in Finland.

The development of defence appropriations has severely impacted the branches of industry that develop products for the armed forces. From 2001–2010 the EU countries' combined defence spending decreased from EUR 251 bn to EUR 194 bn. An especially large impact on the viability of Europe's technological base involves the decrease of funds allocated to research and development (R&D). From 2005–2010 Europe's R&D expenditure decreased by 14%, to EUR 9 bn. In 2010 the United States earmarked approximately EUR 58 bn for R&D in the defence sector.

Fragmentation in the defence and security sector market and, on the other hand, domestic favouritism in procurements exacerbate the negative effects of decreasing budgets. The Commission's Communications (2007, 2013) on the defence and security sector have been aimed at presenting solutions that improve European cooperation in such a manner that the point of departure involves the better exploitation of existing resources.

The work that occurs through the development of the internal market in the EU (e.g. legislation on public procurements and competition) adds unique value. When it comes to opening the defence market Finland has paid particular attention to the need of Small and Medium-Sized Enterprises to access the internal market.

To a country such as Finland which imports the lion's share of its defence materiel, well-functioning defence materiel cooperation is of essential importance. Finland found it beneficial that the EU Council decided on a roadmap for a comprehensive EU-wide security of supply regime. In practice, this aims to improve access to defence materiel and services from other Member States both in normal and emergency conditions.

Weimar Triangle cooperation

The 'Weimar Triangle', i.e. the grouping of Germany, France and Poland, has, from time to time, accelerated the development of the EU's Common Security and Defence Policy and defence cooperation.

This cooperation has its origins in a declaration signed in 1991 in which the foreign ministers of the aforementioned countries pledged to promote their cross-border cooperation, European integration and Poland's EU membership. This cooperation was re-activated in 2010, on the eve of Poland's EU Presidency. The foreign and defence ministers of the trio sent a letter to the EU's High Representative, the purpose of which was to speed up the debate concerning the development of the CSDP with regard to closer EU-NATO cooperation, developing the EU's permanent military command and control structures and Battlegroups as well as Pooling & Sharing between European capabilities.

At the behest of France, in 2011 Italy and Spain also joined the Weimar Triangle's CSDP initiative ('Weimar+'). In the autumn of 2011, in a joint letter the expanded grouping again raised the questions associated with developing the CSDP, which received support from the other Member States. While the group does not schedule any regular meetings, it maintains mutual contact and, occasionally, acts together as a group.

Finland's participation in the Weimar+ has also been discussed with the Weimar countries on the grounds that Finland has coherently supported the development of the EU's Common Security and Defence Policy.

The idea of a common European defence

A common defence is already mentioned in the Maastricht Treaty as a future possibility. At that time the Western European Union (WEU) still existed, albeit in name only for the most part, and it was thought to have a potential role in developing the EU's defence dimension. In the wake of the Lisbon Treaty the decision was made to abolish the WEU.

Under the Treaty of Lisbon the European Security and Defence Policy (ESDP) includes the gradual framing of a common defence policy which in time will lead to a common defence if the European Council acting unanimously so decides. However, most Member States seem to agree that the development of CSDP is not about establishing a common defence for the Union.

The EU has no structures for a common defence such as defence planning, contingency planning, command and control arrangements or other resources required by a common defence. There is not much desire to establish such structures because NATO will continue to be the basis of most Member States' collective defence for the foreseeable future. The Member States' different historical experiences still deeply affect their views on military security, and the roles they themselves, the EU and NATO play in European security.

Capability development matters when it comes to Europe's defence capacity. The essential thing is that the EU's and NATO's capability development efforts complement each other.

For its part, the unlikely materialisation of a common defence is epitomised by the fact that no progress has been made regarding the EU's permanent Operational Headquarters for crisis management activities – mostly because of the United Kingdom's opposition. Permanent structured cooperation facilitated by the Lisbon Treaty, i.e. the possibility for certain Member States to strengthen their cooperation in military matters, has also stalled. Cooperation has advanced without the launching of permanent structured cooperation[12].

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[12] All countries do not participate in capability projects; tangible projects have typically been implemented in groups consisting of 5-15 countries.

When it comes to collective defence, the difference between the EU and NATO is unmistakable and there is no change in sight. Collective defence is the most important task of NATO. Article 5 of the North Atlantic Treaty stands for security guarantees for which NATO and its Member States have the structures, instruments and plans. The Union, in contrast, is not a defence alliance. The implementation of the EU's mutual defence clause would, for the most part, entail each Member State's individual action. When it comes to non-NATO Member States, the provisions of the Treaty do not provide the framework for tapping into NATO structures in the implementation of the mutual defence clause.

The worsening of the security environment has not raised any debate in the EU on having a common defence. However, it has highlighted the need to improve defence cooperation by widely relying on the resources available to the EU. The implementation of the decisions which the EU Council took in December 2013 is considered to be of central importance in this. As a result of the crisis in Ukraine NATO, in turn, has taken steps to strengthen and adapt its collective defence to the most recent challenges. The EU's capability development and, in a wider sense, enhancing defence cooperation also serve NATO's goals according to which its European Member States should shoulder a heavier burden.

On the importance of the EU to the security of Finland

Membership of the European Union is a fundamental value-based choice for Finland. It also includes a strong security dimension. As a Member State of the European Union Finland is politically an inseparable part of Western Europe. As a Member State of the European Union Finland is not neutral.

Membership of the European Union also strengthens Finland's international status and security. It provides a channel for international and global involvement in questions which have both short-term and long-term impact on Finland's security and well-being. In the EU Finland is one of the countries which aim to strengthen the Common Foreign and Security Policy and the Union's international role.

The EU's internal cohesion and its strong institutions are of essential importance to Finland. The Union's significance is particularly clear in questions associated with comprehensive security. Key questions include energy security, cyber

security, terrorism, the threat of extremism, communicable diseases as well as corruption and international crime. The EU's role in, among other things, maintaining and reforming international free trade and its standards is also of key importance to Finland. It can be expected that the challenges associated with comprehensive security and hybrid threats will only grow. From the Finnish perspective the European Union, with its wide range of instruments, is the key actor in meeting these threats. Even so, a more determined and goal-oriented EU approach would be appreciated.

The EU projects significant power in its neighbourhood, among other things, through its enlargement policy. The strong and attractive Union has a stabilising effect. The membership process boosts the applicant countries' economies and societies. Furthermore, applicants are required to resolve any open and enduring disputes with their neighbours. Then again, the EU's actual or imagined incoherence and problems may cause uncertainty in the Union's immediate neighbourhood. Finland supports the EU's continuing enlargement policy.

The sphere-of-influence thinking which Russia upholds has resulted in a situation in which the European Union is forced to re-evaluate the best practices of its Eastern Partnership policy, even if the basic goals of the policy remain unchanged. While the EU has only limited capabilities in influencing the developments in its Southern Neighbourhood, in the long run the prospects that the EU offers for economic cooperation and more rapid social development are important. Finland deems it important that the EU resolutely continue the European Neighbourhood Policy, which aims at improving stability and well-being in its adjacent areas.

The solidarity clause and the mutual defence clause included in the Treaty of Lisbon are expressions of solidarity among the Member States, and they strengthen the character of the Union as a security community. The Union's mutual defence obligation carries strong political significance and is a matter of principle. However, the Union has no arrangements in place for its practical implementation, nor are any such arrangements in sight.

Nevertheless, it is clear that the EU or its Member States would not remain passive should one of the Member States become the victim of an armed attack. When needed, the EU has a variety of instruments available, such as sanctions,

for the purpose of exerting political influence and pressure in defending the interests of its Member States.

The Treaty of Lisbon provides the option of establishing a common defence. Still, from the standpoint of NATO Member States the Alliance continues to be the organisation for their collective defence and the commitment of the United States indispensable to the defence of Europe. Therefore, the EU will hardly proceed towards a common defence in the foreseeable future.

Finland wants to strengthen the role of the EU as a security community. Reforming the European Security Strategy can be one instrument in this; the current Strategy dates to 2003. In 2008, following the war in Georgia, Report of the Implementation of the European Security Strategy was published, but drafting an entirely new Strategy was considered to be too demanding an effort. For a long time already Finland has advocated updating the Strategy. Before this summer the EU's High Representative, tasked by the EU Council, will present an estimate on the EU's challenges and options. This is hoped to promote the drafting of a new European Security Strategy. Since the current Strategy was published, the changes in the EU's security environment and threat scenarios have been so profound that the need for a new Strategy is evident. A new Strategy would also promote the EU's efforts in improving its role as a security community and a plausible actor in foreign and security policy.

The EU's Common Security and Defence Policy and defence cooperation also have positive impacts on Finland's national security and defence capabilities. From the Finnish perspective the development of the CSDP is important in bolstering the Union's external action in a situation in which the EU's neighbourhood is significantly destabilised.

Finland actively participates in the EU's crisis management operations and, from time to time, Finland has been the largest contributor to civilian crisis management missions *per capita*. Through operations and by preparing for them Finnish personnel can improve their competence and draw lessons from field operations. Among other things, Finland has contributed to EU operations with an infantry (Jaeger) platoon, a boarding team and a minelayer, and by dispatching instructors and staff officers to operations. The operations have included demanding assignments such as being the lead nation in Operation Althea in Bosnia and Herzegovina from 2005–2006.

Also participation in the EU Battlegroups, despite not being deployed, has had a positive effect for the development of Finland's national defence. Equipping the personnel selected for the contingent as well as training and joint exercises have improved skills and operational effectiveness, and the concurrent evaluation of personnel has demonstrated the level of troops, including any needs for improvement. Finland has mainly participated in the rotations with Army troops and by assigning special forces and niche capabilities. During the first half of 2015 Finland will participate with a helicopter detachment in the Sweden-led Battlegroup; the detachment was evaluated in accordance with NATO standards in June 2014. Furthermore, Finland will participate in the UK-led Battlegroup in 2016.

From the Finnish perspective Pooling & Sharing within the EU makes sense, even though its cost benefits and impacts on the development of national defence have been quite marginal. The significance of capability cooperation may grow in line with the EU's defence cooperation, which is still very much in progress. It contains new opportunities, especially for strengthening the base of Europe's defence in the long term. It is likely that defence-related questions will be discussed more thoroughly in the EU in the near future. The decisions of the EU Council, such as the measures for improving security of supply and securing the preconditions of the defence industry, are beneficial for Finland's defence.

4 Cooperation under NATO partnership and cooperation with the United States

Finland has been engaged in cooperation with NATO since 1994 when the North Atlantic Treaty Organization set up its Partnership for Peace (PfP) programme. The core area of this partnership involves the development of military capabilities and interoperability for the purposes of international crisis management and national defence. The partnership also entails civilian cooperation in security of supply and civil protection, to name but a few sectors.

During this decade NATO has twice reformed its partnership policy: in 2011 in Berlin and in 2014 in Wales. From NATO's standpoint its partners play a significant role in generating stability and security. The reforms of partnership policy intended to guarantee the partners' input in meeting global security concerns in ever-changing conditions. The reforms help harmonise different partnership programmes while also aiming to increase flexibility in a manner which takes into account the partner countries' different backgrounds, needs and goals. At present, NATO has fifty or so partner countries or countries under other cooperative arrangements.[13]

In 1997 the Euro-Atlantic Partnership Council (EAPC) was established for NATO partners. However, it has not convened at the political level for years. The heterogeneous character of its many members has diminished the viability of the EAPC. In practice, Finland and many other partner countries interact politically with NATO through other cooperative fora. Of these, the most important ones are the meetings in which troop contributing countries participate.

In 2002 the NATO-Russia Council (NRC) was established, replacing the Permanent Joint Council (PJC) which was set up in 1997. In response to Russia's ac-

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[13] NATO has different kinds of partnership structures. The Mediterranean Dialogue (MD) was launched in 1994 and it comprises seven Mediterranean countries (Algeria, Egypt, Israel, Jordan, Mauritania, Morocco and Tunisia). Under the Istanbul Cooperation Initiative, launched in 2004, cooperation continues with the countries belonging to the Gulf Cooperation Council. The NATO-Georgia Commission, established in 2008, engages in political consultations and practical cooperation to improve Georgia's NATO capabilities. The NATO-Ukraine Commission was established in 1997. It has become more significant in the wake of the crisis in Ukraine.

tion against Ukraine NATO has suspended all military and civilian cooperation with Russia. However, there is still a desire to keep the door open for political dialogue.

Response to the termination of Operation ISAF and to the increasingly tense international situation

Ambassador Antti Sierla's 'Report on the Effects of Finland's possible NATO membership', published in 2007, stated that NATO has changed considerably since the Cold War days and that "Preparing against a threat of a massive attack from the outside has become considerably less important." In 2014 the situation looks quite different. Owing to the strained international situation (e.g. Ukraine, Syria, Iraq) NATO has shifted its focus back towards the original task of the Alliance. The significance of NATO's primary purpose, i.e. defending its Member States, is once again emphasised. Ambassador Sierla's assessment on NATO's development proved correct: "In the future as well, NATO is expected to adapt to changes in its operational environment in accordance with its own security interests".

In recent years, anticipating the end of the crisis management operation in Afghanistan (ISAF), NATO has prepared approaches which aim at maintaining the interoperability achieved both within the Alliance and with its partners. In order to improve operational effectiveness and maintain interoperability the NATO Response Force and the associated training and exercises become all the more important. The Connected Forces Initiative (CFI) is in the core of the new approach; its key elements comprise training, exercises and leveraging advances in technology. Through this initiative the Alliance aims to achieve the 'NATO Forces 2020' goal, published at the 2012 Chicago Summit. The goal set for NATO forces is: "modern, tightly connected forces equipped, trained, exercised and commanded so that they can operate together and with partners in any environment".

While the partner countries are not formally included in the CFI, certain partners have been able to provide their views and input into it. On the initiative of Sweden the CFI Advisory Task Force (CFI TF) was established in the autumn of 2013. Sweden and Belgium co-chaired the Task Force for a year. At present, Belgium and Finland are the co-chairs of this unofficial Task Force operating

outside NATO structures. The purpose of the CFI TF is to generate concrete proposals on developing partner participation in the CFI. In addition to Finland and Sweden, Austria, Ireland, Switzerland, Australia and New Zealand have participated in the TF.

As a result of the crisis in Ukraine and Russia's behaviour the Alliance is facing yet another challenge. Its response includes immediate action as well as decisions regarding the Alliance's long-term action. NATO has increased its presence, visibility and security support in its eastern Member States. At least thus far, the 'reassurance policy' does not envisage establishing any new permanent bases. Rather, it is about having a stronger presence based on troop rotation, increased exercises and intensified air surveillance.

The most important result of the NATO Wales Summit was the adoption of the new Readiness Action Plan (RAP). The purpose of the plan, in addition to the reassurance policy, is to carry out adaptation measures to enhance the mechanisms for implementing the Alliance's collective defence. It has been said that the plan is the single most significant action in strengthening NATO's collective defence since the end of the Cold War. The Summit also confirmed measures associated with the CFI, particularly those related to training and exercises which, for their part, support the implementation of the RAP.

Establishing the Very High Readiness Joint Task Force (VJTF) is an element of raising readiness, as are increasing exercises, updating the contingency plans and reforming the defence infrastructure. As a reaction to the altered security situation NATO Member States have also committed to maintaining their defence budgets at least at the present level. In order to foster an equitable sharing of the burden the Member States aim to increase their defence expenditure to 2% of GDP within a decade. They also aim to devote 20% of the annual defence spending to investments.

The Readiness Action Plan (RAP), and the associated reassurance policy, is for the members of the Alliance only. Therefore, Finland, as a partner country is not a party to it. Finland, at its discretion, may participate in exercises open to partners and in the development of different sectors. This participation will occur within the framework of the PfP policy.

At the Wales Summit NATO called attention to the changing character of warfare. In the future NATO intends to make certain that it has the required skills and resources to meet the multifaceted and partly indistinct challenges of hybrid warfare. Cyber defence was recognised as an element of collective defence.

The Wales Summit approved the new NATO Framework Nations Concept in the development of capabilities. According to this concept a smaller grouping of countries can develop troops and capabilities for themselves and the Alliance which the Alliance as a whole can utilise. The goal is to improve especially the European Member States' capacities. A designated Member State, i.e. a framework nation, leads the action of the grouping. For example, a ten-country grouping led by Germany develops, among other things, logistic capabilities and CRBN defence capabilities. A UK-led seven-country grouping is developing a rapidly deployable operational unit. The partner countries– status vis-à-vis the framework nations concept is yet to fully crystallise.

NATO has enlarged six times, and now the number of its Member States is more than twice the original number: in 1949 there were 12 Member States, now there are 28. The most recent enlargement took place six years ago when Albania and Croatia acceded to the Alliance. While no new enlargement decisions were made at the Wales Summit, the Alliance declared that the 'Open Door Policy' was still in effect. This means that, pursuant to the North Atlantic Treaty of 1949, the parties to the Treaty may, by unanimous agreement, invite any state meeting the criteria to join the Alliance.

Three countries from Western Balkans, Bosnia and Herzegovina, Montenegro and (the former Yugoslav Republic of) Macedonia, as well as Georgia from the South Caucasus have applied for NATO membership. For years already, Macedonia has participated in the MAP process (Membership Action Plan) which helps prepare a country for NATO membership. The MAP process, however, is not a guarantee of eventual membership. Macedonia's membership has been blocked by its dispute with Greece concerning its name. Montenegro, too, participates in the MAP process. NATO has stated that the preconditions of Montenegro's membership will be evaluated by the end of 2015. In 2010 Bosnia and Herzegovina was invited to join the MAP process, but thus far the process has not been formally launched.

In the 2008 Bucharest Summit Georgia and Ukraine were promised NATO membership. The formulation of the promise was a compromise; it did not include an exact schedule. Whereas Georgia has applied for NATO membership, Ukraine has not. Because of Russia's unequivocally negative attitude, and concrete actions, the handling of these countries' prospective memberships will be a difficult challenge for NATO to solve. On the one hand NATO does not want to remove the prospect of membership because of Russia's behaviour, but, on the other hand, the Alliance does not wish to escalate the situation. Furthermore, meeting the membership criteria will be taken seriously. In the Wales Summit the Alliance endorsed its support measures for Georgia, such as defence institution building as well as training and exercises.

Reforming the partnership policy

The Wales Summit launched the new 'Partnership Interoperability Initiative' which, much like the previous partnership policy, aims at developing interoperability between NATO and its partners in, among other things, potential crisis management operations, and in providing opportunities for its partners to develop their military capacities. The new initiative also makes it possible for very dissimilar partner countries to flexibly tap into the different forms of partnership, in line with their particular needs.

The new initiative comprises three parts in which the partner countries can participate, subject to their capacities and NATO decisions. The first level is open to all partner countries and applies to already existing partnership programmes and mechanisms[14]. There are 24 partner countries, Finland included, that are invited to the 'Interoperability Platform', i.e. the second level. These countries have already used the partnership instruments of the first level, and demonstrated a desire to improve their interoperability with NATO.

'Enhanced Opportunities', the third level of the initiative, applies to countries which have significantly participated in NATO crisis management operations, exercises or capability development. At present, this partnership extends to

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[14] The Planning and Review Process and the Operational Capabilities Concept are instruments through which the partner countries' capabilities and interoperability with NATO Member States are improved and evaluated. The partner countries can also declare troops to the NATO Response Forces Pool.

Australia, Georgia, Jordan, Sweden and Finland. Increased predictability is the essential element because these cooperation opportunities are offered for three years at a time. Moreover, it provides an option for closer political dialogue with NATO. The third level includes the possibility of self-differentiated, far-reaching cooperation. In other words, rather than developing the partnership within a country grouping, it is tailored on a country-by-country basis. The initiative launched in Wales resonates well with the previous proposals made by Finland and Sweden regarding partnership policy development.

The full details and significance of the new partnership will take shape as cooperation develops. The substance will depend on each partner country and NATO. The initiative also provides an opportunity for new openings in partnership policy with partner countries selectively. Nevertheless, the core activities associated with collective defence will remain the sole purview of NATO Member States; they will not be opened to the partner countries because the Alliance does not want to rely on partners when it comes to collective defence. Still, NATO provides increasing opportunities for the partner countries to voice their opinion and engage in dialogue; in this respect there are no clear-cut boundaries. This being the case, the new partnership initiative is an indication of NATO's willingness to improve and open its activities to earnest partners. The partnership policy has evolved and will continue to do so, meeting NATO's overall priorities and changes in the operating environment. It is important for Finland to actively influence the formulation of the contents of the new partnership initiative.

The partner countries' freedom of choice remains the basic principle. Nonetheless, the new partnership initiative reflects the underlying principle in all international cooperation, i.e. mutual benefit. It makes it possible for the partner countries to link with NATO's myriad activities in a wide-ranging manner under the principle of 'self-differentiation'. Consequently, NATO benefits from its partner countries' skills and operational effectiveness.

The new partnership initiative reflects the growing overall importance of the partner countries to NATO. When considering the new security challenges, the partner countries' significance becomes highlighted. States that take care of their national defence and respect democracy, human rights and the rule of law create stability in their regions and are capable of participating as key partners in international crisis management operations and in creating cooperative security.

This being said, NATO clearly realises that the status of a partner country, its rights and obligations in relation to the Alliance, is completely different than that of a Member State. The partner countries are not under the umbrella of collective defence, nor do any security guarantees apply to them. The Alliance does not want to blur this distinction.

Military crisis management operations and exercises

Finland's participation in NATO's military crisis management derives from the same principles which apply to Finland's military crisis management participation in general. The participation encompasses foreign and security policy goals, and it serves the development of national defence.

By participating in operations mandated by the UN and led by NATO (such as the International Security Assistance Force/ISAF in Afghanistan, the Kosovo Force/KFOR in Kosovo as well as the Implementation Force/IFOR and the Stabilization Force/SFOR in Bosnia and Herzegovina) Finland has tried to promote international security and conflict resolution and create the conditions for social development on the ground. This activity has also been important for the military capacity and international interoperability of the countries that participate in crisis management operations.

Finnish military personnel and civilians have been able to utilise and improve their skills in demanding conditions and serving important purposes. In Afghanistan Finland participated in Operation ISAF from the very outset to its end (2002-2014); the size of the Finnish contingent peaked at approximately 200 soldiers. Finland participates in Operation ISAF's follow-on NATO-led advice, training and assistance mission, called Resolute Support, with approximately 80 soldiers. Finland has participated in Operation KFOR since 1999. At its maximum, over one thousand Finnish troops were serving in the operation. At present, the personnel strength of the Finnish contingent is approximately 20 persons. In operations KFOR and SFOR Finland also had the role of a framework nation.

The significance of international exercises in Finland's defence development has grown. Annually Finland participates in scores of international exercises. NATO is indirectly associated in all of them because NATO standards and operational models are the predominant ones as regards exercises and, even to a larger ex-

tent, in European defence cooperation. This also applies to EU Battlegroup and Nordic exercises. The trend seems to be that said standards are also followed in especially demanding UN missions. The share of official NATO exercises represents approximately one third of Finland's international exercise roster.

Overall, the focus of Finland's exercise activity lies on NATO's NRF exercises, EU Battlegroup exercises and other multinational exercises organised in Northern Europe. By participating in exercises with NATO and NATO Member States Finland can also receive training which otherwise would be out of reach because of non-existent capabilities of our own (such as air-to-air refuelling or anti-submarine warfare) or because of the sheer scope of the exercises.

Some NATO exercises include the Article 5 element, and it is likely that the collective defence aspect will be accentuated in NATO exercises as a result of the prevailing international situation. NATO's point of departure is the fact that the Article 5 defence obligation only applies to NATO Member States. Still, irrespective of this, it can open exercises that include the Article 5 element to non-members.

Finland participates both as a partner country and according to its own interests in NATO exercises that develop international interoperability. Finnish participation is largely determined by the added value any given exercise can bring to Finnish national defence. On these grounds Finland, at the outset, does not rule out participation in any exercises to which NATO and its Member States wish to invite their partner countries that serve the development of Finland's defence and are in line with Finland's position.

The PARP process as a catalyst for improving the national defence

In 1995 Finland joined the PfP Planning and Review Process (PARP) which aims to promote the development of forces and the interoperability of partners. The process is based on voluntary participation and self-differentiation; the partner countries, together with NATO, choose concrete Partnership Goals (PG) which they deem beneficial. Since 2010 Finland has chosen its PGs, first and foremost, from the perspective of national defence requirements. Meeting the goals also improves Finland's international crisis management capacity.

The goals and their materialisation are evaluated every two years. The PGs are no more legally binding international obligations than participation in voluntary, mutually beneficial partnership cooperation is, for that matter. However, it is only natural that the goals are there to be met.

A topical example of a concrete PG which, for its part, bolsters Finland's own planning, involves drawing up a Host Nation Support MOU (Memorandum of Understanding) for Finland. The MOU is a framework document which includes uniform modes of operation and standards which facilitate international cooperation. In all conditions Finland, naturally, decides for itself whether it takes any action that requires implementing the MOU. The MOU *per se* does not obligate either party to engage in such action. This being the case the MOU, among other things, does not obligate either party to provide or accept troops for any purpose whatsoever. Another example of a concrete PG involves Finland's air surveillance and command system which is, for the most part, structured along the lines of NATO standards based on the objectives set by Finland.

The PARP process aimed at the partner countries is less demanding and less obligating than the defence planning process involving NATO Member States, which aims at harmonising the Member States' Capability Targets with the overall goals of the Alliance.

Alongside the PARP the Operational Capabilities Concept (OCC) is yet another key instrument for partnership and capability development. In the OCC the troops' operational effectiveness and interoperability is evaluated in exercises through a four-level process. Finnish forces have been evaluated since 2005 and units from each service branch have made it to the top level of the Evaluation & Feedback (E&F) process. The European Union does not have any similar process at its disposal. Instead, its Member States utilise the Operational Capabilities Concept.

NATO Response Force (NRF) and Smart Defence

The NATO Response Force (NRF) is primarily an instrument which was created for NATO's European Member States in the early 2000s. It helps develop NATO Member States' military capabilities and, simultaneously, their crisis management capacity. In 2006 NATO made it possible for partner countries meeting

certain criteria to participate in activities supplementing the NATO Response Force. The term 'supplementing' means that the implementation of potential NATO operations does not hang on the participation of partner countries. Elements of the NRF have been deployed a few times in, among other things, support of the presidential election in Afghanistan in 2004 and in providing disaster aid in Pakistan following an earthquake in 2005.

In 2008 Finland informed NATO of its willingness to participate in activities supplementing the NRF and since 2012 Finland has participated in its activities. In practice this translates into declaring capabilities for a finite time to the Response Forces Pool (RFP). This activity systematically involves the same forces which have also been made available to the EU and the UN. Of the partner countries, in addition to Finland, also Georgia, Sweden and Ukraine participate in activities supplementing the NRF. The NATO Council has also approved Jordan's participation in these activities.

In 2014 a Finnish Air Force readiness unit was declared to the RFP. In 2015 Finland will contribute with a Navy coastal Jaeger unit, in 2016 with an Army helicopter detachment and a Jaeger company, and in 2017 with a naval vessel and with the Army's deployable CBRN laboratory. Declaring units to the Response Forces Pool, however, does not mean that they will be placed on high readiness pursuant to the Act on Military Crisis Management.

NRF cooperation fundamentally bolsters the development of operational effectiveness and interoperability, for NATO Member States and partner countries alike. The forces involved in this activity participate in a multinational exercise programme and go through an arduous E&F process which ultimately leads to certification. A Finnish Air Force fighter squadron passed the evaluation in 2013. Participation and success in the E&F process is also a vehicle for letting others know the high standard of one's own forces as well as utilising it in domestic training and development.

In September 2014, at the Wales Summit NATO decided to reform the NRF and establish the new Very High Readiness Joint Task Force (VJTF) as an element of the NRF. It is not known whether any new openings will be made available for partners in the VJTF's activities.

Alongside the Connected Forces Initiative, another initiative supporting the NATO Forces 2020 goal involves the 'Smart Defence' initiative launched at the 2012 Chicago Summit, which primarily focuses on more efficient maintenance of capabilities and on creating new ones. It reflects the ever-increasing technological advances and cost of defence materiel which make it either difficult or altogether impossible for the Member States to develop, procure, maintain or use all of the capabilities on an individual basis. Through cooperation the Member States can obtain the required capabilities. Furthermore, owing to lower unit costs, joint procurements can achieve savings in some cases.

NATO also views Smart Defence as a way to more equally share the burden between the United States and its European allies. In other words, the European NATO Member States are expected to participate in the initiative. An example of the benefits which the Smart Defence initiative aims to achieve is the joint procurement of Unmanned Aerial Vehicles, involving joint utilisation and cost-sharing. Most projects are also open to partners. The projects do not exclusively focus on joint acquisitions; rather, most projects are associated with training, logistics and the development of operational models.

There is some coordination between NATO's Smart Defence and the EU's Pooling & Sharing. Cooperation has been planned for devising countermeasures for Improvised Explosive Devices (IEDs), i.e. 'roadside bombs', and Weapons of Mass Destruction (WMD), among other things. Both in Smart Defence and in Pooling & Sharing the countries that developed the capabilities ultimately decide on their use.

The importance of PfP policy to Finland

Even though Finland is not a member of NATO, the Alliance has in many ways influenced Finland's security and continues to do so. NATO's decisions and activities significantly impact Finland's security environment. NATO is the basic pillar of the Euro-Atlantic security community. The possibility for engaging in dialogue and tangible cooperation with NATO is valuable for Finland's security. The increasingly tense security related situation in Europe and in Finland's near environs only highlights this fact.

NATO is a political and military alliance, and its security impact is of central importance to its Member States. In military terms NATO remains the most important actor in Europe for the foreseeable future. NATO is also significant to its partner countries and to the international community, such as the UN, the EU and the OSCE. While NATO is also paying more attention to questions associated with comprehensive security, from Finland's standpoint its role in comprehensive security is not as fundamental as that of the EU, apart from cyber defence, in which new vistas are about to be opened to partner countries as well.

Partnership cooperation – primarily its exercise roster with its E&F and PARP processes and the NRF – comprises a tangible instrument for Finland in developing its capabilities and interoperability. The Partnership Goals included in the PARP process are selected on the basis of national defence development needs and, for all practical purposes, they cover the whole spectrum of the defence system. Goal-setting is systematic action, and each service branch has goals which, by their scope and depth, are important.

As a non-member of a military alliance, situated in its particular geographical position, Finland sustains all capability areas and critical capacities of its defence system. From the national defence perspective international cooperation, including PfP cooperation with NATO, is of the utmost importance.

Finland's NATO PfP cooperation also improves its preparedness in the defence cooperation which occurs under the auspices of the EU or the Nordic countries; after all, NATO standards, modes of operation and capability requirements set the overall benchmarks in European defence cooperation. The same applies to international military crisis management.

Partnership cooperation also provides an opportunity for Finland to monitor NATO's development, and engage in a dialogue on questions important to Finland. NATO PfP cooperation differs from other international defence cooperation fora in which Finland participates in that it also includes the United States and Canada. The commitment of the USA to the security of Europe, through NATO, is still one of the cornerstones of European security. Alongside bilateral cooperation the PfP cooperation offers Finland an important security and defence policy channel to the United States.

Despite its importance, from the viewpoint of Finland's national defence the added value achieved through NATO cooperation is supplementary at best. Finland uses it, much like other international cooperation, to strengthen the national defence. Even if the cooperation expands it does not alter the basic principles of Finland's defence solution, nor does it solve Finland's defence materiel related challenges. It is also clear that even in the future the partnership, should it deepen, will not provide any security guarantees to Finland, and that Finland is not obliged to participate in defending the Alliance or allow it to use Finnish territory.

Partnership cooperation is not a road that leads to membership of the Alliance. Rather, in order to become a member a country must first apply for membership and then be unanimously accepted by each NATO nation. Nonetheless, the interoperability achieved through PfP cooperation for its part helps eliminate any practical obstacles to potential membership. This, as such, enhances Finland's options and possibilities in influencing its security policy position.

It is safe to assume that the benefits of PfP cooperation will continue and evolve in the future as well. When it comes to said cooperation, the options associated with capability improvement are quite open and the partner countries' own desires are also taken seriously in the development of cooperation. Still, the partner countries do not have access to all fora at which NATO Member States improve their capabilities. This being said, under the present PfP terms Finland can access most of the capability development sectors it is interested in and which NATO has to offer. However, particularly in new capability sectors (e.g. missile defence, cyber, Alliance Ground Surveillance (AGS) system) Finland cannot fully tap into all competencies of NATO. The limitations in this regard are of national origin, rather than deriving from the Alliance.

Continued success in partnership cooperation requires that it not only benefit the partner countries, it must also serve the interests of the Alliance. The impacts of international cooperation are always reciprocal. In simple terms, in NATO cooperation this means that the partner countries' forces must be effective and interoperable with NATO. Moreover, there must be sufficient political will to cooperate and deploy the capabilities. Participation, i.e. investing in cooperation, is yet another conduit to deeper cooperation.

It has been important to Finland to be one of the more advanced partner countries so as to be able to maximise benefits from the partnership. Finland has also benefited from the fact that Finland and Sweden, in general, have implemented their PfP cooperation with similar intensity, even though there have been clear differences in participation as regards individual partnership activities or operations. It behoves Finland to remain an advanced partner in the future as well. Close cooperation with Sweden within the PfP framework will also serve Finland's interests. At the same time the goals of partnership will, naturally, be defined on a national basis and from Finland´s perspective.

As the crisis management operation ISAF has terminated, the focus of PfP policy will shift. NATO's adaptation measures in response to the knock-on effects of the crisis in Ukraine will also bring about changes to the context in which certain partnership activities, such as exercises, will be carried out. Finland does not see any need to change its central premises or goals.

Bilateral cooperation between Finland and the United States

The Finnish Security and Defence Report 2012 states that "Despite the global change the United States will retain its world leadership and it plays a key role in solving many global problems and in responding to challenges". In the post-WWII era the United States has created a global network of allies and partners in matters relating to security and defence. It also believes that democratic countries, owing to the shared value base, establish the nucleus of an open and collaborative international order.

Emphasising the strategic importance of the Asia-Pacific region has been a noteworthy foreign and security policy guideline drawn by President Obama. This does not mean that the United States would rescind its NATO obligations or its role as the underwriter of security for its European allies. In the era of global challenges the United States continues to consider European states and the EU as its closest partners.

In the area of military security the United States has for several years voiced critical opinions about the dwindling resources of European states and systematically upheld the theme of burden sharing in NATO's discourse. The permanent goal of the United States is to prod its allies and partners into improving their

military capabilities and interoperability. For instance, the goal is discernible in the context of NATO's capability development and in the ongoing missile defence projects with its allies in the Asia-Pacific. At the same time the United States wants to preserve and improve the global power projection capacity of its forces through its worldwide network of bases and logistic arrangements.

In spite of federal government savings pressures the United States has retained its status as the most important military actor. Its increasingly polarised domestic policy situation has resulted in a state of affairs where it is progressively more difficult to anticipate what the level of defence expenditure in future years will be. The more than decade-long operations in Iraq and Afghanistan have exhausted the US armed forces. Whereas the centre of attention in the near future will likely fall on reforming its forces and materiel, the emphases and the implementation schedule of the reform substantially depend on the trend of defence spending.

The United States is the principal developer of military capabilities. It tries to swiftly anticipate and adapt to changing security threats. The advent of terrorism in the 2000s and the operations in Iraq and Afghanistan raised the need to develop capabilities for counter-terrorist action and low-intensity warfare. In the post-Afghanistan situation the United States will probably focus attention on containing the effects of Russia's and China's military build-up, on countering the threat of the proliferation of WMDs and ballistic missiles, and on creating capabilities needed in the cyber domain. The modernisation of the US strategic nuclear triad and associated infrastructure will require sizeable investments during the coming decades.

The United States also aims to retain its primacy in military technology. The defence industry is networked and international, and the American industry has spearheaded this development. The United States engages in close and wide-ranging defence materiel cooperation with several big European countries as well as with Japan and Israel, to name but a few. At the same time the USA is a very attractive partner for smaller actors such as Finland because technology cooperation, among other things, can open a venue to projects which otherwise would be completely out of their reach due their sheer scale.

The United States is also an important partner for Finland, both bilaterally and through NATO partnership. The United States has supported the development

of NATO's PfP policy in a direction which has opened new cooperation options for partners in the manner which Sweden and Finland, among others, had hoped. Bilateral defence cooperation encompasses frequent reciprocal visits and an established milieu for talks regarding the development of mutual cooperation. The goals of bilateral cooperation with the United States are associated with interoperability and capabilities, exercises and training cooperation as well as research and development (R&D).

In addition to defence policy cooperation, materiel cooperation is yet another important dimension of Finnish-US defence cooperation because much of Finland's critical wartime materiel originates in the United States. Because of its scale the F-18 project, mid-life updates included, is Finland's single most important defence procurement project in recent decades; during the project close contacts were established between the Finnish Defence Forces, Finnish industry and their American counterparts. Owing to assembling the Hornet fleet and carrying out its mid-life updates in Finland, the capacity of Finnish industry to maintain and update critical components of the air defence system has evolved to a high level. When it comes to the Defence Forces' strike capability the Air Force's ongoing air-to-ground capability project, one of its most important capabilities, relies on weaponry to be procured from the United States.

It is important that Finland maintain well-functioning relations with the United States, both bilaterally and through different international cooperative frameworks.

5 Nordic cooperation and cooperation with Sweden

Cooperation that builds on shared values and traditions

The Nordic countries are a community based on shared values, approaches, history and tradition as well as established, wide-ranging practical cooperation. The Nordic countries are bonded together by a communal sense, mutual trust and for the most part parallel interests. An expression of this communal interaction, devoid of problems, is the exemption from the requirement to carry passports, adopted as early as the 1950s.

The significance of Nordic cooperation and togetherness is profound for Finland and Finland's security. The Nordic identity, the social structure based on Nordic values and association with Nordic cooperation, provided an opportunity for Finland to strengthen its international status in the post-war era. Finland's Nordic identity continues to be an irreplaceable cornerstone of Finland's international role. Its security policy inference, in its own way, is shining brighter in the light of recent events, such as the crisis in Ukraine.

During the Cold War foreign, security and defence policy cooperation was largely excluded from Nordic cooperation. In recent years, particularly this sector has developed the most. The Nordic countries have a very similar outlook on the preconditions and challenges of security. In the joint statement of the Nordic foreign ministers (04/2014) it was mentioned that, as a starting point, their "efforts to further enhance cooperation in foreign and security policy are based on a [shared], comprehensive concept of security". The Nordic countries were said to be "strong advocates of multilateral cooperation and institutions and international law [because], in today's world, characterized by increasing interdependence, effective multilateralism remains a key in order to achieve sustainable development and address challenges to comprehensive security". By working together the Nordic countries can strengthen security in their region and increase their influence in promoting international security.

Nordic foreign policy cooperation is close and in security and defence policy it has only intensified. Whereas Norway and Denmark are members of NATO, Finland and Sweden are not. Sweden, Finland and Denmark belong to the European Union; Iceland and Norway are outside of it. When it comes to the CSDP Denmark has an opt-out, in other words, Denmark does not participate in CSDP military matters. Even though the Nordic countries' security and defence policy solutions are dissimilar, they can increasingly engage in pragmatic, tangible cooperation, both in the international arena and with each other.

One incentive for developing cooperation took place in 2008 when Thorvald Stoltenberg, the former Minister for Foreign Affairs and Defence of Norway, was asked to draw up proposals for closer foreign and security policy cooperation between the Nordic countries. His report, published in February 2009, included 13 specific proposals on civilian and military cooperation, many of which have since been for the most part implemented.

The foreign ministers did not issue a Nordic declaration of solidarity according to Stoltenberg's own verbiage, nor does Nordic cooperation include any idea of mutual security guarantees. Instead, in 2011 the foreign ministers agreed on a declaration of solidarity which states, among other things, that "should a Nordic country be affected by a natural or man-made disaster, cyber or terrorist attack, the others will, upon request from that country, assist with relevant means". According to the solidarity declaration, "The intensified Nordic cooperation will be undertaken fully in line with each country's security and defense policy and complement existing European and Euro-Atlantic cooperation."

In addition, Sweden, with its unilateral declaration of solidarity, said that it would "not remain passive should a disaster or an attack afflict another [EU] member country or Nordic country" and that Sweden expects that "these countries will act in the same manner should Sweden be afflicted". While the declaration does not precisely detail the forms of assistance, it states that Sweden should be able to both give and to receive military support.

The evolution of Nordic defence cooperation

Norway, Sweden, Finland and Denmark share a history in peacekeeping which harks back to training cooperation, launched in the 1960s. However, it took until the 1990s and 2000s for defence cooperation to expand in a noteworthy manner.

In 1994 the defence ministers of Norway, Sweden, Finland and Denmark agreed on Nordic Armaments Cooperation (NORDAC). In addition, the Nordic Coordination Arrangement for Peace Support (NORDCAPS) was established for the purpose of improving crisis management cooperation. It builds on the foundations of the NORDSAMFN structure which was formerly used in UN peacekeeping cooperation. In 2008 the cooperation extended to the capability development sector when the Nordic defence ministers signed a MOU establishing the Nordic Supportive Defence Structures (NORDSUP).

In 2009 the Nordic countries agreed on streamlining and deepening defence cooperation. The then signed MOU on the establishing of NORDEFCO (Nordic Defence Cooperation) created a uniform framework, under which the functions of the aforementioned structures were merged.

The NORDEFCO structure includes political and military cooperation levels. Political cooperation is based on regular meetings and contacts between the defence ministers, permanent secretaries of defence ministries, defence policy directors and experts. NORDEFCO is chaired on a rotating basis; Finland held the Chairmanship most recently in 2013. Preparation for ministerial meetings occurs in the Policy Steering Committee (PSC), represented by Policy Directors. The Military Coordination Committee (MCC) manages the armed forces' cooperation.

The NORDEFCO structure is a cooperation structure; it is not an international organisation or a command structure. Pursuant to NORDEFCO's MOU "The purpose of the Nordic Defence Cooperation (NORDEFCO) is to strengthen the Participants' national defence, explore common synergies and facilitate efficient common solutions". The actual participation in and realisation of commonly agreed joint projects remain national decisions. The objective of NORDEFCO is to promote the more effective generation of military capabilities, support the development and maintenance of nationally important capabilities, and to jointly produce assets for crisis management.

According to NORDEFCO's 'Vision 2020', adopted during Finland's Chairmanship in 2013, by 2020 political and military dialogue on security and defence issues, and information sharing between the Nordic capitals will be established practice, and enhanced cooperation and coordination in capability development and armaments cooperation will be a natural element in Nordic capability and materiel projects. Training and exercises, the pooling of capabilities and deep-

ening cooperation in the area of life-cycle support of defence inventories are expected to intensify.

NORDEFCO's military cooperation takes place within the framework of five Cooperation Areas (COPAs), subordinate to the MCC comprising representatives of the armed forces. The COPAs can decide to start working groups for specific activities in which countries participate if they so decide. While there are approximately 80 ongoing project-specific working groups, the scope of many of them is quite limited and precisely defined. The countries can also tap into NORDEFCO cooperation in their other defence cooperation. NORDEFCO's Cooperation Areas are: Capabilities (COPA CAPA), Armaments (COPA ARMA), Human Resources & Education (COPA HR&E), Training & Exercises (COPA TR&EX) and Operations (COPA OPS).

COPA CAPA addresses the Nordic nations' long-term development plans with the aim of identifying new areas for capability cooperation. This is a key Cooperation Area because, in the long run, it enables the Nordic countries to compile a comprehensive picture regarding each country's defence related goals and available options. The aim of COPA ARMA is to achieve benefits within the field of acquisition and life-cycle support. Through the mutual exchange of information on planned national procurement it is also possible to carry out common procurement projects. Among other things COPA HR&E and COPA TR&EX will address questions associated with individual training, courses and veterans´ issues. The Nordic crisis management training centres have cooperated for years already and their curricula are also open for third country participation. The Combined Joint Nordic Exercise Plan (CJNEP) was drawn within the framework of COPA TR&EX; in 2013 it was also expanded to cover the exercises of the Baltic States (CJNBEP). The aim of COPA OPS is to create and support the capabilities needed in crisis management operations. The exchange of information facilitates declaring a potential Nordic Force for UN-led operations.

The grounds for the Nordic countries' national defence solutions, and the view ahead as regards defence cooperation

All Nordic countries have reformed their defence systems. The overall drivers of change have been very similar: the effects of the changing character of warfare on critical defence capabilities, ageing and increasingly expensive defence

materiel as well as the need to balance the armed forces' operations with the defence budget. It is safe to assume that changes in the international situation affect, in some manner, all Nordic armed forces' development principles at the practical level.

Once the ongoing Finnish Defence Forces Reform is concluded, its wartime strength will have decreased from 350,000 to 230,000 troops. Decisions concerning the Navy's most important combat vessels should be taken by the end of this decade. The Air Force's Hornet fighters are to be decommissioned as planned by the end of the 2020s. Decisions on securing the air defence system's effectiveness have to be taken in the early 2020s. During the next 15 years Finland must take exceptionally many significant decisions regarding its defence system.

Sweden continues the profound structural reform of its defence system, which has proven more difficult and expensive than expected. As a result of the reform, launched in 2009, wartime strengths have been dramatically cut. Even so, Sweden continues to maintain relatively strong air and maritime defences, and a smaller ground defence which is, however, in high readiness. While its practical defence solution resembles that of Norway and Denmark, the crucial difference is that it does not gain any added value from collective defence because it is not a member of NATO. Then again, it does not have any concomitant obligations. The Swedish defence industry will remain strong, able to produce top-quality equipment for all services. The single most important acquisition programmes are the JAS-39 E Gripen multi-role fighter and the A-26 submarine. In the near future the personnel shortage bedevilling every service branch will be a challenge for Sweden. Due to the strained international situation the Baltic Sea is increasingly important in strategic terms, and miscellaneous re-evaluations concerning defence readiness have been launched. Sweden places strong emphasis on Nordic-Baltic (NB) cooperation, in the context of which Sweden underscores its solidarity policy.

NATO membership is a cornerstone of Norway's defence policy. Norway's healthy state economy has made it possible to carry out a defence reform, supported by solid financing. Like Sweden, Norway has also increased the share of professional military personnel without, however, abolishing general, albeit selective, conscription. In 2013 the legislation was changed and general conscription was also extended to women. Still, in practice only 9,000 Norwegian men and women enrol in national service annually. The armed forces' most

important procurement programme is the acquisition of 52 Lockheed Martin F-35 fighters for the air force from 2017–2024. The plans include new submarines for the Navy in the 2020s. It is also likely that the Navy's Fridtjof Nansen-class AEGIS-frigates will be furnished with a naval missile defence system in the coming years. Norway has bolstered the ground defence of Northern Norway – the North and the Arctic region being strategically the most important sectors. Norway's defence solution is based on high-readiness forces and on NATO support. A concrete expression of, among other things, the latter is the pre-positioning of materiel for the US Marine Corps in Norway.

Likewise, NATO membership is a cornerstone of Denmark's defence policy. Pursuant to the Danish Defence Agreement 2013–2017 "Denmark's sovereignty is secured in a strategic perspective through NATO's Article 5 commitment to collective defence of Alliance territory. At the same time, NATO provides a framework for the participation of the Danish defence in international missions". Denmark intends to continue to be one of the core Member States of NATO which pioneer the development of future military capabilities. Denmark's defence appropriations are expected to be sufficient as regards facilitating the development measures for the duration of the Defence Agreement which extends until 2017. According to the Agreement all services must develop capabilities suited to international operations. The most important procurement programme in the coming years concerns replacing the air force's F-16 fleet with new fighters. Denmark participates in the development of the F-35 fighter, and it is considered to be the favourite when Denmark selects its new fighter. SAAB pulled out of the competitive process in July 2014. Like Sweden and Norway, Denmark also intends to preserve its general conscription legislation at least until 2020. In practice, however, the significance of professional military personnel continues to grow. The importance of the Baltic Sea is also becoming more important for Denmark, and Denmark is expected to actively participate in NATO's increased activities in the area.

Iceland is a member of NATO. However, it does not have any armed forces of its own. When it comes to defence, Iceland is totally dependent on NATO and other NATO Member States' capabilities.

As a result of even a short analysis, it can be stated that the Nordic countries' geographical positions, defence solutions and correlated capabilities are dispa-

rate. Norway and Denmark strongly rely on NATO's collective defence, which they intend to develop with their own input. Sweden concentrates on improving its air and sea defences, and the development of its ground defence focuses on a high-readiness Army, albeit a smaller one. Sweden systematically improves the networking of its defences, and bilaterally cooperates with different European countries and the United States. Nordic cooperation is but one form of defence cooperation for Sweden. Finland's emphases differ from those of the other Nordic countries. The territorial defence system covering the entire area of the country entails that the focus be placed on ground defences. Safeguarding the vital sea lines of communication during a crisis and the significance of the air defence will be ever-growing challenges for Finland.

When it comes to their basic defence policy solutions the Nordic countries differ from each other, which, for its part, brings about the fact that a traditional military alliance, security guarantees included, is not a shared ambition in their defence cooperation. Nor do they intend to contribute their core capabilities to the framework of this cooperation. Alongside other forms of collaboration, Nordic defence cooperation can only be supplementary at best.

Neither does Nordic defence cooperation in any shape or form replace Finland's or Sweden's national defences or other defence cooperation which they engage in within the framework of multinational and bilateral arrangements. For example, Sweden's most recent defence policy report (*Försvarsberedningen* 2014) states that cooperation with NATO plays a crucial role in developing the Swedish defence forces' capabilities for national defence and international operations.

Nordic cooperation is widely supported by the citizens of all Nordic countries. Nordic defence cooperation has also received much positive attention internationally, even if regional defence cooperation is not a unique international phenomenon.

The Nordic countries estimate that, through their defence cooperation, they can develop such forms of military cooperation which can facilitate their national development and the maintenance of military capabilities. This cooperation is also estimated to improve the preconditions for the Nordic countries' common, top-quality input for the future needs of international crisis management.

Nordic defence cooperation provides them a supplementary interface with defence cooperation between other countries. An example of this is the Baltic States' interest in Nordic defence cooperation. Since the 1990s the Nordic countries have supported the development of the Baltic States' defence capabilities, and it is only natural that defence cooperation be seen as an element in the comprehensive Nordic-Baltic (NB) cooperation. Contacts are also kept with the Baltic States within the framework of NORDEFCO.

The NB cooperation in the defence sector is also natural from the viewpoint that the security environment is shared by all, and interdependence is great. As all NB countries are either Member States of the European Union or NATO, this also bonds them together from a security policy perspective. At the same time there are clear differences on the justifications of defence sector cooperation between the Nordic countries, and within the NB context. While Norway keeps emphasising the significance of the Arctic region, for Sweden the Baltic Sea is the most important strategic sector. Sweden's most recent defence policy report states that Sweden should contribute to the deepening of political, economic and military cooperation among the Nordic countries, the Baltic States as well as Poland and Germany.[15] Denmark, Norway and the Baltic States are in many ways connected with NATO's northeastern sector defence planning and operations, as are Poland, Germany, the United Kingdom and the Netherlands.

The possibilities for wider North-European cooperation have been discussed within the framework of the 'Northern Group' (NG: Nordic countries, Baltic States, Poland, Germany, the UK and the Netherlands). The NG does not have structures similar to those in NORDEFCO. Rather, the intention was to keep it an informal grouping within which topical issues in the EU, NATO or regional cooperation could be discussed, while keeping the parallel development of work which is being carried out under various structures as the point of departure. While there is no concrete project cooperation, it has not been ruled out.

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[15] Försvaret av Sverige. Starkare försvar för en osäker tid. Regeringskansliet, Ds 2014:20, p. 21.

Bilateral cooperation between Finland and Sweden

The implementation of joint projects through case-by-case tailored compositions is a characteristic feature of Nordic cooperation. From this standpoint Swedish-Finnish bilateral cooperation is seen as an element of Nordic defence cooperation, but at the same time it is proof positive of the countries' exceptionally close relations. Owing to their similar security policy solutions and geographical proximity the militarily non-aligned Finland and Sweden are natural partners. The close and confidential foreign, security and defence policy dialogue has become an important part of their bilateral relations.

The Finnish and Swedish defence forces have engaged in practical cooperation for several decades already. The notion of closer defence policy cooperation crops up from time to time, and includes changing emphases. The cooperation has materialised through, among other things, acquisition programmes, joint crisis management participation (e.g. ISAF, the EU's Nordic Battlegroup), and training and exercises.

The development of Finnish-Swedish defence cooperation has entered a dynamic phase. The options for deepening bilateral defence cooperation will be evaluated under the Action Plan for Deepened Defence Cooperation between Sweden and Finland, signed by the defence ministers on 6 May 2014. The introduction of the Action Plan states that "cooperation will be realized both bilaterally as well as within existing fora such as Nordefco (sic), the EU, Nato (sic) or the UN". This being the case, the ambition level of the Action Plan is fully analogous with that, for example, of NORDEFCO, supplementing them. Bilateral cooperation is limited to activities in peacetime.

The inclusion of potential defence cooperation as early as the planning phases of defence development programmes could lay a good foundation for the further development of Finnish-Swedish defence cooperation regarding *inter alia* training and exercises, maritime and air surveillance, the joint use of ports and air bases and command environment system cooperation. The development of cooperation on logistics arrangements and acquisition programmes could possibly generate cost savings and synergies. Sweden, for instance, has shown interest in studying whether it could apply the Finnish Army's materiel life-cycle maintenance concept itself. Similar maintenance concepts, when implemented,

would facilitate closer cooperation and generate synergies for both countries. An example of potential logistics cooperation is the contract on the Nordic NH-90 helicopter maintenance centre, signed between Patria and NH Industries in 2013, under which Patria, as NHI's designated Nordic maintenance centre, can be in charge of logistics, spare parts and maintenance services. This arrangement also applies to Norway which is the third Nordic member in the NH-90 user community.

The point of departure for deepening defence cooperation always entails a political consensus on how far the parties want to proceed in harmonising their defence systems. The question is whether the goal of cooperation is to facilitate defence capability development or should it extend all the way to Pooling & Sharing. Because of Norway's and Denmark's strong NATO emphases it seems unlikely that the progress in the Nordic framework would lead to Pooling & Sharing. Exceptions to this might be the formation of a possible Nordic Force for crisis management and Nordic cooperation on Tactical Air Transport pursuant to the MOU signed in December 2013. It is possible for Finland and Sweden, on a bilateral basis, to deepen their cooperation, especially to advance the interoperability of air and maritime defences, and to take initial steps towards pooling and sharing, for example, by compiling joint maritime and air pictures.

The benefits reaped from the expansion of defence materiel cooperation in Nordic and bilateral Finnish-Swedish cooperation are normally mentioned as the key drivers of change. In reality, the expansion of defence materiel cooperation is challenging, among other things, because of country-specific requirements and procurement schedules. Decisions and timetables regarding major acquisitions rarely meet in such a manner that joint procurements can even be considered. Improving the exchange of information on long-term defence planning and materiel related projects can improve the possibilities of future cooperation. Moreover, one must take into consideration that the Nordic countries use several weapon systems of equal type whose life-cycle updates and maintenance provide potential opportunities for industrial cooperation.

When it comes to the defence materiel sector, Sweden is by far the most important actor among the Nordic countries; it is committed to maintaining its position as a manufacturer of advanced weapon systems, such as combat aircraft and submarines. Sustaining a viable defence industry is an important objective

for Sweden's defence economy. Maintaining the competitiveness of the Swedish industry requires wide-ranging technological networking among international businesses and close cooperation with countries that procure Swedish technology. For example, comprehensive industrial cooperation is an integral element of Brazil's JAS-39 E programme which makes it possible to integrate Brazilian systems into the aircraft at an early stage. From the Swedish perspective the maintenance of the defence industry's competitiveness and capacity to cooperate with others calls for the widest possible defence policy network. From the viewpoint of industry the United States plays a crucial role in Swedish foreign and defence policy because the Swedish defence industry incorporates so many American sub-systems and components in its products.

Judging by the present guidelines neither Finland nor Sweden have set pooling and sharing of defence capabilities in wartime conditions as their common goal. The goal of peacetime cooperation is to more efficiently produce capabilities for the national defence, and to partly share some capabilities in order to reap mutual benefits. Bilateral cooperation supplements the totality of both countries' international defence policy cooperation.

In principle, the development of tangible joint projects for conflicts and wartime conditions is not ruled out. For such a purpose arrangements and agreements concerning access to and availability of capabilities would naturally be important. As the opportunities for closer cooperation are being evaluated, alongside any benefits to be achieved, it is important to mutually assess the legal and financial implications and preconditions. Different contractual arrangements might prove valuable in any aforementioned cooperative arrangements.

It is possible to gradually advance bilateral cooperation and goal-setting between Finland and Sweden. The development of cooperation may advance further even without including or excluding a defence alliance as a goal. In order to enter into an actual defence alliance both countries would have to sign a State Treaty. A defence alliance between the two countries would also result in deeper cooperation in other foreign and security policy.

Abbreviations

CDP	Capability Development Plan
CFE	Treaty on Conventional Armed Forces in Europe
CFI	Connected Forces Initiative
CFI TF	Connected Forces Initiative Task Force
COPA	Cooperation Area
CJNEP	Combined Joint Nordic Exercise Plan
CJNBEP	Combined Joint Nordic Baltic Exercise Plan
CRBN	Chemical, Radiological, Biological, Nuclear
DCB	Defence Capability Building
DDR	Disarmament, Demobilisation, Reintegration
EAPC	Euro-Atlantic Partnership Council
EDA	European Defence Agency
EDTIB	European Defence Technological and Industrial Base
EU	European Union
EUFOR	European Union Force
EULEX	European Union Rule of Law Mission
EUPOL	European Union Police Mission
EUTM	European Union Training Mission
GCC	Gulf Cooperation Council
ICI	Istanbul Cooperation Initiative
IED	Improvised Explosive Device
IFOR	Implementation Force
INF	Intermediate-Range Nuclear Forces Treaty
ISAF	International Security Assistance Force
KFOR	Kosovo Force
MAP	Membership Action Plan
MARSUR	Maritime Surveillance
MCC	Military Coordination Committee
MD	Mediterranean Dialogue
MOU	Memorandum of Understanding
NATO	North Atlantic Treaty Organisation
NB	Nordic-Baltic
NG	Northern Group

NGC	NATO-Georgia Commission
NORDAC	Nordic Armaments Cooperation
NORDCAPS	Nordic Coordination Arrangement for Peace Support
Nordefco	Nordic Defence Cooperation
NORDSAMFN	Joint Nordic Committee for Military United Nations Matters
NORDSUP	Nordic Supportive Defence Structures
NPT	Non-Proliferation Treaty
NRC	NATO-Russia Council
NRF	NATO Response Force
NUC	NATO-Ukraine Commission
OCC	Operational Capabilities Concept
OSCE	Organization for Security and Co-operation in Europe
PARP	Planning and Review Process
PG	Partnership Goal
PII	Partnership Interoperability Initiative
PJC	Permanent Joint Council
PSC	Policy Steering Committee
RAP	Readiness Action Plan
RFP	Response Forces Pool
SFOR	Stabilization Force
SKJL	Finnish crisis management force in Lebanon
SSR	Security Sector Reform
START	Strategic Arms Reduction Treaty
UNIFIL	United Nations Interim Force in Lebanon
VJTF	Very High Readiness Joint Task Force
VD	Vienna Document
WEU	Western European Union
WFP	World Food Programme

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