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**EU's Strategic Compass and its
Implications: What is the Future
of European Strategic Sovereignty?**

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Adapt Long Read

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SUMMARY AND RECOMMENDATIONS

- The Strategic Compass represents a major political proposal to prevent the risk of “strategic shrinkage”, or the risk of being always principled but seldom relevant. Aiming for “strategic sovereignty” is, therefore, an inherent ambition of the document. Strategic sovereignty applies to broad questions of trade and critical supplies, reframing strategic partnerships and sustaining a multilateral order in a rapidly changing world. Due to the Russian invasion of Ukraine, the EU will undoubtedly prioritise defence, security, and energy policy dimensions.
- We consider four main categories of action (act, secure, invest, partner) as reasonably chosen. However, some particular goals, such as building rapid and flexible decision-making or tackling hybrid threats, require a long-term and complex approach and thus may become problematic. Enhancing military capabilities as outlined in the document is not unrealistic. Still, the Member States will have to boost their investments, as well as design information campaigns to gain public support for envisioned European security reforms.
- The Strategic Compass rightly stresses the need to create space for political will and operational efficiency, which should maintain the real credibility of the EU. That takes us back to the controversial question of the qualified majority vote in Common Foreign and Security Policy. Other areas of criticism are focusing on suspected low enforceability or concerns about duplication of functions and structure of NATO. It is essential to continuously enhance cooperation between NATO and the EU. The new NATO strategic concept will hopefully offer additional guidance.
- Building mutually beneficial partnerships and boosting innovation and technologies via investment - have a solid potential to reinforce the soft power of the EU. Innovations are a vital part of the green transition. We consider the objectives of enhancing climate change resilience as a valuable part of the Strategic Compass, as ambitious environmental and climate policies of the EU have a significant role in global climate change mitigation and adaptation. However, building a defence industry may collide with climate goals as it consumes natural resources and generates emissions.

INTRODUCTION

The Strategic Compass was created at the level of EU countries under the leadership of the European External Action Service (EEAS) and was adopted by the Member States in the Council of the EU. It was announced by Commission President Ursula von der Leyen in her September 2021 State of the European Union (EU) speech. On November 15, 2021, High Representative of the Union for Foreign Affairs and Security Policy/Vice-President of the Commission (HR/VP) Josep Borrell presented the draft European Union Strategic Compass (European Parliament 2021a, 1). The draft was to undergo an exchange of views to be prepared for the final round of adjustments before its adoption in March 2022 during the European Council meeting. The Strategic Compass had to be revised repeatedly due to the constantly evolving security threats. The Russian war against Ukraine, which escalated in February 2022, gave a new sense of urgency to the document, adopted on March 21, and endorsed on March 25. The war is mentioned in the summary: “The return of war in Europe, with unjustified and unprovoked Russian aggression against Ukraine, as well as major geopolitical shifts, are challenging our ability to promote our vision and defend our interests.” (Barigazzi, Gijs and Lau 2022) Clearly, this event has significantly shifted the view of Europe’s population as well as political leaders on security and defence.

The document was being prepared for nearly two years, starting with the German Presidency in the first half of 2020, reflecting new threats and opportunities, with the ambition of conceptualising and strengthening the EU’s security and defence policy. The finish line was partly determined by Russian aggression, which is reflected mostly in the chapter “The world we face”. In the light of these latest events, the expectations were high. Likewise, there were (and still are) doubts and critical voices stressing the limits of the document, low enforceability, concerns about alleged duplication of NATO capabilities or scepticism related to the EU’s military forces. After finishing the preparation phase, the EU faces another daunting task - implementing the Strategic Compass.

STRATEGIC SHRINKAGE AND SECURITY THREATS

The main aim of creating the EU Compass was to provide security for European citizens, act faster and more decisively to protect European values and interests and contribute to international peace and security. The document was prepared with the emphasis on several major contemporary threats and challenges, which were reflected in the threat analysis (completed in 2020) (European External Action Service 2020). These significant security threats result from the complex strategic competition and come along with conflicts and sources of instability, which are multiplying in the European neighbourhood and beyond (European External Action Service n.d.). The tools of power that are used nowadays are represented by disinformation, cyber-attacks, the instrumentalisation of migrants, the privatisation of armies and the political control of sensitive technologies or rare earths (Borell n.d., 2). These contemporary threats are not related only to hard power because sophisticated hybrid threats such as information operations and other means of hybrid warfare are being used without a military presence. Disinformation or cyberattacks have become new frontiers of geopolitical conflict, and even soft power is weaponised (what may be illustrated by the “vaccine diplomacy”) (Borell 2021b).

According to Josep Borell, building a powerful and sovereign Europe in the field of defence means “learning the language of power” and “being willing to act more rigorously to defend its interests wherever they are threatened.” (Jourdain 2022) To achieve this goal, Europe needs to create space for political will and operational efficiency, which should maintain the real credibility of the EU.

According to Borell, “the Strategic Compass is a political proposal to prevent the major risk the EU is facing: that of ‘strategic shrinkage’, or the risk of being always principled but seldom relevant.” (Borell n.d.) The strategic shrinkage is being viewed from three perspectives: first, the EU’s economic reach is becoming increasingly circumscribed; second, the EU’s strategic theatre is increasingly contested, owing to challenges by new ambitious actors, demonstrations of military force, and destabilisation strategies featuring cyber warfare and disinformation; and third, the EU’s political

sphere is being squeezed, and its liberal values increasingly contested (Borell 2021a). In the light of recent events in Europe, especially the Russian aggression against Ukraine, there was a slight change in the perception of European security. In his foreword to the Strategic Compass, Josep Borell reflects this new configuration and talks about Europe's geopolitical awakening: "The essence of what the EU did in reacting to Russia's invasion was to unite and use the full range of EU policies and levers as instruments of power. We showed that we are ready to pay a severe price to defend our security and that of our partners - the price of freedom." (European External Action Service 2022a, 4)

The process of creating the final document was to reflect three main questions: What challenges and threats do we face? How can we join our resources and use them more effectively? How can Europe exercise its influence as a regional and global player? (Borell 2021a)

To answer these questions, Strategic Compass:

1. provides a shared assessment of the EU's strategic environment, the threats and challenges we face and their implications for the EU;
2. brings greater coherence and a shared sense of purpose to actions in the area of security and defence that are already underway;
3. sets out new ways and means to improve our collective ability to defend the security of our citizens and our Union;
4. sets clear targets and milestones to measure our progress (European External Action Service n.d.).

European leaders have agreed that Europe cannot afford to be a bystander in a hyper-competitive world. Their confidence in moving Europe forward to the "European Defence Union" was based also on the citizens' approval resulting from opinion polls showing they want the EU to contribute in a more active way to their security and that of the world (Borell n.d.). Indeed, public opinion is now even more determined by the war in Ukraine. The Compass lists deliverables for the short (2022) and medium terms (2025) across the compass's four "baskets", which were selected in the first half of 2021. These are:

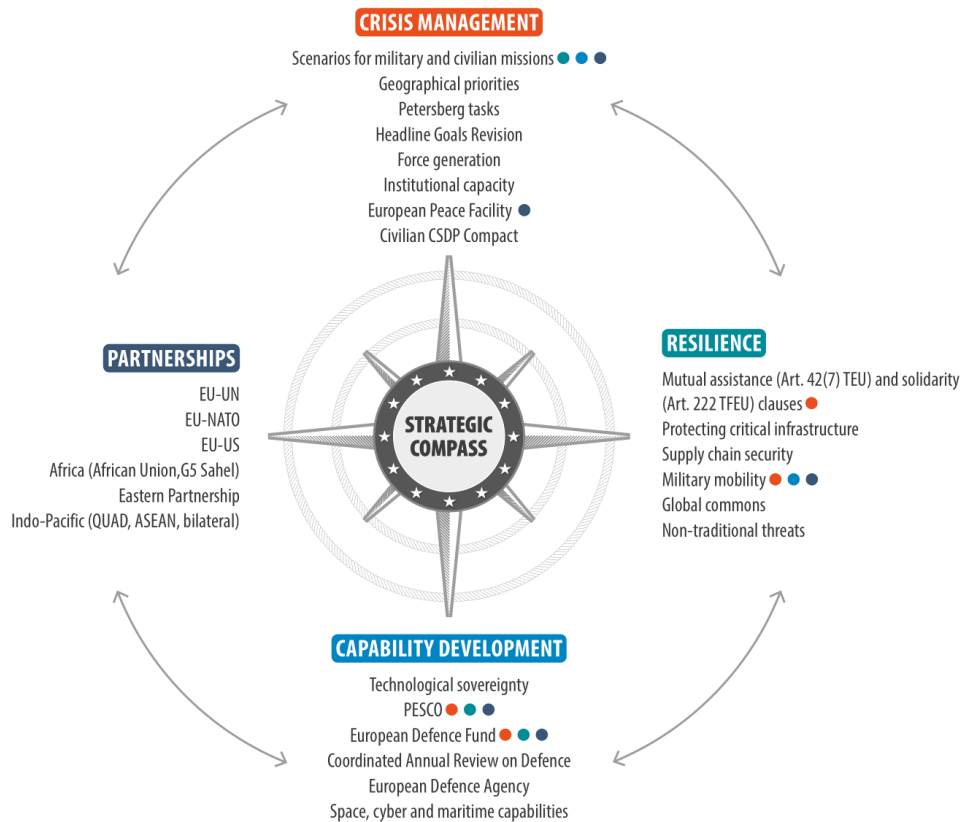
- **Crisis management** - Manifested through the EU's military and civilian missions and operations, it focused on strengthening the EU's ability to react quickly to crises and enhance its overall preparedness.

- **Resilience** - Seen as the concept of 'preparedness and prevention, early warning systems and coordination structures', needed to prevent shocks and crises and also to ensure the ability to withstand them. The resilience basket focuses on protecting the EU's key functions and interests and reducing vulnerabilities on the continent and abroad.
- **Defence capabilities** - Defence cooperation and frameworks for joint research and defence capability development; with the emphasis on initiatives including the European Defence Fund (EDF) and its precursor programmes, permanent structured cooperation (PESCO), the Coordinated Annual Review on Defence (CARD), and military mobility, which have become defining instruments in the EU's defence industrial and military integration.
- **Partnerships** - Ways to enhance the EU's work with partners (international organisations and individual countries) while making the EU a more 'effective security provider and a more responsible and reliable partner'. It is focused mainly on the links between the EU and NATO, transatlantic partnership, but also other platforms such as OSCE, the African Union, and ASEAN (European Parliament 2021c).

Along with the baskets and based on public support, agreement of leaders, and threat analysis that preceded, four main categories of action were established, which correspondent with the baskets in order as follows:

1. **Act:** to act rapidly and robustly whenever a crisis erupts, with partners if possible and alone when necessary;
2. **Secure:** to enhance our ability to anticipate threats, guarantee secure access to strategic domains and protect our citizens;
3. **Invest:** to invest more and better in capabilities and innovative technologies, fill strategic gaps and reduce technological and industrial dependencies;
4. **Partner:** to strengthen our cooperation with partners to address common threats and challenges (European External Action Service 2020).

The European Union's 'Strategic Compass' process



Four baskets of the European Strategic Compass. Source: European Parliament 2021b.

THE EUROPEAN STRATEGIC SOVEREIGNTY

Recently adopted Strategic Compass refers to the term “strategic sovereignty”, which builds on the term “strategic autonomy”, widens it, and indicates a whole array of new concepts. According to the strategic sovereignty concept, the EU needs to “redouble its efforts to master technologies, manage critical supply, act in security and defence, and sustain multilateralism and partnerships.” (Fiott 2021, 2) In contrast with strategic autonomy, used mainly in context with European security and defence, strategic sovereignty applies to broader questions of trade and critical supplies, reframing strategic partnerships and sustaining a multilateral order in a rapidly changing world. The whole concept is meant to answer the question of securing European values and interests in more

determined ways, as well as strengthening the multipolar order and playing a key role alongside the core partners.

Russian aggression against Ukraine presents a suitable example of activity aimed at damaging or altering the multilateral order, which is in direct contrast to European values and interests. Therefore, we may understand strategic sovereignty “as the EU’s ability to decide and act in accordance with its own rules, principles and values. This means there should be no real contradiction between the pursuit of European sovereignty and the EU’s promotion of multilateralism, respect for the rule of law, democracy, human rights and market openness.” (Fiott 2021, 4)

As was already indicated, many factors directly determine strategic sovereignty. The three main are represented by:

1. The EU’s ability to comprehensively manage existing interdependencies in fields such as trade, the single market and critical supplies;
2. The EU’s ability to take stock of existing strategic partnerships, such as the transatlantic link, and to think of new ways to enhance them;
3. The EU’s approach to sustaining the multilateral order in innovative and inclusive ways (Fiott 2021, 4-5).

We would also like to underline the importance of technology and digital space, which are covered by the concepts of “technological sovereignty” and “digital sovereignty” in the EU’s new vision (stressed in the chapter “Invest”). The above-mentioned threat analysis undertaken under the Compass process highlighted rapid technological developments as an impact factor on international security. The EU thus needs to display more ambition and action if it is to maintain its competitive edge and promote technological sovereignty. According to the European Parliament, “the ‘cooperation and integration of the most advanced technologies’ will determine the fate of European strategic autonomy. A ‘coherent and long-term approach’ is advised, by increasing investment in strategic technologies and by exploring synergies between civil, military, and space industries.” (European Parliament 2021c, 1)

THE STRATEGIC COMPASS CONTRIBUTION TO THE EUROPEAN STRATEGIC SOVEREIGNTY

We consider spilling the issues previously belonging to the realm of low politics into the great power rivalry field a very important aspect, as it can make a difference in defining the international position of the EU (Blockmans 2021). However, some critics imply that new areas of European debate and its policies should remain realistic. In our view, four categories of action (act, secure, invest, partner) were chosen carefully and wisely. On the other hand, some particular goals, such as building rapid and flexible decision-making or tackling hybrid threats, require a long-term and complex approach and thus may become problematic. Nonetheless, elements such as cyber diplomacy - stressed by the Cyber Diplomacy Toolbox, which is to be strengthened in 2022 - will probably become an essential tool in the near future, taking into account the importance of cyber security. Together with the EU Hybrid Toolbox and the Foreign Information Manipulation and Interference Toolbox, it may ensure a more rapid response to sophisticated and harmful hybrid operations.

Building military capabilities as outlined in the document is not unrealistic, but we assume that the Member States will have to improve their strategies for financing it, as well as design information campaigns to gain public support for envisioned European security reforms (funding NATO is not always unproblematic; thus EU may struggle as well). Also, there may be a considerable amount of scepticism about goals of disarmament, non-proliferation, and arms control, which seem unrealistic in the context of having an aggressive neighbour - the Russian Federation. Building mutually beneficial partnerships and boosting innovation and technologies via investment have a solid potential to reinforce the soft power of the EU. Last but not least, we consider the objectives of enhancing climate change resilience as a valuable part of the Strategic Compass, as ambitious environmental and climate policies of the EU have a significant role in global climate change mitigation and adaptation. The Strategic Compass acknowledges the complexity of contemporary climate issues and threats to European citizens, as well as its importance in gaining an advantage (e. g. obtaining strategic resources such as water, protecting the vulnerable

communities etc.). The EU also has the potential to strengthen the global fight against climate change as one of the key players.

As we have already mentioned, to achieve the goal of acting more rigorously to defend European interests wherever they are threatened, Europe needs to create space for political will and operational efficiency, which should maintain the actual credibility of the EU. The above-mentioned goals may contribute to European strategic sovereignty if taken seriously and implemented efficiently.

CONCLUSION

There is a certain amount of criticism pointing at the alleged doubling or copying NATO responsibilities or powers. However, the war in Ukraine shows the importance of EU-NATO cooperation and common goals. In January, NATO Secretary General Jens Stoltenberg pointed out that 21 NATO member states “are actually also EU members, meeting Russia and sitting around the NATO-Russia Council meeting table and discussing directly with Russia for four hours, all the aspects of great importance for European security.” (Brzozowski and Polett 2022) Strategic Compass is to offer a range of proposals to bring greater coherence and common sense of purpose to European security and defense actions; today's challenges and threats may serve as a precursor for this development until 2030. As stated by Josep Borell, the EU has the ambition to become a more decisive and relevant global actor: “Over the next decade, we will make a quantum leap to become a more assertive and decisive security provider, better prepared to tackle present and future threats and challenges.” (Fórum pre medzinárodnú politiku 2022, 1) Strategic sovereignty represents a response to the above-mentioned strategic shrinkage. The events such as Brexit, migration crisis, Covid crisis, and Ukraine crisis leading to war, have significantly undermined European confidence. On the other hand, it has brought more unity and commitment that is required in building the EU's Common Foreign and Security Policy and its integral part - Common Security and Defence Policy. This commitment may be now used in implementing ambitious and far-reaching plans set out by Strategic Compass.

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