

EU Defence: Franco-German Cooperation and Europe's Next Generation Battle Tank

by Ester Sabatino

The land component of European armies suffered from neglect over the past decades, as emerging asymmetric and hybrid threats pushed states to focus on new types of equipment and capabilities. While such threats are far from over, more conventional forms of military deterrence within NATO should not be overlooked, as they remain essential for an effective and integrated force posture in Europe.

Upgrading heavy land platforms is one important dimension of this effort, particularly with regards to the development of a new generation Main Battle Tank (MBT), an endeavour which may also provide increased momentum to foster defence integration across the EU.

Decades of meagre investments and poor upgrade programmes have caused the current obsolescence of MBTs in Europe, leading to a reduction in the total number of available platforms: the tanks available today are just a

third of those active in Europe 20 years ago, when they stood at 15,000 units.¹ Moreover, there are currently 14 different base models of MBTs in Europe for a total of roughly 5,100 platforms in use, creating significant interoperability challenges.

Despite this shortcoming, there is currently no real European project for the production of a new generation of MBTs. What does exist is a bilateral endeavour by France and Germany to co-produce a new tank. While positive, such bilateral cooperation should be further scaled up to ensure effectiveness, diminished costs and a significant push for increased EU-wide integration on defence matters.

Taking into consideration NATO's objective of providing deterrence and defence against any type of

¹ European Defence Agency (EDA), "Optimising Europe's Main Battle Tank Capabilities", in *European Defence Matters*, No. 14 (2017), p. 38, <https://www.eda.europa.eu/webzine/issue14>.

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attack, member states should possess an appropriate mix of forces and capabilities. These range from an ability to counter cyber and electronic attacks to more conventional platforms like MBTs that are essential to provide firepower, mobility and protection to troops engaged in conflict. Not having functioning MBTs in Europe constitutes a significant problem, undermining both the credibility and effectiveness of European defence.

In addition to the massive reduction in the number of available MBTs, out of the total in-service platforms one half will be phased out over the next five years, some can remain operational until 2030 and just a few will remain in service until 2040,² mainly the German made Leopard – the most widespread tank in Europe – and the French Leclerc. For some EU countries like Austria, Czechia, Cyprus, Latvia, Slovenia and Slovakia, the need to phase-out old tanks over the coming years will lead to the dismissal of their entire fleets of MBTs, which in most cases are soviet-era tanks.

At the moment, the only meaningful initiative at the EU level is the Franco-German consortium on the Main Ground Combat System (MGCS). France and Germany assumed a forward-looking approach in this regard. Even though the French Leclerc and the German Leopard 2A7 are tanks that enjoy the longest life-span, Paris and Berlin agreed back in 2015 to jointly develop a new generation of MBTs.

² Alessandro Marrone and Ester Sabatino (eds), "Main Battle Tanks, Europe and the Implications for Italy", in *Documenti IAI*, No. 20|07 (April 2020), <https://www.iai.it/en/node/11536>.

Due to the high production costs and the growing level of technology specialisation needed to produce cutting-edge MBTs, development by a single country is not feasible.

To this end, France and Germany created the KNDS joint venture between Krauss-Maffei Wegman and Nexter System combining their respective expertise to conceptualise an MBT capable of satisfying the operational needs of both armies, with a total foreseen production of around 550 tanks.

While this means there will not be a relevant increase in the total number of MBTs in France or Germany, the fact that all new tanks will be at the forefront of technological and operational domains will increase the deterrence and operational capacity of the two countries, not considering the synergies deriving from the employment of the same platforms.

Given the strategic importance of the project, the German company Rheinmetall – amongst the EU leaders for the production of heavy land platforms and related turrets – asked to be included in the cooperation, thus in part causing a one-year delay of the project. France and Germany had to find the right solution to include the third company, while maintaining the 50-50 work share between the two countries. The solution was found by the French and German Ministers of Defence at the end of April 2020, leading to the launch of a two-year feasibility study in May.³

³ Alexander Schröder, "Contract Concluded with Industry on Future Decisive Ground Combat System", in *Federal Ministry of Defence News*, 20 May 2020, <https://www.bmvg.de/en/>

The MGCS project attracted significant interest. Indeed, both Italy and Poland requested to be included in the consortium, but without results, due to the preference by both Paris and Berlin to bilaterally agree and define the operational requirements and industrial shares before opening the project to third countries. The inclusion of other actors might be allowed after the end of the definition study, when the main characteristics of the new tank will be defined.

The inclusion of a third member state in the project would permit it to be eligible for both PeSCo and EDF funding, thus transforming the project into a truly European endeavour. The EU's Permanent Structured Cooperation (PeSCo) and the European Defence Fund (EDF) can represent important tools for such effort. Inside the PeSCo framework there are two cooperative projects whose technologies may be used as a starting point for their application on a heavy tank, namely the *integrated Unmanned Ground System* (UGS) and the *Armoured Infantry Fighting Vehicle / Amphibious Assault Vehicle / Light Armoured Vehicle* projects.

The UGS project involves Estonia, Belgium, Czechia, Spain, France, Latvia, Hungary, the Netherlands, Poland and Finland and aims at the development of a modular architecture system capable of carrying different payloads and sensors. Given its potential, the project received additional funds under the European Defence Industrial Development Programme (EDIDP)

[news/contract-concluded-future-decisive-ground-combat-system-258470](https://ec.europa.eu/commission/presscorner/detail/en/fs_20_1085).

umbrella with a financial contribution of 30.6 million euro.⁴ The second project, led by Italy with contributions from Greece and Slovenia, instead aims to develop a common platform for fast deployment support, for reconnaissance, command and control as well as combat, logistics and medical support.

In addition, among the calls for projects contained in the EDIDP 2020 round of proposals, the Ground Combat Capabilities (GCC) one aims at the development of next generation or upgrade of current armoured platforms. While the limited budget of 9 million euro represents a challenge, the call may be understood as a first step towards a more structured cooperation on MBTs. In this respect, EDIDP regulations, like the EDF, requires the participation of at least three EU member states in order to receive European funding.

Should a plurality of member states jointly produce the tank, unit production costs would decrease by reaching an economy of scale, that could also be applied to the connected logistic and maintenance costs. This aspect is far more relevant today in times of COVID-19, since states will be hard pressed to dedicate substantial resources to defence. This was also part of the reason for the diminished allocation to the EDF budget, from the initial proposal of 13 billion euro, to the revised seven billion euro for the Multiannual Financial Framework 2021–2027.

⁴ European Commission, *iMUGS*, 15 June 2020, https://ec.europa.eu/commission/presscorner/detail/en/fs_20_1085.

Developing a future generation MBT by means of European cooperation would serve several purposes. From an industrial point of view, a European project would help reduce the fragmentation that characterises the land defence industrial sector in Europe. It would also permit the growth and consolidation of important competences, including the development of a modular heavy land system, to the autoloader system and unmanned turret just to name a few, in addition to the employment of new materials, more resistant and able to reduce the system's signature in terms of noise and heat absorption.

Finally, an additional advantage stemming from a cooperative project on a new generation MBT would be its adoption by the countries actually involved in producing it, thus reducing the high variety of different models in use, consequently lowering interoperability issues and increasing the deterrence of EU armies.

A truly European programme – meaning that at least three member states are actively involved in supporting the initiative – would make the project eligible to receive EU co-funding. Most importantly, it would help foster integration and cohesion on European defence. Indeed, the development and use of a common MBT in Europe would represent a culmination of the missing brick in EU defence cooperation, filling an important – and growing – gap in the inventory of European armies.

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