

KEYNOTE SPEECH
MINISTER FOR FOREIGN AFFAIRS ERKKI TUOMIOJA

NORDIC SECURITY COOPERATION = SMART DEFENCE?
Hanasaari 23 November 2012

Ladies and Gentlemen,

I am pleased to be here today to speak about a very topical theme, the Nordic foreign and security policy cooperation. The Nordic countries are natural and vital partners for Finland. We – the Nordics – share a strong common identity which is based on common values, history, culture and geography. These are all factors that have facilitated cooperation during many decades. In the beginning of our cooperation in the Nordic Council foreign and security policy were forbidden subjects at Council meetings, but now Nordic foreign and security policy cooperation has become a natural part of our discussions and practices. In recent years Nordic cooperation as a whole has deepened to the extent that we may even say that it is experiencing something of a renaissance. For our citizens Nordic cooperation is like motherhood and apple pie, everyone is for it.

We have a lot in common in terms of history and how our democratic societies function today. We have developed in the course of decades a very close cooperation in different sectors. While it is true, that Nordic integration in trade and economic issues has always been part of wider European integration and that our one attempt to take the lead – Nordek – was never realized, we have always used most efficiently the opportunities offered for intra-Nordic integration by wider European integration. But for today's Europe, in which people can move and work freely across the continent and vote in each other's local elections, it was the Nordic countries that showed the example much earlier.

One of the main characteristics of the Nordic approach has been the commitment to promote women's rights and gender equality both in our own countries and globally. The Nordic countries share the same pragmatism. Today, in times of economic turmoil, we are facing the same kind of challenges ranging from the need to balance the budget to rising defence material costs. This has led us to consider more closely common solutions to these challenges. We have together identified areas for cooperation that could bring added value and at the same time, be cost-effective.

We can say that Nordic foreign and security policy cooperation is in a period of dynamic development. In 2009 the Nordic Foreign Ministers started to discuss the Stoltenberg report that contained thirteen concrete proposals to enhance Nordic cooperation in the foreign and security policy area; including items such as peace building, air surveillance, maritime monitoring, arctic issues, military cooperation, declaration of solidarity and cooperation with our foreign services among others. Most of the items in the report had already been part of Nordic cooperation earlier or were already under consideration. Today, most of the report's recommendations have been adopted. One pragmatic feature of the Stoltenberg report is that not all of the five Nordic states are expected to engage in all the cooperative ventures. We have wanted to keep the format of cooperation flexible.

The Stoltenberg report builds on a vision of how Nordic countries could more closely work together in foreign, security and defence policy, for which there was already strong support in our countries. All five Nordic Governments share a strong political commitment to further deepen our cooperation. This has been evident at the various Nordic ministerial level meetings during the last couple of years. The message has been clear: We are all committed to do more together.

The Nordic Declaration on Solidarity, adopted at the Nordic foreign ministers meeting in April 2011, was a clear indication of this commitment. We then declared that on the basis of common interest and geographical proximity, it is natural for the Nordic countries to cooperate in meeting the challenges in

the area of foreign and security policy in a spirit of solidarity. Should a Nordic country be affected, the others will, upon request from that country, assist with relevant means. Possible security threats include for example natural and man-made disasters, cyber and terrorist attacks. We have emphasized that this intensified Nordic cooperation is fully in line with each country's security and defence policy and complements existing European and Euro-Atlantic cooperation.

The fact that the alliances of the five countries differ - Norway, Denmark and Iceland belong to Nato and Finland and Sweden wish to remain military non-aligned; Sweden, Finland and Denmark are in the European Union and all of us still use different currencies with Finland being the only one using the euro – does not hamper our cooperation in all the feasible fields.

Developing Nordic cooperation gets its inputs from all the Nordic capitals. It is a process that we cannot make alone. In Finland we stated in our Government program that Finland actively promotes deeper Nordic defence cooperation that aims at cost-efficiency in the relevant activities and at ways of securing capabilities. Security policy cooperation will be continued on the basis of the Nordic Declaration on Solidarity. Sweden will chair the Nordic foreign and security policy cooperation next year. We have heard that the Swedish Government will prepare a white paper on deepened Nordic cooperation which also includes security and defence policy cooperation. We look forward to following the discussion in Sweden after the paper is published.

A concrete example of deepening Nordic cooperation is the planned participation of Finland and Sweden in air surveillance in Iceland. This idea was first proposed in the Stoltenberg report in 2009. It was not immediately taken up, but as Nordic defence cooperation has since then developed the time was now ripe to reconsider the proposal, following on Iceland's reiterated interest and specific request for Finland and Sweden to participate in the activity. Finland and Sweden have now indicated their interest in participating in the Norwegian deployment in the spring of 2014.

Details of possible participation are under discussion and examination and waiting for NATO's response to Iceland's initiative. Once we have the required NATO decisions, Finland and Sweden will make their formal decisions, which in Finland will be based on Parliament's response to the Government's report that will be presented to it for scrutiny.

The participation of Finland and Sweden would clearly take Nordic cooperation forward. Participation in the Air Surveillance mission in Iceland would build on longstanding Nordic cooperation, such as the cross-border exercises already carried out by the Air Forces of Finland, Sweden and Norway in the Northern airspace of the three countries. It would be useful in enhancing Nordic cooperation as well as in improving skills that the Air Forces need in Finland and in international cooperation. It does not entail taking part in the Air Defence of Iceland, nor in NATO's collective defence tasks. This was clearly ruled out by us from the beginning, and equally clearly by NATO as well. There is no reason, need or intention to change Finland's relationship with NATO.

Another concrete example of our active cooperation is the enhancement of the Nordic cyber security cooperation that also concretizes the Nordic Declaration on Solidarity. We all acknowledge that cyber threats are a rapidly growing challenge to our security. The need for international cooperation in cyber security is evident, due to the nature of the cyberspace itself. International cooperation to counter cyber threats is still lagging behind. Therefore it is positive, that there are currently more and more ongoing processes related to enhancing cyber security on international fora, including for example the UN and the OSCE.

Here too regional cooperation is of great importance. Nordic countries, for their part, have responded to this security challenge with the decision to establish a Nordic Classified Communication network. The decision was made at the Nordic Foreign Ministers meeting last fall. The network, which consists of

Nordic national Computer Emergency Response Teams (CERTs) will be functional by the end of this year. But our work in this area has not ended yet. We are currently in the process of identifying new cooperation areas in the framework of Nordic cyber cooperation.

The Finnish Government has set ambitious goals with regard to cyber security. We are currently preparing our first national cyber security strategy that will be finalized in the near future. Our goal is to become a leading country in the development of cyber security.

The beginnings of Nordic defence cooperation go all the way back to the 1950's with training for UN peace keeping operations. The Nordic defence cooperation NORDEFECO was established in 2009 building on already existing cooperation. Today the Nordic countries are engaged in practical defence and security policy cooperation. Joint exercises, training, surveillance activities, military procurement, crisis management cooperation including capacity building in East Africa and participation in the ISAF operation in Afghanistan are examples of our active and practical defence cooperation today.

I am very satisfied with our active Nordic cooperation in Afghanistan. Our Nordic ISAF contingent in Northern Afghanistan is currently transforming into a new transit supporting role. In this role the capabilities of three Nordic countries (Sweden, Finland and Norway) and Latvia are combined and therefore also interdependent. Finland's role in the unit is to provide training and advising capabilities. The new Transit Support Unit should be fully operational by the summer of 2013.

Nordic countries are committed to develop and deepen the Nordic defence cooperation. It is interesting to note that our different choices on NATO and EU membership have not been a hindrance for deepening cooperation also in the field of defence. This is a proof of Nordic pragmatism.

There is considerable interest both in Europe as well as in the United States towards our regional defence cooperation. It can be seen as a platform for smarter multinational cooperation, in order to be able to continue setting up modern, flexible and relevant capacities. Its approach is pragmatic and results-oriented. It provides an example of well-functioning cooperation in the field of smart defence and pooling and sharing also in a wider EU- and NATO-context. An open and well-functioning regional cooperation can also contribute to strengthening regional stability.

It is important to note that Nordic defence cooperation is not a substitute for other international cooperation forms, i.e. EU or NATO cooperation. But it can supplement various fields of cooperation and give synergy and cost benefits to our countries defence forces' activities and development. Still it must be realized that capacity development cooperation takes time, taking also our countries' different defence solutions into consideration. Possibilities for deepened defence cooperation will be discussed also next year within the Nordic countries when Finland will be chairing the NORDEFECO cooperation.

We are currently considering more closely joint Nordic military contributions to the United Nations peacekeeping operations. This could be a natural area for deeper cooperation since we all are strongly committed to the United Nations and have a long history of active engagement in the work of the UN. We also share a similar approach to peacekeeping and a successful record of confidence- and bridge-building in post conflict situations. Finland has been involved in United Nations peacekeeping since the early days of our UN membership and we are committed to continuing our contribution. The Finnish contribution in the Middle East increased recently as we returned to the UNIFIL operation and some 170 Finnish peacekeepers were deployed to Lebanon last May.

We are still only at the beginning of developing joint Nordic contributions in crisis management operations. The reasons for the moderate speed have been mostly practical. We all seem to have

different focus areas and we have allocated resources to different operations. This is why we now need to look at this question from a longer perspective and have a more comprehensive approach to developing Nordic crisis management cooperation.

Nordic cooperation has also materialized in the development of EU Battle Groups. The Nordic Battle Group has already been formed and been on stand-by two times. Finland will also join the next formation of the Nordic Battle Group, led by Sweden in the first half of 2015.

So how does this fit into the bigger picture?

Generally speaking, European defence spending is gradually decreasing as states adapt to the security environment and balance their economies. While the European defence budgets decrease, the needs in international crisis management continue to rise, as do defence material costs. These challenges can be met only with more multinational cooperation. This concerns all nations in the Nordic area and in Europe, regardless of their national defence solution.

There is ongoing work simultaneously at various fora, e.g. NORDEFECO, EU Pooling and Sharing and NATO Smart Defence. These forms of cooperation can and should complement each other in a way that is pragmatic and useful from all perspectives. Smaller regional arrangements such as NORDEFECO can be quicker in producing concrete results, while EU and NATO continue to provide for their member states the wider frameworks that are necessary for taking the multinational cooperation forward more widely and in the longer timeframe.

Let's start with the EU-level cooperation:

There is a clear need to further enhance the EU's credibility and effectiveness as a global actor. Strengthening the Common Security and Defence Policy (CSDP) is an essential element for enhancing the EU's ability to contribute actively to global peace and stability.

However, the basis of the EU's capacity to act as a global security provider lies in its defence capabilities and in the defence technological and industrial base that produces them. These have been seriously affected by the current economic crisis. The situation is becoming critical for retaining key defence capabilities as well as the underlying and fundamental industrial capabilities, technologies and skills. It is clear that the solution lies in further enhancing member states' defence cooperation and taking advantage of wider EU instruments and policies to the benefit of all. Enhanced pooling and sharing of capabilities is a necessity but also an opportunity.

In the last two years, through the Ghent initiative, EU Member States have intensified their efforts to enhance cooperation in capability development and to achieve economies of scale, with a view to ensuring a more structured and systematic, long-term approach to pooling and sharing, which will promote greater harmonization in defence planning and synergies with wider European policies. The aim is to embed pooling and sharing solutions into national defence planning cycles, in a manner that respects the desired degree of sovereign political and operational autonomy as well as the acceptable level of interdependency, while optimizing costs. This contributes to the change of mind-set necessary for effective pooling and sharing in the long-term. These efforts need to be further intensified, and Finland is supporting this at the EU-level. We find it very useful that defence issues will be discussed at the level of the European Council in December 2013 and expect that this will give new impetus to CSDP more generally.

And secondly: NATO-cooperation:

It is important that also NATO's partner countries can be closely involved in the Smart Defence work in a mutually beneficial way. Finnish Defence Forces will make use of the opportunities offered by NATO's Smart Defence in capabilities development. Also from NATO there have been indications that useful partner involvement is looked for as NATO is examining possibilities to this effect. Furthermore, it should be underlined, that this cooperation is not aimed against anyone. We welcome the fact that Russia too has been increasingly ready to engage in joint exercises and other forms of cooperation with NATO- and non-NATO countries in the Baltic and High North.

Now going back to Nordic cooperation:

It is interesting to reflect the possible reasons for the strong political will and momentum to deepen the Nordic security and defence cooperation. Has it been the economic turmoil and budget cuts that have brought new pragmatism to our security cooperation? Or maybe it has been the EU's Common Security and Defence Policy that has not yet responded to our most ambitious objectives? And sometimes practical things matter. It is very easy to work together with our Nordic neighbours and close partners. There is a strong popular support in enhancing Nordic cooperation.

Let me draw a few conclusions:

Firstly: Nordic cooperation is a fundamental part of our foreign policy. It does not substitute other international cooperation forms, i.e. EU, UN or NATO cooperation but it supplements and gives synergy to our countries activities. Common values, history and geography create a natural framework for our security policy cooperation.

Secondly: The Nordic model is an attractive benchmark and brand also globally. There is interest abroad towards our pragmatic and results-oriented cooperation. Especially now, in times of economic turmoil and declining budgets, we have every reason to seek common solutions in security cooperation. It is hard to see any limits to our cooperation as long as the integrity of national decision-making is retained. In addition to contributing to regional stability in Northern Europe, and in the Northern areas, the enhancement of Nordic security cooperation also widens and increases Finland's own possibilities to influence the development of our neighbouring area.

Thirdly: We should be able to take advantage of the strong political will to deepen our cooperation and at the same time keeping in mind the fundamentals of our cooperation: added value, cost-effectiveness and focus on practical results. I believe that we still have many more new opportunities ahead of us within the future Nordic security cooperation.

Thank you.