

## NORDEFECO and NATO: “Smart Defence” in the North?

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Weekly Swedish-Finnish-Norwegian air defence training in the very north of Scandinavia; Swedish-Danish cross border exercises in the southern part of the region; Swedish-Finnish maritime patrolling in the Baltic Sea; and, in February 2014, Swedish and Finnish participation in the *Iceland Air Meet* exercise with NATO, led by Norway. These are only a few examples of Nordic Defence Cooperation, or NORDEFECO, the military acronym used to describe this multifaceted pattern of practical military training and cooperation across borders and security doctrines in the northernmost corner of Europe.

NORDEFECO can be described as a comprehensive framework of political and military cooperation, through which the five Nordic countries seek to enhance their operational capabilities and strengthen national and regional security and stability, notwithstanding the downsizing of military budgets. Or, as stated in the Memorandum of Understanding on which this cooperation is based, “the aim and purpose of NORDEFECO is to strengthen the participating nations’ national defence, explore common synergies and facilitate efficient common solutions.”<sup>2</sup>

This research paper takes a closer look at NORDEFECO, how it has evolved, what it involves today, and its future potential. How has the cooperation known as NORDEFECO come about, what does it mean in practice – and how far can it really go, considering the fact that the participating countries still adhere to different security doctrines? Is NORDEFECO a step towards NATO membership for all the Nordic states? Does it provide added value to the Alliance? Is it seen as a complement to NATO, or as a regional alternative? Last but not least: what benefits and problems can be identified, and to what extent should NORDEFECO be considered an actual example of Smart Defence (in NATO parlance, or pooling and sharing in EU-speak) and serve as inspiration for other groups of countries to copy?



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<sup>2</sup> *Memorandum of Understanding* between the Governments of Denmark, Finland, Iceland, Norway and Sweden on Nordic Defence Cooperation, signed in Helsinki on 4 November 2009.



**Table 1. The Nordic-Baltic Region (Centre for Military Studies, Copenhagen).**

**Security in the Nordic Region**

Though military cooperation between the Nordic countries has gradually evolved since the end of the Cold War, it has intensified in the last five years, with a formal agreement signed between the five participating countries in 2009. Much of this cooperation is somehow related to, or takes place in, the High North and the Arctic, the strategic importance of which has dramatically increased in the last decade.

Today, the myriad of joint projects and various forms of military cooperation have become a natural and undramatic part of life in the Nordic region. But not so long ago, such cooperation would have been strictly off-limits. While the Nordics – who are culturally so similar that outsiders often see them as virtually a single unit – have historically engaged in close cooperation in virtually all other walks of life, military matters were excluded from Nordic fora during the Cold War, due to the diverging security doctrines of the five countries. Of these, Denmark, Norway and Iceland (which does not have a military of its own) are founding members of NATO; Sweden and Finland have chosen to maintain their non-aligned status, and yet are now close operational partners of the Alliance.

To further complicate matters, Sweden and Finland joined Denmark as EU members in 1995, while Norway

decided to stay out. Norway, nevertheless, participates in the Union’s security and foreign policy in a number of ways, for example in EU military operations in Africa and, perhaps most notably, in the Nordic Battle Groups. In contrast, EU member Denmark remains outside any such ventures because it has opted out of participating in the EU’s foreign and security policy. For Iceland, the attraction of EU membership faded as the small island recovered from the brutal impact of the international financial crisis: in February 2014, Iceland withdrew its application. All five states participate in one way or another in regional organizations such as the Arctic Council, the Barents Council and the Council of the Baltic Sea States (CBSS); they also cooperate within the more limited framework of the Northern Dimension.<sup>3</sup>

	NATO	PfP	EU	CSDP	Arctic Council
Sweden		X	X	X	X
Finland		X	X	X	X
Denmark	X		X		X
Norway	X				X
Iceland	X				X

**Table 2. The Nordics: membership of NATO, the Partnership for Peace, the European Union, the EU Common Security and Defence Policy, and the Arctic Council.**

Though this intricate pattern might seem confusing to outsiders, the multiple foreign and security policy arrangements have not stopped the Nordics from progressing to more intense cooperation in the last decade or two. Indeed, matters related to defence and security policy were quickly added to the agenda as the Nordics convened at their traditional venues after the collapse of the bipolar system.

In 2009, the various transnational military and security-related contacts and projects already under way or being planned in the Nordic region were thus merged into a new, single structure: NORDEFECO – Nordic Defence Cooperation.

As a flexible instrument combining money-saving with

<sup>3</sup> The Northern Dimension is based on an EU initiative and serves as a tool for cross-border cooperation, mostly between Russia, Norway and Iceland (in conjunction with the EU), to support stability and development in the Arctic north in areas such as the environment, energy, and health care.



an extensive programme of activities, ranging from joint exercises and training to procurement of military equipment, NORDEFECO is seen as an excellent example of Smart Defence. Praise does not come exclusively from the Nordic countries themselves, though the many merits and benefits of this multinational defence cooperation are regularly pointed out by officials from the region. For instance, during the annual security conference in the Swedish ski resort of Sälen in January 2014, the Swedish prime minister, the Finnish president, and their two defence ministers argued enthusiastically in favour of further enhancement of defence cooperation between the two countries generally, as well as within a Nordic context.<sup>4</sup>

The Nordic project also attracted an increasing amount of international attention as a result of the 2008 financial crisis and the severe cuts to military budgets that followed in its wake. NORDEFECO receives particularly high marks at NATO HQ, where Secretary General Anders Fogh Rasmussen, former Prime Minister of Denmark, regularly refers to NORDEFECO as a model for others to study and emulate in these times of economic difficulty. So did his predecessor, Mr. Japp de Hoop Scheffer.<sup>5</sup> However, it took some time for the United States to warm to the idea and not see NORDEFECO as an attempt to break up NATO by luring the three Scandinavian allies away from the Alliance. Washington clearly prefers the extensive NB8-version (Nordic and Baltic countries) of NORDEFECO, including the three Baltic NATO members (also referred to by the Americans as *e-PINE* – Enhanced Partnership in Northern Europe).

### Nordic cooperation pre-NORDEFECO

Though there was already close interaction between the Nordic NATO members during the Cold War, and also – albeit in secret – between non-aligned Sweden and NATO allies Denmark and Norway, security and defence policy were not officially part of the agenda for Nordic cooperation at that time.<sup>6</sup> The two main Nordic institutions – the Nordic Council, established in 1952,

and the Nordic Council of Ministers, founded in 1972 – focused exclusively on promoting the cultural, political and economic values and interests that unite this closely knit group of five countries.

The end of the Cold War opened up new possibilities for cooperation in areas which had been blocked for close to fifty years. Finland quickly took advantage of the strategic window of opportunity that opened with the collapse of the Soviet Union, and both Finland and Sweden abandoned “neutrality” from their security doctrines, emphasizing instead their policies of non-alignment, as they both swiftly joined the EU (in 1995) and NATO’s Partnership for Peace (in 1994, as the first two partners to sign up for the PfP programme).

Efforts were also made at the Nordic level to move things forward. As a new world emerged and previous restrictions no longer applied, foreign and security policy were quickly added to the agendas of the two Councils. But it was not until August 1997 that the defence ministers of the Nordic countries first attended a session of the Nordic Council and a seminar on “Security in Adjacent Areas.”<sup>7</sup>

At that point, military cooperation was already familiar territory to the Nordics. All countries have a long record in the field of peacekeeping, which was considered something of a Nordic specialty during the Cold War years – with a Nordic presence, for example, in the UNEF in Egypt, in UNIFICYP (Cyprus) and in UNIFIL (Lebanon). Later, during the 1990s, there was a joint Nordic battalion in the UN operation in Macedonia (FYROM).

During the 1990s, the Nordics also made a substantial military contribution to their eastern neighbours, to assist the three vulnerable Baltic states in their struggle for independence and sovereignty. Extensive amounts of political and military assistance were delivered across the Baltic Sea to support the build-up of these democracies and their militaries, and to help them gain membership of NATO. In this process, Denmark was of special assistance, by making a strong case for Baltic membership within NATO and by gradually persuading other Allies

<sup>4</sup> See the programme for the conference and speeches at: [www.folkochforsvar.se/index.php.rikskonferensen.html](http://www.folkochforsvar.se/index.php.rikskonferensen.html)

<sup>5</sup> The Secretary Generals’ speeches and official statements are available at [www.nato.int](http://www.nato.int). See also: Magnus Petersson, “Komplement eller konkurrent? Några reflexioner kring det nordiska militärpolitiska samarbetet,” *Internasjonal Politikk*, No. 2, 2010.

<sup>6</sup> For the secret military cooperation in which officially non-aligned Sweden engaged during the Cold War, see for instance Mikael Holmström, *Den dolda alliansen: Sveriges hemliga NATO-förbindelser*, Stockholm, Atlantis, 2011.

<sup>7</sup> For a detailed study of NORDEFECO’s past and present, see Tuomas Forsberg, “The rise of Nordic defence cooperation: a return to regionalism?”, *International Affairs*, 89, 2013, pp. 1161-1181. The seminar is mentioned on p. 1167. Also, see the thorough analysis of NORDEFECO provided by Håkon Lunde Saxi, *Nordic Defence Cooperation after the Cold War*, Oslo, Norwegian Institute for Defence Studies, 2011.





(particularly the US) of the merits of enlargement all the way to the territory of the former Soviet republics.<sup>8</sup>

New acronyms were quickly added to military jargon in the capitals of the extended Nordic-Baltic region, as initiatives such as BALTBAT (Baltic Battalion), BALTRON (Baltic Naval Squadron), BALTNET (Baltic Air Surveillance Network), and BALTDEFCOL (Baltic Defence College) were set up as Nordic contributions to Baltic stability. Today, the Baltic states are included in NORDEFECO work on a regular basis, with annual meetings to which the three Baltic states are invited.

After the two non-aligned Nordics, Sweden and Finland, joined the Partnership for Peace programme in the mid 1990s, they exchanged most of their blue UN helmets for green NATO berets, and moved towards the hitherto unknown territory of joint NATO operations with their Allied neighbours.

Since then, there has been some kind of Nordic military presence in all NATO missions, starting with a Nordic/Polish brigade under NATO command in the IFOR and SFOR operations in Bosnia-Herzegovina from 1995 to 1996. Later, in 2000, this was turned into an all-Nordic brigade. In addition, Sweden, Finland, and Norway were part of the same brigade in Kosovo. In the ISAF mission to Afghanistan, Sweden and Finland cohabited in Camp Northern Lights and set up a Provincial Reconstruction Team (PRT) in the northern province of Mazar-e-Sharif, while the Danes instead opted for British company in the violent southern province of Helmand.

In 2013, as the ISAF operation was coming to an end, Norway, Sweden, Finland, and Latvia joined together to form the Nordic-Baltic Transition Support Unit (NBTSU) in Afghanistan. Yet another example of Nordic cooperation within a NATO operation could be seen during *Operation Unified Protector* in 2011, when Danish and Norwegian pilots operating from the Sicilian air base of Sigonella were accompanied by their Swedish colleagues in the skies over the Libyan desert.<sup>9</sup>

The EU has provided the Nordics with yet another venue for military cooperation, as seen in the Nordic contribution to the EU operation in Chad. Of particular importance, however, was the decision to contribute a Nordic Battle Group (NBG), in line with the 2004 EU decision to set up a rapid response force. With Sweden as

lead nation (or framework nation, in EU-speak), a first NBG was formed jointly by Finland, Norway and two non-Nordics (Estonia and Ireland). This first NBG was ready – but never called into action – in the spring of 2008. A second NBG materialized in the spring of 2011, which happened to coincide with the NATO operation in Libya. This coincidence greatly facilitated the Swedish contribution to that mission, as a Swedish Expeditionary Air Wing (EAW) was on NBG standby and could deploy at short notice.<sup>10</sup>

Now, a third NBG is in the process for spring 2015, with two additional countries, Latvia and Lithuania, joining the team. The participation of all three Baltic countries in the NBG15 further strengthens military cooperation, as well as the presence of the Alliance, in the Nordic-Baltic region.

### **NORDEFECO springs to life**

With a long and solid record of joint military work, the five countries were thus well prepared as they embarked on the next, logical step, the formalization of Nordic defence cooperation. Three structures had already been established in the 1990s to regulate their military cooperation, with their earlier experiences in peacekeeping and more recent participation in NATO-led peace enforcement and peace support operations driving the process.

First, in 1994, the Nordic Armaments Cooperation (NORDAC) was set up to identify and explore possible forms of cooperation in the area of defence matériel, including joint procurement. Five years later, NORDCAPS, the Nordic Coordinated Arrangement for Peace Support, was added, replacing the previous structure known as NORDSAMFN (“FN” being the Nordic - or rather, Scandinavian - abbreviation for the United Nations). NORDCAPS resulted from the fact that NATO, at that point, had become the preferred organization for Nordic participation in international operations. Through NORDCAPS, Nordic peace enforcement efforts were developed and coordinated, including activities such as capacity building and security sector reform, which are areas where the Nordics have engaged heavily, first in the Balkans, and later in Ukraine and East Africa (with a Nordic coordination team as part of the Eastern African Standby Force in Kenya).

<sup>8</sup> See Ann-Sofie Dahl, *US Policy in the Nordic-Baltic Region. During the Cold War and after*, Stockholm, Santérus, 2008, chapter 4, pp. 57 ff.

<sup>9</sup> For an analysis of Swedish participation in Libya, see my NDC Research Paper, “Partner number one or NATO Ally twenty-nine? Sweden and NATO post-Libya, Rome, *Research Paper No. 82*, NATO Defense College, Rome, September 2012.

<sup>10</sup> *Ibid.*, pp. 3-6, for an analysis of “Operation Karakal”, Sweden’s name for its contribution to OUP.



A third and final step was taken in November 2008, with the establishment of Nordic Defence Support. NORDSUP was something of a prelude to NORDEF. It was the result of the reports drafted in 2005 and 2008 by two CHODs, Håkan Syrén of Sweden and Sverre Diesen from Norway – later joined by the Finnish CHOD, Juhani Kaskeala.

The three generals identified a grand total of 140 areas where Nordic defence cooperation could be enhanced or initiated, covering a wide range of activities such as joint exercises, logistics, research and matériel. According to the generals' estimates, 40 of these 140 areas could be embarked upon right away and even implemented quite quickly. In 2009, it was, however, decided to quite simply merge all three structures mentioned previously into one umbrella organization which would cover all aspects of Nordic defence cooperation: NORDEF.

One more ingredient was, however, key for this process: the *Stoltenberg Report*, which was presented by the former Foreign Minister of Norway, Thorvald Stoltenberg, in Oslo in 2009. Stoltenberg had been tasked the previous year, by the foreign ministers, to study the future of Nordic cooperation in foreign and security policy.

The report which Stoltenberg delivered in February 2009 was greeted with enormous interest from all parts of the Nordic region as well as from outside. In many ways, it was a highly visionary piece of work, with a list of thirteen proposals for increased and deepened Nordic security cooperation.<sup>11</sup> While it seemed quite realistic to implement some of the proposals in the short term, others, such as the much-discussed article which proposed a Nordic solidarity declaration with a mutual defence obligation, were definitely more forward-looking. A common Nordic declaration of solidarity was issued after lengthy deliberations at a meeting in Helsinki in 2011, albeit quite vaguely formulated and far from what Stoltenberg had had in mind. It was preceded by a Swedish one in 2009, unilaterally declaring the country's willingness to reciprocate support from its European and Nordic neighbours.<sup>12</sup> Such a mutual defence obligation, of course, already exists between the NATO Allies – and has been in effect for Denmark, Norway and Iceland since 1949.

Other proposals brought forward by Stoltenberg included a Nordic satellite system, a Nordic stabilization task force with a permanent command, a maritime monitoring system, an amphibious unit and – of particular interest today – joint Nordic surveillance of Icelandic airspace. This came to fruition in early 2014, with Swedish and Finnish participation in the Iceland Air Meet led by Norway (see section below on this event).

Stoltenberg's report thus led to an intensive debate in the region, and helped move defence cooperation several steps forward. Further, less controversial assistance to the Nordic cause was provided a year later, when the "Wise Men's Report," commissioned by all eight Nordic and Baltic countries, was presented by the two authors, the former Prime Minister of Latvia, Valdis Birkavs, and the former Defence Minister of Denmark, Søren Gade. The authors basically agreed with the conclusions reached by their Norwegian colleague, and suggested various ways for cooperation to continue and intensify even further.<sup>13</sup>

### Projects and programmes

With the formalization of NORDEF in 2009, new structures were rapidly set up to organize work. In accordance with the declared ambition to keep a "lean structure," there is no formal NORDEF headquarters or even an office.<sup>14</sup> Instead, cooperation proceeds in true Nordic style, through a non-bureaucratic system of networking and regular meetings between ministries in the five countries. The participating countries take turns at chairing the work, with Norway holding the NORDEF presidency in 2014 and Sweden scheduled to take over in 2015.

In addition, the country that holds the presidency adds a national footprint to the year's work by selecting a number of particular themes to focus on. For example, the 2013 Finnish presidency opted for an overview of the entire NORDEF structure, and a *Vision 2020* paper, which was presented to the ministers concerned. The previous year, Danish priorities were placed on developing the concept of "pooling and sharing," Nordic cooperation in East Africa and the Arctic, and the Nordic defence industry.

<sup>11</sup> Thorvald Stoltenberg, "Nordic cooperation in foreign and security policy," proposals presented to the Extraordinary Meeting of Nordic Foreign Ministers in Oslo, 9 February 2009.

<sup>12</sup> For a discussion on this, and the Nordic text, see Forsberg 2013, p. 1171.

<sup>13</sup> Valdis Birkavs and Søren Gade, "NB8 Wise Men report," <http://www.gov.se/content/1/c6/16/01/84/398f09de.pdf>

<sup>14</sup> *Annual report 2012*, NORDEF Military Coordination Committee, February 2013.



For 2014, the Norwegian presidency has presented a long list of priorities, including an enhanced security dialogue, strengthening the Nordic ability to deliver relevant military contributions to international operations, and closer dialogue with the defence industry.<sup>15</sup>

Though much of the work is of course military, NORDEFECO also has a political dimension, with a Political Steering Committee (PSC) as well as a Military Coordination Committee (MCC) to handle decisions taken by the respective ministers at their twice-yearly meetings. Once a year, at the fall session, their colleagues from the Baltic countries are invited to participate, thereby taking deliberations to an NB8 format (five Nordics plus three Baltic countries).

Another essential aspect of Nordic defence cooperation is in the way responsibilities have been divided amongst participating countries. This is also likely to be reflected in the priorities of the respective presidencies, at least to some extent. These cooperation areas, or COPAs, and the countries in charge are: 1) Strategic Development (Sweden), 2) Capabilities (Finland), 3) Human Resources and Education (Denmark), 4) Training and Exercises (Norway), and 5) Operations (Sweden).

The beauty of NORDEFECO is its flexible format. Though all projects are open to all, countries are not required or even expected to sign up for every single project. Instead, there is complete freedom to pick and choose – and for that matter initiate – whatever projects and programmes each country finds of greatest interest or to which it feels it can make a useful contribution. Furthermore, no country can stop the others from embarking on whatever project they prefer.

In this spirit of *à la carte* integration, two countries may decide to join forces in a bilateral project of special interest.<sup>16</sup> In fact, very few of the projects actually include all five participants; and there is obviously a limit to the number of projects to which Iceland, a tiny state with no military of its own, can contribute. In contrast, there seems to be a Swedish and/or Finnish presence at the core of almost every project and programme.

### Procurement and armaments

The impressive number of projects and programmes undertaken under the NORDEFECO heading ranges

from veterans' affairs and the establishment of a Nordic Centre for Gender in Military Operations in Stockholm, to organizing a Nordic fleet of transport planes, weekly air exercises, cyber defence, and much more.

While many of these projects have been quite successful in bringing about an increased level of cooperation and integration, one area has nevertheless proved quite challenging. The development and maintenance of armaments and coordination of procurement is a field that has provided one disappointment after the other, with joint projects collapsing after one or several of the participating countries have withdrawn. When it comes to procurement and armaments, the different national priorities and interests have clearly dominated the decision-making process in several high-profiled and technically significant cases, at the expense of Nordic solidarity and cooperation. Some of these failed projects predate NORDEFECO, such as the Nordic Standard Helicopter Project (NH90) in 1998-2001, where Sweden, Denmark, Finland, and Norway joined forces to buy the same type of transport helicopter. In the end, all of them made different purchases, with Denmark opting for the Italian Agusta EH-101, and the remaining three countries choosing different types of the Franco-German NH-90. Other discouraging examples include the Viking Project, when Denmark, Sweden and Norway were developing a common submarine: this was abandoned first by Norway and then by Denmark. The AMOS (Advanced Mortar System) project between Finnish and Swedish manufacturers was similarly unsuccessful.

One particularly difficult area is the procurement of fighter jets, where Swedish efforts to sell different versions of its national pride, the JAS Gripen, to its Nordic neighbours have met with resistance and repeated difficulties. The Finnish decision in 1992 to purchase American F-18s put a serious strain on Swedish-Finnish relations for years. Norway followed suit in 2008, causing a serious deterioration in neighbourly relations when opting for the F35 rather than the Gripen. Now, Denmark is in the process of replacing its ageing fleet of F16s, with the JAS Gripen manufacturer SAAB as one of the remaining three competitors in the final line-up. Most observers, however, agree that the most likely winner of the Danish procurement process will be the F35 Joint Strike Fighter

<sup>15</sup> [www.nordefco.org/updates-news](http://www.nordefco.org/updates-news)

<sup>16</sup> Pauli Järvenpää, "Nordic defense cooperation: NORDEFECO and Beyond," in Ann-Sofie Dahl and Pauli Järvenpää (eds), *Northern Security and Global politics. Nordic-Baltic strategic influence in a post-unipolar world*, London, Routledge, 2013, p. 141. The author also presents a detailed overview of the various COPAs on pp. 142-147.



rather than the JAS Gripen.

The year 2013 also ended on a rather unhappy note, in particular for Sweden – which has by far the largest defence industry in the region – as two joint projects collapsed within only a few weeks, both of them as a result of Norway withdrawing. There was great disappointment at the Swedish MOD when Norway decided to pull out of the joint Swedish-Norwegian artillery project, ARCHER, in early December. Only a few days later there was more bad news from Oslo as it announced its intention to also withdraw from the joint procurement of a fleet of military trucks.

As a result, although defence procurement and armaments is sometimes considered a promising area for Nordic cooperation, it is currently tormented by a number of significant setbacks. Not only does this create an adverse impact on the specific projects themselves, but it could also have negative repercussions on Nordic military relations, in spite of the multitude of successful projects in other parts of NORDEFECO.

#### **NORDEFECO in the Arctic and the Baltic Sea**

Money-saving is often referred to as the driving force behind various forms of Smart Defence, including in the very north of Europe. Though budgetary concerns undoubtedly play a major role, the main reason behind NORDEFECO and the quick evolution which it has undergone in only a few years might actually be found elsewhere: in the increased strategic significance of the Nordic-Baltic region, and the Arctic in particular, in the last decade. As Foreign Minister of Finland, Alexander Stubb proclaimed the Arctic as “the sexiest region in the world” – and geopolitically speaking it is indeed very hot, in spite of the snow and the (still) predominantly ice-covered territory.<sup>17</sup>

The dramatic return of the High North on the world scene as a result of climate change was also a key point of departure for Stoltenberg’s report. With the ice melting in large areas around the Polar Circle, a new geopolitical reality has emerged which poses enormous new challenges to the countries in the Nordic region. This is especially the case for the two countries with large Arctic territories, Norway and Denmark, with its new Arctic Command in Greenland. As new sea routes are rapidly opening up

in areas previously covered with massive layers of ice, the Arctic countries are confronted with a wide range of challenging scenarios, such as search and rescue missions, shipping accidents, environmental disasters such as oil spills, and even piracy, all or most of them of a character which only the military are equipped to deal with.

To any country, such scenarios would be quite overwhelming, and in particular to small countries like the Nordics, which are clearly not in a position to handle emerging challenges of this magnitude by themselves. Instead, they have directly or indirectly turned to each other for help, pooling and sharing resources in a classic Smart Defence fashion through NORDEFECO.

Apart from “man-made” scenarios such as those mentioned above, a new strategic reality must also be taken into account; even more so after recent developments in Ukraine. Though the likelihood of military conflict in the Arctic is consistently downplayed by the Nordics, and by other countries, it has also been pointed out that “an ice-free Arctic has the potential to fundamentally alter the global military balance.”<sup>18</sup>

Due to the opening up of the sea lanes, the High North region is increasingly attracting international interest from both near and afar. Of particular significance in this context, and with a great strategic impact, is the military and political assertiveness and growing presence of Moscow in the broader Nordic-Baltic region. A huge increase in military spending in the last few years has enabled Russia to make something of a military comeback in the North and elsewhere, as witnessed by recent events. The Russian presence has had some spectacular moments, most notably the planting of a Russian flag on the bed of the Arctic Ocean in 2009 (that is, the same year that the Stoltenberg report was presented and NORDEFECO was formalized). In 2013, President Vladimir Putin also announced the re-opening of Russia’s Arctic military base on the island of Kotelny, with a new Arctic Command, by the end of 2014 or early 2015. According to Moscow, the new command will include the Russian Northern Fleet, Arctic warfare brigades, and air force and air defence units. It was stated that the base, which had been out of service ever since the end of the Cold War, was to be re-opened in order to safeguard Russian shipping and energy resources.<sup>19</sup> There has also been a surge of Russian military activities

<sup>17</sup> Seminar on the High North, organized by NATO Parliamentary Assembly in Helsinki in June 2010.

<sup>18</sup> Brooke Smith-Windsor, *Commentary: What Sept 11 means for NATO and the Arctic*, defenseneews.com, 8 September 2013.

<sup>19</sup> “Russia to set up Arctic Military Command by 2015,” <http://en.ria.russia>, 17 February 2014.



in the south-eastern part of the Nordic region, in the Baltic Sea area. The Swedish people had a brutal wake-up call on Good Friday 2013, as two Russian Tu-22M3 bombers – known in NATO as Backfire – escorted by four Su-27 Flanker jets simulated an aerial attack on Swedish territory, primarily the strategically located island of Gotland in the middle of the Baltic Sea. A similar, smaller “attack” was mounted on the adjacent Swedish island of Öland in November the same year.

The fact that three major military exercises took place in and around the Baltic Sea in the fall of 2013 speaks volumes about the increased strategic significance of the Nordic-Baltic region. In September, two large-scale exercises were conducted in the Baltic Sea. *Northern Coasts*, hosted by Sweden, assembled thirteen nations from NATO and the EU, and involved 35 ships and dozens of helicopters and other aircraft. There was also some unsolicited company provided by a Russian signal intelligence ship which monitored the entire event, travelling up the Swedish coast as the exercise moved north.<sup>20</sup>

Also in September, there was the massive *Zapad* military exercise, led by Russia and with Belarusian participation. According to some estimates, up to 70,000 troops were involved. Shortly thereafter, *Steadfast Jazz* was conducted: this was the largest NATO exercise in close to a decade, with the participation of a number of NATO Allies and partner countries (including Sweden, Finland, and Ukraine). During *Steadfast Jazz*, the three Baltic countries and Ukraine were targeted with a series of cyber attacks from the outside.<sup>21</sup>

NORDEFCO activities include not only cyber defence but also SUCBAS, or Sea Surveillance Cooperation Baltic Sea. This originally started as a bilateral Finnish-Swedish project to produce a common maritime picture, enhance maritime situation awareness, and exchange information in the Baltic Sea.<sup>22</sup> It was later extended to all the countries in the Baltic Sea region plus Norway, and there are plans to extend the circle of participants even further to the countries in the Northern Group. An invitation to join was also extended to Russia, which first insisted on a special invitation to distinguish it from other participants and then finally declined. SUCBAS exercises are now routinely conducted, based on realistic

scenarios where, for example, Swedish submarines engage Finnish maritime detection capabilities.<sup>23</sup> A similar project is currently under way to produce a common air picture, again initiated by Sweden and Finland, and then extended to NATO allies Lithuania and Norway.

### CBT and the Arctic Challenge

While there are a number of NORDEFCO activities in the Baltic Sea area, the most visible, and, one could argue, most successful, exercises and programmes are undoubtedly found in the High North. The Cross Border Training (CBT) aerial exercises, performed across national boundaries in the very north of the Nordic mainland, are now conducted on average once a week, and sometimes even more often, with Swedish, Finnish and Norwegian air wings departing from their respective bases in Kallax, Bodø and Rovaniemi. Discussions are currently under way for Denmark to join their Nordic colleagues in the CBT in the north; as previously mentioned, a similar cross border training programme, though on a smaller scale, is already conducted jointly by the Swedish and Danish air forces in the southern part of the region.

In the fall of 2013, the Cross Border Training programme was extended to include the United States and the United Kingdom in the air exercise *Arctic Challenge* (ACE 13). This exercise, which was divided into two parts during the busy month of September, was conducted in the air space over Northern Sweden, the Gulf of Bothnia, and Finland, with exercise bases also in Norway. A total of close to ninety aircraft were involved in the exercises, including ten F/A-18s from the Finnish Air Force, ten F16 fighters from Norway, and twenty-two JAS 39 Gripens from Sweden. They were joined by an additional thirty F15s from the US Air Force and six Eurofighter Typhoons from the UK, while NATO contributed AWACS aircrafts to the exercise. As a result, *Arctic Challenge* granted the Nordic air forces yet another opportunity for training in reality-based scenarios with different types of aircraft.

The goal of this impressive event in the northern skies was, as stated in the press release, to “enhance Nordic cooperation in the field of defence under NORDEFCO

<sup>20</sup> “Här spionerar Ryssland på Sverige,” *Svenska Dagbladet*, 20 September 2013.

<sup>21</sup> <http://www.atlanticcouncil.org/en/blogs/natosource/baltic-states-targets-of-cyber-incidents-during-nato-exercise-steadfast-jazz>

<sup>22</sup> See Järvenpää 2013, p. 150.

<sup>23</sup> Pauli Järvenpää, “Enhanced Swedish-Finnish Defense Cooperation?”, ICDS blog, Tallinn, January 2014.





and develop capabilities for combined operations.”<sup>24</sup> According to information about the exercise issued by the Finnish Air Force, it provided “a cost-effective and high-quality opportunity to the fighter pilots of participating countries to develop national capabilities, tactical know-how and various forms of cooperation.”<sup>25</sup>

### The Iceland Air Meet 2014

The fall of 2013 thus saw an impressive amount of military activities in the Nordic region. In addition, 2014 started with a historical first, as fighter jets from NATO and the Nordic partner countries assembled on the airbase of Keflavik for the Iceland Air Meet (IAM2014). For three weeks in February, partner countries Sweden and Finland participated in a wide range of flying activities in Icelandic air space, as part of a joint air defence training exercise which included air combat exercise between different types of aircraft, counter-air operations, and attack and protection. NATO again contributed AWACS, while the United States and the Netherlands provided air-to-air refuelling assets; the host country, Iceland, offered support such as search and rescue capabilities; and Norway provided the Training Director for the event. While the partner flights were placed under his command, the training exercise in which the Swedish and Finnish fighter jets were taking part was kept strictly separate from the simultaneous Norwegian deployment to the NATO air surveillance and interception capabilities mission for Iceland’s preparedness needs. This deployment has been rotating amongst the Allies since the United States closed its air base on the island in 2006. A similar mission is provided by NATO for the Baltic countries, where Allies also take turns policing the airspace for the three countries. Since partner countries could not be permitted access to a NATO deployment mission, the Iceland Air Meet was, after lengthy deliberations in the NAC, defined as a training event in a PfP and NORDEF CO context. In many ways, the Iceland Air Meet – or the Nordic Air Meet, as it was also referred to – was also a logical continuation of the CBT concept for those three countries (Sweden, Finland and Norway) whose air forces have

for some time been performing weekly training exercises across the shared national boundaries of their northern territories. An all-Nordic meeting, which brought together the defence and foreign ministers of the five countries, was also held in Reykjavik during IAM2014, with an opportunity to discuss security and foreign policy-related issues of common regional interest.

The IAM was quickly declared a success by the countries involved.<sup>26</sup> But it was preceded by a long, and sometimes heated, discussion – both inside and outside NATO – about the possibility of partner participation in a mission over Iceland. The idea of JAS Gripen over Iceland did not receive much criticism in Sweden; on the contrary, there were suggestions that Sweden should participate on an equal footing with the NATO countries. The situation in Finland (which had not previously deployed its Air Force in a NATO operation, while Sweden had participated in OUP) was the very opposite, with intense debate on whether or not Finland could, and should, take part in a NATO-led mission over Iceland.<sup>27</sup> According to one report, only half of the population supported participation as the debate peaked in late 2012.<sup>28</sup>

Within NATO, a number of Allies voiced vehement objections to the idea of allowing non-aligned countries to join a surveillance mission with possible access to NATO secrets, even if the two countries concerned were long-time partners and trusted contributors to various NATO operations such as ISAF, IFOR, SFOR, and OUP. According to this argument (which prevailed in the end), air policing and surveillance are activities clearly reserved for full members of the Alliance. A similar discussion had taken place in Sweden prior to its decision to join OUP, in which the Swedish Air Force provided tactical ISR (intelligence, surveillance and reconnaissance) to the NATO operation, but could not engage in any offensive activities or take any action with regard to the violence on the ground in Libya. These restrictions were, however, primarily imposed on the Swedish pilots by domestic policy restraints.<sup>29</sup>

The Icelandic operation was also commented upon in

<sup>24</sup> “Arctic Challenge exercise will see dozens of fighters in the northern sky,” [www.nordefco.org](http://www.nordefco.org)

<sup>25</sup> “NORDEF CO”, Finnish Air Force Public Affairs Section.

<sup>26</sup> “Norden möts i en unik övning,” *Svenska Dagbladet*, 13 February 2014.

<sup>27</sup> As former Finnish Defence Minister Jan-Erik Enestam points out in his argument for increased Nordic defence cooperation, this also involved a struggle between the Parliament and Government. In “För egen räkning. Reflexioner kring det nordiska försvarssamarbetet,” *Nordisk Tidskrift*, 1/2013.

<sup>28</sup> *Hufvudstadsbladet*, 30 december 2012, cited in Forsberg 2013, p. 1177.

<sup>29</sup> Dahl 2012, pp. 3-6.

Moscow. In November 2012 (just as the issue was being intensely debated in Helsinki), Prime Minister Medvedev assured the Finns that they could participate without any Russian objections. Only a few months earlier, in the summer of 2012, the Chief of the General Staff of the Russian Armed Forces, General Makarov, had declared that he considered NORDEFECO a threat to Russia.<sup>30</sup> The Iceland Air Meet demonstrates what NORDEFECO can do, and could be used for, by enabling partners and Allies, and aircraft of different types and nationalities, to jointly train across borders. In this case, it was actually 2000 kilometres from the closest Nordic border on the Atlantic coast of Norway. By pooling resources from various countries, the IAM met one of the basic requirements of Smart Defence, and contributed to the goals of enhanced capabilities and interoperability. For the two non-aligned countries, events like the IAM are particularly valuable at a time like this, when the ISAF operation is in the process of closing down. With the withdrawal from Afghanistan, the exceptional capacity that ISAF has provided for operational partners to gain military and political access and an increased level of influence in NATO will be removed. To maintain such capacity is also important for NATO; as the Secretary General emphasized at the start of the IAM, “the ability to operate with countries from beyond the Alliance is one of NATO’s core capabilities. The training event, which comes in the context of Nordic defence cooperation (NORDEFECO) reinforces that ability.”<sup>31</sup> By using the NORDEFECO format, and labelling the IAM an “exercise”, the objections within NATO to partner participation were also quite elegantly circumvented.

### National agendas and priorities

There is no denying that NORDEFECO, generally speaking, is of greatest value and interest to the two non-aligned participants. For the three Allied countries amongst the Nordics, NATO is and will always remain their first option and preferred instrument; cooperation with outsiders – even if close partners of the Alliance – will always be secondary. The variety of security doctrines amongst the countries involved puts a definite limit to what can be jointly accomplished, as well as to the level

of involvement in NORDEFECO by the countries that are full NATO members.

It is also clear that the participating countries have very different agendas and ambitions with regard to NORDEFECO. For Sweden and Finland, it offers a tool for even closer operational cooperation with NATO, without having to confront the messy and complex issue of membership.

To the governments of these two countries, neither of which is eager to engage in a debate on NATO membership, cooperation with their Nordic neighbours has the enormous advantage of coming across as harmless and uncontroversial. In the public mind, the Nordics are all seen as friendly neighbours, not representatives of a military alliance or NATO. “Norden,” the common word in the Scandinavian languages, has almost exclusively positive connotations for the populations of the region.<sup>32</sup> The same, though reverse, could be said for the various parties and groupings which are opposed to membership but which, more or less reluctantly, recognize the need to maintain close military cooperation with NATO and neighbouring Allies while sticking to the traditional policy of non-alignment.

To a great extent, Sweden and Finland serve as the prime driving force behind Nordic military cooperation, and form the core of virtually all the work and projects pursued within the NORDEFECO framework. For the others, NORDEFECO is seen as a complementary tool, of interest primarily in their dealings with the enormous new challenges in the High North and Arctic (and elsewhere in the extended region, following recent events in Ukraine).

It is often said that, although the Nordics appear to be a close-knit unit, in their dealings with the surrounding world they have a tendency to turn in different directions as a result of their specific historical experiences: Denmark to the south, Norway (and Iceland) to the west, Sweden and Finland to the east. With the melting of the Arctic ice, this has in many ways changed. While Sweden and Finland still maintain a vigilant eye to the east (as is evident from their focus on developments in the Baltic Sea), nowadays all the Nordic countries tend to look north.

Denmark and, to an even greater extent, Norway have

<sup>30</sup> Forsberg discusses Russia on p. 1173, 2013.

<sup>31</sup> *NATO News*, 3 February 2014.

<sup>32</sup> “Everybody ‘likes Nordic cooperation,” as Magnus Petersson correctly notes in his chapter, *Opportunities for Nordic Defence Cooperation*, Copenhagen, DIIS, forthcoming, 2014.





in recent years both focused their security policies largely on the Arctic. The fact that NATO has shown very limited interest in the Arctic – in spite of consistently strong Norwegian efforts to get the Alliance to pay greater attention to the High North – adds to the need for regional support.<sup>33</sup> In this new scenario, with enormous challenges for the countries in the very north of Europe, NORDEFECO thus proves very useful. As Paal Hilde concludes, “Norway will likely remain an eager participant in this [NORDEFECO], where it in particular will promote cooperative projects that will contribute to strengthening its security in the High North.”<sup>34</sup>

Much the same could be said, at least concerning the last part of that sentence, for Denmark, though it is the country with the lowest level of involvement in NORDEFECO (except for Iceland, which plays a minor role due to its limited size and lack of armed forces). To Denmark, NORDEFECO is solely a military project, with no political ramifications whatsoever. To the extent that the country engages in, and even more so initiates, military cooperation on a Nordic basis, such cooperation tends to be related to the many challenges the country faces in its giant Arctic territory.

In this respect, cooperation with Norway and Iceland is of particular importance to Denmark, with discussions currently under way between the three NATO allies concerning issues such as the shared use of the Keflavik base, sharing of data and capabilities (including drones), and intelligence.<sup>35</sup> To them, NORDEFECO thus compensates to a certain extent for the lack of interest in the High North at NATO Headquarters.

### What's next?

So what about the future? How will NORDEFECO develop in the next decade or two, and what conclusions can be drawn from the work done so far?

The picture described above is a mixed one. On the one hand, cooperation is quite impressive in some areas, in particular in the field of CBT and joint exercise, as has most recently been demonstrated in the IAM over Iceland, but also in other, less spectacular projects and programs. On the other hand, there is a more disappointing pattern

when it comes to armaments and joint procurement projects, with one failure after the other in recent years.

Overall, however, the setbacks with regard to the arms industry projects should not conceal the fact that a lot has actually been accomplished in the five years since the formalization of NORDEFECO in 2009, with a multitude of military projects and in many cases quite a high level of integration. True, some of the projects on the NORDEFECO list were already ongoing beforehand, or were not originally conceived for NORDEFECO. Having Danish army personnel travel from their regiment in Jutland to the very north of Sweden for joint exercises in a snow-covered landscape – at a closer distance to the Danish mainland than Greenland, and using the same Leopard tanks as they have at home – is an excellent example of how practical projects have been incorporated within the NORDEFECO framework.

As this example demonstrates, the five countries are capable of smooth day-to-day cooperation across borders even in such a sensitive area as national defence, which touches upon the very essence of sovereignty. Often, it seems, cooperation occurs almost automatically. Cultural and geographic proximity is of course key here, though there are still national differences with regard to tradition, style and legislation which have to be dealt with along the way. Regardless of such differences, NORDEFECO seems to correspond quite closely to NATO's principle of strategic proximity.

The conclusions drawn vary in different parts of the region, with Swedes and Finns – politicians and the military, as well as academics – probably the most optimistic regarding present and future cooperation within NORDEFECO, Danes the least enthusiastic, and Norwegians mostly somewhere in between. But generally speaking, as far as Smart Defence goes, NORDEFECO could be considered something of a success. One major reason for this, in addition to cultural affinity, is the flexible format of NORDEFECO, with different constellations of participants from one project to the other. The principle of the Nordic *smörgårdsbord* comes to mind, as the countries pick and choose the activities and forms of cooperation they find most appealing and

<sup>33</sup> On NATO in the Arctic, see Brooke Smith-Windsor, “Putting the ‘N’ back into NATO: a High North policy framework for the Atlantic Council?”, Rome, NATO Defense College, *Research Paper, No 94*, July 2013.

<sup>34</sup> Paal Hilde, “Nordic-Baltic security and defence cooperation. The Norwegian perspective”, in Ann-Sofie Dahl and Pauli Järvenpää (eds), *Northern Security and Global Politics. Nordic-Baltic Strategic Influence in a Post-Unipolar World*, London, Routledge, 2013, p. 92.

<sup>35</sup> On the use of drones, see Kristian Søb Kristensen, Flemming Pradhan-Blach, and Gary Schaub, Jr, *Unmanned and Unarmed. On the future use of Unmanned Aerial Systems in the Danish Armed Forces*, Copenhagen, Centre for Military Studies, February, 2014.

useful.

In the *Vision 2020* paper issued following the ministerial at the end of 2013, the five ministers also come across as quite optimistic about the future – perhaps, some would say, surprisingly so. In their statement, the ministers agreed that NORDEFECO, as a complement to other efforts – that is, primarily the EU and NATO – can contribute to “strengthening our national defence capabilities, thereby improving our ability to contribute to regional and international peace and stability.” The vision shared by the five ministers and countries includes recognizing the importance of further advancing interoperability, further improving cost-efficiency finding opportunities for “armaments and systems similarity”; for further streamlining the day-to-day cross border cooperation, and support for a competitive defence industry.<sup>36</sup> The frequent use of the word “further” indicates that cooperation in most cases is already well under way.

Notwithstanding such statements, observers today tend to agree that the best way ahead is to leave the grand strategic designs behind and adopt a bottom-up approach to continued defence cooperation.<sup>37</sup> Still, political leadership and direction from “above” is clearly needed to create cohesion and to keep the project moving forward. With hundreds of programmes at all imaginable levels under way or planned, finding new areas for further cooperation might seem a challenging task. Nevertheless, there are still ample opportunities to move military integration to the next level, as the follow-up statements after the ministerial suggest. For example, one relatively simple way to enhance savings and efficiency would be by reducing the number of national defence colleges from four to one, thus avoiding duplication by bringing

down the total number of staff and command courses, as suggested in a paper by the Centre for Military Studies in Copenhagen.<sup>38</sup>

Another idea which has been proposed for the future is specialization of the military forces, by dividing capabilities on the basis of national strengths. According to this proposal (which comes with slight variations), naval capabilities would be the responsibility of Norway and Denmark, while the army and air force would be the domain of Finland and Sweden respectively.<sup>39</sup>

From a military perspective, there is still ample opportunity for enhanced cooperation. Politically, matters are very different. After five years of defence cooperation, the idea of a Nordic Union as the end product of NORDEFECO has basically disappeared from the debate; and, in any case, the audience for such a proposal – based more on romantic dreams of a single “Norden” than on anything resembling reality – was always quite limited.

Under present circumstances, there is an obvious limit to how far defence cooperation can go. As long as the countries involved (three in NATO, and two non-aligned) have different security doctrines, cooperation cannot be taken to the ultimate level of sharing and producing joint defence plans. Extending regional defence cooperation to include other Allied countries (whether in a NB8 format with the Baltic countries or in a wider circle such as the Northern Group, with Poland, Germany, the Netherlands, and the United Kingdom) will always bring greater added value from a NATO perspective. By the same token, true integration will be possible only when Sweden and Finland take the final step of joining NATO as full members.

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<sup>36</sup> *Ministers Vision 2020*, [www.nordefco.org](http://www.nordefco.org)

<sup>37</sup> Among them Petersson, 2014, p 2.

<sup>38</sup> Gary Schaub Jr, Henrik Ø. Breitenbauch, Flemming Pradhan-Blach, *Invading Bologna. Prospects for Nordic Cooperation on Professional Military Education*, Copenhagen, Centre for Military Studies, 2013.

<sup>39</sup> See, for example, Forsberg 2013, p. 1180.