

The end of the German Euro Hawk programme – the implications for Germany and NATO

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On 14 May, the German Ministry of Defence announced it would be withdrawing from the planned purchase of the Euro Hawk unmanned aerial vehicles. The reasons given for this were the difficulties and high costs of introducing the system to general air traffic in Germany and Europe. Germany abandoning one of its largest armament programmes has turned into an unprecedented scandal over the procurement of armament and military equipment in Germany. This concerns both the costs incurred (between 600 and 800 million euros) and the manner in which the programme was being run by the Ministry of Defence. The opposition is capitalising on this scandal in the run up to the election to the Bundestag scheduled for September 2013. Dismissals at the German Ministry of Defence should not be ruled out, either. The scandal may also have adverse consequences for one of NATO's most important programmes, Alliance Ground Surveillance (AGS). This may lead to further delays in the implementation of the programme and an increase in costs resulting from the adjustment of the commissioned system to new European regulations.

The German Euro Hawk programme

Euro Hawk was one of Germany's largest armament programmes over the past few years and was one of the flagships of German-US armament co-operation programmes. As part of this programme, whose estimated cost was approximately 1.3 billion euros, Germany was to buy five unmanned aerial vehicles (UAVs). Euro Hawk was to be used for signals intelligence (SIGINT). As an unmanned HALE (high altitude long-endurance) system it was supposed to be able to carry out surveillance missions over large spaces at a flight level of up to 18 km (above commercial aircraft flights) and with a flight duration of up to approximately 30 hours. The Euro Hawk programme was initiated in 2001 by the SPD/Green Party government. The contract for the development of the Euro Hawk system was signed in 2007 by the CDU/CSU/SPD government, Germany received the prototype in July 2011 during the present CDU/CSU/FDP coalition.

The construction of the Euro Hawk is based on the Global Hawk RQ-4B Block 20 produced by the US company Northrop Grumman. The Euro/Global Hawk (length: 14.5 m, wingspan: 40 m) is currently among the world's largest military UAVs. The construction of the Global

Hawk RQ-4B Block 20 was adjusted to meet the German needs. The UAV was equipped with SIGINT sensors manufactured by Germany's Cassidian, part of EADS company. The costs of the prototype, including SIGINT sensors, and of testing it since July 2011 and the costs of adjusting the Jagel military airbase probably reached between 600 and 800 million euros (according to some estimates, this figure reached 1 billion euros). In mid May this year, the German Ministry of Defence announced it would be entirely withdrawing from the Euro Hawk programme, i.e. the purchase of the remaining four UAVs and the operational use of the prototype. The reasons given for this decision included great difficulties and enormous additional costs (500–600 million euros) linked to the procedure of admitting the UAV for use in German general airspace outside the segregated airspace (i.e. strictly defined areas). This will be necessary if this kind of UAV is to be used in Germany (and in Europe) due to the fact that German (and European) airspace is used intensely. According to information from the German MoD, the problems concerned lacks in the technical documentation provided by the US company. The press reported that there were probably also some technical problems with the prototype, namely problems maintaining contact between the UAV and the ground control station, as well as Northrop Grumman's unwillingness to provide sensitive technical data and the lack of an automatic anti-collision system.

The end of the Euro Hawk programme - the consequences for Germany

The winding up of the Euro Hawk programme due to difficulties with admitting its use in general air traffic has provoked one of the biggest scandals of the past few years in the field of armament and military equipment procurement in Germany. The costs incurred and the procedures applied and also the manner in which the programme had been organised by the German Ministry of Defence have caused outrage among the general public. Firstly, the ministry paid a huge price for the construction of a prototype, probably without having reserved the right to recoup at least part of the money, due to the provisions of the contract signed with the Euro Hawk consortium (formed by Northrop Grumman and Cassidian). Furthermore, given its desire to use the SIGINT sensors, which were developed for the Euro Hawk system, the ministry must buy new platforms (most likely, manned aircraft). Secondly, information on possible problems with Euro Hawk being admitted to use in the general airspace was probably available already before the contract concerning the prototype development was signed, and at least since 2011. Nevertheless, this did not lead either to the programme being interrupted or to the contract with the consortium being amended. Thirdly, due to the contract provisions which guaranteed Northrop Grumman the right to refuse to disclose information to any third parties, the Ministry of Defence restricted the *Bundesrechnungshof* (the Federal Court of Auditors) access to part of the programme's documentation. It thus prevented a financial audit of the programme, which is contrary to German law.

Although all German governments since 2001 have been involved in the development of the programme, starting with the SPD/Green Party coalition, the responsibility for the scandal over the Euro Hawk programme is pinned primarily on the present defence minister, Thomas de Maiziere (CDU). Until recently, he had the reputation of being one of the best ministers in

Chancellor Angela Merkel's cabinet. The opposition has been capitalising on this issue in their campaign ahead of the election to the Bundestag. Dismissals at the Ministry of Defence cannot be ruled out, either.

The consequences for NATO's AGS programme

Germany's withdrawal from the Euro Hawk programme due to problems with UAVs being admitted to general air traffic may also have implications for NATO and one of its most important programmes, Alliance Ground Surveillance (AGS). The goal of the AGS programme is to enable NATO to conduct airborne surveillance operations, such as detecting and tracking stationary and moving objects in real time in any weather conditions. The AGS system will consist of five Global Hawk RQ-4B Block 40 and ground control station based in Sicily, Italy. According to the schedule, the system will achieve operational capability in 2015–2017. Fourteen countries, including Germany participate in the AGS programme, the estimated cost of which is 1.3 billion euros (Poland is planning to re-join it). The German contribution is 483 million euros. Germany also planned (no contracts have been signed as yet) to buy an additional four Global Hawk RQ-4B Block 40 with similar capabilities to NATO's AGS.

After the cancellation of the Euro Hawk programme questions have appeared in discussions in Germany as to the possible problems Global Hawk system could have with gaining access to general airspace in Italy (certification of NATO's Global Hawks) and in Germany (certification of the German Global Hawks). Furthermore, no uniform European legal regulations exist concerning the use of military UAVs in European general airspace. The first steps have been taken in this direction. So far, there is only one document which provides non-binding guidelines from the EUROCONTROL organisation which defines the minimum requirements, rules and criteria for flights of UAVs, including the Global Hawk system. Pursuant to this document, they should meet the same safety criteria as those applicable to manned aircraft.

As a consequence of the Euro Hawk scandal, those German politicians who deal with military issues – from the opposition (the SPD and the Green Party) and the government coalition (the FDP and even CDU) alike, are insisting that funding be withdrawn from all programmes involving UAVs. This concerns both the German contribution to the AGS programme and the German MoD's plans to buy a further four Global Hawks. Firstly, until it becomes clear whether the UAVs will be admitted to use in general airspace in Germany. Secondly, until European regulations concerning the use of UAVs in general airspace in Europe are introduced. If the current or future German government backs these demands, this may spell a further delay in the process to achieve operational capability for NATO's AGS system and perhaps also an increase in the costs due to the possible need to adjust the system to new European regulations.