*Final Draft 17.3.2017*

**Memorandum of Understanding**

**ON THE EUROPEAN CENTRE OF EXCELLENCE FOR COUNTERING HYBRID THREATS**

The Participants to this Memorandum of Understanding,

*Recalling* the Joint Communication by the European Commission and the High Representative to the European Parliament and the Council “Joint framework on countering hybrid threats – a European Union response”, decided in Brussels on 6 April 2016, in which European Union Member States are invited to consider establishing a Centre of Excellence for "countering hybrid threats”;

*Recalling* the Joint Declaration by the President of the European Council, the President of the European Commission, and the Secretary General of the North Atlantic Treaty Organization, signed at Warsaw on 8 July 2016, which underlines the need for the European Union (EU) and the North Atlantic Treaty Organization (NATO) as well as EU Member States and NATO Allies, to boost their ability to counter hybrid threats; and

*Recalling* the Common set of proposals for the implementation of the Joint EU/NATO Declaration, endorsed by the Council of the European Union and the North Atlantic Council on 6 December 2016, which encourages participation by the EU and NATO, as well as EU Member States and NATO Allies, in the work of the "European Centre for Countering Hybrid Threats" to be established in 2017;

Have reached the following understanding:

**Section 1**

***Establishment of the European Centre of Excellence for Countering Hybrid Threats***

The Participants note that a European Centre of Excellence for Countering Hybrid Threats (hereafter "the Centre") is expected to be established in Helsinki, Finland, as set forth in Section 2 of this Memorandum of Understanding.

**Section 2**

***Legal personality***

The Centre is intended to have a domestic legal personality and capacity to perform its functions in the Republic of Finland. Through national legislation, the Centre is expected to enjoy, in the territory of the Republic of Finland, such legal capacity as is necessary for the full exercise of its functions and afforded to it by the laws of the Republic of Finland.

**Section 3**

***Purpose and functions***

1. Utilizing personnel and other resources contributed by the Participants, the Centre is expected to serve as a hub of expertise supporting the Participants' individual and collective efforts to enhance their preparedness, civil-military capabilities, and resilience to counter hybrid threats with a special focus on European security. It is intended that the Centre will offer this collective expertise and experience for the benefit of all Participants, as well as the EU and NATO.
2. In carrying out its work, the Centre intends to follow a comprehensive, multinational, multidisciplinary and academic based approach.
3. In order to achieve its purpose, the Centre is expected to:
4. encourage strategic-level dialogue and consultations between and among Participants, the EU and NATO;
5. conduct research and analysis into hybrid threats and methods to counter such threats;
6. develop doctrine, conduct training and arrange exercises aimed at enhancing Participants’ individual capabilities, as well as interoperability between and among Participants, the EU, and NATO for countering hybrid threats;
7. engage with and invite dialogue with government and non-government experts from a wide range of professional sectors and disciplines; and
8. involve or cooperate with, communities of interest focusing on specific issues that can make up hybrid threats, on methodologies for understanding these issues, and on ways to adjust organisations to better cope with such threats.

**Section 4**

***Organs***

1. The organs of the Centre are to be a Steering Board and a Secretariat. The Secretariat is to be headed by a Director.
2. Staff representatives from the EU and NATO are to be invited to participate in the activities of the Centre, including attendance at the Steering Board meetings.

**Section 5**

***Steering Board***

1. The Steering Board is to consist of representatives of the Participants and is to:
2. appoint the Director of the Centre;
3. select the Chair of the Steering Board for a term of three (3) years, who is to preside at meeting of the Steering Board;
4. set the policies and approve the work program of the Centre;
5. approve the budget and the accounts of the Centre on proposal of the Director;
6. approve the annual participation fees referred to in Section 7;
7. approve the admission of new Participants;
8. take decisions and adopt internal regulations on general issues of technical, financial or administrative nature, to be attached in supplementary documents, such as annexes and appendices, which are to form an integral part of this Memorandum of Understanding;
9. approve such guidance as may be necessary for the functioning of the Centre and its organs; and
10. approve and amend the Rules of Procedure of the Centre.
11. Without prejudice to Section 11, paragraph 1, decisions will be taken by consensus of the board members present and voting, unless otherwise provided in this Memorandum of Understanding or in the Rules of Procedure. Consensus means that every Participant should vote “yes”, "no" or abstain from voting. For a decision to be approved, there must be a minimum of one “yes” vote. Should there be a negative vote, the decision is not approved.

**Section 6**

***Secretariat***

The Secretariat, headed by the Director, is intended to be composed of the personnel of the Centre.

The Secretariat will

1. run the Centre’s administration and common functions: training, exercises and consulting, research and technology;
2. maintain and administer the Centre's web site;
3. analyse and coordinate relevant activities of the communities of interest;
4. prepare and organize the meetings of the Steering Board; and
5. cooperate and liaise with Participants, the EU and NATO.

**Section 7**

***Resources***

1. The Centre’s budget, which is expected to cover costs associated with participation, subject to the availability of funds, and consistent with applicable laws and regulations, may consist of:
2. Annual participation fees, equal for all participants; and
3. voluntary financial contributions;
4. Finland will be responsible for the costs related to maintenance of the Centre’s facilities, such as rental and external security costs.
5. The Participants, as well as the EU and NATO, may, subject to the availability of funds and consistent with applicable laws and regulations, provide the Centre with other resources and in-kind contributions, such as personnel.
6. The terms and conditions related to any such provision of personnel by any Participant, the EU, or NATO, are to be delineated in supplemental documents, such as annexes and appendices to the Memorandum of Understanding, which is to form an integral part of this MOU.

**Section 8**

**Security**

1. The external security of the Centre will be the responsibility of the Republic of Finland.
2. Security administration within the Centre's facilities, including visits, security clearances and information security, is the responsibility of the Director or his/her designee, acting in accordance with the security regulations of the Centre approved by the Steering Board.
3. Classified information stored, handled, generated, transmitted or exchanged under this Memorandum of Understanding or in connection with any activities of the Centre is to be considered classified information furnished by the EU, NATO or the respective Participant. Any exchange of classified information is to be subject to the terms of any applicable agreement concerning the security of classified information between or among the Participants, NATO, and/or the EU.
4. The Steering Board will approve internal security rules setting out the common minimum requirements for the protection of Classified Information handled in the Center as appropriate.

**Section 9**

***Dispute settlement***

The Participants intend to resolve any dispute about the interpretation or application of this Memorandum of Understanding solely by consultations, and not to refer any such disputes to any national or international tribunal or third party for settlement.

**Section 10**

***Signature and Operative Date***

1. This Memorandum of Understanding will be open for signature by the Governments of the Republic of Austria, the Kingdom of Denmark, the Republic of Estonia, the Republic of Finland, the Republic of France, the Federal Republic of Germany, the Italian Republic, the Republic of Latvia, the Republic of Lithuania, the Kingdom of the Netherlands, the Kingdom of Norway, the Republic of Poland, the Kingdom of Spain, the Kingdom of Sweden, the United Kingdom of Great Britain and Northern Ireland, and the United States of America.

2. This Memorandum of Understanding is intended to become operative on the date on which five (5) Participants, including the Government of the Republic of Finland, have signed it. The Secretariat will inform the Participants of the operative date.

3. For each Participant listed in paragraph 1 and signing the Memorandum of Understanding after it has become operative, the Memorandum of Understanding will become operative on the date of its signature.

**Section 11**

***Additional participation***

1. After the Memorandum of Understanding has come into effect, the Steering Board, by a decision taken by a simple majority, may invite the Government of any State not covered by Section 10 which is a Member of the EU and/or of the NATO to participate in the Memorandum of Understanding.
2. The Government invited in accordance with paragraph 1 will be expected to notify the Secretariat of its intention to participate. For such a Participant the Memorandum of Understanding is intended to become operative on the date of the notification.

**Section 12**

***Modifications***

This Memorandum of Understanding may be amended at any time by the mutual written consent of the Participants. The Secretariat will notify the Participants of the coming into effect of the amendment.

**Section 13**

**Validity *and withdrawal***

1. This Memorandum of Understanding is concluded for an unlimited period.

2. A Participant may withdraw from this Memorandum of Understanding at any time but will endeavor to give three (3) months' written notice of the withdrawal to the Secretariat, which will immediately notify the other Participants of such notice. Provided, however, that the commitments under Section 8 are to survive any discontinuation of this Memorandum of Understanding or the withdrawal by any Participant.

**Section 14**

***Discontinuation***

1. This Memorandum of Understanding may be discontinued if at any time after it becomes operative there are fewer than four (4) Participants, or if the Republic of Finland chooses to discontinue its participation.
2. If the Memorandum of Understanding is discontinued, it is expected that the Participants will be allowed six (6) months from any notice of discontinuation to close out any activities under this Memorandum of Understanding that were underway at the time of such discontinuation. Provided, however, that the commitments under Section 8 are to survive any discontinuation of this Memorandum of Understanding or the withdrawal by any Participant.

**Section 15**

***Relationship with national and international law***

1. This Memorandum of Understanding does not create any rights or obligations under international law or the laws of any Participant.
2. This Memorandum of Understanding is not eligible for registration under Article 102 of the Charter of the United Nations.

This Memorandum of Understanding is signed at [place] on [date] in one original in the English language. The original of this Memorandum of Understanding will be kept by the Secretariat, which will transmit certified copies to each of the Participants.

For the Government of the Republic of Austria

For the Government of the Kingdom of Denmark

For the Government of the Republic of Estonia

For the Government of the Republic of Finland

For the Government of the Republic of France

For the Government of the Federal Republic of Germany

For the Government of the Italian Republic

For the Government of the Republic of Latvia

For the Government of the Republic of Lithuania

For the Government of the Kingdom of the Netherlands

For the Government of the Kingdom of Norway

For the Government of the Republic of Poland

For the Government of the Kingdom of Spain

For the Government of the Kingdom of Sweden

For the Government of the United Kingdom of Great Britain and Northern Ireland

For the Government of the United States of America