GEO-POWER-EU

EU defence cooperation under geopolitical
stress: roles, hurdles and opportunities

GEO-POWER-EU: Empowering the Geopolitical EU in the Eastern Neighbourhood and the Western Balkans

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ABOUT THE GEO-POWER-EU PROJECT

GEO-POWER-EU seeks to empower the European Union to manage security threats in its eastern neighbourhood and the Western Balkans in a deteriorating geopolitical environment. The project's primary ambition is to surpass current standards and develop a comprehensive EU strategy for these regions using new and reconstituted policy instruments, while considering the strategic ambitions of other geopolitical actors.

To achieve this, GEO-POWER-EU's work plan is built on six specific objectives: to propose adaptations to the EU's enlargement policy to reflect new realities; to examine the relevance of the Eastern Partnership (EaP) and provide policy recommendations for its reform; to assess the influence of other geopolitical actors, notably the United States, Russia, China and Turkey, in these regions; to offer strategic foresight on the prospects for geopolitical competition in these areas; to explore ways to enhance the EU's ability to contain military threats from beyond its borders; and to develop a comprehensive, multidimensional EU strategy on guiding relations with the countries of the Western Balkans and EaP.

The project's research aims to advance beyond the current state of the art by developing a new conceptual and policy framework using both quantitative and qualitative methods. Methodologically, GEO-POWER-EU leverages cutting-edge expertise from various disciplines to implement a multi-stage plan grounded in a participatory and inclusive approach. This approach involves systematic engagement with researchers from third institutions, decision makers, stakeholders and citizens—including those from the regions under analysis—throughout the project cycle.

More about the project: https://geo-power.eu/

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- Georgian Foundation For Strategic And International Studies - Gfsis (GFSIS), Georgia
- The Swedish Institute of International Affairs (UI), Sweden

LIST OF ABBREVIATIONS

ASAP   Act in Support of Ammunition Production

CSDP   Common Security and Defence Policy

DARPA   Defense Advanced Research Projects Agency

EDA   European Defence Agency

EDF   European Defence Fund

EDIP   European Defence Industry Programme

EDIRPA   European Defence Industry Reinforcement through Common Procurement Act

EEAS   European External Action Service

ENISA   European Union Agency for Cybersecurity

EPF   European Peace Facility

EU   European Union

FAC   Foreign Affairs Council

FIMI   Foreign Information Manipulation and Interference

GDP   Gross Domestic Product

MFF   Multiannual Financial Framework

MoD   Ministry of Defence

NATO   North Atlantic Treaty Organisation

NGO   Non-Governmental Organisation

PESCO   Permanent Structured Cooperation

PSC   Political and Security Committee

QMV   Qualified Majority Voting

RDC   Rapid Deployment Capacity

SAFE   Security Action for Europe

TEU   Treaty on European Union

UN   United Nations

EXECUTIVE SUMMARY

Europe's security architecture is undergoing a profound transformation. The European Union finds itself at the crossroads of three overlapping strategic shocks: Russia's full-scale aggression against Ukraine, the growing unpredictability - even hostility - of US engagement, and the increasing global influence of China. These challenges confront the EU with the need to assume greater responsibility for its own defence and security, but also to participate in a wider process of re-constructing a rapidly changing international order. At the global level, the liberal rules-based order that once aligned with the EU's own institutional logic—grounded in democratic values and human rights—is being aggressively challenged by a more assertive, competitive, transactional, values-free, power-based system. Regionally, the EU faces the task of securing its eastern flank in the absence of predictable US support, while managing persistent instability to its south.

The report defines four core roles that structure the EU's current and potential contributions to European security and the needs mentioned above:

- **Defender:** Fulfils the traditional task of territorial defence. Despite its treaty-based obligations, the EU remains politically and institutionally ill-equipped to play this role. Most member states continue to defer to NATO—or coalitions outside the EU framework—for this role but the prospect of enlargement could change this.

- **Protector:** A broader security role below the level picked up by collective defence arrangements, focused on cyber and hybrid threats, foreign information manipulation and interference (FIMI) and threats to critical infrastructure. This role enjoys broad legitimacy and is well aligned with existing EU tools and institutions.

- **Actor:** Once the central rationale for EU defence engagement, this role—integrated into EU foreign policy and focused on crisis management and global deployments—has declined. However, long-term geopolitical dynamics could revive the need for an EU capacity to project stability abroad. One aspect of this role would be the re-commitment to the democratic values that grounded the EU since its founding.

- **Arsenal:** The most dynamic and rapidly evolving role. Through funding, joint procurement and industrial coordination, the EU is shaping a more resilient European Defence Technological and Industrial Base. Nonetheless, key tensions remain over openness to third-party actors, industrial competition and the strategic purpose of this effort.

Several recurring obstacles were identified in the research process—some subject to heated public debate, others less visible.

Securing Ukraine: EU defence cooperation faces its most immediate test in supporting Ukraine's defensive war against Russia amid declining US engagement. Current efforts rely on the actor, protector and arsenal roles, but military planning still occurs mostly outside EU structures.

Diverging Threat Perceptions: Member states continue to view threats differently, even if there is broad consensus that Russia is currently the most pressing threat. Below the surface, EU members in the East and North prioritise Russia and would like to see more commitment from others, while other countries (for

example, Spain) want to move other threats higher up the EU's security agenda and feel less urgency on building hard power capabilities.

Level of Autonomy: Despite growing pressure for Europe to take more responsibility, few member states support full EU defence autonomy—particularly in the context of fragile and volatile transatlantic relations. The degree of autonomy and the costs and risks attached to it vary according to roles.

A New European Way of War? Europe risks overlearning from Ukraine by focusing too narrowly on either traditional land warfare or drone wars. There is a friction between what is needed to support Ukraine now and calls to shift to scalable, tech-driven capabilities that Europe might need in the future.

Funding: While defence budgets are increasing and the EU has put forward a numerically impressive ReArm package, looming challenges remain over what kind of spending these incentives will produce and whether it will be sufficient given the scale of the security challenges.

Moving Forward

The report highlights both the diversity of views on what EU defence cooperation should aim to achieve and a relative consensus on what it should avoid attempting. While progress has been made on defence industrial coordination and spending, member states remain divided on core questions of tasks, priorities and the EU's role. The EU's strongest contribution currently lies in its arsenal role, while its capacity as an actor remains politically constrained and ambitions for a real defender role have been muted. To stay relevant, the EU must focus on practical cooperation where it adds real value, rather than pursuing symbolic defence ambitions.

Policy Recommendations

➢ **Don't let aspirational "defence dreams" prevent substantial security gains in the present.** Focus on pragmatic, functional cooperation where EU value is evident—rather than pursuing symbolic but currently divisive concepts such as a "European Defence Union".

➢ **Support European sovereignty through the EU's arsenal role**. Expand investment in the European defence industrial base, ensure alignment with sovereignty concerns and include non-EU partners like the United Kingdom and Canada where strategically relevant.

➢ **Establish a dedicated defence ministers' Council configuration**. Elevate political ownership by creating a formal Council configuration dedicated to defence, separate from the Foreign Affairs Council.

➢ **Link defence cooperation to economic security efforts**. Align defence initiatives with the broader economic security strategy—especially in areas such as supply chains, critical raw materials and technological sovereignty.

➢ **Reconnect EU defence cooperation to a strategic vision of Europe's global role**. Launch a new strategic process in late 2025 to define how EU defence cooperation contributes to Europe's long-term positioning in the global order—beyond reaction to current threats.

➢ **Boost intelligence cooperation and communicate threat-perceptions and security needs to EU citizens.** Strengthen the EU's intelligence analysis capacity and inform citizens transparently about the ongoing and increasing security threats to EU member states. Otherwise, it is difficult to imagine how democratic electorates will support increased military spending, army conscription or enhanced EU defence cooperation.

➢ **Integrate defence and security into the enlargement process.** Align candidate countries with EU defence standards and offer conditional access to key instruments such as the European Defence Fund and Permanent Structured Cooperation. This would recognise their growing contributions to European security and use enlargement as a lever to strengthen strategic autonomy and resilience.

PURPOSE, SCOPE AND METHODOLOGY

This report discusses the political, institutional and technological obstacles to EU defence cooperation and explores the applicability of different ideas and thoughts on defence policy reform. To this effect, the report relies on in-depth interviews with selected, knowledgeable policymakers and experts, as well as desk research on EU defence policy.

The task relates to Research Sub-question #5 of the Geo-Power-EU project: *How can the EU increase its strategic autonomy and its ability to contain military threats that emanate from the deteriorating geopolitical environment beyond its borders?* The research aim is to explore the margins of the ability of the EU to increase its strategic autonomy and enhance defence cooperation, while fostering the Transatlantic partnership and its institutional cooperation with NATO.

The project team conducted 26 semi-structured interviews that addressed the political, institutional and technological obstacles to EU defence cooperation. These interviews explored suggestions for managing these challenges and advancing cooperation, and articulated visions of what the EU should contribute to European security. The analysis has also benefitted from a number of interviews carried out within task 2.1 on the perceptions of threats in Eastern Partnership countries.

The interviewees were high-ranking member state representatives (primarily ambassadors to the Political and Security Committee), officials working in EU institutions, and recognised experts in the field, from 11 countries. Member state representatives were selected to ensure a relevant representation of pre-existing policy preferences, as indicated by prior research and group identification.

The interviews were conducted in the spring and summer of 2025. They offer a snapshot of a rapidly evolving landscape as fundamental questions concerning European security were actively debated and reformulated at the political level. However, the ambition of the authors has been to look beyond short-term developments to capture the underlying roles, challenges and long-term visions that inform EU defence cooperation beyond the day-to-day headlines.

INTRODUCTION: DEFENCE COOPERATION AND ORDERS UNDER STRESS

The European Union is undertaking the momentous task of rearming the continent in the face of Russian aggression, US retrenchment and a looming Chinese presence. The first half of 2025 has seen a flurry of decisions and proposals aimed at enabling Europeans to take greater responsibility for their own security. For a Union originally designed to mitigate geopolitical posturing within Europe, this emergent role as a locomotive of armament marks a significant evolution.

The EU is currently battling with the burden of transformation, in an attempt to align its structures and ambitions with the harsh realities of today's security landscape. The EU was never designed to be a defence actor. An early proposal to complement the Coal and Steel Community with a military dimension was abandoned in the early 1950s. Defence matters were instead to be handled by other structures; initially the Western European Union and subsequently NATO, as well as individual member states which have retained sovereign responsibility for national defence, including procurement.

Almost 50 years after its inception, the EU cautiously entered the defence realm with its security and defence policy. This was not with the ambition of projecting power or shielding Europe from military threats, but rather to support crisis management as part of its broader diplomatic and foreign policy ambitions. This modest crisis management capability was linked to an ambition to incrementally increase its autonomy in response to concerns that the United States, on which Europe remained highly dependent militarily, might not always support the types of missions that Europe sought to undertake.

Since 2000, the EU's role has gradually expanded. Defence industry cooperation benefited from the EU's regulatory and market tools while emerging threats below NATO's Article 5 threshold, such as hybrid and cyber threats, were increasingly addressed within the EU framework. Foreign information manipulation and interference also became a growing concern and was formally included in the EU's Strategic Compass in March 2022. The notion of autonomy was also widened in scope. No longer limited to operational independence from the US, it began to encompass the need to reduce dependencies on other global actors, notably China. The prefix *strategic* was often added (Fägersten, 2020).

This incremental development of defence cooperation, which combines loosely coordinated policy streams such as crisis management, military diplomacy, defence market integration and protective measures against ambiguous threats, has since 2022 come up against a trio of hard security challenges. These challenges greatly exceed the current capacities of a Union long regarded as a civilian power.

First, the full-scale Russian war against Ukraine has shocked European countries and revealed a fatal mismatch between the ideational European security order and the capacity of the existing security architecture to uphold this order. Second, US President Donald J. Trump has made it clear that Europe is less of a priority and Article 5 obligations will be seen in the light of levels of defence investment and burden-sharing. US support to Ukraine is expected to diminish still further. More worryingly, Trump has repeatedly suggested that US military tools might be used to establish control over the territory of fellow NATO members Denmark and Canada.

Finally, Europe has slowly (and unevenly) woken up to the fact that China's military build-up and market domination of the supply of critical raw materials also affects European security. This is not just about global order and norms such as freedom of navigation, but more directly about China's material and

political support to Russia, which has been instrumental in enabling Moscow's challenge to the European security order.

A DUAL PROCESS OF REORDERING

These security challenges are driving EU member states to engage in two parallel processes of strategic reordering. Globally, the European order evolved in tandem with the post-war liberal order first established in 1945 and developed into a more open, rules-based system after 1989. The EU's DNA—multilateralism, interdependence management, pooled sovereignty and values-based membership (albeit imperfect)—has not only shaped internal dynamics but also served as a model of influence abroad. As this global liberal order is under threat in the face of assertive moves towards a more power-based, multipolar world—where neither the US nor China appears willing to provide the public goods of previous eras—the EU must find a new way to operate in a rapidly changing global system that no longer mirrors its own constitutional logic.

Regionally, a new European security order should be established that, for the foreseeable future, must manage the Russia problem through deterrence and defence—capabilities that European states need to increasingly be able to maintain on their own. As one European ambassador put it, the current US downplaying of its role in these areas is likely to be permanent: *"There is no going back to the pre-Trump II world"* (Interview 4, member state representative, 6 May 2025). A US expert interviewed agreed: "Even with a Democrat, you won't get US forces back in Europe. Trump is doing what everyone has talked about for decades. We won't go back. You need to take care of your own security. No young Democrat has any affinity to NATO. It's a structural shift" (Interview 12, academic expert, 24 April 2025). The Hague Summit in June 2025 produced a long-term spending target but offered little in terms of common strategy or shared purpose, particularly with regard to the Russia problem and Ukraine's future. US future commitment is also uncertain.

The 2025 White Paper for European Defence is clear on this challenge: "However much we may be wistful about this old era, we need to accept the reality that it is not coming back. Upholding the international rules-based order will remain of utmost importance, both in our interest and as an expression of our values. But a new international order will be formed in the second half of this decade and beyond. Unless we shape this order—in both our region and beyond—we will be passive recipients of the outcome of this period of interstate competition with all the negative consequences that could flow from this, including the real prospect of full-scale war. History will not forgive us for inaction" (European Commission, 2025a).

EU defence cooperation and strategy must therefore address the compound security challenges posed by Russian aggression, US unpredictability and Chinese assertiveness. More than that, it must become a cornerstone of Europe's effort to shape the global and regional reordering that lies ahead.

CURRENT DEBATES

Political leaders and analysts agree that Europe is at a turning point. The large number of publications and think tank reports on European defence cooperation reflects the sense of urgency. To place this report in a broader context, some of the dominant and differential strands of thinking on EU defence cooperation are discussed below.

Looking at the bigger picture of EU geopolitical power projection, there is an ongoing debate about whether the European institutional order is up to the challenges ahead, or whether "a wider reimagining of European integration" is needed. Within this debate, Richard Youngs argues that Europe is experiencing a renewed sense of urgency, as evidenced by increasing defence budgets, increased support for Ukraine and bold rhetoric from leaders describing the current situation as a "historic turn". However, this might represent only a "minimalist response" that bolsters hard power without any accompanying EU structural overhaul: "The Europe that exists is not the Europe that is needed". Youngs contrasts this minimalist course with a *maximalist* vision—a fundamental redesign of the European order that "fuses defence policy with a wider set of security and strategic functions: addressing climate geopolitics, defending democracy, and stemming the root causes of conflicts, instability and migration flows" (Youngs, 2025). An example of a "maximalist" perspective is offered by Max Bergman who believes that the moment has arrived for Europe to consider a European army. Although recent funding boosts and collaborative frameworks show promise, they are insufficient without deeper structural integration, he argues. Long-term security demands strategic institutional reforms centred on the creation of a hybrid common European force, which would combine a backbone of national armies (e.g., Germany, France, Poland, the UK and the Nordic-Baltic states) with a standing EU-level rapid reaction "marines-style" unit. Key structural steps would include establishing an EU command headquarters, potentially integrated with NATO, and assigning a dual-hatted commander (Bergman, 2025a).

Much, however, seems to stand in the way of a maximalist approach. Daniel Fiott underlines that while there may be widespread agreement that Europe needs to spend more and increase its defence capabilities, there is still little agreement on the broader direction of EU defence cooperation. He points to the lack of full trust between member states and EU institutions and the unwillingness by member states to extend more authority to Brussels in the defence domain, thus hindering centralized agency and planning processes. The member states tend to prefer to work within intergovernmental initiatives such as Permanent Structured Cooperation (PESCO), the European Peace Facility (EPF), and the European Defence Agency (EDA), with the latter being regarded as a tool to balance against the European Commission's attempts to be more directly involved (Fiott, 2025).

The challenge for European cooperation also stems from domestic political factors. Sophia Besch and Tara Varma (2025) warn that "transatlantic revisionists"—mainly found in nationalist far-right movements—are seeking to undermine the EU and multilateralism, aiming to weaken its regulatory and geopolitical power. Although not always in power, their influence on mainstream political parties in Europe is growing. In response, the EU must assert leadership in areas such as climate change and security, bolster NATO and strengthen internal solidarity to resist both US indifference and pro-Russian actors. Ultimately, the EU's survival depends on resisting internal and external pressures to fragment, and on defending its institutions, values and independence.

Several studies take a narrower look at Europe's defence capabilities—and gaps. Luigi Scazzieri argues that European defences have three major structural weaknesses: large capability gaps, fragmented procurement systems and an undersized, nationally compartmentalised defence industry. The EU is playing a more active role through tools such as the European Defence Fund (EDF), the European Peace Facility (EPF), PESCO, the Act in Support of Ammunition Production (ASAP) and European Defence Industry Reinforcement Through Common Procurement Act (EDIRPA), but these instruments are under-resourced, narrowly designed for industrial policy rather than military priorities and often closed off to strategic partners (Scazzieri, 2025). Scazzieri goes on to conclude that Europe cannot rely on piecemeal national or NATO-led efforts alone. A more focused, well-funded, politically savvy and pragmatic EU defence architecture that complements NATO and national initiatives will be essential if Europe wants to transform short-term momentum into lasting strategic capacity (Scazzieri, 2025). Fiott, in a similar vein, sees the

greatest potential in the EU acting as a military-industrial enabler—or the "arsenal," to use one of the four roles for EU defence cooperation that will be outlined later in this report. On industrial cooperation, he identifies "a fear that the objective of market de-fragmentation will lead to European consolidation around a handful of industrial players in the large member states rather than a de-fragmentation that genuinely enhances intra-EU competition for defence contracts and technologies" (Fiott, 2025). Looking more closely at military spending in Europe, the French/European think tank ARES has produced three scenarios. The *Steep and Strong* scenario envisages a sharp and sustained increase in defence spending in which European countries commit approximately 3.5% of gross domestic product (GDP) to military budgets over a prolonged period, signalling an enduring prioritization of defence. In the second, *Pump and Dump* scenario, defence expenditure initially surges to high levels but this momentum proves short-lived as strategic focus shifts elsewhere, eventually bringing budgets back down to around 2% of GDP. The *Slow and Low* scenario assumes that, despite rhetorical commitments, most states remain reluctant to significantly increase defence budgets beyond the 2% threshold (Bellais *et al.,* 2025).

Another highly relevant aspect of EU defence cooperation concerns the broader geopolitical context in which the EU operates—particularly the evolving role of the United States in European security. In the policy brief, *What if Hell Breaks Loose? Imagining a Post-American Europe*, Simón and Boswinkel (2025) outline potential scenarios for US military posture in Europe following a seemingly inevitable US withdrawal. In the most extreme scenario, *Europe on its own*, the United States withdraws entirely from NATO and the continent, leaving Europe without command structures, nuclear guarantees or critical capabilities such as intelligence and long-range strike. A slightly less drastic outcome is *cut to the bone*, where the US acts only as an offshore balancer (resembling its support to Ukraine), withdraws most of its in-theatre assets but retains strategic-level commitments such as nuclear deterrence and high-level command roles. The *status quo minus* scenario envisages a partial drawdown: a return to pre-2022 troop levels, reducing the current force posture by around 20,000 troops. Finally, in a *residual but strategically significant presence*, the US maintains a minimal but high-value footprint focused on deterrence, command and interoperability, while encouraging Europeans to step-up conventional defence efforts, striking a balance between reassurance and burden-sharing.

Much of the recent debate focuses on diagnosing the current state of EU defence cooperation without clearly grappling with what it is actually supposed to produce; that is, the problem that EU defence cooperation is intended to resolve. This is not a failure on the part of fellow analysts, but rather a reflection of the fundamental ambiguity that surrounds the policy field, especially at this turbulent phase in geopolitical developments. One seemingly straightforward rationale—that the EU might replace NATO if the latter fails in its core tasks—is arguably the clearest possible assignment, but remains politically distant from any realistic scenario.

To better address both the obstacles and the possible pathways forward, this report starts by discussing the various roles EU defence cooperation could play, drawing on historical developments, current strategies and ongoing debates around EU security and defence. It then turns to the key challenges facing cooperation, as well as potential solutions, as outlined in the literature above. By clarifying what EU defence cooperation actually aims to achieve, the report seeks to add nuance to discussions on, for example, the appropriate level of autonomy, since each role comes with its own specific costs, trade-offs and opportunities. In discussing challenges as well as conclusions, we will return to some of the ideas suggested above—but situate them in the context of what the EU is actually meant to achieve in the realm of security and defence.

WHAT ROLE FOR EU DEFENCE COOPERATION?

To guide the conversation on the future of EU defence cooperation, one useful approach is to consider the distinct roles the EU can play in European security and defence.[1] The four roles suggested below—derived from two decades of EU defence policy and informed by emerging debates about what cooperation should produce as well as official EU strategies—offer a framework for assessing current initiatives, ambitions and shortcomings. While defence cooperation can fulfil several roles that are not mutually exclusive, using the roles as analytical tools helps to illustrate the frictions, synergies and varying costs associated with each.

Analyzing ambitions and proposals through the lens of these roles is also an effective way to manage the overwhelming pace of policy developments, as specific instruments are often introduced and then revised within weeks. While addressing a moving target, this approach aims to capture the longer-term direction of travel.

DEFENDER

The first role is that of Defender, focused on collective defence against traditional territorial threats. This comprises forward-deployed troops, territorial air and missile defence, and the development of joint forces capabilities and command. Demonstrating the extent to which new ideas are being seriously considered, discussions on a European, or at least a Europeanised, nuclear deterrent even surfaced during the spring of 2025 (Chevreuil and Horschig 2025). While similar to NATO's Article 5 responsibilities, the EU's role in this regard remains underdeveloped and politically sensitive. Interestingly, the EU still does not have a mandate for territorial defence—national security remains the prerogative of the member states—and the EU budget cannot fund defence. This reality provides anti-integration EU members with a status quo "hook" upon which to resist progress on this issue. Under Article 42.7 of the Treaty on European Union (TEU), however, member states are still obliged to come to each other's aid. The mutual defence clause adds a dimension of collective defence but NATO's primacy—combined with the expectations of neutral EU member states—has left the article largely without practical consequences or the necessary preparations. While the mutual defence clause could be creatively used to press for needed reform, in the absence of strong and concerted leadership and will a European army seems as distant as ever.

Even if NATO - in a future where the US is less engaged - fails to provide a framework for European efforts at collective defence or military power projection, for example, in Ukraine, the EU does not yet appear to be the favoured alternative. Several member state representatives suggested that if Plan A (collective defence through NATO, possibly with a beefed-up European pillar) fails, they would instead opt for a flexible, ad hoc response outside EU structures, most likely led by key states such as France and the UK. Serious efforts to establish the EU as a viable Plan B for defence are largely absent. As one north-eastern governmental representative explained:

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[1] Roles here refer to the functional tasks that defence cooperation performs for the cooperating partners, i.e., the member states. They are therefore output-oriented and tacit, which distinguishes them from other types of roles commonly used in foreign policy theory.

"The EU is not a defence organisation and should not strive to become one, with full command structures that is. A potential replacement of NATO functions would happen within some form of coalition of the willing, not within the EU. The EU of today does not have sufficient political alignment, nor the structures to make this happen. With the current unanimity requirement we will probably not go there. But building upon experience from Ukraine, if we do not rely on NATO, big if here, we would rather build up coalitions of the willing, build up ad hoc command structures. We do not want to do this within EU structures" (Interview 5, member state representative, 24 April 2025). A southern member state official echoed this view: "NATO has been doing European defence for 75 years. Interoperability, standardisation, the EU should not try to reinvent this wheel" (Interview 8, member state representative, 3 July 2025).

While the division of tasks may seem clear on paper, however, there are significant uncertainties about the future. One such challenge is the potential accession of Ukraine to the EU without a parallel process for NATO membership—a prospect that has become increasingly likely since The Hague Summit, where Ukraine's eventual NATO membership was pushed to the margins. In that scenario, EU member states would find themselves bound by a mutual security commitment under Article 42.7 without any established format for implementing it. Even the more internally focused solidarity clause of Article 222 could be triggered by Ukraine, for example, in the event of a large-scale attack on its critical infrastructure, prompting immediate support from both EU member states and EU institutions. Preparing for such a scenario would clearly nudge the EU closer to taking on a more active defender role.

PROTECTOR

Second, the EU can act as a Protector against a broader spectrum of threats such as hybrid, cyber and maritime. While the defender role above is essentially about territorial defence, the protector role is focused on the defence of citizens and their security. Through cybersecurity hubs, maritime missions and the protection of critical infrastructure, the EU could enhance resilience against threats that fall below the threshold of armed conflict but nonetheless erode security.

This agenda has been continuously strengthened and, until 2022, was widely seen as representing the EU's main contribution to European security, including in hybrid and digital areas such as Foreign Information Manipulation and Interference (FIMI). One representative of an EU member state interviewed emphasized that "the EU has huge potential within the protector role, whereas NATO does not" (Interview 9, member state official, 2 July 2025). The European Commission under Jean-Claude Juncker established the concept of "A Europe that Protects", which included the security domain and highlighted issues such as border protection—particularly in response to the public concern and political pressure that followed years of migration-related challenges (Juncker, 2016). The work strand of "Secure" in the EU Strategic Compass incorporates most of this thinking, with a focus on hybrid, cyber and intelligence issues (EU Strategic Compass, 2022).

Current work—such as follow-up on the Niinistö report on total defence (Niinistö, 2024) and the Preparedness Union (European Commission, 2025d)—continues in this vein by advancing a broader concept of total defence. This approach goes beyond purely civil protection to include preparation for confronting antagonistic threats and strengthening societies even under conditions of war (Bekkers, 2024). The protection agenda also links naturally to the growing policy ambitions around economic security—particularly through its focus on security of supply and access to critical inputs for society. One interviewed

governmental representative suggested that the recurrent threats to undersea infrastructure have been a driver of EU work in this role (Interview 2, member state representative, 7 May 2025).

ACTOR

Third, the EU functions as a resolved Actor— proactively deploying military and civilian instruments in support of its wider foreign and security policy objectives. This expeditionary role includes peacekeeping operations, election monitoring missions, crisis management deployments and humanitarian interventions. This was the original basis for the Common Security and Defence Policy (CSDP) policy field and the area through which the EU first sought to achieve a degree of strategic autonomy, as stipulated in the 1998 British-French St Malo declaration. Since the traumatic 2021 departure from Afghanistan, however, the appetite for external missions has been modest. The "Act" work strand of the Strategic Compass focused on strengthening the EU's crisis management capacity, and the key innovation was a revamp of the long-dormant EU Battlegroup concept into a larger formation of around 5,000 personnel, known as the Rapid Deployment Capacity (RDC). While the RDC remains part of the official framework, however, it has clearly not been prioritised. Even the High Representative for Foreign Affairs and Security Policy, who is officially in charge of the EU's crisis management apparatus, recently noted: "At a time when we worry about attacks against us, we need to concentrate our European Union defence capability priorities where they are most needed. Less crisis management, more collective defence" (Kallas, 2025). One interviewed expert suggested that this will not change for the foreseeable future: "there won't be a return to peacekeeping. If there is, it will be framed differently" (Interview 11, academic expert, 29 April 2025). It is telling that while the EU maintains missions in support of Ukraine, the larger challenge of securing peace after a potential settlement has never been framed as an EU task, but rather as one for a coalition of resourceful states.

This, however, raises deeper questions: is there still a meaningful link between the EU's military instruments and its broader global agenda? If not, what does that mean for the Union's ability to shape the future international order?

While crisis management and humanitarian interventions might currently be out of fashion in a period in which the notion of the liberal/democratic peace is under substantial strain, other drivers could push the EU back into an actor role. The ambitions set out for the euro and for a more assertive foreign economic policy—as articulated in von der Leyen's programme and the Draghi report (Draghi, 2024) —would eventually require some degree of military capacity. This might involve stabilising trade routes, securing freedom of navigation at sea, reinforcing digital areas and protecting critical infrastructure abroad. Without such capabilities, it is difficult to see how the common currency could assume the strategic role currently envisaged.

It should also be noted that the concept of comprehensive security, which underpins much of the EU's expeditionary engagement, serves an exemplary function aimed at fostering stronger societies and more stable outcomes in areas of operation. The soft power embedded in Europe's approach to engagement should not be discounted, even in an era increasingly shaped by harder geopolitical challenges. One can argue that the EU's main competitive advantage is its democratic tradition which has enabled economic,

social and personal opportunities that make it a magnet for people seeking a better life. Jettisoning the Copenhagen Criteria legacy will only ensure that the values being promoted by authoritarians prevail.

A further point raised by a member state representative was that Europe's turbulent neighbourhood will eventually call for action: "given geopolitical developments and the need to take care of the EU neighbourhood, CSDP missions will once again become more important. While coalitions of the willing have their place, CSDP provides a foundation, frame and roof, avoiding the need to build from scratch each time" (Interview 4, member state representative, 6 May 2024).

ARSENAL

Finally, the EU is playing an increasingly important role as the arsenal of European security—providing defence capabilities, fostering innovation and offering industrial support to other actors such as NATO or ad hoc coalitions. Through initiatives like the EDF, PESCO and joint procurement schemes, the EU is helping to shape and sustain the broader European defence ecosystem.

Since 2022, this role has come to define the core of current EU defence cooperation. It corresponds with the work strand "invest" in the Strategic Compass, while the Commission's Defence Industrial Strategy (2024) and the accompanying White Paper have emerged as key policy documents that position the EU as a central enabler of defence readiness and supply resilience across the continent. The Commission's proposal from July 2025 on the new multiannual budget further accentuates the EU's role in defence, with ambitious new spending levels.[2] The logic behind creating a common European defence market is easy to grasp, as one European expert explained: "Without EU weight in defence industrial matters, many member states will not manage to create economies of scale" (Interview 14, academic expert, 23 April 2025). A US expert took the argument further, noting that there is no real alternative to deeper cooperation, but warned that the current focus is misdirected: *"The procurement of strategic enablers can only be done collectively. There is a spending problem, yes—but the major issue is how the money is spent. That isn't changed by these new Commission efforts. You need to challenge the notion that defence is a national thing. It's not. It was the US defending you. Now it must be a European cause"* (Interview 12, academic expert, 24 April 2025). It is clear, however, that arming Europe has become a central security role for the EU—a union that was originally created to prevent future arms races by coordinating coal and steel production.

Concerns remain, however, about the likelihood of defence industry integration due to the inherent national incentives surrounding defence procurement. As one European expert noted*:* "All major arms producing countries in Europe have a vested interest in preserving the status quo. Smaller countries, however, may be more willing to pool together defence procurement in the future. Without a real EU fiscal base, meaning significant spending power, and electoral demand, the process of common defence procurement remains very uncertain. And then there is the problem of Hungary" (Interview 14, academic expert, 2 May 2025). Another difficulty with integrating European defence industries and cooperating within this realm is bureaucratic divergences between member states. As one EU official highlighted: "The problem is that while everyone agrees more cooperation is necessary, member states still insist on cooperating on their own terms. The national systems follow their own paths and processes. Developing capabilities cooperatively is

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[2] See funding section.

difficult with these legacies; more EU cooperation requires member states to adapt their national processes more than they are currently doing" (Interview 25, EU Official, 8 July 2025).

Article 41(2) of the Treaty on European Union explicitly prohibits use of the EU budget for military and defence operations. As a result, most support for the defence industry is framed as and legally based on industrial policy instruments, as well as measures aimed at facilitating national defence spending. This has led to more decisions within the "arsenal" role being taken by qualified majority voting (QMV), which is more common in the industrial domain than in the foreign and security policy area, where decision making remains largely intergovernmental.

CHALLENGES FOR EU DEFENCE COOPERATION

Defence lies at the very heart of national sovereignty and is a core responsibility of the state. Consequently, international cooperation on this domain faces substantial challenges. These challenges are amplified when cooperation involves supranational bodies such as the European Commission and requires significant cost-sharing among participating states. This section examines some of the perennial challenges that have prevented EU defence cooperation in recent decades and continue to impede future progress. The discussion relates these challenges to the various roles that defence cooperation could play, as outlined above.

SECURING THE NEIGHBOURHOOD

At its inception, EU defence cooperation—through its actor role—was geared to global engagement. The Helsinki Headline Goal of 1999 suggested that member states should be able to rapidly deploy up to 60,000 troops and sustain them in crisis regions for up to one year to perform the crisis management tasks known as the Petersberg tasks. While EU missions have been launched as far afield as Afghanistan and the Democratic Republic of Congo, they have gradually shifted closer to home, increasingly located along the EU's external borders. In the 2022 Strategic Compass, a more modest Rapid Deployment Capacity of up to 5000 troops for different types of crises was suggested. As Russia has emerged as a more acute and structural threat to Europe, and amid growing expectations that Europe will take greater responsibility for its own security, EU defence cooperation now faces the challenge of addressing threats in its immediate neighbourhood.

Across the Eastern Partnership countries, the primary military threat has consistently been identified as stemming from the Russian Federation. For Georgia, this means not just conventional risks, but also persistent hybrid threats such as disinformation and information warfare. Moldova faces the compound challenge of Russian troops stationed in the breakaway region of Transnistria and the risk of internal destabilisation. In Ukraine, respondents emphasised the ongoing war with Russia but also warned of potential future territorial claims by other neighbouring states (e.g., EU/NATO member Hungary) if Ukraine's statehood is weakened. These threat perceptions underscore the region's deep sense of vulnerability in a deteriorating security environment shaped by Russian revanchism and the fragility of existing deterrence frameworks.

While partner countries are sceptical of EU's capacity for direct military intervention, they see the Union as a critical actor in supporting national resilience and deterrence, albeit through non-traditional means. Georgian stakeholders stressed the importance of EU economic engagement, hybrid threat cooperation and a continued presence through missions such as the EU Monitoring Mission in Georgia (EUMM), while also noting that political trust and domestic governance issues currently limit deeper military cooperation. Moldovan elites advocated for a stronger EU security footprint modelled on the Armenia CSDP mission, emphasising the need for military modernisation, cyber defence and strategic communication. Ukrainian voices called for the clearest commitments: enforceable security guarantees; robust military aid, particularly with air defence; and sustained investment in Ukraine's own defence industry. Across the region, the EU

is expected to complement NATO by bolstering internal resilience, providing predictable support and anchoring these states more firmly in the European security architecture.[3]

Currently, the premier task and challenge for EU defence cooperation is to support Ukraine in countering Russian aggression and to work towards a "comprehensive, just and lasting peace", as reiterated by the European Council in December 2024. The unclear US commitment to Ukraine—and to Europe in general—makes this task increasingly challenging.

Despite delivering little, Trump's mediation efforts have normalised issues that were previously only found on Putin's wish list: a closed NATO door to Ukraine, a clear signal that the US might stop supporting Ukraine's efforts and a normalization of Russia as a legitimate actor on the world stage. Until now, support for Ukraine has drawn on the actor, protector and arsenal roles of EU defence cooperation, while discussions and planning for credible defence efforts have taken place within coalitions of the willing. The latter have proved difficult. Most of the states involved have suggested that some form of US support or "backstop" would be a precondition for any engagement on the ground in Ukraine.

At the same time as Trump has signalled that US resources will be shifted away from Europe, European states are increasingly reluctant to move resources away from home, as the threat to their own countries becomes more palpable. A new German Marshall Fund study summarises the situation: "Most Europeans believe themselves unable to simultaneously deter Russia, defend NATO territory, and secure Ukraine, at least in their current posture. Their military contribution to a coalition, accordingly, must be considered carefully" (Barigazzi and Murphy, 2025).

Thus far, Europeans have assembled a strong support package for Ukraine, but this has not fundamentally altered the way security is provided in Europe. No Zeitenwende yet, as scholar Sven Biscop (2024) puts it. A key part of the equation in the future will not just be how Europe compensates for the material resources the US has indicated it might withdraw from the European theatre. A representative of a major EU member state argued that Europeans "should focus on conventional land weapons because this will be the first domain that will be left to us by the Americans" (Interview 8, member state representative, 3 July 2025). EU member states must also decide how to replace the leadership role the US has played—including its ability to discipline and coordinate European efforts. No clear plan for such a role has yet been proposed. One possible format is more institutionalised cooperation among capable and willing European states that are firmly anchored in liberal democratic norms (Besch and Youngs, 2025). From an EU perspective, the need for third party cooperation to secure Ukraine is key. An interviewed Political and Security Committee (PSC) ambassador from a large member state argued that "Turkey has a strong defence industry and a very important geographical location, and is an important Ukraine player. We would be open to integrating Turkey much more" (Interview 5, member state representative, 2025). The UK clearly stands out as the most important non-EU member that could partake in a European effort to defend Ukraine, as indicated by the French-UK planning for this task.

From a wider enlargement perspective, there are clear limits to what the EU's defender role can achieve, but other roles continue to gain traction. The EU's much-heralded comprehensive approach remains a valued offer—particularly as the US scales-back its non-military engagement, such as aid, in Europe's

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[3] Based on interviews carried out in WP2 of the GeoPowerEU-project.

neighbourhoods. The EU's ability to merge rule of law promotion, policy reform, critical infrastructure protection and civil protection into its missions also serves as a bridging concept to its protector role. This is especially relevant for partner countries on the path to EU membership, where these integrated efforts can help to anchor reform and resilience in parallel with security cooperation. In addition, the arsenal role is of growing relevance for several of the candidate countries, as indicated in the interview responses above. This calls for increased cooperation and synergy between the primarily Council-driven foreign policy agendas and the increasingly Community method–driven defence industry integration across the EU in response to the challenge of securing the neighbourhood.

While securing the neighbourhood is indeed a challenge for the EU, it is worth noting that such efforts go both ways. There is significant potential for the neighbourhood to contribute to Europe's security. Defence industrial ties with former and future EU member states are important, but so too is defence capacity—both in terms of forces and battlefield experience, as demonstrated by Ukraine today. EU enlargement policy should be conducted with the aim of capturing these broader security gains.

LEVEL OF THREAT

The level and direction of threat is a core motivator of defence efforts. Within the EU, member states have traditionally exhibited substantial divergence in the types and levels of threats they perceive and prioritize. This has historically been managed by the EU through efforts to balance its eastern and southern dimensions, in terms of both political engagement and budgetary allocations. The full-scale Russian invasion of Ukraine in 2022 has naturally shifted this balance towards the eastern dimension. The 2025 White Paper for Defence puts this front and centre: "Ukraine is currently the frontline of European defence, resisting a war of aggression driven by the single greatest threat to our common security" (European Commission, 2025a). Member states generally appear to accept this current state of affairs. As one member state representative put it: "there is a wide consensus that Russia's full-scale invasion of Ukraine constitutes the single most egregious use of power in post-WWII Europe and that Russia is a threat, potentially, to all of Europe" (Interview 4, member state representative, 6 May 2025). A representative of a southern EU member state jokingly commented that "we should have a Putin statue in Brussels at Rond-Point Schuman. Because nobody has yet done so much for the build-up of real European defence. Having said that, we are still not where we need to be" (Interview 8, member state representative, 8 July 2025)

The focus cannot solely be on Ukraine and the east, however, according to an official from one of the larger southern states: "While keeping up support to Ukraine we should also devote more attention to and focus on the southern flank. As soon as we take a step back in Libya, the Sahel or any African country, our foes immediately fill the void. Every decision by the West or the EU to forget some region is immediately followed by increased attention in Moscow or Beijing" (Interview 8, member state representative, 8 July 2025). An academic expert from a southern member state noted in an interview that while things are as they are, attention must eventually return to the Mediterranean and the challenges of the southern neighbourhood as well (Interview 13, academic expert, 23 April 2025). Another defence expert from a southern EU member state also questioned the assumption that unity around the Russian threat equates to a shared threat perception: "The common threat perception is not widespread across the continent. What Greeks and

Estonians consider threats are not the same. The Russian invasion has built consensus on the eastern flank. In the southern Mediterranean, our threat is not recognised" (Interview 16, academic expert, 23 April 2025).

Another dimension affected by threat perceptions was described by a northern European PSC representative: "Some countries only focus on the EU's long-term economic competitiveness. Others remain staunchly focused on the immediate Russian threat. This affects what kind of European policies they advocate" (Interview 9, member state representative, 2 July 2025).

The following section uses publicly available opinion polls to present the attitudes of EU citizens to defence cooperation and threat perceptions. In the face of a rapidly shifting geopolitical environment, Europeans are expressing new reasons for backing the EU: 35% now consider peace and enhanced security to be the primary benefit of membership while 34% highlight stronger cooperation among member states as the EU's primary raison d'être. Looking more directly at security-related issues, some 78% of Europeans are concerned about the EU's defence and security over the next five years, while 81% support a common defence and security policy among member states—the highest level of backing since 2004 (Eurobarometer, spring 2025).

When asked about medium-term priorities, respondents ranked security and defence first (39%), followed by the economy (29%), migration (24%), and climate and environmental issues (24%). Russia's invasion of Ukraine remains the most pressing issue at the EU level, cited by 27% of respondents to a May 2025 Eurobarometer survey, followed by the broader international situation (24%) and security and defence concerns (20%).

Most Europeans have come to see Moscow as a security threat to the EU. A Eurobarometer survey from December 2023 found that 78% of respondents across the Union viewed Russia as a threat, while 18% disagreed. Threat perceptions are especially strong in Central and Eastern Europe; 88% in Poland and 84% in Lithuania expressed concern. High levels of agreement can also be found in major western countries such as Germany (79%) and France (70%). In Hungary—despite Prime Minister Orbán's pro-Russia stance—65% still consider Russia to be a threat, compared to 33% who do not (Johnson, 2024).

An even more direct question was asked by the European Council on Foreign Relations (ECFR) in May 2025, on the extent to which respondents worried that their country would be directly attacked by Russia. As expected, countries such as Poland and Estonia scored high (52% of Estonians and 65% of Poles were very worried or somewhat worried). In France, Denmark, Hungary and Italy, fewer respondents expressed such worries (France 28%, Denmark 17%, Hungary 19%, Italy 27%). Perhaps more surprisingly, Portuguese and Spanish citizens were at the high end of the scale; 47% of Spanish respondents and 54% of Portuguese were worried about a direct Russian attack.

Another ECFR opinion poll from 2023 shows how dramatically EU citizens changed their view of Russia after the invasion. While 36% of EU citizens considered Russia an adversary or rival in 2021, this increased to 63% when the same question was asked in 2023. The most notable outlier is Bulgaria, where 10% answered that question positively in 2021, rising to 20% in 2023.

Change in Perception of Russia as Europe's Rival or Adversary (2021 vs 2023)
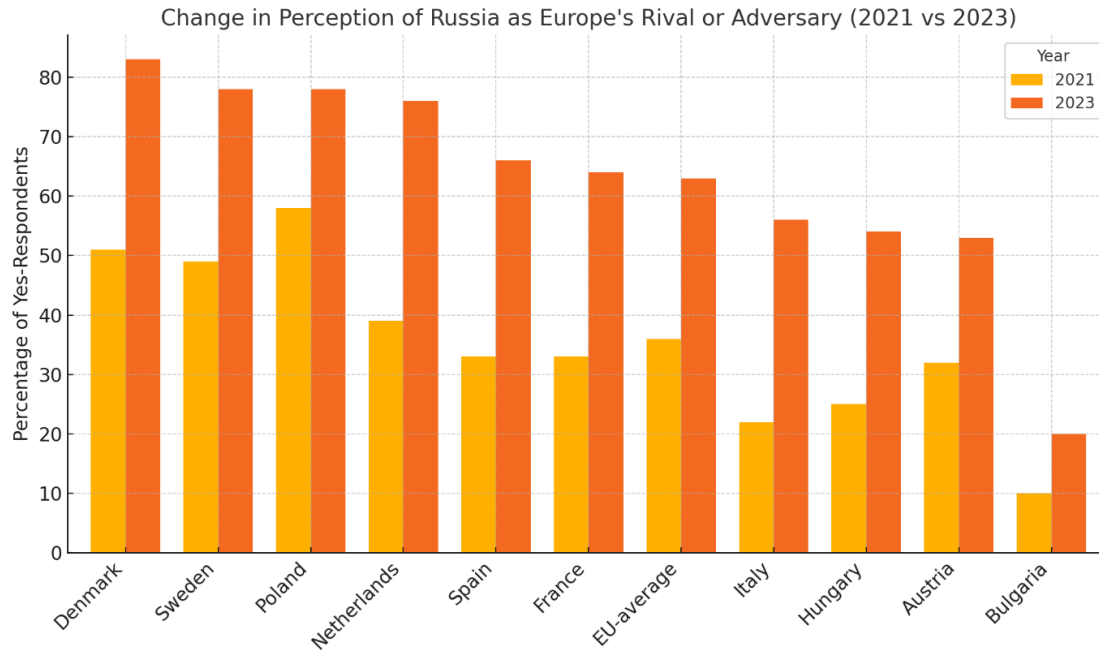
Data source: ECFR, 2023

On the question of transatlantic security cooperation, an overwhelming proportion of EU citizens agree that Europe cannot continue to rely on the US, and that Europe needs its own defence capabilities. In 2020, 66% answered yes to this question, increasing to 74% in 2023 (Puglierin and Zerka, 2023). It is reasonable to believe that this number has increased during the turbulent start to Trump's second term.

The results of these opinion polls clearly show that EU citizens expect the EU to take charge of its own destiny in matters of defence and security. The polls also show that there are differences in threat perceptions between member states. This was confirmed by the interviews, in which almost all the interviewees emphasized Russia as the dimensioning threat, except for a few southern representatives who stressed the importance of also looking southwards.

One important question is how diverging threat perceptions can be viewed through the different prisms of the four proposed defence roles outlined above. The *protector* role can accommodate a broad range of priorities, as its main focus is on enhancing readiness and resilience—functions that are relevant to both internal and external threats. The *actor* role also allows for flexibility in managing diverse threat assumptions, since its logic of cooperation is about assembling critical mass and it is sufficient if a group of like-minded member states decides to fund and staff a mission it sees as relevant. Those who disagree can opt out without undermining the public good being delivered. The *defender* role, by contrast, is more tightly tied to a clearly defined threat—primarily Russia in the European context. The capabilities sought, practices adopted and preparations made are all oriented towards countering this threat. As a result, this role is more vulnerable to divisions among member states. Thus, for the deterrent function of collective defence to be credible, a high degree of unity is essential. A PSC ambassador from a northern European country suggested that perception of a threat is still not enough to provide for sufficiently strong commitments:

"The challenge for the EU is the fact that our threat perception is quite different from region to region. The Nordics, Baltics in particular and Germany, Poland and the Netherlands are focused on the Russian threat. We need to keep repeating that the existential threat is Russia. The White Paper sets the tone quite well, but it is not enough. Different senses of urgency complicate giving real military support to Ukraine and increasing defence spending. The Nordic and Baltic countries are big donors to Ukraine. Germany has given more than Italy, France and Spain combined. Are the stocks empty or is there not enough political will in these countries? Various intelligence reports are quite clear that once the war in Ukraine is settled, we might have a conflict on EU soil within three to five years. It is the Nordic Baltic region that is first and foremost under threat. This is where the focus should be." (Interview 1, member state representative, 25 April 2025).

The *arsenal* role is less sensitive to differences in threat perceptions—at least compared to other national divergences, such as varying defence industrial interests. Here, threat perception acts as an intervening variable, influencing decisions such as whether to buy off the shelf or invest in internal development, or whether to support a broad and inclusive procurement framework or a narrower, strictly EU-based cooperation. Generally, the more acutely a country perceives the threat from Russia, the more it favours solutions that deliver capabilities quickly. In contrast, member states that feel less immediate pressure tend to support a longer-term approach focused on building indigenous industrial capacity. Within the EU, this divergence has largely been managed by applying a temporal lens: fast-paced instruments such as ASAP and Security Assistance for Europe (SAFE) allow for more flexible and open cooperation, while long-term initiatives such as EDIP are more oriented towards developing homegrown capacity—a reading supported by several key government officials.

LEVEL OF AUTONOMY

The quest for autonomy has been an enduring feature of EU defence cooperation since its inception. Initially, as articulated in the British-French St Malo Declaration, this referred to an autonomous capacity to act in the field of crisis management (French and UK Governments, 1998). The concept has since broadened and deepened into a more ambitious vision—held by some but not all EU member states—that the EU should not just have autonomous *capacity* but be an *autonomous actor*. This ambition now extends beyond crisis management into other security-relevant domains, ranging from defence to critical infrastructure and emerging technologies. Because autonomy has traditionally been framed in relation to the US and its indispensable role in European security, the election of a second Trump administration and its harsh signalling towards Europe have clearly added fuel to the debate. While NATO's summit in The Hague produced a spending target, it did little to clarify whether, when or how Europeans might have to act independently; in other words, the demand for autonomy remains vague and unresolved.

Autonomy is essentially a function of an actor's capacity and freedom to act. For collective actors such as the EU and its member states, these two components often exist in tension, in that individual states may need to sacrifice some of their freedom to gain the collective capacity to act. This trade-off between freedom and capacity means that autonomy takes on different meanings and comes with different costs depending on which of the four roles is being considered.

In the realm of *defence*, the cost of autonomy would be considerable, in terms of the required capacity and the political implications. Achieving genuine autonomy would demand substantial investments in strategic enablers, stockpiles, manpower and intelligence capabilities, among other things. A recent IISS study concludes that "looking to directly replace key parts of the US contribution would amount to approximately USD 1 trillion" (Barry *et al*., 2025). It would also come at a cost to member states' freedom of action. If the EU were to replace the US as a security provider, it would also need to replace the disciplining role the US currently plays by way of its military and political leadership. This would probably require deeper integration, reduced veto powers and more centralized decision making. As a result, member states tend to speak cautiously about autonomy in this role. Even in scenarios where NATO is failing, the preferred fallback is often not the EU, but smaller, more agile coalitions that do not require movement towards supranational defence decision making. Yet again referring to the quote from a major EU nation representative: "when it comes to collective security, NATO will take the lead. EU is not a defence organisation and should not strive to become one, that is, with full command structures. A potential replacement of NATO functions would happen within some form of coalition of the willing, not within the EU. The EU of today does not have sufficient political alignment, nor the structures to make this happen" (Interview 5, member state representative, 24 April 2025). Even French signalling about Europeanising its nuclear deterrent highlights the inherent tensions around autonomy. France is unlikely to cede the freedom of action it currently enjoys in order to secure a more collective capacity for deterrence. In addition, the potential turbulence that could follow France's next presidential election might be a cause for concern among other European states—especially those that perceive an acute threat from Russia.

In general, while the need to take greater responsibility has become a common mantra, interviewees have been reluctant to frame this as a path to strategic autonomy—particularly within the EU framework. Clearly, US signals of a potential withdrawal from Europe have made EU member states cautious, not wanting to accelerate this trend through their own actions. This stands in contrast to the field of economic security, where trade tensions with the Trump administration have generated momentum for Europe to take more responsibility for safeguarding its own economic interests. A PSC ambassador from a Western European country illustrates the reasoning: "A stronger European pillar within NATO is crucial. There are not really any member states that are working in favour of an EU army or command structure. At this moment this is out of the question. We are happy with the current role of the EU with its focus on the regulatory and financing side" (Interview 5, member state representative, 24 April 2025). An interviewed expert offers a complementary perspective, adding that key discussions relevant to autonomy are not even held within the EU format: "The member states and NATO allies are still reluctant to see the EU as a replacement for NATO in operations or planning. What is striking is that the really sensitive discussions, on coalitions of the willing to Ukraine or European nuclear deterrence, take place outside NATO and EU contexts" (Interview 11, academic expert, 29 April 2025).

Several interviewees from different parts of Europe highlighted Hungary's veto power and political preferences as a limiting factor in the ability of the EU to act more forcefully and independently. This issue extends beyond the EU defence debate, touching on broader institutional dynamics. As one expert bluntly put it: "We need to get rid of the Hungarian problem. So whatever mechanism—even exclusion—that could help us do that would be very positive" (Interview 17, academic expert, 12 May 2025). A northern European PSC ambassador, however, saw opportunity in Hungary's obstructive behaviour, suggesting it might accelerate institutional reform: *"Changes are likely because of Hungary's attitude to Ukraine. The*

Hungarians are actually doing a big favour for those who want more QMV" (Interview 1, member state representative, 25 April 2025).

The EU already possesses a sufficient level of autonomy for the *actor* role, with both the capacity and the freedom to intervene, at least for less demanding missions. This is demonstrated by its track record with civilian and military missions. However, the key limiting factor is political will. While numerous instruments have been introduced—ranging from Berlin Plus arrangements to the recent Rapid Deployment Capacity—no amount of acronyms or institutional innovation will enable action if political consensus among member states is lacking. In this regard, the EU's autonomy is constrained *from below* by its member states, rather than by any external actor such as the US. The persistent reluctance to cede national authority and delegate decision making to the EU level has made the EU effectively dependent on national political backing for all its operations. As one expert explained: "Only through more threat will the EU ever develop its capabilities in defence" (Interview 12, academic expert, 24 April 2025).

In the *protector* role, autonomy is less of a strategic ambition or political flashpoint. Most competencies in this area—such as public health, civil protection and infrastructure resilience—remain in national hands. However, the European Commission is playing a growing role, particularly in civil protection and economic security. Frontex is an illustrative example of how autonomy in this sphere is more about balancing power and bureaucratic resources between EU institutions and national capitals, rather than asserting independence from Washington.

Much like the *defender* role, the *arsenal* role raises more complex autonomy challenges. One key question is what kind of industrial capacity Europe actually needs. Is the goal to strengthen the EU's industrial base in order to become a more capable partner to the US, thereby encouraging continued US support for European security? Or is the ambition to build an independent European defence industrial base, reducing current dependencies on US capabilities? These are strategic choices that require clarity. As one member state official put it, this is "a fundamental discussion that doesn't really take place—either in NATO or in the EU" (Interview 5, member state representative, 24 April 2025). Beyond the issue of *what* equipment is needed, there are also practical concerns around *security of supply*, *data or digital sovereignty* and *resource control* that must be addressed. Together, these factors will define both the meaning and the cost of autonomy for the EU in this role.

This dimension of autonomy is closely tied to ongoing discussions about third-party access to EU defence cooperation initiatives. Autonomy is affected because the way in which EU public funds are used to support the European technological and defence industrial base is crucial to Europe's ability to produce the capabilities it needs. Recent debates around "kill switches" have further elevated concerns about sovereign control and security of supply in the defence sector. France has taken a firm position, arguing that countries such as the US and the UK should have only limited access to EU initiatives. In contrast, more free trade-oriented—and more US-aligned—countries such as the Netherlands and Sweden have advocated for a more open approach. In relation to the UK, the hard French line has generated some public annoyance, something that was reinforced by an interviewed EU civil servant: "France is making defence industrial policy cooperation difficult. Defence cooperation at the EU level is industrial policy. Much of what makes these discussions difficult is [linked to the fact] that different countries want to favour their own defence industrial base" (Interview 22, EU Official, 28 April 2025).

A New European Way of War?

A fundamental challenge facing European defence cooperation is to match ambitions with a realistic understanding of the types of military conflict for which Europe is preparing. This is relevant for all the roles discussed above. In the era of crisis management, capability needs were largely determined by specific mission areas and conflict levels—typically low-intensity operations in overseas environments. European armies adapted accordingly, focused on desert training, light expeditionary forces and language skills tailored to missions in Afghanistan, Mali or the Balkans.

Today, however, the context is drastically different. A full-scale war on the European continent has fundamentally changed the nature of military conflict, and therefore of capability planning. The new challenge lies not only in replenishing depleted stocks or providing urgent military support to Ukraine, but in determining what kind of future military environment European armed forces must be prepared to face.

A strong and understandable trend is for European countries to invest heavily in the capacities being used in Ukraine. This is driven by the need to replenish national inventories after delivering support to Ukraine, the need to produce capabilities for continued Ukrainian use—especially if US engagement is projected to decline—and the desire among member states to gain access to systems that have proved effective in war. This battlefield-driven logic is intuitive, but the approach risks tilting Europe towards a narrow, land-centric and platform-heavy defence posture. A number of arguments have been raised against following this trajectory too rigidly: First, even if Russia remains the principal threat, a direct Russian-European military conflict is likely to differ significantly from the war in Ukraine, as both geography and the available resources would differ substantially. Ukraine's geography, defence model and force structures are not easily transferrable to Western European states, which may require different sets of capabilities (For a comprehensive argument along these lines, see Hoffmann, 2025). Second, overemphasizing artillery and ground-based systems risks making Europe less relevant in future global conflicts—especially in the Indo-Pacific, where maritime and aerial capabilities will be central and Europe has strong interests at play. Third, and most fundamentally, Europe could squander a historic opportunity to break with outdated, platform-centric models of warfare and adopt a more innovative, networked approach. As highlighted in Benjamin Tallis' *Offset & Competitive Strategies for Europe*, Europe should not try to match Russia (or replace US capabilities) platform-for-platform, but rather embrace disruptive military innovations such as AI-enabled battle networks, mass-produced precision drones and additive manufacturing (Tallis, 2025). Such a shift would not only align military planning with technological change, but could also generate spillover benefits for Europe's industrial base, innovation ecosystem and technological sovereignty—needs that are strongly highlighted in the Draghi report. This shift is already visible in Europe's evolving defence innovation landscape. A recent IISS analysis highlights how European start-ups are developing low-cost, scalable air defence solutions in response to the widespread use of mass-produced drones on the battlefield. These systems prioritise affordability, rapid production and ease of integration—characteristics that reflect a broader rethinking of capability development (Williams, 2025). The emphasis on "combat mass" and cost-efficiency resonates with emerging calls, such as those in Tallis' Offset Strategy framework, to move away from legacy platforms and adopt a more networked, adaptive and industrially scalable European way of war.

A much-discussed problem facing an ambitious modernisation of EU defence is the lack of funding available to scale-up defence innovation. A new EU strategy notes that the current system lacks the capacity to support investment rounds over €50 million, which is the scale needed for dual-use and defence-related technologies (European Commission, 2025b).

At a more fundamental level, Europe is likely to need to reinvent its approach to warfighting if US support for European security is scaled down. Beyond the high-tech vision discussed above, this could include a greater reliance on Europe's preferred comprehensive approach—even in the realm of territorial defence. It might also require the development of a civil defence capacity geared not just to natural disasters, but to antagonistic threats and wartime scenarios as developed within the total defence concept employed by a few member states. Crucially, any such strategy would need to align with the collective decision-making structures that will continue to characterise European action for the foreseeable future.

The stated ambition of the interviewees was to find ways to both modernise and fill existing gaps in conventional capacity. An EU civil servant suggested: "Future technologies are crucial—without them, we'll be exposed 20 years from now. At the same time, we must also focus on the here and now. Ukraine brought urgency to the present. But now we've realized the importance of looking ahead" (Interview 22, EU Official, 28 April 2025). A PSC ambassador from closer to the front stressed that NATO capability targets should still be the main point of departure, and that "Air defence and ammunition is really the focus. For many, the stocks are empty. Procuring takes a long time. No orders are being placed, according to defence industries. Europe needs to look at land forces—it is undermanned by severe gaps. The war in Ukraine has changed modern warfare. Solid land forces are simply needed" (Interview 1, member state representative, 25 April 2025). The argument was also made that there is a risk that high-tech domains, such as space capabilities, pushed by other states might crowd out much-needed investments in more traditional capabilities such as munitions.

FUNDING

Plenty of money is currently being pledged for defence across Europe. Russia's war against Ukraine has served as a wake-up call for the defence budgets of many EU member states. Until the early 2020s, military spending was largely a matter of political choice, as there was no immediate threat compelling higher investments in the defence realm. Since Russia's invasion, however, European defence spending has risen from €218 billion in 2021 to €326 billion in 2024, and projections indicate a further increase of at least €100 billion by 2027 (EP Research Service, 2025). In the first multiannual financial framework (MFF) proposal presented on 16 July 2025, the Commission announced that €131 billion would be allocated to support investments in defence, security and space, a sum that is five times higher than in the previous long-term budget for the EU (European Commission, 2025c). At the NATO summit in The Hague in June 2025, the European members and Canada pledged to boost their defence spending to a new target of 5% of GDP, 1.5% of which would be for defence-related investments, such as infrastructure and resilience (NATO Declaration, 2025).

Russia and China have increased their defence budgets by 300% and 600% respectively over the past decade, while EU member states collectively raised theirs by just 20% up to 2022 (EP Research Service, 2025). The status quo is simply no longer an option for a continent that needs to provide credible military deterrence.

There are significant gaps in European defence capabilities. Lessons from Ukraine have clearly demonstrated that industrial capacity plays a critical role in modern war. The European Defence Technology Industrial Base (EDTIB) is fragmented and a single market for defence appears as far away as ever. European military innovation is lagging behind due to funding problems, according to one interview source in Brussels: "In the next MFF negotiation we need to be more ambitious; we have an innovation funding gap. De-risking private investments is crucial and urgent. There is not enough venture capital. It is necessary to transform the European defence sector. We have big established players. Innovation requires more competition. You need to foster an innovation environment" (Interview 24, EU Official, 8 July 2025).

Defence planning is still a national prerogative and NATO capability targets remain the lead star for member states. From the perspective of most member states, substantial defence planning within EU structures is not a priority. At the same time, it is evident that there is much to be gained from increased European cooperation. Joint EU initiatives could have a significant impact on closing technological gaps and achieving economies of scale. Combined European defence spending has the potential to remedy capability gaps and lower the costs of individual states' procurement.

Many EU initiatives are seeking to address these issues. The war in Ukraine combined with the turbulent transatlantic relationship have injected new energy into EU initiatives to fund and coordinate defence procurement in Europe. Some—such as the EDF, ASAP and, of course, the ReArm Europe/Readiness 2030 plan published by the Commission in the spring of 2025—have made a real difference or have the potential to do so in the coming years.

Proposals to support the financing of European defence can be broadly grouped into four categories: (a) direct EU funding for military-industrial cooperation; (b) EU incentives to encourage member states to boost their national defence budgets; and (c) efforts to mobilise public and private financial institutions to support the European defence sector (Bellais *et al*., 2025). A fourth funding alternative can be added, to establish a dedicated rearmament bank outside of EU structures. The latter should be seen as a result of the potential difficulties of persuading 27 member states with different threat perceptions and military needs to agree on a common direction.

With regard to the first option, direct EU funding, all eyes will be on the negotiations on the new Multiannual Financial Framework (MFF), 2028–2034. The EU will need to renegotiate funding for Commission-managed programmes that support defence industrial cooperation, such as the EDF and the forthcoming European Defence Industry Programme (EDIP). At the same time, dual-use programmes in strategic sectors such as space (e.g. the IRIS² constellation of low-earth orbit satellites for secure communications), semiconductors and critical raw materials will also require renewed financial support. Some member states believe that EU grants will be the most credible path forward. As one Southern European academic expert noted, "The government of my country has been sceptical of loan parts. Our preferred option is EU grants, not loans. It would alleviate a lot of debt concerns" (Interview 13, academic

expert, 23 April 2025). Another expert stated that EDIP could be the real difference maker: "Through EDIP, grant funding from the EU budget is a possibility. It's more large-scale, aimed at increasing production capacity—economies of scale. It all depends on how EDIP is finalised in the MFF negotiations. Thierry Breton wanted €100 billion allocated to it. That's when things get serious. The grants might not cover 100%; member states could contribute a bit too" (Interview 15, academic expert, 2 May 2025).

There are four potential sources from which to draw direct EU funding: increased member state contributions to the EU budget, redirecting funds from other EU budgets to defence, raising loans on the market directly through eurobonds, or introducing new resources for the EU, although this would be more complex and could require Treaty changes (Santopinto, 2025). In the months and years ahead, member states will need to choose among these funding options.

The second option for funding European defence would be for the EU to provide incentives for member states to increase their national military budgets. The EU has already taken major steps to stimulate increases in member states' defence spending by triggering the "escape clause" in the Stability and Growth Pact and agreeing a €150 billion loan initiative Security Action for Europe (SAFE). In addition, the EU could encourage member states to allocate structural funds to support the defence industry. It is notable that nearly 40% of the 2021–2027 structural fund allocation—over €500 billion—is yet to be used (Santopinto, 2025). There is some doubt about whether the recently adopted SAFE loans will be put to use to the extent intended. Certain member states already have the capacity to borrow money at equally or more advantageous rates and/or are reluctant to use the SAFE option due to administrative concerns. Other member states find themselves with strained finances and are reluctant to increase government spending. France, for example, pays more in borrowing costs than it spends on its defence budget (Financial Times, 2025).

SAFE could prove an important instrument for several reasons. The Commission has an AAA credit rating from major agencies such as Fitch Ratings, Moody's and Scope. Not all EU member states enjoy the same status, which has implications for the conditions attached to their loans. As a result, borrowing through the Commission—through funds it raises on the markets—could be more cost-effective for some member states than issuing debt independently. The SAFE programme will also offer long-term loans with maturities of up to 45 years and a 10-year grace period before principal repayments begin (Euronews, 2025). One EU Defence Expert notes "SAFE will be important for member states with weaker credit ratings" (Interview 15, academic expert, 2 May 2025).

The SAFE loans will be guaranteed by the EU budget, ensuring that member states will not face unexpected additional costs if repayment expenses rise, in contrast to what happened with the COVID-19 recovery fund, after interest rates surged due to the pandemic and the war in Ukraine (Pugnet and Cohen, 2025). Another key benefit of using SAFE is that member states will be exempt from paying Value Added Tax (VAT) on the resulting purchases (Euronews, 2025). The degree of SAFE usage will be an important topic to monitor. One indication of the level of interest is the number of member states requesting activation of

the national escape clause.[4] A majority of EU member states have asked for permission to temporarily deviate from the EU's fiscal rules in order to increase defence spending (Euronews, 2025).

The third funding option comprises measures to encourage public and private sector financial institutions to support the EDTIB. In the spring of 2025, the European Investment Bank (EIB) was already taking steps to broaden its mandate—which is currently restricted to dual-use projects—to include the European Defence Technological and Industrial Base. It also aims to introduce measures that would make the EDTIB more appealing to private investors (EIB Press Release, 2025). This approach could draw inspiration from the so-called Juncker Plan, which according to the Commission mobilised €335 billion in additional investment between 2014 and 2018 "to reverse the downward trend of low levels of investment and put Europe on the path to economic recovery" (European Commission, Press release, 2018).

The fourth proposal—providing solutions outside of EU structures—is a European Defence Mechanism (EDM) modelled on the European Stability Mechanism and based on an intergovernmental treaty. The EDM would coordinate joint procurement and fund strategic enablers in key areas, potentially owning them and charging member states use fees to ease budgetary pressures. Membership would require a ban on state aid and national procurement preferences that disadvantage contractors from other EDM countries. Proponents of this alternative argue that it would: (a) establish a single defence market among EDM members; (b) provide a financing tool for large-scale projects: and (c) allow equal participation by non-EU democracies such as the UK, while offering opt-outs for EU member states unwilling or unable to deepen defence integration (Wolff *et al.*, 2025).

How and to what extent the EU provides defence funding solutions will impact Europe's defence industrial landscape with regard to which capabilities are prioritised, the volume of production, the degree of innovation and the nature of competition in European defence production (Bellais *et al.*, 2025). The balance between strengthening Europe's autonomy or continuing to rely on the US is another matter that will loom large over questions of funding and spending in Europe, regardless of which of the above-mentioned funding options is pursued. Whether Europe expects to be able to continue to rely on US weapons and systems will undoubtedly affect the sense of urgency and level of ambition. This matter will also shape the appetite of member states for common European solutions. The interviews with member state representatives show that European governments still refuse to cut the transatlantic cord. A representative of the EU's bigger member states gave a hint as to why: "I do not even want to think about major changes in the strategic backdrop [the US pulling out completely]. That's not 5%; that would be 20% percent of GDP on military spending" (Interview 8, member state representative, 3 July 2025). Doing so would require even clearer signals from Washington. The EU needs to find a practical way to work its way around this uncertainty without grinding to a halt.

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[4] A report from the European Parliament offers a sceptical view. While the Commission originally estimated that combined use of SAFE loans and NEC flexibility could unlock up to €800 billion in defence-related spending, updated projections suggest that the effective fiscal stimulus may be closer to €293–337 billion—less than half of initial expectations. See European Parliamentary Research Service. (May 2025). *Fiscal flexibility and common instruments to finance European defence: State of play and outlook* (PE 751.596). European Parliament.
https://www.europarl.europa.eu/thinktank/en/document/EPRS_IDA(2025)751596

Finally, public acceptance of increased defence spending has yet to be gauged—especially if it is funded through cuts in other areas. One suggested risk with NATO's aggregated defence spending target of 5% is that it could spark a "guns vs butter" debate in Europe, where defence spending is often a tough domestic sell (Bergman 2025b). This might particularly be the case if a significant share of the spending flows to foreign defence producers, generating few jobs and economic benefits at home.

The above analysis highlights both the diversity of views on what EU defence cooperation should aim to achieve and a relative consensus on what it should avoid attempting. EU defence cooperation is evolving through a dual process of reordering: externally, as Europe adjusts to a fading liberal international order; and internally, as it prepares for an era of military confrontation and strategic uncertainty without the level of US engagement that has existed since the Second World War. Despite the clear sense of urgency, however, member states continue to diverge on fundamental questions: which threats to prioritise, how much strategic autonomy to pursue and whether the EU should play a central or auxiliary role in defence. These disagreements are not merely tactical; they reflect unresolved strategic visions of the EU's global role and differing commitments to liberal norms. Indeed, a few member states seem largely untroubled by the erosion of the liberal order, either internationally or domestically.

While the EU has made progress with industrial coordination and capability development, its role as a credible collective defence actor remains limited. Article 42.7 of the Lisbon Treaty remains politically and operationally underdeveloped. Most member states continue to view NATO—or, failing that, coalitions of the willing—as their primary security guarantee. The EU's potential role as a defender is accentuated by Ukraine's progress towards EU membership, while its path to NATO membership appears largely blocked. This scenario has not compelled EU policymakers to make significant moves to build collective security and deterrence organised around the EU framework. Without structural reforms and political alignment, the EU's evolution into a fully-fledged defence organisation appears unlikely in the short term.

The EU's most dynamic area at present is its arsenal function—boosting defence production, facilitating joint procurement and driving innovation through industrial policy—but even this area is riddled with contradictions. Whether EU defence production should aim to reduce dependence on a potentially diminishing US security commitment or seek to reinforce US engagement through greater complementary investment remains unresolved. Notably, this strategic debate appears to be taking place largely outside formal EU or NATO frameworks. Even though strategic enablers and interoperability require collective investment, national incentives, legacy procurement structures and industrial rivalries continue to limit deeper integration. As a result, it is uncertain whether EU efforts will result in a coherent and scalable defence-industrial base, or instead reinforce existing fragmentation by providing member states with greater leeway to invest in line with national priorities and interests. There is also a tension between long-term technological modernisation, which could boost Europe's global strategic position, and the need to address short-term capability gaps.

The protector role might be the least controversial. It does not fundamentally challenge national sovereignty, is aligned relatively well with NATO's existing responsibilities for European security and fits the institutional skills and capabilities already present in EU structures. By contrast, the actor role—the original ambition of EU defence cooperation—is currently being downgraded in importance. However, long-term trends in the EU's neighbourhood and the broader international system suggest that the EU will need to regain and strengthen its capacity to act as a crisis manager and to project military power in line with its diplomatic and strategic interests.

Moving forward, the EU should focus its defence cooperation on areas where it adds clear value to the roles that member states want it to play. Grand rhetoric and abstract goals—such as a "European Defence

Union"—seem to offer limited practical utility in this regard. A few suggestions for action are set out below to help sharpen this focus and reconcile the EU's various emerging defence roles.

1. DON'T LET DEFENCE DREAMS PREVENT SUBSTANTIAL SECURITY GAINS

This report has shown that most member states are still largely unwilling to let the EU take on traditional defence and deterrence roles—regardless of NATO's cohesion or the future of US support. At the same time, it has highlighted several areas where the EU adds clear value to European and global security. The conclusion is therefore that the EU should deprioritise grand designs and rhetorical ambitions such as a European Defence Union, and instead double down on areas where meaningful progress is already visible and can be scaled up.

Overambitious signalling risks creating an expectations–delivery gap and could also discourage member states from using the EU as a platform for more practical and politically viable security cooperation. Useful lessons can be drawn from the intelligence field where proposals for a "European FBI" or a "European CIA" have often raised political resistance but lower-key, more pragmatic initiatives—such as offering platforms for member state cooperation—have produced tangible benefits over time.

2. SUPPORT EUROPEAN SOVEREIGNTY THROUGH THE EU'S ARSENAL ROLE

While there is only limited interest in giving the EU a fully autonomous defence role (see above), it is clear that European decision makers are increasingly confronted with scenarios in which Europe must assume greater—possibly full—responsibility for its own security. Even if this does not translate into full EU autonomy in defence, the EU has a crucial role to play in supporting broader European sovereignty in the defence realm—whether that takes place through flexible coalitions or more structured cooperation among subgroups of European countries.

The most important current vehicle for such support is the EU's industrial and arsenal role. Ensuring that measures are designed to allow NATO member states to count EU funds toward their core defence spending targets will be essential. As many have struggled to meet the previous 2% benchmark, the EU could play a pivotal role in helping them reach the new 3.5% target by allocating a larger share of the next MFF— preferably through new funding models—to defence industrial investments. It will also be necessary to create space for sensitive discussions on defence industrial decisions that go beyond frameworks built on the assumption of an enduring US commitment (such as to NATO) and ensure that non-EU European countries—most importantly the UK but also Norway and Turkey—are as integrated as possible into these efforts. More investment should also be directed towards defence innovation to ensure that Europe does not miss the opportunity to capitalise on current developments in critical technologies. It is worth noting that only EU-level defence innovation instruments—such as the EDA's Hub for EU Defence Innovation (HEDI) and the Commission's EU Defence Innovation Scheme (EUDIS)—are explicitly linked to the common

European market, benefit from a harmonised regulatory environment and aim to produce sovereign European capabilities.[5] Further steps, such as a fully-fledged European DARPA (the US Defense Advanced Research Projects Agency) or an overarching defence Innovation board (Mettler and Andrijanic 2025), have been suggested and should be seriously considered when planning the work funded by the new MFF.

3. ESTABLISH A DEDICATED DEFENCE MINISTERS' COUNCIL CONFIGURATION

At present, EU defence ministers meet as a special configuration of the Foreign Affairs Council (FAC). This arrangement reflects the original design of EU defence policy as an instrument of crisis management, closely integrated within the broader foreign policy domain. While the role of the FAC—as well as that of the General Affairs Council—is prescribed by Article 16(6) of the Treaty on European Union, Article 236 suggests that the Council can decide on other Council configurations using QMV. Hence, there is nothing to prevent member states from "upgrading" the current format by establishing a dedicated Defence Council configuration within the Council of the European Union.

While such a move might reduce synergies with the foreign affairs agenda, it could yield significant benefits. A standalone defence configuration could strengthen ownership and commitment among Europe's ministries of defence and bring greater focus to the added value of EU defence cooperation—whether for internal European security or external engagement.

4. LINK DEFENCE COOPERATION ECONOMIC SECURITY EFFORTS

European defence measures are increasingly focused on addressing vulnerabilities and risks tied to third-country actors—challenges that are also being tackled under the broader policy stream of economic security. Too often, however, these two policy spheres operate in silos.

For example, the EU's Economic Security Strategy barely mentions the defence industry in its industrial policy perspectives, despite the fact that this sector is particularly exposed to the four categories of risk identified in that strategy. At the same time, the EU's defence industry strategy suggests launching a separate review of supply chain vulnerabilities and security of supply, rather than aligning with the broader assessments already being conducted within the economic security framework.

In practice, the defence sector is directly impacted by measures taken under the economic security agenda—such as export control harmonisation, industrial partnerships with third actors and industrial policy measures affecting access to strategic raw materials, talent and critical technologies. As highlighted by Viktor Szép, the EU's vulnerability in battery supply chains—dominated by China—is a striking example of how economic dependencies can translate into strategic and military liabilities (Szép, 2024). This

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[5] As noted in Mohring, M. (September 2024). *Defense innovation in Europe: Institutions, instruments, and industrial challenges*. Institut français des relations internationales (IFRI). https://www.ifri.org/sites/default/files/2024-09/ifri_mohring_defense_innovation_2024.pdf

disconnect needs to be addressed from both sides. Defence considerations should be integrated into the analysis and implementation of economic security policies, while economic security efforts, such as those related to digital sovereignty, must be factored into long-term defence capability planning. Another way to link defence more closely with other strands of cooperation would be to expand the role and function of the EU's Union Civil Protection Mechanism, enabling member states and third countries to cooperate in areas such as civil and total defence.[6] This will become even more relevant as the EU's NATO members seek to allocate their 1.5% spending on defence-adjacent areas in a coherent and efficient manner.

5. RECONNECT EU DEFENCE COOPERATION TO A STRATEGIC VISION OF EUROPE'S PLACE IN THE WORLD

This report has shown that current EU defence cooperation is primarily geared to addressing the immediate threat posed by Russia—and, to some extent, to doing so without relying on the same level of US support as in the past. However, the EU also needs to position itself within an emerging global order—and, ideally, to play an active role in shaping that order in line with its interests and values. In future, EU defence cooperation would benefit from being tied to such a broader strategic agenda, rather than being framed solely as a reaction to proximate threats.

The EU Global Strategy is now outdated and lacks broad buy-in from member states. While more recent, the Strategic Compass is primarily a threat and risk management tool that reflects the thinking of the pre-2022 era—prior to Russia's full-scale invasion of Ukraine and before the incremental US retrenchment from European security commitments. Meanwhile, the Defence White Paper focuses mainly on industrial planning related to the EU's arsenal role, rather than providing a comprehensive blueprint for how EU defence cooperation fits into Europe's wider strategic outlook and role in global affairs.

Reconnecting the various strands or roles of EU defence cooperation to a larger vision of Europe's place in the world will be no simple task. It will depend in part on external factors, such as the future cohesion and trajectory of NATO. Nonetheless, anchoring defence cooperation in a more ambitious and coherent strategic vision will be necessary if the EU is to become a confident and capable security actor in the decades ahead. Some form of overarching strategy process should be initiated in the second half of 2025, once there is hopefully more clarity on US commitments to European security.

6. BOOST INTELLIGENCE COOPERATION AND COMMUNICATE TO EU CITIZENS

In all of the roles discussed in this report, the EU would benefit from a solid informational base—one that is also sufficiently shared with citizens. This is even more important as budget lines for defence and society are growing rapidly. If citizens in the EU member states are not democratically and transparently informed about the ongoing and increasing security threats, it is impossible to imagine that democratic electorates will support increased military spending, army conscription or enhanced EU defence cooperation in the future. This calls for better intelligence capacities within the EU, and for threat assessments and similar

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[6] For an elaboration on this, see Bekkers, R. (21 February 2024). *What's in a number? Making NATO's 1.5% spending goal work for European resilience*.

analyses to be shared with citizens. On intelligence, the EU could boost its capacity by expanding joint training through the Intelligence Analysis Centre, including more short-term secondments of national analysts to foster trust and future information sharing. It should also strengthen the intelligence role of EU delegations by staffing them with both security experts and specialists in trade, technology, infrastructure and development—areas that are increasingly central to geopolitical competition. More open-source analysis capacity would also allow for the production of end-products that can be more widely disseminated. With a stronger informational base, the EU can better communicate to citizens the reality of heightened security risks and imminent threats, increasing both the legitimacy and the efficiency of further defence cooperation.

7. INTEGRATE DEFENCE AND SECURITY INTO THE EU ENLARGEMENT PROCESS

The EU's enlargement and defence agendas too often run on parallel tracks. As noted above, however, candidate countries are already important contributors to European defence through capability development, industrial production, strategic infrastructure and operational cooperation. Their integration into EU security efforts should therefore not be postponed until formal accession is complete.

The Western Balkans offers a case in point. Several countries in the region now spend over 2% of GDP on defence and have demonstrated operational commitment through CSDP deployments and support to Ukraine. As Ana Krstinovska and Alessandro Marone (2025) note, they are also host to valuable industrial capacities and training infrastructure that align with the EU's Readiness 2030 agenda. To reflect this reality, the EU should formally incorporate defence considerations into the enlargement process. Gustav Gressel and Nicu Popescu (2025), for example, suggest that defence issues be included in the accession questionnaire and that a defence roadmap be established for candidate countries.

Such steps would not only enhance interoperability and capability development among future EU member states, but also serve as a strategic lever to reinvigorate the enlargement process. Candidate countries should be offered early—conditional—access to EU defence instruments such as the EDF, the EDA and relevant PESCO projects. Clear expectations on CFSP alignment, military mobility cooperation and defence industrial transparency should form part of this offer.

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