

EUROPE'S BUDGET

Defence

JULY 2025

Strengthening the European Defence Union & boosting defence initiatives under the next long-term EU budget.

Why is this a priority?

Unprecedented security threats



Need to boost EU defence readiness against rising global tensions

Higher defence spending



Need to end years of underinvestment by the EU and encourage investment in defence

Spend European

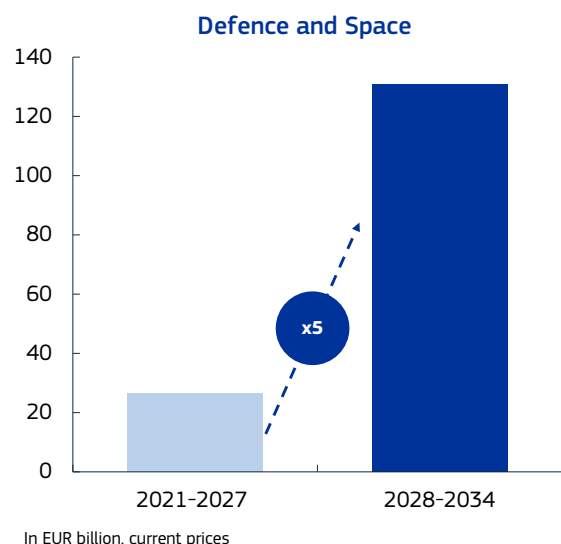


Need to invest in Europe to enhance EU capabilities and innovate rapidly

What is the Commission proposing?

To strengthen Europe's security capabilities and support critical infrastructure:

- 131 billion for Defence and Space in the European Competitiveness Fund (x5 times).
- Support throughout the investment journey via the European Competitiveness Fund.
- A major boost for cybersecurity, dual-use infrastructure and defence.



Give a new impetus to the creation of a true European Defence Union, by building on the **Joint White Paper for European Defence Readiness 2030**

INVESTMENT BOOST



Increase investment in the defence industry via the European Competitiveness Fund.

FUNDING SUPPORT



Diverse funding tools (grants, equity, debt-financing, procurement) to support the entire defence investment journey from R&D to procurement and commercialisation.

MOBILITY ENHANCEMENT



Improve EU military mobility and reinforce infrastructure, including under the Connecting Europe Facility.

UKRAINE AID



Maintain support for Ukraine and its defence industry.

How will the budget make a difference?

Industry Agility

Enhance competitiveness and agility of the European defence industry, including through the emergence of new entrants and **industrial ramp-up** across the EU.

Collaborative Procurement

Encourage collaboration in defence R&D and procurement, including through **Defence Projects of Common European Interest**.

Financing Access

Improve **access to private financing** for defence start-ups and SMEs.

Tech derisking

Incentivise investment in disruptive innovation.

Efficient Transport

Ensure **fast and efficient transport** of troops and military equipment across the EU.