

PLENARY MEETING OF THE LXXII COSAC

SESSION IV: EUROPEAN DEFENCE AND SECURITY

The European Union <u>Strategic Agenda</u> for 2024–2029 sets out three main priorities, one of which is a strong and secure Europe. The EU wants to, among other things, increase the security and safety of its citizens, expand the defence infrastructure needed to do so, strengthen the interoperability of its armed forces and work towards a more integrated European defence market.

By 2020, the overall geopolitical and security situation in the world has become more fragile, complex and fragmented. Europe is beset by conflicts and its stability has declined. In response to the multiple threats, the Council of the European Union adopted a Strategic Compass for Security and Defence in 2022 (7371/2022), which aims to make the EU stronger and more capable of action by 2030, both continentally and globally.

In recent years, the EU has taken a number of measures to fill military capability gaps and to promote defence cooperation and procurement. The most important of these are the launch of PESCO, i.e. the Permanent Structured Cooperation [(CFSP) 2017/2315] and the Coordinated Annual Review on Defence from 2017 (9178/17), and the creation of the European Defence Fund (EDF) [(EU) 2021/697]. Despite these achievements, the war in Ukraine has revealed further weaknesses in Europe's defence industry. The EU has adopted the regulation on establishing a short-term instrument for the reinforcement of the European defence industry and capabilities through common procurement [EDIRPA, (EU) 2023/2418] and on supporting ammunition production [ASAP, (EU) 2023/1525]. To strengthen technological and industrial competitiveness, the European Commission has published a European Defence Industrial Strategy [EDIS, JOIN(2024) 10 final and presented its proposal for a regulation on a European Defence Industrial Programme [EDIP, COM(2024)150 final].

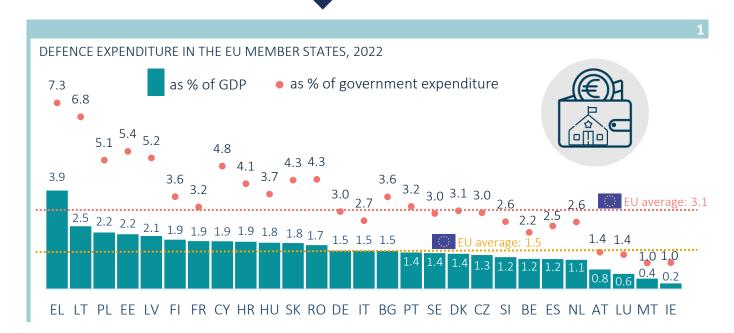
In its conclusions of 27 June 2024, the European Council underlines the need to enhance critical capabilities and strengthen the European Defence Technology Industrial Base (EDTIB). It urges concepts for the public and private financing needed to achieve this and calls for the rapid implementation of the Security and Defence Action Plan (EUCO 15/24) adopted by the European Investment Bank Group (EIB Group).

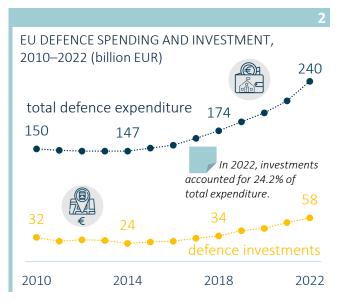
For Ukraine, it was also stated that the European Union is firmly committed to continue to provide political, financial, economic, humanitarian, military and diplomatic support to Ukraine and its people for as long as it takes and with as much intensity as necessary. A decision has been taken to use the windfall profit from immobilised Russian assets in Europe to provide Ukraine with additional, immediate military support, to strengthen and rebuild its defence industrial capacity (EUCO 15/24). The Foreign Affairs Council, at its meeting of 22 July 2024, discussed the EU military support to Ukraine and the unblocking of support under the European Peace Facility.

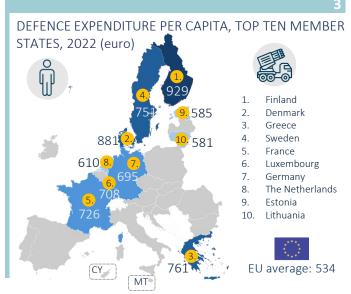
On 24 June 2024, the Council of the European Union adopted the 14th package of sanctions against Russia, with economic measures in the energy, financial and trade sectors, making it more difficult to circumvent the sanctions [(EU) 2024/1745]. The package includes restrictive measures against 116 additional individuals and entities [(CFSP) 2024/1738]. The EU restrictive measures were extended in July for six months, until 31 January 2025. On 6 August 2024, in its implementing decision [(EU) 2024/2149], the Council approved the first regular disbursement of financial support from the Ukraine Facility of EUR 4.2 billion. With this amount, the total EU support to Ukraine under the Facility has increased to EUR 12.2 billion by August 2024.

At their summit in Apulia on 13–14 June 2024, G7 countries and EU leaders <u>agreed</u> to a loan facility based on the economic size of the countries, under which USD 50 billion will be lent to Ukraine for defence, budget and reconstruction purposes, to be repaid from the proceeds of frozen Russian assets.









EUROPEAN DEFENCE INDUSTRIAL STRATEGY (EDIS) **OBJECTIVES UP TO 2030**

Responsibilities of the Member States:



Ensure that the value of intra-EU defence trade is at least 35% of the value of the EU defence market.



Procure at least 50% of their defence investments within the EU, and 60% by 2035.



Procure at least 40% of defence equipment through cooperation.

AID TO UKRAINE AND THE UKRAINIAN PEOPLE.



SOURCES

1 | 2 | 3 European Defence Agency: EDA Defence Data | 4 European Commission: Joint communication to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions. JOIN(2024) 10 final

5 European Commission: EU Solidarity with Ukraine, August 2024