Europe must build up its defence capacity to continue supporting Ukraine, says the Centre for European Reform.

Europe, in the aftermath of Putin’s invasion of Ukraine, is witnessing a significant shift in its defence landscape. There has been a substantial increase in defence budgets across the continent and the EU’s own role in defence has deepened. The EU has trained tens of thousands of Ukrainian troops and has provided Ukraine with €5.6 billion in military assistance. It is also becoming involved in fostering joint procurement.

In a new report, ‘Can European defence take off?’, Luigi Scazzieri of the Centre for European Reform takes a comprehensive look at the evolving defence landscape in Europe and assesses the EU’s deepening role in defence.

![Chart 1: Defence expenditure as a share of GDP (%) (based on 2015 prices and exchange rates)](source: NATO, defence spending data 2023)
The report argues that Europe's ability to support Ukraine continues to be limited due to Europe's fragmented defence industry and lack of co-ordination among EU countries. America faces its own difficulties in increasing production, and there is a risk that Moscow could slowly gain the upper hand in the conflict, exhausting Ukraine.

Europe needs to take urgent action to ramp up its defence production if it wants to sustain Ukraine's war effort. The EU's policies in the defence field will have a tangible impact on whether Europeans can increase their support to Kyiv. To date, EU defence initiatives have a mixed record. Most are small, and the Union's involvement in defence is primarily aimed at strengthening of Europe's defence industry over the long-term, rather than quickly reinforcing military capabilities.

The report argues that the EU needs to focus more attention and resources on short-term priorities, fostering more joint procurement of already existing equipment and helping expand production capacity of critical defence materiel such as ground-based air defence interceptors and long-range missiles. And the EU should be wary of taking a restrictive approach to integrating non-EU partners in its defence efforts.

Finding more money for EU defence won’t be easy. There is little spare capacity in the EU budget and many member-states remain sceptical of joint borrowing. Off-budget funding could be an option, and the EU should find ways to use existing funds, such as cohesion funds, to expand defence production.

The author of the paper, Luigi Scazzieri, said: “The future of European security is closely tied to Europe's ability to rapidly bolster its defense production. A successful effort will convey to Putin that victory is unattainable, creating an opportunity for peace talks. At the same time, Europeans would be better positioned to confront the challenges of a possible second Trump term and to ensure their own safety as the US increasingly shifts its attention towards Asia.”

Notes for editors:
For further information on the new research and to request an interview with Luigi Scazzieri @LScazzieri and @lscazzieri.bsky.social please contact Octavia Hughes in the CER press office on pressoffice@cer.eu or +44 (0) 20 7233 1199.

The Centre for European Reform is a think-tank devoted to making the EU work better and strengthening its role in the world. The CER is pro-European but not uncritical. Follow us on X: @CER_EU on BlueSky: @centreeuropeanref.bsky.social on Threads: @cer_eu