

ANNUAL PROGRESS REPORT

on the Implementation of the
Strategic Compass for Security and Defence

Report of the High Representative of the Union
for Foreign Affairs and Security Policy

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FOREWORD



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Foreword by HR/VP Kaja Kallas

The Strategic Compass was designed in a period marked by Russia's full-scale war of aggression against Ukraine and reflects Europe's security needs at that time. Since then, our work has contributed to making the EU a stronger and more capable security provider, not least in our immediate neighbourhood.

We are now the largest provider of military, financial and humanitarian assistance to Ukraine and have trained over 90,000 Ukrainian soldiers. Elsewhere in our neighbourhood, we are supporting countries defend themselves against foreign information manipulation and interference – FIMI. We successfully deployed our first ever Hybrid Rapid Response Team in Moldova in 2025 and in Armenia in 2026. Beyond the neighbourhood, we are strengthening Europe's defence and security together with our international partners with new Security and Defence Partnerships, as well through a stronger EU partnership with NATO. Across the world, our CSDP missions and operations continue to demonstrate Europe's capacity as security provider in our own right.

As this report makes clear, many objectives of the Strategic Compass remain relevant today, not least on defence readiness. One of the key successes of the Strategic Compass was the development of a common European threat assessment. In turn, the EU's work has been better tailored to meet our collective challenges. For example, we have provided more responsive, timely, and autonomous geospatial intelligence to Member States via the EU Satellite Centre, as well as implementing the Defence Readiness agenda, closing capability gaps and supporting the EU's defence industry. In short, we are thinking more 'European' about security and defence.

However, in just four years since the Strategic Compass was adopted, our understanding of security has greatly expanded. While Russia has been weaponizing energy supplies to the Baltic states for many years, in 2022 the rest of Europe felt the threat as energy prices shot up for citizens across the European Union. Today, the blockade of a single choke point five thousand miles away can cause inflation in Europe, higher fuel prices, and fertilizer shortages. In fact, practically anything can be weaponised against us today, including our information space. A revised threat analysis based on input from national intelligence services will guide a new European Security Strategy to address Europe's security needs today.

A new world order is in the making. Whether it is shaped by us or for us is entirely up to Europe. To play a role, we must keep developing our strength together along with our capacity to act, reduce critical dependencies, and assume greater responsibility for our own security. At the same time, we must not lose sight of who we are: a credible, reliable partner in the world.

Kaja Kallas





INTRODUCTION

The Strategic Compass was adopted in March 2022, against the backdrop of Russia's full-scale war of aggression against Ukraine, and more broadly in the context of "an increasingly competitive strategic environment." With this in mind, the Strategic Compass was designed both to assess the threats and challenges we face, and to drive progress on security and defence around four pillars:

- Act more quickly and decisively when facing threats
- Secure our citizens against fast-changing threats
- Invest in the capabilities and technologies we need
- Partner with others to achieve common goals

Four years after the adoption of the Strategic Compass, the world is no less complex, and the threats and challenges we face have only increased. The time is right to assess progress made in achieving the objectives of the Strategic Compass, but also to reflect more broadly on what has been achieved, the lessons learned from these efforts, and what more needs to be done.

A key area of continued progress in the last year was our defence support to and comprehensive cooperation with Ukraine as it continues to defend itself against Russia's war of aggression. This included over EUR 20 billion in military support in the past year (EUR 74 billion since 2022) by the EU and its Member States, 20,000 Ukrainian soldiers trained since April 2025 (over 90,000 since 2022) and stronger cooperation between Ukrainian and EU defence industries. In addition, the Ukraine Support Loan of EUR 90 billion was agreed and preparations for its implementation are well underway. Our engagement with Ukraine is increasingly two-way, as European industry and armed forces learn from and partner with Ukraine's vibrant and fast-moving defence sector.

We have further improved our capacity to act by making our civilian and military missions and operations more flexible, tailored to local needs and serving the interests of the EU and its partners. The EU Advisory Mission in Ukraine addresses a broad scope of security challenges, responding to evolving support needs on the ground. Naval operations ATALANTA, ASPIDES and IRINI contributed to the monitoring of shadow fleets' activities, thereby strengthening EU sanctions regime and its enforcement. Work continues to strengthen EU's operational capability including further planning conducted for the possible use of the EU Rapid Deployment Capacity, through regular live exercises and full enabling of command and control structures.

We have stepped up EU's internal and external resilience and reinforced our presence in key strategic domains. In the context of intensified hybrid activities against the EU, its Member States and partners, we continued to take action against actors involved in Russia's destabilising activities. Hybrid Rapid Response Teams were deployed for the first time, in response to the situation in Moldova. The EU continued progressing as a more capable cyber, maritime and space actor, more actively protecting its critical infrastructure, entities and sectors, such as submarine cables. We are pursuing work towards the reinforcement of EU intelligence capacities, situational awareness

and strategic foresight, through strengthening of the Single Intelligence Analysis Capacity and the EU Satellite Centre.

Over the past year, important steps were undertaken to develop and implement the European Defence Readiness 2030 agenda. Member States increased defence expenditure and investment; key instruments such as Security Action for Europe (EUR 150 billion) and the European Defence Industry Programme (EUR 1.5 billion) were adopted and are now being implemented to help close critical capability gaps, reinforce defence industry, and support joint procurement.

Furthermore, we continued to strengthen our international, regional and bilateral partnerships. New Security and Defence Partnerships were concluded with the United Kingdom, Canada, India, Australia, Iceland and Ghana, paving the way for deeper and more robust cooperation with each of these partners.

This document continues with a more detailed overview of progress achieved under the four pillars of the Strategic Compass. It concludes with some key recommendations as to how best to move forward cooperation on security and defence, taking into account lessons learned from the Strategic Compass process to date.





ACT

The EU continued to work towards more tailored and adaptable missions and operations, with a view to better safeguard the security of the Union and its partners. In light of the rapidly evolving security environment, further work could be foreseen on crisis response, force deployment and capability development, including the strengthening of command and control structures.

Towards faster, more flexible and responsive engagements on the ground

Our civilian and military CSDP missions continued to demonstrate our resolve to support our partners, while addressing threats to European security. It will be important to reinforce the effectiveness of these missions; further develop modular, scalable and adaptable missions and operations; and further anchor impact evaluations within decision-making and review processes.

Our missions continued to provide steadfast support to Ukraine based on the country's evolving needs, as the Russian war of aggression entered its fourth year. The EU Military Assistance Mission (EUMAM) in support of Ukraine will continue training Ukrainian soldiers as part of future security guarantees. With over 90,000 Ukrainian soldiers trained, EUMAM Ukraine plays a crucial role in enabling Ukrainian Armed Forces to defend their population and territory. In cooperation with other partners, including within the Coalition of the Willing, the Mission continues to expand its impact. The EU Advisory Mission for Civilian Security Sector Reform (EUAM) in Ukraine remains an important element of overall EU support, and will be an important pillar within the



framework of security guarantees. In response to evolving Ukrainian support needs, the Mission broadened its activities to several key areas, such as countering hybrid threats and protecting critical infrastructure, veterans' reintegration and psychosocial support, and strengthening resilience of the civilian security sector. It provided advice on draft legislation, and delivered training to nearly 7,000 Ukrainian counterparts.

The EU Partnership Mission in the Republic of Moldova (EUPM Moldova) continues to provide strategic advice and operational support to strengthen Moldova's resilience against hybrid threats, including cybersecurity, protection of critical infrastructure and countering disinformation and foreign information manipulation and interference. In 2025 and 2026, the Mission supported development of coordinated crisis management structures and improved inter-agency cooperation across the Moldovan security sector. These efforts were particularly important in a context where cyberattacks, disinformation campaigns and other forms of external interference have increased, including in the run-up to Moldova's 2025 elections.

The EU Police Mission for the Palestinian Territories (EUPOL COPPS) and the EU Border Assistance Mission for the Rafah Crossing Point (EUBAM Rafah) strengthened Palestinian authorities' operational capacity and state building efforts following allocation of increased resources. EUBAM Rafah redeployed to the Rafah Crossing Point in early 2026, as a reliable third-party border monitoring and capacity-building mission supporting border management operations, while EUPOL COPPS strengthened policing and criminal justice systems in the West Bank and contributed to planning for Gaza stabilisation, in line with the relevant UN Resolutions.

In addition to their specific roles relating to maritime security and freedom of navigation, since mid-2025 EUNAVFOR ATALANTA, EUNAVFOR ASPIDES and EUNAVFOR MED IRINI have contributed to countering shadow fleets. They collect and process intelligence in their respective areas of operation, which is then used to propose designations within EU sanctions regimes. During the reporting period, Operation ATALANTA protected 23 merchant vessels delivering food and aid, while Operation ASPIDES provided close protection to 246 merchant vessels while patrolling in the Red Sea. On average, Operation IRINI monitored about 30 Russian shadow fleet vessels daily.

Planning for the renewed EU approach to the Sahel continued following the expiration of the mandate for the EU's Regional Advisory and Coordination Cell for the Sahel on 31 January 2026, with EUCAP Sahel Mali remaining the sole civilian CSDP presence. The EU Security and Defence Initiative in the Gulf of Guinea, covering Benin, Cote d'Ivoire, Ghana, and Togo, trained some 1,500 police and gendarmerie officers and helped strengthen security forces' operational capabilities through concrete projects.

The EU established a new civilian Partnership Mission in Armenia on 21 April 2026, to enhance the resilience of Armenia in the field of hybrid threats through provision of strategic and operational advice and support to relevant security sector agencies, in line with a whole-of-government approach and in close coordination with other partners.

The European Peace Facility (EPF) continued to provide military assistance to third countries and finance common costs of EU military missions and operations. The Facility continues to evolve, moving towards a more strategic approach focused on core objectives and longer-term assistance



measures, as presented in the most recent Strategic Orientation for 2027. Military support to Ukraine remains a key priority, with over EUR 74 billion provided by the EU and its Member States since 2022, comprising equipment and training. EUR 6.6 billion remains blocked at Council level within the EPF, including EUR 5 billion in the Ukraine Assistance Fund. To date, the EPF has been used to channel EUR 3.4 billion of the extraordinary revenues generated by Russian immobilised assets for military support to Ukraine, including ammunition, air defence, and Ukrainian defence industry procurement.

Towards more efficient and integrated decision-making and institutional set-ups

The EU Rapid Deployment Capacity (RDC) achieved full operational capability in May 2025. This enables the EU to swiftly respond to external crises, through deployment of a modular, scalable and flexible force of up to 5,000 troops composed of EU Battlegroups and national modules, including land, air, maritime, space and cyber components. To further enhance its readiness and interoperability, annual exercises continue, most recently in Hungary in March-April 2025. The upcoming EU RDC live exercise, planned for May-June 2026 in Spain, will test the EU's ability to project forces rapidly over long distances and contribute to the EU Integrated Resolve 26, focussing on CSDP mission planning. The MILEX 27 exercise will further enhance the EU Rapid Deployment Capacity.

Further progress was made towards strengthening command and control structures. Military Planning and Conduct Capability (MPCC) saw staffing levels rise, and progress was made in addressing communication and information system needs, supporting EU Rapid Deployment operations and enhancing command and control capabilities. The EEAS began assuming its role as the single communication and information systems service provider for the MPCC and progressively expanded the provision of standardised services. Work is ongoing to address requirements regarding the provision of information systems, to achieve full operational capability.

The implementation of the 2023 Civilian CSDP Compact is well underway, with good progress in achieving several commitments, such as the introduction of an evaluation mechanism for civilian CSDP missions and efforts by Member States and the EEAS to increase the share of seconded personnel. In February 2026, 70 per cent of international mission staff were seconded, a key Compact deliverable. Due to the evolving international security environment, a successor document to the Civilian CSDP Compact or a new document is warranted to further enhance the effectiveness and efficiency of EU civilian CSDP missions beyond 2027. While the Civilian Capability Development Process highlighted gradual progress at EU level, Member States should intensify efforts to generate and make available the capabilities that missions need to carry out their mandates.

The transformation of CPCC into the Civilian Operations Headquarters (CivOpsHQ) has enhanced the command and control, and duty of care of civilian CSDP Missions exercised by the Civilian Operations' Commander. It enabled improved support to missions, notably through a new Security and Duty of Care Policy and another one aiming to increase the presence of seconded experts. Looking forward, CivOpsHQ will continue to improve its structure and processes, strengthen

situational awareness capabilities, and deepen cooperation efforts with EU Military Staff, Justice and Home Affairs agencies and NATO.

We stepped up preparation and foresight in the past year, introducing the Integrated Advance Planning for EU CSDP. Advance planning work, including on Contingency Operational Scenarios and Contingency Plans, will continue throughout 2026. Military live exercises have strengthened strategic cohesion and collaborative frameworks across EU entities, significantly advancing operational readiness.

We have continued to integrate respect for human rights and promotion of gender equality standards in civilian and military CSDP missions and operations. We also further developed implementation of the Human Rights Due Diligence Policy when providing security sector support to partners.

To remove remaining barriers for the seamless movement of military personnel and equipment across the EU, the Military Mobility Package was presented in November 2025, consisting of a Joint Communication and proposed Regulation. This ambitious initiative aims to strengthen military mobility as a core enabler of defence readiness. As part of the goal to achieve an EU-wide military mobility area by end 2027, the proposed Regulation aims for a binding framework to enable, facilitate, and accelerate transport of military troops and equipment across the Union. It also seeks to harmonise rules for military movements, introducing an emergency framework, enhancing access to transport capabilities and increasing infrastructure readiness and resilience, and reducing administrative barriers across Europe. It directly enhances EU readiness and crisis response capacity by enabling faster, more predictable cross-border movements. In parallel, efforts have continued to better prioritise future investments in dual-use transport infrastructure, with 500 hotspot projects identified to close key gaps along the four priority military mobility corridors.





In line with the Preparedness Union Strategy, which includes calls for the implementation of the mutual assistance and solidarity clauses of the Treaties, work is ongoing around how to operationalise Article 42(7) TEU. Given the security landscape that we are in, a situation of a major crisis on the EU territory is no longer a hypothetical issue. To be ready for this, we need to increase our common understanding of how to operationalise Art 42.7 and what instruments and tools can be used in such an occasion, including at the EU-level, should the attacked Member State(s) so request.

The growing prevalence of armed conflicts worldwide entails increasing demand for EU engagement in early warning, conflict prevention and violence mitigation, as well as for peaceful and inclusive conflict resolution support. We have identified robust measures to proactively mitigate conflicts, including to prevent electoral violence across seven locations in Africa, Central America, and Asia/Oceania. These include actions to safeguard civic space; promote good governance, democracy, and human rights; strengthen the political participation of women, youth, and minorities; and ensure coherent diplomatic engagement aligned with democratic principles.

We have continued to engage in peace mediation support in more than 25 conflicts, predominantly in the Middle East and North Africa region, and Sub-Saharan Africa. We continued to act as a facilitator in the Belgrade-Pristina dialogue and support the normalisation process between Armenia and Azerbaijan. We supported track 2 diplomacy initiatives between Thailand's and Cambodia's civil society actors. We are also developing civilian CSDP missions' capacity to engage in mediation and dialogue support, notably through confidence-building measures with local communities. We held regular exchanges with the UN Mediation Support Unit on respective peace mediation engagements, such as EU support to UN-led mediation efforts in Yemen and Libya, while stepping up our own mediation engagement in conflict-affected countries and regions.

Overall, to act better together, our decision-making processes and institutional set-ups need further strengthening. While we have made progress in strengthening command and control structures and discussions continue on making the mutual assistance clause more operational, the use of Treaty provisions such as Article 44 TEU that can entrust a group of Member States to implement CSDP missions, could be considered to enhance effectiveness and speed of action.





SECURE

We continued to strengthen EU resilience and our ability to address multifaceted threats across a range of strategic domains, reinforcing the EU's internal and external security. We established new tools to tackle specific risks and respond to attacks against the EU, its Member States and partners. This includes strengthening the internal security dimension, ensuring coherence between defence, law enforcement, border management and civil protection responses.

Boosting our intelligence capacities, situational awareness and strategic foresight

To boost our intelligence capacities, situational awareness and strategic foresight, we continued to strengthen the Single Intelligence Analysis Capacity (SIAC). This will support the EU's ability to deliver timely, coordinated, and intelligence-led response to evolving security threats. Efforts will continue to further improve structures and procedures to provide timely and tailored intelligence, however additional funding and personnel remain necessary to fulfil the related Strategic Compass objective. SIAC will complete the updated Threat Analysis in April 2026, which will contribute to a common understanding of threats and challenges and feed into the upcoming EU Security Strategy.

We continued to reinforce the EU Satellite Centre (SatCen), stepping up the EU's autonomous geospatial intelligence capacity, to support the decision-making of the EU and its Member States. SatCen's production of geospatial intelligence products and services continues to increase. A new Earth Observation Governmental Service is currently being proposed in the draft Regulation for the European Competitiveness Fund and is considered among Member States and relevant stakeholders. This will further enhance our decision-making autonomy, complementing national and commercial assets and providing a secure, reliable, timely, persistent and targeted satellite sensing imagery service to Member States' governmental users.

Countering hybrid threats, foreign information manipulation and interference, and strengthening resilience

Hybrid threats against the EU, its Member States and partners, such as sabotage of critical infrastructure and undermining of electoral processes, have continued to increase. By providing a framework for EU action to counter hybrid campaigns, the EU Hybrid Toolbox has facilitated information sharing, cooperation and provided options for response.

We continue to pursue a strategic approach to countering Russia's hybrid campaign against the EU, its Member States and partners. In May 2025, we broadened the scope of the EU sanctions framework to allow the targeting of tangible assets linked to Russia's destabilising activities and their financial backers, and for the suspension of broadcasting licences of Russian media

outlets involved in disinformation. As of March 2026, restrictive measures in response to Russia's destabilising hybrid activities have been applied to a total of 69 individuals and 17 entities.

In May 2025, for the first time the EU deployed a Hybrid Rapid Response Team to Moldova, providing targeted support to counter hybrid threats. The EU also continues to support partners in enhancing their resilience to hybrid threats through Hybrid Risk Surveys. In 2025, the EU agreed on a revised visa suspension mechanism, which can be triggered in situations of risks or threats to the public policy or internal security of Member States arising from hybrid threats. In February 2026, the Commission adopted the Communication on the EU's eastern regions bordering Russia, Belarus and Ukraine, reframing EU border areas as strategic security zones and integrating infrastructure resilience and regional policy into one framework.

Efforts to counter foreign information manipulation and interference (FIMI) in external action included enhancing situational awareness, facilitating exchanges with local partners and supporting communication activities to respond to manipulative behaviour and information attacks targeting EU engagement. All CSDP missions and operations were equipped with monitoring and detection capability to strengthen their FIMI resilience. In November 2025, the Commission presented the European Democracy Shield, setting out a series of concrete measures to empower, protect, and promote strong and resilient democracies across the EU. The initiative includes a new European Centre for Democratic Resilience, bringing together EU and Member State expertise and resources to increase our collective capacity to anticipate, detect and respond to threats to our democracies.

Work continues to enhance the protection of our critical infrastructure and the resilience of critical entities. As of March 2026, 20 Member States have transposed the Critical Entities Resilience Directive into national legislation. In December 2025, the Commission launched a EUR 15 million call to support implementation of the Directive. Equally, work continues to ensure full implementation of the Network and Information Security Directive, providing for cybersecurity risk management measures in critical sectors. In January 2026, the Commission proposed amendments to the Directive also revised by the Digital Omnibus adopted in November 2025, introducing a single entry point for streamlining incident reporting. In February 2026, the Network and Information Systems





Cooperation Group adopted and published risk assessments on connected and automated vehicles and on detection equipment used in customs and border controls. Newly launched risk assessments address medical devices as well as electricity supply systems and energy storage.

Securing access to strategic domains

Malicious behaviour in cyberspace is increasing in scale, severity and sophistication. The EU continued to work closely with Member States in advancing the rules-based international order in cyberspace. The EU has actively contributed to the UN Global Mechanism of 2025 through its proposals for a Cyber Programme of Action. The Global Mechanism largely reflects the EU vision, with a focus on implementation of the UN Framework for Responsible State Behaviour in Cyberspace, aiming to advance the operationalisation of confidence-building measures and boost efforts to enhance global cyber resilience. The EU and Member States continue to fund a wide portfolio of cyber capacity-building projects, covering cybersecurity, tackling cybercrime and enhancing cyber diplomacy capacities, with a total volume of over EUR 133 million.

The EU strongly condemned Russia's continued irresponsible behaviour in cyberspace using the Cyber Diplomacy Toolbox in May and July 2025. In March 2026, the EU adopted restrictive measures against individuals and entities involved in cyberattacks threatening the EU and its Member States, including Russian, Chinese and Iranian individuals and entities. We will continue to develop strategic approaches to persistent cyber threat actors, making appropriate use of the range of tools available.

We continued assessing collective efforts to increase our cyber defence capabilities across the EU and its Member States, through our second EU Cyber Census. We have tabled a proposal for an EU Cyber Defence Coordination Centre (EU CDCC), aiming to enhance situational awareness and coordination among cyber defence actors in the EU. A first nucleus is being established within the EU Military Staff in 2026.

In January 2026 the Commission presented a new cybersecurity package to further strengthen the EU's cybersecurity resilience and capabilities, including a proposal for a revised Cybersecurity Act, aimed, among others, at enhancing the security and de-risking of the EU's Information and Communication Technology supply chains, thereby protecting our critical infrastructure.

The Cyber Solidarity Act improves our preparedness, detection and response capacities to significant and large-scale cyber threats and incidents across the Union. In August 2025, the Commission signed an agreement with the EU Agency for Cybersecurity, for the latter to operate and administer the EU Cybersecurity Reserve that will support the response to and initial recovery from significant and large-scale cybersecurity incidents. In July 2025, the Council authorised support from the EU Cybersecurity Reserve for Moldova, the first country to formally access it. In October 2025, the European Cybersecurity Competence Centre published a call for coordinated preparedness testing in health and digital infrastructure sectors.

The Cyber Resilience Act, in force since December 2024, contributes to the cyber resilience of the EU Single Market by ensuring that products with digital elements are secure by design. In

June 2025, the Council adopted a blueprint for cyber crisis management, providing guidance for the EU's response to large-scale cybersecurity incidents or cyber crises, including on civil-military cooperation.

Most actions in the 2023 EU Space Strategy for Security and Defence have now been implemented, enhancing the resilience and protection of space systems and services in the EU. Earlier this year, the High Representative put forward a proposal on strengthening our Space Threat Response Architecture. As part of the Space Strategy, the EU prepares an annual classified space threat landscape analysis, contributing to overall strategic oversight. In June 2025, the Commission proposed a draft Regulation on the safety, resilience and sustainability of space activities in the Union, aimed to address the emerging risks of safety and resilience to space infrastructure and satellites orbits. The objective is to support the development and functioning of the internal market for space activities. Negotiations in Council and the European Parliament are ongoing. Preparatory work began on a European Space Shield, aimed to reinforce the defence capabilities of Member States as well as to secure the resilience and protection of space assets and services in response to an increasingly hostile threat environment. Work was initiated to establish a coherent framework for integrating space-based capabilities and services into planning and conduct of EU military CSDP missions and operations.

We further consolidated our ambition as a reliable maritime security actor, in line with the revised Maritime Security Strategy and Action Plan of October 2023. The second maritime security exercise (MARSEC) was held in Italy in July 2025, led by the Italian Navy. It brought together EU institutions and agencies with Member State navies and coastguards, with a focus on combating illegal fishing and protection of critical maritime infrastructure. The next exercise in September 2026, organised by Finland, will focus on protection against maritime threats in the Baltic Sea. Live maritime security exercises contributed to better coordination between military and civilian structures and with EU agencies.

We increased joint activities with partners under the EU Coordinated Maritime Presences in the Gulf of Guinea and focused our cooperation with Northwestern Indian Ocean partners within Operation ATALANTA. We stepped up efforts to secure our interests and respect for international law at sea, strengthening the fight against shadow fleets posing threats to the environment and safety of navigation. We took action to counter Russia's shadow fleet, reducing the revenues which fuel Russia's war economy and sanctioning almost 600 vessels. Through a "whole of route" approach, we supported enhanced information-sharing, including via CSDP operations, and exchange of best practices among Member States and with partners. We also encouraged deregistration of sanctioned vessels and continued to support international maritime law and regulation.

To enhance the security and resilience of Europe's submarine cable networks, the ongoing implementation of the 2025 EU Action Plan on Cable Security has resulted in a mapping of cable infrastructures in the Union, an EU risk assessment and stress test guidance. 25 projects have been selected to receive EUR 186 million in EU funding to improve the resilience and security of submarine cable networks in Europe and those connecting the Union with other regions. We have enhanced information sharing and monitoring mechanisms between military and civilian actors, and with EU institutions and agencies, including within the first regional Cable Hub implemented in the Baltic



Sea under the Finnish Coast Guard leadership. The Common Information Sharing Environment (CISE) for the maritime domain was further operationalised, enabling real-time, secure exchange of information among Member States and EU institutions and agencies. This allowed more effective operations at sea and connectivity to the Maritime Surveillance (MARSUR) network for Member State navies. Building on this, EDA is now working on concluding a data exchange agreement with CISE network that will support Member States in enabling the exchange of maritime information between MARSUR and CISE – a key step toward ensuring secure, structured cooperation between military and civilian maritime stakeholders. The European Ocean Pact, adopted in June 2025, is also enhancing maritime security and defence, including through tackling unexploded ordnance at sea and improving maritime awareness.

The air domain remains central to the Union's security and is becoming increasingly contested in a rapidly evolving strategic environment. Developments in Ukraine and the Middle East, as well as the growing use of drones and other advanced technologies have highlighted the scale, speed and complexity of threats affecting European airspace and air operations. Further to the strategic reflection on ensuring a free, safe and secure European access to airspace and in view of a future EU Airspace Strategy for security and defence, we have continued to advance work relevant to the air domain under the Defence Readiness agenda and related Priority Capability Areas.

Countering terrorism, promoting disarmament, non-proliferation and arms control

The ProtectEU Internal Security Strategy presented in April 2025 aims to increase Member States' capacity to protect societies and democracies from threats from terrorists, criminals, and hostile foreign actors. It foresees expanding EU agencies' operational capacities, developing a European Critical Communication System, fostering resilience against hybrid threats, enhancing the protection of critical infrastructure securing transport hubs and ports, combating offline and on-line threats, and boosting operational cooperation through partnerships with key regions. Under the Internal Security Strategy, the European Commission presented on 26 February 2026 a new Agenda to prevent and counter terrorism, which sets out the way forward to reinforce Europe's collective response to evolving terrorist and violent extremist threats.

Terrorism, violent extremism and radicalisation continue to represent serious threats to European and global security. The EU's co-chairing of the Global Counterterrorism Forum (GCTF) enabled us to continue shaping relevant multilateral policies and instruments, including the Brussels Memorandum on Good Practices for Oversight and Accountability Mechanisms in Counterterrorism. In 2026, we will continue our co-chair role and seek to adapt the GCTF to respond to new and emerging threats. In 2025, the EU also assumed the co-lead of the Global Coalition Against Da'esh's Core Focus Group on Syria and Iraq, shaping multilateral efforts to stabilise the two countries and engage them in the fight against Da'esh and global terrorism.

Pressure on the global disarmament, non-proliferation and arms control architecture continued, mainly due to Russia's disruptive behaviour and disregard of established norms. The EU continued to support promotion and implementation of non-proliferation and disarmament instruments and frameworks. The EU continued to engage in non-proliferation and disarmament dialogues



with key third countries and strengthen engagement with the Global South, in particular through capacity-building projects and inclusion of clauses on weapons of mass destruction and small arms and light weapons in bilateral agreements. In 2025, the EU adopted fourteen new projects in support of our non-proliferation, disarmament and arms control goals, totalling EUR 32 million. New projects include EU support to the Organisation for the Prohibition of Chemical Weapons to enhance mission activities in Syria and Ukraine, and facilitating a successful outcome of the 2026 Review Conference of the Parties to the Treaty on the Non-Proliferation of Nuclear Weapons.

Climate change, disasters and emergencies

We continued to implement the 2023 Joint Communication on addressing the impacts of climate change and environmental degradation on peace, security and defence, with a focus on operationalising climate security across all external action and mainstreaming climate and environment in EU conflict analysis. Within the framework of the European Climate and Defence Network, the Joint Research Centre completed an analysis of Member State national strategies to prepare their armed forces for climate change. We continue to discuss climate and security in dialogues with bilateral and multilateral partners. Member States continue addressing energy efficiency, resilience, and circularity in defence through Commission-funded activities facilitated by the European Defence Agency, including the Consultation Forum for Sustainable Energy in the Defence and Security Sector and the Incubation Forum for Circular Economy in European Defence. Environmental issues increasingly featured in civilian missions' work, including through support to capacity-building or advice on environmental crimes and increasing deployments of environmental advisors.

Efforts are ongoing to better prepare for a variety of threats and crises that affect our external and internal security and our societies' ability to function. The Preparedness Union Strategy, adopted on 26 March 2025, addresses a broad range of risks and threats, taking a whole-of-government and whole-of-society approach, ensuring cross-sectoral cooperation and involving all relevant stakeholders, including the private sector. The Strategy seeks to systematically embed preparedness by design into all new EU policies, legislation and funding instruments. It also covers civil-military cooperation as well as preparedness at societal level. Its key deliverables include the introduction of minimum preparedness criteria for essential services such as hospitals, schools, transport, and telecommunications to improve overall resilience against current and future threats; an EU Stockpiling Strategy, and a Medical Countermeasures Strategy (both adopted in 2025). A comprehensive Risk and Threat Assessment is planned for 2026.

The EEAS Crisis Response Centre (CRC) consolidated its capability to provide early warning and situational awareness through the EU Situation Room, supporting decision-making processes within the EEAS and information sharing with Member States. The CRC continued to be essential in ensuring the security of EU staff and diplomats in EU Delegations around the world and played a key role in supporting Member States in providing consular support and coordinating assisted departures and evacuations in several external crises, notably in the Middle East. The CRC will continue working towards enhancing its ability to anticipate and prepare for crises by integrating new tools and technologies, contributing to Preparedness Union Strategy implementation and organisation of the Integrated Resolve exercise series.



INVEST

Strengthening Europe's defence requires strategic, coordinated investment at scale for the benefit of EU militaries as well as Ukraine. A reinforced European Defence Technological and Industrial Base (EDTIB) is central to this ambition. Achieving this will depend not only on securing adequate funding for the defence sector, but also expanding production capacity and industrial readiness. Prioritising research and development remains essential to drive innovation, maintain technological leadership, and deliver advanced capabilities for future operations.

Defence expenditure and priorities

Defence spending in the EU has risen for ten consecutive years, with a 19 per cent increase in 2024 to EUR 343 billion. Estimated spending reached EUR 392 billion (2.1 per cent of GDP), with further growth expected in 2026. This surge has been largely driven by equipment procurement and increased investment in research and development, reflecting Member States' efforts to strengthen military capabilities amid deteriorating security environment. Defence investment surpassed EUR 100 billion for the first time in 2024, accounting for 31 per cent of total expenditure and exceeding the 20 per cent benchmark agreed by Member States. Defence investment is projected to have reached EUR 130 billion in 2025. Spending on defence research and development also rose significantly, increasing by 20 per cent to EUR 13 billion in 2024; projections for 2025 indicate this may further increase to around EUR 17 billion.

Following the Joint White Paper for European Defence - Readiness 2030 in March 2025, the High Representative and the Commission presented the Preserving Peace – Defence Readiness Roadmap 2030 in October 2025. The Roadmap set clear objectives and milestones to close investment and capabilities gaps, in line with the priorities of the EU Capability Development Plan. It proposed to focus on the nine key Priority Capability Areas (PCAs) identified at EU level (air and missile defence; military mobility; strategic enablers; artillery systems; cyber, AI and electronic warfare; missile and ammunition; drones and counter-drones; ground combat; and maritime domains) and proposed four pan-European flagship projects: the Eastern Flank Watch, the European Drone Defence Initiative, the European Air Shield, and the European Space Shield.

Work on the priority capability areas is ongoing through the Capability Coalitions, with lead nations driving the process, supported by the European Defence Agency (EDA). In line with the PCAs and based on collaborative opportunities identified by the Coordinated Annual Review on Defence (CARD), the EDA presented to Member States an initial set of actions and proposals for short-term joint acquisitions of defence products or rapid development, including on loitering munitions. The Agency also made proposals to address most pressing mid- to long-term capability shortfalls, in particular those related to strategic enablers.



The EDA continued to support Member States in implementing the letters of intent signed by Member States on integrated air and missile defence, loitering munitions, electronic warfare and European combat vessel. Work on loitering munitions showed most progress: in less than a year, aggregation of demand was concluded and a business case developed, paving the way for joint procurement, while work on medium-term joint loitering munition development began.

Supporting the collaborative development of full-spectrum, next-generation capabilities across all operational domains remains a key challenge for the strengthening European defence readiness.

2025 also marked the launch of the 4th CARD cycle, which identifies specific collaborative opportunities. EDA, with the involvement of the EU Military Staff and in coordination with EEAS and Member States, adjusted its process to better facilitate impactful European cooperation programmes that can leverage EU instruments and support efforts to achieve Defence Readiness by 2030.

Following the call by EU leaders in October 2025 to strengthen the EDA, the Agency is undertaking a reinforcement process guided by Member States so it can fully play its role in defence capability development, research and acquisition. In this context, the aim is also on ensuring that the Agency is fit for purpose and on leveraging partnerships.



In 2025, based on Member State contributions the EU Military Staff prepared the aggregated list of Member States' shortfalls the National and International Capability Objectives (NICO). Addressing the full spectrum of operations, this marks a significant change as the EU previously exclusively tackled CSDP-related shortfalls. The EU Military Staff also launched a revision of the 2003 EU Capability Development Mechanism (CDM). It proposes to develop the EU Defence Capability Planning Process (EU DCP), intended to become the EU's standard framework for capability planning. If agreed by Member States, this will support identification of military capability shortfalls stemming from requirements for EU CSDP crisis management and Member States' most urgent needs for the full spectrum of operations.

Mobilising EU tools to spend better together for ambitious capabilities

The Joint White Paper for European Defence Readiness 2030 and ReArm Europe plan, adopted in March 2025, aim to strengthen Member States' defence capabilities by unlocking up to EUR 800 billion of additional defence investment. It is based on five pillars: (i) activation of the national escape clause of the Stability and Growth Pact (17 Member States activated it); (ii) the Security Action for Europe (SAFE) instrument (19 Member States requested to participate); (iii) the adaptation of the Union budget to support Defence Readiness (with the mid-term review of Cohesion policies and the "mini-omnibus" for defence); (iv) increased support from the European Investment Bank (EIB) Group; (v) unlocking private capital.

In March 2025, the Board of the European Investment Bank made security and defence a cross-cutting strategic priority, broadening the scope of eligible financing to include military infrastructure and dual-use projects, while removing previous restrictions. The EIB Group's 2025 financing ceiling was set at EUR 100 billion, with some 3.5 per cent earmarked for security and defence, reflecting a substantial increase. For 2026, the EIB Group agreed to maintain a EUR 100 billion financing target, with security and defence financing projected at some EUR 4.5 billion. In December 2025, the High Representative presented proposals to Member States to leverage the EIB in support of EU-Ukraine defence-industrial cooperation. A revised EDA-EIB Group Memorandum of Understanding led to an assessment of series of projects, ranging from company-level investments to support for Member States' defence needs, to ensure that project proposals are also appraised against the EU's defence capabilities priorities.

Adopted in May 2025, the Security Action for Europe (SAFE) instrument is the first major EU instrument to use large-scale borrowing specifically for defence with up to EUR 150 billion of financial assistance provided to Member States to close capability gaps and foster a stronger defence industry. SAFE loans will support common procurement, reduce costs and increase interoperability. SAFE provides swift disbursements that will allow defence companies to ramp up production lines. To assist Member States in preparing their defence investment plans for short-term acquisition of defence products in the context of SAFE, the EDA set up a government-to-government matchmaking platform, transformed into a permanent service from 2026.



Following the entry into force of the European Defence Industry Programme (EDIP) Regulation at the end of 2025, the Commission adopted in March 2026 its EUR 1.5 billion work programme and related calls for proposals. It includes actions in support of common procurement, industrial reinforcement, for the establishment and deployment of European Defence Projects of Common Interest (EDPCI) and Structure for European Armament Programme (SEAP), as well as actions under the dedicated Ukraine Support Instrument. Based on the interest expressed by Member States for EDPCIs, the Commission will propose draft Council implementing act(s) formally establishing the Projects.

With the adoption of its sixth annual Work Programme, the European Defence Fund (EDF) has allocated more than EUR 6 billion to support collaborative defence research and development activities, funding 225 projects to date. Over 400 proposals submitted under the 2025 EDF calls confirm growing interest, a 40 per cent increase compared to 2024. The EDA manages of 42 EDF projects, with a total budget exceeding EUR 300 million. The association of Ukraine with the EDF will foster future cooperation with Ukrainian entities. This will need to be formalised through an association agreement in future. Part of EDF funding has been channelled into BraveTech EU, a joint EU-Ukraine defence innovation initiative launched in July 2025. The initiative mobilises up to EUR 100 million (including EUR 50 million from EDF/EUDIS side), with the aim of accelerating battlefield- proven technologies and fostering collaborative research and development between the European and Ukrainian defence technology sectors.

Under the Act in Support of Ammunition Production (ASAP), implementation of industrial projects continued, contributing to the expansion of ammunition production capacity across the EU and helping to alleviate critical supply chain bottlenecks, such as explosives and propellant powder. These efforts are supporting increased production of ammunition and missiles, including for



deliveries to Ukraine. The production of 155mm ammunition is projected to reach 2 million shells in 2026. In addition to joint procurement, EDA has continued to provide up to 60 framework contracts for joint procurement of 155mm ammunition shells and components. In 2025, the EDA also put in place a new framework contract with the European industry for collaborative procurement of 84mm ammunition. To date, 12 Member States used these framework contracts.

European Defence Industry Reinforcement through common Procurement Act (EDIRPA) has enhanced multinational procurement cooperation, improved industrial predictability and facilitated the replenishment of Member State' stockpiles. The five cross-border projects funded by EDIRPA are incentivising cooperation in defence procurement to jointly acquire urgent and critical defence products in the areas of ammunition, air and missile defence systems and platforms. All five projects are expected to be finalised by the first semester of 2027. With a total amount of EUR 300 million, the program reached a strong leverage effect of some EUR 11 billion.

In February 2026, the Commission published the Action Plan on Drone and Counter-Drone Security for a united approach against threats posed by malicious drones. It aims to support Member States through coordinated actions, complementing national measures and focusing on enhancing preparedness, boosting detection capacities, coordinating responses and strengthening the EU's defence readiness.

In the past years, Permanent Structured Cooperation (PESCO) has evolved into a more mature framework. 74 collaborative projects are being implemented with increased Member State participation and growing interest by partners in joining projects, including in military mobility,





cyber, space, and command and control. A sixth wave of PESCO projects was launched in May 2025, resulting in 11 new projects, covering broader strategic areas such as air and missile defence, and more tactical applications, such as field medical treatment facilities. The PESCO Strategic Review is yet to be finalised, with the goal to make PESCO more effective in the current geopolitical context and ensure connection to the defence readiness agenda and EU instruments and initiatives, including through updating commitments.

Innovation, disruptive technologies and reducing strategic dependencies

In 2025, the EDA contributed to short-term, capability-driven innovation, and to longer-term research and technology, helping Member States to strengthen their technological edge. The Agency bolstered short-term innovation through the activities of the Hub for European Defence Innovation (HEDI), particularly the first EU experimentation campaign on autonomous systems, the third European Defence Innovation Days edition and the subsequent launch of the Hub of EU Defence Innovation (HEDI) 2.0 to include additional experimentation, including the BraveTech EU initiative. On long-term research and technology, EDA strengthened its role as the Member States' preferred platform for collaborative defence research, with a cumulative portfolio of more than 280 projects for an overall value of EUR 1.4 billion.

Working closely with EDA's Hub, the European Commission's EU Defence Innovation Scheme (EUDIS), continued delivering support to Small and Medium-Sized Enterprises (SMEs), start-ups and research organisations, encouraging innovative solutions in defence and helping to reduce barriers to entry. In 2025, two EUDIS Hackathons were organised across 16 locations in Europe, bringing together more than 800 participants. EUDIS also launched its Business Accelerator and Matchmaking initiatives to support companies and facilitate interaction.

In November 2025, the Commission presented the EU Defence Industry Transformation Roadmap to give a new impetus to defence innovation and better connect and accelerate the integration of advanced technologies. In March 2026, the Commission presented AGILE – a proposal for a new pilot programme that in 2027 will accelerate the delivery of highly innovative defence technologies and products to respond to rapidly evolving threats. Inter-institutional negotiations on AGILE should be concluded by the end of 2026.

The EU Defence Innovation Office in Kyiv continued to provide a bridge between EU start-ups and innovators and Ukrainian industry and armed forces. It has acted as a coordination and information hub, informing Ukrainian stakeholders about access to EU programmes and funding. It has helped to identify bottlenecks and opportunities in EU Ukraine defence-industrial cooperation, facilitating integration of Ukrainian industry into the European defence technological and industrial base.

Work to identify strategic dependencies and related risks in the space and defence sector has continued, including through the Observatory on Critical Technologies for space and defence. In 2025, the Commission issued two related EU technology roadmaps for specific technologies in

cooperation with industry and Member States. Additional classified reports on three new technologies will be presented to Member States in June 2026.

The Commission has started working on the implementation of the newly established security of supply regime, set up by the European Defence Industry Programme Regulation. The objective is to provide a set of measures enabling the Union to anticipate, prepare for and mitigate risks of serious disruptions in the supply of defence products.

In December 2025, the Commission and the High Representative presented a Joint Communication on Strengthening EU Economic Security. It sets the basis for greater boldness, speed and unity in anticipating, deterring and responding to economic security risks in the context of growing external threats, while preserving the EU's openness and commitment to international trade and investment as well as cooperation with partners. The EU will take a more strategic and assertive approach to addressing such risks, while ensuring that measures remain targeted, proportionate, and based on risk assessments. Strengthened cooperation between the EU, its Member States and businesses will be essential for enhanced economic security and resilience.

As part of its economic security agenda, the EU is strengthening the screening of foreign direct investments. In December 2025, the co-legislators reached a political agreement on the revised Foreign Direct Investment Regulation. The revision aims to reinforce the existing screening framework by requiring all Member States to establish national screening mechanisms, expanding the common minimum scope, further harmonising national rules, and extending screening to intra-EU investments. The Regulation is expected to be adopted in the second half of 2026.

The RESourceEU Action Plan was adopted by the European Commission in December 2025 to accelerate the EU's critical raw materials strategy by securing supply chains and reducing dependency on external sources for materials vital to key sectors, including defence and aerospace.



PARTNER

At a time of growing global fragmentation, competition and polarisation, we continued to invest in developing and deepening partnerships, based on common interests and shared values. Notably, the EU further enhanced and diversified its security and defence cooperation with partners, including through the conclusion of Security and Defence Partnerships fostering stronger coordinated action.

Robust multilateral and regional partnerships

In an increasingly unpredictable geopolitical environment, we continued to further reinforce our strategic partnership with NATO, which remains indispensable for Euro-Atlantic security and an integral part of EU's security and defence efforts. EU-NATO political dialogue was further strengthened in 2025, notably with the resumption of meetings between the Political and Security Committee and the North Atlantic Council. Coordination was taken forward through seven EU-NATO Structured Dialogues, covering resilience, military mobility, climate change, security and defence, emerging and disruptive technologies, space, cyber, and defence industry, as well as through exchanges on counter-terrorism, maritime security, operational engagements and capacity-building for external partners. We continued to closely coordinate support to Ukraine, a cornerstone of EU-NATO cooperation; and continued dialogue through various other formats, including the Ukraine Defence Contact Group, within the Coalition of the Willing, and on training Ukrainian Armed Forces. The EU and NATO agreed the extension of the Parallel and Coordinated Exercises (PACE) concept for 2026-2027, with the EU leading an exercise in 2026 and NATO in 2027. It will enable testing capacity to manage complex, cross-sectoral crises and coordinated crisis response. We will continue to further strengthen the EU-NATO partnership, including on support to Ukraine, exchange of classified information, and support Member States that are NATO allies in the context of the European contribution to NATO.

With a view to the EU's enduring commitment to global stability and rules-based international order, we took steps to strengthen our cooperation with the United Nations. A new set of EU-UN Joint Priorities on Peace and Security were adopted in September 2025. The annual EU-UN Strategic Dialogue on Conflict Prevention and Mediation took place in January 2026. Our missions and operations continue to coordinate and cooperate with the UN in theatres such as the Central African Republic.

Despite increasing tensions and difficulties affecting security cooperation on the European continent, the EU remains strongly committed to cooperation with the Organisation for Security and Cooperation in Europe (OSCE), and continued to work with the OSCE on peace mediation support, capacity-building and crisis management.

We continued to invest in our strategic cooperation with the African Union (AU), promoting peace and security across the African continent and countering the global effects of Russia's war of aggression against Ukraine. EU support to African-led Peace Support Operations was underpinned through high-level dialogue and continued funding via the European Peace Facility. In the second EU-AU dialogue on preventive diplomacy and peace mediation in February 2026, we committed to enhance collaboration on geographic and thematic priorities, such as the Horn of Africa, Great Lakes, data-based approaches to conflict prevention, electoral violence prevention, as well as Women, Peace and Security.

Based on a shared interest in a free, open and secure Indo-Pacific region, the EU has continued its cooperation with the Association of Southeast Asian Nations (ASEAN) on a broad range of security and defence issues. In addition, we intensified our relations with the Gulf Cooperation Council (GCC), holding the second iteration of the EU-GCC Regional Security Dialogue in April 2025 and implementing cooperation in the areas of counterterrorism, maritime security, non-proliferation and disarmament, hybrid and cyber threats, as well as disaster preparedness and emergency management. In the context of the crisis in the Gulf, a joint statement was issued by GCC and EU ministers on 5 March 2026 on Iran's attacks against GCC states.





Tailored bilateral partnerships

To safeguard our interests, further contribute to global peace and security, and reinforce our operational capacities, we have further deepened and expanded our network of tailored bilateral partnerships on security and defence with partners around the world. As of March 2026, the EU maintains security and defence dialogues, as well as dedicated sectoral dialogues, with 45 partners across the globe. This includes thematic dialogues on counterterrorism (e.g. with the United Kingdom and India), non-proliferation and disarmament (e.g. with China, Ukraine, Cuba, the United States and Brazil) as well as cyber (e.g. Ukraine, the United Kingdom, India, Japan and the Republic of Korea). Hybrid threats, space, non-proliferation and disarmament as well as maritime security have become important dimensions to many security and defence dialogues.

We concluded Security and Defence Partnerships, tailored and non-binding instruments for enhanced dialogue and cooperation on CFSP/CSDP-related issues with several new partners. The EU signed such Partnerships with the United Kingdom and Canada in 2025, and with India, Iceland, Australia as well as Ghana in the first quarter of 2026.

We continued to engage in dialogue and cooperation with the United States on security and defence. Support to Ukraine was discussed, notably via the Ukraine Defence Contact Group. High-level military contacts continued, particularly with United States European Command (EUCOM) and United States Africa Command (AFRICOM). The U.S. continues its participation in the PESCO project on military mobility. A dedicated Space Dialogue and a High-Level Dialogue on Non-proliferation, Disarmament and Arms Control took place with the U.S. in the latter half of 2025.

Further to the Security and Defence Partnership signed in May 2024, EU-Norway cooperation has further progressed. Practical implementation is underway on space security, peace mediation, military mobility, and cyber and hybrid threats. The first EU-Norway Peace Mediation and Reconciliation Dialogue was held in Brussels in January 2026. Negotiations on an update to the Administrative Arrangement of the European Defence Agency are ongoing to reflect the extended scope of cooperation with Norway and pave the way for further enhancing. Our collaboration in supporting Ukraine continued, including coordination of military assistance through the EU Military Staff Clearing House Cell, and Norway's contribution to EUMAM Ukraine. Norway has deployed experts to EULEX Kosovo, EU Mission in Armenia, EUPOL COPPS, and will join Operation ASPIDES. In mid-2025, Norway provided Voluntary Financial Contribution of NOK 1 billion (EUR 86 million) to the EPF, its third such contribution.

We intensified cooperation with the United Kingdom, signing a Security and Defence Partnership with the UK in May 2025. In October 2025, the HRVP held the first Foreign and Security Policy Dialogue with the UK. We held strategic consultations on Western Balkans, on Russia/Ukraine and for the first time on hybrid threats in September 2025. In March 2026, the first EU-UK Security and Defence Dialogue was held in Brussels. It covered exchanges on regional security situations, the provision of military assistance and training to Ukraine as well as on sanctions coordination.

We signed a fully-fledged Security and Defence Partnership with Canada in June 2025. Canada contributes to the civilian EU Mission in Armenia and to EUPOL COPPS. In December 2025, the EU and Canada concluded the negotiations on a bilateral agreement on the participation of Canadian entities in the Security Action for Europe Instrument (SAFE).

The third EU-Switzerland Security and Defence Dialogue was held in December 2025, focussing on the regional security situation, support to Ukraine, developments in the respective security and defence activities, as well as emerging threats and challenges. A Framework Partnership Agreement, establishing a permanent legal basis for Switzerland's contributions to EU's CSDP missions and operations was signed in March 2026. EDA and Switzerland updated their Administrative Arrangement in 2025, allowing Switzerland to participate in a wider range of defence projects with EU Member States.

The annual Security and Defence Dialogue with Iceland in September 2025 explored further cooperation on maritime security and protection of critical infrastructure, as well as addressing hybrid threats, including FIMI. In March 2026, the EU concluded a Security and Defence Partnership with Iceland, aiming to reinforce longstanding cooperation, including on support to Ukraine, Arctic matters and maritime security, cyber and economic security.

The security of the EU and its Member States is increasingly intertwined with the security of our partners, in particular EU candidate countries. Working with our enlargement countries to anticipate, prepare for, prevent, and respond to risks and threats is mutually beneficial and lower the risk of spill-over effects of external crises.

From the outset of Russia's full-scale war of aggression against Ukraine, the EU has remained steadfast in its support to Ukraine's right to self-defence. The EU and its Member States is the largest provider of military, financial, and humanitarian assistance to Ukraine, with more than 70 billion EUR of military support provided. Work is continuing to operationalise the EUR 90 billion Ukraine Support Loan that was agreed by Member States in December 2025, most of which is expected to support the country's defence industry and military needs. The implementation of the G7-led Extraordinary Revenue Acceleration loan continued (the EU contribution EUR 18 billion), providing Ukraine with critical financial support. Using windfall profits stemming from Russian immobilised assets, we have invested EUR 400 million in Ukraine's industrial base, making the EU the largest foreign public investor in the country's defence industry. The EU continues to implement the EU-Ukraine joint security commitments in a wider range of areas, including supporting the Ukrainian defence industry and boosting Ukraine's cyber resilience and capacity building. During the seventh coordination meeting of the Tallinn Mechanism in March 2026, a pledge of an additional EUR 11.5 million was made for Ukraine's cyber resilience.

The EU has taken concrete steps to support Republic of Moldova, in line with the EU-Moldova Security and Defence Partnership. This included support to address hybrid campaigns, including through EU Partnership Mission, the Hybrid Rapid Response Team and the Cyber Rapid Response Team. The EPF allocated EUR 197 million since 2021 to improve the air surveillance and land capacities of Moldovan Armed Forces. This complements long-term programmes and efforts, in line with Moldova accession process under the Enlargement policy.

The EU enhanced its engagement with Armenia on peace, security and defence issues. The EU adopted in January 2026 a second EPF assistance measure of EUR 20 million to enhance the logistical capacities of Armenian Armed Forces, aiming to focus on the protection of civilians in crisis and emergency situations, reinforce Armenia's resilience and accelerate the interoperability of its Armed Forces in view of future participation in international military missions and operations.



We held the first-ever dedicated Security and Defence Consultations with Armenia, and signed the Framework Participation Agreement (FPA), enabling Armenia's participation in CSDP missions and operations in June 2025.

We remain highly engaged in the Western Balkans through the provision of EPF support, as well as the presence of EUFOR Althea in Bosnia and Herzegovina and the civilian EULEX Kosovo mission, contributing to peace and stability in the region. Security and Defence Dialogues were held with Albania, Montenegro and North Macedonia in 2025, to discuss regional security and support to Ukraine, as well as emerging security threats and challenges across the region, including cyber and hybrid threats, and foreign manipulation and disinformation. This complements long-term programmes and efforts under accession processes of the Western Balkans countries. In October 2025, the EU and its Western Balkan partners signed a new Joint Action Plan on Preventing and Countering Terrorism and Violent Extremism, reaffirming their commitment to deepen security and justice cooperation.

We continued to strengthen our engagement with partners in the Southern neighbourhood. In light of the highly volatile and unpredictable security situation in the Middle East, EPF provided extraordinary support of EUR 60 million in 2025 to strengthen the capacities of the Lebanese Armed Forces to redeploy, secure and maintain stability in the South of Litani sector of the country. The EU provided continued support to Jordan's air defence through the adoption of a third EPF assistance measure of EUR 35 million. We launched Security and Defence Dialogues with Jordan and Egypt in January and March 2026.

Peace, security and defence cooperation with partners in Africa remained a priority for the EU. Since the creation of the EPF in 2021, over EUR 1 billion has been dedicated to build the capacities of African partners' armed forces. In 2025, the EU adopted EPF assistance measures providing bilateral support to Cabo Verde, Côte d'Ivoire, Senegal, Togo, Djibouti, Democratic Republic of Congo, Chad and Mauritania. We held Security and Defence Dialogues with Kenya and Nigeria. France, Italy, Spain and Portugal reconfirmed their commitment to maritime security in the Gulf of Guinea through deployments under the Coordinated Maritime Presences concept and the EU continued to be an active supporter of the regional Yaoundé Maritime Security Architecture. Vessels conducted coordinated patrols, joint activities at sea and port visits with partners, including Brazil, enhancing maritime situational awareness and operational cooperation in the area.

We remain committed to our "smart security enabler" approach in the Indo-Pacific region, covering domains such as cyber, maritime, counterterrorism, non-proliferation and disarmament, FIMI, disaster relief and crisis management, with a view to support regional stability while enhancing partners' capabilities. Further to Japan and the Republic of Korea, we concluded two new Security and Defence Partnerships with India and Australia in January and March 2026 respectively. We held Security and Defence Dialogues with Japan, the Republic of Korea and India with agreement to enhance sectoral cooperation on maritime security, hybrid threats, cyber, space security, non-proliferation and disarmament, among others. Dedicated Security and Defence Dialogues and consultations took place with the Philippines, Vietnam and Thailand. In the North-Western Indian Ocean, the EU continued to strengthen partnerships and enhance cooperation with regional actors, including maritime industry, to safeguard sea lines of communication. The protection of critical maritime infrastructure remains a key element of our partnership agenda with the Philippines,

Thailand and India. We also elevated our bilateral relations with Vietnam to a Comprehensive Strategic Partnership in January 2026.

We also deepened our engagement on security and defence with Latin American partners, underscoring a shared commitment to address global challenges. In 2026, the EU established Security and Defence Dialogues with Chile and Brazil.

To further boost outreach and cooperation on security and defence, we continued to expand the network of military advisors in EU Delegations. New military advisor positions were established in the Ivory Coast, Indonesia/ASEAN, Republic of Korea, Japan, Israel, Djibouti/Kenya and Moldova.





CONCLUSION AND NEXT STEPS

Looking back over four years of Strategic Compass implementation, many of the original objectives have been met. More than ever, Europeans share a common threat assessment and agree on the urgency to step up our engagement on security and defence. In many cases, our policies and instruments have evolved and made much-needed contributions to the challenges we face, often in creative ways that have defied a 'business as usual' approach. Yet the strategic environment has changed, and indeed deteriorated, even faster.

We must now work to ensure that our response rises to the challenge of this changed strategic environment, through the Strategic Compass and other documents, such as the upcoming European Security Strategy. This will require a new level of ambition and concrete actions on this basis.

Some recommendations and priorities for action are presented below in line with the Strategic Compass ambition to make the EU a stronger and more capable security provider under each pillar:

ACT

- Further enhance the resourcing and effectiveness of CSDP missions and operations to respond to the evolving international security environment.
- Further adapt EUMAM and EUAM Ukraine to provide training to and support the long-term resilience of Ukraine, including as a contribution to EU security guarantees.
- Continue exploring options for CSDP engagement in complementarity with other EU external action instruments to enhance EU role in crisis management in cooperation with partners.
- Put in place more efficient and integrated decision-making, including through strengthening command and control structures, and secure information channels.
- Prepare a successor document to the Civilian CSDP Compact.
- Rapidly take work forward on the operationalisation of Article 42(7) TEU, enhance our preparedness to address significant threats or major incidents below the Article 42(7) threshold, and strengthen EU crisis management mechanisms.

SECURE

- Boost our intelligence capacities by strengthening the Single Intelligence Analysis Capacity and further reinforcing the EU Satellite Centre.

- Keep building our capacity to counter hybrid threats, FIMI, and strengthening resilience – including urging Member States to transpose the Critical Entities Resilience Directive and Network and Information Security Directive into national legislation.
- Explore possibilities to disrupt FIMI attacks from malicious foreign actors by targeting the infrastructure behind such operations, leveraging all available tools, including the strategic use of sanctions and attribution.
- Bolster our strategic approach and ambition in the strategic cyber, space, maritime, and air domains, building on the ongoing work outlined in this document and proposing new initiatives where needed.
- Continue implementation of the Preparedness Union Strategy, including delivery of the comprehensive Risk and Threat Assessment.

INVEST

- Implement the Defence Readiness agenda, including closing critical capability gaps across the nine Priority Capability Areas and fostering collaborative development of full-spectrum capabilities across all operational domains.
- Support efforts to strengthen the EDA in line with European Council conclusions of October 2025.
- Deepen our mutually beneficial cooperation with Ukraine on defence, technology, innovation, resilience and industry.
- Mobilise additional funding for defence, including through the EIB.
- Finalise the PESCO Strategic Review to ensure a more effective mechanism, adapted to the changed security environment in line with the Defence Readiness agenda.

PARTNER

- Reinforce robust bilateral, multilateral and regional partnerships, including through broadening and deepening of Security and Defence Partnerships and dedicated dialogues on security and defence-related issues.
- Encourage further engagement of key partners in CSDP missions and operations as well as in the European Peace Facility, as appropriate.
- Continue providing support to and enhance resilience of partners, including through the European Peace Facility.
- Reinforce partnerships by organising a third edition of the Schuman Security and Defence Forum (Schuman Forum) bringing together senior decision-makers from partner countries and beyond, EU and Member States, international and regional organisations, as well as leading think-tanks and academia.



**STRATEGIC
COMPASS**