EUROPEAN UNION

EU's Defense Transformation

Investing in Security, Strengthening the Transatlantic Alliance

July 2026

DELIVERING ON DEFENSE

80%
Increase in EU defense spending since 2021

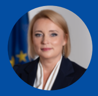
$9 Trillion
Overall European projected defense spending by 2035 (EU & Member States)

$1 Trillion
mobilized for defense investors by 2030

40% of EU defense procurement
goes to U.S. Companies

The EU's Member States collectively spent **2.1% of GDP** on defense in 2025, exceeding the NATO target. Many member states spend even more with **Poland, Lithuania, Latvia and Estonia on track to reach 5% this year** – the gold standard set by President Trump.

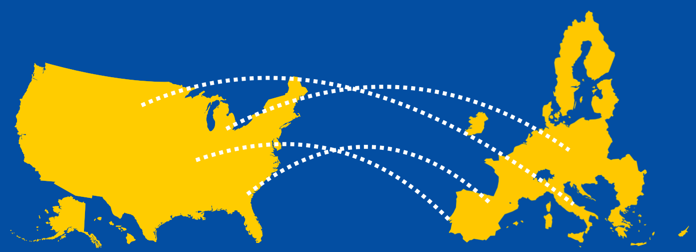
> "This is a once-in-a-generation surge in European defense. A surge in investment, a surge in capabilities, in readiness...Peace is at the heart of our European project. But to keep the peace, Europe must be made ready. We have chosen our path — to **speed up, ramp up and scale up all at once.**"



Jovita Neliupšienė
EU Ambassador to the United States

A STRONGER EUROPE = A STRONGER UNITED STATES

- Greater transatlantic burden-sharing
- Increased European defense procurement
- Reduced pressure on U.S. resources
- Enhanced joint deterrence on global challenges
- Opportunities for U.S. investment



"The question is: are we willing and able to defend ourselves and deter aggression? Our American allies are asking the same question. They are calling on us Europeans to take more responsibilities for our defense."

Defense Commissioner Andrius Kubilius

The transatlantic defense market is already deeply integrated. Europe is the largest customer for the U.S. defense industry, accounting for nearly 40% of all U.S. defense exports (around $130 billion between 2020 and 2024), up sharply from 13% in 2015–2019. At the same time, more than half of EU Member States' defense procurement comes from U.S. suppliers, supporting American jobs while strengthening NATO interoperability.

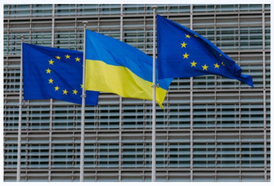
DEFENSE IS HERE TO STAY: EU INITIATIVES

78% of EU citizens are concerned with European defense and security

81% are in favor of a common defense and security policy

This is not a temporary response.
EU investment in defense is here to stay.

- **Readiness 2030:** Up to $1 trillion USD investment in new weapons and technology by 2030.
- Of that, up to $700 billion in Member State spending, fully open to U.S. defense companies.
- Up to $200 billion in low-cost, long-term loans to EU Member States to accelerate defense procurement, scale capabilities, and create expanded opportunities for transatlantic industry partnerships.
- **Four European flagships:** the European Drone Defense Initiative, the Eastern Flank Watch, the European Air Shield, and the European Space Shield will reinforce Europe's ability to deter and defend across land, air, sea, cyber, and space while contributing directly to NATO capability targets.
- **EDIP: a $1.7 billion EU-wide initiative** to help European countries **buy together, build together, and innovate together** - strengthening Europe's defense industry, supporting joint procurement, deepening industrial cooperation with Ukraine, and delivering military capabilities more efficiently.
- **European Defense Fund: nearly $10 billion budget**, with support and opportunities for defense R&D, including space-based ISR constellations, digital warfare, and AI-driven military systems.



FORGED IN UKRAINE: REAL-WORLD LESSONS, REAL CAPABILITY

- The EU and its member states have become Ukraine's **largest providers of military assistance, training, and defense-industrial support.**
- **$300 billion** total support to Ukraine, including a $106 billion loan for defense efforts, disbursements of which began June 2026.
- **90,000+** Ukrainian troops trained

READ THE DEFENSE WHITE PAPER

DELEGATION OF THE EUROPEAN UNION TO THE UNITED STATES
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