



# EUROPEAN PEACE FACILITY

An EU off-budget fund to build peace and strengthen international security

#EUDefence #FutureofEurope



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In a more challenging global environment, the European Union needs to step up its actions to enhance its ability to preserve peace, prevent conflicts, and strengthen international security. By proposing a **new European Peace Facility** (EPF) the European Union is taking on more responsibility as a global security provider.

The EPF is a proposal by the High Representative to set up a new off-budget fund, a fund outside of the Union's multi-annual budget, potentially worth **€5 billion**. It will enable the financing of operational actions under the Common Foreign and Security Policy (CFSP) that have military or defence implications. It proposes to draw together existing relevant off-budget mechanisms, namely the Athena mechanism and the African Peace Facility, addressing their gaps and limitations.

## WHY IS THE EUROPEAN PEACE FACILITY NEEDED?

The aim of the EPF is to:



**Increase effectiveness of operations:** the EPF aims at funding the common costs of EU military Common Security and Defence Policy (CSDP) missions and operations. It will ensure that EU funding is available on a permanent basis, thus facilitating rapid deployment and enhancing flexibility. So far, through the Athena mechanism, a relatively small fraction – ranging from 5% to 10% - of costs for military operations are covered through common financing. The EPF proposes greater solidarity on common costs.



**Support partners:** the EPF will give the Union the capability to contribute to the financing of military peace support operations led by international partners on a global scale. Up to now, the African Peace Facility only allowed for financing of African-led peace support operations.



**Carry out broader actions:** Currently the EU has a limited capacity to engage in military or defence actions, such as capacity building, provision of training, equipment or infrastructure. The EPF will assist in building the capacities of partner countries' armed forces to preserve peace, prevent conflict and address security challenges. For example, EU Military Training Missions are sometimes faced with the reality that partners cannot benefit sufficiently from the lessons learned during training, due to lack of often very basic equipment or facilities. The EPF will allow the EU to provide comprehensive support through integrated packages, which can include training, equipment and other means of support. This will help enable partners to address crises and security challenges by themselves.

The EPF will only cover expenditure with military or defence implications that are not be funded under the Union's budget.. It will thus help maximise the impact, effectiveness and sustainability of the EU's external actions in peace and security.

Through the EPF, the EU will be able to do more and to act more swiftly by using military and defence means as required.



## FINANCING

The EPF will be financed through contributions by EU Member States based on a Gross National Income distribution key. Its ceiling has been confirmed by the European Council in July 2020 at €5 billion over a period coinciding with the next Multiannual Financial Framework (MFF).

The EPF should simplify and streamline previously different funding arrangements, notably the Athena mechanism and the African Peace Facility, while allowing for greater flexibility. Actions funded by the Facility will be decided by the Council and Member States' control ensured through a management committee.

€5 billion



## WILL THE EUROPEAN PEACE FACILITY REPLACE OTHER EU FINANCING INSTRUMENTS?

- The EPF builds on the African Peace Facility and the Athena mechanism. It will continue financing actions currently supported through these instruments, but will allow the EU to overcome geographic and thematic limitations, building on the experience of the last years.
- The EPF is not designed to finance expenditure that is eligible for funding under the Union's budget.
- Support to partners under the EPF will pursue EU foreign and security objectives, as reflected in the Treaty on the EU. It will be subject to strict controls, including conformity with democratic principles, human rights law and International Humanitarian Law.
- In line with the EU's Integrated Approach, consistency will be ensured between the actions financed under the EPF, and other actions undertaken within the CFSP or other instruments of the Union's external action, including relevant Capacity Building for Security and Development (CBSD) mechanisms.

<sup>1</sup> The Africa Peace Facility is today financed from the extra-budgetary European Development Fund. The Athena mechanism is an off-budget financing arrangement established by the Council for the financing of the common costs of military CSDP operations