Europe can no longer afford relying on the military might of others. We have to take responsibility for protecting our interests and the European way of life. It is only by working together that Europe will be able to defend itself at home and abroad.

Jean-Claude Juncker  

The lack of cooperation between Member States in the field of defence and security is estimated to cost annually between EUR 25 billion and EUR 100 billion. This is because of inefficiencies, lack of competition and lack of economies of scale for industry and production.

In 2015, the US invested more than twice as much as the total spending of EU Member States on defence. China has increased its defence budget by 150% over the past decade.

Around 80% of defence procurement is run on a purely national basis, leading to a costly duplication of military capabilities.

More Europe in defence will have a positive spill-over effect on the European economy. The European defence industry generates a total turnover of EUR 100 billion per year and 1.4 million highly skilled people directly or indirectly employed in Europe. Each euro invested in defence generates a return of 1.6, in particular in skilled employment, research and technology and exports.

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**EUROPEAN DEFENCE ACTION PLAN**

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**THE BUSINESS CASE FOR DEFENCE SPENDING AND GREATER DEFENCE COOPERATION**

**THE EUROPEAN DEFENCE FUND**

**RESEARCH WINDOW**
Collaborative research projects

- EUR 90 million until 2020
- EUR 500 million per year post-2020

**COORDINATION BOARD**
Member States, High Representative, European Defence Agency, European Commission, Industry

**CAPABILITY WINDOW**
Joint defence capabilities

- Umbrella structure establishing a common framework for independent projects and providing back office
- Reference amount EUR 5 billion per year