



EUROPEAN DEFENCE ACTION PLAN

// *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 State of the European Union - European Parliament, Strasbourg - 14 September 2016

THE BUSINESS CASE FOR DEFENCE SPENDING AND GREATER DEFENCE COOPERATION



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



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.



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.

THE EUROPEAN DEFENCE FUND



RESEARCH WINDOW
Collaborative research projects

COORDINATION BOARD

Member States, High Representative, European Defence Agency, European Commission, Industry

CAPABILITY WINDOW
Joint defence capabilities



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



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



Research project 1



Research project 2



Research project n



Capability project 1
Participating Member States



Capability project 2
Participating Member States



Capability project n
Participating Member States