DOCUMENTI IAI

No. 26|05 (June 2026)

The Future of European Defence: Industrial Ambition, Operational Constraints and Flexible Partnerships

Federico Castiglioni and Luca Cinciripini

The debate over the future of European defence has accelerated after the Russian invasion of Ukraine. While the EU seeks to become a real geopolitical actor, Brussels sits in a difficult position, having to reconcile loyalty to the Atlantic Alliance, cooperation with pivotal extra-EU partners such as the UK, and the pursuit of strategic autonomy. European defence has long developed along two strands: an operational-military pillar and an industrial-technological one. Today the latter appears the more active, through the European Defence Fund and the European Defence Industry Programme, while ReArm Europe supports the financing of national rearmament. These instruments, however, generate capabilities that remain largely national. Making them European is a largely unresolved issue, for which two routes are available: Treaty reform or the optimisation of the existing institutional architecture, each with its own constraints. This paper maps the current proposals for change, including the ambitious establishment of a European Security Council. It assesses how European governments could reconcile the EU's industrial and financial activism with the Union's institutional constraints, building defence formats flexible enough to function yet capable of making Europe more autonomous.

Ministry of Foreign Affairs
and International Cooperation

Russia's full-scale invasion of Ukraine has accelerated a broader transformation in European defence governance. The question is no longer whether the European Union should do more in defence, but how European cooperation can be organised in a strategic environment marked by capability shortfalls, industrial fragmentation, the urgency of supporting Ukraine and uncertainty over how burdens will be distributed across NATO. This new ambition operates within an architecture that remains highly intergovernmental and dependent on national choices.[1] Discussions at political and academic levels have captured several partially overlapping pathways for the evolution of European governance: a more European NATO, a new European multilateralism and EU-led defence cooperation.[2] European defence governance is potentially not moving towards a single institutional model but towards a layered system that combines EU instruments, NATO frameworks, minilateral formats and structured partnerships with third countries. This evolution influences how the Common Security and Defence Policy (CSDP) should be framed. The following analysis will assess the European defence architecture, highlighting the main proposals for transformation, and

1 Scazzieri, Luigi, "Towards an EU 'Defence Union'?", in *CER Policy Briefs*, January 2025, https://www.cer.eu/node/11298.
2 Blockmans, Steven et al., *More Europe in Defence – Three Pathways*, Task Force Report, May 2026, https://www.ceps.eu/?p=57966.

Federico Castiglioni is Research Fellow in the "EU, politics and institutions" programme at the Istituto Affari Internazionali (IAI). **Luca Cinciripini** is Research Fellow in the "EU, politics and institutions" and the "Energy, climate and resources" programmes at IAI. Paper produced in the framework of the project "L'Europa della difesa: cooperazione industriale, governance UE e pilastro europeo della Nato". This paper is realised with the support of the Unit for Analysis, Policy Planning and Historical Documentation - Directorate General for Political Affairs and International Security of the Italian Ministry of Foreign Affairs and International Cooperation, in accordance with Article 23-bis of the Decree of the President of the Italian Republic 18/1967. The views expressed in this report are solely those of the author and do not necessarily reflect the views of the Ministry of Foreign Affairs and International Cooperation.

taking into account current relationships with extra-EU countries that are pivotal to the Union's security such as UK. The document will finally present some recommendations for Italian policymakers.

1. European defence architecture: Industry and CSDP governance

The EU has a complex and multi-layered defence governance. The process, traditionally developed at the edge between intergovernmentalism and ambitious common goals, has not been linear: operational capacity, framed by the intergovernmental logic of the CSDP, and the European Defence Technological and Industrial Base (EDTIB), increasingly influenced by policies at supernational level, have developed unevenly and advanced more in reaction to external shocks than by design. The following sections trace this trajectory, from the first capabilities assembled outside the Treaties to the most recent proposals, underlining the contradictions and the potential of the existing common frameworks.

1.1 The long pathway of the EU defence policy

Since the early 1990s, European defence developed along two distinct tracks: an operational-military pillar, connected with the intergovernmental logic of the Common Foreign and Security Policy (CFSP) and an industrial-and-research strand, initially marginal but lately more dynamic. The operational branch was initially built outside the Treaties. The first step was the Franco-German Brigade, set-up in the late 1980s, which was a binational army unit of roughly 5,000 troops aimed at being the first concrete attempt to build a European military capacity outside both NATO's integrated command and the Community framework.

The brigade then grew into a new formation, the Eurocorps, established at the 1992 La Rochelle summit and subsequently enlarged to include as framework nation Belgium, Spain and Luxembourg, followed by the accession of Poland in 2021. The Eurocorps functions as a permanent multinational corps headquarters, based in Strasbourg. The organisation holds no standing forces of its own: only the staff and command structure are permanent, while the troops are committed by the member states on a case-by-case basis, when a deployment is decided. Because the corps can be placed at the disposal of both NATO and the EU, it never became, strictly speaking, an EU body, but remained an instrument owned by its member nations.[3]

In early 2001, the EU defence mechanism became institutionalised, moving beyond multilateral cooperation. In order to underpin the Union's level of ambition while keeping it grounded in intergovernmentalism, three structures were created: the Political and Security Committee (PSC, still widely known by its French acronym COPS), formed of ambassador-level national representatives; the EU Military Committee, composed of the member states' Chiefs of Defence which provides military advice to the PSC within the Council; and the EU Military Staff, today embedded in the European External Action Service and staffed by senior (three-star) officers, tasked with early warning and – through the Military Planning and Conduct Capability set up within it in 2017 – with the command of the Union's non-executive military missions. The Treaty of Lisbon, in 2009, gave these three institutions an organic framework with the launch of the CSDP.

The 2009 Treaty also introduced the Permanent Structured Cooperation (PESCO), which was activated in 2017 and represents the only Treaty-based form of differentiated integration in the field of defence. Provided for by Articles 42(6) and 46 TEU and Protocol No. 10, PESCO allows those member states that are willing and able to make more demanding commitments on the development of defence capabilities to cooperate more closely within the EU framework, without requiring all member states to advance at the same pace.[4] On the one hand, it is embedded in the intergovernmental logic of the CSDP and depends on commitments undertaken by member states. On the other, it is organised around collaborative capability development projects, interoperability and defence planning, and therefore connects directly with the EU's

3 Daniel Fiott, *Defence Industrial Cooperation in the European Union. The State, the Firm and Europe*, London/New York, Routledge, 2019.
4 PESCO Secretariat website: *About PESCO*, https://www.pesco.europa.eu/about.

broader effort to reduce fragmentation and strengthen the EDTIB. Its project-based structure has also made it relevant for cooperation with selected third countries, as shown, for instance, by the participation of Canada, Norway, the UK and the US in the PESCO Military Mobility project.[5] PESCO's launch was therefore significant because it institutionalised a form of variable geometry inside the CSDP itself.

Alongside these governance structures, the Union also sought to provide itself with deployable forces autonomous from – but coordinated with – NATO. The first attempt was the rapid-reaction force envisaged by the 1999 Helsinki Headline Goal: up to 60,000 troops, drawn from voluntary national contributions and meant to be deployable within sixty days, set as a target for 2003 but never actually built. The second was the EU Battlegroups – rotational units of some 1,500 troops, kept on standby and declared operational in 2007 – designed for rapid intervention but never deployed. The Union's actual availability of military forces, therefore, remained mostly voluntary and channelled through member states ad hoc contributions for CSDP missions devoted to peace keeping, security force assistance, countering piracy and disruption of illicit trafficking.[6] In the last years, the EU has deployed several missions under this framework, such as the European Union Training Missions in Somalia and Mali, the Atalanta naval operation, launched in 2008 off the Horn of Africa, the European Union Military Assistance Mission in Ukraine or Operation Aspides, launched on 19 February 2024 to protect commercial shipping routes in the Red Sea against Houthi attacks.

While this first operational pillar was expanding, the second strand of European defence – industrial and research policy – followed an inverse trajectory. The first timid step for building an EU autonomous industrial and technological base was the creation of a dedicated structure, the European Defence Agency (EDA), set up in 2004 as an intergovernmental body to mainly support the identification of capability development priorities. The EDA had the specific mandate to secure a stronger European Defence Technological and Industrial Base (EDTIB) by strengthening EU competitiveness in this sector. However, since its very beginning, the organisation was undermined by structural problems, mainly related to lack of investments, resources and empowerment.[7] As a result, while the EU ambition in CSDP was growing and multiple missions were launched, investments in the EDTIB remained constrained. However, in 2009 the European Commission adopted two directives respectively on defence procurement and intra-EU transfer in order to move towards a European defence market, representing a significant first move by the supranational body into the defence industry sector via its single market competences.

The 2014 Russian aggression against Ukraine changed this course. Following the illegal annexation of Crimea, the European Council activated PESCO among willing states as envisaged in the Treaties and the Commission launched a strategy of joint defence investment, the European Defence action plan.[8] The Commission's plan was channelled through the Preparatory Action on Defence Research and the European Defence Industrial Development Programme, then transformed in 2021 into the European Defence Fund (EDF). The aim was to strengthen European readiness by funding military research and joint capability development.[9] Over the years the EDA supported the Commission in establishing, and to some extent implementing, this first far-reaching research and development programme, financed and managed at the Union level. As defence research grew in importance, a dedicated Directorate-General for Defence Industry and Space (DG DEFIS) was created in 2020 and a Defence and Space Commissioner appointed in 2024,[10] consolidating the Commission's competences in the sector and significantly increasing the resources

5 Council of the EU, *PESCO: Canada, Norway and the United States Will Be Invited to Participate in the Project Military Mobility*, 6 May 2021, https://www.consilium.europa.eu/en/press/press-releases/2021/05/06/pesco-canada-norway-and-the-united-states-will-be-invited-to-participate-in-the-project-military-mobility.

6 Major, Claudia and Christian Mölling, "EU Battlegroups: What Contribution to European Defence?", in *SWP Research Papers*, No. 8 (June 2011), https://www.swp-berlin.org/en/publication/eu-battlegroups-1.

7 Howorth, Jolyon, *Security and Defence Policy in the European Union*, 2nd ed., Basingstoke, Palgrave Macmillan, 2014.

8 European Commission, *European Defence Action Plan: Towards a European Defence Fund*, 30 November 2016, https://ec.europa.eu/commission/presscorner/detail/en/ip_16_4088.

9 European External Action Service (EEAS), *Shared Vision, Common Action: A Stronger Europe. A Global Strategy for the European Union's Foreign and Security Policy*, 28 June 2016, https://europa.eu/!Tr66qx.

10 Bolognesi, Pilar Maria, "The New EU Commissioner for Defence and Space", in *UK in a Changing Europe Blog*, 13 January 2025, https://ukandeu.ac.uk/?p=59645.

available at EU level, in growing coordination with the EDA. In 2025, the Commission launched ReArm Europe/Readiness 2030, a programme that aims to issue 150 billion of SAFE loans and provide fiscal incentives for more national spending, largely through the activation of the national escape clause from the Stability and Growth Pace with the stated purpose to make the Union defence-ready by the end of this decade. As rearmament moves up the political agenda, including investments made on a purely national basis, the Commission is positioning itself as a facilitator of national defence planning: it sets the conditions for the use of 150 billion loans and future EU budget, support national prioritisation and definition of the timelines, while procurement and force generation remain a prerogative of member states.[11]

This expansion of EU role on defence industrial policy reverses the trajectory long assumed for European defence. Integration was expected to deepen through the operational pillar – common missions, command structures, deployable forces – with industry following demand; instead, the financial and industrial machinery has advanced fastest while the operational pillar has stalled. The Union therefore struggles to translate its industrial ambition into operational weight: the capacity to finance and to produce is moving ahead of the capacity to plan, command and deploy together.

1.2 The Strategic Compass and the future of the operational pillar

In 2022, after the Russian armed forces advanced on Kyiv and failed to take it in a swift blitzkrieg, the EU adopted the long-awaited Strategic Compass, a document conveying a new urgency for the bloc to become a defence actor. The Compass sets a new realistic ambition for European defence, notably establishing a Rapid Deployment Capacity (RDC) of up to 5,000 troops drawn from member states' forces. Unlike the EDF and other current industrial programmes, the RDC was not focused on procurement but rather on the operationalisation of European capacities, and therefore within the mandate of the CSDP structures and the supervision of the Political and Security Committee.[12] The RDC – conceived to finally make usable a rapid-reaction instrument the EU had long held on paper – was the third attempt to actually field an operational EU rapid-deployment force after the aforementioned Helsinki Headline Goals and the EU battlegroups. The repeated failure of past EU initiatives of such kind on defence was due to a double constraint to consider.

The first was the heavy national commitment their implementation demanded. The interpretation of Article 41(2) TEU concerning military operations so far barred the Union budget from financing those expenditure, and thus the operational costs of any deployment would fall on the contributing states under the "costs lie where they fall" principle, apart from a small fraction of common costs under the so-called Athena mechanism.[13] This limitation in financing is translated in the European Union Military Staff chronical understaffing, which is today at odds with the increased responsibilities of this Command, enshrined by the activities of the Clearing House Cell which matches Ukraine's equipment requests against the offers of the member states.

The second hindrance was the unanimity the Council requires to launch a CSDP mission under Article 42(4) TEU; according to this article, the Union can act only as a bloc, and every member state holds a veto over activation. The Treaty does foresee a more flexible route, since Article 44 TEU allows the Council to entrust a task to a group of willing and capable member states, yet this provision has never been used. Combined, the two constrains ensured that no government was willing to trigger and fund a deployment the others could block, thereby limiting the CSDP ambition.

The RDC was meant to ease both problems and especially the reliance on national contributions. The lever exploited was the European Peace Facility, created in 2021 precisely to bear the common costs of military operations and exercises, leaving less burden on the willing member states and providing military

11 European Commission, *Joint White Paper for European Defence Readiness 2030* (JOIN/2025/120), 19 March 2025, https://eur-lex.europa.eu/legal-content/en/TXT/?uri=celex:52025JC0120.

12 Rehrl, Jochen (ed.), *Handbook on CSDP. The Common Security and Defence Policy of the European Union*, 4th ed., Vienna, Austrian Ministry of Defence, 2021, https://www.bmlv.gv.at/pdf_pool/publikationen/handbook_on_csdp4.pdf.

13 Council of the EU website: *Athena - Financing Security and Defence Military Operations*, https://www.consilium.europa.eu/en/policies/athena.

support to third countries instrumental to the Union's security. On the force side, the 5,000-strong format lowers the threshold of national commitment, asking states for contingents far less strategically costly than that demanded by a full battlegroup rotation. However, the second constraint, unanimity, remained substantially unchanged, despite the aspiration of the Compass for a wider recourse to qualified majority voting.[14] The underlying hope of the RDC was to respond to sudden crises, like the chaotic evacuation of Afghanistan in 2021, without leaving exposed member states to act alone. Annual live military exercises (MILEX) have already been conducted in the framework of the RDC, with the first one taking place in 2023. Besides this effort, a force of this size is plainly inadequate to provide substantial help in a large-scale war on Europe's neighbourhood, let aside to contribute to EU collective deterrence and defence: two tasks openly beyond the RDC ambition. To address this gap and strengthen EU defence,[15] the last three years have produced several proposals to raise European deterrence and achieve at least closer coordination among national armies, against rising international tension and a NATO increasingly felt as volatile, due to the evolution of the transatlantic relationship sparked by the second Trump administration. The current debate on EU defence outlines two main alternatives to solve both the lingering financial problem and the conundrum related to the force's activation. The first is Treaty reform, a long and contested process likely to meet resistance from some member states and public opinion. The second, where member states' effort is in fact concentrating, is the optimisation of existing legal tools.

On the first option, the European Parliament has drafted a comprehensive proposal. In its resolution of 22 November 2023, which triggered the ordinary revision procedure under Article 48 TEU, Parliament proposed a revision of Article 42(3) TEU establishing a Defence Union whose forces would include a permanent rapid deployment capacity under the operational command of the Union. This force would be a standing force commanded by the EU rather than one assembled from rotating national contingents. The package matches it with generalised qualified-majority voting for CFSP and CSDP, which would dissolve the unanimity constraint, and a new Article 42(4a) TEU requiring Parliament's consent to any civilian or military mission.[16]

On the second option, which seems currently more viable, there is a growing attention for the potential of Article 44 TEU, which allows the Council to entrust the implementation of a CSDP task to a group of member states that are willing and have the necessary capability to do so.[17] According to the Article, a defence initiative could be launched by a unanimous Council decision but conducted by the group of member states that showcase availability. This avenue was linked with a possible operationalisation of the RDC, which the Strategic Compass already flagged. In this framework, unanimity remains a pillar of the EU decision-making on defence (since Article 31(4) TEU excludes decisions with military or defence implications from moving to qualified-majority voting) but it allows for the inclusion of multinational operations in the EU defence architecture. The result would be a differentiated integration in which an inner group commits more, alongside member states that, while not opposing the broader strategic goals, are unable or unwilling to follow.

On 29 January 2026, ahead of the Foreign Affairs Council, the Polish Foreign Minister Radosław Sikorski explored the feasibly of a "European Legion", initially of brigade size, open to citizens of the member states and possibly of the candidate countries, and financed from the EU budget, under the political control of the Political and Security Committee.[18] Sikorski conceived the force not for the deterrence of Russia but

14 Lațici, Tania, "Qualified Majority Voting in Foreign and Security Policy. Pros and Cons", in *EPRS Briefings*, January 2021, https://www.europarl.europa.eu/thinktank/en/document/EPRS_BRI(2021)659451.

15 The simultaneous reflection going on in Europe about a European pillar of NATO and/or its Europeanisation is beyond the scope of this paper since it would not enhance the EU defence discussed here. In this regards see, among others, Murgia, Nicolò, "The European Pillar of NATO in the Era of US Disengagement", in *IAI Briefs*, No. 26|19 (May 2026), https://www.iai.it/en/node/22223.

16 Meijer, Karsten and Arjen Klein, "A Proposal Towards a European Defence Union. Legal Implications of the European Parliament's Proposal for Treaty Reform in the Area of Defence", in *Verfassungsblog*, 23 April 2024, https://verfassungsblog.de/?p=80408.

17 Bakker, Anne et al., "Spearheading European Defence. Employing the Lisbon Treaty for a Stronger CSDP", in *Clingendael Reports*, September 2016, https://www.clingendael.org/node/5465.

18 Anwer, Ammar, "New EU Force? Sikorski Proposes 'European Legion' to Counter Growing Threats", in *TVP World*, 30 January 2026, https://tvpworld.com/91331538/.

for lower-intensity crises, such as those in North Africa or the Balkans, underlying how the EU should de-facto accept to lay military personnel with common budget. The distinctive trait of this proposal, which would align it with article 31, is that its personnel would be recruited directly, not seconded as national contingents, which is what makes it a first step towards an EU army even if Sikorski rejects that label. Yet, this is also where the proposal meets its legal limit: a standing military force financed from the EU budget collides with article 41(2) TEU, which keeps military operational expenditure off the Union budget. The financing problem, in this case, would be only postponed, as the budget for the military staff (the legion itself) would not be usable in a deployment phase.

2. Cooperation with non-EU member states

When discussing military cooperation, the distinction between EU member states and non-member countries remains legally and institutionally relevant. Yet it should not necessarily be seen as an obstacle to developing structured partnerships and flexible cooperation models. In a strategic environment marked by common threats, capability shortfalls and growing pressure on Europe's defence-industrial base, cooperation with like-minded partners has become increasingly necessary, particularly where there is a convergence of interests, objectives and values.

2.1 Coalitions of the willing and minilateral formats of defence cooperation

One of the clearest consequences of the post-2022 international security environment has been the growing relevance of coalitions of the willing and minilateral defence formats. Smaller groups of able and willing states can often move faster than EU-wide formats, especially when cooperation is organised around concrete outputs such as military assistance to Ukraine, ammunition supply, air defence, training, procurement or specific capability gaps.[19] The added value of these coalitions is their problem-solving function. They allow politically aligned states to act without waiting for unanimity and can be tailored to specific regional or functional needs. In this sense, bilateral and minilateral defence clusters can be considered one of the most realistic ways to strengthen European military capabilities where EU-wide solutions are difficult. Existing or emerging examples include the Joint Expeditionary Force, Nordic-Baltic formats, the European Air Transport Command, the German-Dutch military integration experience, the Common Armoured Vehicle System and Ukraine-related capability coalitions.[20] At the same time, coalitions of the willing may create institutional risks. They may improve responsiveness, but they can also reinforce intergovernmentalism and fragment the CSDP if they remain disconnected from EU priorities.[21] The relevant question is, therefore, not whether such coalitions should exist, but how they can be linked to a broader European defence ecosystem. The EU can play an enabling role by financing cooperation, aligning projects with capability priorities, supporting joint procurement and ensuring that clusters strengthen rather than duplicate European defence objectives.

One of the most interesting and discussed ideas to reform the EU defence governance came in January 2026 and was advanced by the Commissioner for Defence and Space, Andrius Kubilius. The Commissioner published a paper on the "Europeanisation" of European conventional defence, arguing that funding and industrial capacity are not enough and that the main obstacle is the absence of a leadership platform able to decide quickly, given the unanimity that still governs the CSDP. The proposal was to formalise the informal E5 format (France, Germany, UK, Italy, Poland) into a permanent European Security Council (ESC), an idea already advanced by Macron in 2017 and Merkel in 2018. Kubilius coupled it with the idea of a standing European force of around 100,000 troops, meant to substitute the US military backbone

19 Scazzieri, Luigi, "The Power of the Few: How Clusters Can Strengthen European Defence", in *EUISS Briefs*, No. 3/2026 (February 2026), https://www.iss.europa.eu/node/3753.
20 Ibid.
21 Maurice, Eric, "Coalitions of the Willing Is Not the Silver Bullet – Core EU Alignment Is", in *EPC Flash Analysis*, 12 February 2026, https://www.epc.eu/publication/coalition-of-the-willing-is-not-the-silver-bullet-core-eu-alignment-is/.

within a strengthened European pillar of NATO, and with an effort to give operational content to the mutual-assistance clause of Article 42(7) TEU. This proposal carries several problems and has already met resistance. One of the most relevant issues is institutional. The proposed ESC would be, at least according to the latest proposals, outside the existing CSDP structure and its relationship with the EU is therefore yet to be clarified. The ESC would rest on the informal E5 format with the addition of Norway and other countries; it would sit alongside the Union rather than within it.

The growing reliance on coalitions of the willing, minilateral clusters and third-country partnerships raises a central governance problem for European defence: flexibility has become necessary, but it does not automatically produce coherence. Coalitions can mobilise political will, resources and capabilities more quickly than EU-wide formats, especially in response to urgent crises such as the war in Ukraine. Yet their effectiveness often depends on the persistence of a shared threat perception and on the political commitment of a limited number of governments. Once the immediacy of the crisis recedes, such formats risk losing momentum, remaining disconnected from EU instruments, or adding to the already fragmented landscape of European defence cooperation.[22] The trajectory of the European Intervention Initiative illustrates this risk. Launched by France in 2018 as a flexible and non-binding forum of able and willing European states, it was designed to foster cooperation in strategic foresight, planning and operational support. Yet its limited operational follow-through showed the limits of minilateral formats when they are not backed by sustained political commitment or connected to more durable institutional structures. It is in this context that the debate on an ESC has gained relevance. It would provide a more regular political framework for steering European security cooperation across different institutional formats. In its most useful formulation, an ESC would address the gap between ad hoc coalitions and formal institutions: it could help maintain continuity between summits, align threat perceptions, connect minilateral initiatives to EU and NATO processes, and give political backing to coalitions of willing and able states. Therefore, it could represent a more flexible but still politically coordinated way of organising European defence cooperation. A central feature of the debate is the need to involve key non-EU European security actors, notably the UK, Norway and Ukraine – bearing in mind the diversities among them. Their participation is widely regarded as essential, although its form would vary depending on whether the ESC will be conceived as an EU-anchored body, a parallel intergovernmental format, or a looser political forum.[23]

However, the institutional design of such a body remains contested. A lighter model would regularise existing informal formats among key European actors, without creating a new organisation, possibly combining permanent participation by core security actors with more flexible participation by others depending on the agenda. A more ambitious model would connect the ESC to the EU through the European Council, giving it stronger institutional anchoring and a clearer link with EU instruments on defence capabilities, procurement and industrial policy.[24] A third model would place it outside the EU framework, closer to a new "Western European Union" or "European G7", allowing those non-EU actors to participate more directly alongside EU member states.[25] Each option involves trade-offs: EU anchoring would strengthen institutional coherence but limit flexibility; an external forum would be more inclusive but potentially weaker in connecting decisions to EU instruments; informal formats would be agile but less transparent and less durable.[26]

22 Tocci, Nathalie, "Towards a European Security Council", in *IEP@BU Policy Briefs*, No. 56 (March 2026), https://iep.unibocconi.eu/node/1243.

23 Ciolan, Ionela, "Europe Needs a Security Council of Its Own", in *European View*, Vol. 25, No. 1 (April 2026), https://doi.org/10.1177/17816858261450693.

24 Tocci, Nathalie, "Towards a European Security Council", cit.

25 Whitman, Richard G., "Time for a European Security Council?", in *RUSI Commentaries*, 22 April 2025, https://www.rusi.org/explore-our-research/publications/commentary/time-european-security-council; Scazzieri, Luigi, "A European Security Council: Between Strategic Need and Institutional Realities", in *EUISS Commentaries*, 11 February 2026, https://www.iss.europa.eu/node/3750.

26 Scazzieri, Luigi, "A European Security Council", cit.

2.2 Cooperation with third countries: Norway and Canada as reference models

Beyond cooperation among EU member states, the evolution of European defence governance also requires closer attention to the Union's partnerships with non-member countries. In recent years, the EU has increasingly relied on Security and Defence Partnerships to structure cooperation with like-minded third countries, including Norway, the UK, Canada, Japan and South Korea.[27] These arrangements show that cooperation with external partners is becoming a more regular component of European defence governance. However, third-country cooperation does not follow a single model. The degree of involvement varies according to each partner's institutional relationship with the EU, level of regulatory alignment, participation in CSDP missions and operations, access to defence-industrial instruments and broader strategic relevance for European security.[28]

Norway and Canada are particularly relevant for the purposes of this analysis because they represent two different levels of third-country association. Norway stands out as the most advanced case of functional integration with EU defence structures. Canada, by contrast, represents a looser but increasingly operational model: its partnership with the EU is primarily political and strategic in nature, but its subsequent connection to SAFE shows how Security and Defence Partnerships can also become gateways to concrete defence-industrial cooperation with trusted third countries. Taken together, these two cases help clarify the range of options available when structuring cooperation with like-minded non-member countries.

On the one hand of the spectrum, Norway is the most advanced reference model. Its cooperation with the EU rests on a dense set of arrangements developed over more than two decades: the European Economic Agreement links Norway to the EDTIB and European strategic value chains; the 2004 agreement on the exchange of classified information facilitates cooperation in security and defence and the 2006 administrative arrangement with the EDA allows Norway to take part in selected Agency's activities, including research, joint training and industry-related projects. Norway has also participated since 2021 in the PESCO military mobility project and contributes to EU CSDP missions and operations under the 2005 framework participation agreement.[29] Most importantly for defence-industrial cooperation, Norway enjoys a status that goes beyond ordinary third-country partnership: it is currently the only non-EU country associated to the EDF,[30] while its broader association with the EU's defence-industrial toolbox allows Oslo to contribute financially to EU instruments and enables Norwegian companies to access relevant funding opportunities.[31] The May 2024 EU-Norway Security and Defence Partnership further consolidates this model by covering support for Ukraine, CSDP participation, defence initiatives, maritime and space security, cyber, resilience, countering foreign information manipulation and EU-NATO cooperation.[32] Norway therefore represents the closest example of advanced functional association with EU defence structures: formally outside the Union, but deeply connected to its operational, industrial and political security framework.

Canada illustrates a different model. Unlike Norway, whose relationship with the EU rests on a dense set of arrangements, the EU-Canada Security and Defence Partnership signed on 23 June 2025 appears closer to a flexible political framework for strategic alignment and security cooperation. The partnership

27 Council of the EU website: *Security and Defence Partnerships*, https://www.consilium.europa.eu/en/policies/security-defence-partnerships.

28 Becker, Max et al, "Third-State Participation in the EU's Common Security and Defence Policy. Opportunities and Conditions for the United Kingdom", in *SWP Working Papers*, No. 02/2025 (February 2025), https://www.swp-berlin.org/publications/products/arbeitspapiere/Third-State_Participation_in_CSDP_Becker_Flach_Ondarza.pdf.

29 Leclerc, Gabija, "EU-Norway Relations", in *EPRS Briefings*, November 2025, https://www.europarl.europa.eu/thinktank/en/document/EPRS_BRI(2025)779213.

30 Lawrenson, Tim and Ester Sabatino, "The Impact of the European Defence Fund on Cooperation with Third-country Entities", in *IISS Research Papers*, October 2024, https://www.iiss.org/research-paper/2024/10/the-impact-of-the-european-defence-fund-on-cooperation-with-third-country-entities.

31 Scazzieri, Luigi, "How the UK and the EU Can Deepen Defence Co-operation", in *CER Policy Briefs*, 7 March 2025, https://www.cer.eu/node/11392.

32 EEAS, *EU-Norway Security & Defence Partnership*, 28 May 2024, https://www.eeas.europa.eu/node/442078_en.

is described as a tailor-made and non-legally binding framework for dialogue and cooperation across the security and defence spectrum, and its importance lies above all in connecting Canada more closely to European security priorities,[33] including Ukraine, crisis management, cyber, maritime and space security, and defence-industrial cooperation.[34] Its connection with SAFE is particularly relevant: in December 2025, the Council endorsed the agreement on Canada's participation in the instrument, making Canada the first non-European country to be granted access to SAFE.[35] As mentioned before, this is significant because it shows how Security and Defence Partnerships can serve as gateways to more concrete defence-industrial arrangements with trusted third countries.

Norway and Canada can be considered relevant reference models because they show how the EU has developed structured defence cooperation with like-minded third countries that share similar strategic objectives, belong to NATO and the same broader Euro-Atlantic security community, and cooperate closely with the Union on Ukraine, allied interoperability and defence-industrial resilience. Against this background, the UK emerges as the most consequential and complex case. Despite Brexit, it remains an essential actor for European defence because of its military capabilities, defence-industrial base, intelligence assets and central role within NATO. At the same time, its post-Brexit institutional position makes it difficult to identify an appropriate model of cooperation.

2.3 The UK as a strategic case for differentiated external cooperation

Brexit created an institutional gap in EU-UK security and defence relations, as the Trade and Cooperation Agreement did not establish a structured foreign, security and defence policy cooperation framework.[36] This gap was strategically problematic given the UK's status as one of Europe's leading military powers, its previous participation in CSDP missions and operations, a nuclear-armed NATO ally, a permanent member of the UN Security Council and a major defence-industrial actor. The war in Ukraine altered the strategic context. The EU and the UK converged strongly in support for Kyiv, while the broader deterioration of European security made the absence of a structured EU-UK defence relationship increasingly difficult to justify.[37] London remained embedded in European security through NATO, intelligence cooperation, bilateral defence agreements (e.g. Lancaster House Treaties), PESCO military mobility and coalition-based initiatives supporting Ukraine.[38] This duality, institutionally external to the EU but strategically indispensable to European defence, is what makes the UK analytically relevant for the future governance of the CSDP. The UK also differs from many other partners because its defence-industrial culture has traditionally emphasised international partnerships and extra-European markets, including close ties with the United States and other partners such as Australia and Japan. Therefore, UK industry is both closely connected to Europe and globally oriented, making the UK not only a political but also an industrial strategic partner.

The EU-UK Security and Defence Partnership concluded in May 2025 marks an important development, but it should not be overstated. It does not reintegrate the UK into the CSDP, nor does it settle questions of access to EU defence-industrial instruments. It does, however, establish a framework for regular dialogue

33 Canada Government, *Prime Minister Carney Secures Canada's Participation in the European Union's Security Action for Europe*, 1 December 2025, https://www.pm.gc.ca/en/node/51968.

34 EEAS, *Security and Defence: EU and Canada Sign Security and Defence Partnership*, 24 June 2025, https://www.eeas.europa.eu/node/454062_en.

35 Council of the EU, *SAFE: Member States Endorse Agreement on the Participation of Canada*, 19 December 2025, https://www.consilium.europa.eu/en/press/press-releases/2025/12/19/safe-member-states-endorse-agreement-on-the-participation-of-canada.

36 Cinciripini, Luca, "If London Is Calling, Is Brussels Answering? The Future of EU-UK Foreign and Security Cooperation", in *IAI Commentaries*, No. 24|33 (June 2024), https://www.iai.it/en/node/18664.

37 Scazzieri, Luigi, "EU-UK Co-operation in Defence Capabilities after the War in Ukraine", in *CER Policy Briefs*, 9 June 2023, https://www.cer.eu/node/10425.

38 Scazzieri, Luigi, "What Is the Perception of Defence Industrial Partnerships with the EDTIB by Non-EU Countries? The Case of the United Kingdom", in *ARES Comments*, No. 109 (February 2025), https://www.iris-france.org/en/what-is-the-perception-of-defence-industrial-partnerships-with-the-edtib-by-non-eu-countries-the-case-of-the-united-kingdom.

and cooperation on Ukraine, crisis management, cyber, maritime security, resilience, hybrid threats and wider foreign and security policy coordination.[39] At the current stage, it is a pragmatic political framework whose impact depends on subsequent implementation and additional agreements.[40] The most sensitive question concerns UK participation in EU defence-industrial initiatives. This is where the tension between strategic autonomy and openness to trusted partners becomes most visible. The EDF was designed to strengthen the EDTIB and reduce dependence on non-EU actors, and its rules make participation by "third-country entities" (established outside the EU) extremely difficult in practice. The obstacles include lack of EU funding for such entities, export-control constraints, intellectual property issues, security-of-supply requirements, reduced incentives for EU consortia and likely disadvantages in evaluation criteria.[41] British firms and capabilities are relevant to many European shortfalls, but broad access to EU instruments without safeguards would be politically difficult for member states concerned with protecting the EDTIB and the logic of EU-funded industrial policy. A realistic approach could be selective and conditional participation: cooperation on specific projects, procurement mechanisms or capability areas where UK involvement strengthens European security without undermining EU industrial objectives. SAFE has become a key test for the limits of EU-UK defence-industrial rapprochement. As a loan-based instrument supporting joint procurement and defence readiness, it could in principle bridge EU-led industrial policy and cooperation with trusted non-EU partners. Yet the breakdown of UK-EU negotiations in November 2025 shows that political alignment on European security is not sufficient to secure access to EU defence-industrial tools. The disagreement centred on the financial contribution London would have had to make and on the conditions attached to participation.[42]

The future EU-UK defence relationship could follow several trajectories. A first, minimal model would consolidate the current partnership as a consultative framework, institutionalising strategic dialogue without granting significant access to EU defence instruments. This would be politically manageable but limited in terms of capability generation. A second model would involve selective participation in EU defence-industrial initiatives. The UK could be associated with specific procurement schemes, capability projects or industrial programmes where its contribution is strategically valuable. This would require clearer rules on intellectual property, export controls, security of supply and financial contribution.[43] A third model would rely on minilateral and coalition-based formats. The UK could cooperate with groups of EU member states, NATO allies and other partners in capability coalitions, Ukraine-related initiatives or regional security formats. This pathway would not require deep integration into EU structures, but it could still make the UK a central actor in European defence governance.[44] A fourth, more ambitious scenario would involve a form of quasi-association: a structured partnership situated between external cooperation and partial institutional integration. This would resemble the Norwegian-style association or a bespoke "pay-to-play" model, participating in EU consortia without accessing to EU funding.[45]

3. Conclusions: Future scenarios and Italian national interest

In a fast-moving political and international security landscape, there are many possible evolutions for EU defence, each pointing towards a different institutional outcome. The most noticeable gap is the growing disconnect between the Commission's activism and the Council's more restrained deliberations.

39 UK Government, *UK-EU Security and Defence Partnership*, 19 May 2025, https://www.gov.uk/government/publications/uk-eu-security-and-defence-partnership.
40 Maślanka, Łukasz and Piotr Szymański, "Breaking the Deadlock: The EU-UK Security and Defence Partnership", in *OSW Analyses*, 23 May 2025, https://www.osw.waw.pl/en/node/33246.
41 Lawrenson, Tim and Ester Sabatino, "The Impact of the European Defence Fund on Cooperation with Third-country Entities", cit.
42 Martill, Benjamin, "The UK Will Not Join the EU's New Defence Fund. Can the UK–EU Security Reset Still Succeed?", in *Chatham House Expert Comments*, 15 December 2025, https://www.chathamhouse.org/node/37705.
43 Becker, Max et al, "Third-State Participation in the EU's Common Security and Defence Policy", cit.
44 Scazzieri, Luigi, "The Power of the Few", cit.
45 Scazzieri, Luigi, "How the UK and the EU Can Deepen Defence Co-operation", cit.

This has translated into an asymmetry between the industrial and operational pillars that has widened rather than closed in recent years. The industrial-and-research strand, more marginal until 2016, has acquired institutional weight, a dedicated administration through DG DEFIS and growing resources, with the Commission emerging as a facilitator of national planning through instruments such as the EDF, EDIRPA, ASAP, SAFE and EDIP. The operational pillar has not followed the same pace. The Rapid Deployment Capacity is still bounded by the same two constraints: the interpretation of Article 41(2) TEU, which keeps operational military expenditure off the Union budget, and the unanimity required under Article 42(4) TEU to activate a mission. The European Peace Facility and the 5,000-strong format ease the first constraint and lower the threshold of the second, but neither dissolves them. In comparison, industrial ambitions have, so far, proved easier to translate into actionable programmes, framed under the Commission's industrial competence.

Consequently, the proliferation of flexible formats such as E5 has shifted the central governance problem, while multinational cooperation, outside the EU framework, is compensating for the EU lack of tools (and therefore credibility) in defence. The ability to keep these formats aligned with EU capability priorities and connected to NATO is one of the main challenges that member states will have to face. The proposals that have dominated the debate over the past three years can be read as different answers to this coherence problem. Treaty reform, as set out in Parliament's November 2023 resolution, would resolve it through generalised qualified-majority voting and a standing Union force, but to be implemented would still require a pan European consultation that member states deem too costly and inefficient. The optimisation of existing tools, principally Article 44 TEU, offers an easier route leading to differentiated integration in which an inner group acts on behalf of the Union without abolishing unanimity. The European Legion and the European Security Council are hybrid attempts to make a recruitable force outside the existing CSDP structures and both, in different ways, run into the same limits, whether Article 41(2) for the Legion or the unsettled relationship with the Union for an E5+-based ESC.

The third-country dimension confirms the same logic. Norway and Canada mark two ends of an emerging model of association (functional integration in the first case, flexible political framework that became a gateway to SAFE in the second) while the UK remains the decisive case, where strategic indispensability coexists with political and industrial competition. Taken together, these cases show that the boundary between members and non-member is becoming less relevant to EU governments and is being managed case by case, according to national priorities and reciprocal security. Flexible formats that reconnect with the EU/non-EU divide work in the same direction: the E5, or variable-geometry arrangements organised around a hard core (as in the E5+ basis envisaged for the ESC), keep strategically indispensable extra-EU states inside the continental security architecture without requiring formal memberships. The future of European defence depends heavily on these competing formats. For Italy, this means that the choice of one format over another may either strengthen or marginalise its contribution to European defence; the more flexible the format, the more participation turns on criteria such as the political willingness to spend on or engage in defence, a consideration Rome will have to weigh.

Acronyms

ASAP	Act in Support of Ammunition Production
CFSP	Common Foreign and Security Policy
CSDP	Common Security and Defence Policy
DG DEFIS	Directorate-General for Defence Industry and Space
E5	European Group of Five (France, Germany, Italy, Poland, UK)
E5+	E5 plus other countries
EDA	European Defence Agency
EDF	European Defence Fund
EDIP	European Defence Industry Programme
EDTIB	European Defence Technological and Industrial Base
ESC	European Security Council
EU	European Union
MILEX	Military exercises
NATO	North Atlantic Treaty Organization
PESCO	Permanent Structured Cooperation
PSC	Political and Security Committee
RDC	Rapid Deployment Capacity
SAFE	Security Action for Europe
TEU	Treaty on European Union
UK	United Kingdom

IAI Istituto Affari Internazionali

The Istituto Affari Internazionali (IAI) is a private, independent non-profit think tank, founded in 1965 on the initiative of Altiero Spinelli. IAI seeks to promote awareness of international politics and to contribute to the advancement of European integration and multilateral cooperation. Its focus embraces topics of strategic relevance such as European integration, security and defence, space, international economics and global governance, energy, climate and Italian foreign policy; as well as the dynamics of cooperation and conflict in key geographical regions such as the Mediterranean and Middle East, Asia, Eurasia, Africa and the Americas. IAI publishes an English-language quarterly (*The International Spectator*), an online webzine (*AffarInternazionali*), two book series (*Trends and Perspectives in International Politics* and *IAI Research Studies*) and some papers' series related to IAI research projects (*Documenti IAI*, *IAI Papers*, etc.).

Via dei Montecatini, 17
I-00186 Rome, Italy
T +39 06 6976831
www.iai.it

Latest Documenti IAI

Director: **Alessandro Marrone** (a.marrone@iai.it)
ISSN 2280-6164 | DOI 10.82088/IAIdoc2605

26 | 05	Federico Castiglioni and Luca Cinciripini, *The Future of European Defence: Industrial Ambition, Operational Constraints and Flexible Partnerships*
26 | 04	Matteo Bursi, Federica Marconi and Alessio Sangiorgio, *The Reshaping of the European Economic Sovereignty*
26 | 03	Karolina Muti (ed.), *Lessons for Europe and Italy from Other Space Powers: The Civil-Military Interconnection*
26 | 02	Alessia Chiriatti, *Unlocking Strategic Potential Outside the EU: Italy-Turkey Bilateral Partnership in Defence*
26 | 01	Elio Calcagno (ed.), *Taking Multi-domain Operations from Theory to Practice*
25 | 15	Luca Barana, Matteo Bursi and Luca Cinciripini, *How to Fund European Ambitions? Opportunities and Challenges for the Next MFF*
25 | 14	Federico Castiglioni, *Italy, Germany and Europe in Times of Geoeconomic Disorder*
25 | 13it	Karolina Muti, Andrea Grillo, Sergio Marchisio e Michele Nones, *La proposta di EU Space Act: una prospettiva italiana*
25 | 13	Karolina Muti, Andrea Grillo, Sergio Marchisio and Michele Nones, *The Proposal for an EU Space Act: An Italian Perspective*
25 | 12	Nicolò Murgia, Alessandro Marrone e Michele Nones, *Le nuove frontiere della propulsione aeronautica tra sfide tecnologiche, sostenibilità ambientale e sicurezza nazionale*