Russia's war on Ukraine: The EU's financing of military assistance to Ukraine

In an unprecedented and unanimous reaction to the Russian war on Ukraine that began on 24 February 2022, the EU swiftly decided to provide €500 million, and then rapidly a further €500 million, from the European Peace Facility to fund and coordinate EU military assistance and to deliver military (including lethal) equipment to Ukraine. The Council had already agreed €31 million for non-lethal assistance to Ukraine on 2 December 2021. For the first time in its history, the EU is now using a dedicated, although off-budget, tool to finance – but not to deliver, with that responsibility falling on Member States alone – lethal military equipment for a third country.

EU mobilisation of €1 billion for military assistance to Ukraine

On 27 February 2022, the EU High Representative for Foreign Affairs and Vice-President of the Commission (HR/VP), Josep Borrell, announced a proposal, based on a request for military assistance by Ukraine, to use the European Peace Facility (EPF), an off-EU budget instrument operational since 1 July 2021, to fund emergency assistance measures. This included a support package worth €450 million for military equipment and platforms designed to deliver lethal force, and a €50 million package to finance supplies such as fuel, protective equipment and emergency medical items. On 28 February, the Council took the corresponding decisions for two assistance measures under the EPF aimed at assisting the Ukrainian armed forces, Decision (CFSP) 2022/338 for lethal support and Decision (CFSP) 2022/339 for non-lethal support. Totalling €500 million, these first assistance measures run from 28 February 2022 until 28 February 2024.

Following the informal European Council meeting in Versailles on 10-11 March, two new Council Decisions (CFSP) 2022/471 and (CFSP) 2022/472 of 23 March increased the financial reference amounts by a further €500 million, again split €450 million (lethal), and €50 million (non-lethal). At least 50 % of the new overall totals covers expenditure incurred as of 11 March 2022. The validity of the decisions is extended by a year, to 28 February 2025. By comparison, the immediate US security assistance to Ukraine amounts to US$1.35 billion since the invasion began. (This excludes the additional US$3.5 billion provided to replenish Department of Defense equipment stocks sent to Ukraine.) On 24 March, at the extraordinary NATO Summit, US President Joe Biden stated that NATO was committed to identifying additional equipment, including air defence systems, to help Ukraine. The EPF has a financial ceiling of €5.692 billion (in current prices) for 2021-2027, with the planned ceiling for 2022 being €540 million. Member States contribute to the EPF budget annually, according to their GNI. Denmark has opted out of the EU’s Common Security and Defence Policy (CSDP) and therefore does not contribute to the part of the EPF which replaces the Athena mechanism and finances common costs of CSDP military missions and operations. On 6 March 2022, the main Danish parliamentary parties agreed that a referendum will be held on 1 June 2022 to decide on Denmark’s CSDP participation, signalling a possible ending of the Danish opt-out. Denmark would supply high-tech weapons to Ukraine, a decision reportedly backed by a broad political majority and in compliance with the current opt-out.

On 2 December 2021, the Council adopted EPF-funded assistance measures for Georgia (€12.75 million) Moldova (€7 million) and Ukraine (€31 million), all for three years and aimed at strengthening the capacities of the beneficiary countries in military and defence matters, as well as promoting domestic resilience and peace.

Providing military equipment to Ukraine: The clearing house

In response to the Russian attack, individual Member States began to supply military equipment to Ukraine, from available stocks. This did not necessarily meet Ukrainian army needs. In response, the EU Military Staff (EUMS) has set up a clearing house within the EUMS to coordinate supply and demand (under Article 4(2) of Decision 2022/338). Ukraine sends requests to this clearing house, specifying the equipment needed. Clearing-house staff hold meetings with all Member States and partners – the United States, Canada, United Kingdom, Australia and New Zealand, with the possibility to involve South Korea and Norway in the future...
too – and provide information on: the equipment needed, offers, comparison, analysis of priorities and a military analysis of the evolution of the situation. Ukraine and the EU check and validate the list, after which Member States then agree on what they will provide and each deliver the equipment and arms individually.

One of the EU's objectives under the 'partnering' pillar of the Strategic Compass, adopted by the Council on 21 March and endorsed by the 27 leaders in the subsequent European Council meeting of 24-25 March, is to increase the use of the EPF to intensify capacity-building, and train and equip partners, including in the eastern neighbourhood and to strengthen their resilience against hybrid threats.

The EU Advisory Mission (EUAM) Ukraine, a civilian mission under the CSDP, began operations in December 2014. Its mandate is to contribute to the creation of an accountable and efficient civilian security sector. As EUAM was forced to evacuate, the Council decided on 18 March to task it with the temporary, additional mission of advising Ukrainian authorities, with the aim of facilitating the flow of refugees from Ukraine to Poland, Romania and Slovakia – with the possible posting of staff in these three countries – and the flow of humanitarian aid into Ukraine (Council Decision (CFSP) 2022/452).

Control of Ukrainian airspace
Ukraine has asked the EU to provide Soviet-era fighter jets, which could be operated by Ukrainian military pilots. The EU has considered providing such assistance; and on 6 March 2022, Poland suggested handing over its 28 MiG-29 fighter planes to the Ukrainian armed forces, through US intermediaries. This proposal was the subject of diplomatic exchanges, but has not come to fruition. Pentagon press secretary John Kirby issued a statement rejecting the plan on 8 March 2022, citing concerns it would raise a serious issue for NATO.

Ukraine has also asked NATO to establish a no-fly zone (NFZ) over Ukraine. On 5 March 2022, Russian President Vladimir Putin warned NATO against the move. The previous day, NATO Secretary-General Jens Stoltenberg stated that NATO would not establish such an NFZ and that NATO troops would not fight in Ukraine. For some observers, an NFZ might only be possible, in theory and in the long-term, under a UN or joint OSCE-UN ceasefire agreement and peace terms, but it would be extremely difficult to find a willing state with the military capability to enforce an NFZ and acceptable to all sides. Other observers are totally against a NATO-decided NFZ while some others are in favour of it.

European Parliament position
The European Parliament held an extraordinary plenary session, on 1 March 2022, with Ukrainian President Volodymyr Zelensky and the Speaker of the Ukrainian Parliament (Verkhovna Rada), Ruslan Stefanchuk, speaking from Kyiv. Parliament adopted a resolution calling for the EPF to be used to allocate significant additional funding to provide Ukraine with defensive military capacity; the full and immediate implementation of the assistance measures to Ukraine decided on 2 December 2021 and 28 February 2022; tougher sanctions against Russia; new efforts to consider Ukraine’s request for EU candidate status; an urgent additional funding to provide Ukraine with defensive military capacity; and an urgent

EU Member States providing equipment to Ukraine
Under the EPF, Member States can be reimbursed for both lethal and non-lethal military equipment they have sent to Ukraine since the beginning of this year. Equipment already sent or promised includes (non-exhaustive list): Belgium: 5 000 machine guns (2 000 initially, followed by 3 000), as well as body armour, helmets and fuel. Germany: 1 000 anti-tank weapons and 500 missiles. Austria: 10 000 helmets. Denmark: 2 700 weapons, shoulder-borne anti-tank weapons and protective equipment such as body armour. Spain: weapons, ammunitions, medical material and protective equipment. France: missiles, ammunitions, protective equipment and fuel. Italy: demining material and protective equipment. Netherlands: anti-tank weapons, 100 rifles, 400 missiles, ammunition, as well as radars and protective equipment. Sweden: 5 000 anti-tank rocket launchers and 5 000 bullet-proof vests. Czechia: arms, including 150 guns, 5 000 assault rifles, 2 085 other rifles, 3 200 machine guns, the corresponding ammunition, as well as medical material. Estonia: anti-tank missiles, protective equipment and medical material. Latvia: drones and ammunition. Finland: 2 500 assault rifles, ammunition, 1,500 anti-tank weapons, plus protective equipment. Medical material and enhanced humanitarian support. Hungary: no lethal weapons, but a humanitarian aid package, including fuel and food.

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