European Peace Facility: State of play on 30 November 2023

SUMMARY
Over 20 months after the start of Russia’s war of aggression against Ukraine, the European Union has so far earmarked €12 billion (in current prices) from the European Peace Facility (EPF), itself funded by the Member States, in military aid for Ukraine. Set up before the launch of Russia’s war on Ukraine, the EPF was initially intended to finance military assistance worldwide, with a particular focus on Africa. The EU has directed EPF-funded support to partner countries’ armies, to military components of missions led by other international organisations and to the EU’s own military missions and operations.

The EPF allows the EU to fund military equipment and training provided by EU Member States, including with lethal components – a first in EU history. Member States can submit requests for reimbursement from the EPF for the equipment they deliver. The common costs of EU military missions abroad (or within the EU in the exceptional case of the EU Military Assistance Mission for Ukraine) are also covered by the EPF’s operations pillar. EU military missions and operations, and a number of military missions of other international organisations, may also receive funding through the EPF’s assistance pillar.

Ukraine’s military needs have risen well above the EPF’s initial ceiling of €5.5 billion (in current prices), while other strategic EU neighbourhood and global areas may also need EPF funds. The EU Council has therefore adopted two top-ups, a first of €2.5 billion in March 2023, and a second of €4 billion in June 2023. According to experts, however, given rising geopolitical tensions, these remain below the amounts Ukraine needs to face and win a war of attrition. In July 2023, the EU High Representative of the Union for Foreign Affairs and Security Policy presented a plan for a €20 billion envelope to be set aside for Ukraine within the EPF. The continued use of the EPF to support Ukraine also raises questions regarding for which equipment and what training Member States may be reimbursed, and related debates regarding the delivery of fighter jets to Ukraine and the training of future Ukrainian F-16 pilots. The European Parliament continues to support the use of the EPF in Ukraine and beyond, increasing its ceiling, and calls for better oversight of the EPF, as well as for a separate Ukraine envelope within the EPF.

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Introduction

The European Peace Facility (EPF), an off-budget EU instrument made up of yearly contributions from Member States, proportional to their gross national income, initially had a financial ceiling of approximately €5 billion in 2018 prices for 2021-2027. The EPF was established by Council Decision (CFSP) 2021/509 of 22 March 2021, and entered into force on the same day. It replaces two previous EU instruments, the African Peace Facility and the Athena Mechanism. It supplies military support – equipment and training – to its partner countries, either bilaterally or through international or regional organisations. Significantly, it funds the EU’s military aid to Ukraine and to other countries, without geographic restriction.

EPF financial ceiling and successive increases

Whilst EPF was initially conceived for worldwide coverage, albeit with a focus on Africa (as successor instrument to the African Peace Facility), almost half of the total EPF mobilisations so far has been devoted to militarily assistance for Ukraine to counter the Russian war of aggression that began on 24 February 2022. In March 2023 and June 2023, the Council therefore decided to adopt two consecutive increases to the initial financial ceiling, raising the overall ceiling by the end of June 2023, to €10.5 billion in 2018 prices – or over €12 billion in current prices (see Figure 1).

These increases were part of a political agreement reached by Council on 12 December 2022, aimed at ensuring the EPF’s financial sustainability. The agreement was based on a two-step approach. In the first amendment to Decision 2021/509, a 13 March 2023 Council Decision implemented the first step of the agreement, an increase of €2 billion (in 2018 prices). The Council deemed the increase, aimed at ensuring the EPF’s financial sustainability, ‘crucial for our support not only to Ukraine, but also for our partners in other parts of Europe, Africa and the Middle East, as needs continue to arise’.

On 20 March 2023, the Council agreed to consider a further €3.5 billion (in 2018 prices) increase of the EPF ceiling, as anticipated in December 2022, while respecting the payments ceiling agreed for 2023. On 16 May 2023, the High Representative/Vice-President of the Commission (HR/VP) Josep Borrell proposed to use the €3.5 billion in one go, which would have led to the new ceiling being reached. As part of the 20 March 2023 agreement, the Council aimed at providing 1 million
rounds of artillery ammunition in a joint effort within 12 months, in response to the rising Ukrainian needs. This was to take place under a three-track approach, which included the mobilisation of a fresh €2 billion from the EPF, €1 billion in EPF reimbursements for ammunition deliveries from Member States’ current stocks, and another €1 billion for their joint procurement from industry.

In the second amendment to Decision 2021/509, Council decision of 26 June 2023 implemented the second step, with a second increase of €3.5 billion (in 2018 prices). The Council noted the increase also aims to preserve the EPF’s global geographical scope and the EU’s ability to prevent and swiftly respond to crises and conflicts, as was explicitly laid down for the first time in the articles of the Council decision.¹

With this second increase, the overall financial ceiling of the EPF now totals more than €10.5 billion (in 2018 prices), or €12 billion (in current prices). Of this amount, €5.6 billion (in current prices) have already been mobilised for military assistance to Ukraine since February 2022, including the first two tracks, worth €1 billion each, of the ammunition plan (see Figure 2 below).

In his remarks to the press following the Foreign Affairs Council of 20 July 2023, the HR/VP confirmed his proposal to create a dedicated section under the EPF to provide up to €5 billion a year over the next four years (2024-2027) for Ukraine’s defence needs. This proposal was further discussed at the informal Council Meeting on Defence and Foreign Affairs in Toledo, Spain, on 30-31 August 2023, with a view to reaching a decision of the European Council before the end of 2023. Hungary reportedly opposed the proposal. Similarly, Hungary opposed the proposed eighth regular tranche of €500 million in military assistance to Ukraine, as a bargaining tool in return for the removal of the Hungarian OTP Bank from the Ukrainian list of ‘international war sponsors’.

In his press remarks after the informal Foreign Affairs Council, the HR/VP declared that the EU needs to support Ukraine in a predictable and sustainable manner. He noted that the core elements of this support are financial support for military supplies through the EPF and training of Ukrainian soldiers through the EU military assistance mission for Ukraine (EUMAM Ukraine, see below). On the funding of the military assistance to Ukraine through the EPF, the HR/VP confirmed that the Foreign Affairs Ministers had discussed and given positive feedback on his proposal for a €5 billion annual EPF allocation for the next four years. HR/VP Borrell also regretted that the eighth tranche of the EPF remained blocked in Council.

In his press remarks after the Foreign Affairs Ministers Council in Kyiv (the first ever Council meeting held outside the EU) on 2 October 2023, the HR/VP declared that the Council discussed long-term security commitments for Ukraine with Ukrainian President Volodymyr Zelensky and Foreign Affairs Minister Dmytro Kuleba. The HR/VP had proposed ‘a new bilateral multi-annual envelope under the EPF, of up to €5 billion for the next year’, a reference to the above-mentioned plan. Interestingly, He also expressed hope that ‘we can reach an agreement before the end of the year when the Member States have to agree on the review of the multiannual financial framework’.

Voluntary contributions to the EPF from Norway

On 6 December 2022, the EU and Norway signed an administrative agreement for a voluntary Norwegian contribution to the EPF of around €14.5 million, an unprecedented contribution from a third country. In February 2023, Norway decided to make a further contribution of €22 million, specifically for delivery of ammunition and spare parts for Leopard II tanks, and signed the corresponding agreement with the EU on 25 July 2023. The EU has greatly welcomed these voluntary contributions from Norway, signalling Norwegian alignment with the EU position on military support for Ukraine.

In his press remarks before the Summit of the European Political Community in Granada, Spain, on 5 October 2023, the HR/VP reaffirmed the EU’s continued support for Ukraine. He mentioned the European Commission’s 20 June 2023 proposal, endorsed by the European Parliament on 17 October 2023, for a new €50 billion Ukraine Facility, to support Ukraine’s recovery, reconstruction
and modernisation from 2024, as well as a further €20 billion proposed for military assistance. The HR/VP also underlined that United States (US) aid is indispensable to supporting Ukraine.

European Peace Facility mobilisations for Ukraine

From February 2022 to September 2023, EPF mobilisations for military assistance to Ukraine amount to €5.6 billion for the seven regular tranches of at least €500 million each and for the first two tracks of the ammunition plan. This comes in addition to the €106.7 million for the common costs of the EU military assistance mission for Ukraine and to the two assistance measures benefitting, and implemented by, that mission (worth €16 million and €45 million, respectively and established by the Council decisions of 15 November 2022 and 2 February 2023). A further €31 million assistance measure for the Ukrainian army was agreed in December 2021, before the war.2

Figure 2 – EPF-funded military assistance for Ukraine between February 2022 and September 2023

Source: European Council and Council of the EU (press releases of 13 April and 5 May, Graphic: G. Macsai, EPRS.

Ammunition plan for Ukraine: Three tracks

- **Track 1** (activation of a fresh €1 billion from the EPF): On 13 April 2023, the Council adopted Decision (CFSP) 2023/810, amending Decision 2022/338 of 28 February 2022 establishing the assistance measure for the first-ever 'lethal' package. The decision allows for the reimbursement of donated materiel (ground-to-ground and artillery ammunition and, if requested, missiles) from existing stocks or from re-prioritisation of existing orders delivered before 31 May 2023. The fresh €1 billion was eligible for reimbursement from 9 February to 31 May 2023. Any unused funds from the €1 billion had to be used for the reimbursement of all eligible lethal equipment,3 in accordance with the Ukrainian priorities.

- **Track 2** (activation of another €1 billion from the EPF): On 20 March 2023, the Council called on Member States to jointly procure 155 millimetre (mm) ammunition and, if
requested by Ukraine, missiles – as quickly as possible before 30 September 2023. The ammunition had to come from the EU defence industry (including Norway) under an existing European Defence Agency (EDA) project or through complementary joint acquisition projects led by a Member State. On the same day, 17 Member States and Norway tasked the EDA with the coordination of the joint procurement and joint purchase of 155 mm ammunition and signed the EDA project for the joint procurement of ammunition that is being used to replenish Member States' national stockpiles and/or aid Ukraine. On 5 May 2023, the Council adopted the relevant decision (Council Decision (CFSP) 2023/927), from which Austria, Ireland, Malta and Hungary 'constructively' abstained. On 29 September 2023, in response to questions, the EDA noted that seven EU countries had ordered ammunition under the joint procurement scheme to deliver urgently needed 155 mm artillery shells to Ukraine. More orders were expected to materialise in the following weeks and months, for instance to replenish depleted national stocks and to provide Ukraine with four modern firing platforms, designed and produced in the EU. Lithuania, Luxembourg and the Netherlands were among the seven states jointly procuring 155 mm shells. The Danish Defence Ministry also confirmed that Denmark would purchase ammunition for about €13.5 million, with a view to transferring it to Ukraine. By placing orders before 30 September 2023, these Member States were allowed to request reimbursement for ammunition procured for Ukraine. However, Luxembourg announced to Reuters it would not do so.

- **Track 3** ($500 million funded through the EU budget): the Regulation on supporting ammunition production (Act in Support of Ammunition Production – ASAP) was adopted on 20 July 2023 and entered into force on 25 July 2023. The ASAP is intended to enable the EU defence industry to deliver the defence products required on time and in such a way that EU Member States could replenish their depleted stocks and support Ukraine. The financial envelope of the ASAP is set at €500 million in current prices for 25 July 2023 to 30 June 2025, split between €450 million earmarked for funding activities to increase ammunition and missile production and €50 million for the Rise Fund (a fund offering loan solutions).

Up to 30 November 2023, against the objective to provide 1 million rounds of artillery ammunition for Ukraine, only 300 million have been delivered from Member States' stocks, while orders for at least 180,000 rounds have been placed.

### The EPF and fighter jet deliveries to Ukraine

On 27 February 2022, the HR/VP declared that the EU was ‘going to supply arms and even fighter jets’. However, it appeared not all EU Member States had validated this statement, causing tension at EU level. Ukraine had requested fighter jets since the start of the full-scale invasion of its territory; firstly Soviet-era aircraft that Ukrainian pilots were able to fly, and later Western aircraft. Ukraine, has reiterated its call several times since then.

Although there is currently no confirmed indication that EU Member States that decided to donate fighter jets to Ukraine might be partially reimbursed from the EPF, in theory a reimbursement is not excluded. In March 2022, an European External Action Service (EEAS) official noted that no reimbursement from the EPF for fighter jets was being considered.

In March 2023, Slovakia and Poland proposed to give some of their Soviet-era MIG-29 fighter jets to Ukraine. Slovakia reportedly aimed for ‘compensation’ of €200 million from the EU, through the EPF. Analysts observed, however, that the promised MiG-29 would not cover the estimated recent Ukrainian losses of MiG-29. On 20 August 2023, just two days after having received the US green light, and despite issues raised in Washington on the transfer of fighter aircrafts to Ukraine, Denmark and the Netherlands jointly announced, their agreement ‘to transfer F-16 aircrafts to Ukraine and the UAF in close cooperation with the US and other partners, when the conditions for such a transfer
are met’. Danish Prime Minister Mette Frederiksen said that, ‘hopefully’, Denmark would be able to deliver 19 F-16s (6 around the end of 2023, 8 in 2024 and 5 in 2025).

Compensation for donated MiG-29 fighter jets?
In a written answer to an April 2023 written question from Milan Uhrík, (NI, Slovakia), on ‘Compensation to the Slovak Republic from the EPF in connection with the donation of MiG-29 fighters to Ukraine’, the HR/VP replied in general terms that the confirmed Slovakian request for reimbursement had been handled in the same way as other, similar requests: the Clearing House Cell in the EU Military Staff checks the eligibility of the request against the Ukrainian priorities. If deemed eligible, the request is presented to the EPF Committee, composed of one representative per Member State, for final validation and subsequent reimbursement from the EPF. At the same time, the HR/VP abstained from giving a specific reply on the presence of the MiG-29 on the Ukrainian list of priority equipment, saying that ‘information on Ukraine’s priority needs, communicated by the government of Ukraine, is sensitive in nature and the EU is therefore not in a position to provide further details’.

Training on fighter jets for Ukrainian pilots

**Denmark** and the **Netherlands** have initiated the EU training of Ukrainian pilots on F-16 jets and are the most advanced Member States in this training. Other EU Member States are contributing. The F16 coalition comprises 11 NATO Member States, 8 of which are also EU Member States (**Belgium**, Denmark, Luxembourg, the Netherlands, **Poland**, Portugal, Romania, Sweden) and 3 of which are EU partners (Canada, Norway, United Kingdom). On 21 August 2023, **Greece** announced that it will join the F-16 coalition. The training centre will be located in Romania and should be operational by the end of 2023. In the meantime, a first training module began in August 2023 in Denmark for a group of Ukrainian pilots. At the informal Council of Defence Ministers in Toledo, the HR/VP welcomed the Danish and Dutch decisions to provide Ukraine with F-16s and that it ‘will explore how it might be possible to integrate these F-16 pilot training modules into our mission’ – referring to the EUMAM Ukraine.

As observed in an analysis from the Stockholm Centre for Eastern European Studies, an important question is which country is first to train Ukrainian pilots and provide fighter jets. The answer is decisive because it determines which type of Western aircraft Ukraine uses. From the EU perspective, however, clarification on the EEAS position (excluding any reimbursement from the EPF for Member States’ fighter jets donations) remains valid, while no legal provisions ban such reimbursement. While aerial capability is important to Ukraine’s efforts, for the EU, any possible partial EPF-funding scheme for F-16s donated by Member States to Ukraine, or for training on F-16, could risk posing serious political and financial challenges.

On 29 August 2023, ahead of the informal Defence Council meeting in Toledo, Romanian Defence Minister **Angel Tîlvăr**, his Dutch counterpart Kajsa Ollongren and the Lockheed Martin Company (producer of F-16s) signed a letter of intent to create an F-16 training centre in Romania, to support Romanian pilots’ skills development in the operation of F-16 aircraft. On 11 October 2023 (day of President Zelenskyy’s second visit to Brussels since February 2022, to attend the NATO Defence Ministers’ meeting), Belgian Defence Minister Ludivine Dedonder announced that Belgium would host a maintenance hub for F-16 coalition aircraft. Maintenance and repair activities for this training and equipment delivered by EU Member States may also be covered by the EPF.

In his press remarks after the Foreign Affairs Ministers Council in Kyiv on 2 October 2023, the HR/VP confirmed continuous training for Ukrainian soldiers and declared that the training target was 40 000 soldiers in the following months, including specialised training for fighter jet pilots.
Common costs (EPF operations pillar): Nine military missions and operations and one EU security and defence initiative

Figure 3 – Ongoing EU common security and defence policy military operations and missions, and the first EU security and defence initiative, with common costs funded from the EPF

Main sources: EPRS (Peace and Security Outlook 2023), EEAS; Graphic: Samy Chahri, EPRS.

A small part (5% to 10%) of all military missions and operations under the EU common security and defence policy (CSDP) are deemed EU 'common costs' and are therefore funded by the EPF operations pillar. Previously, these costs were funded by the 'Athena Mechanism', established in 2004. These costs may not be charged to the EU budget by virtue of the Treaty-based ban on using the Union's budget to cover expenditure arising from CFSP operations with military or defence implications (see above). Member States are charged for such expenditure in accordance with the gross national product scale.

Annexes II to V of Council Decision (CFSP) 2021/509 provide a list of the common costs funded by EU Member States. These common costs include for instance:
Headquarters implementation and running costs, including travel, information technology (IT) systems, administration, public information, locally hired staff, force headquarters deployment and lodging;

for forces as a whole, infrastructure, medical services (in theatre), medical evacuation, identification, acquisition of information (satellite images);

reimbursements to/from NATO or other organisations (e.g. the United Nations);

specific costs for the deployment or redeployment of an EU Battlegroup.

There are currently nine active CSDP military operations and missions and one EU Security and Defence Initiative (EUSDI), with their common costs paid from the EPF, according to the common costs budget set by the Council decision establishing the respective missions, operations and initiative, and managed by the operations pillar of the EPF (previously by the Athena Mechanism):

- EU Force Operation ALTHEA in Bosnia and Herzegovina (EUFOR ALTHEA); operation common costs: €19.9 million in 2023;
- EU Naval Force Operation ATALANTA in the Horn of Africa, the Red Sea, and the North Western Indian Ocean (EUNAVFOR ATALANTA); indicative common costs of the operation: €5.1 million for 2023;
- EU Training Mission in Somalia (EUTM SOMALIA); mission’s common costs: €29.8 million over two years, or €14.9 million per year;
- EU Training Mission in Mali (EUTM MALI); mission’s common costs: €133.7 million for four years, or €33.43 million annually; on 5 April 2022, the operational training activities that benefited units of the Malian army, as well as most EPF-funded assistance measures were temporarily and reversibly suspended;
- EU Training Mission in République Centrafricaine (EUTM RCA); mission’s common costs: €5.2 million for the mission’s last year, to September 2024; Council decision (CFSP) 2023/1600 of 3 August 2023 extended EUTM RCA’s mandate, in principle for the last time, until 19 September 2024;
- EU Naval Force Operation in the Mediterranean (EUNAVFOR MED IRINI); operation’s common costs: approximately €9.5 million for 2023;
- EU Training Mission in Mozambique (EUTM Mozambique); mission’s common costs: €15.16 million for two years, or €7.6 million per year;
- EU Military Assistance mission for Ukraine (EUMAM Ukraine); mission’s common costs: €106.7 million for common costs over two years, or €53.35 million per year; the mission was initially aimed at training 15 000 Ukrainian soldiers on EU soil; Member States provide the EPF-funded equipment supporting the training;
- EU Military Partnership Mission in Niger (EUMPM Niger) (mission’s common costs: €27.3 million for three years; following the coup in Niamey on 26 July 2023, deployment of the EUMPM has been delayed sine die, even though deployment had not yet started, as the HR/VP announced to Parliament on 12 September 2023 during a question and answers session. The EPF contribution to the common costs, set out in Council Decision of 12 December 2022, has been suspended;
- EU Security and Defence Initiative (EUSDI) ‘in support of West African countries of the Gulf of Guinea’; the EUSDI’s common costs for the first six months of the two years’ initial duration: €179 000. This first EUSDI was established by Council Decision 2023/1599 of 3 August 2023. It comprises a main civilian component of above €1 million, funded by the EU budget (CFSP). It also comprises a smaller military component with EPF funding for its common costs, mainly for equipment, in addition to possible contributions from Member States or third states, and to future assistance measures, such as those adopted for Ghana on 10 July 2023 and Benin on 25 September 2023 (see below). The EUSDI was first established in Ghana and Benin and subsequently in two neighbouring Guinea Gulf countries, Côte d’Ivoire and Togo. The latter invited the EU to deploy the EUSDI in their respective territories shortly after Benin and Ghana issued similar invitations. The Council therefore
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accordingly amended its decision of 3 August (by Council Decision 2023/2066 of 25 September 2023); this first EUSDI hybrid civilian and military CSDP mission is in line with the new civilian CSDP compact, as approved by the Council on 22 May 2023.

Assistance measures (EPF assistance pillar) since March 2023

Since 7 March 2023, the Council has adopted several EPF-funded assistance measures, as illustrated in the table below.

Table 1 – EPF-funded assistance measures decided since March 2023

<table>
<thead>
<tr>
<th>Country</th>
<th>2023 Council Decision</th>
<th>EPF-funded amount</th>
<th>Purpose</th>
</tr>
</thead>
<tbody>
<tr>
<td>Niger</td>
<td>07 March</td>
<td>€40 million</td>
<td>Strengthen military capacities and protect civilian population against terrorist threat (in conjunction with EUMPM Niger)</td>
</tr>
<tr>
<td>Niger</td>
<td>08 June</td>
<td>€4.7 million</td>
<td>Strengthen the operational capacities of the army by facilitating the mobility, presence and security of land forces, lethal equipment (1)</td>
</tr>
<tr>
<td></td>
<td>08 June</td>
<td>€0.297 million</td>
<td>Maintenance, storage and monitoring of the equipment provided (2)</td>
</tr>
<tr>
<td>North Macedonia</td>
<td>16 March</td>
<td>€9 million</td>
<td>Strengthen army capacity, enhance operating standards to participate in EU military missions</td>
</tr>
<tr>
<td>Moldova</td>
<td>4 May</td>
<td>€40 million</td>
<td>Enhance operational effectiveness of the army and accelerate compliance with EU standards, air surveillance, mobility and transport</td>
</tr>
<tr>
<td>Georgia</td>
<td>4 May</td>
<td>€30 million</td>
<td>Enhance operational effectiveness of the army and accelerate compliance with EU standards, engineering</td>
</tr>
<tr>
<td>Ghana</td>
<td>10 July</td>
<td>€8.25 million</td>
<td>Support the army to strengthen operational capabilities of military units deployed in the North to counter terrorist attacks</td>
</tr>
<tr>
<td>The Democratic Republic of the Congo (DRC)</td>
<td>20 July</td>
<td>€20 million</td>
<td>Support the 31st Rapid Reaction Brigade of the armed forces, operating in the east (3)</td>
</tr>
<tr>
<td>Benin</td>
<td>25 September</td>
<td>€11.75 million</td>
<td>Support armed forces in their fight against terrorism in the north, support for Beninese Operation Mirador</td>
</tr>
<tr>
<td>Ghana-Cameroon</td>
<td>27 November</td>
<td>€21 million</td>
<td>Strengthen the capacities of military actors and navies of both countries for maritime security operations in the Gulf of Guinea</td>
</tr>
<tr>
<td>Somalia</td>
<td>27 November</td>
<td>€1 million</td>
<td>Support the army with military equipment delivering lethal force (in conjunction with EUTM Somalia)</td>
</tr>
<tr>
<td>Ukraine</td>
<td>27-28 November</td>
<td>€194 million</td>
<td>Support training of Ukrainian troops under the EUMAM Ukraine, necessary lethal and non-lethal equipment and supplies, services to back training activities (4)</td>
</tr>
</tbody>
</table>
EPF implementation and the European Parliament's role

The European Parliament's role in the EPF, and that of national parliaments, is limited, as the EPF budget is paid through Member States' contributions. The EPF implementation has been criticised by both analysts and the Parliament, which called to be involved in the EPF's implementation (see box). The EPF lies outside the EU budget, by virtue of the Treaty ban on use of the latter to fund expenditure arising from CFSP operations with military or defence implications. It was created by a Council decision (and not by a legislative act, which would have been subject to Parliament's agreement and scrutiny as co-legislator). Nevertheless, Parliament has actively followed developments and implementation. In addition to the regular exchanges between Members and the HR/VP, the EEAS, and Council or Commission officials in committee hearings or during plenary sessions, Members have raised at least 12 written questions for written answers (under Rule 138 and Annex III of the Parliament's Rules of procedure) related to the EPF. However the replies to the questions were not always considered as complete (and therefore replaced) nor delivered in a timely manner (such as the reply on reimbursement from the EPF to Member States, see box below).

In its resolution of 18 January 2023 on the implementation of the common security and defence policy – 2022 annual report, Parliament:

- 'Welcome[d] the significant use of the EPF throughout 2022 (...); call[ed] on Member States to increase the EPF's budget to enable the EU to strengthen the resilience and defence capabilities of Ukraine, Moldova and Georgia; recall[ed] the need for military assistance and weapons deliveries by the EPF to meet the growing operational requirements of the Ukrainian arm[y], while providing (...) accountability';
- 'Welcome[d] the Council's decision of December 2022 to increase the EPF budget but stresses that this increase will probably not suffice and hence reiterates the need to further raise the ceiling of the EPF and to create a separate EPF envelope for Ukraine; underline[d] the need to ensure continuity with the support provided to African partners (...), and not to neglect other priority regions, including our immediate

Table 1 legend:

(1) This was the first EPF mobilisation, in an operational theatre other than Ukraine, for the delivery of lethal equipment (air to ground ammunitions for fighter and transport helicopters) to the army of a third country.

(2) In complement, on 8 June 2023, the Council adopted an assistance measure worth €297 000, to fund activities of a non-lethal nature, linked to the provision of military equipment by ensuring its adequate use, maintenance, storage and monitoring. Less than two months later, on 26 July 2023, a military coup in Niamey ousted democratically elected President Mohamed Bazoum. In reaction, on 29 July 2023, the HR/VP declared that 'in addition to the immediate suspension of budget support, all security cooperation activities were suspended sine die with immediate effect'. The suspension of the security cooperation entailed the suspension of EUMPM Niger activities and of the EPF contribution of €27.3 million to the mission's common costs, as well as the suspension of the three assistance measures of 7 March and 8 June 2023;

(3) The assistance measure is to be implemented by the Belgian Defence Force, which is already training the Congolese brigade that, once fully trained, will be fit for combat; it will help the country fight the armed groups present in the east of the country, such as the Congolese M23 armed rebellion. Stabilisation of the east is greatly needed in the context of the ongoing gradual withdrawal of the UN stabilisation force in the DRC (MONUSCO), programmed to coincide with the general elections on 20 December 2023. The UN, the EU and like-minded partners such as the US are trying to avoid a security vacuum in the Eastern DRC, a resource-rich region on the verge of another fully-fledged war with neighbouring Rwanda. On 1 December 2022, the EU Council decided an EPF-funded assistance measure, worth €20 million, for the Rwandan army’s intervention force in Mozambique. Seven human rights NGOs have denounced this EU support to the Rwandan army through the EPF and have called for it to be suspended, given Rwanda’s proven support for the M23 in the DRC.

(4) Additional funding (lethal component of €184 million and non-lethal component of €10 million).

Data source: EUR-Lex, Council and Council of the EU.
Reimbursement to Member States – 2022 amount and calculation method

**Context:** The issue of the modalities of reimbursement to Member States under the EPF for their military donations became all the more challenging with increasing Ukrainian military needs. According to an analyst, the initial reimbursement scheme was based on a comparison between the Member States’ requests for reimbursement and the EPF funds earmarked to reimburse Ukrainian-requested arms donations. Firstly, Member States agreed on the principle of ‘flat-sharing’, meaning that all Member States requesting reimbursement receive the same percentage of the requested value for deliveries in a given timeframe, and that each reimbursement tranche is linked to deliveries in such a given timeframe. For the first €500 million tranche, Member States submitted reimbursement requests for about €600 million. However, for the three subsequent €500 million tranches (€1.5 billion in total), Member States submitted requests for about €3.3 billion, with Poland alone submitting over half of them. This, reportedly, led to a significant drop in the reimbursement rate, from an initial 85% to roughly 46% of the requested amounts, and also led Poland, in a first move, to block the disbursement of €1.5 billion, before finally agreeing to the 46% reimbursement rate on the €1.5 billion.

On 30 March 2023, Hannah Neumann (Greens/EFA, Germany) raised a priority question (for which the deadline to reply is set at three weeks) to the HR/VP Member State reimbursement from the EPF, with the following three sub-questions:

1. What is the total amount of payments made via the EPF in 2022 and 2023 to reimburse Member States?
2. Of this amount, how much has been reimbursed (overall amount and amount per Member State)?
3. How is the value of military equipment delivered to Ukraine calculated (e.g. using the current value or using the price of purchasing new material to replace delivered material)?

On 11 May 2023 (after the deadline), the HR/VP replied as follows:

1. Member States decide unanimously in the EPF Committee about the schedule of reimbursements for the support they provide to Ukraine. The total amount of payments made via the EPF to reimburse Member States in 2022 is €147,827,868.02. Figures for 2023 requested by the Honourable Member will be made publicly available during summer, including on the Europa website [https://fpi.ec.europa.eu/key-documents_en](https://fpi.ec.europa.eu/key-documents_en).
2. The information on the reimbursement per Member State (...) is confidential.
3. Member States decide unanimously in the EPF Committee about the modalities for the support they provide to Ukraine. The EPF Committee unanimously put in place a valuation methodology for reimbursement of equipment donated to Ukraine. Two conditions have to be met for applying
ENDNOTES

1 New Article 2, paragraph 3, first sentence, of Council Decision (CFSP) 2021/509, as amended on 26 June 2023: 'The financial ceiling shall be used in a manner that preserves the global geographical scope of the Facility and the Union’s ability to prevent and swiftly respond to crises and conflicts, primarily but not exclusively in areas that display the most urgent and critical security threats for the Union (…)'.

2 Council Decision (CFSP) 2021/2135, of 2 December 2021, worth €31 million, out of which €3 million is intended for the cyber defence units. A cyber classroom for the Ukrainian army cyber defence units was opened in October 2023, almost two years after this EPF-funded assistance measure was decided. This illustrates that, in accordance with the duration of every individual assistance measure, as set out in the individual Council decision establishing the measure, a considerable period may lapse between the adoption of an assistance measure for military equipment or training and the delivery of the equipment or training to the army of a partner country.

3 Council Decision (CFSP) 2021/509 does not clearly define the concept of 'lethal force'. 'Lethal' includes, for instance, artillery shells, tanks, other armoured vehicles, machine guns, mortars, firing platforms, etc. According to Article 5(3) of Council Decision (CFSP) 2021/509, a Member State may abstain in a vote on an assistance measure allowing the supply of military equipment, or platforms, 'designed to deliver lethal force'. If that Member State makes the corresponding formal declaration, it shall not contribute to the costs of that assistance measure and shall make an additional contribution to non-lethal assistance measures.

4 A new F-16 costs US$63 million, while 10 second hand F-16 Is would be worth about US$400 million.

5 Article 41 (2), sub-paragraph 2 of the Treaty on European Union.

6 Article 41(2), sub-paragraph 1 of the Treaty on European Union.

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