

POLICY BRIEF

ESDA

European Security and Defence Alliance

A European defence upgrade within existing budget frameworks – policy brief and visual documentation

ESDA is an original policy proposal for a new European defence alliance established through an independent treaty (the EDE – European Defence Ecosystem) outside EU frameworks. The proposal addresses the four structural weaknesses that render Europe incapable of independent action in a major conflict: dependence on the United States, EU institutional constraints, fragmented national forces and procurement – and the absence of a common standing response force.

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European Security and Defence Alliance (ESDA)

A European defence upgrade within existing budget frameworks — what it requires, and what it costs not to act

In February 2026, more than 40 heads of state and government at the Munich Security Conference acknowledged that the US security guarantee can no longer be taken for granted. The political moment is here — the institutional response is still lacking.

WHAT NEEDS TO BE DECIDED?

Europe is structurally dependent on the United States for key capabilities that no European state can provide alone. ESDA is a concrete proposal for a new treaty-based alliance — adding shared capabilities on top of national defence forces without replacing NATO.

The next 0–12 months (Phase 0) are the critical window: this is where the foundation is laid. Countries not participating now will have no influence on the design of the treaty.

WHAT HAPPENS IF EUROPE FAILS TO ACT?

Continued dependence on a single ally whose strategic priorities are shifting. In a crisis, European countries will be left with large national armies that cannot coordinate, lack shared logistics, and have no access to the capabilities that determine modern warfare: ISR (Intelligence, Surveillance, and Reconnaissance), aerial refuelling, precision missiles and cyber defence.

The threats Europe will need to manage in 15, 20 or 30 years are unknown today. ESDA is Europe's insurance against the unknown — not only the answer to what we already see.

The cost of inaction is a permanently vulnerable and ineffective European defence.

1. THE PROBLEM — AND THE COST OF INACTION

Europe has never spent more on defence. Yet Europe lacks the capabilities required for independent action in a major conflict on European soil. The cause is structural — not budgetary.

- **US dependence.** Europe cannot move and supply larger forces without US strategic airlift and aerial refuelling. This dependence is reinforced by the permanent stationing of approximately 100,000 US troops in Europe, which creates a structurally unsustainable dependency. In a situation where the United States shifts focus to the Pacific or withdraws support, European forces are in practice immobilised.
- **EU frameworks cannot deliver — and never will.** PESCO (the EU's defence cooperation framework) and EDA (the European Defence Agency) have not produced a standing force, a real command structure or common standardisation. The EU's unanimity requirement does not merely prevent rapid decisions — it structurally blocks the establishment of the type of alliance ESDA requires. ESDA is not possible within EU frameworks. This is why the EDE Treaty is necessary. The EU's own foreign policy representative, Kaja Kallas, openly acknowledged at MSC 2026 that she did not know how a European army would function — an admission that the necessary command structure neither exists nor can be created within EU frameworks.
- **Fragmentation wastes resources.** Europe spends large sums, but on many different platforms, parallel logistics systems and short production runs. The money does not generate the deterrence effect and strategic agency it should.

2. ESDA — WHAT IT CONCRETELY IS

ESDA is not a European army and not an alternative to NATO. It is a shared capability layer — four pillars — that delivers what no single state can provide alone, and which requires a new independent treaty: the European Defence Ecosystem (EDE) outside EU frameworks.

PILLAR	WHAT IT DELIVERS	WHY IT IS THE KEY
Pillar 1 – ERF <i>response force</i>	Maritime and littoral response force. 70–110,000 military and civilian personnel. Drone carriers (EAC), missile platforms (AMP), layered air defence.	The visible, mobile deterrent. Can operate independently for 60–90 days.
Pillar 2 – EIA <i>intelligence</i>	European satellite constellation (Europe currently operates only 49 military satellites compared to the US's 246), AEW&C aircraft, HALE drones, Cyber Command and AI analysis platform.	Europe gains its own common operational picture. Independence from US ISR capabilities.
Pillar 3 – ESCL <i>logistics</i>	200 transport aircraft, 40 aerial refuelling aircraft (MRTT), sealift (Ro-Ro), shared stockpiles at five strategic hubs.	European forces can move and be sustained. Ends dependence on US strategic airlift. The MRTT fleet and EIA's common operational picture together make national combat aircraft far more effective as one coordinated European air force – without ESDA needing its own combat aircraft.
Pillar 4 – EDPA <i>standards & procurement</i>	Common standards, procurement and industrial readiness. Plans for rapid scaling of ammunition and missiles.	Money is used more effectively. Europe can produce enough in wartime.
Relationship with NATO: ESDA does not duplicate NATO. ESDA forces can be made available for NATO-led operations. Standards are built on NATO STANAGs. Planning is conducted in coordination with SHAPE. ESDA addresses the European capability gap – NATO addresses the collective defence article and nuclear planning.		

3. GOVERNANCE AND SOVEREIGNTY

The EDE Treaty establishes ESDA outside EU treaty frameworks – no EU unanimity requirement, full participation of the UK and Norway possible. The ESDA Council (defence ministers) takes decisions by two-thirds majority. No single state holds a veto right in day-to-day operations.

THE TIER MODEL PROTECTS NATIONAL SOVEREIGNTY

The critical tension in any supranational defence body is: who decides when? The Tier model resolves this:

TIER	WHAT	EXAMPLES	DECISION
A	Core capabilities and support	ISR, aerial refuelling, transport, cyber defence	ESDA Council two-thirds majority. Pre-authorised – no individual case-by-case approval required.
B	Limited combat operations	Critical infrastructure protection, counter-piracy, limited precision strikes	ESDA Council two-thirds majority. Normally pre-authorised via national framework legislation.
C	Large-scale combat participation	Prolonged high-intensity operations	ESDA Council two-thirds majority + separate national participation decision in each country.

Why two-thirds – and not unanimity or a simple majority?

Europe has two models to learn from – both are unworkable for ESDA. The US president can order operations within hours. This provides agency, but is inconceivable in an alliance of equal states. The EU requires unanimity in defence matters – thereby giving a single country the power to paralyse all others. ESDA chooses a third way: a two-thirds majority ensures a substantial, legitimate mandate behind every decision – but no single state can block. A three-quarters requirement would recreate the EU's problem in another guise. A simple majority would drag a reluctant minority along against their will. Two-thirds is the precise threshold at which ESDA can act – and not be paralysed.

Each country adopts a national ESDA framework law upon ratification. The framework law pre-authorises Tier A and the majority of Tier B, establishes access to infrastructure and ensures parliamentary information – without paralysing decision-making through demands for case-by-case approval.

4. PERSONNEL – SIZE AND COMPOSITION

At full force target, ESDA will be manned by approximately 177,000 personnel across the four pillars and shared structures.

PILLAR	FUNCTION	PERSONNEL
Pillar 1 – ERF	Maritime/littoral response force	~110,000
Pillar 2 – EIA	ISR, space, cyber and AI	~20,000
Pillar 3 – ESCL	Strategic airlift, aerial refuelling and logistics	~35,000
Pillar 4 – EDPA	Standardisation and procurement	~5,000
Shared structures	The Citadel and others	~7,000
Total		~177,000

Personnel comprise a combination of directly employed ESDA staff, long-term seconded national personnel and contracted specialists. The rotation system ensures close ties to national environments.

5. ECONOMICS – NOT NEW MONEY

The most important political argument: ESDA does not require money beyond NATO's long-term 5% target for defence and security. A clearly defined share of this framework is ring-fenced for shared capabilities – the rest remains national. EU member states' combined defence budgets rose from €218bn in 2021 to €343bn in 2024 – the money is already moving. ESDA's ~€57bn/year represents less than 15% of this figure and constitutes the shared capability layer that no single state can provide alone.

ESDA is a reallocation, not an additional bill. The money will be spent regardless – the question is whether it is spent in fragmented national silos or pooled at the European level.

TWO SCENARIOS

	GDP BASE	BUILD-UP (YEAR 1-15)	OPERATING (FROM YEAR 15)
Scenario A All EU + UK + Norway	~€24,000bn/year	0.28% → ~€67bn/year	0.24% → ~€57bn/year
Scenario B Core group (~15 countries incl. DK)	~€22,000bn/year	0.30% → ~€67bn/year	0.26% → ~€57bn/year

The absolute budget is identical in both scenarios (~€67bn/year during build-up). Scenario B starts with fewer countries and therefore a higher GDP share per country – but is not a permanent inner circle. The EDE Treaty is designed for easy accession, and the GDP contribution per country falls as more join.

Contingency reserve: A 20% reserve (~€12bn/year in operating phase) is held in a shared, non-earmarked ESDA reserve. Released only by a two-thirds decision of the ESDA Council. Used to close critical gaps and manage price increases on key components.

6. WHAT IS REQUIRED NOW – PHASE 0

ESDA is built up over 15 years. But the window for political influence over the treaty's design is now. Phase 0 (0–12 months) is about establishing the foundation that determines everything that follows.

TASK IN PHASE 0	CONTENT
Founding group (5–10 countries)	Political declaration of intent to establish ESDA. Agreement on the EDE Treaty's fundamental principles and division of responsibilities. An independent treaty authority appointed.
EDE Treaty text	Drafted and negotiated. The key principle is that ESDA is shaped without any single country's interests dominating the design. Standardised national framework laws prepared in parallel for ratification.
The Citadel – interim HQ	Located in Brussels. The Triumvirate (Civil Director, Chief of Defence, High Representative) appointed.
Parliamentary oversight	Oversight council with parliamentarians from the founding countries. Independent audit follows the build-up from day one.
Four 'must wins'	Visible results within 24 months: common ammunition contracts (EDPA), aerial refuelling agreements (ESCL), AEW&C aircraft and first LEO satellites (EIA), first drone carrier (ERF).

Phase 1 (year 1–2): Ratification and launch of key programmes. **Phase 2** (year 3–7): Initial Operational Capability in all pillars, ERF at 70–80,000. **Gate 1** (end of year 7): Mid-term review – programmes that have not reached IOC milestones are terminated. **Phase 3** (year 8–15): Full Operational Capability.

7. THREE RECOMMENDATIONS

There are three decisions that must be taken now. They are interdependent – but the first is the prerequisite for the other two.

Recommendation 1: Declare political intent and join the founding group

A founding group of 5–10 countries lays the foundation for the EDE Treaty. Countries participating now will have influence over the treaty's design – including decision rules, the funding model and the Tier structure. Countries that wait will accede to terms set by others. The government should, before Q3 2026, formally declare its intent to participate in the founding group and actively engage in the initial negotiations.

DEADLINE: Q3 2026 – POLITICAL DECLARATION

Recommendation 2: Allocate resources for Phase 0 in the defence budget

Participation in the founding group and Phase 0 is not cost-free: treaty negotiations, contributions to The Citadel establishment and preparation of the national framework law require resources. The appropriation is small relative to the long-term commitment – but critical for maintaining negotiating strength. The funds should be allocated in the defence budget for 2026/2027.

DEADLINE: FINANCE ACT 2026/2027

Recommendation 3: Initiate national legislative preparatory work now

The national ESDA framework law is a prerequisite for Tier A and B to be activated automatically. Drafting the law requires clarification of constitutional frameworks, division of responsibility and parliamentary procedures – this takes time. A legislative preparatory committee should be established now, so that a completed legal text is ready for ratification when the EDE Treaty is available. Waiting until the treaty is in place means losing 12–18 months.

DEADLINE: ESTABLISH COMMITTEE: Q3 2026

Policy brief prepared on the basis of the report European Security and Defence Alliance (ESDA), version 1.0. All figures are indicative and based on the report's scenarios for 2030-level GDP.

EUROPE'S FOUR STRUCTURAL WEAKNESSES

Europe spends large sums on defence — but the underlying structural problems cannot be resolved by higher national budgets alone. Four weaknesses are at the core of the problem.

01

STRUCTURAL DEPENDENCE ON THE UNITED STATES

Europe lacks critical key capabilities and is heavily dependent on the United States to operate independently:

- Strategic airlift and aerial refuelling
- Airborne early warning and control (AEW&C / AWACS)
- Satellite surveillance and signals intelligence (SIGINT)
- Certain long-range precision weapons

02

EU FRAMEWORKS CANNOT DELIVER — AND NEVER WILL

The EU's unanimity requirement structurally blocks the type of alliance ESDA requires. PESCO and EDA have not delivered and cannot deliver:

- A common standing military force
- A supranational command structure with genuine decision-making authority
- Common, binding standardisation

03

FRAGMENTED FORCES AND PROCUREMENT

European countries operate in silos with significant efficiency losses:

- Many parallel platforms and logistics systems
- Short production runs with high unit costs
- Limited shared ammunition stockpiles
- Budgets do not translate into real deterrence

04

NO COMMON STANDING RESPONSE FORCE

Europe has no common force that can be rapidly and independently deployed in its own neighbourhood. Even with political will, the capability is absent:

- National forces operate within separate command structures
- Response capability depends on NATO mobilisation
- In the first 60–90 days of a major conflict, Europe is effectively dependent on the United States choosing to engage



The consequence: Europe today cannot move and sustain larger forces over distance, maintain a continuous common operational picture or conduct coherent high-intensity operations — not even in its own neighbourhood — without US support. Europe has no common standing force ready for independent deployment. In a situation where US strategic focus shifts or engagement fails to materialise, Europe is vulnerable in precisely that critical initial time window.

ESDA, NATO AND NATIONAL DEFENCE FORCES

ESDA is not a replacement for national armies and not an alternative to NATO. It is a new shared capability layer — a supplement that delivers what no single state can provide alone.

NATO

Collective defence and nuclear deterrence

- Article 5 — collective defence obligation
- Nuclear planning
- SHAPE / global kommandostruktur
- Transatlantic anchoring

↑ ESDA coordinates closely with NATO through permanent liaison elements

ESDA

Shared European capabilities — the new layer

- ERF — maritime/littoral response force
- EIA — ISR, space and cyber
- ESCL — airlift and logistics
- EDPA — standards and procurement
- EDE-traktaten
- Two-thirds majority decisions

↑ ESDA does not replace, but supplements and reinforces

NATIONAL DEFENCE

National armies, navies and air forces — preserved and strengthened as one coordinated entity

- Army
- Navy
- Air force
- National defence budget
- National command

ESDA IS NOT AND WILL NOT BECOME:

- ✗ A parallel to NATO's Article 5
- ✗ A replacement for national armies
- ✗ A global intervention force
- ✗ A separate nuclear planning structure
- ✗ A tool to be used against its own member states
- ✗ A copy of SHAPE's global command

THE FOUR PILLARS AND SHARED STRUCTURES

ESDA is organised around four pillars and shared structures that together deliver the shared capabilities no single state can provide alone. The pillars operate in an integrated manner and reinforce one another.

PILLAR 1

ERF

European Response Force

Maritime and littoral response force — visible, mobile deterrent capable of operating independently for 60–90 days.

110,000

MILITARY AND CIVILIAN

€40bn

OPERATING/YEAR

25 Maritime Strike Regts.

10 Drone carriers (EAC)

20 Missile platforms (AMP)

MALE Droner

Layered air defence

ESOF special operations forces

5 strategic hubs

PILLAR 2

EIA

European Intelligence Agency

European ISR, space and cyber — gives Europe its own common operational picture independent of the United States.

20,000

MILITARY AND CIVILIAN

€7bn

OPERATING/YEAR

Argus constellation (50 LEO)

15 AEW&C-fly

30 HALE-droner

Cyber Command

AI Fusion Hub

PILLAR 3

ESCL

European Strategic Command & Logistics

European strategic airlift, sealift and logistics — ends dependence on US strategic lift.

35,000

MILITARY AND CIVILIAN

€8bn

OPERATING/YEAR

200 transport aircraft

40 aerial refuelling aircraft (MRTT)

10–12 Ro-Ro-skibe

Shared stockpiles at 5 hubs

Integration officer corps

PILLAR 4

EDPA

European Defence Procurement Authority

Common standards, procurement and industrial readiness — money is used more effectively, and Europe can produce enough in wartime.

5,000

MILITARY AND CIVILIAN

€2bn

OPERATING/YEAR

ESDA Defence Standard Catalog

Joint Procurement Cells

Industrial readiness

Strategic commodity reserves

SHARED STRUCTURES

The Citadel (Headquarters) · Training and test centres · Depot centres

~7,000

MILITARY AND CIVILIAN

~177,000

TOTAL PERSONNEL

€69bn

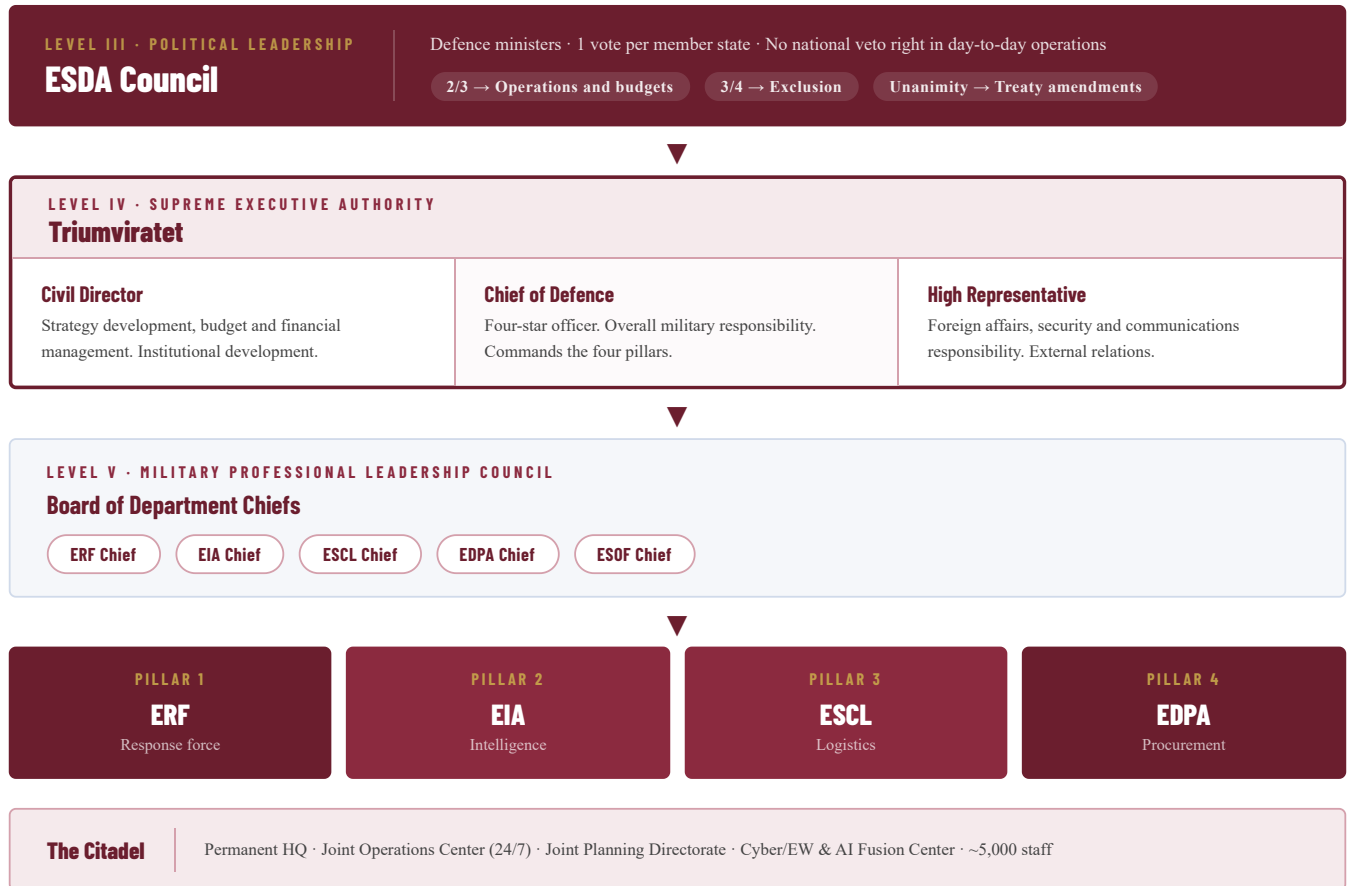
TOTAL OPERATING/YEAR INCL. CONTINGENCY RESERVE

0.29% GDP

OF EUROPEAN GDP (SC. A)

GOVERNANCE STRUCTURE AND CHAIN OF COMMAND

ESDA is led by three equal senior officials — the Triumvirate — under the political control of the ESDA Council. The chain of command is simple and designed for rapid decision-making.



THE TIER MODEL: AGENCY AND SOVEREIGNTY

The Tier model resolves the central question in any supranational defence body: who decides when? The model balances rapid collective agency with full respect for national constitutions.

A

CORE CAPABILITIES AND SUPPORT

WHAT DOES IT COVER?

Capabilities necessary for Europe to see, move and protect — typically without direct use of lethal force.

EXAMPLES

ISR (satellites, AEW&C, drones) · Aerial refuelling · Strategic transport · Logistics and supply stockpiles · Cyber defence

DECISION

ESDA Council by two-thirds majority. Pre-authorised via national framework laws.

No individual case-by-case approval

B

LIMITED COMBAT OPERATIONS

WHAT DOES IT COVER?

Operations involving use of force, but with a clearly defined purpose, duration and controlled risk.

EXAMPLES

Protection of critical infrastructure · Counter-piracy · Limited precision strikes · Maritime security operations

DECISION

ESDA Council by two-thirds majority. Normally pre-authorised. Certain high-risk missions may require an additional national process.

Normally no individual approval required

C

LARGE-SCALE COMBAT OPERATIONS

WHAT DOES IT COVER?

Operations equivalent to actual "combat participation" with significant risk of casualties and escalation.

EXAMPLES

Prolonged, high-intensity combat operations · Operations with risk of counter-strikes on member states' territory

DECISION

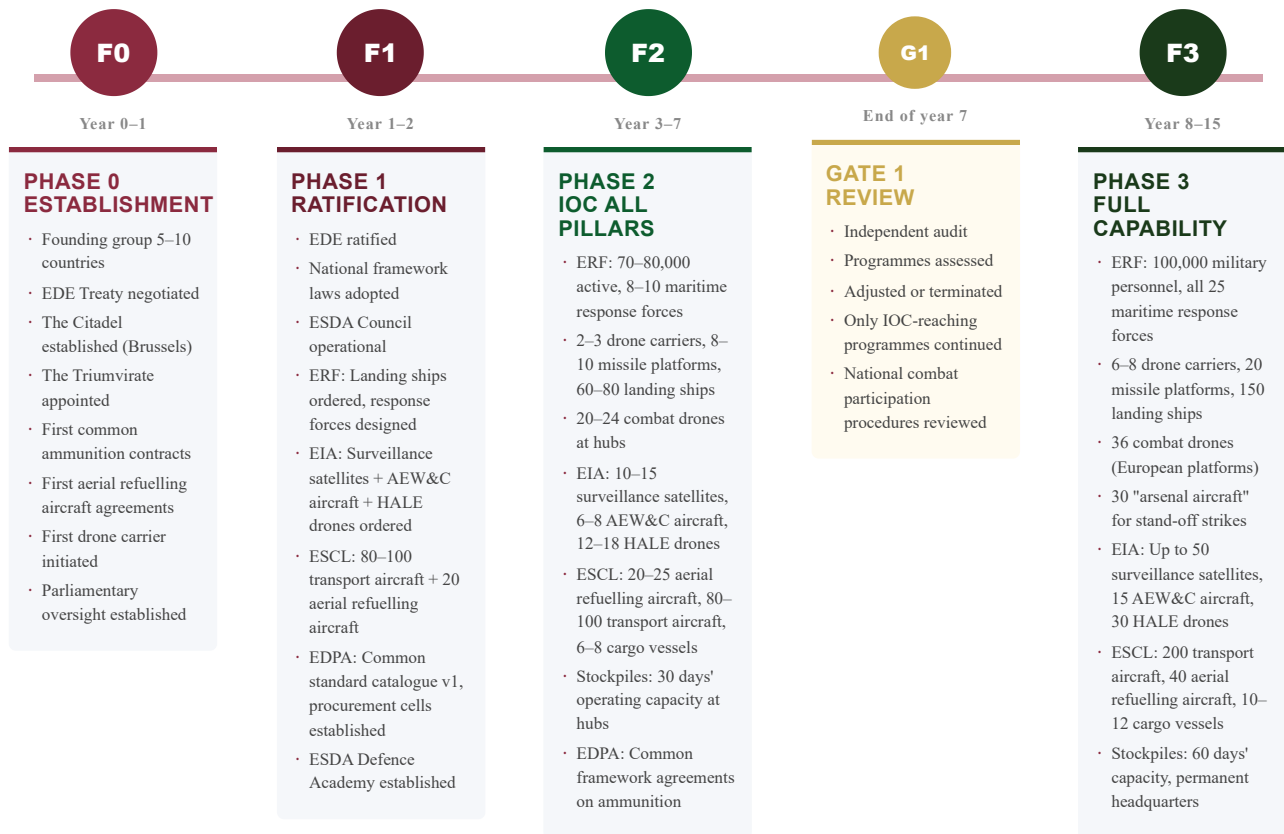
ESDA Council by two-thirds majority for overall mandate + separate national participation decision in each country where required.

National approval may be required

The fundamental principle: Each member state adopts a national ESDA framework law upon ratification. The framework law pre-authorises Tier A and the majority of Tier B, enabling ESDA to act quickly — without waiting for separate parliamentary approval case by case. Tier C respects national constitutions: the participation decision follows each country's own procedures — countries that do not approve do not contribute forces.

IMPLEMENTATION — FROM TREATY TO FULL CAPABILITY

ESDA is built up over 15 years in four phases with a mid-term review (Gate 1) at year 7. The politically critical window is **Phase 0** — **now**: this is where the foundation is laid and the treaty design locked in.



Phase 0

is the critical window. Countries participating now have influence over the treaty's design — countries that wait accede to terms set by others.

15 years

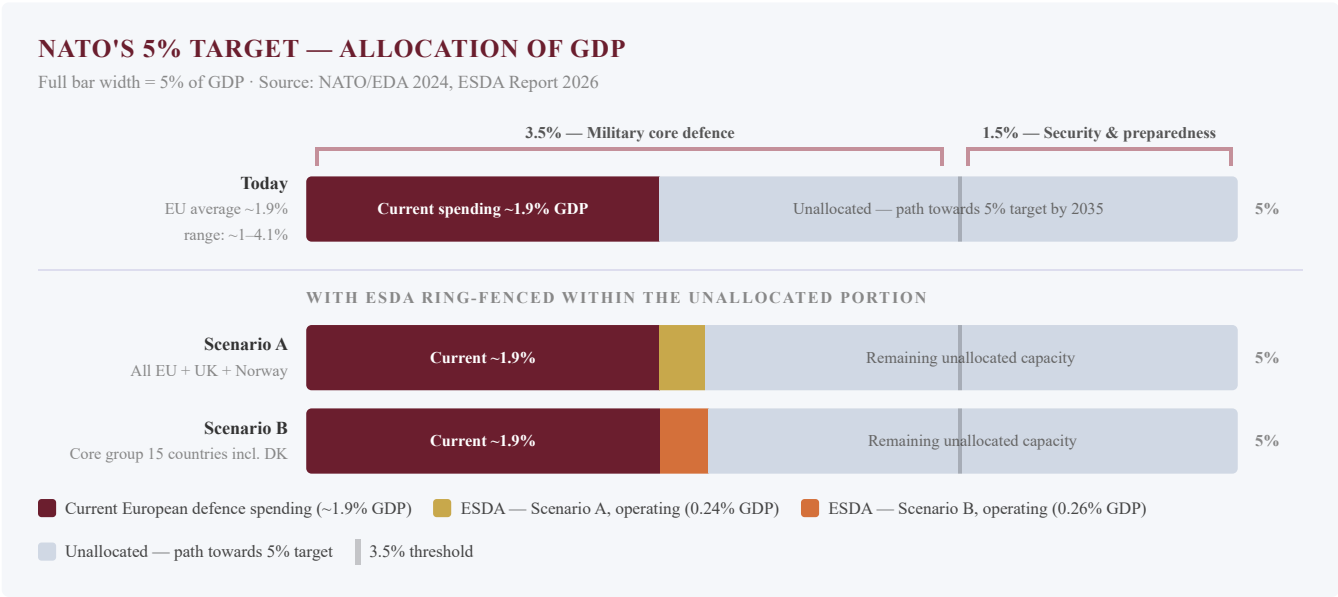
to full operational capability — but ESDA can conduct real Tier A and B operations from Phase 2 (year 3–7) onwards.

Gate 1

ensures that only programmes that work are continued. Incremental build-up significantly reduces the risk of wasted investment.

FUNDING — NOT NEW MONEY

ESDA does not require money beyond NATO's long-term 5% target. A clearly defined share of this existing framework is ring-fenced for shared European capabilities — the rest remains national.



SCENARIO A

All EU countries + UK + Norway (~€24,000bn/year)

0.28% GDP PER COUNTRY — BUILD-UP	~€67bn TOTAL/YEAR — BUILD-UP
0.24% GDP PER COUNTRY — OPERATING	~€57bn TOTAL/YEAR — OPERATING

SCENARIO B

Core group ~15 countries incl. DK (~€22,000bn/year)

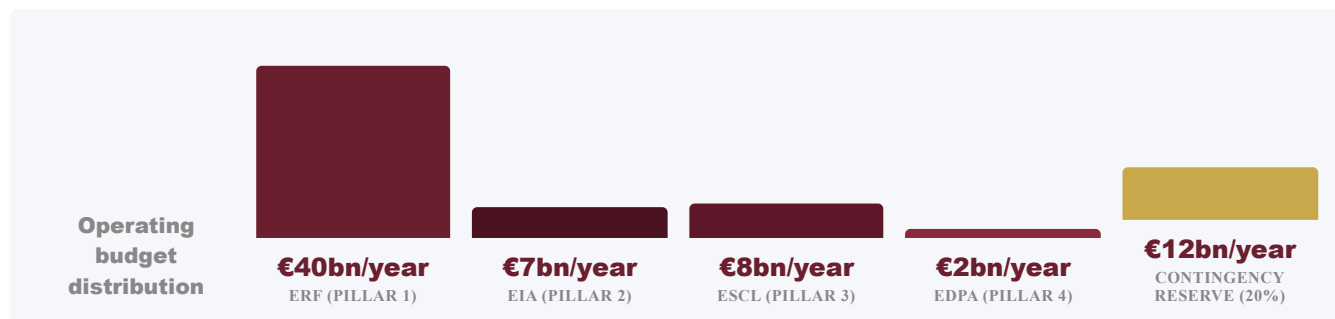
0.30% GDP PER COUNTRY — BUILD-UP	~€67bn TOTAL/YEAR — BUILD-UP
0.26% GDP PER COUNTRY — OPERATING	~€57bn TOTAL/YEAR — OPERATING

The absolute budget is identical in both scenarios (~€57bn/year in operating phase, ~€67bn/year during build-up). Scenario B starts with fewer countries and a slightly higher GDP contribution per country — but is not a permanent inner circle. As more countries join the EDE Treaty, the contribution per country automatically falls towards Scenario A levels.

PILLARS: PERSONNEL AND BUDGET AT FULL CAPABILITY (FROM YEAR 15)

Overview of personnel, annual operating budget and GDP share per pillar at full force target. Figures are indicative orders of magnitude.

PILLAR / STRUCTURE	PERSONNEL	BUDGET/YEAR	GDP SHARE SC. A (≈)	GDP SHARE SC. B (≈)	SHARE OF TOTAL
Pillar 1 — ERF European Response Force	110,000	€40bn/year	approx. 0.17%	approx. 0.18%	70%
Pillar 2 — EIA European Intelligence Agency	20,000	€7bn/year	approx. 0.029%	approx. 0.03%	12%
Pillar 3 — ESCL European Strategic Command & Logistics	35,000	€8bn/year	approx. 0.03%	approx. 0.04%	14%
Pillar 4 — EDPA European Defence Procurement Authority	5,000	€2bn/year	approx. 0.01%	approx. 0.01%	3%
Shared structures The Citadel and others	7,000	Included in pillars	—	—	—
ESDA total (excl. contingency reserve)	approx. 177,000	~€57bn/year	approx. 0.24%	approx. 0.26%	100%
+ 20% contingency reserve	—	+ ~€12bn/year	+ approx. 0.050%	+ approx. 0.055%	—
ESDA incl. contingency reserve	approx. 177,000	~€69bn/year	approx. 0.29%	approx. 0.31%	—



COST BREAKDOWN — BUILD-UP VS. OPERATING

The build-up phase and the operating phase have markedly different cost profiles. In the build-up phase, platforms and weapons dominate — in the operating phase, personnel and maintenance take over.

BUILD-UP PHASE (YEAR 1–15)

~€67BN/YEAR

Platforms

45–50%

Ships, aircraft, drones, vehicles — EAC, AMP, LSM, transport aircraft, MRTT, Ro-Ro, Argus satellites, AEW&C, HALE drones.

Weapons and ammunition stockpiles

20–25%

Stand-off weapons, anti-ship and air defence missiles, artillery, naval mines. War Reserve Stockpiles for 60–90 days of high-intensity operations.

Enablers (C2, SATCOM, cyber/EW)

10–15%

C2/CIS infrastructure, tactical data links, SATCOM, AI Fusion Hub, MCM systems, medical facilities.

Bases and infrastructure

10–15%

The five hubs (Tromsø, Rostock, Crete, Rota, Constanța), The Citadel HQ, training and test centres.

Education and exercises

5–10%

ESDA Defence Academy, joint exercises, simulators, integration officers and staff exercises.

OPERATING PHASE (AT FULL CAPABILITY, YEAR 15)

€69BN/YEAR INCL. CONTINGENCY RESERVE

Personnel costs

40–50%

Salaries, training, basic equipment for ~177,000 full-time equivalents. Particularly heavy in ERF and ESCL.

O&S (operations and support)

30–40%

Maintenance, spare parts, upgrades, fuel, exercises and ongoing operation of platforms.

Modernisation and technology upgrades

10–15%

Replacement and upgrading of EIA capabilities (satellites, sensors, AI), EDPA standards, cyber/EW updates.

Stockpile replenishment and industrial readiness

5–10%

War Reserve Stockpile rotation, industrial readiness testing, cold standby capabilities, Strategic Commodity Reserves.

THE SHIFT FROM BUILD-UP TO OPERATING PHASE

In the build-up phase, heavy investments in platforms and weapons dominate (65–75% of the budget). In the operating phase, personnel and O&S account for the majority (70–90% of the budget). This is the normal transition from build-up to operating a standing alliance.

Note: The percentage distributions apply across all four pillars combined and will naturally vary slightly over time and between pillars. The build-up phase funds of ~€67bn/year represent the same absolute amount in Scenario A and B — only the GDP percentage per country varies.