

Financing defence policy in the European Union in the context of the geopolitical situation*

Katarzyna STABRYLA-CHUDZIO

Department of Finance and Financial Policy
Krakow University of Economics
Rakowicka 27, 31-510 Cracow, Poland

Correspondence should be addressed to: Katarzyna STABRYLA-CHUDZIO, stabrylk@uek.krakow.pl

* Presented at the 46th IBIMA International Conference, 26-27 November 2025, Ronda, Spain

Abstract

Defence policy is an example of primarily national solutions limiting the effectiveness of the European Union. However, the European Commission's proposals for the new financial framework for 2028-2034 demonstrate not only an attempt to rationalize public expenditure but also an unprecedented response to the global geopolitical and socioeconomic situation. As a result, factors destabilizing the global economy are forcing EU institutions and Member States to take constructive action. The need to find a balance between the redistributive role of the EU budget and investments with significant European added value has already been reflected in the Next Generation EU and Security Action for Europe programs. The aim of this article is to answer the question of whether the Multiannual Financial Framework for 2028-2034 will change the spending structure, placing a greater emphasis on defence, and what the projected envelope for defence-related activities will be.

Keywords: defence policy, European Union finance, Multiannual Financial Framework 2028-2034, geopolitical situation.

Introduction

European added value in defence has become a key topic in discussions on the future of the European Union following the Russian invasion of Ukraine. However, this is not a new approach, as debates on security and defence in the context of the European Communities have been around since the 1950s. Although security and defence are national competences, the EU complements and strengthens the individual efforts of Member States, both by supporting increased national defence spending and by leveraging EU budgetary resources. (www1; Saulnier, 2020, p. 101).

This study attempts to answer the question whether in the new financial perspective 2028-2034 the structure of the European Union budget will change through more significant support for investment expenditure, taking defence policy as an example, and further – whether issues related to security and defence will become European public goods within the next ten years.

The hypotheses used in the research are as follows:

1. The European Union's financial contribution to international security may increase significantly in the 2028-2034 period compared to previous programming periods as a result of the deteriorating geopolitical situation.
2. The projected increase in defence funding at the EU level from 2028 onward will continue to provide only additional support for conflict prevention compared to the actions of Member States.

Cite this Article as: Katarzyna STABRYLA-CHUDZIO Vol. 2025 (25) “ Financing defence policy in the European Union in the context of the geopolitical situation ” Communications of International Proceedings, Vol. 2025 (25), Article ID 4642325, <https://doi.org/10.5171/2025.4642325>

The research methods used include analysis of legal acts and reports of European Union institutions, a review of the subject literature and a comparison of data relating to EU expenditure based on European Commission documents.

Defence policy in European Union regulations

After unsuccessful attempts to create a European Political Community and a European Defence Community, common foreign and security policy as a consequence of European Political Cooperation was reflected in the Single European Act and then, in the 1990s, in the second pillar of the European Union (comp. Brodecki et al., 2006, p. 39-44). Following the changes introduced by the Amsterdam Treaty (1997), the EU budget can finance not only administrative expenditure on Common Foreign and Security Policy, but also operational expenditure, with the exception of expenditure arising from operations with military or defence implications and cases where the Council of the EU, acting unanimously, decides otherwise. Where expenditure is not charged to the Union budget, it shall be borne by the Member States in accordance with the gross domestic product criterion¹, unless the Council decides otherwise (article 41 of TEU).

Currently, under Article 24 of the Treaty on European Union - TEU (2007), the Union's competences in the field of common foreign and security policy also relate to the progressive framing of a common defence policy, which may lead to a common defence in the future.

The Common Security and Defence Policy is an integral part of the Common Foreign and Security Policy. The Union shall have competence, in accordance with the provisions of the Treaty on the Functioning of the European Union – TFEU, 2007), to define and implement a common foreign and security policy, including the progressive framing of a common defence policy (article 2). It provides the Union with an operational capability based on civilian and military assets, with tasks such as conducting peacekeeping missions outside the Union, preventing conflicts, and strengthening international security, in accordance with the principles of the United Nations Charter, being carried out on the basis of capabilities provided by the Member States. The Treaty stipulates that the definition of a common European Union defence policy may be carried out gradually, leading in the future to the creation of a common defence, if the European Council, acting unanimously, so decides. However, it was clearly emphasized that the Union's actions do not prejudice the specific nature of the security and defence policies of certain Member States. It respects the obligations of Member States under the North Atlantic Treaty, which consider their common defence to be carried out within the North Atlantic Treaty Organization (article 42 of TEU).

Since 2017 Member States have been able to participate on a voluntary basis in Permanent Structured Cooperation (PESCO) in the area of security and defence by article 42(6) of the Treaty on European Union. PESCO is open to any EU country which has higher capacities and undertakes to intensively develop defence capacities through the development of national contributions and their participation in multinational forces, in the main European equipment programmes and in the field of defence capabilities development, research, acquisition and armaments (www2).

It should be emphasized that under the TEU, if a Member State is the victim of armed attack on its territory, the other Member States have an obligation to provide it with aid and assistance by all the means in their power, in accordance with Article 51 of the United Nations Charter².

Defence as a supranational public good

External security, as an element of foreign policy and defence broadly defined, is an example of a public good that can be treated as both a national and a supranational public good, depending on the size of the community benefiting from the good. In the latter case, integration efforts may occur on the part of states seeking to unite in the face of a common threat.

Supranational public goods can be considered through the lens of significance, sustainability, and effectiveness (Kleer, 2005, pp. 218-220). The former refers to the scope of their impact. In terms of the sustainability of global goods, it is understood as relating to time (long, medium, short term) and space (i.e., the number of participating states). Certainly, the issue of national defence and conflict resolution between states can have varying durations, just as the joint action of states in the face of natural and man-made disasters can be considered incidental, with their effects potentially lasting. Efficiency, meaning the achievement of intended goals through the provision of a given global public good, encounters significant difficulties in properly assessing the amount of funds that should be allocated to public goods (Kleer, 2005, pp. 221-223). This often stems from the potential effects of providing

public goods, as is particularly evident in the case of national defence or internal security, where the effectiveness of their provision is verified with varying degrees of intensity over time (Kleer et al., 2005, pp. 142-143). Joint financing of transnational public goods may be justified when the domestic policies of one country influence other countries (cross-border policy externalities). Kleer (2015, p. 23) points out that "an element of transnational solidarity appears in global public goods".

Global goods should therefore be characterized through the prism of their potential for shared, i.e., transnational, provision, which does not mean that they cease to be national goods. It can therefore be assumed that, in certain circumstances, when externalities occur across national borders, cooperation between states is necessary to achieve common benefits or solve common problems, which ultimately leads to the former (Yannis, 1996, p. 38).

Another issue is the principle of national interest. Since the legitimacy of decision-making in Member States is based on national interest, demonstrating synergy or harmlessness when pursuing joint action is important. In the field of security, further analysis and debate are necessary before it can be implemented operationally (Buti & Papaconstantinou, 2022).

The literature cites the example of greater efficiency of public expenditure through systematic coordination of defence spending (Moser, 2020), including joint defence procurement, where potential benefits have been estimated at between EUR 22 and EUR 45 billion. This refers to potential savings resulting from reducing duplication of national expenditure. (Teasdale, 2020, p. 138). Coordination and cooperation can prove helpful in the face of real external threats. The potential savings from deeper security and defence integration and joint border controls could be significant.

In the current financial framework, spending on projects with European added value is increasing, but significant shortcomings remain. Historically, many of the most pressing priorities of EU citizens have not been sufficiently addressed in the EU budget, even when they have been the subject of intense EU-wide debate and even legislation. Faced with new geopolitical challenges, including Russian aggression in Ukraine and a redefinition of US priorities, the European Union should focus more on providing pan-European public goods – from design, through implementation, to financing (Felbermayr & Pekanov, 2024, pp. 9-10).

The evolving geopolitical situation and growing concerns about border security are making defence and security spending at the EU level more important (Felbermayr, Pekanov, 2024, pp. 9-10). The European Commission's February 2025 communication emphasized that: "Greater coherence in financing internal and external policies is crucial to better promote the Union's strategic interests. Complementarity with Member States' external actions requires coordination to maximize the effectiveness and visibility of European global investments and cooperation" (European Commission, 2025a).

However, it should be remembered that agreement on joint financing of the EU's external border protection may no longer be so obvious and understandable to citizens, given that EU citizens still approach external security issues more from a national perspective and within their own borders than from an EU-wide perspective, which is evident in the debate on EU migration policy. As a result, economic benefits and economies of scale may be overshadowed by the traditional understanding of national defence.

Directions of defence financing at the European Union level – current status and prospects

The Common Foreign and Security Policy is implemented by the High Representative and the Member States, using national and EU resources (Article 26 of TEU, 2007). According to Eurobarometer surveys from early 2025, 66% of respondents expect the EU to be more involved in protecting them from global crises and security threats (www4; www5), especially since, according to the TEU, Member States are committed to progressively improving their military capabilities (figure 1). In 2024, Member States' defence expenditure amounted to EUR 343 billion, a 37% increase compared to 2021, while defence investments alone increased by 42% compared to 2023, reaching EUR 106 billion. It is estimated that in 2025, these spending will reach EUR 381 billion, representing 2.1% of GDP, with defence investments reaching nearly EUR 130 billion. Defence equipment procurement accounts for over 80% of defence investment, reaching EUR 88 billion in 2024, a 39% increase compared to the previous year (www6).

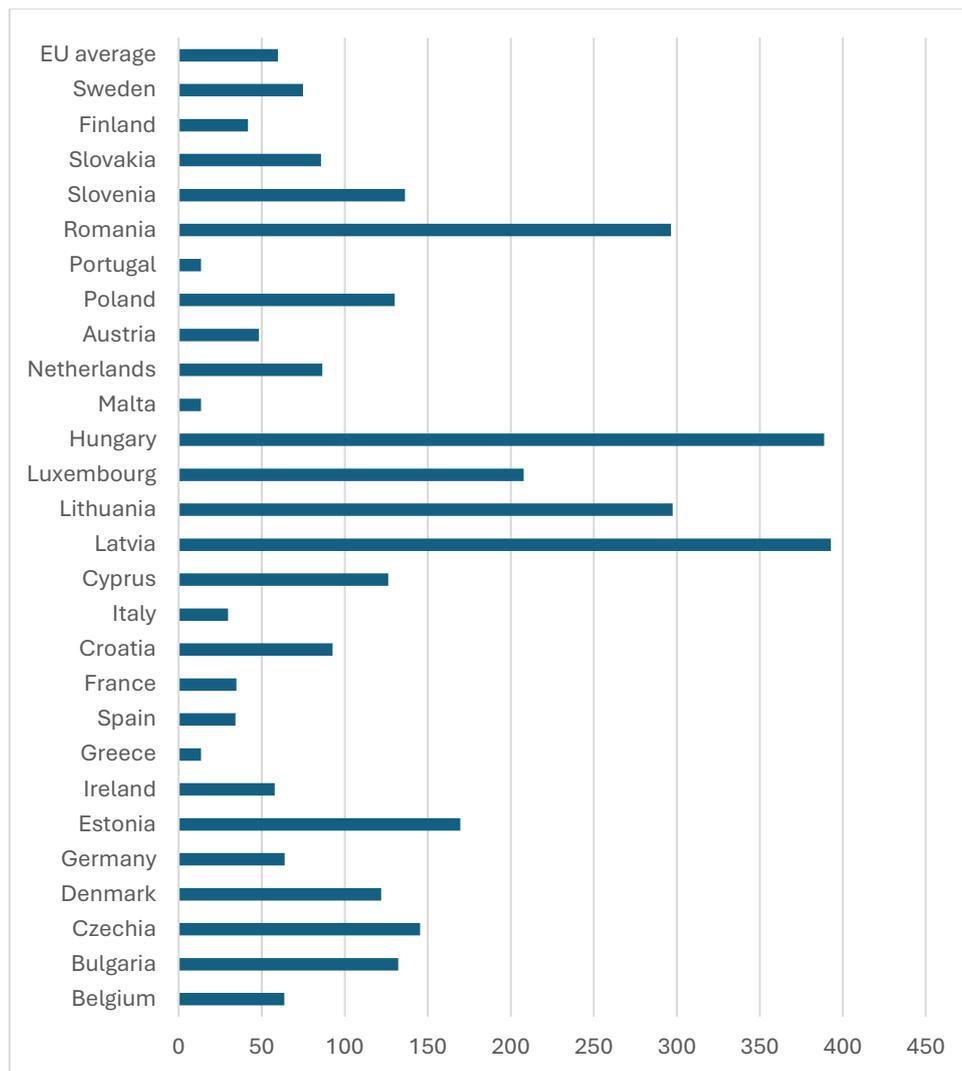


Figure 1. Total general government defence expenditure change by Member State between 2015 and 2023 (in %)

Source: www7.

Global security instability has exposed the neglect of security and defence policy in the European Union. Between 1999 and 2023, defence spending by the EU and its Member States increased by only 40%, compared to 68% in the United States, 523% in Russia, and 651% in China (European Commission, 2025a). Furthermore, some EU countries that are members of NATO have not reached the 2% of GDP defence expenditure target, despite their commitment to this goal (European Commission, 2025b). It should therefore be emphasized that funding for the European Union's defence industry is becoming a key priority, both in the context of deterrence strategy and the shift in the United States' approach to international security, stemming in part from the growing impatience of the American administration with the attitude of European partners, often referred to as "free riding on defence issues" (Fuest & Pisani-Ferry, 2019; Niinistö, 2024, pp. 8-9).

Funding for defence and security in the current MFF has increased significantly compared to the previous one: from less than EUR 500 million in 2014-2020 to EUR 12.8 billion in 2021-2027. However, events since the beginning of implementation have shown that the available amounts were significantly lower than needed. The largest support in the EU budget, at EUR 8.8 billion, comes from the European Defence Fund, which aims to support defence research and development (regulation, 2021). The EU also funds military mobility projects under the Connecting Europe Facility (EUR 1.7 billion). The need to respond quickly to the need to strengthen the EU's defence industry and production led to the adoption of two temporary programs for 2023-2025: the Ammunition Production Assistance Act (ASAP) (regulation, 2023a) and the European Defence Industrial Reinforcement through Common Procurement Act (EDIRPA) (regulation, 2023b), worth EUR 500 million and EUR 300 million, respectively (figure 2). The ASAP program provided direct support to the defence industry to increase its

production capacity, while the EDIRPA (Economic and Rearm Europe) program provided Member States with joint cooperation on defence procurement (European Commission, 2025c; European Commission, 2025d; Wolff et al., 2025, pp. 210–214).

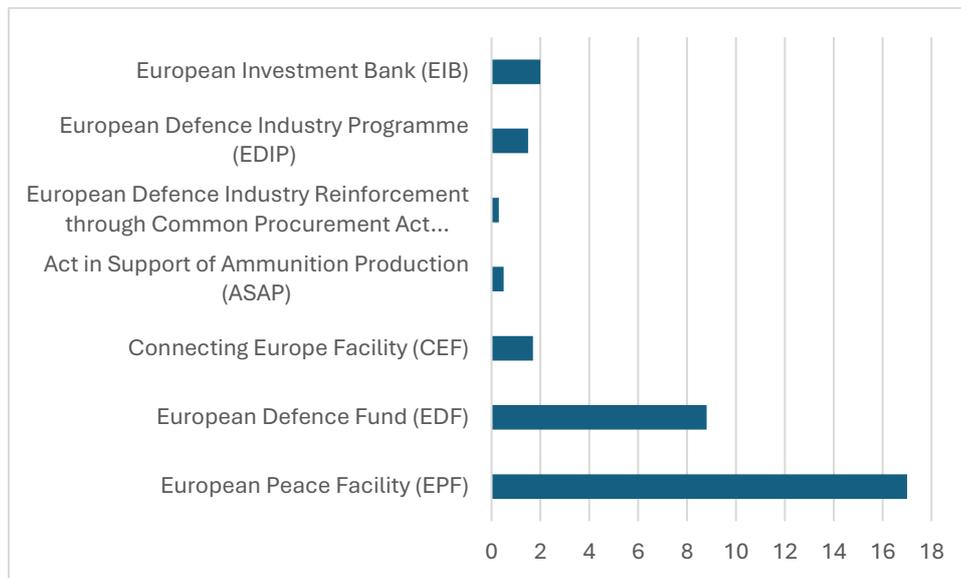


Figure 2. European Union defence funding mechanisms 2021-2027 (in EUR billion)

Source: Wolff et al., 2025, p. 213; [www1](#); [www6](#).

Plans for the Multiannual Financial Framework for 2028-2034 should include funds to support the creation of a European Defence Union, including through the European Competitiveness Fund, which will allocate EUR 131 billion for investments in defence, security, and space, representing five times more funding at the EU level than in the previous MFF. The European Competitiveness Fund will have the following features to facilitate the effective and efficient use of funds (European Commission, 2025b):

- 1) it will support strategic defence technologies at every stage of investment, from research to implementation;
- 2) it will offer a combination of various forms of support (grants, guarantees, private financial instruments), also contributing to risk mitigation of joint defence projects and defence innovation;
- 3) it may support defence projects of common European interest (CEI).

Furthermore, within the framework of national and regional partnership plans, Member States and regions will be able to independently decide on the financing of projects related to defence and threat detection, in line with regional needs and priorities. This will help to improve the competitiveness of the technological and industrial base of the defence and security sectors. The military mobility component of the Connecting Europe Facility will be increased tenfold to approximately EUR 18 billion. It will support investments in dual-use, cybersecurity, and defence infrastructure, and will also ensure the resilience of critical infrastructure. It will also provide funding for cross-border projects in the fields of energy and transport (the ability to transport troops and equipment by rail, land, and waterways, as well as via airports, seaports, and multimodal terminals). In the Horizon Europe framework, dual-use actions, including those on defence applications, would be eligible for support from the EUR 175 billion (European Commission, 2025c).

The new budget also includes increased funding for migration management, strengthening the EU's external borders, and enhancing internal security. EUR 74 billion will be allocated for this purpose – three times more than in the previous MFF (European Commission, 2025c).

The European Peace Facility (EPF) will remain an off-budget instrument for financing expenditure arising from military and defence operations (with expected financing of EUR 30.5 billion), including those strengthening international security. The initial budget of EUR 5.7 billion for 2021-2027 was gradually increased in March 2021 to the current EUR 17 billion (European Commission, 2025c).

An additional increase in defence expenditure of EUR 800 billion by 2030 and the European Union's actions to strengthen defence were presented in March 2025 by the European Commission in the ReArm Europe Plan/Readiness 2030 and White Paper for European Defence – Readiness 2030 (European Commission, 2025e). Greater budgetary freedom is provided for increasing defence spending, including through additional repayable funds financed through jointly borrowed funds (Security Action for Europe - SAFE) (Council regulation, 2025) and the activation of the national escape clause of the Stability and Growth Pact within the EU's fiscal governance framework³. However, the European Commission's ReArm Europe plan does not constitute the introduction of true European public goods implemented at the EU level in the areas of defence and security, as the majority of the additional European defence capabilities (worth up to EUR 650 billion) would be financed and implemented at the national level. Furthermore, the added value of the Security Action for Europe program will be linked to the Commission's ability to convince national governments to use the loans as part of a broader demand aggregation strategy (Beetsma et al., 2025; Markakis, 2025).

Based on applications from nineteen Member States, the European Commission presented a preliminary allocation of loan funds in September 2025, which will be finalized after the submission of national investment plans (table 1).

Table 1. Initial allocation of loan funds to enhance defence preparedness under the Security Action for Europe (SAFE)

Member State	Initial allocation amount (in EUR million)	Share of the allocation amount in the total SAFE program loan funds (in %)
Belgium	8 340.03	5.56
Bulgaria	3 261.70	2.17
Croatia	1 700.00	1.13
Cyprus	1 181.50	0.79
Czechia	2 060.00	1.37
Denmark	46.80	0.03
Estonia	2 660.93	1.77
Finland	1 000.00	0.67
France	16 216.72	10.81
Greece	787.67	0.53
Hungary	16 216.72	10.81
Italy	14 900.00	9.93
Latvia	5 680.43	3.79
Lithuania	6 375.49	4.25
Poland	43 734.10	29.16
Portugal	5 841.18	3.89
Romania	16 680.06	11.12
Slovakia	2 316.67	1.54
Spain	1 000.00	0.67
Total	150 000.00	100.00

Source: European Commission, 2025f.

The SAFE Instrument is a multi-year loan (for a maximum duration of 45 years) guaranteed by the EU budget, complementing EU and national funds, to support urgent and large-scale public investments in support of the European defence industry. The loan availability period, and therefore the approval of payments to the Member State concerned, expires on 31 December 2030. Contractors and subcontractors participating in collaborative procurement contracts must be established and have their management structure within the Union, an EEA EFTA country, or Ukraine. However, to take into account industrial cooperation with non-EU partners, collaborative procurement contracts involving a subcontractor that is allocated between 15% and 35% of the contract value and that is not established or does not have its management structure within the Union, an EEA EFTA country, or Ukraine are eligible for SAFE support under certain conditions. The cost of components originating from outside the Union, the EEA EFTA country, or Ukraine cannot exceed 35% of the estimated costs of the components of the final product (Council regulation, 2025).

Furthermore, Member States and regions can reallocate funds from Cohesion Policy to defence-related investments, including military mobility. To this end, greater flexibility and certain changes have been introduced regarding advance payments of co-financing (European Commission and High Representative of the Union for Foreign Affairs and Security Policy, 2025).

Further priorities include jointly developing European critical defence capabilities and responding – through joint projects such as the Eastern Shield – to the challenges faced by Member States most vulnerable to conventional military threats, while providing ongoing support for Ukraine. Close cooperation with NATO should lead to increased investment in the defence industry, as well as strategic initiatives such as the Drone Alliance, the Eastern Flank Watch, the space defence, and the European air shield (European Commission and High Representative of the Union for Foreign Affairs and Security Policy, 2025).

In October 2025, the EU Council and the European Parliament reached a political agreement on the European Defence Industry Programme (EDIP) (Proposal for a regulation, 2024), which allocates EUR 1.5 billion to support the EU's defence industry between 2025 and 2027. In accordance with the "content produced in the EU" principle, at least 65% of the components of funded projects must originate from Member States or associated countries. The new programme aims to bridge the gap between short-term emergency instruments, including the aforementioned ASAP and EDIRPA, and the EU's long-term objective of ensuring the sustainable readiness of the defence industry. It also complements the European Defence Fund.

Conclusions

Security and defence policy is the exclusive prerogative of EU Member States. However, geopolitical changes in the EU's neighbourhood, along with the growing threat of terrorism, cyberattacks and energy insecurity, have contributed to the emphasis on common security (*Mapping the Cost...*, 2017, p. 170; Ballester, 2013). Linking EU defence and security policy with industrial policy provides opportunities for joint action (Mogherini, Katainen, 2017). Given the cross-border spillovers, some public expenditure could be shifted to the EU level, which would prevent the frequent double-funding of defence tasks (Saulnier, 2020, p. 14-17; 101-112). The emphasis on research and development in defence spending can also have a significant impact on technological progress and, therefore, productivity growth (Musgrave, Musgrave, 1989, p. 165, 167).

The European Commission's proposals for the future Multiannual Financial Framework (MFF) go some way to addressing the observations and recommendations contained in the report by S. Niinistö (2024, pp. 155-163), a Special Adviser to the President of the European Commission, on civilian and military preparedness for broad-based crises. European added value in the area of defence and security capabilities in the new financial framework should address, among others, issues such as (Proposal for a regulation, 2025):

- strengthening the defence industry,
- improving military mobility,
- detecting threats and responding to crises, including by strengthening cybersecurity,
- ensuring the protection, development, and resilience of critical dual-use energy and transport infrastructure to ensure the rapid movement of troops, heavy equipment, and materials on a large scale,
- ensuring a high level of security within the Union in the areas of asylum, migration, and integration, border management, including the functioning of the Schengen area and European visa policy, and supporting the Union's internal security.

The European Commission's proposed change to the structure of the EU budget by creating a common category of expenditure allocated to each country aims to more efficiently and flexibly distribute funds between different areas, enabling Member States to pursue new priorities, such as defence capabilities, or reallocate resources in response to unforeseen challenges or changing political needs, without the need for a new legislative process (Proposal for a regulation, 2025).

If security and defence are treated as a European public good, given the specific functioning of the European Union as an international organization rather than a federal state, then complementarity with the actions of Member States should be considered, with a primary emphasis on positive externalities, including deterrence strategies, and economies of scale. As Buti et al. (2023, pp. 191-200) emphasize, "missionary focus" is also important, meaning support for national cross-border priorities and the EU's international political priorities. However, it is ultimately up to national governments to strengthen their military capabilities in the context of defence policy. It is possible that a continued focus on supporting the domestic arms industry at the expense of

joint projects will continue. Consequently, there is no basis to reject the hypotheses posed at the beginning of this article.

Reconciling different defence policy strategies and encouraging all Member States to make greater financial efforts appears to be a difficult, if not impossible, process. Including non-EU countries in joint efforts is a way to strengthen EU action, but it may involve the involvement of only some Member States.

It should also be remembered that increased defence spending must also be viewed in the context of fiscal policy. Despite the use of the national escape clause, the problems of budget imbalance and rising public debt in some countries will not disappear unless the governments of the Member States implement appropriate systemic solutions. As a result the findings included in this paper do not exhaust the topic due to limited data and leave room for further in-depth and interdisciplinary research.

Acknowledgement

The article presents the results of the Project no. 033/EFF/2025/POT financed from the subsidy granted to the Krakow University of Economics.

Endnotes:

¹ In specific circumstances Member States whose representatives in the Council have made a formal declaration under the second subparagraph of Article 31(1) of TEU shall not be obliged to contribute to the financing of operations having military or defence implications.

² This does not affect the specific nature of the security and defence policies of certain Member States. Article 42(7) TEU is based on the Brussels Treaty (as amended in 1954), which established the Western European Union (WEU), a defence organisation comprising 10 Western European states that, alongside the North Atlantic Treaty Organisation, was the main guarantor of European security after World War II. In 2000, the WEU agreed to gradually transfer its capabilities and tasks to the EU's common security and defence policy. The WEU ultimately ceased to exist in mid 2011 (www3).

³ Up to a maximum of 1.5% of GDP for each year of activation of the national escape clause for a period of four years.

References

- Ballester, B. (2013), 'Common European Defence and Security Policy,' EPRS, European Parliament, Brussels.
- Beetsma, R., Buti, M. and Nicoli, F. (2025), 'The problem of missing European public goods from the ReArm Europe plan,' Bruegel, [Online], [Retrieved July 7, 2025], <https://www.bruegel.org/first-glance/problem-missing-european-public-goods-rearm-europe-plan>.
- Brodecki, Z., Drobysz, M., Majkowska, S., Pyć, D., Tomaszewska, M. and Zużewicz, I. (2006), 'Traktat o Unii Europejskiej, Traktat ustanawiający Wspólnotę Europejską. Komentarz,' Wydawnictwo Prawnicze LexisNexis, Warszawa.
- Buti, M., Coloccia, A. and Messori, M., (2023), 'European Public Goods,' [in:] Cerniglia, F., Saraceno, F. and Watt, A. (eds), 'Financing Investment in Times of High Public Debt: 2023 European Public Investment Outlook,' Open book Publishers, Cambridge, UK, 191-200. [Online], [Retrieved July 15, 2025], <https://www.openbookpublishers.com/books/10.11647/obp.0386>.
- Buti, M. and Papaconstantinou, G. (2022), 'European public goods: How can we supply more,' VoxEU.org, [Online], [Retrieved September 15, 2025], <https://cepr.org/voxeu/columns/european-public-goods-how-we-can-supply-more>.
- Council Regulation (2025) (EU) 2025/1106 of 27 May 2025 establishing the Security Action for Europe (SAFE) through the Reinforcement of the European Defence Industry Instrument, ST/7926/2025/INIT, *OJL*, 2025/1106, 28.5.2025.
- European Commission (2025a), Communication from the Commission to the European Parliament, the European Council, the Council, the European Economic and Social Committee and the Committee of the Regions, The road to the next multiannual financial framework, Strasbourg 11.2.2025, COM(2025) 46 final.
- European Commission (2025b), Commission Staff Working Document Accompanying the document Communication from the Commission to the European Parliament, the European Council, the Council, the European Economic and Social Committee and the Committee of the Regions, A dynamic EU budget for the priorities of the future: the Multiannual Financial Framework 2028-2034, SWD/2025/570 final.

- European Commission (2025c), Communication from the Commission to the European Parliament, the European Council, the Council, the European Economic and Social Committee and the Committee of the Regions, A dynamic EU Budget for the priorities of the future - The Multiannual Financial Framework 2028-2034, Brussels, 16.7.2025, COM(2025)570 final.
- European Commission (2025d), Commission Staff Working Document Accompanying the document Communication from the Commission to the European Parliament, the European Council, the Council, the European Economic and Social Committee and the Committee of the Regions, A dynamic EU budget for the priorities of the future: the Multiannual Financial Framework 2028-2034, SWD/2025/570 final/2.
- European Commission (2025e), 'White Paper for European Defence – Readiness 2030,' [Online], [Retrieved July 12, 2025], https://commission.europa.eu/document/download/e6d5db69-e0ab-4bec-9dc0-3867b4373019_en?filename=White%20paper%20for%20European%20defence%20%E2%80%93%20Readiness%202030.pdf.
- European Commission (2025f), Communication to the College on the notification to requesting Member States of the allocation of the loan amounts pursuant to Council Regulation 2025/1106, Strasbourg, 9.9.2025 C(2025) 6300 final.
- European Commission and High Representative of the Union for Foreign Affairs and Security Policy (2025), Joint Communication to the European Parliament, the European Council and the Council, 'Preserving Peace - Defence Readiness Roadmap 2030,' Brussels, 16.10.2025 JOIN(2025) 27 final.
- Felbermayr, G. and Pekanov, A. (2024), 'Pan-European Public Goods: Rationale, Financing and Governance,' Economic Governance and EMU Scrutiny Unit (EGOV) Directorate-General for Internal Policies, European Parliament, Brussels.
- Fuest, C. and Pisani-Ferry, J. (2019), 'A Primer on Developing European Public Goods,' EconPol Policy Report, No. 16, ifo Institute - Leibniz Institute for Economic Research at the University of Munich, Munich.
- Kleer, J., (2005), 'Globalizacja a państwo narodowe i usługi publiczne,' Polska Akademia Nauk, Kancelaria PAN, Komitet Prognoz „Polska 2000 Plus”, Warszawa.
- Kleer, J. (2015), 'Dobra publiczne: wczoraj – dziś - jutro,' Polskie Towarzystwo Ekonomiczne, Warszawa.
- Kleer, J., Karpiński, A. and Owsiak, S. (2005), 'Spór o przyszłość sektora publicznego,' Polska Akademia Nauk, Kancelaria PAN, Komitet Prognoz „Polska 2000 Plus”, Warszawa.
- 'Mapping the Cost of Non-Europe, 2014–19,' (2017), Hiller, W. (ed.), European Parliamentary Research Service, European Parliament, Brussels.
- Markakis, M. (2025), 'Defence spending and the future of EU finances: The ReArm Europe Plan,' Montesquieu Instituut; [Online], [Retrieved September 16, 2025], https://www.montesquieu-instituut.nl/id/vmlsfw9rz4z8/nieuws/defence_spending_and_the_future_of_eu?colctx=vlndhop3v6vi.
- Mogherini, F. and Katainen, J. (2017), 'Reflection paper on the future of European Defence,' [Online], [Retrieved July 7, 2025], https://ec.europa.eu/commission/sites/beta-political/files/reflection-paper-defence_en.pdf.
- Moser, C. (2020), 'Accountability in EU Security and Defence. The Law and Practice of Peacebuilding,' Oxford University Press, Oxford.
- Musgrave, R.A. and Musgrave, P.B. (1989), 'Public Finance in Theory and Practice,' 5th ed., McGraw-Hill Book Company, New York.
- Niinistö, S. (2024), 'Safer Together Strengthening Europe's Civilian and Military Preparedness and Readiness,' [Online], [Retrieved July 7, 2025], https://commission.europa.eu/document/download/5bb2881f-9e29-42f2-8b77-8739b19d047c_en?filename=2024_Niinisto-report_Book_VF.pdf.
- Proposal for a regulation (2024), Proposal for a Regulation of the European Parliament and of the Council establishing the European Defence Industry Programme and a framework of measures to ensure the timely availability and supply of defence products ('EDIP'), Brussels, 5.3.2024 COM(2024) 150 final 2024/0061 (COD).
- Proposal for a regulation (2025), Proposal for a Regulation of the European Parliament and of the Council establishing the European Fund for economic, social and territorial cohesion, agriculture and rural, fisheries and maritime, prosperity and security for the period 2028-2034 and amending Regulation (EU) 2023/955 and Regulation (EU, Euratom) 2024/2509, COM/2025/565 final.
- Regulation (2021), Regulation (EU) 2021/697 of the European Parliament and of the Council of 29 April 2021 establishing the European Defence Fund and repealing Regulation (EU) 2018/1092 (Text with EEA relevance), PE/11/2021/INIT, *OJ L 170*, 12.5.2021.
- Regulation (2023a), Regulation (EU) 2023/1525 of the European Parliament and of the Council of 20 July 2023 on supporting ammunition production (ASAP), PE/46/2023/REV/1, *OJ L 185*, 24.7.2023.

- Regulation (2023b), Regulation (EU) 2023/2418 of the European Parliament and of the Council of 18 October 2023 on establishing an instrument for the reinforcement of the European defence industry through common procurement (EDIRPA), PE/40/2023/REV/1, *OJ L*, 2023/2418, 26.10.2023.
- Saulnier, J., 'Improving the Quality of Public Spending in Europe. Budgetary "waste rates" in EU Member States,' European Parliamentary Research Service, Brussels 2020.
- Teasdale, A. (2020), 'European added value: The origins of an idea whose time has come,' [in:] 'Realising European added value,' *European Court of Auditors' Journal*, 3, 134-140.
- Treaty of Amsterdam amending the Treaty on European Union, the Treaties establishing the European Communities and certain related acts, *OJ C 340*, 10.11.1997, pp. 1-144.
- Treaty on European Union which adopted the Treaty of Lisbon, signed on 13 December 2007, *OJ C 202*, 7.6.2016, pp. 1-388
- Treaty on the Functioning of the European Union which adopted the Treaty of Lisbon, signed on 13 December 2007, *OJ C 202*, 7.6.2016, pp. 1-388.
- Wolff, G., Steinbach, A. and Zettelmeyer, J. (2025), 'The Governance and Funding of European Rearmament,' *Intereconomics*, 60 (4), 210-214.
- www1, [Retrieved October 10, 2025], <https://www.consilium.europa.eu/pl/policies/defence-numbers/#0>.
- www2, [Retrieved September 23, 2025], <https://www.pesco.europa.eu/about/>
- www3, [Retrieved October 10, 2025], <https://eur-lex.europa.eu/EN/legal-content/glossary/collective-defence.html>).
- www4, [Retrieved October 3, 2025], <https://www.europarl.europa.eu/news/pl/press-room/20250317IPR27385/europejczycy-chca-od-unii-europejskiej-ochrony-i-wspolnych-dzialan>
- www5, [Retrieved October 3, 2025], <https://www.europarl.europa.eu/topics/pl/article/20190612STO54310/obronosc-ue-czy-czeka-nas-europejska-armia>.
- www6, [Retrieved October 3, 2025], <https://www.consilium.europa.eu/pl/policies/defence-numbers/>
- www7, [Retrieved November 15, 2025], https://ec.europa.eu/eurostat/databrowser/view/gov_10a_exp__custom_18911028/default/table
- Yannis, A., (1996), 'Fiscal Federalism and EMU,' Munich Personal RePEc Archive Paper, University Library of Munich, Munich.