

# **EPP GROUP POSITION PAPER**

## **ON THE EU PLAN FOR THE VICTORY OF UKRAINE**

The European People's Party has always been and will continue to be the leading European political force standing together with the Ukrainian people. We continue to lead EU initiatives aimed at supporting Ukraine with military, humanitarian, and financial assistance, aiding the reconstruction efforts and helping Ukraine prepare for integration to EU and NATO.

At this moment the biggest concern and challenge for the EU and the Western world is ensuring long-term military support sufficient for Ukraine to achieve victory and to defeat Russia. Despite the West's economic strength being 25 times than that of Russia's, the Western military support provided during the last years prevented Ukraine from defeat, but was not enough to win the war.

There is an urgent need to overhaul the Western system of military support to Ukraine, which until now was based on individual countries making voluntary decisions regarding military assistance. Our system needs to be transformed into one based on collective decisions and obligations to deliver the necessary support for Ukraine to prevail and win the war. It should also include a collective decision regarding the ramping up of the EU military industry to produce what is needed for defence and victory of Ukraine in the nearest future.

To address these issues, the EPP Group proposes that the EU institutions urgently develop "The EU Plan for the Victory of Ukraine." This Plan would provide the framework for collective EU decisions and the implementation of urgent steps for military assistance to Ukraine necessary for its victory. This position paper presents the basic information and arguments for the preparation of such a Plan.

### **EU PLAN FOR THE VICTORY OF UKRAINE**

- The decisive victory of Ukraine and defeat of Russia are critical to European and global security.
- Everything necessary, including timely military, economic, political and humanitarian assistance to Ukraine must be provided to bring its victory in the war as soon as possible and prevent further erosion of global security.
- Only continued transatlantic unity and resolve in the military support of Ukraine can stop this war and deter future aggression.
- Today's situation is inadequate and unacceptable: despite the fact that the combined Western GDP is 25 times larger than Russia's GDP, in 2023 Western military support to Ukraine amounted to 0.1% of the Western GDP, while Russia spent more than 6% of its GDP on military aggression and Ukraine for its defence - around of 25% of its GDP.
- The low numbers of Western support are the reason why in 2023 Russia managed to spend more than 100 billion euros on aggression, while combined Ukrainian expenditure (with all Western military support) reached only 80 billion euros. These numbers speak to an unsatisfactory truth: until now, Western military support has enabled Ukraine not to lose the war but has been insufficient to achieve victory.
- One of the evident problems during these two years of war is the considerable difference in military support to Ukraine from country to country: during these two years, Lithuania's and Estonia's military support to Ukraine has exceeded 1.2% of their respective GDPs; Norway is not far behind with 0.79% of Norway's GDP, and Germany's growing support has reached 0.43% of Germany's GDP, while France's support is still only 0.02% of its GDP.
- Initial Western military assistance to Ukraine was based on the ability of Western countries to provide assistance with military equipment kept in stocks. After the first two years of war many countries depleted their already small conventional military stockpiles and capabilities by donating their equipment to Ukraine. When the stocks became depleted, Western assistance now depends on ability to produce new

weaponry, which can be delivered to Ukraine. European military industry capacities have started to grow, but still fall below what the EU needs to deliver to Ukraine. Clear evidence of this is the failure to fulfil the promise of the EU to deliver 1 million artillery shells through implementation of EU Plan for Ammunition delivery by April 2024.

- As stated by experts from the Kiel Institute for World Economy, who produce “Ukraine Support Tracker” (<https://www.ifw-kiel.de/topics/war-against-ukraine/ukraine-support-tracker/>): “Newly committed aid has reached a new low between August to October 2023 – an almost 90 percent drop compared to the same period in 2022. Ukraine now increasingly relies on a core group of donors such as the US, Germany, and the Nordic and Eastern European countries that continue to pledge and deliver both financial aid and important weaponry, such as F-16 fighter jets. In the period between August and October 2023 the amount of newly committed aid dropped sharply, with the value of new packages totaling just EUR 2.11 billion – the lowest amount since January 2022.”
- Such an unacceptable situation with Western military assistance to Ukraine demands radical and urgent change in the system of how Western military assistance is provided. Such a change should start from a clear recognition of the main shortcomings of the Western assistance system used until now.
- The failure of the Western democracies to provide enough military assistance to Ukraine to achieve decisive victory is related to three shortcomings of the established support system: the whole system is based on voluntary assistance from individual EU or NATO Member States and lacks the power of collective political will; therefore assistance depends solely on the individual political will of states, which can differ among different countries; in many cases, the assistance of individual states is limited because their capabilities to produce the needed amount of specific weaponry are limited, and it will take time to increase production capabilities.
- So, we can draw a very clear and simple conclusion: such an EU arrangement of military assistance based on individual voluntary decisions of Member States does not produce enough support. If such a system is not changed in the near future, Ukraine will soon face a deep deficit of ammunition and other weaponry. Such a situation must be totally unacceptable to Western democracies.
- We have examples of a more successful collective approach towards EU assistance to Ukraine - the effective adoption of the EU decision to establish the “Ukraine facility” with EUR 50 billion package of financial assistance to Ukraine’s budgetary needs, and also our collective approach towards military assistance – the EU Plan for Ammunition delivery, which despite its shortcomings, is a good example of how the EU needs to act.
- In order to overcome those shortcomings in the Western military assistance system and to assist Ukraine in achieving real victory, the EU and NATO need to have a clear collective Plan for the Victory of Ukraine with real EU and NATO level obligations of long-term uninterrupted military support and with responsibility at the EU level to implement such a Plan within EU Member States.
- Such support needs annually to be larger than 0.25 % of the Western combined GDP for Ukraine to prevail against Russia. If such a level of support is agreed upon, it would generate 2.5-3 times more Western military support to Ukraine than Ukraine received in 2023. It would allow Ukraine to start accumulating the needed reserves to military prevail against Russian forces in 2025-2026.
- In order to achieve such a level of support, there is a need for a collective EU decision that either such a Plan on the EU side is financed from collective EU financial resources (reserves from MFF, or EU borrowing as it was done for the Recovery Fund during the pandemic, or confiscation of Russian frozen assets (up to EUR 300 billion)). It can also be a collective EU decision that each EU Member State needs to deliver no less than 0.25% of its national GDP as annual military support for Ukraine. For the time being, this is not the case, EU Member States vary widely in their military support to Ukraine: according to available data from the “Ukraine Support Tracker”, only five EU Member States in 2023 reached the level of their military support above 0.25% of GDP (See Annex.1)
- The EU Plan for Victory of Ukraine needs to have “plan B” calculations if United States Congress fails to agree on the legislative package, which includes also support for Ukraine. In that case EU need to be ready to step in and to cover those amounts, which US will fail to deliver.

- If the EU Plan for Ammunition delivery covered only the needs of artillery, the EU Plan for Victory of Ukraine needs to include every other military equipment needed for Ukraine's victory. The EU Plan should define a broad set of measures to support Ukrainian Armed Forces in order for Ukraine to gain clear strategic quantitative and qualitative superiority, as well as a massive military technological advantage against the Russian Federation in the next few years in the areas that would cover all the military needs of Ukraine, including: modern drones; state-of-the-art assets for electronic warfare systems; upgraded Ammunition Plan for Ukraine; rocket artillery and MLRS systems; assets for counter-battery, such as precision-guided munition; air defence systems: anti-aircraft guns and anti-aircraft missile systems; fighters, tactical and attack aircrafts; modern assets for breaching mine barriers; reconnaissance and fire complexes to detect and destroy the enemy's engineer equipment for demining; combat training of necessary reserves; logistics, command and control support;
- The EU Plan for the Victory of Ukraine should be developed in the nearest future in close cooperation with Ukraine and NATO partners. The Plan for Victory should be constructed in a similar way as the EU Plan for Artillery Ammunition was designed, also taking into account experience with its shortcomings.
- The EU Plan for Victory should first concentrate on evaluating the real needs of Ukraine to achieve victory in the realistic time frame of the next few years.
- The EU Plan should give clear estimations, of which part of those needs can be covered by Ukrainian military industry production, enhanced and modernized by Western investment, and how much of those needs will be covered by the delivery of the military production and services produced in the West.
- The EU Plan should give clear priority for assistance to the development of the Ukrainian military industry, which can produce what is needed for victory. The EU Plan also should present a blueprint for how the capacities of European military industries will be ramped up in the nearest future to guarantee the supply of the military equipment needed for Ukraine's victory. The EU Plan should also include special legal measures, similar to those implemented during the pandemic, to prevent military goods produced by the EU's military industry from being delivered to third countries before satisfying the needs of Ukraine.
- Delays and strategic ambiguity stimulate global autocracies to exert aggressive foreign policies, including the use of military means. The continuation of assistance is critically important not only for Ukraine, but also is in the most important strategic and national interests of the EU and NATO members states.
- If not defeated, Russia will use Ukraine's territory and resources to threaten European states and Russia will remain a permanent threat to European security. The only way for sustainable peace on the European continent to be achieved is through the defeat of aggressive Russia in Ukraine and thus opening the window of opportunity for transformation of Russia into a normal, non-aggressive European country.
- As stated in the influential analytical paper "Setting Transatlantic Defence up for Success: A Military Strategy for Ukraine's Victory and Russia's Defeat" produced by Estonian Ministry of Defence (<https://kaitseministeerium.ee/en/setting-transatlantic-defence-success-military-strategy-ukraines-victory-and-russias-defeat>): "Guided by this reinforced vision and strategy, 2024 will be a year of strategic build-up and defence for both Ukraine and the Euro-Atlantic community. It will continue to systematically attrite Russian economy, finances, manpower and equipment, before the pace and outlook of defeat for Russia will rapidly accelerate through 2025 as the United States' and Europe's defence-industrial output reaches new levels. With that ever-growing and strengthening resolve, Ukraine will indeed win and Russia will lose by 2026 the latest."

## THE WESTERN MILITARY SUPPORT TO UKRAINE

Data from “Ukraine Support Tracker” produced by Kiel Institute for World Economy (<https://www.ifw-kiel.de/topics/war-against-ukraine/ukraine-support-tracker/>)

“The Ukraine Support Tracker lists and quantifies military, financial and humanitarian aid promised by governments to Ukraine between January 24, 2022 and currently through October 31, 2023.”

Country	A* Military assistance, 2 years, % GDP	B* GDP, 2022 billion EUR	C* Military assistance, 2 years, mln. EUR	D* Military assistance, 1 year, mln. EUR	E* Military assistance, 1 years, > 0.25% GDP	F* Military assistance, 1 year, mln. EUR > 0.25% GDP
Estonia	1.221	36	430	215	0.61	215
Lithuania	1.212	66.8	762	381	0.6	381
Latvia	0.984	39	370	135	0.491	135
Denmark	0.929	376	3504	1750	0.465	1750
Slovakia	0.617	110	680	340	0.31	340
Finland	0.501	267	1410	705	0.25	705
Poland	0.472	657	3036	1500	0.25	1642
Germany	0.425	3870	17130	8070	0.25	9675
Czech	0.414	276	1100	550	0.25	690
Sweden	0.322	561	1941	970	0.25	1405

Bulgaria	0.321	84.6	255	128	0.25	212
Croatia	0.291	66.9	190	95	0.25	167.3
Netherlands	0.259	941	2484	1240	0.25	2350
Luxemburg	0.135	78	110	55	0.25	195
Slovenia	0.112	60	66	33	0.25	150
Greece	0.095	208	192	96	0.25	520
Portugal	0.087	239	36	18	0.25	598
Belgium	0.054	549	306	153	0.25	1372
Italy	0.035	1909	691	346	0.25	4773
Spain	0.025	1327	338	169	0.25	3318
France	0.019	2639	544	270	0.25	6590
Romania	0.002	286	4	2.6	0.25	715
Ireland	0.001	502	4	2	0.25	1255
Austria	0.001	447	3	1.5	0.25	1118
Hungary	-	170	-	-	0.25	425
Malta	-	16.9	-	-	0.25	42.3
Cyprus	-	27	-	-	0.25	67.5
<b>TOTAL:</b>		<b>15809.2</b>		<b>17225.1</b>		<b>40806.1</b>

Country	A* Military assistance, 2 years, % GDP	B* GDP, 2022 billion EUR	C* Military assistance, 2 years, mln. EUR	D* Military assistance, 1 year, mln. EUR	E* Military assistance, 1 years, > 0.25%	F* Military assistance, 1 year, mln. EUR, >0.25%
Norway	0.789	513	3604	1802	0.345	1802
Great Britain	0.222	2703	6566	3783	0.25	6758
USA	0.199	23736	43856	21928	0.25	59341
Canada	0.112	1955	2108	1554	0.25	4887
Australia	0.030	1564	439	220	0.25	3910
Japan	0.001	3910	31	15.5	0.25	9774
<b>TOTAL:</b>		<b>34381</b>		<b>29302.5</b>		<b>86472</b>

A\* - country's total military assistance to Ukraine from 2022/01/24 to 2023/10/31 as a percentage of that country's GDP;

B\* - country's total national GDP in EUR billion, data of 2022;

C\* - country's total military assistance to Ukraine from 2022/01/24 to 2023/10/31, in EUR million;

D\* - country's military assistance to Ukraine over a one-year period, in EUR million;

E\* - forecast of country's military assistance to Ukraine in 2024, as a percentage of its GDP, given that the countries agree to provide assistance of at least 0.25% of their GDP. It is assumed that the countries currently providing military assistance greater than 0.25% of GDP will continue to provide the same level of assistance;

F\* - forecast for 2024 of country's military assistance to Ukraine, in EUR million (if the countries agree to provide assistance of no less than 0.25% of their GDP). It is assumed that the countries providing military assistance greater than 0.25% of GDP will continue to provide the same amount of assistance;