

US, NATO Explore Streamlined Defense Funding Plan for Ukraine

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The United States and the North Atlantic Treaty Organization (NATO) are developing a new funding mechanism aimed at expediting military aid to Ukraine. The initiative, according to sources familiar with the discussions, would allow NATO member states primarily in Europe to finance American-made weapons shipments directly, enabling a faster response to Ukraine's battlefield needs.

As reported by *Reuters* and confirmed by European officials, the proposed framework centers around Ukraine submitting procurement requests in packages estimated at approximately \$500 million. These requests will list priority defense items, known collectively by the acronym PURL (Prioritized Ukraine Requirements List). NATO allies, under the coordination of NATO Secretary General Mark Rutte, will then determine who among them will supply or finance each item.

The new strategy is intended to simplify and accelerate the flow of equipment by bypassing traditional U.S. military sales channels, which are often delayed by bureaucratic procedures. Instead, member nations would provide payment to the United States in advance to allow for rapid replenishment of American stockpiles. Technical discussions regarding the payment system are ongoing, including the specific method for transferring funds.

A U.S. official familiar with the plan noted that the proposal marks a significant departure from past protocols and reflects a growing urgency among NATO members to provide sustained support to Ukraine's defense efforts. NATO hopes to channel up to \$10 billion in military assistance through this system, although exact contributions will depend on allied consensus and national budgets.

To facilitate the plan, legislation known as the PEACE Act (Providing Equipment and Assistance for Conflict Emergencies) has been introduced in the U.S. Congress. The act would establish a dedicated fund at the U.S. Department of the Treasury to receive and manage contributions from NATO countries. This fund would reimburse costs for equipment transferred to Ukraine and support the accelerated delivery of critical systems.

In a separate development, Germany announced its intent to send two Patriot missile defense systems to Ukraine. The first components, including launchers, are scheduled to be delivered in the coming months, with the remainder of the system arriving afterward.

This initiative follows a broader pledge made by NATO allies in April, when member nations committed more than €20 billion in additional military support for Ukraine. The new mechanism represents a step toward deeper transatlantic cooperation on defense logistics while reinforcing NATO's long-term strategy in the region.