

## UK to Pay for Seat at €150 Billion EU Defence Table

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— Categories: Defence & Security



The UK is set to contribute financially to the European Union's new Security Action for Europe (SAFE) defence fund, a €150 billion initiative created to bolster EU military capabilities and counter Russian aggression.

As part of the arrangement agreed at the UK–EU summit in London earlier this year, Britain signed a Security and Defence Partnership outlining how UK industry might participate in the fund and secure contracts. However, EU officials have insisted that third countries such as the UK must ensure a “fair balance of contributions and benefits”. This means that any UK firm winning a SAFE-funded contract, such as for drone systems, missiles, or air defence platforms, will trigger requirements for Britain to reimburse Brussels accordingly.

Negotiations over the UK’s financial contribution are ongoing. France is advocating a larger fee to protect the EU’s internal defence priorities, while Germany is pushing for a more flexible approach aimed at encouraging British involvement. The timeline is tight, with expressions of interest in the fund’s first wave of defence projects due imminently and full proposals required by November.

Under current SAFE rules, UK-made components may make up no more than 35 per cent of any funded weapons system unless the UK secures more favourable thresholds, such as a “European preference” clause that would lift that ceiling to 65 per cent. UK ministers are actively seeking terms that would enable British firms, including BAE Systems, Rolls-Royce, and Babcock, to compete on a level playing field.

Defence Minister Luke Pollard has confirmed that the UK now qualifies to engage with SAFE following the ratification of the new EU–UK Security and Defence Partnership. British officials argue that participation in SAFE will provide valuable industrial opportunities, support skilled jobs, and improve interoperability with European allies, all while maintaining post-Brexit sovereignty.

From a centre-right perspective, the move is a pragmatic step that balances strategic necessity with economic opportunity. It allows Britain to play a key role in European security architecture without compromising independence or re-entering the EU's internal market. However, the financial commitments required must be justified by tangible benefits to UK industry and national security.

Ultimately, the success of this engagement will depend on securing fair terms, protecting British defence interests, and ensuring that participation in EU initiatives complements, rather than competes with, the UK's NATO-first defence strategy.