

Anchoring militarized Ukraine in the European order

A case for a clear post-war path to EU accession

Melania Parzonka

INTRODUCTION

The defence-industrial partnership has been one of the most successful avenues of EU-Ukraine cooperation. This cooperation was born out of the demands of the war, as European defence stocks shrank and Ukraine expanded its own defence-industrial base. It is an example of successful pre-accession integration ahead of the [July 2026 opening of the Cluster 6](#) of accession negotiations, which contains a chapter focusing on alignment with the EU Foreign, Security and Defence Policy. Today, Ukraine is becoming increasingly self-sufficient in terms of the weapons supply, while also reducing dependency on European and American partners on technology. This was illustrated by the fact that Ukraine allocated a portion of the first two disbursements of the defence component of the Ukraine Support Loan (€ 4.9 bn total), on procurement of drones from their domestic industry. This tendency will only further be reinforced by the [EU-Ukraine defence partnership](#) (so-called 'Drone Deal') and resulting cooperation on joint projects. This is part of a larger trend where the EU now invests in its own security by covering the majority of Ukraine's military spending, as well as drawing from its war experience to reinforce own defence industry. Whilst supporting short-term goals, these actions need to be weaved into a longer-term strategy for Ukraine, with the objective of supporting a successful recovery and demilitarisation at the end of the war.



How has the EU been supporting Ukraine's defence?

The EU budget does not allow for funding lethal combat operations but foresees financing defence research and development. As a result, historically, military support provided in line with the Common, Foreign and Security Policy was drawn from the extra-budgetary European Peace Facility (EPF). In the early months of Russia's full-scale invasion, support from the member states manifested in direct donations of equipment to Ukraine. In years 2022-2023, the EPF was used to reimburse some of those donations – until the mechanism was blocked by Hungary. Later, funding for military procurement has been disbursed to Ukraine from the EPF thanks to ERA loans from frontloaded revenues from Russian frozen assets pooled together by the EU and G7.

This model, which mainly relied on Ukraine's allies providing the equipment, has since evolved significantly: shifting from the emphasis on material support to defence-industrial cooperation. The pivot began in 2024, in anticipation of the diminished American engagement in Ukraine. That's when the [European Defence Industrial Strategy \(EDIS\)](#) was published, in which Ukraine emerged as an indispensable partner for European defence industrial readiness. The document factored Ukraine's defence needs into the EU's industrial strategy, naming the country a crucial partner to expanding the European Defence Industrial-Technological Base (EDITB).

This initiated the progressive inclusion of Ukraine into EU's funding for defence-industrial reinforcement. A dedicated Ukraine Support Instrument was included in the €1.5 bn European Defence Industrial Programme, and the country received a partner status in SAFE (based on which member states can procure with, and from Ukraine). As of July 2026, Ukraine is finalising its association with European Defence Fund (EDF), which will allow for it to join European defence R&D projects. EU opened a dedicated Defence Innovation Office in Kyiv, tasked with coordinating R&D projects between the partners, informed by real-life battlefield challenges identified by Ukraine. Recently signed EU-Ukraine Drone Deal, which envisions joint production of drones and counter-drone systems before the end of 2026 further accelerates this trend.

From the European perspective, obstacles with intellectual property, the differing demands of military activity in Ukraine and peacetime rearmament across Europe, have become limitations to such defence cooperation. Despite many partnerships signed, few production lines for Ukrainian defence products have been opened in the EU: notable examples include Germany's Quantum System [co-production of the drone Linza](#) in cooperation with Ukraine's Frontline Robotics, and [ongoing construction of the Fire Point's solid rocket fuel factory in Denmark](#). The main beneficiary of this trend has been Ukrainian defence industry, whose production capacity has been [growing year on year](#). The growth of Ukraine's defence industry will be further enabled by the immense EU Ukraine Support Loan, with €60 bn dedicated to Ukraine's military procurement. The first two tranches totalling €4.9 bn were [disbursed in June and July](#), and a significant part of this aid is expected to be [spent on procurement](#) of domestically produced drones.

The EU's funding for Ukraine's defence-industrial complex positively influenced the relationship: it expanded Ukraine's warfighting capacity, fostered business connection between the two sides, and tied member states to continued support of Ukraine war effort. But as Ukraine progresses on the integration path, this discussion paper highlights the risks associated with the wartime evolution of the state.



What are the resulting risks for post-war Ukraine?

Since obtaining candidate status, Ukraine managed to maintain a firm pro-EU course, and despite internal and external obstacles, open the two first negotiation clusters. On the integration route, many obstacles still remain: systemic corruption, much overdue reform of the judiciary, and creating state

capacity for handling the responsibilities that come with the EU membership. The war will have a lasting impact on Ukraine's social, political and economic life, which will create an additional set of problems that will need to be addressed as part of the accession process.

1. Emergence of a new political class shaped by the war

The capital flowing to bolster the Ukrainian defence industry will inevitably create a new class of wealthy entrepreneurs. Simultaneously, the pre-existing political class is being reinforced by money from the defence sector ([Fire Point's alleged connection to Zelensky's](#) closest circles being an example). Beyond the defence industry, members of the Armed Forces of Ukraine [which rank the highest in terms of public trust](#) will hold a lot of political power in future elections. Already, polls show former [General of Ukraine's Armed Forces Valerii Zaluzhnyi](#) as one of the top contenders for the presidential office in the event of a presidential election.

The next election to Verkhovna Rada will most likely see many contenders from the military, which will represent the large section of the society with military experience. Moreover, by the end of the war, there will be an entire generation of people who have not voted in general elections in their entire adult life. With the last presidential and general election taking place in 2019, as of 2026, there are people turning 25 this year who never voted in their lives – many of them having their entrance to adulthood shaped by the war and resulting limitations to civilian life.

2. Ukraine ends up with huge surplus weapons production and many untraceable weapons as soldiers get demobilised

Defence is now the fastest growing segment of Ukraine's economy. Currently, its capacity [exceeds](#) what the state can procure, causing strong pressures from the defence sector on liberalising exports. After the war, Ukraine's defence sector will push for large scale export of its war-forged technology – which will call for close oversight of where it goes. Separately, the agile weapons delivery system, together with deregulation and fragmentation of defence production will create issues with traceability of weapons down the line.

3. Economic and demographic problems

Currently, Ukraine relies entirely on foreign macro-financial assistance to preserve state function. Despite growing state revenues due to wartime taxes, Ukraine's economy is in poor shape, with economic growth [hampered by the war-related damages to business, high prices, and energy deliveries disruptions](#). According to the Ukrainian parliament's Budget Committee, in the first half of 2026, [more than 37% of total budget](#) expenditure was covered by international aid. A sizeable share of the support comes from the EU's Ukraine Support Loan, through which Ukraine will receive €16.7 billion directly into its state budget ([out of €135 billion total projected expenditure](#) for 2026).

Economic tensions are further exacerbated by the labour force shortage caused by the shrinking of working age population due to emigration and the war. Ukraine's [total fertility rate \(TFR\) of 1 birth per woman](#) is amongst the lowest in the world. According to the [Ptoukha Institute for Demography and Social Studies of the National Academy of Sciences of Ukraine](#), Ukraine's population fell from 42 million in 2022 to 35.5 million in 2024.

4. Wartime centralisation of power

Martial law and the progressing centralisation of power in the presidential office (due to both emergency wartime powers and deliberate action) took a toll on Ukraine's political life. This has been

highlighted by the recent wave of protests in response to the removal of a highly popular defence minister Mykhailo Fedorov, understood by some as Zelensky's attempt to eliminate a potential political challenger – similar to appointing general Zaluzhnyi as the ambassador to the UK back in 2024, thus preventing him from meaningfully engaging in politics inside Ukraine.

The ongoing corruption probes concerning top political class in Ukraine, raise questions about the country's ability to embrace systemic change in the longer term. The latest in line for corruption allegations is [Olha Stefanishyna](#), the former deputy prime minister for Eurointegration, and last Ukrainian ambassador to the US, accused of illicit enrichment. However, on the upside it shows that Ukraine's anti-corruption bodies are able to do their work – crucially, given that their level of effectiveness and independence will be one of the benchmarks for closing the [first EU accession negotiations cluster](#).



Argument: Without anchoring Ukraine in the EU at the end of the war, demilitarisation and re-democratisation following lifting of the martial law will be difficult.

As the EU and other international partners play a growing role in developing Ukraine defence industry and funding its military procurement, boosting the country's military capacity needs to come with a clear vision of what will be expected from Ukraine after the war. This must be linked with fulfilment of steps in the accession process. The end goal of the accession process should be to support successful recovery and state building in post-war Ukraine: prevention of a formation of a new oligarchic class, demilitarisation of the society (to the degree possible), and bringing required reform.

As the war continues, transparency measures are needed: a good example is the mechanism behind Ukraine weapons procurement with money from the Ukraine Support Loan. For each tranche, Ukraine places a list of purchases, which are then approved by DG DEFIS for full transparency. Once approved, funds are disbursed from a dedicated account in Germany. Even though the total amount of funding available and the scale of procurement made thorough monitoring of orders impossible – yet it forces Ukrainian producers to comply with a set of requirements, such as transparent ownership. When it comes to bilateral projects, the urgent requirements of the war may prevent European partners from demanding full transparency of political ties from Ukrainian producers – but down the line, this issue may pose tough question on possible [nationalisation](#) of defence companies linked to individuals under investigation for corruption.

Once a permanent ceasefire or a peace deal is reached, Ukraine will most likely choose the so-called "Israel model" and retain high military readiness and defence production. Even if security guarantees are present, the last 12 years of negotiations between Russia, Ukraine and other intermediaries show that Russia is unwilling to step down from maximalist demands. This will not allow for the full demobilisation of the state and may pose a significant obstacle to European integration.

The progress on adoption of *acquis* and progressing reforms should thus be seen as a tool to anchor Ukraine in democratic liberal values of Europe. Completion of the reforms foreseen in the Cluster 1 focusing on fundamentals will build a solid institutional base and bring systemic change. Close cooperation between the EU and Ukraine and pressure to follow the accession roadmap should be aimed to strengthen democracy as the post-war government forms. Successful EU accession process should thus be accompanied by security guarantees, for example by EU active participation in peacekeeping (which could act as a deterrent against Russia). Experience from other successful decommissioning of weapons should be used to minimise the threat of post-war violence.

In terms of economic recovery, clear prospect of membership should help attract FDI for reconstruction of the state, building investors trust. It could also help tackle the demographic issue, but it would require elastic solutions that would allow for protection of the domestic labour market. On one hand, Ukraine's EU membership would ease the pressure on those who emigrated to pick between retaining a resident status in their current host country and going back to Ukraine. On the other hand, this could lead to draining of the already strained labour market as people would seek better opportunities in other European states. One solution would be to delay of the full labour market access for the post-accession transition period, aiming to prevent outflow of labour force which would further hit Ukraine's economy. This, however, would impact the remittances, which will be an important source of funding for the reconstruction. The post-transition period should thus introduce measures that would stimulate circulation migration, without further strain on Ukraine's demography.