



# The EU-Australia security and defence agreement: Not a pact but a partnership

## Summary

- The Security and Defence Partnership (SDP), signed in March 2026 by Australia and the European Union, opens a new chapter in a bilateral relationship previously focused on trade and investment.
- The SDP offers a legally non-binding framework for more security and defence cooperation, from defence procurement and intel-sharing to countering of hybrid threats.
- For the Australian defence industry – both small and large – the agreement offers a pathway to benefit from Security Action for Europe (SAFE), the EU's financing instrument for strengthened defence readiness.
- For the EU, Australia is a key addition to its global network of like-minded security partners, in particular Australia's geostrategic position in the Indo-Pacific and its experiences in dealing with foreign interference and cyber threats.
- The SDP fits a trend of the United States' allies forming new partnerships, but it should be seen as mutually beneficial and complementing, not replacing, existing and longstanding alliances, including those with the US.

## Introduction

After initial hesitation, negotiations on an EU–Australia Security and Defence Partnership (SDP) commenced in earnest in November 2025. The agreement offers the EU an opportunity to diversify its foreign and defence policy engagement, while providing Australia with access to European defence procurement and industrial initiatives.

The agreement with Australia marks the EU's 11th SDP in just two years. Australia is the fourth Indo-Pacific partner – after Japan, South Korea and India – and the third member of the Five Eyes intelligence community, alongside Canada and the United Kingdom, to enter such a framework.

The partnership represents a significant step in EU–Australia relations, elevating cooperation beyond its traditional focus on trade and investment. However, as with previous EU-Australia initiatives, its value will ultimately depend on whether it delivers concrete outcomes rather than remaining a largely declaratory framework.

## A partnership, not a treaty

SDPs are instruments through which the EU engages like-minded partners on foreign, security and defence policy. Introduced under the EU's Strategic Compass in 2022, these partnerships support the union's ambition to become a more capable global geopolitical actor.

Importantly, SDPs are legally non-binding. They codify shared priorities and areas of alignment between the EU, its 27 member states and partner countries, but do not entail mutual defence obligations or alliance-type commitments.

While the EU's SDPs with Indo-Pacific partners may resemble NATO's partnerships in the region, the arrangements are not institutionally linked. Unlike NATO, which remains geographically focused on the Euro-Atlantic, the EU has demonstrated its ability to deploy civilian and military missions further afield, including in the Indo-Pacific, as it did with the Aceh Monitoring Mission from 2005 to 2006.

For Australia, the SDP complements an already dense network of bilateral security arrangements (which includes the defence alliance with Papua New Guinea and a defence agreement with Indonesia; the longstanding alliances with the US and New Zealand; the Five Eyes intelligence-sharing grouping; and participation in various multilateral groupings, such as AUKUS and Quad).

## *The EU has a strong interest in strengthening its understanding of China's strategic behaviour*

### *An expansive security agenda*

The EU–Australia SDP builds on an already substantial foundation of cooperation, including arrangements such as:

- the 2010 Security of Information Agreement that allows for exchange of classified information;
- the 2015 legal arrangement allowing Australian experts and Defence Force personnel to deploy to EU crisis management missions and operations; and
- the permanent presence of the Australian Federal Police at Europol, the EU police organisation, since 2007.

The EU–Australia SDP consolidates this and expands the remit into a more comprehensive framework on issues such as defence procurement, hybrid threats, space and critical technologies, and maritime and climate security. Annex 1 contains a list of issues covered in the partnership.

However, experience with similar frameworks suggests that implementation remains the key challenge. Previous EU–Australia initiatives have stalled due to limited delivery capacity, a lack of tangible projects and a prioritisation of other partners and partnerships.

## *From talks to delivering stronger capabilities*

Much of the SDP's activity will initially take the form of staff-to-staff discussions that enable the exchange of information, practices, policy and intelligence assessments as part of existing dialogues.

Existing EU–Australia sectoral dialogues include cyber; counterterrorism; non-proliferation and disarmament; and space. Additionally, the EU and individual EU member states participate in the Australia-led Countering Foreign Interference (CFI) network.

While valuable, such exchanges alone are insufficient to sustain momentum. To succeed, the partnership requires visible and practical initiatives.

***Defence cooperation:*** Australia would benefit from participation in the next iteration of the EU's SAFE instrument, which supports joint defence procurement among member states. The current round is worth 150 billion euros. Subject to an additional agreement, preferential access would allow Australian firms – where compliant with EU and NATO standards – to compete more effectively in European markets at a minimal participation fee for Australia.

***Hybrid threat cooperation:*** Australia and the EU are well placed to jointly sponsor a cross-regional platform focused on greater awareness, regional resilience and preparedness against hybrid threats. Brussels and Canberra are similarly concerned with increased challenges of hybrid threats, non-military coercion and foreign interference affecting nations in the Indo-Pacific. Australia's experience with the CFI ministerial and taskforce is an indispensable asset, while the EU's lessons in countering Russia's hybrid warfare are instrumental to the region.

***Strategic insights in a region increasingly dominated by China:*** The EU has a strong interest in strengthening its understanding of China's strategic behaviour. The EU's description of China as a 'partner for cooperation, an economic competitor and a systemic rival' reflects Australia's judgment. Australia's deep expertise – for example, on issues such as defence and maritime security developments in the South China Sea and around Taiwan, and domestic resilience against foreign interference and United Front work – offers valuable insights. Structured cooperation in this area could significantly enhance the EU's situational awareness and policy responses.

***Economic security coordination:*** Australia also has an interest in aligning more closely with EU economic security tools. Around 2020 and 2021, when Australia was also subjected to economic punishments, the EU designed its Anti-Coercion Instrument to introduce economic countermeasures.

Increased coordination with the EU and other like-minded partners such as Canada, Japan and South Korea could strengthen collective resilience.

While technically not part of the SDP, strategic investments schemes such as Horizon Europe, which will receive 93.5 billion euros between 2021 and 2027, would provide additional leverage to deepen collaboration in defence-related foundational research and development between European and Australian universities. Given the insecure state of technology partnerships and talent flows, closer cooperation with Europe justifies the requirement for Australia to enter an association agreement and make a financial contribution.

## High ambition requires resources and presence

Delivering on this ambitious agenda will require sustained political attention and improved coordination.

The implementation of the EU–Australia SDP will be monitored through an annual security and defence dialogue held at the level of senior officials. But practical effectiveness will require ministerial-level engagement and support.

Australia’s foreign and defence ministers have made regular trips to Brussels, but senior leaders from both sides will need to increase their reciprocal visits. For example, the EU’s High Representative for Foreign and Security Policy last visited Australia in 2018, while Ursula von der Leyen’s visit from 23 to 25 March will be the first time that a European Commission president has visited in 14 years.

Coordination challenges also persist on the European side. The multiplicity of EU institutions and member-state initiatives often leads to duplication in areas such as cyber, counterterrorism and critical-infrastructure protection. This places a disproportionate burden on Australia’s smaller bureaucracy.

In addition, while the EU has an Indo-Pacific Strategy, it will need to recognise that Australia’s strategic imperative is different from other regional powers such as Japan and South Korea.

Japan and South Korea have sought deeper ties with Europe – through both the EU and NATO – in pursuit of trade security, supply chain resilience and markets for defence exports. This has included Tokyo’s objective of establishing a NATO liaison office. For Canberra, the US alliance remains the single most foundational and essential partnership, including engagement with the US defence industry market.

Australia is also different to Five Eyes partners, the UK and Canada. Both countries are politically and militarily tied to security and defence developments on the European continent, particularly given their status as NATO members.

However, Australia is a significant non-NATO contributor to Ukraine and was proudly involved in NATO-led operations in areas such as Afghanistan and Iraq.

Addressing these challenges and navigating competing pressures will require greater roles for the EU ambassador in Canberra and the Australian mission in Brussels. It also calls for expanded involvement from coordination groups in Brussels, such as the Political and Security Committee, as well as thematic and geographical Horizontal Working Parties, including the Asia-Oceania Working Party.

## *For Canberra, the US alliance remains the single most foundational and essential partnership*

### Conclusion

The EU–Australia Security and Defence Partnership marks a significant evolution in bilateral relations, reflecting a growing convergence of strategic interests in an increasingly contested global environment. The common challenges and opportunities mean that security should be a priority.

Rather than being a response to concerns about US reliability, the SDP should be seen as the coming together of liberal-democratic partners that share values, principles and interests and maintain strong commitments to global security and stability.

Its potential is substantial. Realising that potential will require concrete flagship initiatives and sustained political commitment, without which the partnership risks remaining largely declaratory. Delivering tangible outcomes – particularly in strengthening defence industry cooperation, countering hybrid threats, and ensuring economic security – will ensure that the SDP becomes a meaningful instrument of strategic cooperation.

## Annex 1: Content of the EU–Australia security and defence partnership

Title	Description
Support to Ukraine	Coordination of military and non-military support to Ukraine, and of political consultations that promote a comprehensive, just and lasting peace based on international law.
International crisis management	Collaboration between respective crisis response centres, such as the European External Action Service’s Crisis Response Centre and the Australian Department of Foreign Affairs and Trade’s Crisis Hub. Where appropriate, opportunities for Australia to participate in EU crisis response missions.
Maritime security	Coordination of capacity building in the Indo-Pacific using relevant EU and Australian programs. Organisation of joint exercises and port calls. Monitoring and coordination of actions in combating operations of Russia’s shadow fleet.
Defence (industry) initiatives	Exchanges on defence initiatives, including on defence industry. Exploration of possible cooperation avenues.
Cyber	Continuation of the regular cyber policy dialogue, including coordination of positions in multilateral forums such as the United Nations and the Association of Southeast Asian Nations Regional Forum, and approaches to platform and data governance.
Countering hybrid threats	Cooperation in research and analyses of hybrid threats; and sharing of approaches to critical infrastructure protection, cybersecurity and foreign interference.
Disinformation/foreign information manipulations and interference	Exchange of information and analyses in relation to disinformation, coordination of response activities.
Counterterrorism and countering violent extremism	Development of activities to address various aspects of terrorism, radicalisation and prevention efforts, both offline and online. Coordination in multilateral forums.
Non-proliferation and disarmament	Consultations on arms control – including weapons of mass destruction, conventional weapons and new forms of dual-use weapons – and responsible use of AI in the military domain and lethal autonomous weapons.
Space	Development and promotion of norms, rules and principles of responsible behaviour in outer space in UN and other forums.
Critical technologies	Exchanges on security and resilience of emerging disruptive technologies, including the development of international governance efforts on the responsible use of AI.
Capacity building for partners	Coordination of ongoing and new efforts to strengthen capabilities in security and resilience in the Pacific and Southeast Asia.
Climate security nexus	Cooperation in efforts addressing security implications of climate-related impact on defence, as well as efforts that enhance the resilience of vulnerable regions.
Economic security	Support for energy security, resilience of supply chains and secure sourcing of critical minerals essential for defence, and their economic and technological security, as well as protection of our most sensitive research and technology. Coordination on responses to economic coercion.
Women, Peace and Security agenda	Exchange of best practices and lessons learned on implementing the WPS agenda, ensuring gender equality remains a political and security priority.
Peace mediation and conflict prevention	Cooperation in peace mediation and conflict prevention, including through security and defence policy instruments, joint support to third states, and sharing of best practices and methodologies.
Human security	Collaboration on issues including protection of civilians, vulnerable populations and provision of humanitarian assistance. Exploration of means to address the fight against transnational organised crime, including aspects of human trafficking, migrant smuggling and narcotic drugs.

**About the author:** Bart Hogeveen is a Senior Fellow and Director Europe at ASPI. AI contributed no ideas to this report.

**Explainers:** Are short analyses that raise awareness of both existing and emerging security and defence policy challenges facing Australia and the region.

**Cover image:** President Costa and President von der Leyen meet with the Prime Minister of Australia, copyright European Union, [online](#).

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