The European Deterrence Initiative: A Budgetary Overview

Background

The European Deterrence Initiative (EDI) is a Department of Defense (DOD) effort to "enhance the U.S. deterrence posture, increase the readiness and responsiveness of U.S. forces in Europe, support the collective defense and security of NATO allies, and bolster the security and capacity of U.S. allies and partners," according to the DOD *European Deterrence Initiative Fact Sheet*.

EDI began as the European Reassurance Initiative (ERI) in June 2014. The Obama Administration launched it primarily as an effort to reassure U.S. allies in Europe of a continued U.S. commitment to their security in the wake of Russia's 2014 invasion and occupation of Ukraine's Crimea region and instigation of conflict in eastern Ukraine. As tensions with Russia mounted, the focus of the program broadened from reassuring allies to deterring Russian aggression. DOD began referring to the program as EDI in 2018.

Today, EDI is a key funding source for U.S. European Command's (EUCOM) posture adjustments in response to the evolving European security environment, also referred to as Operation Atlantic Resolve. EDI has enabled the first increase in U.S. military forces in Europe since the end of the Cold War. This includes the rotational deployment of an Armored Brigade Combat Team (BCT), mostly in Central and Eastern Europe. Two BCTs, one Stryker-equipped and one airborne infantry, are permanently stationed in Europe—in Germany and Italy, respectively. A prominent objective of EDI has been to enable rapid military mobilization to Central and Eastern Europe in order to respond quickly to military aggression in the region.

Congress has supported EDI since its inception in FY2015, its first appropriation of $985 million. Between FY2016 and FY2019, Congress authorized significant annual increases in EDI funding as requested. Funding for the effort peaked at $6.5 billion in FY2019, and was $6.0 billion in FY2020 and $4.5 billion in FY2021. The Biden Administration has requested $3.7 billion for FY 2022.

Some Members of Congress raised questions about the reduced funding level requested by the Trump Administration for FY2021 and may echo these concerns regarding the Biden Administration's FY2022 request. The Biden Administration has sought to address some of these concerns, including by announcing in April 2021 that it was reversing a Trump Administration plan to withdraw up to 12,000 of the approximately 35,000 U.S. troops stationed in Germany and instead would deploy 500 additional troops to U.S. bases in the country.

During the Trump Administration, critics, including some Members of Congress, also questioned the rationale behind the deferral of EDI projects—totaling $772 million in 2019 and $316 million in 2020—to fund the U.S.-Mexico border

wall and the aforementioned reported plan to withdraw U.S. troops from Germany. Other congressional voices have urged European allies to increase military investments to augment EDI and related NATO deterrence efforts.

FY2022 Budget Request and Funding Levels

Figure 1 illustrates annual funding levels for EDI. The FY2022 request for the initiative is 19% less than the amount appropriated in FY2021, and, if enacted, would represent the third consecutive year of reduced funding. Through FY2021, the initiative received funding designated for Overseas Contingency Operations (OCO). For FY2022, the Biden Administration requested funding for EDI and other enduring operations in the base budget as part of a broader effort to discontinue requests for OCO as a separate funding category. The Administration has said it remains committed to EDI and, more generally, to European security.

The FY2022 EDI budget request would support an "average strength" of 9,954 active, reserve, and guard personnel deployed in the EUCOM theater, in addition to those assigned there. These include 9,452 Army, 459 Air Force, and 43 Navy personnel participating in EDI activities in Europe. As of February 2020, about 74,000 U.S. personnel were permanently stationed in Europe.

Figure 1. EDI Budget FY2015-FY2021

(In billions of dollars)
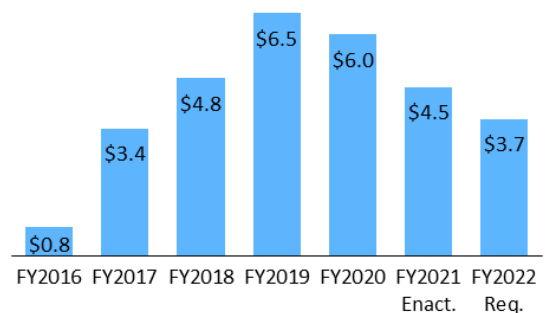
Source: Under Secretary of Defense (Comptroller).

EDI Focus Areas

Since its inception, EDI has divided its funding into five categories. **Figure 2** shows the funding trends of each category. The following are descriptions and selected highlights based on the FY2022 EDI budget request.

Increased Presence ($1.47 billion in FY2021, $1.24 billion requested in FY2022) is the largest funding category and provides EUCOM with a larger military presence intended to deter and respond to regional adversaries. A significant component of this line of effort is Army Rotational Forces, which create a constant U.S. military presence in Eastern

Europe through a nine-month rotational deployment of an Armored BCT.

Enhanced Prepositioning ($1.94 billion in FY2021, $1.19 billion requested in FY2022) supports the prepositioning of equipment and material to allow military forces to increase readiness and deploy rapidly, if needed.

A large component of Enhanced Prepositioning is the Army Prepositioned Stocks (APS)**,** which stores large sets of equipment to reduce the demand on strategic transportation assets in the event of a conflict. APS locations include Belgium, Germany, Poland, and the Netherlands.

Improved Infrastructure ($436.4 million in FY2021, $648 million requested in FY2022) is intended for the construction and improvement of infrastructure and facilities to support military readiness and operations. These improvements apply to U.S. airfields, bases, and training ranges in Europe. The FY2021 improvements focused on Germany and Romania, totaling $264 million.

Building Partnership Capacity ($409 million in FY2021, $380.3 million requested in FY2022) is designed to build and strengthen the capacity of European allies to defend themselves, respond to regional crises, and operate with U.S. forces.

- **The Ukraine Security Assistance Initiative** falls under this category. EDI has included separate funding for Ukraine annually since the inception of the program. The FY2022 EDI budget requests $250 million in security assistance to Ukraine in the forms of "intelligence support, personnel training, lethal equipment and logistics support, supplies, and other services." Despite EDI funding decreases, funding to Ukraine has remained at $250 million for the past three years.

Exercises and Training ($293.8 million in FY2021, $228 million requested in FY2022) supports U.S. involvement in exercises to increase cohesion between U.S. and NATO forces and deter aggressive regional actors. This focus area funded the "Defender-Europe 20" exercise, which intended to mobilize the largest deployment of U.S. troops to Europe in the past 25 years. The exercise began in early 2020 but was cut short due to the COVID-19 pandemic. Exercises have resumed in 2021.

Figure 2. EDI Budget Focus Areas, FY2015-FY2022
(In billions of dollars)
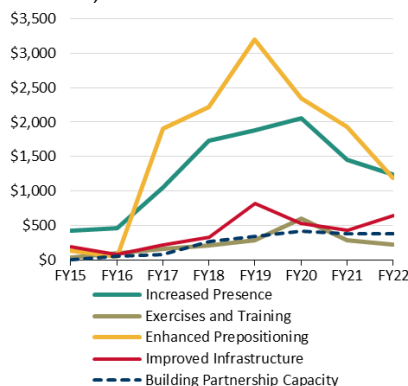
Source: CRS analysis based on Undersecretary of Defense Comptroller information, available at https://comptroller.defense.gov/Budget-Materials/.

Note: FY2022 numbers show requested amounts.

Considerations for Congress

As EDI enters its eighth year of existence, Members of Congress may assess the degree to which the program aligns with broader congressional security and defense priorities in Europe, including deterring Russian aggression. Areas of interest might include the following:

- **NATO/European Contributions.** Although it is not a NATO program, EDI is widely viewed as a U.S.-led cornerstone of broader NATO efforts to deter Russian aggression in Europe. As Administration requests for EDI funding have decreased, some Members of Congress have urged Europeans to increase contributions to NATO efforts.

- **Rotational vs. Permanent Troop Deployment.** In pursuing EDI's objectives, the relative cost of rotational forces versus a permanent military presence in Central and Eastern Europe may be of interest. This may include evaluating the prospects for a new permanent U.S. military presence in Europe and Russia's potential response to a new permanent U.S. base in Central or Eastern Europe.

- **Longer Term EDI Planning.** EDI has been funded through OCO funding rather than the base budget. Unlike DOD's Future Years Defense Program (FYDP), which includes projected funding over five years, OCO funding was typically planned for one year at a time. In recent National Defense Authorization Acts, Congress instructed the Administration to shift EDI funding to DOD's base budget, in part to signal to allies long-term U.S. support for the effort. Some Members of Congress may wish to learn the Biden Administration's longer term plans for the program.

- **Changing Security Environment.** Nonconventional challenges from Russia, such as information warfare, are increasing. Congress may assess the extent to which EDI addresses these, as well as other more conventional security challenges.

CRS Products

CRS Report R46066, *NATO: Key Issues for the 117th Congress*, by Paul Belkin

CRS In Focus IF11130, *United States European Command: Overview and Key Issues*, by Kathleen J. McInnis and Brendan W. McGarry

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