

Portuguese Defense Strategy and Spending

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KEY TAKEAWAYS

Portugal's military has been underfunded for decades, and Portugal will need to increase defense spending to meet its security needs.

Portugal does, however, punch above its weight in certain contributions to NATO, especially in air policing and anti-submarine warfare operations.

Portugal plays an important role in Africa, contributing to stability operations and counterpiracy, especially in the Gulf of Guinea.

In Portugal's official Strategic Concept of National Defence, the country's interests are defined as "affirming its presence in the world, consolidating its insertion in a single network of alliances, defending the state's affirmation and external credibility, valuing Portuguese communities and contributing to the promotion of peace and international security."¹ Throughout the document, there is an emphasis on a commitment to collective defense against a variety of threats, as well as to international agreements and security ties in Euro-Atlantic and Lusophone spaces.

Understandably, the defense strategy's focus is maritime protection. Given Portugal's long Atlantic coastline, island communities, and large exclusive economic zone (EEZ), maritime defense is highlighted throughout the strategy, being needed to combat piracy, defend Portugal's trade links, and secure lines

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of communication. These lines of communication matter to NATO thanks to the optionality they add to Atlantic Bridge–style operational planning. The strategy emphasizes that Portugal is “inseparable from its increased maritime dimension.”²

The strategy rightly prioritizes Portugal’s need to defend its national sovereignty, support NATO and EU missions, secure the Azores and Madeira, and contribute to global peace. However, even though Portugal’s strategic language aligns with Lisbon’s and NATO’s needs, the country’s defense posture fails to meet the growing demands of today’s geopolitical environment. This is largely due to decades of underfunding that has left a noticeable gap between aspiration and ability.

Legacy of Decades of Underfunding

Portugal’s current defense shortfalls are not the result of recent policy decisions alone: They are the result of chronic underinvestment in its Armed Forces. Since the end of the Cold War, Lisbon and other European governments have benefited from a peace dividend that has allowed them repeatedly to deprioritize military modernization in favor of domestic spending priorities.³ Domestic spending on infrastructure and education, for example, is perfectly justified, but substantial budget outlays on initiatives like climate change policy and migrant social welfare are a distraction from the core needs of the Portuguese state and an absolute negative for the people of Portugal generally.

From the 1950s through the 1970s, defense spending remained modest, often under \$1 billion annually, reflecting Portugal’s limited global military posture and enduring economic constraints. The Portuguese colonial wars (1961–1974) temporarily pushed spending to nearly 6 percent of GDP by the late 1960s, but the 1974 Carnation Revolution brought a sharp and enduring retrenchment in military focus and funding. Throughout the 1980s and 1990s, spending levels remained consistently low, hovering around 1.5 percent or less. This continued despite Portugal’s efforts to modernize politically and economically through democratization and accession to the European Union (EU).

Following the 2008 global financial crisis, Portugal was forced to implement austerity measures that slashed defense spending even further. By 2014, the defense budget had dropped to \$2.64 billion with a majority of spending allocated to personnel costs, leaving minimal funds for equipment procurement, maintenance, or innovation.

In 2025, Portugal spent 2 percent of GDP on defense.⁴ This figure has improved from a low of 1.24 percent in 2017, but Portugal has a long way to go to make up for lost capacity during its years of underinvesting in its armed forces.⁵

Portugal contributes where it can but lacks the capabilities to operate independently or lead regional security efforts. This hampers NATO's southern flank and increases pressure on U.S. assets in the Atlantic, diverting resources that would be better spent elsewhere.

To Lisbon's credit (and unlike neighboring Spain), Portugal agreed to the new NATO standard of a 3.5 percent minimum for core defense spending and 1.5 percent minimum for associated infrastructure spending at the 2025 NATO Summit in The Hague.⁶ This means that between now and 2035, significant amounts of new funding should be available for Portuguese defense priorities, especially the Portuguese Navy, anti-submarine warfare (ASW) operations, and stability operations in Africa.

Atlantic ASW and Baltic Air Policing

It is regrettable that Portugal's military has been underfunded, because the Portuguese Armed Forces (Forças Armadas Portuguesas) consistently punch above their weight in certain national security spheres, including ASW and NATO's Baltic Air Policing.

Portugal's important role in ASW operations includes tracking Russian submarines transiting Portugal's extensive EEZ in the Atlantic. Portugal's geographic position gives it unique importance in this sphere. The Azores archipelago, located in the central Atlantic, serves as a critical node for detecting Russian submarine activity and supporting transatlantic military logistics. Portugal's maritime patrol and surveillance assets, while limited in number, contribute to NATO's Maritime Command (MARCOM) and participate regularly in multinational ASW exercises. Portugal recognizes this role and the need to upgrade available ASW assets. A 2023 deal between the Portuguese and German governments authorized the Portuguese Air Force to acquire six P-3C Orion maritime patrol aircraft from Germany, and deliveries began in 2024.⁷

Portugal has also been a reliable contributor to NATO's Baltic Air Policing mission and has deployed F-16 fighter jets on multiple rotations since 2007. In 2024 and again in 2025, Portuguese F-16Ms stationed in Lithuania and Estonia as part of the Baltic Air Policing mission conducted dozens of intercepts of Russian military aircraft approaching NATO airspace.⁸

Joint Base Access in the Azores

One especially positive aspect of U.S.–Portuguese relations is the joint access to Lajes Field, a Portuguese Air Force base on the island of Terceira in the Azores. Lajes Field, situated 900 miles from mainland Portugal,⁹ serves Europe, Africa, and the Americas as a critical transatlantic link.

Originally constructed by the U.S. in 1944 to support Allied operations during World War II, the runway at Lajes has evolved into an essential hub for U.S. and NATO activities. The Azores host the 65th Air Base Wing that enables movement of warfighters, warplanes, and strategic communications.¹⁰ Among all U.S. Air Forces in Europe (USAFE) bases, Lajes has the largest ramp space—“about 21% of the total ramp size in square miles”—and therefore can accommodate a wide range of aircraft.¹¹ The ramp size is particularly advantageous during large-scale operations because it enables staging, maintenance, and rapid turnaround of multiple aircraft simultaneously. Lajes Field also supports “hot-pit” refueling, a process that allows aircraft, including advanced assets like the B-2 stealth bomber, to refuel while their engines remain running.¹² This dramatically reduces ground time and enables quick redeployment of strategic assets without the need for an extensive infrastructure footprint. These sorts of capabilities, by supporting flexible responses across the Atlantic into Europe, Africa, and the Middle East, make Lajes Field a crucial location during crisis scenarios.

The Portuguese Navy

The Portuguese Navy has an especially impressive historic legacy and plays an important role in NATO to this day. The Portuguese Navy is among NATO’s largest and includes attack submarines, frigates, corvettes, and patrol boats. As Portugal expands its defense budget as part of the new agreement for NATO members to devote 3.5 percent of GDP to core defense spending, the Portuguese Navy is the natural place for new spending to start in alignment with the government’s Strategic Concept.

Portugal is planning to extend the service life of its *Vasco da Gama*-class multi-purpose frigates in addition to adding upgrades for modernization.¹³ Portugal is further working to develop a replacement for its existing fleet of coast patrol vessels by a fleet of eight new disruptive multi-purpose platforms.¹⁴

Portugal in Africa

The Portuguese Navy plays a vital role in protecting transatlantic sea routes.¹⁵ To help combat the rapid acceleration of maritime piracy and

transnational terrorism, Portugal conducts many operations in the Sahel and West Africa, particularly in the Gulf of Guinea.¹⁶ Portugal has especially close security cooperation with São Tomé and Príncipe, where Portuguese naval vessels routinely engage in joint training and operations.¹⁷ In 2023, for example, the Portuguese ship *Centauro* became the first Speed Inspection Motorboat in the Portuguese Navy to cross the equator.¹⁸ The vessel's service along the coast of West Africa has included search and rescue support and training to help the São Tomé and Príncipe Coast Guard to combat maritime piracy in the area.¹⁹ *Centauro* furthers this mission with updated technology and capacity as part of Portugal's continuing efforts to maintain a security presence in the region and assist with stability operations.

Portugal's "Open Sea" initiative, enacted in 2008, maintains cooperation initiatives and secures international commitments to provide security in this key trade region, through which large quantities of oil exports transit. Former Portuguese Defense Minister Helena Carreiras has described maritime African operations as "fundamental to our economic and social development" while acknowledging "huge challenges for maritime security, such as piracy, high sea crime, illegal, undeclared and unregulated fisheries, or pollution."²⁰ Carreiras also has called for a change in dismal EU defense spending trends: "We must take decisive steps...to ensure the security of Europe. This encompasses two things: that our armed forces are interoperable, capable, and combat ready, and that we have a strong, competitive European Defence Industrial and Technological Base."²¹

The Gulf of Guinea and the other oil-producing regions of Western and Southern Africa, with their hydrocarbon, mineral, and fisheries resources, hold global strategic importance. The Gulf of Guinea produces about 60 percent of African oil, accounting for 4.5 percent of global proven oil reserves, and further economic growth is projected for the coming years.²² African energy security and development hold particular interest for Portugal, which receives nearly one-fifth of its oil imports from Angola alone and maintains strategic relationships with several of its former colonies.²³ This economic relationship is likely to accelerate in the coming years as oil exploration in the Gulf of Guinea increases. Nigerian oil exploration dominates headlines, but São Tomé and Príncipe is making strides as well with major new oil exploration initiatives drawing investment from companies like Shell and Petrobras.²⁴

Portugal also has maintained a strong anti-terrorist presence in the Central African Republic, a nation that has experienced decades of violence, instability, and humanitarian crises.²⁵ A Portuguese force of approximately 200 personnel, which is part of a wider United Nations mission, has played

an integral role in peacekeeping operations.²⁶ The largest contingent of Portugal's Deployed National Forces, this force's posture has been described as one of a more aggressive "peace-enforcement" nature involving combat that is unusual for peacekeeping missions.²⁷ Portugal is the only NATO member state in the Central African Republic mission, and its successful operations have demonstrated Portugal's ability to contribute meaningfully to stability operations in Africa.²⁸

Portugal has played a critical role in stability and defense-strengthening capacity across the Community of Portuguese Speaking Countries, holding exercises with partner countries, supporting peacekeeping roles, building capacity, managing crises, and providing humanitarian assistance.²⁹ Under a recently signed bilateral strategic cooperation deal with Cape Verde, Portugal will invest through 2026 in security cooperation, including upgrades to technical police forces and civil protection efforts.³⁰ The two countries have also collaborated on previous defense efforts. Cape Verdean forces participated in a Portuguese-led European Union mission in Mozambique, for example, that included capacity-building and training initiatives.³¹ This mission has improved the Mozambican government's ability to curb the spread of ISIS-linked Islamist groups in the country's north.

Portugal's strategic location, access to bases, and long history in the region all leave it well positioned to take a leading role in stability operations in Africa—a role that should be applauded by the United States.³²

Policy Recommendations

To fulfill the goals laid out in its Strategic Concept of National Defence—"affirming its presence in the world, consolidating its insertion in a single network of alliances, defending the state's affirmation and external credibility, valuing Portuguese communities and contributing to the promotion of peace and international security"—the government of Portugal will need to take several concrete actions. Specifically, it will need to:

- **Invest in the Portuguese Armed Forces.** First and foremost, if Portugal is to play the important role in international security that is contemplated in its strategic documents, Lisbon will need to increase defense spending so that it aligns with the rest of NATO in reaching the new 3.5 percent core defense spending minimum by 2035. The Portuguese Armed Forces are professional but underequipped.

- **Acquire more advanced and more numerous anti-submarine warfare capabilities.** Portugal's role in ASW in the Atlantic is important to NATO and one of the most critical capability gaps that Portugal can fill for the alliance. Building on its recent deal with Germany, Portugal should consider acquiring more P-3C Orion aircraft or the newer P-8 Poseidon aircraft.
- **Invest in the Portuguese Navy.** The Portuguese Navy is especially important to Portugal's strategic needs and needs new warships, including more submarines and frigates. Portugal's new Coastal Patrol Vessels in particular are a promising new addition and deserve funding and additional planned procurement.
- **Continue and expand its role in stability operations in Africa.** Portuguese soldiers and sailors have played important roles in conducting stability operations all around Africa, but especially in the Lusophone community. Maintaining and strengthening these ties helps to keep these countries stable and growing economically (thus reducing the risk to Europe) and acts as a counterweight to Chinese influence in the region. Portuguese contributions to stability in Africa also act to stem the trafficking of people and drugs to Europe, which should be seen as one of the primary goals of European governments.

Conclusion

American conservatives should support Portugal's efforts to increase defense spending and play a continuing and expanding role both in NATO operations and in stability operations in Africa. Portugal is a long-standing friend and ally of the United States, and both countries have an interest in a Portugal that is capable of defending its sovereign interests.

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