

NATO's 1.5 Percent Infrastructure Target

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KEY TAKEAWAYS

NATO's 3.5 percent of GDP core defense spending target is needed to build capability, but its 1.5 percent target should not be used to pad the overall figures.

The standard for what counts as spending toward the 1.5 percent target should be credible improvements in NATO operations.

Securing 5G/6G networks, improving logistical hubs, and upgrading dual-use transport networks should be prioritized in European NATO allies' 1.5 percent spending.

President Donald Trump's message of peace through strength succeeded at the June 2025 Hague Summit of the North Atlantic Treaty Organization (NATO) when America's European allies rose to the occasion and agreed to spend 5 percent of GDP on defense annually—3.5 percent devoted to core defense spending and 1.5 percent focused on dual-use infrastructure—no later than 2035.¹ This determination was incorporated in the United States' National Security Strategy² and National Defense Strategy as a core example of allied progress.³

The novel inclusion of dual-use infrastructure spending as part of the 5 percent goal merits particular attention. The value of establishing the purpose and limits of the 1.5 percent target is illustrated by the categories of spending outlined in NATO guidance: “to inter alia protect critical infrastructure,

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defend networks, ensure civil preparedness and resilience, innovate, and strengthen the defence industrial base.”⁴ To ensure a positive return on investment, NATO allies’ 1.5 percent spending over the next few years should prioritize upgrading their transport networks to dual-use standards, securing 5G/6G (fifth-generation/sixth-generation) telecommunications, and expanding and improving logistical hubs like ports and airfields.

This effort is especially important because the 1.5 percent category has yet to be fully defined. The meaning of the 3.5 percent core defense spending category is clear: It consists of traditional military spending like procurement, personnel, operations and maintenance, and research and development. The meaning of the 1.5 percent category is less clear, and it is critical that it be defined so that spending advances the national security needs of individual member states and of the Alliance as a whole while avoiding creative accounting by politicians who may wish to get credit from NATO for defense spending while actually channeling funding toward domestic political priorities that are unrelated to defense.⁵

Some of this spending will have positive economic effects as well. Expanding port and air facilities, for example, yields economic as well as defense benefits for the countries that make such investments. However, this should be seen as an additional benefit and not as the primary goal, which is the enhancement of national security.

Military Mobility: Getting Forces from Here to There

One key to NATO’s military value is the ability to unify military capabilities across a broad range of countries that together represent a strategic overmatch against any aggressor that violates the Alliance’s territorial integrity. However, because of Europe’s long frontier to the east with Russia, the ability to realize this vision depends on the ability to move troops and equipment across the Alliance to meet any potential invasion, and this remains problematic.⁶

Analysts have identified the most pressing categories of physical infrastructure bottlenecks including rail capacity and interoperability, airlift limitations, and roads and bridges that are unfit for military transit.⁷ Unfortunately, the extent of these shortfalls, particularly with respect to rail and road capacities, depends on a mapping of military travel corridors from a military transit perspective that is still underrealized.⁸

Two projects, one under physical construction and one still in the concept stage, provide examples of the right kind of vision for strategic physical infrastructure investment under NATO’s 1.5 percent target.

- The first project, Rail Baltica, is currently under construction to lay European standard-gauge tracks linking Estonia, Latvia, and Lithuania with Poland (with a Finnish connection ultimately in view as well).⁹ The project will bolster connections between the Baltic trio and their continental allies while overcoming historic patterns of rail connections focused toward Moscow. It will also provide a new North–South corridor for efficient movement of NATO military personnel for deterrence and defense operations.
- The second, the Iron Rhine strategic railway, would revitalize a key East–West railroad connector from Belgium’s port of Antwerp to Germany’s Ruhr region, from which it could then be routed on to eastern flank allies.¹⁰

Using 1.5 percent of GDP defense spending to revitalize these routes and others would enhance resilience and military mobility throughput from western allies to respond to eastern flank incursions and allow dynamic rebalancing of forces from north to south in the event of a conflict.

East–West military mobility also needs to be a priority for Poland. Specifically, a substantial amount of Poland’s 1.5 percent of GDP spending should be focused on ensuring that American and Western European troops can move quickly across Polish territory to reach Lithuania in the event of a Russian attempt to seize the Suwalki Gap, link Belarus with Kaliningrad, and cut off Estonia, Latvia, and Lithuania from resupply and reinforcement by land.

Securing 5G/6G Telecommunications Networks: A Strategic Imperative

The United States has expressed its concerns about dependence on Chinese telecommunications networks across presidential Administrations from both parties stretching back publicly to 2019 following enactment of the National Intelligence Law of the People’s Republic of China (PRC) in 2017.¹¹ Different allies and groups have responded in different ways, from suggesting guardrails¹² all the way to continued dependence on Chinese equipment.¹³

Recent illicit activity by and on behalf of the Chinese government further demonstrates the unacceptable risks.

- Revealed in late 2024 with effects unfolding into 2025, the Salt Typhoon attack was a multi-year effort allegedly linked to

PRC-associated threat actors that infiltrated major telecommunications companies in the United States with intrusions bleeding into foreign markets.¹⁴ With its concentration on the telecommunications sector and widespread potential security damage, Salt Typhoon provides a compelling case study of the need to remove and prohibit adversary and high-risk hardware from allied telecommunications networks.

- In March 2025, police conducted raids and arrests related to a corruption investigation implicating Huawei in graft and forgery connected to the European Parliament.¹⁵
- And in May 2025, the Czech government publicized a Chinese hacking campaign that targeted the Czech Foreign Ministry and resulted in unauthorized access to diplomatic cable traffic.¹⁶

The nature of these critical threats to European telecommunications networks has begun to influence governments' next steps. German Chancellor Friedrich Merz, for example, has stated that Germany will not allow Chinese 6G components,¹⁷ and the European Commission has presented legislative proposals that would mandate a three-year phaseout of high-risk providers (which Huawei and ZTE were designated in separate frameworks).¹⁸ Yet while 5G telecommunications networks appear nearly frictionless on a personal user level, they are composed of significant infrastructure components that include radios, antennas, fiber links, data processing, power backup, and energy management.¹⁹

Thankfully, government defense-related infrastructure spending under the 1.5 percent target is perfectly suited to meet the perceived threat with funding to replace adversarial suppliers with allied suppliers like Ericsson and Nokia.²⁰ Replacing Chinese-owned telecommunications equipment with European-owned telecommunications equipment is beneficial from both a security and an economic perspective and is a priority that should be embraced across the NATO Alliance.

Expanding Logistical Hubs to Ensure Allied Reinforcement Capabilities

The Netherlands, Belgium, Germany, Poland, and Norway should invest heavily in their port architecture as part of their 1.5 percent spending. Ports like Rotterdam, Antwerp, Bremen, and Rostock, for example, are critical to

ensuring that the United States (and to a lesser extent Canada and Britain) can surge military equipment into Europe in the event of a conflict. Ports available for accepting large military supply ships need to be both resilient and redundant, able to withstand the Russian air and missile attacks that would be likely in the event of a war with enough options available to ensure that the loss of any one port does not cripple NATO resupply and reinforcement efforts. Investments in port resilience should be focused on expanding capacity at the biggest and most important ports, as well as hardening infrastructure to make it less susceptible to either conventional or asymmetric attacks. The hardening of targets to protect them from missile attack at civilian sites of critical military importance is a worthwhile use of infrastructure spending. Investments to increase port redundancy should prioritize expanding capacity at smaller ports so that planners can also consider their use in the event of a conflict.

Norway's ports are similarly important for surging troops and equipment into the Baltic region, especially because Russia would likely advance across multiple approaches against NATO in the event of an attempt to seize the three Baltic States. Norway also serves as a linchpin for deterrence in the North Atlantic and Arctic, and investment in its port infrastructure is an investment in both European and American Arctic security.²¹ Canada, as another Arctic security linchpin, should likewise prioritize infrastructure investments in the Arctic, especially investments in airfields that can support a wide range of military aircraft and in ports.²² Infrastructure investments in the Baltic States will need to be focused on expanding capacity to receive and house troops and supplies arriving from Western Europe and the United States. The Baltic governments are already pursuing investments in barracks and training that are necessary to achieve this goal.²³

Away from the Front

The logistical warfighting requirements for infrastructure spending in the Baltics, Scandinavia, Poland, Germany, the Netherlands, and Belgium are relatively clear; funding should be focused on military mobility and key logistics hubs that are related to deterring Russia from attacking frontline states like Estonia, Latvia, Lithuania, Poland, and Finland. Further from the front, however, this clarity decreases, and NATO planners need to ensure that 1.5 percent defense spending funds are used wisely to benefit both the national security needs of the host country and the collective deterrence needs of the Alliance.

In the Mediterranean, for example, 1.5 percent infrastructure outlays do not necessarily have to relate to deterring Russia, but they should still relate to the needs of collective deterrence and security in Europe as a whole. As the United States pivots toward China, the number of U.S. air and naval assets in the Mediterranean may decrease as ships are sent to the Indo-Pacific and some U.S. bases are closed. For European security, investments by Mediterranean NATO members may well be spent most effectively to upgrade naval and air facilities for use by national militaries and NATO allies across the region. Greece, for example, may decide that upgrading naval logistics hubs to support extended operations in the Eastern Mediterranean by the French and Italian navies is in the interest of both Athens and the Alliance generally.

Countries with land borders that face the challenge of mass migration, such as Spain, Greece, Bulgaria, and Turkey, may well decide to use their 1.5 percent defense investments to enhance border security, to include physical barriers. NATO should also endorse this as a legitimate category of 1.5 percent national security infrastructure spending in view of the potential security threats that undefended borders present in terms of terrorism and espionage.

Policy Recommendations

1. **Map and upgrade European transit networks for military mobility.** NATO planning should prioritize deterrence in the Baltic States against Russia, as this is the most likely conventional threat to the Alliance. To support this, 1.5 percent spending from Northern European states should prioritize East–West military mobility, with money allocated to ports, railways, roads, and airfields.
2. **Replace Chinese suppliers with Western suppliers in telecommunications networks.** Because China supports Russia’s war in Ukraine and uses its networks to spy on Europeans, Europeans have an obvious interest in replacing Chinese suppliers like Huawei with European suppliers in their telecom networks.
3. **Expand logistical hubs to ensure allied reinforcement.** In the event of a major war, it will be imperative that mainland Europe has the ports and airfields needed to receive reinforcement and resupply from the United States, Canada, and Britain. Investing in these ports has the additional benefit of expanding economic opportunity and

should be the top priority for much of Europe when looking at options for 1.5 percent spending options.

4. **Guard against creative accounting.** Investments in Europe's infrastructure to support national security goals are an existential concern; politicians should not be allowed to get away with categorizing domestic political priorities as national security spending, and NATO should refuse to include spending on such domestic priorities in its official spending numbers. Abuses like this are especially unfair to NATO member states that invest responsibly in the national security infrastructure that they and the Alliance as a whole need.

Conclusion

The 1.5 percent spending goal within the 5 percent of GDP defense spending minimum is a solid, workable idea that will be hugely beneficial to European security within the NATO Alliance if properly applied and rigorously followed. NATO should guard against creative accounting and enforce standards that lead to infrastructure spending that contributes to the legitimate security goals of NATO's member states and the Alliance generally. Expanding NATO's ability to deter Russian aggression, expelling Chinese companies that spy on European NATO member states and replacing them with European companies, and investing in the infrastructure needed for the enhanced role that Europeans will soon play in their own collective security are all worthwhile initiatives within this spending category that NATO should formally embrace at the 2026 NATO Summit.

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