

22 January 2026

NATO's North-eastern Flank 2026



Fredrik Schiller is a former Swedish Ambassador to Bosnia and Herzegovina and to Eritrea. He is an economist and advisor primarily on wider European affairs, the Horn of Africa and international organisations. He has served at the United Nations, in the UN Development Programme (UNDP) and the Organization for Security and Cooperation in Europe (OSCE). He is a conflict specialist with solid experience of operational crisis management and recovery and is strongly committed to innovative solutions to geostrategic challenges and to smart and sustainable entrepreneurship.

Russia's attacks and annexations of Ukraine's eastern Donbas and the Crimea peninsula in 2014 did not lead to any serious western responses, just to the Minsk process of consultations. This gave President Putin time to prepare Russia's 2022 unsuccessful attempt of an all-out invasion of Ukraine. Contrary to Russian intentions it also led Finland and Sweden to abandon their neutrality and join NATO, strengthening its North-eastern flank.

Finland's long history and border with Russia forced it to maintain quite formidable and modern military forces in all domains based, like the other Nordics, on national conscription, plus a solid "total" civil defence. Its 2025 defence budget was Euro 5.5 billion and it has the largest artillery capability in western Europe. It is now modernising its air force with 64 US made F-35 jet fighters, interoperable with Norway's F-35s and with Denmark, which is acquiring more of the same model. This while Sweden operates 90-100 of its own JAS 39 Gripen which is now being replaced by the next generation E model, to be complemented by unmanned SAAB attack aircrafts. So, the Nordic countries jointly in all operate some 200 jet fighters, used in NATO's Baltic Air Policing, guarding the Baltic states which lack air forces. However, Sweden's Esrange space and research centre north of the Arctic Circle is a joint available asset with an impact area for rockets of 5,600 km².

After several recent disruptions to undersea infrastructure in the Baltic Sea, NATO in 2024 launched Baltic Sentry, a joint multi-domain military operation to detect and respond to these threats. A Critical Undersea Infrastructure Network with industry has improved Nordic-Baltic resilience underwater in the Baltic Sea, which is heavily trafficked by Russia's shadow fleet. On land, Sweden is now lead ally for the new NATO Land Forces (FLF) in Finland focused on training and deterrence along the Russian border. This aimed at leading and coordinating a potential multinational NATO force there when needed.

Furthermore, NATO's Enhanced Forward Presence (EFP) programme in support of the three Baltic States now consists of rotating national battlegroups led by the UK in Estonia, Canada in Latvia and Germany in Lithuania, this to bolster their relatively vulnerable defences. EFP provides the Baltics with on the ground sharp NATO military assets to assist them in their national defences if attacked. The Baltic states themselves are investing beyond present NATO spending benchmarks

Access. Engagement. Resolution.

on their territorial defences based on conscription and are jointly seen as a testbed for modern hi-tech deterrence.

Since 2022 the Nordic-Baltic group (NB8) has become enlarged by active participation by Poland's PM Donald Tusk and Germany's Chancellor Friedrich Merz on joint defence issues. Thus, the group is now "NB8+", or even ++ with the UK and Canada. The latter is leading the NATO deployment in Latvia, where Denmark and Sweden take turns to deploy armoured battalions as a constant military tripwire against Russian aggression.

This wider likeminded European defence grouping is also accentuated within the EU with Estonia's former PM Kaja Kallas as the High Representative for Foreign Affairs and Security Policy and Vice-President of the European Commission. With Lithuania's former PM Andrius Kubilis as European Commissioner for Defence and Space the Baltic states are well represented within the EU both on foreign and security affairs. They both work closely with EC President Ursula von der Leyen of Germany, so this group is well represented in Brussels at an important time for North-eastern Europe.

Norway and Iceland were, with Denmark, founding members of NATO with Reykjavik recently having indicated considering also applying for EU membership, even if, with Norway, it is already deeply integrated within the EU through the European Economic Area (EEA) and participate in many EU policies, but without voting rights. Additionally, Norway is a key Nordic ally, both geographically and financially, since its energy based national wealth fund now is the largest in the world, so able to support the NB8+ if needed. With NATO's former Secretary General Jens Stoltenberg now back in his old job as Norway's finance minister Oslo is a strong actor both within NATO and Europe – and for Ukraine.

Money indeed matters for defence and unlike some southern NATO allies the NB8 states are all fully committed to NATO's new spending goals on defence of 3.5% of national GDP on hard security, plus 1.5 % on related needs such as civil defence and infrastructure by 2035. The Baltic states already spend over 3% and Poland over 4% so are clearly working seriously on their respective national defences.

Sweden's defence budget is now rapidly increasing annually 2026-2030. For 2026 Sweden will spend around SEK 175 billion, or ca. USD 19 billion, with most of this for direct military defence, partially financed via state borrowing. However, better joint Nordic infrastructure and improved port capacities are urgently needed to manage NATO military transports from Norway through Sweden to Finland should the US President come to order the Marine Corps to deploy to Finland's long Russian border when needed. This at least according to current NATO planning.

A strong backbone of Nordic rearmament is the countries' combined industrial capacity. All Nordic countries except Iceland have national traditions of arms manufacturing, with Sweden's SAAB AB being the largest. It builds and exports the JAS Gripen 39 fighter jet and other aircraft, as well as modern submarines for the Swedish navy and now also for Poland. This degree of NB8+ standardisation also helps strengthening NATO's North-eastern flank now when real military capabilities are urgently needed. An important factor in the military modernisation is the sharp - and in human terms very costly - lessons learned from Ukrainian defences, including on drone warfare and protection, a new dimension in Nordic-Baltic defences.

NATO present planning includes an expanded operational remit, e.g. for Sweden together with other allies, to defend the Arctic region, Greenland and the North Atlantic against military threats. However, President Trump's recent statements and actions raise the question against whom? The leaders of the 27 EU governments are to meet in Brussels this evening (22 January 2026) to solidify their common positions and reactions to recent developments.

Access. Engagement. Resolution.

The Ambassador Partnership can help in connecting with networks around the world, with insights for business and government policy, to address global challenges

To discuss how we can help you please contact:

Tracey Stewart
Partnership Secretary
tracey.stewart@ambassadorllp.com
www.ambassadorllp.com