



2024/0061(COD)

21.3.2025

**\*\*\*I**  
**DRAFT REPORT**

on the proposal for a regulation of the European Parliament and of the Council establishing the European Defence Industry Programme and a framework of measures to ensure the timely availability and supply of defence products ('EDIP')  
(COM(2024)0150 – C10-0005/2024 – 2024/0061(COD))

Committee on Security and Defence  
Committee on Industry, Research and Energy

Rapporteurs: Raphaël Glucksmann, François Xavier Bellamy

PR\_COD\_1amCom

*Symbols for procedures*

- \* Consultation procedure
- \*\*\* Consent procedure
- \*\*\*I Ordinary legislative procedure (first reading)
- \*\*\*II Ordinary legislative procedure (second reading)
- \*\*\*III Ordinary legislative procedure (third reading)

(The type of procedure depends on the legal basis proposed by the draft act.)

### ***Amendments to a draft act***

#### **Amendments by Parliament set out in two columns**

Deletions are indicated in ***bold italics*** in the left-hand column. Replacements are indicated in ***bold italics*** in both columns. New text is indicated in ***bold italics*** in the right-hand column.

The first and second lines of the header of each amendment identify the relevant part of the draft act under consideration. If an amendment pertains to an existing act that the draft act is seeking to amend, the amendment heading includes a third line identifying the existing act and a fourth line identifying the provision in that act that Parliament wishes to amend.

#### **Amendments by Parliament in the form of a consolidated text**

New text is highlighted in ***bold italics***. Deletions are indicated using either the **■** symbol or ~~strikeout~~. Replacements are indicated by highlighting the new text in ***bold italics*** and by deleting or striking out the text that has been replaced.

By way of exception, purely technical changes made by the drafting departments in preparing the final text are not highlighted.

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Agence Europe

## DRAFT EUROPEAN PARLIAMENT LEGISLATIVE RESOLUTION

**on the proposal for a regulation of the European Parliament and of the Council establishing the European Defence Industry Programme and a framework of measures to ensure the timely availability and supply of defence products ('EDIP') (COM(2024)0150 – C10-0005/2024 – 2024/0061(COD))**

**(Ordinary legislative procedure: first reading)**

*The European Parliament,*

- having regard to the Commission proposal to Parliament and the Council (COM(2024)0150),
  - having regard to Article 294(2) and Articles 172 and 194 of the Treaty on the Functioning of the European Union, pursuant to which the Commission submitted the proposal to Parliament (C10-0005/2024),
  - having regard to Article 294(3) of the Treaty on the Functioning of the European Union,
  - having regard to the budgetary assessment by the Committee on Budgets,
  - having regard to the opinion of the Committee on Legal Affairs on the use of delegated acts,
  - having regard to the reasoned opinions submitted, within the framework of Protocol No 2 on the application of the principles of subsidiarity and proportionality, by the French Senate, the Portuguese Parliament, the Romanian Senate and the German Bundesrat asserting that the draft legislative act does not comply with the principle of subsidiarity,
  - having regard to the opinion of the Committee of the Regions of the European Union of 19 February 2025 and European Court of Auditors of 31 January 2025<sup>1</sup>,
  - having regard to the opinion of the Court of Justice
  - having regard to Rules 60, 42 and 58 of its Rules of Procedure,
  - having regard to the opinions of the Committee on Foreign Affairs, Committee on Budgets, Committee on Budgetary Control and Committee on Internal Market and Consumer Protection,
  - having regard to the report of the Committee on Security and Defence and the Committee on Industry, Research and Energy (A10-0000/2025),
1. Adopts its position at first reading hereinafter set out;
  2. Calls on the Commission to refer the matter to Parliament again if it replaces, substantially amends or intends to substantially amend its proposal;

<sup>1</sup> OJ C of 31.1.2025, ELI: xx.

3. Instructs its President to forward its position to the Council, the Commission and the national parliaments.

## Amendment 1

### Proposal for a regulation Article -1 (new)

*Text proposed by the Commission*

*Amendment*

#### **Article-1**

##### **General objectives**

***This Regulation aims at enhancing the readiness, competitiveness, sovereignty, integration and preparedness of the European Defence Technological and Industrial Base (EDTIB), as well as at strengthening the Ukrainian Defence Technological and Industrial Base (Ukrainian DTIB).***

Or. en

## Amendment 2

### Proposal for a regulation Article 1 – paragraph 1 – point 1

*Text proposed by the Commission*

*Amendment*

(1) the establishment of the European Defence Industrial Programme (the ‘Programme’), comprising measures for the strengthening of the competitiveness, responsiveness and ability of the EDTIB, ***which may include the establishment of a fund for the acceleration of defence supply chain transformation (‘FAST’)***;

(1) the establishment of the European Defence Industrial Programme (the ‘Programme’), comprising measures for the strengthening of the competitiveness, responsiveness and ability of the EDTIB, ***as set out in Chapter II***;

Or. en

## Amendment 3

### Proposal for a regulation Article 1 – paragraph 1 – point 2 a (new)

*Text proposed by the Commission*

*Amendment*

**(2 a) the establishment of European Defence Projects of Common Interest (EDPCI), as set out in Chapter IIa;**

Or. en

#### **Amendment 4**

##### **Proposal for a regulation**

##### **Article 1 – paragraph 1 – point 2 b (new)**

*Text proposed by the Commission*

*Amendment*

**(2 b) the establishment of a European Military Sales Mechanism (EUMSM), as set out in Chapter IIb;**

Or. en

#### **Amendment 5**

##### **Proposal for a regulation**

##### **Article 2 – paragraph 1 – point 7 a (new)**

*Text proposed by the Commission*

*Amendment*

**(7 a) ‘design authority’ means the entity that has the legal authority and the ability to decide, without restrictions by non-associated countries or by non-associated country entities, on the definition, adaptation and evolution of the product’s design, including the legal authority to substitute or desintegrate the components subject to restriction by non-associated countries or by non-associated country entities with alternative and restriction-free components originating in the EU;**

Or. en

#### **Amendment 6**

##### **Proposal for a regulation**

##### **Article 2 – paragraph 1 – point 7 b (new)**

*Text proposed by the Commission*

*Amendment*

**(7 b) ‘defence industrial readiness pool’ means a strategic reserve of defence products, accumulated through the purchase of additional quantities of defence products when common or joint procurement is undertaken, and which serves to speed up the procurement of such products for additional customers;**

Or. en

## **Amendment 7**

### **Proposal for a regulation**

#### **Article 2 – paragraph 1 – point 15 a (new)**

*Text proposed by the Commission*

*Amendment*

**(15 a) ‘life-cycle’ means all the possible successive stages of a product, from research and development to de-commissioning and disposal;**

Or. en

## **Amendment 8**

### **Proposal for a regulation**

#### **Article 2 – paragraph 1 – point 15 b (new)**

*Text proposed by the Commission*

*Amendment*

**(15 b) ‘maintenance’ means all actions taken to ensure the readiness and operational capability of the defence product, in particular to retain equipment in or to restore it to specified conditions until the end of its use, including mission readiness, longevity and upgrades, customisation and specialisation, inspection, overhaul, testing, servicing, modification(s), classification as to serviceability, repair, recovery, rebuilding, reclamation, salvage and cannibalisation;**

Or. en

## Amendment 9

### Proposal for a regulation

#### Article 2 – paragraph 1 – point 16

*Text proposed by the Commission*

(16) ‘raw materials’ means the materials **required to produce defence products**;

*Amendment*

(16) ‘raw materials’ means the **raw** materials **as defined by Regulation (EU) 2024/1252**;

Or. en

## Amendment 10

### Proposal for a regulation

#### Article 2 – paragraph 1 – point 17

*Text proposed by the Commission*

(17) ‘seal of excellence’ means a quality label which shows that a proposal submitted to a call for proposals under the Instrument has passed all of the evaluation thresholds set out in the work programme, but could not be funded due to a lack of budget available for that call for proposals in the work programme, and might receive support from other Union or national sources of funding;

*Amendment*

(17) ‘seal of excellence’ means a quality label which shows that a proposal submitted to a call for proposals under the **Programme and the Ukraine Support** Instrument has passed all of the evaluation thresholds set out in the work programme, but could not be funded due to a lack of budget available for that call for proposals in the work programme, and might receive support from other Union or national sources of funding;

Or. en

## Amendment 11

### Proposal for a regulation

#### Article 3 – paragraph 2 – point d a (new)

*Text proposed by the Commission*

*Amendment*

**(d a) the contribution to the reduction of dependencies on non-associated countries;**

Or. en

## Amendment 12

### Proposal for a regulation

#### Article 4 – paragraph 1 – introductory part

*Text proposed by the Commission*

1. The Programme and the Ukraine Support Instrument ***aim at increasing the defence industrial*** readiness of the EDTIB and of the Ukrainian DTIB in particular through:

*Amendment*

1. The Programme and the Ukraine Support Instrument ***shall aim to increase the competitiveness and*** readiness of the EDTIB and of the Ukrainian DTIB, in particular through:

Or. en

## Amendment 13

### Proposal for a regulation

#### Article 4 – paragraph 1 – point a

*Text proposed by the Commission*

(a) initiating and speeding up the adjustment of industry to structural changes, including through ***the creation and ramp-up of its manufacturing capacities and the opening of the supply chains for cross-border cooperation and effective availability and supply throughout the Union, involving in particular, to a significant extent, SMEs, small mid-caps and other mid-caps;***

*Amendment*

(a) initiating and speeding up the adjustment of industry to ***the rapid*** structural changes ***imposed by the evolving security environment, in particular the strategic necessity for Member States to be able to deploy capabilities without control or restriction by non-associated third countries or entities,*** including through:

Or. en

## Amendment 14

### Proposal for a regulation

#### Article 4 – paragraph 1 – point a – point i (new)

*Text proposed by the Commission*

*Amendment*

***i) the creation, adaptation and ramp-up of its manufacturing capacities of defence and crisis-relevant products***

Or. en

## Amendment 15

### Proposal for a regulation

#### Article 4 – paragraph 1 – point a – point ii (new)

*Text proposed by the Commission*

*Amendment*

*ii) the opening of the supply chains for cross-border cooperation and effective availability and supply throughout the Union, involving in particular, to a significant extent, SMEs, small mid-caps and other mid-caps, and ensuring the development of the EDTIB throughout the Union*

Or. en

## Amendment 16

### Proposal for a regulation

#### Article 4 – paragraph 1 – point a – point iii (new)

*Text proposed by the Commission*

*Amendment*

*iii) the improvement and acceleration of the capacity of adaptation of supply chains for crisis-relevant products, the creation of manufacturing capacities or their ramp-up, and a reduction of their lead production time for defence products throughout the Union*

Or. en

## Amendment 17

### Proposal for a regulation

#### Article 4 – paragraph 1 – point b

*Text proposed by the Commission*

*Amendment*

(b) **incentivising** cooperation in defence procurement in order to contribute to solidarity, prevent crowding-out effects, increase the effectiveness of public spending and reduce excessive fragmentation, ultimately leading to an increase in the standardisation of defence

(b) **increasing** cooperation in defence procurement in order to contribute to solidarity, prevent crowding-out effects, increase the effectiveness of public spending and reduce excessive fragmentation, ultimately leading to an increase in the standardisation of defence

systems and greater interoperability.

systems and greater interoperability, *and ensuring the fulfilment of Member States' needs in terms of quality, availability and cost of defence products.*

Or. en

## Amendment 18

### Proposal for a regulation

#### Article 4 – paragraph 1 – point b a (new)

*Text proposed by the Commission*

*Amendment*

***(b a) supporting Ukraine in manufacturing most critical capacities in quantities needed to respond to current military threats against its sovereignty and territorial integrity, including through:***

***(i) scaling-up direct investment into Ukraine industrial defence capacities, creating new or adapting or ramping-up new manufacturing capacities in Ukraine, and licensing production cooperation through public-private partnerships or other forms of cooperation, such as joint ventures;***

***(ii) increasing procurement of defence capacities produced in Ukraine;***

***(iii) increasing cooperation on common procurement of defence products in accordance with Ukraine's military needs;***

***(iv) enhancing cross-border cooperation between the EDTIB and the Ukrainian DTIB, including by providing technical assistance and incentivizing exchanges of personnel; (v) supporting the protection of Ukraine DTIB's assets; (vi) supporting Ukraine in its progressive alignment with Union rules, standards, policies and practices ('acquis').***

Or. en

## Amendment 19

### Proposal for a regulation Article 4 – paragraph 3

*Text proposed by the Commission*

*Amendment*

**3. The objectives set out in paragraph 1, point (a), shall be pursued with an emphasis on initiating and speeding up the adjustment of industry to the rapid structural changes imposed by the evolving security environment. This may include the improvement and acceleration of the capacity of adaptation of supply chains for crisis-relevant products, the creation of manufacturing capacities or their ramp-up, and a reduction of their lead production time for defence products throughout the Union, taking into account the objectives of the Strategic Compass for Security and Defence and the advice of the Defence Industrial Readiness Board.** *deleted*

Or. en

## Amendment 20

### Proposal for a regulation Article 4 – paragraph 4

*Text proposed by the Commission*

*Amendment*

**4. The objectives set out in paragraph 1, point (b), shall be pursued with an emphasis on developing the EDTIB throughout the Union to allow it to address, in particular, Member States' defence product needs in terms of quality, availability, delivery time and location, in line with the defence capability priorities commonly agreed by Member States within the framework of the Common Foreign and Security Policy (CFSP), in particular in the context of the Capability Development Plan, taking into account the objectives of the Strategic Compass for Security and Defence and the advices** *deleted*

**Amendment 21**

**Proposal for a regulation  
Article 4 – paragraph 5**

*Text proposed by the Commission*

*Amendment*

**5. The objectives set out in paragraph 2 shall be pursued with an emphasis on enhancing cross-border cooperation between the EDTIB and the Ukrainian DTIB, taking into account the defence product needs of Ukraine, through creation of manufacturing capacities or their ramp-up in line with NATO standards, protection of assets, technical assistance and exchange of personnel, increased cooperation on common procurement of defence products for Ukraine and licensing production cooperation through public-private partnerships or other forms of cooperation, e.g. joint ventures. Special attention shall be given to the objective to support Ukraine to progressively align with Union rules, standards, policies and practices ('acquis') with a view to future Union membership.**

*deleted*

**Amendment 22**

**Proposal for a regulation  
Article 5 – paragraph 1 – point a**

*Text proposed by the Commission*

*Amendment*

**(a) for actions reinforcing the EDTIB: EUR 1 500 millions in current prices for the period from [... - insert a specific date] until 31 December 2027 as well as additional contributions in accordance**

**(a) for actions reinforcing the EDTIB:**

*with Article 6;*

Or. en

### Amendment 23

#### Proposal for a regulation

#### Article 5 – paragraph 1 – point a – point i (new)

*Text proposed by the Commission*

*Amendment*

*i) EUR 1 500 millions in current prices for the period from [... - insert a specific date] until 31 December 2027 as well as additional contributions in accordance with Article 6;*

Or. en

### Amendment 24

#### Proposal for a regulation

#### Article 5 – paragraph 1 – point a – point ii (new)

*Text proposed by the Commission*

*Amendment*

*ii) EUR 15 000 millions from the overall budget of the Regulation 2025/0122 establishing the Security Action for Europe (SAFE) through the reinforcement of European defence industry instrument, accounting for 10% of its overall budget, for the period from [... - insert a specific date] until 31 December 2027 as well as additional contributions in accordance with Article 6;*

Or. en

### Amendment 25

#### Proposal for a regulation

#### Article 5 – paragraph 1 – point b

*Text proposed by the Commission*

*Amendment*

(b) for actions reinforcing the Ukrainian DTIB: *the amount* of the

(b) for actions reinforcing the Ukrainian DTIB: *EUR 5 000 millions in current*

*additional contributions in accordance with Article 6 to the extent earmarked, subject to the conclusion of the agreement referred to in Article 57.*

*prices from the overall budget of the Regulation 2025/0122 establishing the Security Action for Europe (SAFE) through the reinforcement of European defence industry instrument, subject to the conclusion of the agreement referred to in Article 59.*

Or. en

## Amendment 26

### Proposal for a regulation Article 10 – paragraph 2

*Text proposed by the Commission*

2. Recipients of Union funding shall be established in the Union or in an associated country.

*Amendment*

2. Recipients of Union funding shall be established in the Union or in an associated country ***and their executive management structures shall be in the Union or in an associated country.***

Or. en

## Amendment 27

### Proposal for a regulation Article 10 – paragraph 3

*Text proposed by the Commission*

3. The infrastructure, facilities, assets and resources of the recipients which are used for the purposes of the action shall be located on the territory of a Member State or of an associated country. ***Where recipients have no readily available alternatives or relevant infrastructure, facilities, assets and resources in the Union or in an associated country, they may use their infrastructure, facilities, assets and resources which are located or held outside the territory of the Member States or of the associated countries, provided that such use does not contravene the security and defence interests of the Union and the Member States and is consistent with the objectives***

*Amendment*

3. The infrastructure, facilities, assets and resources of the recipients ***involved in an action*** which are used for the purposes of the action shall be located on the territory of a Member State or of an associated country ***for the entire duration*** of the ***action***.

*set out in Article 4.*

Or. en

## **Amendment 28**

### **Proposal for a regulation Article 10 – paragraph 3 a (new)**

*Text proposed by the Commission*

*Amendment*

**3 a.** *By way of derogation from paragraph 3 of this Article, where recipients involved in an action have no readily available alternatives or relevant infrastructure, facilities, assets and resources in the Union or in an associated country, they may use their infrastructure, facilities, assets or resources which are located or held outside the territory of the Member States or of the associated countries, provided that such use does not contravene the security and defence interests of the Union or its Member States, including respect for the principle of good neighbourly relations, and is consistent with the objectives set out in Article 4. The costs related to activities using such infrastructure, facilities, assets or resources shall not be eligible for support from the Programme.*

Or. en

## **Amendment 29**

### **Proposal for a regulation Article 10 – paragraph 4**

*Text proposed by the Commission*

*Amendment*

**4.** *For the purposes of an action supported by the Programme, the recipients shall not be subject to control by a non-associated third country or by a non-associated third-country entity.*

**4.** *Recipients of Union funding under the Programme shall not be subject to control by a non-associated third country or by a non-associated third-country entity.*

Or. en

## Amendment 30

### Proposal for a regulation

#### Article 10 – paragraph 5 – subparagraph 1

*Text proposed by the Commission*

By way of derogation from paragraph 4, a legal entity established in the Union or in an associated country and controlled by a non-associated third country or a non-associated third-country entity shall be eligible to be a recipient ***if the acquisition of its control by a non-associated third country or a non-associated third-country entity, has been subject to screening within the meaning of Regulation (EU) 2019/452 of the European Parliament and of the Council and, where necessary, to appropriate mitigation measures, taking into account the objectives set out in Article 4 of this Regulation, or if*** guarantees approved by the Member State or the associated country in which it is established in accordance with its national procedures are made available to the Commission.

*Amendment*

By way of derogation from paragraph 4, a legal entity established in the Union or in an associated country and controlled by a non-associated third country or a non-associated third-country entity shall be eligible to be a recipient if guarantees approved by the Member State or the associated country in which it is established in accordance with its national procedures are made available to the Commission.

Or. en

## Amendment 31

### Proposal for a regulation

#### Article 10 – paragraph 5 – subparagraph 1

*Text proposed by the Commission*

By way of derogation from paragraph 4, a legal entity established in the Union or in an associated country and controlled by a non-associated third country or a non-associated third-country entity shall be eligible to be a recipient ***if the acquisition of its control by a non-associated third country or a non-associated third-country entity, has been subject to screening within the meaning of Regulation (EU) 2019/452 of the European Parliament and of the Council and, where necessary,***

*Amendment*

By way of derogation from paragraph 4, a legal entity established in the Union or in an associated country and controlled by a non-associated third country or a non-associated third-country entity shall be eligible to be a recipient or if guarantees approved by the Member State or the associated country in which it is established in accordance with its national procedures are made available to the Commission.

*to appropriate mitigation measures, taking into account the objectives set out in Article 4 of this Regulation, or if guarantees approved by the Member State or the associated country in which it is established in accordance with its national procedures are made available to the Commission.*

Or. en

### **Amendment 32**

#### **Proposal for a regulation**

#### **Article 10 – paragraph 5 – subparagraph 4**

*Text proposed by the Commission*

The Commission shall inform the committee referred to in Article 57 of any legal entity considered to be eligible in accordance with this paragraph.

*Amendment*

The Commission shall inform the committee referred to in Article 58 of any legal entity considered to be eligible in accordance with this paragraph

Or. en

### **Amendment 33**

#### **Proposal for a regulation**

#### **Article 10 – paragraph 5 a (new)**

*Text proposed by the Commission*

*Amendment*

**5 a. The Commission shall make available to Member States a standardised template for the provision of guarantees as referred to in paragraph 5.**

Or. en

### **Amendment 34**

#### **Proposal for a regulation**

#### **Article 11 – paragraph 6**

*Text proposed by the Commission*

6. For activities referred to in paragraphs 2, in paragraph 3, point (d), and in paragraph 55, point (a), the action shall

*Amendment*

6. For activities referred to in paragraphs 2, in paragraph 3, point (d), and in paragraph 55, point (a), the action shall

be carried out by legal entities cooperating within a consortium of at least **three** eligible legal entities which are established in at least **three** different Member States or associated countries. At least **three** of those eligible legal entities established in at least **two** different Member States or associated countries shall not, during the entire period in which the action is carried out, be controlled, directly or indirectly, by the same legal entity and shall not control each other.

be carried out by legal entities cooperating within a consortium of at least **five** eligible legal entities which are established in at least **five** different Member States or associated countries, **among which at least four eligible entities established in four different Member States**. At least **five** of those eligible legal entities established in at least **four** different Member States or associated countries shall not, during the entire period in which the action is carried out, be controlled, directly or indirectly, by the same legal entity and shall not control each other.

Or. en

## Amendment 35

### Proposal for a regulation

#### Article 11 – paragraph 8 – point c a (new)

*Text proposed by the Commission*

*Amendment*

**(c a) actions related to defence products for which the design authority, as defined in article 2, isn't an eligible entity as set forth in Article 10(2);**

Or. en

## Amendment 36

### Proposal for a regulation

#### Article 11 – paragraph 8 – point d a (new)

*Text proposed by the Commission*

*Amendment*

**(d a) actions which include sourcing from non-associated third countries that contravene the security and defence interests of the Union or its Member States including respect for the principle of good neighbourly relations.**

Or. en

## Amendment 37

### Proposal for a regulation Article 11 – paragraph 8 a (new)

*Text proposed by the Commission*

*Amendment*

**8 a.** *The cost of components originating in the Union or associated countries shall not be lower than 80 % of the estimated value of the end product.*

Or. en

## Amendment 38

### Proposal for a regulation Article 13 – paragraph 1 a (new)

*Text proposed by the Commission*

*Amendment*

**1 a.** *For activities referred to in Article 11(3), point (d), in order to be eligible for funding actions, the ownership of intellectual property arising from such action shall not be subject to restriction by a non-associated third country or a non-associated third-country entity, nor transferred to entities established outside the territory of the Member State or of associated countries.*

Or. en

## Amendment 39

### Proposal for a regulation Article 14

*Text proposed by the Commission*

*Amendment*

**Article 14**

**deleted**

***Specific provisions applicable for activities contributing to a European Military Sales Mechanism***

**1.** *To ensure the availability of EU defence products in time and in volume thereby fostering the competitiveness of*

*the EDTIB as well as, where relevant, of the Ukrainian DTIB, the Commission shall support the following set of measures (EU MSM):*

- (a) the establishment of a single, centralised, up to date catalogue of defence products developed by the EDTIB;*
- (b) the creation of a defence industrial readiness pool, to increase availability and speed up delivery time of EU-made defence products, ensuring an immediate and preferential purchase or use/lease option for Member States, associated countries and Ukraine;*
- (c) the facilitation and speeding up of procurement procedures in a spirit of solidarity;*
- (d) the support to administrative capacity building related to public procurement of defence products, with the aim of facilitating joint procurement.*

*2. The Commission shall draw up the technical specifications for and procure the corporate IT platform required to establish the catalogue referred to in paragraph 1, point (a) of this Article based on consultations with the Defence Industrial Readiness Board.*

*3. Where Member States jointly procure additional quantities or contribute through in-kind contributions to build up a defence industrial readiness pool as referred to in paragraph 2, point (b), in the context of a Structure for European Armament Programme, the Commission shall financially support the initiative through:*

- (a) support to common procurement of additional quantities as referred to in Article 11(2);*
- (b) contribution to the direct and indirect costs of managing and maintaining the Defence Industrial Readiness Pool as referred to in Article*

*11(5), point (f);*

*(c) contribution to administrative capacity building as referred to in Article 11(5).*

*4. For the purpose of Member States, associated countries or Ukraine buying from the defence industrial readiness pool managed by a Structure for European Armament Programme, the procurement shall be considered as a government-to-government contract as referred to in Article 13, point (f) of Directive 2009/81/EC.*

Or. en

#### **Amendment 40**

##### **Proposal for a regulation Article 15**

*Text proposed by the Commission*

*Amendment*

*[...]*

*deleted*

Or. en

#### **Amendment 41**

##### **Proposal for a regulation Article 16 – paragraph -1 (new)**

*Text proposed by the Commission*

*Amendment*

***-1 Proposals for actions shall be assessed in light of the objectives of the EDIS, the Strategic Compass for Security and Defence and the advice of the Defence Industrial Readiness Board, and shall be in line with the defence capability priorities commonly agreed by Member States within the framework of the Common Foreign and Security Policy (CFSP), in particular in the context of the Capability Development Plan.***

Or. en

## Amendment 42

### Proposal for a regulation

#### Article 16 – paragraph 1 – point a (new)

*Text proposed by the Commission*

*Amendment*

**(a a) defence industrial sovereignty: contribution to the strategic autonomy of the Union through strengthening the autonomy and non-dependency on non-associated country sources for the EDTIB;**

Or. en

## Amendment 43

### Proposal for a regulation

#### Article 16 – paragraph 1 – point b

*Text proposed by the Commission*

*Amendment*

(b) defence industrial resilience: contribution to resilience, increase timely availability and supply to all locations, strengthening security of supply throughout the Union in response to identified risks, including in particular high exposure to the risk of materialisation of conventional military threats, **and the non-dependency on non-associated third country sources.**

(b) defence industrial resilience: contribution to resilience, increase timely availability and supply to all locations, strengthening security of supply throughout the Union in response to identified risks, including in particular high exposure to the risk of materialisation of conventional military threats.

Or. en

## Amendment 44

### Proposal for a regulation

#### Article 18 – paragraph 1

*Text proposed by the Commission*

*Amendment*

1. The Programme shall be implemented by work programmes as referred to in Article 110 of the Regulation (EU, Euratom) No 2018/1046. Work programmes shall set out the actions and associated budget required to meet the

1. The Programme shall be implemented by work programmes as referred to in Article 110 of the Regulation (EU, Euratom) No 2018/1046. **Work programmes may be multiannual, when appropriate.** Work programmes shall set

objectives of the Programme and, where applicable, the overall amount reserved for blending operations.

out the actions and associated budget required to meet the objectives of the Programme and, where applicable, the overall amount reserved for blending operations.

Or. en

#### Amendment 45

##### Proposal for a regulation Article 18 – paragraph 2 a (new)

*Text proposed by the Commission*

*Amendment*

**2 a. The Commission shall take into account the coherence between different relevant instruments.**

Or. en

#### Amendment 46

##### Proposal for a regulation Article 19 – paragraph 1

*Text proposed by the Commission*

*Amendment*

1. In order to leverage, de-risk and speed-up investments needed to increase the defence manufacturing capacities of SMEs and small mid-caps, a blending operation offering debt and/or equity support **may** be established (Fund to Accelerate defence Supply-chains' Transformation (FAST). It shall be implemented in accordance with Title X of the Regulation (EU, Euratom) No 2018/1046 and Regulation (EU) 2021/523<sup>6</sup>.

1. In order to leverage, de-risk and speed-up investments needed to increase the defence manufacturing capacities of SMEs and small mid-caps, a blending operation offering debt and/or equity support **shall** be established (Fund to Accelerate defence Supply-chains' Transformation (FAST). It shall be implemented in accordance with Title X of the Regulation (EU, Euratom) No 2018/1046 and Regulation (EU) 2021/523<sup>6</sup>.

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<sup>6</sup> Regulation (EU) 2021/523 of the European Parliament and of the Council of 24 March 2021 establishing the InvestEU Programme and amending Regulation (EU) 2015/1017 (OJ L 107, 26.3.2021, p. 30–89, ELI: <http://data.europa.eu/eli/reg/2021/523/oj>).

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<sup>6</sup> Regulation (EU) 2021/523 of the European Parliament and of the Council of 24 March 2021 establishing the InvestEU Programme and amending Regulation (EU) 2015/1017 (OJ L 107, 26.3.2021, p. 30–89, ELI: <http://data.europa.eu/eli/reg/2021/523/oj>).

#### Amendment 47

##### Proposal for a regulation

##### Article 19 – paragraph 2 – point b – point i

*Text proposed by the Commission*

(i) industrialise defence technologies and/or manufacture defence products or have imminent plans to so; or

*Amendment*

(i) industrialise defence technologies and/or manufacture defence products or have imminent plans to **do** so; or

Or. en

#### Amendment 48

##### Proposal for a regulation

##### Article 19 – paragraph 2 a (new)

*Text proposed by the Commission*

*Amendment*

**2 a. The eligibility criteria in Article 10 shall apply mutatis mutandi for accessing FAST.**

Or. en

#### Amendment 49

##### Proposal for a regulation

##### Article 21 – paragraph 5 – subparagraph 1

*Text proposed by the Commission*

*Amendment*

By way of derogation from paragraph 4, a legal entity established in the Union and controlled by a third country or a third-country entity shall be eligible to be a recipient if ***it has been subject to screening within the meaning of Regulation (EU) 2019/452 of the European Parliament and of the Council and, where necessary, to mitigation measures, taking into account the objectives set out in Article 4 of this Regulation, or if*** guarantees approved by the Member State in which it is established in accordance with its national procedures

By way of derogation from paragraph 4, a legal entity established in the Union and controlled by a third country or a third-country entity shall be eligible to be a recipient if guarantees approved by the Member State in which it is established in accordance with its national procedures are made available to the Commission.

are made available to the Commission.

Or. en

## **Amendment 50**

### **Proposal for a regulation Chapter II a (new)**

*Text proposed by the Commission*

*Amendment*

#### ***European Defence Projects of Common Interest***

Or. en

## **Amendment 51**

### **Proposal for a regulation Article 21 a (new)**

*Text proposed by the Commission*

*Amendment*

#### ***Article 21a***

***Specific provisions applicable for activities contributing to European Defence Projects of Common Interest***

***1. European Defence Projects of Common Interest shall consist of collaborative industrial projects aimed at reinforcing the competitiveness of the EDTIB throughout the Union while contributing to the development of Member States' military capabilities and systems of common interest and/or use, including those securing access to all operational domains.***

***2. Ukraine shall be allowed to participate in the European Defence Projects of Common Interest***  
***3. The Commission may identify European Defence Projects of Common Interest for funding in the work programme referred to in Article 18.***

***3. The Commission shall identify European Defence Projects of Common Interest for funding in the work programme referred to in Article 18.***

**4. The Commission shall, when identifying projects referred to in paragraph 1: (a) duly consider the guidance provided in the context of the Defence Industrial Readiness Board, in particular the contribution of the project to the capability priority identified in the context of the CFSP, notably of the Capability Development Plan, and the objectives of the Strategic Compass for security and defence;**

**(b) identify overall financing needs and potential impacts for the Union budget;**

**(c) take into account any views of Member States.**

**5. European Defence Projects of Common Interest shall meet the following general criteria:**

**(a) the project contributes to the defence capabilities critical for the security and defence interests of the Union and therefore is in the European public interest;**

**(b) the project aims at developing capabilities, including those securing access to strategic domains and contested spaces, strategic enablers, and, as appropriate, systems acting as European defence infrastructure of common interest and use;**

**(c) the benefits of the project extend to a wider part of the Union;**

**(d) the projects shall be particularly significant in size or scope and aim at mitigating a considerable level of technological or financial risk;**

**(e) the potential overall benefits of the project outweigh its costs, including in the longer term.**

**6. A European Defence Project of Common Interest shall involve at least four Member States and all Member States and associated countries must be given a genuine opportunity to participate in a project. The European Commission**

*shall be able, where relevant, to participate in the project.*

*7. A European Defence Project of Common Interest shall be considered to contribute to the defence capabilities critical for the security and defence interests of the Union and its Member States and therefore to be in the public interest. They may be established in the framework of Structures for European Armament Programmes referred to in Chapter 3.*

*8. Member States may, without prejudice to Articles 107 and 108 TFEU, apply support schemes and provide for administrative support to European Defence Projects of Common Interest.*

*9. The Union financial contribution referred to in Article 17 shall not exceed 50% of the amount referred to in Article 5(1).*

*10. The deployment of European Defence Projects of Common Interest may be considered an imperative reason of overriding public interest within the meaning of Article 6(4) and Article 16(1), point (c), of Directive 92/43/EEC and of overriding public interest within the meaning of Article 4(7) of Directive 2000/60. Therefore, the planning, construction and operation of related production facilities may be considered of overriding public interest, provided that the remaining other conditions set out in these provisions are fulfilled.*

Or. en

## **Amendment 52**

### **Proposal for a regulation Chapter II a (new)**

*Text proposed by the Commission*

*Amendment*

### ***European Military Sales Mechanism***

**Amendment 53**

**Proposal for a regulation  
Article 21 b (new)**

*Text proposed by the Commission*

*Amendment*

**Article 21b**

***European Military Sales Mechanism***

***1. To ensure the availability of EU defence products in time and in volume thereby fostering the competitiveness of the EDTIB as well as, where relevant, of the Ukrainian DTIB, the Commission shall establish a Military Sales Mechanism (MSM), which shall consist of: support the following set of measures (EU MSM):***

***(a) the establishment of a single, centralised, up to date catalogue of defence products developed by the EDTIB;***

***(b) the creation of a defence industrial readiness pool, to increase availability and speed up delivery time of EU-made defence products, ensuring an immediate and preferential purchase or use/lease option for Member States, associated countries and Ukraine;***

***(c) the facilitation and speeding up of procurement procedures in a spirit of solidarity including by the the creation of a framework for procurement associated with the catalogue referred to in (a), conducted by the Commission;***

***(d) the support to administrative capacity building related to public procurement of defence products, with the aim of facilitating joint procurement.***

***2. The Commission shall draw up the technical specifications for and procure the corporate IT platform required to establish the catalogue referred to in paragraph 1, point (a) of this Article***

*based on consultations with the Defence Industrial Readiness Board. The products present in this catalogue shall respect the eligibility criteria laid down under this regulation.*

Or. en

#### **Amendment 54**

##### **Proposal for a regulation Article 21 c (new)**

*Text proposed by the Commission*

*Amendment*

##### **Article 21c**

###### ***European Military Sales Catalogue***

- 1. The Commission upon consultation of European Defence Agency shall establish a single, centralised catalogue of defence products developed by the EDTIB and the Ukrainian DTIB ('catalogue');***
- 2. The Commission shall draw up the technical specifications for and procure the corporate IT platform required to establish the catalogue, based on consultations with the Defence Industrial Readiness Board.***
- 3. The products present in this catalogue shall respect the eligibility criteria laid down under this regulation.***

Or. en

#### **Amendment 55**

##### **Proposal for a regulation Article 21 d (new)**

*Text proposed by the Commission*

*Amendment*

##### **Article 21d**

###### ***Defence Industrial Readiness Pools (DIRP)***

- 1. To ensure the availability of EU defence products, components of defence***

*products, as well as raw materials necessary for their production, in time and in volume, the Commission shall create defence industrial readiness pools, ensuring an immediate and preferential purchase or use/lease option for Member States, associated countries and Ukraine;*

*2. The ownership of defence products, components of defence products and raw materials building-up the Defence industrial readiness pools will lay with Member States contributing through in-kind contributions;*

*3. Where Member States jointly procure additional quantities or contribute through in-kind contributions to build up a defence industrial readiness pool as referred to in paragraph 2, point (b), in the context of a Structure for European Armament Programme, the Commission shall financially support the initiative through:*

*(a) support to common procurement of additional quantities as referred to in Article 11(2);*

*(b) contribution to the direct and indirect costs of managing and maintaining the Defence Industrial Readiness Pool as referred to in Article 11(5), point (f);*

*(c) contribution to administrative capacity building as referred to in Article 11(5).*

*4. For the purpose of Member States, associated countries or Ukraine buying from the defence industrial readiness pool managed by a Structure for European Armament Programme, the procurement shall be considered as a government-to-government contract as referred to in Article 13, point (f) of Directive 2009/81/EC.*

Or. en

## Amendment 56

### Proposal for a regulation Article 22 – paragraph 2 a (new)

*Text proposed by the Commission*

*Amendment*

**2 a.** *A SEAP may entrust, by way of a delegation agreements, one or several of the eligible entities referred to in Article 12(1) with carrying out one or several of the tasks referred to in paragraph 2 of this Article. The SEAP shall be responsible for ensuring that its obligations under Union law, and in particular under this Regulation, are met.*

Or. en

## Amendment 57

### Proposal for a regulation Article 23 – paragraph 1 – point b

*Text proposed by the Commission*

*Amendment*

(b) a SEAP shall be established by at least **three** Member States, associated countries or Ukraine.

(b) a SEAP shall be established by at least **four countries, including** Member States, associated countries or Ukraine.

Or. en

## Amendment 58

### Proposal for a regulation Article 23 – paragraph 1 – point c

*Text proposed by the Commission*

*Amendment*

(c) a SEAP shall have as members at least **two** Member States;

(c) a SEAP shall have as members at least **three** Member States;

Or. en

## EXPLANATORY STATEMENT

The European Union is facing an unprecedented geopolitical situation, marked in particular by the return of high-intensity warfare on the European soil due to Russia's war of aggression against Ukraine. This crisis underscores the urgent need for the European Union and its Member States to ramp-up investment in our collective security and defence, ensuring a strong and autonomous deterrence capability and the ability to fully support our allies.

The proposed European Defence Industry Programme (EDIP) regulation seeks to strengthen the European Defence Technological and Industrial Base (EDTIB) as a strategic asset of Europe's security and defence, ensuring it can equip Member States armed forces with the necessary defence capabilities, in sufficient volumes and within appropriate timeframes.

This draft report outlines the principal priorities and commonly agreed positions of the two co-rapporteurs.

The initial Commission proposal was based on a financial envelope of 1,5 billion euro. This amount falls far short of the needs identified by the Commission itself, endorsed by Member States. Only an increased and credible budgetary commitment can guarantee tangible effects on the EDTIB and meet the regulation's stated objectives, in particular the creation of critical capabilities that will allow us to act autonomously. The co-rapporteurs propose that 10% of financial resources raised under the SAFE instrument be converted into grants and redirected to EDIP. As co-legislator and budgetary authority, the European Parliament holds the responsibility to guarantee adequate funding for EU programmes to achieve their goals. This is a matter of effectiveness, credibility and coherence.

Similarly, the Ukraine Support Instrument (USI), designed to reinforce Ukraine's DTIB in response to Russia's aggression, is not provided with proper resources. The co-rapporteurs share the view that it is simply inconceivable for the European Parliament to adopt the USI without any funding. They firmly emphasize the diplomatic and geopolitical risk of adopting an unfunded instrument, and stress the clear mutual benefits of fostering collaboration between the Ukrainian DTIB and the European defence industry. Strengthening these ties will help the EU adapt its defence sector to the realities of modern warfare. For these reasons, 5 billion euros of SAFE, also reshaped into grants, should be allocated to USI.

Ensuring strategic autonomy over European defence capabilities is paramount for our security. EU funding should therefore be directed to European industries, supporting the development of defence capabilities owned and controlled by European entities. This approach ensures that external restrictions do not impede the definition, adaptation, or evolution of defence products.

Closing the gap between military needs and capabilities in Europe requires enhanced efficiency in spending and less fragmentation of demand for the EDTIB, which can only be achieved through deeper cooperation between Member States. To this end, the co-rapporteurs support and strengthen mechanisms that facilitate and incentivize demand aggregation and enhanced cooperation.

In light of their diverging views regarding governance structures and processes, as well as on measures proposed to ensure the availability and security of supply of defence products, the

co-rapporteurs have chosen not to amend these aspects in the present report. They will develop their vision and build-up a common position with all political groups in the course of the negotiation.

In order to enhance Member States defence investment, and to support European armed forces in their mission to protect peace and freedom on our continent, the co-rapporteurs strongly believe that the EDIP proposal constitutes a decisive step towards strengthening European democracies in the face of the existential challenges of our time.

Agence Europe

## ANNEX: ENTITIES OR PERSONS FROM WHOM THE RAPPORTEURS HAVE RECEIVED INPUT

Pursuant to Article 8 of Annex I to the Rules of Procedure, the rapporteurs declare that they received input from the following entities or persons in the preparation of the draft report, prior to the adoption thereof in committee:

Entity and/or person
Kongsberg
Fincantieri
GICAN
Alliance Newspace
Safran
AmCham EU
Dassault Aviation
KNDS
Airbus
MBDA
GIFAS
European Defence Agency

The list above is drawn up under the exclusive responsibility of the rapporteurs.

Where natural persons are identified in the list by their name, by their function or by both, the rapporteurs declare that they have submitted to the concerned natural persons the European Parliament's Data Protection Notice No 484 (<https://www.europarl.europa.eu/data-protect/index.do>), which sets out the conditions applicable to the processing of their personal data and the rights linked to that processing.