



2024/0061(COD)

10.4.2025

OPINION

of the Committee on the Internal Market and Consumer Protection

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

on the proposal for a regulation of the European Parliament and of the Council
on 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))

Rapporteur for opinion: Kamila Gasiuk-Pihowicz

PA_Legam

SHORT JUSTIFICATION

Europe is currently facing its most significant security crisis since the end of the Cold War. Several Member States are at present under the threat of materialisation of conventional military actions directed against them by expansionist and revisionist direct neighbours. The brutal 2022 Russian invasion of Ukraine marked the return of conventional warfare in Europe and rang the alarm across Europe that should Ukraine not resist the Russian invaders, EU Member States may experience similar scenarios.

Europe needs to make use of all its resources and capabilities in order to protect itself in the event of possible conventional military attacks aimed at its Member States. To this end, it must strive to foster a true Single European Market for defence products strengthening its defence industry by supporting all European businesses in the area of security and defence and by offering them more predictability and clarity about future commitments to their products. Aggregating demand and joining forces and capacities for developing, building and operating defence products shall send a strong message about the Union's priority to enhance the European Defence Industry.

The European Defence Industry Programme must present equal opportunities to all players on the market in an inclusive and balanced way, avoiding the monopolisation of the market by certain big players. The amendments that constitute the text of this opinion aim to make this instrument more flexible in order to support a wide variety of projects and players, crucial to keeping Europe secure.

The European Defence Technological and Industrial Base suffers from years of underinvestment and from the lack of coordinated, aggregated demand. The high degree of market fragmentation, as well as the traditional national approach towards defence by Member States have affected the ability of the EDTIB to be fully prepared for crisis-situations threatening the security of the Member States.

While further integration has led to a significant development of the European Single Market in various areas, the area of defence has seen almost no harmonisation and cross-border defence projects remain exceptions to the rule. At a time when the geopolitical situation in Europe is becoming increasingly complicated, developing a true European single market for defence products and removing the cross-border barriers that impede defence manufacturers from working together across Member States, becomes not only an economic, but also a geostrategic objective. Furthermore, the integration of Ukraine and its DTIB to the internal market for defence products remains a key objective.

The European Defence Industry Programme is supposed to bridge the gap between a short-term oriented logic, motivated by an acute crisis, and the upcoming MFF, which shall outline programmes tackling the long-term security objectives of the Union. While EDIP creates the premises for addressing these long-term objectives, it must also provide responses for the acute needs stemming from the urgency at our external border.

Therefore, while the Programme shall focus on supporting and creating the conditions necessary for the EDTIB and Ukrainian DTIB to enhance their competitiveness, develop capabilities and increase its industrial readiness, by directing EU funds to EU companies, it

must also take into account the present challenges and the pressing reality from our border. Together with supporting the European businesses, one of the key objectives of the Regulation is ramping up the manufacturing capacities, with a view to ensuring the availability and supply of defence products throughout the Union.

The fragmented nature of the European defence market is characterised by the presence of extremely diverse players - from historical large, national, privately owned conglomerates manufacturing products developed internally, to innovative SMEs and mid-caps, as well as large state-owned companies manufacturing products under licence or foreign owned companies.

While aiming to direct funding towards investment in European research and development, as a long-term objective, the current geopolitical situation and the present security risks impose a more flexible solution that allows for the financing of products manufactured in Europe, under licence from like-minded third-countries, through a series of derogations under exceptional circumstances.

This flexibility, in this particular moment in time, is also key for ensuring that the opportunities presented by the programme are open to all European players on the market, allowing them to transition and adapt their offer to products less dependent on licences in the long-term. This will allow for a uniform and more inclusive development of the market, across all geographical areas of the Union.

The amendments brought to the Commission proposal aim to facilitate the development of a true Single European Market for Defence, setting out provisions that cater to our long-term objectives, while also creating space and flexibility for addressing the urgent, pressing short-term needs by enabling wider involvement of smaller companies, in particular SMEs, from all Member States.

Enhancing the single market for defence would only be possible through collaborative actions on projects of common interest. These projects should allow for increased standardisation, enhanced aggregated demand, market predictability and increased interoperability of systems. At the same time, it is crucial to give preference to the projects, which take into account the exposure of certain Member States to a high risk of materialised conventional military threats and cater for the need to improve preparedness in case of crisis.

This Programme is an important step towards the long-term objective of fostering a true single market for defence products and removing cross-border barriers, but is at the same time a key instrument for ramping up production and securing the supply of defence products necessary for continuing to support Ukraine and preserve peace in Europe.

The aim of this opinion is to create an inclusive and balanced access to the players that constitute the EDTIB, to an open market that facilitates their cross-border cooperation. European funding shall be easily accessible to all players that, through their actions, aim to reinforce the readiness and the capacities of the EDTIB and Ukrainian DTIB. This Programme shall enhance the competitiveness of our industry and ensure that Europe is prepared to stand strong ahead of the security challenges we are facing.

AMENDMENT

The Committee on the Internal Market and Consumer Protection submits the following to the Committee on Security and Defence and the Committee on Industry, Research and Energy, as the committees responsible:

Amendment 1

Proposal for a regulation

Recital 3

Text proposed by the Commission

(3) On 14 and 15 December 2023, the European Council, in its conclusions, having considered work carried out to implement the Versailles declaration and the Strategic Compass for Security and Defence, underlined that more needs to be done to fulfil the Union's objectives of increasing defence readiness. To achieve such a readiness and defend the Union, a strong defence industry is a pre-requisite, making the European defence industry more resilient, innovative and competitive.

Amendment

(3) On 14 and 15 December 2023, the European Council, in its conclusions, having considered work carried out to implement the Versailles declaration and the Strategic Compass for Security and Defence, underlined that more needs to be done to fulfil the Union's objectives of increasing defence readiness ***while at the same time allowing and encouraging further military assistance to Ukraine***. To achieve ***this*** such a readiness and defend the Union, a strong defence industry is a pre-requisite, making the European defence industry more resilient, innovative and competitive.

Amendment 2

Proposal for a regulation

Recital 4

Text proposed by the Commission

(4) The Commission and the High Representative of the Union for Foreign Affairs and Security Policy presented a Joint Communication on the Defence Investment Gaps Analysis and Way Forward on 18 May 2022 highlighting the existence, within the Union, of defence financial, industrial and capability gaps. On 18 October 2023 a Regulation (EU)

Amendment

(4) The Commission and the High Representative of the Union for Foreign Affairs and Security Policy presented a Joint Communication on the Defence Investment Gaps Analysis and Way Forward on 18 May 2022 highlighting the existence, within the Union, of defence financial, industrial and capability gaps. On 18 October 2023 a Regulation (EU)

2023/2418 of the European Parliament and the Council³ was adopted establishing an instrument for the reinforcement of the European defence industry through common Procurement (EDIRPA), aimed at supporting collaboration between Member States in the procurement phase to fill the most urgent and critical gaps, especially those created by the response to Russia's war of aggression against Ukraine, in a collaborative way. On 20 July 2023 a Regulation (EU) 2023/1525 of the European Parliament and the Council⁴ supporting ammunition production (ASAP) was adopted, aimed at urgently supporting the ramp-up of manufacturing capacities of the European defence industry, secure supply chains, facilitate efficient procurement procedures, address shortfalls in production capacities and promote investments.

2023/2418 of the European Parliament and the Council³ was adopted establishing an instrument for the reinforcement of the European defence industry through common Procurement (EDIRPA), aimed at supporting collaboration between Member States in the procurement phase to fill the most urgent and critical gaps, especially those created by the response to Russia's war of aggression against Ukraine, in a collaborative way. ***However, whilst one of the objectives of EDIRPA was to contribute to the collective benchmark of 35% of total equipment procurement expenditure for European collaborative equipment procurement, as identified by the European Defence Agency Steering Board in 2007, Member States have not yet achieved this collective benchmark objective.*** On 20 July 2023 a Regulation (EU) 2023/1525 of the European Parliament and the Council⁴ supporting ammunition production (ASAP) was adopted, aimed at urgently supporting the ramp-up of manufacturing capacities of the European defence industry, secure supply chains, facilitate efficient procurement procedures, address shortfalls in production capacities and promote investments. ***Actions foreseen in the Programme should inter alia contribute to encouraging Member States to increase spending on defence capabilities, thereby strengthening the defence posture and industrial resilience of the Union.***

³ Regulation (EU) 2023/2418 of the European Parliament and of the Council of 18 October 2023 on establishing an instrument for the reinforcement of the European defence industry through common procurement (EDIRPA) (OJ L, 2023/2418, 26.10.2023, ELI: <http://data.europa.eu/eli/reg/2023/2418/oj>).

⁴ Regulation (EU) 2023/1525 of the European Parliament and of the Council of 20 July 2023 on supporting ammunition

³ Regulation (EU) 2023/2418 of the European Parliament and of the Council of 18 October 2023 on establishing an instrument for the reinforcement of the European defence industry through common procurement (EDIRPA) (OJ L, 2023/2418, 26.10.2023, ELI: <http://data.europa.eu/eli/reg/2023/2418/oj>).

⁴ Regulation (EU) 2023/1525 of the European Parliament and of the Council of 20 July 2023 on supporting ammunition

production (ASAP) (OJ L 185, 24.7.2023, p. 7, ELI: <http://data.europa.eu/eli/reg/2023/1525/oj>).

production (ASAP) (OJ L 185, 24.7.2023, p. 7, ELI: <http://data.europa.eu/eli/reg/2023/1525/oj>).

Amendment 3

Proposal for a regulation Recital 5

Text proposed by the Commission

(5) EDIRPA and ASAP were designed as emergency response and short-term programmes, both expiring in 2025 (30 June 2025 for ASAP and 31 December 2025 for EDIRPA). The Programme should build on EDIRPA and ASAP achievements and extend their logic until 2027, by providing financial support for the reinforcement of the EDTIB, in a predictable, continuous and timely manner on the basis of an integrated approach. In the light of the current security situation, it appears necessary to extend the Union support a broader scope of defence equipment including consumables such as unmanned systems that play a decisive role in the war theatre in Ukraine.

Amendment

(5) EDIRPA and ASAP were designed as emergency response and short-term programmes, both expiring in 2025 (30 June 2025 for ASAP and 31 December 2025 for EDIRPA). The Programme should build on EDIRPA and ASAP achievements and extend their logic until 2027, by providing financial support for the reinforcement of the EDTIB, in a predictable, continuous and timely manner on the basis of an integrated approach. ***The Programme should also guarantee continuity with the European Defence Fund (EDF), including through the industrialisation and marketing of the projects previously co-financed by the EDF.*** In the light of the current security situation, it appears necessary to extend the Union support a broader scope of defence equipment including consumables such as unmanned systems that play a decisive role in the war theatre in Ukraine.

Amendment 4

Proposal for a regulation Recital 6

Text proposed by the Commission

(6) The European Council of 23 June 2022 decided to grant the status of candidate country to Ukraine, which expressed a strong will to link reconstruction with reforms on its

Amendment

(6) The European Council of 23 June 2022 decided to grant the status of candidate country to Ukraine, which expressed a strong will to link reconstruction with reforms on its

European path. In December 2023, EU leaders decided to open accession negotiations with Ukraine. On 15 December 2023, the European Council declared that the Union and Member States remain committed to contributing, for the long term and together with partners, to security commitments to Ukraine, which will help Ukraine to defend itself, resist destabilization efforts and deter acts of aggression in the future. Strong support to Ukraine is a key priority for the Union and an appropriate response to the Union's strong political commitment to support Ukraine for as long as necessary.

European path. In December 2023, EU leaders decided to open accession negotiations with Ukraine. On 15 December 2023, the European Council declared that the Union and Member States remain committed to contributing, for the long term and together with partners, to security commitments to Ukraine, which will help Ukraine to defend itself, resist destabilization efforts and deter acts of aggression in the future. ***Considering the central role that the Ukrainian Armed Forces have in the development of a European Defence Union***, strong support to Ukraine is a key priority ***and should continue to be*** for the Union and an appropriate response to the Union's strong political commitment to support Ukraine for as long as necessary.

Amendment 5

Proposal for a regulation

Recital 14

Text proposed by the Commission

(14) In view of the need invest better and together in defence capabilities of the Member States and associated countries as well as in the recovery, reconstruction and modernisation of Ukraine's defence industrial base, it should be possible for Member States, third countries, international organisations, international financial institutions or other sources to contribute to the implementation of the Programme. Such contributions should be implemented in accordance with the same rules and conditions and should constitute external assigned revenue within the meaning of Article 21(2)(a)(ii), (d), and (e) of ***the*** Regulation (EU, Euratom) ***No 2018/1046***. In addition, Member States should be able to use the flexibility in the implementation of their shared management allocations offered by Regulation (EU) 2021/1060 of the

Amendment

(14) In view of the need invest better and together in defence capabilities of the Member States and associated countries as well as in the recovery, reconstruction and modernisation of Ukraine's defence industrial base, it should be possible for Member States, third countries, international organisations, international financial institutions or other sources to contribute to the implementation of the Programme. Such contributions should be implemented in accordance with the same rules and conditions and should constitute external assigned revenue within the meaning of Article 21(2)(a), (d), and (e) of Regulation (EU, Euratom) ***2024/2509***. In addition, Member States should be able to use the flexibility in the implementation of their shared management allocations offered by Regulation (EU) 2021/1060 of the European Parliament and the Council.

European Parliament and the Council. It should therefore be possible to transfer certain levels of funding between shared management allocations and the Programme subject to the conditions set out in the relevant provisions of Regulation (EU) 2021/1060 of the European Parliament and the Council. Uncommitted resources at the latest in 2028 may be transferred back to one or more respective source programmes, at the request of the Member State, in accordance with the conditions set out in the relevant provisions of Regulation (EU) 2021/1060.

It should therefore be possible to transfer certain levels of funding between shared management allocations and the Programme subject to the conditions set out in the relevant provisions of Regulation (EU) 2021/1060 of the European Parliament and the Council. Uncommitted resources at the latest in 2028 may be transferred back to one or more respective source programmes, at the request of the Member State, in accordance with the conditions set out in the relevant provisions of Regulation (EU) 2021/1060.

Amendment 6

Proposal for a regulation Recital 15

Text proposed by the Commission

(15) As the Programme aims to enhance the competitiveness **and** efficiency of the Union's and Ukraine's defence industry, to benefit from the Programme, recipients of financial support should be legal entities which are established in the Union, in associated countries or in Ukraine and which are not subject to control by non-associated third countries, other than Ukraine or by, non-associated third-country entities. Where Member States, associated countries or Ukraine are the recipients of the financial support, in particular for common procurement actions, these rules should apply mutatis mutandis for the contractors or subcontractors to the procurement contracts. In that context, control should be understood to be the ability to exercise a decisive influence on a legal entity directly, or indirectly through one or more intermediate legal entities. Additionally, in order to ensure the protection of essential security and defence interests of the Union and its Member States, the infrastructure, facilities, assets and resources of the legal

Amendment

(15) As the Programme aims to enhance the competitiveness, efficiency **and capacity** of the Union's and Ukraine's defence industry, to benefit from the Programme, recipients of financial support should be legal entities which are established in the Union, in associated countries or in Ukraine and which are not subject to control by non-associated third countries, other than Ukraine or by, non-associated third-country entities. Where Member States, associated countries or Ukraine are the recipients of the financial support, in particular for common procurement actions, these rules should apply mutatis mutandis for the contractors or subcontractors to the procurement contracts. In that context, control should be understood to be the ability to exercise a decisive influence on a legal entity directly, or indirectly through one or more intermediate legal entities. Additionally, in order to ensure the protection of essential security and defence interests of the Union and its Member States, the infrastructure, facilities, assets and resources of the legal

entities involved in the actions which are used for the purposes of the action should be located on the territory of a Member State, of an associated country or of Ukraine.

entities involved in the actions which are used for the purposes of the action should be located on the territory of a Member State, of an associated country or of Ukraine.

Amendment 7

Proposal for a regulation Recital 19

Text proposed by the Commission

(19) The Programme should provide financial support, via means provided for in *the* Regulation (EU, Euratom) **No 2018/1046**, to actions contributing to the timely availability and supply of defence products such as cooperation for common procurement of public authorities, industrial coordination and networking activities including reservation and stockpiling of defence products, access to finance for undertakings involved in the manufacturing of relevant defence products, reservation of manufacturing capacities ('ever warm facilities'), industrial processes of reconditioning of expired products, expansion, optimisation, modernisation, upgrading or repurposing of existing, or the establishment of new, production capacities in that field as well as the training of personnel.

Amendment

(19) The Programme should provide) financial support, via means provided for in Regulation (EU, Euratom) **2024/2509**, to actions contributing to the timely availability and supply of defence products such as cooperation for common procurement of public authorities, industrial coordination, **including by enhancing the creation of regional clusters**, and networking activities including reservation and stockpiling of defence products, access to finance for undertakings involved in the manufacturing of relevant defence products, reservation of manufacturing capacities ('ever warm facilities'), industrial processes of reconditioning of expired products, **standardisation**, expansion, optimisation, modernisation, upgrading or repurposing of existing, or the establishment of new, production capacities in that field as well as the training of personnel.

Amendment 8

Proposal for a regulation Recital 23

Text proposed by the Commission

(23) In accordance with Article **193(2)** of *the* Regulation (EU, Euratom) **No**

Amendment

(23) In accordance with Article **196(2)** of Regulation (EU, Euratom) **2024/2509**, a

2018/1046, a grant may be awarded for an action which has already begun, provided that the applicant can demonstrate the need for starting the action prior to signature of the grant agreement. However, costs incurred prior to the date of submission of the grant application are not eligible, except in duly justified exceptional cases. In order to enable continuity of funding perspective for actions that could have been supported by 2024 funding under ASAP and EDIRPA, in the financing decision it should be possible to provide for financial contributions in relation to actions that cover a period starting from 5 March 2024.

grant may be awarded for an action which has already begun, provided that the applicant can demonstrate the need for starting the action prior to signature of the grant agreement. However, costs incurred prior to the date of submission of the grant application are not eligible, except in duly justified exceptional cases. In order to enable continuity of funding perspective for actions that could have been supported by 2024 funding under ASAP and EDIRPA, in the financing decision it should be possible to provide for financial contributions in relation to actions that cover a period starting from 5 March 2024.

Amendment 9

Proposal for a regulation Recital 24

Text proposed by the Commission

(24) When assessing proposals submitted by applicants, the Commission should pay particular attention to their contribution to the objectives of the Programme. The proposals should be assessed, in particular, against their contribution to the increase in defence industrial readiness, in particular increasing production capacities and eliminating bottlenecks. They should also be assessed against their contribution to fostering defence industrial resilience, by reference to considerations such as timely availability and supply to all locations, strengthening security of supply throughout the Union in response to identified risks, including in particular to those Member States most exposed to the risk of materialisation of conventional military threats. Assessments should also refer to the contribution to defence industrial cooperation through **genuine** armament cooperation among Member States, associated countries and Ukraine

Amendment

(24) When assessing proposals submitted by applicants, the Commission should pay particular attention to their contribution to the objectives of the Programme. The proposals should be assessed, in particular, against their contribution to the increase in defence industrial readiness, in particular increasing production capacities and eliminating bottlenecks. They should also be assessed against their contribution to fostering defence industrial resilience, by reference to considerations such as timely availability and supply to all locations, strengthening security of supply throughout the Union in response to identified risks , including in particular to those Member States most exposed to the risk of materialisation of conventional military threats ***such as that of invasion or with geographical vulnerabilities. In order to prevent the concentration of funds in a few Member States, the Programme should consider a variety of initiatives***

and the development and the operationalisation of cross-border cooperation of undertakings, in particular, to a significant extent, small and medium-sized enterprises (SMEs) and small middle capitalization companies (small mid-caps) operating in the supply chains concerned.

that may benefit from the funds, and evaluate proposals with the view of bolstering a balanced distribution of resources among Member States, preventing the concentration of funds among a limited number of entities, Member States or specific regions and contributing to a more diversified geographical and industrial participation in the Programme. Assessments should also refer to the contribution to defence industrial cooperation through *inclusive and balanced* armament cooperation among Member States, associated countries and Ukraine. *Other criteria should also be assessed, including the contribution to* and the development and the operationalisation of cross-border cooperation of undertakings, in particular, to a significant extent, small and medium-sized enterprises (SMEs) and small middle capitalization companies (small mid-caps) operating in the supply chains concerned. *The Commission should also pay particular attention to the contribution of proposals to the creation of regional clusters that should be established in a geographically balanced manner across the Union to contribute to the industrial development of all Member States. The regional clusters should support the Union's security of supply and defence readiness by ensuring the strategic positioning of critical manufacturing capacities and the mitigation of risks linked to supply chain disruptions.*

Amendment 10

Proposal for a regulation Recital 24 a (new)

Text proposed by the Commission

Amendment

(24a) Member States, in consultation, where relevant, with the European Defence Agency should formally recognise risks of materialising of

conventional military threats, including armed attacks or organised attempts by a third country or a third country entity to damage state or private property related to critical infrastructure or conduct cyberattacks against critical infrastructure.

Amendment 11

Proposal for a regulation

Recital 25

Text proposed by the Commission

(25) When designing, awarding and implementing Union financial support, the Commission should pay particular attention to ensuring that such support does not adversely affect the conditions of competition in the internal market.

Amendment

(25) When designing, awarding and implementing Union financial support, the Commission should pay particular attention to ensuring that such support does not adversely affect the conditions of competition in the internal market, *including by a risk of monopolisation of a market or its sector by one or few entities.*

Amendment 12

Proposal for a regulation

Recital 26

Text proposed by the Commission

(26) *The* Regulation (EU, Euratom) **No 2018/1046** and subsequent amendments applies to this Programme. It lays down rules on the implementation of the Union budget, including the rules on grants, prizes, procurement, indirect implementation, and financial instruments.

Amendment

(26) Regulation (EU, Euratom) **2024/2509** and subsequent amendments applies to this Programme. It lays down rules on the implementation of the Union budget, including the rules on grants, prizes, procurement, indirect implementation, and financial instruments.

Amendment 13

Proposal for a regulation

Recital 27

(27) In accordance with *the* Regulation (EU, Euratom) **No 2018/1046**, Regulation (EU, Euratom) No 883/2013 of the European Parliament and of the Council and Council Regulations (EC, Euratom) No 2988/95, (Euratom, EC) No 2185/96 and (EU) 2017/1939, the financial interests of the Union are to be protected by means of proportionate measures, including measures relating to the prevention, detection, correction and investigation of irregularities, including fraud, to the recovery of funds lost, wrongly paid or incorrectly used, and, where appropriate, to the imposition of administrative penalties. In particular, in accordance with Regulations (Euratom, EC) No 2185/96 and (EU, Euratom) No 883/2013, the European Anti-Fraud Office (OLAF) has the power to carry out administrative investigations, including on-the-spot checks and inspections, with a view to establishing whether there has been fraud, corruption or any other illegal activity affecting the financial interests of the Union. The European Public Prosecutor's Office (EPPO) is empowered, in accordance with Regulation (EU) 2017/1939, to investigate and prosecute criminal offences affecting the financial interests of the Union as provided for in Directive (EU) 2017/1371 of the European Parliament and of the Council. In accordance with *the* Regulation (EU, Euratom) **No 2018/1046**, any person or entity receiving Union funds is to fully cooperate in the protection of the financial interests of the Union, grant the necessary rights and access to the Commission, OLAF, the Court of Auditors and, in respect of those Member States participating in enhanced cooperation pursuant to Regulation (EU) 2017/1939, the EPPO, and ensure that any third parties involved in the implementation of Union

(27) In accordance with Regulation (EU, Euratom) **2024/2509**, Regulation (EU, Euratom) No 883/2013 of the European Parliament and of the Council and Council Regulations (EC, Euratom) No 2988/95, (Euratom, EC) No 2185/96 and (EU) 2017/1939, the financial interests of the Union are to be protected by means of proportionate measures, including measures relating to the prevention, detection, correction and investigation of irregularities, including fraud, to the recovery of funds lost, wrongly paid or incorrectly used, and, where appropriate, to the imposition of administrative penalties. In particular, in accordance with Regulations (Euratom, EC) No 2185/96 and (EU, Euratom) No 883/2013, the European Anti-Fraud Office (OLAF) has the power to carry out administrative investigations, including on-the-spot checks and inspections, with a view to establishing whether there has been fraud, corruption or any other illegal activity affecting the financial interests of the Union. The European Public Prosecutor's Office (EPPO) is empowered, in accordance with Regulation (EU) 2017/1939, to investigate and prosecute criminal offences affecting the financial interests of the Union as provided for in Directive (EU) 2017/1371 of the European Parliament and of the Council. In accordance with Regulation (EU, Euratom) **2024/2509**, any person or entity receiving Union funds is to fully cooperate in the protection of the financial interests of the Union, grant the necessary rights and access to the Commission, OLAF, the Court of Auditors and, in respect of those Member States participating in enhanced cooperation pursuant to Regulation (EU) 2017/1939, the EPPO, and ensure that any third parties involved in the implementation of Union funds grant

funds grant equivalent rights.

equivalent rights.

Amendment 14

Proposal for a regulation

Recital 28 a (new)

Text proposed by the Commission

Amendment

(28a) Specific provisions and conditions should be introduced to allow the participation to the Programme of third countries with whom the Union has entered in a Security and Defence Partnership (NBI), former Members of the Union, and countries that have been granted candidate country status.

Amendment 15

Proposal for a regulation

Recital 30

Text proposed by the Commission

Amendment

(30) FAST should achieve a satisfactory multiplier effect in line with the debt and equity mix and contribute to attracting both public and private-sector financing. In order to contribute to the overall objective of enhancing the EDTIB's competitiveness, FAST should also provide support to SMEs (***including*** start-ups and scale-ups) and small mid-caps across the EU, manufacturing defence technologies and products as well as companies actually or potentially part of the defence industry's supply chain, facing difficulties in accessing finance. FAST should as well accelerate investment in the field of manufacturing defence technologies and products, and therefore strengthen the security of supply of the Union's defence industry value chains.

(30) FAST should achieve a satisfactory multiplier effect in line with the debt and equity mix and contribute to attracting both public and private-sector financing. In order to contribute to the overall objective of enhancing the EDTIB's competitiveness, FAST should also provide support to SMEs (***in particular*** start-ups and scale-ups) and small mid-caps across the EU, manufacturing defence technologies and products as well as companies actually or potentially part of the defence industry's supply chain, facing difficulties in accessing finance. FAST should as well accelerate investment in the field of manufacturing defence technologies and products, and therefore strengthen the security of supply of the Union's defence industry value chains.

Amendment 16

Proposal for a regulation Recital 36

Text proposed by the Commission

(36) Membership of a SEAP should **comprise** at least three Member States **and may include** associated countries and Ukraine.

Amendment

(36) Membership of a SEAP should **be composed of** at least three Member States **or of at least four countries, including** associated countries and Ukraine, **and at least three Member States, provided that at least three are Member States.**

Amendment 17

Proposal for a regulation Recital 39

Text proposed by the Commission

(39) A SEAP should be able to appoint a Procurement Agent acting in its own name. A SEAP should be able to procure defence products on its own behalf or on behalf of its members. In the case it procures on its own behalf, the SEAP should be considered as an international organisation purchasing for its own purposes within the meaning of Article 12(c) of Directive 2009/81/EC in conformity with State aid rules. Where it procures on behalf of its members, in order to ensure an adequate incentive for Member States to engage in a cooperation within the SEAP, the SEAP should be able to define its own rules of procurement by derogation to Directive 2009/81/EC. These rules should ensure compliance with EU primary law principles applicable to procurement, in particular those of transparency, non-discrimination and competition.

Amendment

(39) A SEAP should be able to appoint a Procurement Agent acting in its own name **in transparency for all the SEAP members.** A SEAP should be able to procure defence products on its own behalf or on behalf of its members. In the case it procures on its own behalf, the SEAP should be considered as an international organisation purchasing for its own purposes within the meaning of Article 12(c) of Directive 2009/81/EC in conformity with State aid rules. Where it procures on behalf of its members, in order to ensure an adequate incentive for Member States to engage in a cooperation within the SEAP, the SEAP should be able to define its own rules of procurement by derogation to Directive 2009/81/EC. These rules should ensure compliance with EU primary law principles applicable to procurement, in particular those of transparency, non-discrimination and competition.

Amendment 18

Proposal for a regulation Recital 40

Text proposed by the Commission

(40) A SEAP could qualify for funding in accordance with Title VI of *the* Regulation (EU, Euratom) **No 2018/1046**. Funding under the Cohesion Policy could also be possible, in conformity with the relevant Community legislation.

Amendment

(40) A SEAP could qualify for funding in accordance with Title VI of Regulation (EU, Euratom) **2024/2509**. Funding under the Cohesion Policy could also be possible, in conformity with the relevant Community legislation.

Amendment 19

Proposal for a regulation Recital 42

Text proposed by the Commission

(42) Since a SEAP is established under Union law, it should be governed by Union law, in addition to the law of the State where it has its statutory seat. However, the SEAP could have a place of operation in another State. The law of that latter State should apply in respect of specific matters defined by the Statutes of the SEAP. Furthermore, a SEAP should be governed by implementing rules complying with the Statutes.

Amendment

(42) Since a SEAP is established under Union law, it should be governed by Union law, in addition to the law of the State where it has its statutory seat. However, the SEAP could have a place of operation in another State. The law of that latter State should apply in respect of specific matters defined by the Statutes of the SEAP, **as should EU law**. Furthermore, a SEAP should be governed by implementing rules complying with the Statutes.

Amendment 20

Proposal for a regulation Recital 48

Text proposed by the Commission

(48) Directive 2009/81/EC of the European Parliament and of the Council aims at harmonising procurement procedures for the award of public contracts in the field of defence and security thus enabling the security

Amendment

(48) Directive 2009/81/EC of the European Parliament and of the Council aims at harmonising procurement procedures for the award of public contracts in the field of defence and security thus enabling the security

requirements of Member States and the obligations arising from the TFEU to be met. That Directive contains, in particular, specific provisions governing situations of urgency resulting from a crisis, in particular shortened periods for the receipt of tenders and the possibility to use the negotiated procedure without prior publication of a contract notice. However, in extreme urgency, in particular during supply and security crises, these rules could be incompatible even with those provisions in cases where two or more Member States intend to engage in a common procurement. In some cases, the only solution that ensures the security interests of those Member States is to open an existing framework agreement to contracting authorities/entities of Member States that were not originally party to it, even though that possibility had not been provided for in the original framework agreement.

requirements of Member States and the obligations arising from the TFEU to be met. That Directive contains, in particular, specific provisions governing situations of urgency resulting from a crisis, in particular shortened periods for the receipt of tenders and the possibility to use the negotiated procedure without prior publication of a contract notice. However, in extreme urgency, in particular during supply and security crises, these rules could be incompatible even with those provisions in cases where two or more Member States intend to engage in a common procurement. In some cases, the only solution that ensures the security interests of those Member States is to open an existing **contract or** framework agreement to contracting authorities/entities of Member States that were not originally party to it, even though that possibility had not been provided for in the original **contract or** framework agreement.

Amendment 21

Proposal for a regulation Recital 49

Text proposed by the Commission

(49) In accordance with the case law of the Court of Justice of the European Union, modifications to a public contract are to be strictly limited to what is absolutely necessary in the circumstances, while complying **to the maximum extent possible** with the principles of non-discrimination, transparency and proportionality. In that regard, it should be possible to derogate from Directive 2009/81/EC by increasing the quantities provided for in a framework agreement while opening it to contracting authorities/entities of other Member States. With respect to those additional quantities, those contracting authorities/entities should

Amendment

(49) In accordance with the case law of the Court of Justice of the European Union, modifications to a public contract are to be strictly limited to what is absolutely necessary in the circumstances, while complying with the principles of non-discrimination, transparency and proportionality. In that regard, it should be possible to derogate from Directive 2009/81/EC by increasing the quantities provided for in a **contract or** framework agreement while opening it to contracting authorities/entities of other Member States. With respect to those additional quantities, those contracting authorities/entities should enjoy the same conditions as the original

enjoy the same conditions as the original contracting authority/entity that concluded the original framework agreement. In such cases, the original contracting authority/entity should also allow any economic operator who fulfils the contracting authority's/entity's conditions initially laid down in the procurement procedure for the framework agreement, including requirements for qualitative selections as referred to in Articles 39 to 46 of Directive 2009/81/EC, to join that framework agreement. In addition, appropriate transparency measures should be taken to ensure that all potentially interested parties are informed.

contracting authority/entity that concluded the original **contract or** framework agreement. In such cases, the original contracting authority/entity should also allow any economic operator who fulfils the contracting authority's/entity's conditions initially laid down in the procurement procedure for the **contract or** framework agreement, including requirements for qualitative selections as referred to in Articles 39 to 46 of Directive 2009/81/EC, to join that **contract or** framework agreement. In addition, appropriate transparency measures should be taken to ensure that all potentially interested parties are informed.

Amendment 22

Proposal for a regulation Recital 54

Text proposed by the Commission

(54) The objective of a mapping of the Union's defence supply chains should be to provide an analysis of their strengths and weaknesses with a view to ensure security of supply and resilience. To that end, the Commission should identify products, components as well as raw materials that are deemed critical for the supply of defence products particularly important for the defence interests of the Union and its Member States (crisis-relevant products), based on the inputs and advice from the Defence Industrial Readiness Board. The mapping should be based on publicly and commercially available data and, if necessary, on data obtained through voluntary information requests of undertakings, in consultation with the Defence Industrial Readiness Board.

Amendment

(54) The objective of a mapping of the Union's defence supply chains should be to provide an analysis of their strengths and weaknesses with a view to ensure security of supply and resilience **as well as to strengthen the strategic autonomy of the Union and its Member States**. To that end, the Commission should identify products, components as well as raw materials that are deemed critical for the supply of defence products particularly important for the defence interests of the Union and its Member States (crisis-relevant products), based on the inputs and advice from the Defence Industrial Readiness Board. The mapping should be based on publicly and commercially available data and, if necessary, on data obtained through voluntary information requests of undertakings, in consultation with the Defence Industrial Readiness Board.

Amendment 23

Proposal for a regulation Recital 57

Text proposed by the Commission

(57) On this basis, the Commission should draw up a list, identifying the crisis-relevant defence products, raw materials or components thereof, that are affected by disruptions or potential disruptions of the functioning of the Single Market and its supply chains leading to significant shortages. The Commission should regularly update this list, to focus only on possible disruptions or bottlenecks affecting the security of supply of relevant defence products, as well as raw materials and components thereof.

Amendment

(57) On this basis, the Commission should draw up a list, identifying the crisis-relevant defence products, raw materials or components thereof, that are affected by disruptions or potential disruptions of the functioning of the Single Market and its supply chains leading to significant shortages. The Commission should regularly update this list, to focus only on possible disruptions or bottlenecks affecting the security of supply of relevant defence products, as well as raw materials and components thereof. ***In addition, the Commission should facilitate regular dialogue with industry stakeholders to foster joint planning and procurement while aligning funding priorities with operational needs.***

Amendment 24

Proposal for a regulation Recital 67

Text proposed by the Commission

(67) With a view to support the Commission in implementing this Regulation, a European Defence Industrial Readiness Board should be established, composed of the Commission, the High Representative/Head of the Agency and Member States. In addition, outside the framework of the current Regulation, the High Representative/Head of Agency and the Commission will at their initiative convene and co-chair meetings of the members in the context of the Board to exercise the joint programming and procurement function and provide strategic guidance and advice with a view to

Amendment

(67) With a view to support the Commission in implementing this Regulation, a European Defence Industrial Readiness Board should be established, composed of the Commission, the High Representative/Head of the Agency and Member States. ***The European Parliament should be invited as an observer.*** In addition, outside the framework of the current Regulation, the High Representative/Head of Agency and the Commission will at their initiative convene and co-chair meetings of the members in the context of the Board to exercise the joint programming and procurement

increase defence industrial readiness of the EDTIB, in line with the European Defence Industrial Strategy.

function and provide strategic guidance and advice with a view to increase defence industrial readiness of the EDTIB, in line with the European Defence Industrial Strategy. ***In order to ensure an effective co-operation and to establish a closer dialogue and engagement with the industry, a high-level European Defence Industry Group should be set up.***

Amendment 25

Proposal for a regulation

Article 1 – paragraph 1 – introductory part

Text proposed by the Commission

This Regulation establishes a budget and lays down a set of measures aimed at supporting defence industry readiness of the Union and its Member States through the strengthening of the competitiveness, responsiveness and ability of the European Defence Technological and Industrial Base (EDTIB) to ensure the timely availability and supply of defence products and at contributing to the recovery, reconstruction and modernisation of the Ukraine Defence Technological and Industrial Base (Ukrainian DTIB), in particular by means of the following:

Amendment

This Regulation establishes a budget ***for the period from 2025 to 2027*** and lays down a set of measures aimed at supporting defence industry readiness of the Union and its Member States through the strengthening of the ***internal market for defence***, competitiveness, responsiveness and ability of the European Defence Technological and Industrial Base (EDTIB) to ensure ***the proper functioning of the internal market and its defence supply chains, including through*** the timely availability and supply of defence products, ***and to contribute*** to the recovery, reconstruction and modernisation of the Ukraine Defence Technological and Industrial Base (Ukrainian DTIB), in particular by means of the following:

Amendment 26

Proposal for a regulation

Article 1 – paragraph 1 – point 1

Text proposed by the Commission

(1) the establishment of the European Defence Industrial Programme (the ‘Programme’), comprising measures for

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');

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') *as set out in Chapter II, Section 2;*

Amendment 27

Proposal for a regulation

Article 1 – paragraph 1 – point 2

Text proposed by the Commission

(2) the establishment of a cooperation programme with Ukraine with a view to the recovery, reconstruction and modernisation of the Ukraine Defence Technological and Industrial Base (the 'Ukraine Support Instrument');

Amendment

(2) the establishment of a cooperation programme with Ukraine with a view to the recovery, reconstruction and modernisation of the Ukraine Defence Technological and Industrial Base (the 'Ukraine Support Instrument') *as set out in Chapter II, Section 3;*

Amendment 28

Proposal for a regulation

Article 1 – paragraph 1 – point 4

Text proposed by the Commission

(4) a legal framework aiming at ensuring security of supply, removing obstacles and bottlenecks and supporting the production of defence products as set out in Chapter IV;

Amendment

(4) a legal framework aiming at ensuring security of supply *and strengthening the internal market for defence and response to the supply crisis by* removing obstacles and bottlenecks and supporting the production of defence products as set out in Chapter IV;

Amendment 29

Proposal for a regulation

Article 2 – paragraph 1 – point 4 a (new)

Text proposed by the Commission

Amendment

(4a) 'contracting authorities' means

contracting authorities as defined in Article 2(1), point (1), of Directive 2014/24/EU and in Article 3(1) of Directive 2014/25/EU;

Amendment 30

Proposal for a regulation

Article 2 – paragraph 1 – point 9

Text proposed by the Commission

(9) ‘legal entity’ means a legal person created and recognised as such under Union, national or international law, which has legal personality and the capacity to act in its own name, exercise rights and be subject to obligations, or an entity which does not have legal personality as referred to in Article **197(2)**, point (c), of *the* Regulation (EU, Euratom) **No 2018/1046**;

Amendment

(9) ‘legal entity’ means a legal person created and recognised as such under Union, national or international law, which has legal personality and the capacity to act in its own name, exercise rights and be subject to obligations, or an entity which does not have legal personality as referred to in Article **200(2)**, point (c), of Regulation (EU, Euratom) **2024/2509**;

Amendment 31

Proposal for a regulation

Article 2 – paragraph 1 – point 20

Text proposed by the Commission

(20) ‘small and medium-sized enterprises’ or ‘SMEs’ means small and medium-sized *enterprises as defined in Article 2 of the Annex to Commission Recommendation 2003/361/EC*;

Amendment

(20) ‘small and medium-sized enterprises’ or ‘SMEs’ means small and medium-sized *undertakings within the meaning of Article 3(2) and (3) of Directive 2013/34/EU*;

Amendment 32

Proposal for a regulation

Article 2 – paragraph 1 – point 23

Text proposed by the Commission

(23) ‘crisis-relevant products’ means defence products or *key* components or raw materials thereof or any products or

Amendment

(23) ‘crisis-relevant products’ means defence products or components or raw materials thereof or any products or

services critical to their production *that have been identified as being seriously affected by a disruption or potential disruption of the* functioning of the internal market and its supply chains *resulting in actual or potential significant shortages.*

services critical to their production *whose availability is indispensable to ensure the proper* functioning of the internal market and its supply chains *and must be secured to respond to a supply crisis;*

Amendment 33

Proposal for a regulation

Article 2 – paragraph 1 – point 23 a (new)

Text proposed by the Commission

Amendment

(23a) 'European Defence Project of Common Interest' or 'EDPCI' means any collaborative industrial project that contributes to the development of military capabilities and systems of interest and use, including those securing access to all operational domains, that is critical for the security and defence interests of the Union and its Member States and that contributes to a common European defence, as outlined in Article 15;

Amendment 34

Proposal for a regulation

Article 2 – paragraph 1 – point 23 b (new)

Text proposed by the Commission

Amendment

(23b) 'regional cluster' means a structured cooperation framework established by at least three Member States with a common geographical proximity, with the objective of achieving economies of scale, reducing thereby redundant national expenditures, fostering knowledge sharing and cross-border industrial synergies.

Amendment 35

Proposal for a regulation Article 3 – paragraph 1

Text proposed by the Commission

1. Grants may take the form of financing not linked to costs, pursuant to Article **180(3)** of Regulation (EU, Euratom) **2018/1046**.

Amendment

1. Grants may take the form of financing not linked to costs, pursuant to Article **183** of Regulation (EU, Euratom) **2024/2509**.

Amendment 36

Proposal for a regulation Article 3 – paragraph 2 – point b

Text proposed by the Commission

(b) the characteristics of the cooperation which are likely to give rise to greater interoperability outcomes and long-term investment signals to industry, in particular where the common procurement covers activities that would be eligible for funding from the Union budget, e.g. research and development, testing and certification, initial production or in-service support activities;

Amendment

(b) the characteristics of the cooperation which are likely to give rise to **the creation of regional clusters**, greater interoperability outcomes, **economies of scale** and long-term investment signals to industry, in particular where the common procurement covers activities that would be eligible for funding from the Union budget, e.g. research and development, testing and certification, initial production or in-service support activities;

Amendment 37

Proposal for a regulation Article 3 – paragraph 3 – point b

Text proposed by the Commission

(b) the efforts of adapting the Ukrainian defence procurement processes and the environment for the Ukrainian defence industry, including to meet NATO standards;

Amendment

(b) the efforts **contributing to the recovery and modernisation of the Ukrainian DTIB**, of adapting the Ukrainian defence procurement processes and the environment for the Ukrainian defence industry, including to meet NATO standards;

Amendment 38

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 aim at increasing the ***competitiveness, responsiveness, and*** defence industrial readiness of the EDTIB and of the Ukrainian DTIB in particular through:

Amendment 39

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) ***strengthening the competitiveness of the defence industry, improving and accelerating its capacity of adaptation*** 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, ***with a view to progressively achieving a common European defence and collectively addressing the increased security threats due to proximity to third countries engaged in a war or destabilizing military actions; particular emphasis shall be placed on the participation and support***, to a significant extent ***of SMEs, including start-ups*** small mid-caps and other mid-caps, ***reducing the lead production time for defence products, and supporting the industrialisation and commercialisation of defence products;***

Amendment 40

Proposal for a regulation
Article 4 – paragraph 1 – point b

Text proposed by the Commission

(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 systems ***and*** greater interoperability.

Amendment

(b) ***enhancing*** cooperation in defence procurement ***by incentivising Member States to aggregate demand for defence products,*** contribute to ***strengthened*** solidarity ***among them, aiding research and development in emerging technologies critical to modern warfare,*** prevent crowding-out effects, increase the effectiveness of public spending ***in particular through economies of scale,*** and reduce ***unnecessary*** fragmentation, ultimately ***contributing to the strengthening of the internal market for security and defence, and*** to an increase in the ***harmonisation and*** standardisation of defence systems ***as well as*** greater interoperability ***within NATO standards, also resulting in support actions to restock defence products and capabilities donated to Ukraine.***

Amendment 41

Proposal for a regulation
Article 4 – paragraph 2

Text proposed by the Commission

2. Actions contributing to the recovery, reconstruction and modernisation of the Ukrainian DTIB shall take into account its possible future integration into the EDTIB, thereby contributing to mutual stability, security, peace, prosperity and sustainability.

Amendment

2. Actions contributing to the recovery, reconstruction and modernisation of the Ukrainian DTIB shall take into account its possible future integration into the EDTIB, thereby contributing to mutual stability, security, peace, prosperity and sustainability. ***Such actions shall aim to support Ukraine in increasing the manufacturing of the most relevant and urgent defence products to ensure rapid and targeted assistance in response to the ongoing crisis as far as the war persists on the territory of Ukraine.***

Amendment 42

Proposal for a regulation

Article 4 – paragraph 4

Text proposed by the Commission

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 of the Defence Industrial Readiness Board.

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 of the Defence Industrial Readiness Board. ***While pursuing these objectives, the deterrence needs of the Union and its Member States facing increased security threats due to proximity to third countries engaged in war or destabilizing military actions shall be taken into account.***

Amendment 43

Proposal for a regulation

Article 4 – paragraph 4 a (new)

Text proposed by the Commission

Amendment

4a. The Programme shall be coherent with Member States' cooperation within the framework of the Permanent Structured Cooperation, European Defence Agency (EDA) initiatives and projects, and the Union's civil and military assistance to Ukraine. The Programme shall take into account the relevant activities carried out by NATO and other partners where such activities serve the Union's security and defence

interests.

Amendment 44

Proposal for a regulation

Article 4 – paragraph 5

Text proposed by the Commission

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.

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 **and other relevant** 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.

Amendment 45

Proposal for a regulation

Article 5 – paragraph 1 a (new)

Text proposed by the Commission

Amendment

1a. At least 30% of the financial envelope referred to in paragraph 1, point (a), of this Article shall be allocated to actions referred to in Article 11, paragraph 3. Up to 25% of the financial envelope referred to in paragraph 1 of this Article may be allocated to actions referred to in Article 11, paragraph 4.

Amendment 46

Proposal for a regulation Article 5 – paragraph 4

Text proposed by the Commission

4. In addition to Article 12(4) of Regulation (EU, Euratom) **2018/1046**, unused commitment and payment appropriations shall be automatically carried over and may be committed and used, respectively, until 31 December of the following financial year. The amount carried over shall be used first in the following financial year. The Commission shall inform the European Parliament and the Council of commitment appropriations carried over in accordance with Article 12(6) of Regulation (EU, Euratom) **2018/1046**.

Amendment

4. In addition to Article 12(4) of Regulation (EU, Euratom) **2024/2509**, unused commitment and payment appropriations shall be automatically carried over and may be committed and used, respectively, until 31 December of the following financial year. The amount carried over shall be used first in the following financial year. The Commission shall inform the European Parliament and the Council of commitment appropriations carried over in accordance with Article 12(6) of Regulation (EU, Euratom) **2024/2509**.

Amendment 47

Proposal for a regulation Article 5 – paragraph 5

Text proposed by the Commission

5. By way of derogation from Article **209(3)**, first, second and fourth subparagraphs of Regulation (EU, Euratom) **2018/1046**, any revenues and repayments from financial instruments established under this Regulation shall constitute internal assigned revenue within the meaning of Article 21(5) of Regulation (EU, Euratom) **2018/1046**, to the Programme or its successor programme.

Amendment

5. By way of derogation from Article **212(3)**, first, second and fourth subparagraphs of Regulation (EU, Euratom) **2024/2509**, any revenues and repayments from financial instruments established under this Regulation shall constitute internal assigned revenue within the meaning of Article 21(5) of Regulation (EU, Euratom) **2024/2509**, to the Programme or its successor programme.

Amendment 48

Proposal for a regulation Article 5 – paragraph 6

Text proposed by the Commission

6. In addition to Article 15 of Regulation (EU, Euratom) **2018/1046**, commitment appropriations corresponding to the amount of recoveries and of decommitments shall be made available again to the Programme or the Ukraine Support Instrument or their successors in the context of the budgetary procedure.

Amendment

6. In addition to Article 15 of Regulation (EU, Euratom) **2024/2509** commitment appropriations corresponding to the amount of recoveries and of decommitments shall be made available again to the Programme or the Ukraine Support Instrument or their successors in the context of the budgetary procedure.

Amendment 49

Proposal for a regulation
Article 6 – paragraph 1

Text proposed by the Commission

1. Member States, European Union institutions, bodies and agencies, third countries, international organisations, international financial institutions or other third parties, may provide additional financial contributions to the Programme, including to the Fund Accelerating the defence Supply Chains Transformation (FAST) referred to in Article 19 in accordance with Article **208(2)** of *the* Regulation (EU, Euratom) **No 2018/1046**. Such financial contributions shall constitute external assigned revenue within the meaning of Article 21(2), points (a)(ii) [point (a) FR recast], (d), or (e) or Article 21(5) of *the* Regulation (EU, Euratom) **No 2018/1046**.

Amendment

1. Member States, European Union institutions, bodies and agencies, third countries, international organisations, international financial institutions or other third parties, may provide additional financial contributions to the Programme, including to the Fund Accelerating the defence Supply Chains Transformation (FAST) referred to in Article 19 in accordance with Article **211(2)** of Regulation (EU, Euratom) **2024/2509**. Such financial contributions shall constitute external assigned revenue within the meaning of Article 21(2), points (a)(ii) [point (a) FR recast], (d), or (e) or Article 21(5) of Regulation (EU, Euratom) **2024/2509**.

Amendment 50

Proposal for a regulation
Article 6 – paragraph 3

Text proposed by the Commission

3. Resources allocated to Member States under shared management may, at

Amendment

3. Resources allocated to Member States under shared management may, at

their request, be transferred to the Programme subject to the conditions set out in the relevant provisions of Regulation (EU) 2021/1060 of the European Parliament and the Council⁵. The Commission shall implement those resources directly in accordance with Article 62(1), point (a) of the first subparagraph, of *the* Regulation (EU, Euratom) **No 2018/1046** or indirectly in accordance with point (c) of that subparagraph. They shall be added to the resources referred to in Article 5(3), point (a). Those resources shall be used for the benefit of the Member State concerned.

their request, be transferred to the Programme subject to the conditions set out in the relevant provisions of Regulation (EU) 2021/1060 of the European Parliament and the Council⁵. The Commission shall implement those resources directly in accordance with Article 62(1), point (a) of the first subparagraph, of Regulation (EU, Euratom) **2024/2509** or indirectly in accordance with point (c) of that subparagraph. They shall be added to the resources referred to in Article 5(3), point (a). Those resources shall be used for the benefit of the Member State concerned.

⁵ Regulation (EU) 2021/1060 of the European Parliament and of the Council of 24 June 2021 laying down common provisions on the European Regional Development Fund, the European Social Fund Plus, the Cohesion Fund, the Just Transition Fund and the European Maritime, Fisheries and Aquaculture Fund and financial rules for those and for the Asylum, Migration and Integration Fund, the Internal Security Fund and the Programme for Financial Support for Border Management and Visa Policy (OJ L 231, 30.6.2021, p. 159–706).

⁵ Regulation (EU) 2021/1060 of the European Parliament and of the Council of 24 June 2021 laying down common provisions on the European Regional Development Fund, the European Social Fund Plus, the Cohesion Fund, the Just Transition Fund and the European Maritime, Fisheries and Aquaculture Fund and financial rules for those and for the Asylum, Migration and Integration Fund, the Internal Security Fund and the Programme for Financial Support for Border Management and Visa Policy (OJ L 231, 30.6.2021, p. 159–706).

Amendment 51

Proposal for a regulation Article 8 – paragraph 1

Text proposed by the Commission

1. The Programme shall be implemented under direct management in accordance with the Regulation (EU, Euratom) **No 2018/1046** or in indirect management with bodies referred to in Article 62(1), point (c), of *the* Regulation (EU, Euratom) **No 2018/1046**.

Amendment

1. The Programme shall be implemented under direct management in accordance with the Regulation (EU, Euratom) **2024/2509** or in indirect management with bodies referred to in Article 62(1), point (c), of Regulation (EU, Euratom) **2024/2509**.

Amendment 52

Proposal for a regulation Article 8 – paragraph 2

Text proposed by the Commission

2. Union funding may be provided in any of the forms laid down in the Regulation (EU, Euratom) **No 2018/1046**, in particular grants, prizes, procurement, and financial instruments within blending operations under the InvestEU programme in accordance with Title X of **the** Regulation (EU, Euratom) **No 2018/1046**.

Amendment

2. Union funding may be provided in any of the forms laid down in the Regulation (EU, Euratom) **2024/2509**, in particular grants, prizes, procurement, and financial instruments within blending operations under the InvestEU programme in accordance with Title X of Regulation (EU, Euratom) **2024/2509**.

Amendment 53

Proposal for a regulation Article 8 – paragraph 3

Text proposed by the Commission

3. By way of derogation from Article **192(2)** of **the** Regulation (EU, Euratom) **No 2018/1046**, activities referred to in Article 11(3), point (d), for which Union funding is provided in the form of a grant, and profit is made, the Commission may recover the percentage of the profit corresponding to the Union contribution to the eligible costs actually incurred by the beneficiary carrying out the action, up to the final amount of the Union contribution. The profit is calculated by a surplus of receipts over the eligible costs of the action, where receipts are limited to Union funding, Member State funding, including procurement, other revenue generated during the action and any revenue resulting from the action. The work programme may set out further details.

Amendment

3. By way of derogation from Article **195(2)** of Regulation (EU, Euratom) **2024/2509**, activities referred to in Article 11(3), point (d), for which Union funding is provided in the form of a grant, and profit is made, the Commission may recover the percentage of the profit corresponding to the Union contribution to the eligible costs actually incurred by the beneficiary carrying out the action, up to the final amount of the Union contribution. The profit is calculated by a surplus of receipts over the eligible costs of the action, where receipts are limited to Union funding, Member State funding, including procurement, other revenue generated during the action and any revenue resulting from the action. The work programme may set out further details.

Amendment 54

Proposal for a regulation
Article 8 – paragraph 4

Text proposed by the Commission

4. By way of derogation from Article **193(2)** of Regulation (EU, Euratom) **2018/1046**, financial contributions may, where relevant and necessary for the implementation of an action, cover actions started and costs incurred prior to the date of the submission of the proposal for those actions, provided that those actions did not start before 5 March 2024 and have not been completed before the signature of the grant agreement.

Amendment 55

Proposal for a regulation
Article 9 – paragraph 1 a (new)

Text proposed by the Commission

Amendment

4. By way of derogation from Article **196(2)** of Regulation (EU, Euratom) **2024/2509**, financial contributions may, where relevant and necessary for the implementation of an action, cover actions started and costs incurred prior to the date of the submission of the proposal for those actions, provided that those actions did not start before 5 March 2024 and have not been completed before the signature of the grant agreement.

Member States may decide, upon a proposal from the Commission, in line with the provisions in this Regulation, to open the participation to the Programme to third countries with whom the Union has entered in a Security and Defence Partnership (NBI), former members of the Union, and countries that have been granted candidate country status, under strictly defined conditions and financial requirements on the basis of ad hoc partnerships and provided that such participation does not contravene to the security and defence interests of the Union or its Member States, including the respect for the principle of good neighbourly relations. In such situations, these countries shall be considered associated countries.

Amendment 56

Proposal for a regulation
Article 10 – paragraph 1

Text proposed by the Commission

1. The eligibility criteria set out in paragraphs 2 to 7 shall apply in addition to the criteria set out in accordance with Regulation (EU, Euratom) **2018/1046**.

Amendment

1. The eligibility criteria set out in paragraphs 2 to 7 shall apply in addition to the criteria set out in accordance with Regulation (EU, Euratom) **2024/2509**.

Amendment 57

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 set out in Article 4.***

Amendment

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.

Amendment 58

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

Text proposed by the Commission

Amendment

3a. 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 that such use is consistent with the objectives set out in Article 4. The costs related to activities using such infrastructure, facilities, assets or resources located outside the territory of a Member State or of an associated country shall not be eligible for support from the Programme.

Amendment 59

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:

(a) 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

(b) guarantees approved by the Member State or the associated country in which ***the contractor or subcontractor involved in the action*** is established in accordance with its national procedures are made available to the Commission.

Amendment 60

Proposal for a regulation

Article 10 – paragraph 5 – subparagraph 1 a (new)

Text proposed by the Commission

Amendment

The guarantees may be based on a standardised template provided by the Commission, assisted by the committee referred to in Article 58, and shall be part of the tender specifications, in order to ensure a harmonised approach throughout the Union.

Amendment 61

Proposal for a regulation

Article 10 – paragraph 5 – subparagraph 2 – introductory part

Text proposed by the Commission

Amendment

The guarantees shall provide assurances that the involvement in an action of such a legal entity would not contravene the security and defence interests of the Union and its Member States as established in the framework of the CFSP pursuant to Title V of the Treaty on European Union (TEU), or the objectives set out in Article 4. The guarantees shall also comply with Article

The guarantees shall provide assurances that the involvement in an action of such a legal entity would not contravene the security and defence interests of the Union and its Member States, ***including respect for international law and the principle of good neighbourly relations*** as established in the framework of the CFSP pursuant to Title V of the Treaty on European Union

11(8), point (c). The guarantees shall in particular substantiate that, for the purposes of an action, measures are in place to ensure that:

(TEU), or the objectives set out in Article 4. The guarantees shall also comply with Article 11(8), point (c). The guarantees shall in particular substantiate that, for the purposes of an action, measures are in place to ensure that:

Amendment 62

Proposal for a regulation

Article 10 – paragraph 5 – subparagraph 2 – point b

Text proposed by the Commission

(b) access by a non-associated third country or by a non-associated third-country entity to *sensitive* information relating to the action is prevented and the employees or other persons involved in the action have national security clearance issued by a Member State or an associated country, where appropriate;

Amendment

(b) access by a non-associated third country or by a non-associated third-country entity to ***classified*** information relating to the action is prevented and the employees or other persons involved in the action have national security clearance issued by a Member State or an associated country, where appropriate;

Amendment 63

Proposal for a regulation

Article 10 – paragraph 5 – subparagraph 3

Text proposed by the Commission

If considered to be appropriate by the Member State or the associated country in which the legal entity is established, additional guarantees may be provided.

Amendment

deleted

Amendment 64

Proposal for a regulation

Article 10 – paragraph 6 – subparagraph 1

Text proposed by the Commission

When carrying out an eligible action, recipients may also cooperate with legal entities established outside the territory of

Amendment

When carrying out an eligible action, recipients may also cooperate with legal entities established outside the territory of

the Member States or of associated countries, or controlled by a non-associated third country or by a non-associated third-country entity, including by using the assets, infrastructure, facilities and resources of such legal entities, provided that this does not contravene the security and defence interests of the Union and its Member States. Such cooperation shall be consistent with the objectives set out in Article 4 and comply with Article **11(8), point (c)**.

the Member States or of associated countries, or controlled by a non-associated third country or by a non-associated third-country entity, including by using the assets, infrastructure, facilities and resources of such legal entities, provided that this does not contravene the security and defence interests of the Union and its Member States, ***including respect for international law and the principle of good neighbourly relations***. Such cooperation shall be consistent with the objectives set out in Article 4 and comply with Article **11**.

Amendment 65

Proposal for a regulation

Article 10 – paragraph 6 a (new)

Text proposed by the Commission

Amendment

6a. Member States shall not impose additional restrictions or limitations on the participation of eligible legal entities that meet the criteria outlined in this Article, except where such measures are necessary and proportionate to safeguard their essential security interests, in accordance with Article 346 of the Treaty on the Functioning of the European Union (TFEU). Any such measures must be duly justified and notified to the Commission.

Amendment 66

Proposal for a regulation

Article 11 – paragraph 3 – introductory part

Text proposed by the Commission

Amendment

3. Activities related to speeding up the adjustment to structural changes of the production capacity of defence products, including their components and

3. Activities related to speeding up the adjustment to structural changes of the production capacity of defence products, ***with a particular focus on their ability to***

corresponding raw materials insofar as they are intended or used wholly for the production of defence products (industry reinforcement actions) may cover:

be interoperable and interchangeable, including their components and corresponding raw materials insofar as they are intended or used wholly for the production of defence products (industry reinforcement actions) may cover:

Amendment 67

Proposal for a regulation

Article 11 – paragraph 3 – point b

Text proposed by the Commission

(b) the establishment of cross-border industrial partnerships, ***including through*** public private partnerships or other forms of industrial cooperation, in a joint industrial effort, including activities that aim to coordinate the sourcing or reservation and stockpiling of defence products, components and corresponding raw materials insofar as those components and raw materials are intended or used wholly for the production of defence products, as well as to coordinate production capacities and production plans;

Amendment

(b) the establishment of cross-border industrial partnerships, ***across the Union and the associated countries, involving parties established in at least three Member States, in order to ensure positive spill-over effects of technology for increased long-term resilience; this shall include*** public private partnerships or other forms of industrial cooperation, ***including with SMEs, small and other mid-caps***, in a joint industrial effort, including activities that aim to coordinate the sourcing or reservation and stockpiling of defence products, components and corresponding raw materials insofar as those components and raw materials are intended or used wholly for the production of defence products, as well as to coordinate production capacities and production plans;

Amendment 68

Proposal for a regulation

Article 11 – paragraph 3 – point d

Text proposed by the Commission

(d) fostering industrialisation and commercialisation of defence products that have been developed in the framework of actions funded by the Union or other cooperative activities conducted with

Amendment

(d) fostering industrialisation and commercialisation of defence products, ***including those*** that have been developed in the framework of actions funded by the Union or other cooperative activities

support by at least two Member States including through the establishment of cross-border industrial partnerships, public private partnerships or other forms of industrial cooperation, ramping-up of initial production as well as licensing production, where appropriate;

conducted with support by at least two Member States including through the establishment of cross-border industrial partnerships, ***involving parties established in at least three Member States in order to ensure positive spill-over effects of technology for increased long-term resilience; this shall include*** public private partnerships or other forms of industrial cooperation, ramping-up of initial production as well as licensing production, where appropriate, ***including for the development and integration of software solutions for defence systems***;

Amendment 69

Proposal for a regulation

Article 11 – paragraph 3 – point e

Text proposed by the Commission

(e) the testing, including the necessary infrastructure, and, as appropriate, reconditioning certification of defence products with a view to addressing their obsolescence and making them useable by end users.

Amendment

(e) the ***reconditioning, refurbishment,*** testing, including the necessary infrastructure ***with a particular focus on cybersecurity robustness,*** and, as appropriate, reconditioning certification of defence products, ***as well as the modernization or upgrading of existing military equipment and production capabilities,*** with a view to addressing their obsolescence and making them useable by end users;

Amendment 70

Proposal for a regulation

Article 11 – paragraph 4

Text proposed by the Commission

4. Activities aiming at supporting the deployment of a European Defence Project of Common Interest.

Amendment

4. Activities aiming at supporting the deployment of a European Defence Project of Common Interest, ***including physical infrastructure actions linked to that project.***

Amendment 71

Proposal for a regulation

Article 11 – paragraph 5 – point a

Text proposed by the Commission

(a) activities that aim to increase interoperability and interchangeability, including the cross certification of defence products and activities leading to mutual recognition of certification or to facilitate the implementation of military standards;

Amendment

(a) activities that aim to increase interoperability and interchangeability, including the cross certification of defence products and activities leading to mutual recognition of certification or to facilitate the implementation of **NATO** military standards;

Amendment 72

Proposal for a regulation

Article 11 – paragraph 5 – point b

Text proposed by the Commission

(b) activities to strengthen security of supply and resilience, in particular by facilitating the access to the defence market for SMEs, **small mid-caps, other** mid-caps and start-ups and support to obtain the necessary quality and production certifications;

Amendment

(b) activities to strengthen security of supply and resilience, in particular by facilitating the access to the defence market for SMEs, mid-caps and start-ups and support to obtain the necessary quality and production certifications;

Amendment 73

Proposal for a regulation

Article 11 – paragraph 5 – point f

Text proposed by the Commission

(f) Union support to Structures for European Armament Programme **notably** for the purpose of managing and maintaining a Defence Industrial Readiness Pool as referred to in Article 14(1), point (b);

Amendment

(f) **the establishment of a catalogue of defence products as referred to in Article 14(1), point (b), and** Union support to Structures for European Armament Programme **including** for the purpose of managing and maintaining a Defence Industrial Readiness Pool as referred to in

Article 14(1), point (b);

Amendment 74

Proposal for a regulation

Article 11 – paragraph 5 – point g a (new)

Text proposed by the Commission

Amendment

(ga) activities that aim to increase standardisation for European defence products in order to accelerate defence innovation and foster interoperability between different defence products.

Amendment 75

Proposal for a regulation

Article 11 – paragraph 8 – point c

Text proposed by the Commission

Amendment

(c) actions related to goods or services which are subject to control or restriction by non-associated third countries or by non-associated third-country entities, directly, or indirectly through one or more intermediate legal entities, **including in terms of technology transfer**;

(c) actions related to goods or services which are subject to control or restriction by non-associated third countries or by non-associated third-country entities, directly, or indirectly through one or more intermediate legal entities, **which limits the ability of a Member State to use those products**;

Amendment 76

Proposal for a regulation

Article 11 – paragraph 8 a (new)

Text proposed by the Commission

Amendment

8a. The cost of components originating from outside the Union or associated countries shall not be higher than 35% of the estimated cost of the end product.

The Commission, assisted by the committee referred to in Article 58, shall

develop a methodology for calculation of the cost rate of the end products.

Eligible entities shall take all necessary measures to progressively reduce the percentage of components originating from outside the Union or associated countries in new products, prioritizing EU and associated-country alternatives wherever possible.

Amendment 77

Proposal for a regulation

Article 11 – paragraph 8 b (new)

Text proposed by the Commission

Amendment

8b. *By way of derogation from paragraph 8, point (c), for a limited amount of time, actions related to the critical defence products in urgent demand subject to restriction by non-associated third countries or by non-associated third-country entities, directly or indirectly through one or more intermediate legal entities shall be eligible for funding provided that one of the following conditions is met:*

(a) the action is justified by the risk of materialisation of conventional military threats, provided that such products have been in use prior to ... [date of entry into force of this Regulation] in the Member State concerned, and entities participating in the action commit to studying the feasibility of replacing the products subject to restriction with a restriction-free alternative originating in the Union; or

(b) at least one legal entity participating in the action is not subjected to legal or contractual limitations affecting its ability to decide on the definition, adaptation and evolution of the design of the defence product related to the action, including on the substitution

of the components covered by the restriction by alternative and restriction-free components originating in the Union; and all legal entities participating in the action commit to studying the feasibility of and to replacing the components that cause the restriction with an alternative, restriction-free component originating in the Union as soon as possible.

Amendment 78

Proposal for a regulation

Article 11 – paragraph 8 c (new)

Text proposed by the Commission

Amendment

8c. *No components shall be sourced 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.*

Amendment 79

Proposal for a regulation

Article 12 – title

Text proposed by the Commission

Amendment

Specific provisions applicable for common procurement actions

Common procurement actions

Amendment 80

Proposal for a regulation

Article 12 – paragraph -1 (new)

Text proposed by the Commission

Amendment

-1. *Common procurement actions shall consist of activities related to cooperation of legal entities in the procurement of defence products, at any*

point in the lifecycle of defence products.

Amendment 81

Proposal for a regulation

Article 12 – paragraph 6 a (new)

Text proposed by the Commission

Amendment

6a. *When appointing a procurement agent, as referred to in paragraph 2, Member States and associated countries may require that the selected legal entity offers, under fair and non-discriminatory conditions, licensing opportunities to the non-selected eligible legal entities established in the Union for the purpose of contributing to the execution of the contract. Such licensing agreements shall allow participating companies to manufacture, assemble or supply components of the procured defence products while ensuring compliance with the necessary security and quality standards. The selected legal entity shall retain overall responsibility for contract execution. The Commission shall facilitate the exchange of best practices and issue guidance, where necessary, to ensure effective implementation of this provision while safeguarding intellectual property rights and security interests.*

Amendment 82

Proposal for a regulation

Article 12 – paragraph 7 a (new)

Text proposed by the Commission

Amendment

7a. *Before launching a common procurement procedure, the procurement agent may also inform associated countries and Ukraine of the planned procedure and provide them with the opportunity to submit a substantiated*

request to the procurement agent to purchase additional quantities of defence products for it. If such a request is submitted, the common procurement contract shall reserve the right of participating contracting authorities to purchase additional quantities of defence products for associated countries and Ukraine.

Amendment 83

Proposal for a regulation Article 12 – paragraph 7 b (new)

Text proposed by the Commission

Amendment

7b. The provisions of Article 11 concerning the eligibility of actions shall also apply to actions under this Article.

Amendment 84

Proposal for a regulation Article 13 – paragraph 1

Text proposed by the Commission

Amendment

1. For activities referred to in Article 11(3), point (a), (b) and (c), in order to be eligible for funding actions shall be exclusively related to the production capacities of defence products, including their components and raw materials insofar as they are intended or used wholly for the production of defence products.

1. For activities referred to in Article 11(3), point (a), (b) and (c), in order to be eligible for funding actions shall be exclusively related to the production capacities of defence products ***or dual-use products***, including their components and raw materials insofar as they are intended or used wholly for the production of defence products ***or dual-use products***.

Amendment 85

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

Text proposed by the Commission

Amendment

1a. The activities referred to in Article 11(3) may also be carried out by a SEAP.

Amendment 86

Proposal for a regulation Article 14 – title

Text proposed by the Commission

Amendment

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

European Military Sales Mechanism

Amendment 87

Proposal for a regulation Article 14 – paragraph 1 – point a

Text proposed by the Commission

Amendment

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

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

Amendment 88

Proposal for a regulation Article 14 – paragraph 1 a (new)

Text proposed by the Commission

Amendment

1a. The catalogue of defence products referred to in paragraph 1, point (a) of this Article may be complemented by other associated countries, as indicated in Article 10.

Amendment 89

Proposal for a regulation Article 14 – paragraph 2

Text proposed by the Commission

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.

Amendment

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 corporate IT platform shall ensure that all data is stored and processed exclusively within clouds or data centre infrastructures located in the territory of the Union, in full compliance with the highest Union data protection and cybersecurity standards and requirements, including Regulation (EU) 2019/881 of the European Parliament and of the Council^{1a} and relevant provisions under Directive (EU) 2022/2555 of the European Parliament and of the Council^{1b}.***

^{1a} ***Regulation (EU) 2019/881 of the European Parliament and of the Council of 17 April 2019 on ENISA (the European Union Agency for Cybersecurity) and on information and communications technology cybersecurity certification and repealing Regulation (EU) No 526/2013 (Cybersecurity Act) (OJ L 151, 7.6.2019, p. 15–69, ELI: <http://data.europa.eu/eli/reg/2019/881/oj>)***

^{1b} ***Directive (EU) 2022/2555 of the European Parliament and of the Council of 14 December 2022 on measures for a high common level of cybersecurity across the Union, amending Regulation (EU) No 910/2014 and Directive (EU) 2018/1972, and repealing Directive (EU) 2016/1148 (NIS 2 Directive) (OJ L 333, 27.12.2022, p. 80–152, ELI: <http://data.europa.eu/eli/dir/2022/2555/oj>)***

Amendment 90

Proposal for a regulation Article 15 – title

Text proposed by the Commission

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

Amendment

European Defence Projects of Common Interest (***EDPCI***)

Amendment 91

Proposal for a regulation Article 15 – paragraph 1 a (new)

Text proposed by the Commission

Amendment

1a. The European Parliament or at least four Member States may submit a request to the Commission in order to identify European Defence Projects of Common Interest.

Amendment 92

Proposal for a regulation Article 15 – paragraph 1 b (new)

Text proposed by the Commission

Amendment

1b. The Commission shall examine and review any request pursuant to paragraph 1a and decide whether to identify a European Defence Project of Common Interest.

Amendment 93

Proposal for a regulation Article 15 – paragraph 2 – point -a (new)

Text proposed by the Commission

Amendment

(-a) set out the objectives and characteristics of the EDPCI in relation to the criteria laid down in this Article;

Amendment 94

Proposal for a regulation

Article 15 – paragraph 2 – point c

Text proposed by the Commission

Amendment

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

(c) take into account any views of Member States, ***the European Parliament and the EDA in relation to the EDPCI criteria laid down in this Article;***

Amendment 95

Proposal for a regulation

Article 15 – paragraph 2 – point c a (new)

Text proposed by the Commission

Amendment

(ca) take into account the participating Member States' high exposure to the risk of materialisation of conventional military threats.

Amendment 96

Proposal for a regulation

Article 15 – paragraph 3 – point a

Text proposed by the Commission

Amendment

(a) 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;

(a) the project aims at developing ***common*** 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;

Amendment 97

Proposal for a regulation

Article 15 – paragraph 3 – point b a (new)

Text proposed by the Commission

Amendment

(ba) the project aims to significantly strengthen the competitiveness, efficiency and innovation capacity of the European defence technological and industrial base (EDTIB), for instance by contributing to the establishment of new cross-border cooperation, most notably with SMEs and mid-caps, and by creating positive spill-over effects on the internal market, also aiming at reducing strategic dependencies and scaling up capacities;

Amendment 98

Proposal for a regulation

Article 15 – paragraph 3 – point b b (new)

Text proposed by the Commission

Amendment

(bb) the project is consistent with the CARD process and with the objectives of the Strategic Compass for security and defence and other relevant documents;

Amendment 99

Proposal for a regulation

Article 15 – paragraph 3 – point b c (new)

Text proposed by the Commission

Amendment

(bc) the project is consistent with defence capability priorities commonly agreed by Member States within the framework of the Common Foreign and Security Policy (CFSP), notably in the context of the CDP, and with the objectives of the Strategic Compass for

security and defence and other relevant documents; the project also pursues coherence of output with respective NATO processes, including the NATO Defence Planning Process;

Amendment 100

Proposal for a regulation

Article 15 – paragraph 3 – point b d (new)

Text proposed by the Commission

Amendment

(bd) the project involves at least four Member States, or three Member States and Ukraine and is genuinely open for participation to all Member States and associated countries;

Amendment 101

Proposal for a regulation

Article 15 – paragraph 3 – point b e (new)

Text proposed by the Commission

Amendment

(be) participating Member States or associated countries fulfil the requirements stemming from NATO Standardisation Agreements (STANAGs);

Amendment 102

Proposal for a regulation

Article 15 – paragraph 3 – point b f (new)

Text proposed by the Commission

Amendment

(bf) the potential overall benefits of the project extend to a wider part of the Union and aim to build a genuine common European defence.

Amendment 103

Proposal for a regulation Article 15 – paragraph 4

Text proposed by the Commission

4. ***A European Defence Project of Common Interest shall involve at least four*** Member States. The European Commission ***shall be able***, where relevant, to participate in the project.

Amendment

4. Member States ***may invite*** the European Commission, where relevant, to participate in the project.

Amendment 104

Proposal for a regulation Article 15 – paragraph 4 a (new)

Text proposed by the Commission

Amendment

4a. Participating Member States may decide to involve representatives of the High Representative and EDA, as well as the European Parliament as an observer.

Amendment 105

Proposal for a regulation Article 15 – paragraph 4 b (new)

Text proposed by the Commission

Amendment

4b. Only Member States, Ukraine, associated countries and SEAPs shall be eligible for funding under EDPCI actions.

Amendment 106

Proposal for a regulation Article 15 – paragraph 5 a (new)

Text proposed by the Commission

Amendment

5a. Actions supporting the European Defence Projects of Common Interest

shall consist of activities related to:

- (a) the common procurement of defence products;*
- (b) speeding up the adjustment to structural changes of the production capacity of defence products as well as related supporting activities;*
- (c) the industrial development of new defence products or the upgrading of existing ones, without prejudice to Article 10 of Regulation (EU) 2021/697; and*
- (d) the development and procurement of necessary infrastructure.*

Amendment 107

Proposal for a regulation Article 15 – paragraph 5 b (new)

Text proposed by the Commission

Amendment

5b. Countries participating in EDPCI actions shall ensure in the contracts that the conditions set out in Article 10 are applied to the legal entities involved in the deployment of EDPCI.

Amendment 108

Proposal for a regulation Article 15 – paragraph 5 c (new)

Text proposed by the Commission

Amendment

5c. Countries participating in EDPCI shall conclude a legal arrangement regarding ownership, access and user rights.

Amendment 109

Proposal for a regulation Article 15 – paragraph 7

Text proposed by the Commission

Amendment

7. The Union financial contribution referred to in Article 17 shall not exceed 25% of the amount referred to in Article 5(1).

deleted

Amendment 110

Proposal for a regulation

Article 16 – paragraph 1 – introductory part

Text proposed by the Commission

Amendment

1. Each proposal shall be assessed on the basis of the following criteria:

1. Each proposal shall be assessed on the basis of the following criteria, **taking into account the objectives and priorities set for the action**:

Amendment 111

Proposal for a regulation

Article 16 – paragraph 1 – point a

Text proposed by the Commission

Amendment

(a) defence industrial readiness: contribution to competitiveness, increase production capacities, **reduce** lead times, **eliminate** bottlenecks **thereby** increasing interoperability and interchangeability;

(a) defence industrial readiness: contribution to competitiveness, increase **in** production capacities, **including compensation for the need to replenish stocks of defence products and to support the deterrence needs of the Union facing increased security threats due to proximity to third countries engaged in war or destabilizing military actions, reduction of** lead times, **elimination of** bottlenecks **as well as** increasing interoperability and interchangeability, **and the further integration and smooth functioning of the internal market for defence products**;

Amendment 112

Proposal for a regulation

Article 16 – paragraph 1 – point b

Text proposed by the Commission

(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.

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 **or geographical vulnerabilities**, and the non-dependency on non-associated third country sources;

Amendment 113

Proposal for a regulation

Article 16 – paragraph 1 – point c

Text proposed by the Commission

(c) defence industrial cooperation: fostering **genuine** armament cooperation among Member States, associated countries or Ukraine and development and operationalisation of cross-border cooperation between undertakings established in different Member States, associated countries or Ukraine, involving in particular, to a significant extent, SMEs, small mid-caps and other mid-caps as recipients, as subcontractors or as other undertakings in the supply chain;

Amendment

(c) defence industrial cooperation: fostering armament cooperation among Member States, associated countries or Ukraine and development and operationalisation of cross-border cooperation between undertakings established in different Member States, associated countries or Ukraine, involving in particular, to a significant extent, SMEs, small mid-caps and other mid-caps as recipients, as subcontractors or as other undertakings in the supply chain;

Amendment 114

Proposal for a regulation

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

Text proposed by the Commission

Amendment

(da) level of interoperability: to ensure maximum compatibility among systems to

facilitate deployment and cooperation between Member States, associated countries or Ukraine, involving in particular, to a significant extent, SMEs, small mid-caps and other mid-caps as recipients, as subcontractors or as other undertakings in the supply chain;

Amendment 115

Proposal for a regulation

Article 16 – paragraph 1 – point d b (new)

Text proposed by the Commission

Amendment

(db) diversification of production capabilities: supporting the development of production capabilities that were previously unavailable to the applying entity, thereby increasing resilience, diversifying production, and enhancing security of supply in crisis situations;

Amendment 116

Proposal for a regulation

Article 16 – paragraph 1 – point d c (new)

Text proposed by the Commission

Amendment

(dc) addressing the capability gaps of the Member States and of the Union: contribution to the development of new capabilities in Member States and the Union where such capacities are absent or limited, by supporting projects in countries that currently lack existing production, maintenance, or technological capabilities for the defence product or technology concerned.

Amendment 117

Proposal for a regulation

Article 16 – paragraph 1 a (new)

Text proposed by the Commission

Amendment

1a. In addition to the criteria set out in paragraph 1, proposals may be evaluated on the basis of the following additional criteria:

(a) prevention of funding concentration: bolsters a balanced distribution of funding, contributes to a more diversified geographic and industrial participation in the Programme and prevents concentration of funds among a limited number of entities, Member States, or specific regions;

(b) defence procurement contribution: contribution to increasing collaborative defence procurement within the Union, with particular attention to the participation of entities from Member States who have allocated proportionally more resources to defence investments, including joint procurement projects.

Amendment 118

Proposal for a regulation Article 16 – paragraph 1 b (new)

Text proposed by the Commission

Amendment

1b. In addition to the criteria set out in paragraph 1, proposals for common procurement actions referred to in Article 11(2) shall be evaluated on the basis of the following criteria:

(a) the number of participating Member States or associated countries;

(b) the action's contribution to the adaptation, modernisation and development of the EDTIB;

(c) the participation of SMEs and mid-caps;

(d) the action's contribution to the cross-border cooperation in the supply

chains throughout the Union;

(e) the action's contribution to increasing the timely availability of defence products;

(f) the action's contribution to enhanced regional cooperation for the common benefit of the Union, including through the emergence of regional clusters.

Amendment 119

Proposal for a regulation

Article 16 – paragraph 1 c (new)

Text proposed by the Commission

Amendment

1c. In addition to the criteria set out in paragraph 1, proposals for industrial reinforcement actions referred to in Article 11(3) shall be evaluated based on one or more of the following criteria:

(a) reduction of lead production time and increase in production capacity in the Union, reserved capacity and skilled workforce;

(b) contribution to ensuring availability and security of supply throughout the Union in response to identified risks;

(c) contribution to cross-border cooperation in the defence industry throughout the Union, improving the inclusion of SMEs and mid-caps, or link with orders stemming from the common procurement of defence products by at least three Member States or associated countries;

(d) the action's contribution to enhanced regional cooperation for the common benefit of the Union, including through the emergence of regional clusters.

Amendment 120

Proposal for a regulation Article 17 – paragraph 1

Text proposed by the Commission

1. By way of derogation from Article **190** of ~~the~~ Regulation (EU, Euratom) **No 2018/1046**, the Programme may finance up to 100 % of the eligible costs. However, for activities referred to in Article 11(3) the support from the Programme shall not exceed 35 % of the eligible costs.

Amendment

1. By way of derogation from Article **193** of Regulation (EU, Euratom) **2024/2509**, the Programme may finance up to 100 % of the eligible costs. However, for activities referred to in Article 11(3) the support from the Programme shall not exceed 35 % of the eligible costs.

Amendment 121

Proposal for a regulation Article 17 – paragraph 2 – point b a (new)

Text proposed by the Commission

Amendment

(ba) the production is set to replenish stocks of defence products and support the deterrence needs of the Member States and the Union facing a high exposure to the risk of materialisation of conventional military threats;

Amendment 122

Proposal for a regulation Article 17 – paragraph 2 – point d

Text proposed by the Commission

(d) the beneficiary is an SME or small mid-cap or the majority of beneficiaries participating in a consortium are SMEs or small mid-caps.

Amendment

(d) the beneficiary is an SME or small mid-cap or the majority of beneficiaries participating in a consortium are SMEs or small mid-caps;

Amendment 123

Proposal for a regulation Article 17 – paragraph 2 – point d a (new)

Text proposed by the Commission

Amendment

(da) the action contributes to the strengthening or creation of cross-border cooperation between Member States, associated countries, and Ukraine.

Amendment 124

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

1. The Programme shall be implemented by work programmes as referred to in Article 110 of Regulation (EU, Euratom) ***2024/2509***. Work programmes shall set out the actions and associated budget required to meet the objectives of the Programme and, where applicable, the overall amount reserved for blending operations.

Amendment 125

Proposal for a regulation Article 18 – paragraph 2

Text proposed by the Commission

Amendment

2. The Commission shall adopt work programmes by means of implementing acts. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 58(3).

2. The Commission shall adopt work programmes by means of implementing acts. ***The first such work programme shall be adopted within six months of the entry into force of the Regulation***. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 58(3).

Amendment 126

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

Text proposed by the Commission

Amendment

2a. Before the adoption of any given work programme, the Commission shall present the draft versions to the European Parliament in the form of an exchange of views and address any questions posed by its members, facilitating informed dialogue and oversight.

Amendment 127

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

Text proposed by the Commission

Amendment

2b. During the preparation and prior to the publication of the work programmes, the Commission shall consult stakeholders from all Member States to gather diverse perspectives and ensure comprehensive representation of defence industry.

Amendment 128

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) 2021/523⁶

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 Regulation (EU, Euratom) **2024/2509** and Regulation (EU) 2021/523⁶ .

⁶ 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>).

⁶ 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 129

Proposal for a regulation

Article 21 – paragraph 6 – subparagraph 1

Text proposed by the Commission

When carrying out an eligible action, recipients may also cooperate with legal entities established outside the territory of the Member States or of Ukraine, or controlled by a third country or by a third-country entity, including by using the assets, infrastructure, facilities and resources of such legal entities, provided that this does not contravene the security and defence interests of the Union and its Member States. Such cooperation shall be consistent with the objectives set out in Article 4 and comply with Article **11(8)**, **point (c)**.

Amendment

When carrying out an eligible action, recipients may also cooperate with legal entities established outside the territory of the Member States or of Ukraine, or controlled by a third country or by a third-country entity, including by using the assets, infrastructure, facilities and resources of such legal entities, provided that this does not contravene the security and defence interests of the Union and its Member States. Such cooperation shall be consistent with the objectives set out in Article 4 and comply with Article **11**.

Amendment 130

Proposal for a regulation

Article 22 – paragraph 1

Text proposed by the Commission

1. A Structure for European Armament Programme (SEAP) shall foster the competitiveness of the EDTIB and of the Ukrainian DTIB by aggregating the demand for defence products throughout their lifecycle.

Amendment

1. A Structure for European Armament Programme (SEAP) shall foster the competitiveness of the EDTIB and of the Ukrainian DTIB by aggregating the demand for **and ensuring the timely availability and supply of** defence products throughout their lifecycle **as well as by stimulating cross-border industrial cooperation**.

Amendment 131

Proposal for a regulation

Article 23 – paragraph 1 – point b

Text proposed by the Commission

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

Amendment

(b) a SEAP shall be established by:

i) at least four countries, including associated countries, Ukraine and at least three Member States; or

ii) at least three Member States;

Amendment 132

Proposal for a regulation

Article 23 – paragraph 1 – point c

Text proposed by the Commission

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

Amendment

deleted

Amendment 133

Proposal for a regulation

Article 23 – paragraph 1 – point d

Text proposed by the Commission

(d) a SEAP shall continue the lifecycle of the defence product or technology, until its decommissioning.

Amendment

(d) a SEAP shall continue the lifecycle of the defence product or technology, until its decommissioning, ***or until its winding-up;***

Amendment 134

Proposal for a regulation

Article 23 – paragraph 1 – point d a (new)

Text proposed by the Commission

Amendment

(da) a SEAP shall not be in contradiction with respective NATO processes such as the NATO Defence Planning Process (NDPP).

Amendment 135

Proposal for a regulation

Article 26 – paragraph 1 a (new)

Text proposed by the Commission

Amendment

1a. Participating Member States and associated countries shall fulfil the requirements stemming from NATO Standardisation Agreements (STANAGs).

Amendment 136

Proposal for a regulation

Article 26 – paragraph 3

Text proposed by the Commission

Amendment

3. A SEAP may also cooperate with non-associated third countries or non-associated third country entities, including by using the assets, infrastructure, facilities and resources, provided that this does not contravene the security and defence interests of the Union and its Member States.

3. A SEAP may also cooperate with non-associated third countries or non-associated third country entities, including by using the assets, infrastructure, facilities and resources, provided that this does not contravene the security and defence interests of the Union and its Member States, ***including respect for international law and the principle of good neighbourly relations.***

Amendment 137

Proposal for a regulation

Article 34 – title

Text proposed by the Commission

Conditions to open framework agreements to other Member States

Amendment

Conditions to open **contracts and** framework agreements to other Member States

Amendment 138

**Proposal for a regulation
Article 34 – paragraph 1**

Text proposed by the Commission

1. Where at least two Member States enter into an agreement to commonly procure defence products and where the extreme urgency of the situation justifies it, the rules provided for in paragraphs 2 to 6 may be applied to framework agreements that do not include rules governing the possibility to substantially amend it so that its provisions may apply to contracting authorities/entities which are not originally party to the framework agreement.

Amendment

1. Where at least two Member States enter into an agreement to commonly procure defence products **for themselves or for Ukraine** and where the extreme urgency of the situation justifies it, the rules provided for in paragraphs 2 to 6 may be applied to **contracts**, framework agreements **and contracts based on these framework agreements**, that do not include rules governing the possibility to substantially amend it so that its provisions may apply to contracting authorities/entities which are not originally party to the **contract, framework agreement or contract based on that** framework agreement.

Amendment 139

**Proposal for a regulation
Article 34 – paragraph 2**

Text proposed by the Commission

2. By way of derogation from Article 29(2), second subparagraph, of Directive 2009/81/EC, a contracting authority/entity may modify an existing framework agreement with an undertaking complying with the provisions laid out in Article 10, paragraphs 1 and 2, which has been concluded following one of the procedures

Amendment

2. By way of derogation from Article 29(2), second subparagraph, of Directive 2009/81/EC, **and from Article 175(2) of Regulation (EU, Euratom) 2024/2509**, a contracting authority/entity may modify an existing **contract**, framework agreement **or contract based on that framework agreement**, with an undertaking complying

provided for by Article 25 of that Directive so that its provisions may apply to contracting authorities/entities which are not originally party to the framework agreement.

with the provisions laid out in Article 10, paragraphs 1 and 2, which has been concluded following one of the procedures provided for by Article 25 of that Directive so that its provisions may apply to contracting authorities/entities which are not originally party to the **contract, framework agreement or contract based on that framework agreement**.

Amendment 140

Proposal for a regulation Article 34 – paragraph 3

Text proposed by the Commission

3. By way of derogation from Article 29(2), third subparagraph, of Directive 2009/81/EC, a contracting authority/entity may make substantial amendments to the quantities laid down in an existing framework agreement with an undertaking complying with the provisions laid out in Article 10, paragraphs 1 and 2, insofar as that is strictly necessary for the application of paragraph 2 of this Article. Where quantities laid down in an existing framework agreement are substantially modified pursuant to this paragraph, any economic operator that meets the contracting authority's/entity's conditions initially laid down in the public procurement procedure for the framework agreement, including requirements for qualitative selection as referred to in Articles 39 to 46 of Directive 2009/81/EC, and which complies with the provisions laid out in Article 10, paragraphs 1 and 2, shall be given the opportunity to join that framework agreement. The contracting authority/entity shall open that possibility by means of an ad hoc notice published in the Official Journal of the European Union.

Amendment

3. By way of derogation from Article 29(2), third subparagraph, of Directive 2009/81/EC, **and from Article 175(2) of Regulation (EU, Euratom) 2024/2509**, a contracting authority/entity may make substantial amendments to the quantities laid down in an existing **contract or** framework agreement with an undertaking complying with the provisions laid out in Article 10, paragraphs 1 and 2, insofar as that is strictly necessary for the application of paragraph 2 of this Article. Where quantities laid down in an existing **contract or** framework agreement are substantially modified pursuant to this paragraph, any economic operator that meets the contracting authority's/entity's conditions initially laid down in the public procurement procedure for the **contract or** framework agreement, including requirements for qualitative selection as referred to in Articles 39 to 46 of Directive 2009/81/EC, and which complies with the provisions laid out in Article 10, paragraphs 1 and 2, shall be given the opportunity to join that **contract or** framework agreement. The contracting authority/entity shall open that possibility by means of an ad hoc notice published in the Official Journal of the European Union.

Amendment 141

Proposal for a regulation

Article 34 – paragraph 4

Text proposed by the Commission

4. The principle of non-discrimination shall apply to contracts and framework agreements referred to in paragraphs 2 and 3 with regard to the additional quantities, and particularly to the relationships between contracting authorities/entities of Member States referred to in paragraph 1.

Amendment

4. The principle of non-discrimination shall apply to contracts and **framework agreements and contracts based on** framework agreements referred to in paragraphs 2 and 3 with regard to the additional quantities, and particularly to the relationships between contracting authorities/entities of Member States referred to in paragraph 1.

Amendment 142

Proposal for a regulation

Article 34 – paragraph 5

Text proposed by the Commission

5. Contracting authorities which modified a contract in the cases referred to in paragraphs 2 and 3 of this Article shall publish a notice to that effect in the Official Journal of the European Union. Such notice shall be published in accordance with Article 32 of Directive 2009/81/EC.

Amendment

5. Contracting authorities which modified a contract, **framework agreement or contract based on a framework agreement** in the cases referred to in paragraphs 2 and 3 of this Article shall publish a notice to that effect in the Official Journal of the European Union. Such notice shall be published in accordance with Article 32 of Directive 2009/81/EC.

Amendment 143

Proposal for a regulation

Article 35 – paragraph 1 – introductory part

Text proposed by the Commission

1. **By derogation to [Article 168 of the Financial Regulation recast]**, Member States, associated countries and, where

Amendment

1. **At least three Member States, or at least four countries, including at least three** Member States, associated countries

relevant, Ukraine may request the Commission:

and, where relevant, Ukraine may request the Commission:

Amendment 144

Proposal for a regulation

Article 35 – paragraph 1 – point a

Text proposed by the Commission

(a) to engage in a joint procurement with them as *as* referred to in *[Article 168(2) of the Financial Regulation recast]* whereby Member States, associated countries or Ukraine may acquire, rent or lease fully the defence products jointly procured;

Amendment

(a) to engage in a joint procurement with them as referred to in Article **171(2) of Regulation (EU, Euratom) 2024/2509** whereby Member States, associated countries or Ukraine may acquire, rent or lease fully the defence products jointly procured;

Amendment 145

Proposal for a regulation

Article 35 – paragraph 1 – point b

Text proposed by the Commission

(b) to act as a central purchasing body to procure on behalf of the interested Member States or in their name defence products, as referred to in *[Article 168(3) of the Financial Regulation recast]*.

Amendment

(b) to act as a central purchasing body to procure on behalf of the interested Member States, ***associated countries or Ukraine*** or in their name defence products, as referred to in Article 168(3) of Regulation ***(EU, Euratom) 2024/2509***.

Amendment 146

Proposal for a regulation

Article 35 – paragraph 1 a (new)

Text proposed by the Commission

Amendment

1a. The Commission shall assess, without delay and in consultation with the Defence Industrial Readiness Board, the necessity and proportionality of the request referred to in paragraph 1. Where the Commission intends not to grant that

request, it shall inform the requesters and the Defence Industrial Readiness Board and give reasons for its refusal.

Amendment 147

Proposal for a regulation

Article 35 – paragraph 1 b (new)

Text proposed by the Commission

Amendment

1b. Where the Commission agrees to procure on behalf of or in the name of the participating countries, it shall:

(a) inform requesters and the Defence Industrial Readiness Board of its intention to carry out the procurement procedure; and

(b) draw up a proposal for an agreement to be concluded with the participating countries regulating the rights and obligations of the parties.

Amendment 148

Proposal for a regulation

Article 35 – paragraph 1 c (new)

Text proposed by the Commission

Amendment

1c. The joint procurement procedure shall be preceded by a joint procurement agreement between the Commission and the participating countries in order to determine the practical arrangements governing the procurement and the award criteria, in accordance with relevant Union law.

Amendment 149

Proposal for a regulation

Article 35 – paragraph 1 d (new)

1d. The agreement based on the proposal referred to in point (b) of paragraph 1b allowing the Commission to procure on their behalf or in the name of participating countries, shall lay down the detailed conditions for the procurement, including practical arrangements, proposed maximum quantities, conditions of the common purchasing or renting on behalf of or in the name of the participating countries, including prices and delivery timeframes.

Amendment 150

Proposal for a regulation

Article 35 – paragraph 2 – introductory part

Text proposed by the Commission

Amendment

2. The procurement procedure referred to in paragraph 1, shall comply with the following conditions:

2. Participation in the joint procurement procedure shall be open to all Member States, associated countries and Ukraine.

(a) participation in launching the procurement procedure shall be open to all Member States, associated countries and Ukraine, by way of derogation from [Article 168(2) and (3) of the Financial Regulation recast];

(b) the Commission invites at least 4 experts with relevant experience for the negotiations from participating countries with production capacities for the concerned defence product to form a joint negotiation team;

(c) participating countries explicitly state whether they decide to run parallel negotiation processes for that product. The decision to run parallel negotiation processes for that product shall be subject to unanimous approval by participating countries;

Amendment 151

Proposal for a regulation

Article 35 – paragraph 3 – subparagraph 1

Text proposed by the Commission

As part of the procurement referred to in paragraph 1(b), the Commission may procure relevant components and raw materials of defence products for the purpose of building strategic reserves.

Amendment

As part of the procurement referred to in paragraph 1(b), the Commission may procure relevant components and raw materials of defence products for the purpose of building strategic reserves **by participating countries, including stockpiles.**

Amendment 152

Proposal for a regulation

Article 35 – paragraph 3 – subparagraph 2

Text proposed by the Commission

When duly justified by the extreme urgency of the situation the Commission may, by way of derogation from Article **172(1)** of Regulation (EU, Euratom) **2018/1046**, request the delivery of goods or services from the date on which the draft contracts resulting from the procurement carried out for the purposes of this Regulation are sent, which shall be no later than 24 hours as from the award.

Amendment

When duly justified by the extreme urgency of the situation the Commission may, by way of derogation from Article **175(1)** of Regulation (EU, Euratom) **2024/2509**, request the delivery of goods or services from the date on which the draft contracts resulting from the procurement carried out for the purposes of this Regulation are sent, which shall be no later than 24 hours as from the award.

Amendment 153

Proposal for a regulation

Article 35 – paragraph 8 a (new)

Text proposed by the Commission

Amendment

8a. The Commission shall inform the European Parliament about the procurement procedures conducted in accordance with this Article and, upon request, grant access to the contracts that

are concluded as a result of those procedures, subject to the adequate protection of commercially sensitive information, including business secrets, commercial relations and the interests of the Union.

Amendment 154

Proposal for a regulation Article 35 – paragraph 8 b (new)

Text proposed by the Commission

Amendment

8b. *Where the Commission cancels the procurement procedure in accordance with Article 174 of Regulation (EU, Euratom) 2024/2509, it shall immediately inform the participating countries thereof, so that they can initiate their own procurement procedures without delay.*

Amendment 155

Proposal for a regulation Article 35 a (new)

Text proposed by the Commission

Amendment

Article 35a

Negotiating mandate of the Commission

1. *The agreement referred to in Article 35(1c) shall establish a negotiating mandate for the Commission to procure, on behalf of or in the name of the participating countries, the relevant defence products through the conclusion of new contracts. That negotiating mandate shall include the award criteria.*

2. *The Commission shall invite participating countries to nominate representatives to take part in the negotiation of the agreement referred to in Article 35(1c), as well as in the preparation of the public procurement*

procedure.

3. Under that agreement, the Commission shall be entitled, when procuring on behalf of or in the name of the participating countries, to enter into contracts with economic operators, including individual producers of defence products, concerning the supply of such products.

4 Without prejudice to Article 174 of Regulation (EU, Euratom) 2024/2509, the Commission shall carry out the procurement procedures on behalf of or in the name of the participating countries, including the adoption of the award decision and conclude the resulting contracts with the economic operators.

5. When implementing the resulting agreements and when carrying out the procurement procedures, the Commission shall ensure that participating countries are treated in a non-discriminatory manner.

Amendment 156

Proposal for a regulation Article 35 b (new)

Text proposed by the Commission

Amendment

Article 35b

Exclusivity clause

1. The agreement governing the Commission's procurement mandate referred to in Article 35(1c) shall, where appropriate, provide for an exclusivity clause, under which participating countries commit to not procuring the defence products in question through other channels and to not running parallel negotiations.

2. Where an exclusivity clause is provided for, it shall stipulate that the participating countries are allowed to

launch their own procurement procedure for the acquisition of additional quantities of defence products that are subject to the ongoing joint procurement or procurement by the Commission on behalf of or in the name of the participating countries in a manner that does not undermine the ongoing procurement, subject to the agreement of the Commission and after consulting all other participating countries.

3. The request for such an agreement shall be addressed to the Commission, who shall forward it to the other participating countries for their consideration.

Amendment 157

Proposal for a regulation

Article 37 – paragraph 2 – point b a (new)

Text proposed by the Commission

Amendment

(ba) the estimated delivery lead time of defence products within the framework of the off-take agreement;

Amendment 158

Proposal for a regulation

Article 39 – paragraph 3 a (new)

Text proposed by the Commission

Amendment

3a. In accordance with the principle of mutual trust, the Commission, in consultation with the European Defence Agency and Member States, shall support the development of a framework for cross-certification of defence industry standards, ensuring that certifications granted in one Member State are valid across the Union, in line with the objective of fostering greater interoperability and market access within

the European Defence sector.

Amendment 159

Proposal for a regulation Article 40 – paragraph 1

Text proposed by the Commission

1. The Commission shall carry out a mapping of the Union's defence supply-chains, ***in cooperation with the Defence Industrial Readiness Board.***

Amendment

1. The Commission, ***supported by the Member States within the framework of Defence Industrial Readiness Board,*** shall carry out ***and regularly update*** a mapping of the Union's defence supply-chains, ***based on the input provided by these Member States.***

Amendment 160

Proposal for a regulation Article 40 – paragraph 1 a (new)

Text proposed by the Commission

Amendment

1a. The Commission, in cooperation with the Defence Industrial Readiness Board, shall carry out the mapping regarding the identification of crisis-relevant products and of early warning indicators.

Amendment 161

Proposal for a regulation Article 40 – paragraph 1 b (new)

Text proposed by the Commission

Amendment

1b. The Member States in cooperation with the Commission shall carry out the mapping regarding the identification of main suppliers of crisis-relevant products and their production capacities.

Amendment 162

Proposal for a regulation Article 40 – paragraph 2

Text proposed by the Commission

Amendment

- 2. *The Defence Industrial Readiness Board shall draw up a list of defence products which are critical for the security and defence interests of the Union and of its Member States, in particular the reinforcement of Member States' defence capabilities and the readiness of the EDTIB ('key defence products'). That list shall be updated on a regular basis, at least every year.*** *deleted*

Amendment 163

Proposal for a regulation Article 40 – paragraph 3

Text proposed by the Commission

Amendment

- 3. The Commission shall, *after consulting* the Defence Industrial Readiness Board, develop a framework and methodology for the identification of crisis-relevant products, with an emphasis on identifying bottlenecks, as well as their related manufacturing capacities in the Union.** **3. The Commission shall, *in cooperation with the Member States within the framework of* the Defence Industrial Readiness Board, develop a framework and methodology for the identification of crisis-relevant products, with an emphasis on identifying bottlenecks, as well as their related manufacturing capacities in the Union.**

Amendment 164

Proposal for a regulation Article 40 – paragraph 5

Text proposed by the Commission

Amendment

- 5. To *do so*, the Commission shall use, *inter alia*, publicly and commercially available data and relevant non-confidential information from** **5. To *conduct the mappings referred to in paragraph 1a*, the Commission shall use, publicly and commercially available data and relevant non-confidential**

undertakings, the result of similar analysis performed, including in the context of Union law on raw materials and renewable energy, as well as the evaluations carried out pursuant to Article 66(1). Where this is not enough to identify the crisis-relevant products, the Commission may issue voluntary information requests to relevant actors involved in the concerned value chains and based in the Union, after consulting the Defence Industrial Readiness Board.

information from undertakings, the result of similar analysis performed, including in the context of Union law on raw materials and renewable energy, ***the IMERA, the Chips Act***, as well as the evaluations carried out pursuant to Article 66(1). Where this is not enough to identify the crisis-relevant products, the Commission may issue voluntary information requests to relevant actors involved in the concerned value chains and based in the Union, after consulting the Defence Industrial Readiness Board. ***The Commission's requests shall expressly indicate that the economic operator remains free to refuse such a request.***

Amendment 165

Proposal for a regulation Article 40 – paragraph 8

Text proposed by the Commission

8. The Commission shall, on the basis of the outcome of the activities carried out pursuant to paragraph 4 and after consulting the Defence Industrial Readiness Board, develop a list of early warning indicators. The Commission, after consulting the Defence Industrial Readiness Board, shall review the list of early warning indicators on a regular basis, at least every two years.

Amendment

8. The Commission, shall, on the basis of the outcome of the activities carried out pursuant to paragraph 4 and after consulting ***the Member States within the framework of*** the Defence Industrial Readiness Board, develop a list of early warning indicators. The Commission, after consulting the Defence Industrial Readiness Board, shall review the list of early warning indicators on a regular basis, at least every two years.

Amendment 166

Proposal for a regulation Article 41 – paragraph 1 – subparagraph 1 – introductory part

Text proposed by the Commission

The Commission, ***in consultation with*** the Defence Industrial Readiness Board, shall carry out regular monitoring of the Union's

Amendment

The Commission ***supported by the Member States, within the framework of*** the Defence Industrial Readiness Board,

manufacturing capacities necessary for the supply of crisis-relevant products, identified in accordance with Article 40, paragraph (6) with a view to identifying factors that may disrupt, compromise or negatively affect the supply of the key defence products they contribute to provide. The monitoring shall consist of the following activities:

shall carry out regular monitoring of the Union's manufacturing capacities necessary for the supply of crisis-relevant products, identified in accordance with Article 40, paragraph (6) with a view to identifying factors that may disrupt, compromise or negatively affect the supply of the key defence products they contribute to provide. The monitoring shall consist of the following activities:

Amendment 167

Proposal for a regulation Article 41 – paragraph 2

Text proposed by the Commission

2. The Commission shall pay particular attention to SMEs to minimise administrative burden resulting from the information collection.

Amendment

2. The Commission **and the Member states** shall pay particular attention to SMEs to minimise administrative burden resulting from the information collection.

Amendment 168

Proposal for a regulation Article 41 – paragraph 3

Text proposed by the Commission

3. The Commission may invite, after consulting the Defence Industrial Readiness Board, key market actors referred to in Article 42, **Member States**, national defence industry associations and other relevant stakeholders to provide information, on a voluntary basis, for the purpose of carrying out monitoring activities in accordance with paragraph 1, **first subparagraph, point (a)**.

Amendment

3. The Commission **and the Member States** may invite, after consulting the Defence Industrial Readiness Board, key market actors referred to in Article 42, national defence industry associations and other relevant stakeholders to provide information, on a voluntary basis, for the purpose of carrying out monitoring activities in accordance with paragraph 1.

Amendment 169

Proposal for a regulation Article 41 – paragraph 6

Text proposed by the Commission

6. Without prejudice to their essential security interests and the protection of commercially confidential information resulting from agreements entered into by Member States, Member States shall, where appropriate, provide the Defence Industrial Readiness Board with any additional relevant information, in particular on the potential or future adoption at national level measures for the procurement, purchase or manufacturing of crisis-relevant products.

Amendment

6. Without prejudice to their essential security interests and the protection of commercially confidential information resulting from agreements entered into by Member States, Member States shall, where appropriate, provide the Defence Industrial Readiness Board **and the Commission** with any additional relevant information, in particular on the potential or future adoption at national level measures for the procurement, purchase or manufacturing of crisis-relevant products.

Amendment 170

Proposal for a regulation
Article 41 – paragraph 7

Text proposed by the Commission

7. On the basis of the information collected through the activities under paragraph 1, the Commission shall provide a report of the aggregated findings to the Defence Industrial Readiness Board in the form of regular updates. The Defence Industrial Readiness Board shall meet to assess the results of the monitoring. Where relevant, the chair of the Defence Industrial Readiness Board may invite national defence industrial associations, key market actors, and experts from academia and civil society to such meetings.

Amendment

7. On the basis of the information collected through the activities under paragraph 1, the Commission shall provide a report of the aggregated findings to the Defence Industrial Readiness Board in the form of regular updates. ***This report shall constitute classified information.*** The Defence Industrial Readiness Board shall meet to assess the results of the monitoring. Where relevant, the chair of the Defence Industrial Readiness Board **and the Member States** may invite national defence industrial associations, key market actors, and experts from academia and civil society to such meetings.

Amendment 171

Proposal for a regulation
Article 42 – paragraph 1 – point c

Text proposed by the Commission

(c) the impact that a disruption of supply of the product provided by the market actor could have on the supply of crisis-relevant products.

Amendment

(c) the impact that a disruption of supply of the product provided by the market actor could have on the supply of crisis-relevant products ***with a particular view on the impact on the internal market and possible disruptions thereof.***

Amendment 172

**Proposal for a regulation
Article 42 – paragraph 2**

Text proposed by the Commission

2. Member States shall report on major events that may hinder the regular operations of the activities as referred to in paragraph 1.

Amendment

2. Member States shall report on major events that may hinder the regular operations of the activities as referred to in paragraph 1. ***This reporting shall not include classified information.***

Amendment 173

**Proposal for a regulation
Article 46 – paragraph 8**

Text proposed by the Commission

8. If an undertaking supplies incorrect, incomplete or misleading information in response to a request made pursuant to this Article, or does not supply the information within the prescribed time limit, it shall be subject to fines set in accordance with Article 55, except where the undertaking has sufficient reasons for not supplying the requested information.

Amendment

8. If an undertaking supplies incorrect, incomplete or misleading information in response to a request made pursuant to this Article, or does not supply the information within the prescribed time limit, it shall be subject to fines set in accordance with Article 55, except where the undertaking has sufficient reasons for not supplying the requested information. ***Sufficient reasons shall be deemed existent where the processing of the information request by an economic operator has the potential to significantly disrupt its operations or when the information is classified and marked as for national use only or the disclosure of which would significantly***

harm its business activity.

Amendment 174

Proposal for a regulation Article 47 – paragraph 2

Text proposed by the Commission

2. Upon a request referred to in paragraph 1, the Commission may, after consulting the Member State of establishment of the undertaking concerned and with its agreement, notify the undertaking concerned of its intent to impose a priority rated order.

Amendment

2. Upon a request referred to in paragraph 1, the Commission may, after consulting the Member State of establishment of the undertaking concerned and with its **prior** agreement, notify the undertaking concerned of its intent to impose a priority rated order.

Amendment 175

Proposal for a regulation Article 47 – paragraph 11

Text proposed by the Commission

11. Any conflict between a priority rated order and a measure under any other prioritisation mechanism of the Union shall be resolved by the Commission, based on the weighing of the public interest.

Amendment

11. Any conflict between a priority rated order and a measure under any other prioritisation mechanism of the Union shall be resolved by the Commission **in consultation with the Member States concerned**, based on the weighing of the public interest. **Imposing a priority rated order to an undertaking already subject to another prioritisation mechanism of the Union shall only be admissible when all other options have been exhausted and as a matter of last resort.**

Amendment 176

Proposal for a regulation Article 48 – paragraph 2

Text proposed by the Commission

2. Where a security-related supply

Amendment

2. Where a security-related supply

crisis occurs or where the Commission or the Defence Industrial Readiness Board becomes aware of a potential security-related supply crisis pursuant to Article 43, the Commission shall assess, with the support of the High-Representative, whether the conditions of paragraph 1 of this Article are met. That assessment shall take into account the potential positive and negative impacts and consequences of the security-related supply crisis state on the Union's defence supply chains. Where that assessment provides concrete and reliable evidence, the Commission may propose to the Council to activate the security-related supply crisis state.

crisis occurs or where the Commission or the Defence Industrial Readiness Board becomes aware of a potential security-related supply crisis pursuant to Article 43, the Commission shall assess, with the support of the High-Representative, whether the conditions of paragraph 1 of this Article are met. That assessment shall take into account the potential positive and negative impacts and consequences of the security-related supply crisis state on the Union's defence supply chains ***as well as mechanisms and relevant indicators applicable under the IMERA***. Where that assessment provides concrete and reliable evidence, the Commission may propose to the Council to activate the security-related supply crisis state.

Amendment 177

Proposal for a regulation Article 48 – paragraph 7

Text proposed by the Commission

7. The Commission, after consulting the Defence Industrial Readiness Board, may propose to the Council to adopt an implementing act activating additional measures or deactivating any activated measures set out in Articles 49 to 54, in addition to those measures that it had already activated, where that is appropriate to address the crisis, taking into account the need to ensure a high level of security of the Union, Member States and Union citizens.

Amendment

7. The Commission, after consulting the Defence Industrial Readiness Board ***and, where applicable and appropriate, the Internal Market Emergency and Resilience Board***, may propose to the Council to adopt an implementing act activating additional measures or deactivating any activated measures set out in Articles 49 to 54, in addition to those measures that it had already activated, where that is appropriate to address the crisis, taking into account the need to ensure a high level of security of the Union, Member States and Union citizens.

Amendment 178

Proposal for a regulation Article 52 – paragraph 1 – point a

Text proposed by the Commission

- (a) activities that aim at rapid adaptation and modification of civilian products for defence applications;

Amendment

- (a) activities that aim at rapid adaptation and modification of civilian products for defence applications ***to the extent that those activities comply with international and Union law, including applicable conventions and agreements;***

Amendment 179

**Proposal for a regulation
Article 57 – paragraph 3**

Text proposed by the Commission

3. To assist the Commission in the implementation of the measures referred to in Chapter II, the Defence Industrial Readiness Board shall assist the latter in the identification of funding priority areas, taking into account 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.

Amendment

3. To assist the Commission in the implementation of the measures referred to in Chapter II, the Defence Industrial Readiness Board shall assist the latter in ***defining and in*** the identification of funding priority areas, taking into account ***their individual or collective international obligations and*** 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.

Amendment 180

**Proposal for a regulation
Article 57 – paragraph 5 – point c**

Text proposed by the Commission

- (c) providing guidance on the implementation of the measures chosen to respond to supply crisis at Union level;

Amendment

- (c) providing guidance on the implementation of the measures chosen to respond to supply crisis at Union level, ***including to ensure the timely availability and supply of crisis-relevant products;***

Amendment 181

Proposal for a regulation Article 57 – paragraph 7

Text proposed by the Commission

7. The Defence Industrial Readiness Board shall be composed of the representatives of the Commission, the High-Representative and Head of the European Defence Agency, Member States and associated countries. Each Member State or associated country shall nominate one representative and one alternate representative. The Board shall be chaired by the Commission for the purposes of the tasks laid down in this Regulation. The secretariat of the Defence Industrial Readiness Board shall be ensured by the Commission.

Amendment

7. The Defence Industrial Readiness Board shall be composed of the representatives of the Commission, the High-Representative and Head of the European Defence Agency, Member States and associated countries. ***The European Parliament representative shall take part as an observer.*** Each Member State or associated country shall nominate one representative and one alternate representative. The Board shall be chaired by the Commission for the purposes of the tasks laid down in this Regulation. The secretariat of the Defence Industrial Readiness Board shall be ensured by the Commission.

Amendment 182

Proposal for a regulation Article 57 – paragraph 8

Text proposed by the Commission

8. The Defence Industrial Readiness Board shall meet whenever the situation requires, upon request from the Commission or a Member State or an associated country. ***It*** shall adopt its rules of procedure on the basis of a proposal submitted by the Commission.

Amendment

8. The Defence Industrial Readiness Board shall meet whenever the situation requires, upon request from the Commission or a Member State or an associated country. ***The European Parliament may also request a meeting through a decision of its competent committee. The Defence Industrial Readiness Board*** shall adopt its rules of procedure on the basis of a proposal submitted by the Commission.

Amendment 183

Proposal for a regulation
Article 57 – paragraph 9

Text proposed by the Commission

9. The Defence Industrial Readiness Board may issue opinions, upon the request of the Commission or on its own initiative. The Defence Industrial Readiness Board shall endeavour to find solutions which command the widest possible support.

Amendment

9. The Defence Industrial Readiness Board may issue opinions ***or recommendations***, upon the request of the Commission, ***the European Parliament*** or on its own initiative. The Defence Industrial Readiness Board shall endeavour to find solutions which command the widest possible support.

Amendment 184

Proposal for a regulation
Article 57 – paragraph 10

Text proposed by the Commission

10. The Defence Industrial Readiness Board shall invite, at least once a year, representatives from National Defence Industrial Associations and selected industrial representatives, taking into account the necessity to ensure a balanced geographical representation (structured dialogue with defence industry). Where the supply crisis state referred to in Article 44 or the security supply crisis state referred to in Article 48 has been activated, the Defence Industrial Readiness Board shall invite high-level industrial representatives to meet in special configuration in order to discuss issues linked to crisis-relevant products.

Amendment

10. The Defence Industrial Readiness Board shall invite, at least once a year, ***and additionally in order to conduct consultations on a draft working programme***, representatives from National Defence Industrial Associations and selected industrial representatives, taking into account the necessity to ensure a balanced geographical representation (structured dialogue with defence industry). Where the supply crisis state referred to in Article 44 or the security supply crisis state referred to in Article 48 has been activated, the Defence Industrial Readiness Board shall invite high-level industrial representatives to meet in special configuration in order to discuss issues linked to crisis-relevant products.

Amendment 185
Proposal for a regulation
Article 57 – paragraph 15 a (new)

15a. The Commission shall set up a working group, within the framework of the Defence Industrial Readiness Board, on cross-certification and mutual recognition of certifications of defence products. The objectives of that working group shall be to:

- (a) assess the current barriers to mutual recognition of certifications within the EU, identifying both legal and procedural obstacles at the international, EU, and national levels, as outlined in Article 39;***
- (b) propose recommendations and/or mitigation measures for overcoming these barriers, with a focus on facilitating cross-certification processes to enhance the efficiency and competitiveness of the defence sector.***

ANNEX: ENTITIES OR PERSONS FROM WHOM THE RAPPORTEUR HAS RECEIVED INPUT

Pursuant to Article 8 of Annex I to the Rules of Procedure, the rapporteur for the opinion received input from the following entities or persons in the preparation of the opinion, prior to the adoption thereof in committee:

Entity and/or person
Ministry of State Assets of the Republic of Poland
Ministry of Development of the Republic of Poland
Ministry of Defence of the Republic of Poland
Permanent Representation of the Republic of Poland to the European Union
European Commission, DG DEFIS
European Economic and Social Committee
European Court of Auditors
Industrial Development Agency JSC of the Republic of Poland
American Chamber of Commerce in Belgium
Intel Corporation
PGZ – Polska Grupa Zbrojeniowa S.A.
Airbus
ASD – AeroSpace and Defense Industries Association of Europe
MBDA
Groupement des Industries Françaises Aéronautiques et Spatiales

The list above is drawn up under the exclusive responsibility of the rapporteur for opinion.

Where natural persons are identified in the list by their name, by their function or by both, the rapporteur for opinion declares that she has submitted to the natural persons concerned 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.

PROCEDURE – COMMITTEE ASKED FOR OPINION

Title	European Defence Industry Programme and a framework of measures to ensure the timely availability and supply of defence products ('EDIP')		
References	COM(2024)0150 – C10-0005/2024 – 2024/0061(COD)		
Committee(s) responsible	SEDE	ITRE	
Opinion by Date announced in plenary	IMCO 13.11.2024		
Rapporteur for the opinion Date appointed	Kamila Gasiuk-Pihowicz 2.12.2024		
Rule 59 – Joint committee procedure Date announced in plenary	13.11.2024		
Discussed in committee	12.12.2024	18.2.2025	17.3.2025
Date adopted	8.4.2025		
Result of final vote	+: –: 0:	35 9 6	
Members present for the final vote	Peter Agius, Pablo Arias Echeverría, Jeannette Baljeu, Laura Ballarín Cereza, Biljana Borzan, Anna Cavazzini, David Cormand, Henrik Dahl, Adnan Dibrani, Elisabeth Dieringer, Christian Doleschal, Klara Dostalova, Michał Dworczyk, Kamila Gasiuk-Pihowicz, Hanna Gedin, Sandro Gozi, Maria Grapini, Elisabeth Grossmann, Maria Guzenina, Svenja Hahn, Anna-Maja Henriksson, Pierre Juvet, Arba Kokalari, Kateřina Konečná, Katrin Langensiepen, Pierfrancesco Maran, Nikola Minchev, Piotr Müller, Cynthia Ní Mhurchú, Gheorghe Piperea, Reinis Požņaks, Christel Schaldemose, Andreas Schwab, Tomislav Sokol, Filip Turek, Inese Vaidere, Adina Vălean, Marion Walsmann		
Substitutes present for the final vote	Saskia Bricmont, Tomasz Buczek, Sebastião Bugalho, Delara Burkhardt, Dirk Gotink, Mary Khan, Rada Laykova		
Members under Rule 216(7) present for the final vote	Angéline Furet, Fernand Kartheiser, Matjaž Nemec, Lídia Pereira, Diego Solier		

FINAL VOTE BY ROLL CALL BY THE COMMITTEE ASKED FOR OPINION

35	+
PPE	Peter Agius, Pablo Arias Echeverría, Sebastião Bugalho, Henrik Dahl, Christian Doleschal, Kamila Gasiuk-Pihowicz, Dirk Gotink, Arba Kokalari, Lídia Pereira, Andreas Schwab, Tomislav Sokol, Inese Vaidere, Adina Vălean, Marion Walsmann
Renew	Jeannette Baljeu, Sandro Gozi, Svenja Hahn, Anna-Maja Henriksson, Nikola Minchev, Cynthia Ní Mhurchú
S&D	Laura Ballarín Cereza, Biljana Borzan, Delara Burkhardt, Adnan Dibrani, Maria Grapini, Elisabeth Grossmann, Maria Guzenina, Pierre Jovet, Pierfrancesco Maran, Matjaž Nemec, Christel Schaldemose
Verts/ALE	Saskia Bricmont, Anna Cavazzini, David Cormand, Katrin Langensiepen

9	-
ECR	Gheorghe Piperea
ESN	Mary Khan, Rada Laykova
NI	Kateřina Konečná
PfE	Tomasz Buczek, Elisabeth Dieringer, Klara Dostalova, Angéline Furet, Filip Turek

6	0
ECR	Michał Dworczyk, Fernand Kartheiser, Piotr Müller, Reinis Pozņaks, Diego Solier
The Left	Hanna Gedin

Key to symbols:

+ : in favour

- : against

0 : abstention