



**2024/0061(COD)**

30.1.2025

## **DRAFT OPINION**

of the Committee on the Internal Market and Consumer Protection

for the Committee on Foreign Affairs 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

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## 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 Foreign Affairs and the Committee on Industry, Research and Energy, as the committees responsible:

### Amendment 1

#### 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 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.

##### *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)(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. 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 2****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 the 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 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 3****Proposal for a regulation****Recital 23***Text proposed by the Commission*

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

*Amendment*

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

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 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.

Or. en

## Amendment 4

### 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 **and** the development and the

#### *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. In particular, **preference should be given to proposals submitted by applicants from the** Member States most exposed to the risk of materialisation of conventional military threats, **such as that of invasion**. Assessments should also refer to the contribution to defence industrial cooperation through genuine, **inclusive and balanced** armament cooperation among

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.

Member States, associated countries and Ukraine, ***in favour of proposals submitted by applicants from the Member States which have already provided exceptionally extensive resources to offer military support to Ukraine for safeguarding its independence, sovereignty and territorial integrity. Other criteria that should also be assessed include the contribution to 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.

Or. en

## Amendment 5

### 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.***

Or. en

## Amendment 6

### 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) The 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.

Or. en

**Amendment 7**

**Proposal for a regulation**

**Recital 27**

*Text proposed by the Commission*

(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

*Amendment*

(27) In accordance with the 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 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 funds grant equivalent rights.

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) **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 equivalent rights.

Or. en

## Amendment 8

### 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 comprise at least **two** Member States and may include associated countries and Ukraine.

Or. en

## Amendment 9

### 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**

*Amendment*

(40) A SEAP could qualify for funding in accordance with Title VI of Regulation

Regulation (EU, Euratom) *No 2018/1046*. Funding under the Cohesion Policy could also be possible, in conformity with the relevant Community legislation.

(EU, Euratom) *2024/2509*. Funding under the Cohesion Policy could also be possible, in conformity with the relevant Community legislation.

Or. en

## Amendment 10

### 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 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.

##### *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 **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.

Or. en

## Amendment 11

### 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 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.

#### *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 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 **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 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 the** 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.

Or. en

## Amendment 12

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

#### *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, ***with the European Parliament as 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 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.

Or. en

## Amendment 13

### 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

#### *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 timely availability and supply of defence products and at

Technological and Industrial Base (Ukrainian DTIB), in particular by means of the following:

contributing to the recovery, reconstruction and modernisation of the Ukraine Defence Technological and Industrial Base (Ukrainian DTIB), in particular by means of the following:

Or. en

## Amendment 14

### 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;

Or. en

## Amendment 15

### Proposal for a regulation

#### Article 2 – paragraph 1 – point 3

##### *Text proposed by the Commission*

(3) 'blending operation' means an action supported by the Union budget, including within a blending facility or platform as defined in Article 2, point (6) of Regulation (EU, Euratom) **No [2018/1046]**, that combines non-repayable forms of support and/or financial instruments from the Union budget with repayable forms of support from development or other public finance institutions, or from commercial finance institutions and investors

##### *Amendment*

(3) 'blending operation' means an action supported by the Union budget, including within a blending facility or platform as defined in Article 2, point (6) of Regulation (EU, Euratom) **2024/2509**, that combines non-repayable forms of support and/or financial instruments from the Union budget with repayable forms of support from development or other public finance institutions, or from commercial finance institutions and investors

## Amendment 16

### Proposal for a regulation

#### Article 2 – paragraph 1 – point 4

*Text proposed by the Commission*

(4) ‘common procurement’ means a procurement jointly conducted by at least **three** Member States;

*Amendment*

(4) ‘common procurement’ means a procurement jointly conducted by at least **two** Member States;

Or. en

## Amendment 17

### 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.**

Or. en

## Amendment 18

### Proposal for a regulation

#### Article 2 – paragraph 1 – point 9

*Text proposed by the Commission*

*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

(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**;

to in Article **200(2)**, point (c), of Regulation (EU, Euratom) **2024/2509**;

Or. en

## **Amendment 19**

### **Proposal for a regulation Article 2 – paragraph 1 – point 13**

#### *Text proposed by the Commission*

(13) ‘off-take agreement’ means any contractual agreement between at least [**three**] Member States and at least one manufacturer of defence products containing either a commitment on the Member States to procure a certain quantity of defence products over a certain period of time or a commitment on the manufacturer of defence products to provide the Member States with the option to do so.

#### *Amendment*

(13) ‘off-take agreement’ means any contractual agreement between at least [**two**] Member States and at least one manufacturer of defence products containing either a commitment on the Member States to procure a certain quantity of defence products over a certain period of time or a commitment on the manufacturer of defence products to provide the Member States with the option to do so.

Or. en

## **Amendment 20**

### **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*;

Or. en



## Amendment 21

### Proposal for a regulation

#### Article 2 – paragraph 1 – point 22

*Text proposed by the Commission*

(22) ‘small middle capitalisation company’ or ‘small mid-cap’ means an enterprise that is not a SME and whose number of employees does not exceed 499, calculated in accordance with **Articles 3 to 6 of the Annex to Recommendation 2003/361/EC**, the annual turnover of which does not exceed EUR 100 million or the annual balance sheet of which does not exceed EUR 86 million;

*Amendment*

(22) ‘small middle capitalisation company’ or ‘small mid-cap’ means an enterprise that is not a SME and whose number of employees does not exceed 499, calculated in accordance with **Article 3 of Directive 2013/34/EU**, the annual turnover of which does not exceed EUR 100 million or the annual balance sheet of which does not exceed EUR 86 million;

Or. en

## Amendment 22

### 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 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.

*Amendment*

(23) ‘crisis-relevant products’ means **key** defence products, or key components or raw materials thereof or any products or services critical to their production that **are at risk of or** 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.

Or. en

## Amendment 23

### 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 complies with the criteria laid down in Article 15(3).**

Or. en

#### **Amendment 24**

##### **Proposal for a regulation Article 3 – paragraph 1**

*Text proposed by the Commission*

*Amendment*

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

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

Or. en

#### **Amendment 25**

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

*Text proposed by the Commission*

*Amendment*

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

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

## Amendment 26

### 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 ***aims*** at increasing the defence industrial readiness of the EDTIB in particular through:

## Amendment 27

### 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) ***improving and accelerating the capacity of adaptation of the defence*** 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, ***reducing the lead production time for defence products, and supporting the industrialisation and commercialisation of defence products supported by actions funded by the Union or other EU cooperative activities conducted with the support of the Member States, with a view to ensuring the availability and supply of defence products throughout the Union;***

## Amendment 28

### 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, harmonise defence capability requirements,*** contribute to ***strengthened*** solidarity ***among them,*** prevent crowding-out effects, increase the effectiveness of public spending and reduce excessive fragmentation, ultimately leading 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, ***bearing in mind the need for coherence with NATO standards.***

Or. en

## Amendment 29

### 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. ***The Ukraine Support Instrument aims to contribute*** to the recovery, reconstruction and modernisation of the Ukrainian DTIB, ***with a view to increasing its defence industrial readiness, taking*** into account its possible future integration into the EDTIB, thereby contributing to mutual stability, security, peace, prosperity and sustainability.

Or. en

## Amendment 30

### Proposal for a regulation

#### Article 4 – paragraph 4 a (new)

*Text proposed by the Commission*

*Amendment*

**4a. The Programme shall be consistent 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.**

Or. en

## Amendment 31

### Proposal for a regulation

#### Article 4 – paragraph 5

*Text proposed by the Commission*

*Amendment*

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

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

practices ('acquis') with a view to future Union membership.

rules, standards, policies and practices ('acquis') with a view to future Union membership.

Or. en

## Amendment 32

### 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.***

Or. en

## Amendment 33

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

*Text proposed by the Commission*

*Amendment*

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**.

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 34**

### **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 35**

### **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 36**

### **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), (d), or (e) or Article 21(5) of Regulation (EU, Euratom) **2024/2509**.

Or. en

**Amendment 37**

**Proposal for a regulation**  
**Article 6 – paragraph 2**

*Text proposed by the Commission*

2. Any additional amounts received under the relevant Union restrictive measures shall be external assigned revenue within the meaning of Article 21(5) of Regulation (EU, Euratom) **2018/1046** and shall be used for actions under the Ukraine Support Instrument, including actions reinforcing the Ukrainian DTIB.

*Amendment*

2. Any additional amounts received under the relevant Union restrictive measures shall be external assigned revenue within the meaning of Article 21(5) of Regulation (EU, Euratom) **2024/2509** and shall be used for actions under the Ukraine Support Instrument, including actions reinforcing the Ukrainian DTIB.

Or. en



## Amendment 38

### Proposal for a regulation Article 6 – paragraph 3

#### *Text proposed by the Commission*

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 Council<sup>5</sup>. 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.

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<sup>5</sup> 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*

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 Council<sup>5</sup>. 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.

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<sup>5</sup> 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).

Or. en

## Amendment 39

### 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**.

Or. en

**Amendment 40**

**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**.

Or. en

**Amendment 41**

**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

*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.

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.

Or. en

## **Amendment 42**

### **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*

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.

Or. en

## **Amendment 43**

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

*Text proposed by the Commission*

*Amendment*

***The Programme shall be open to the participation of former members of the***

*Union, in accordance with the conditions laid down in relevant agreements concluded by the former members with the Union, 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, former members of the Union shall be considered associated countries.*

Or. en

#### **Amendment 44**

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

*Text proposed by the Commission*

*Amendment*

*Member States may decide, upon a proposal from the Commission, to open the participation to the Programme to third countries, through the conclusion of free trade, association, or defence partnership agreements, 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. Countries in this situation shall be considered associated countries.*

Or. en

#### **Amendment 45**

##### **Proposal for a regulation Article 10 – paragraph 1**

*Text proposed by the Commission*

*Amendment*

1. The eligibility criteria set out in

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**.

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

Or. en

## Amendment 46

### 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.

Or. en

## Amendment 47

### 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.*

Or. en

#### **Amendment 48**

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

##### **Article 10 – paragraph 5 – subparagraph 2 – point a**

*Text proposed by the Commission*

(a) control over the legal entity is not exercised in a manner that restrains or restricts its ability to carry out the action and to deliver results, *that imposes restrictions concerning its infrastructure, facilities, assets, resources, intellectual property or knowhow needed for the purposes of the action, or that undermines its capabilities and standards necessary to carry out the action;*

*Amendment*

(a) control over the legal entity is not exercised in a manner that restrains or restricts its ability to carry out the action and to deliver results;

Or. en

#### **Amendment 49**

##### **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-

*Amendment*

(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;

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;

Or. en

## Amendment 50

### Proposal for a regulation

#### Article 10 – paragraph 5 – subparagraph 3

*Text proposed by the Commission*

*Amendment*

*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.*

*deleted*

Or. en

## Amendment 51

### Proposal for a regulation

#### Article 11 – paragraph 3 – point b

*Text proposed by the Commission*

*Amendment*

(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;

(b) the establishment of cross-border industrial partnerships *across the Union and the associated countries*, including through public private partnerships or other forms of industrial cooperation, *including with SMEs and 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 52

### 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 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;

*Amendment*

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

Or. en

## Amendment 53

### 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.***

Or. en

## Amendment 54

### 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;

Or. en

**Amendment 55**

**Proposal for a regulation**

**Article 11 – paragraph 5 – point e a (new)**

*Text proposed by the Commission*

*Amendment*

***(ea) the establishment of a catalogue of defence products that are part of a Defence Industrial Readiness Pool, as referred to in Article 14(1), point (b);***

Or. en

**Amendment 56**

**Proposal for a regulation**

**Article 11 – paragraph 5 – point f**

*Text proposed by the Commission*

*Amendment*

(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);

(f) 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);

Or. en

## Amendment 57

### 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;** **deleted**

Or. en

## Amendment 58

### 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 40% of the estimated cost of the end product. 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.**

Or. en

## Amendment 59

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

*Text proposed by the Commission*

*Amendment*

**8b. Actions related to defence products**

*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 the following conditions are met:*

*(a) at least one of the legal entities participating in the actions has the ability to decide, without restrictions by non-associated third countries or by non-associated third-country entities, on the definition, adaptation and evolution of the product's design, including the legal authority to substitute or disassemble the components subject to restriction by non-associated third countries or by non-associated third-country entities with alternative, restriction-free components originating in the Union;*

*(b) at least one of the legal entities participating in the actions commit to studying the feasibility of replacing the components that cause the restriction with an alternative, restriction-free component originating in the Union.*

Or. en

## **Amendment 60**

### **Proposal for a regulation**

#### **Article 11 – paragraph 8 c (new)**

*Text proposed by the Commission*

*Amendment*

*8c. By way of derogation from paragraph 8a, in light of the geopolitical situation, for a limited amount of time and in cases duly justified by an extreme security urgency, the cost of components originating from outside the Union or associated countries may be higher than 40% of the estimated cost of the end product. 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 the principle of good neighbourly relations.*

Or. en

## **Amendment 61**

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

*Text proposed by the Commission*

*Amendment*

*8d. By way of derogation from paragraph 8b, in light of the geopolitical situation, for a limited amount of time and in cases duly justified by an extreme security urgency, the requirements referred to in that paragraph shall not apply to urgent and critical defence products, provided that the procured defence products were in use prior to ... [date of entry into force of this Regulation] in the Member State concerned.*

Or. en

## **Amendment 62**

### **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.*

Or. en

## **Amendment 63**

### **Proposal for a regulation Article 12 – paragraph 1 a (new)**

*Text proposed by the Commission*

*Amendment*

**1a. Common procurement actions shall be carried out by:**

**(a) a consortium of legal entities referred to in paragraph 1, including at least three entities referred to in paragraph 1, point (a), of which at least two shall be contracting authorities of Member States; or**

**(b) a SEAP.**

Or. en

## **Amendment 64**

### **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.**

Or. en

## Amendment 65

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

*Text proposed by the Commission*

*Amendment*

**7b. The cost of components originating from outside the Union or associated countries shall not be higher than 40% of the estimated value of the end product. 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.**

Or. en

## Amendment 66

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

*Text proposed by the Commission*

*Amendment*

**7c. By way of derogation from paragraph 7b, in light of the geopolitical situation, for a limited amount of time and in cases duly justified by an extreme security urgency, the cost of components originating from outside the Union or associated countries may be higher than 40% of the estimated cost of the end product. 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 the principle of good neighbourly relations.**

Or. en

## Amendment 67

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

*Text proposed by the Commission*

*Amendment*

**7d. In light of the geopolitical situation and the urgent need to procure defence products with the support of the Programme, Article 11(8b), point (a) shall not apply to urgent and critical products.**

Or. en

## Amendment 68

### 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**.

Or. en

## Amendment 69

### 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.**

Or. en

## Amendment 70

### Proposal for a regulation Article 13 – paragraph 2 a (new)

*Text proposed by the Commission*

*Amendment*

**2a. In situations of extreme security urgency, where the geopolitical situation imposes an urgent need to ramp-up the manufacturing of defence products with the support of the Programme, by way of derogation, paragraphs (8a) and (8b) of Article 11 shall not apply to urgent critical defence products, provided that the following conditions are met:**

**(a) restrictions by a non-associated third country or a non-associated third country entity do not preclude future transfers of technology to the eligible entities;**

**(b) entities participating in the actions commit to obtaining essential technology and to adapting their capability to produce urgent critical products that are compliant with the criteria set out in paragraphs (8a) and (8b) of Article 11 as soon as conditions allow.**

Or. en

## Amendment 71

### Proposal for a regulation Article 15 – title

*Text proposed by the Commission*

*Amendment*

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

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

Or. en



**Amendment 72**

**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.***

Or. en

**Amendment 73**

**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.***

Or. en

**Amendment 74**

**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;***

Or. en

## Amendment 75

### Proposal for a regulation Article 15 – paragraph 2 – point c

*Text proposed by the Commission*

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

*Amendment*

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

Or. en

## Amendment 76

### 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;***

Or. en

## Amendment 77

### Proposal for a regulation Article 15 – paragraph 2 – point c b (new)

*Text proposed by the Commission*

*Amendment*

***(cb) take into account the resources already provided by Member States to Ukraine for military support, its independence, sovereignty and territorial integrity.***

Or. en

## Amendment 78

### 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, including 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;***

Or. en

## Amendment 79

### Proposal for a regulation Article 15 – paragraph 3 – point b b (new)

*Text proposed by the Commission*

*Amendment*

***(bb) 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;***

Or. en

## **Amendment 80**

### **Proposal for a regulation**

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

*Text proposed by the Commission*

*Amendment*

***(bc) the project involves at least four Member States and is genuinely open for participation to all Member States and associated countries;***

Or. en

## **Amendment 81**

### **Proposal for a regulation**

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

*Text proposed by the Commission*

*Amendment*

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

Or. en

## **Amendment 82**

### **Proposal for a regulation**

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

*Text proposed by the Commission*

*Amendment*

***(be) the potential overall benefits of the project extend to a wider part of the Union.***

Or. en

## Amendment 83

### Proposal for a regulation Article 15 – paragraph 4

*Text proposed by the Commission*

*Amendment*

**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.**

**deleted**

Or. en

## Amendment 84

### 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 European Commission, the High Representative and EDA, as well as the European Parliament as an observer.**

Or. en

## Amendment 85

### 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.*

Or. en

## **Amendment 86**

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

*Text proposed by the Commission*

*Amendment*

***5b. Member States 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.***

Or. en

## **Amendment 87**

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

*Text proposed by the Commission*

*Amendment*

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

Or. en

## Amendment 88

### 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**

Or. en

## Amendment 89

### 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**:

Or. en

## Amendment 90

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

*Text proposed by the Commission*

*Amendment*

**1a. While assessing the proposal on the basis of the criteria listed in paragraph 1, preference shall be granted to proposals of Member States exposed to the materialisation of conventional military threats, such as that of invasion and to Member States which have already provided exceptionally extensive resources to offer military support to Ukraine for safeguarding its independence,**

*sovereignty and territorial integrity.*

Or. en

## **Amendment 91**

### **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 action's contribution to the replenishment of defence products in short supply, including by taking into account the response to Russia's war of aggression against Ukraine;***
- (d) the participation of SMEs and mid-caps;***
- (e) the action's contribution to the cross-border cooperation in the supply chains throughout the Union;***
- (f) the action's contribution to increasing the timely availability of defence products;***
- (g) the participating Member States' high exposure to the risk of materialisation of conventional military threats.***

Or. en



## **Amendment 92**

### **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, including in particular high exposure to the risk of materialisation of conventional military threats;***

***(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 participating Member States' high exposure to the risk of materialisation of conventional military threats.***

Or. en

## **Amendment 93**

### **Proposal for a regulation**

#### **Article 16 – paragraph 2**

*Text proposed by the Commission*

2. The work programme shall lay down further details concerning the application of the award criteria laid down in paragraph 1, including any weighting to be applied. The work programme shall not set individual thresholds.

*Amendment*

2. The work programme shall lay down further details concerning the application of the award criteria laid down in paragraph 1 ***and the preference scheme indicated in paragraph 1a***, including any weighting to be applied. The work programme shall not set individual thresholds.

Or. en

**Amendment 94**

**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.

Or. en

**Amendment 95**

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

*Text proposed by the Commission*

*Amendment*

***(da) the action concerns one or more Member States with a high exposure to the risk of materialisation of conventional military threats.***

Or. en

## Amendment 96

### Proposal for a regulation Article 18 – paragraph 1

*Text proposed by the Commission*

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.

*Amendment*

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.

Or. en

## Amendment 97

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

*Text proposed by the Commission*

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

*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 Regulation (EU, Euratom) **2024/2509** and Regulation (EU) 2021/523<sup>6</sup>.

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<sup>6</sup> Regulation (EU) 2021/523 of the European Parliament and of the Council of 24 March 2021 establishing the InvestEU Programme and amending Regulation (EU) 2015/1017 (OJ L 107, 26.3.2021, p. 30–89,

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<sup>6</sup> Regulation (EU) 2021/523 of the European Parliament and of the Council of 24 March 2021 establishing the InvestEU Programme and amending Regulation (EU) 2015/1017 (OJ L 107, 26.3.2021, p. 30–89,

ELI:  
<http://data.europa.eu/eli/reg/2021/523/oj>).

ELI:  
<http://data.europa.eu/eli/reg/2021/523/oj>).

Or. en

## Amendment 98

### Proposal for a regulation Article 21 – paragraph 2

*Text proposed by the Commission*

2. Recipients of Union funding shall be established in the Union or in Ukraine.

*Amendment*

2. Recipients of Union funding shall be established in the Union or in Ukraine. ***Legal entities established in the non-government controlled areas of Ukraine shall not be eligible for support under this Regulation.***

Or. en

## Amendment 99

### Proposal for a regulation Article 21 – 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 Ukraine. ***Where recipients have no readily available alternatives or relevant infrastructure, facilities, assets and resources in the Union or in Ukraine, they may use their infrastructure, facilities, assets and resources which are located or held outside the territory of the Member States or of Ukraine, 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 Ukraine.

## Amendment 100

### Proposal for a regulation Article 21 – paragraph 3 a (new)

*Text proposed by the Commission*

*Amendment*

**3a. By derogation from paragraph 3 of this Article, where recipients have no readily available alternatives or relevant infrastructure, facilities, assets and resources in the Union or in Ukraine, they may use their infrastructure, facilities, assets and resources which are located or held outside the territory of the Member States or of Ukraine, provided that such use does not contravene the security and defence interests of the Union and the Member States, including respect for the principle of good neighbourly relations, and is consistent with the objectives set out in Article 4.**

Or. en

## Amendment 101

### Proposal for a regulation Article 21 – paragraph 4

*Text proposed by the Commission*

*Amendment*

4. For the purposes of an action supported by the Ukraine Support Instrument, the recipients shall not be subject to control by a third country or by a third-country entity.

4. For the purposes of an action supported by the Ukraine Support Instrument, the recipients shall not be subject to control by a third country or by a third-country entity, ***other than Ukraine.***

Or. en

## Amendment 102

### Proposal for a regulation

#### Article 21 – paragraph 5 – subparagraph 2 – introductory part

##### *Text proposed by the Commission*

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 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*

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 in particular substantiate that, for the purposes of an action, measures are in place to ensure that:

Or. en

## Amendment 103

### Proposal for a regulation

#### Article 21 – paragraph 5 – subparagraph 2 – point b

##### *Text proposed by the Commission*

(b) access by a third country or by a 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, where appropriate;

##### *Amendment*

(b) access by a third country or by a 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, where appropriate;

Or. en

## Amendment 104

### 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.***

Or. en

**Amendment 105**

**Proposal for a regulation**

**Article 22 – paragraph 2 – point -a (new)**

*Text proposed by the Commission*

*Amendment*

***(-a) the common development of defence products, including defence R&D, testing, and certification; industrial capacity-building, including through industrialisation and commercialisation; and support to non-recurrent investments related to initial production or in-service support, in particular where the defence products are being or have been developed in the framework of actions funded by the Union under the corresponding Union programme;***

Or. en

**Amendment 106**

**Proposal for a regulation**

**Article 23 – paragraph 1 – point b**

*Text proposed by the Commission*

*Amendment*

(b) a SEAP shall be established by at

(b) a SEAP shall be established by at

least three Member States, associated countries or Ukraine.

least three ***countries, including*** Member States, associated countries or Ukraine, ***provided that at least two are Member States.***

Or. en

#### **Amendment 107**

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

##### **Article 23 – paragraph 1 – point c**

*Text proposed by the Commission*

*Amendment*

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

***deleted***

Or. en

#### **Amendment 108**

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

##### **Article 23 – paragraph 1 – point c a (new)**

*Text proposed by the Commission*

*Amendment*

***(ca) a SEAP shall pursue coherence of output with respective NATO processes such as the NATO Defence Planning Process (NDPP) where requirements overlap and where such pursuit serves the Union's security and defence interests;***

Or. en

#### **Amendment 109**

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

##### **Article 23 – paragraph 1 – point d**

*Text proposed by the Commission*

*Amendment*

***(d) a SEAP shall continue the lifecycle***

***(d) a SEAP shall continue the lifecycle***



of the defence product or technology, until its decommissioning.

of the defence product or technology, until its decommissioning, *or until its winding-up.*

Or. en

## Amendment 110

### 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 Sstandardisation Agreements STANAGs).***

Or. en

## Amendment 111

### Proposal for a regulation Article 27 – paragraph 1 – point l a (new)

*Text proposed by the Commission*

*Amendment*

***(la) the name of the SEAP.***

Or. en

## Amendment 112

### Proposal for a regulation Article 34 – title

*Text proposed by the Commission*

*Amendment*

Conditions to open framework agreements to other Member States

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

Or. en

## Amendment 113

### 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 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 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**.

Or. en

## Amendment 114

### 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 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.

*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 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 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 agreement.*

Or. en

## Amendment 115

### 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.

Or. en

## Amendment 116

### 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, **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.

Or. en

## Amendment 117

### 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.

Or. en

## Amendment 118

### Proposal for a regulation Article 35 – title

*Text proposed by the Commission*

*Amendment*

Procurement

**Joint** procurement

Or. en

## **Amendment 119**

### **Proposal for a regulation**

#### **Article 35 – paragraph 1 – introductory part**

*Text proposed by the Commission*

*Amendment*

1. **By derogation to [Article 168 of the Financial Regulation recast]**, Member States, associated countries and, where relevant, Ukraine may request the Commission:

1. Member States, associated countries and, where relevant, Ukraine may request the Commission:

Or. en

## **Amendment 120**

### **Proposal for a regulation**

#### **Article 35 – paragraph 1 – point a**

*Text proposed by the Commission*

*Amendment*

(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;

(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;

Or. en

## **Amendment 121**

### **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*** ].

Or. en

## **Amendment 122**

### **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.***

Or. en

## **Amendment 123**

### **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.*

Or. en

## **Amendment 124**

### **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.*

Or. en

## **Amendment 125**

### **Proposal for a regulation**

#### **Article 35 – paragraph 1 d (new)**

*Text proposed by the Commission*

*Amendment*

*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.*

Or. en

## **Amendment 126**

### **Proposal for a regulation Article 35 – paragraph 2**

*Text proposed by the Commission*

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

*(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*

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

Or. en

## **Amendment 127**

### **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.**

Or. en

**Amendment 128**

**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 **a situation of extreme security urgency**, 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.

Or. en

**Amendment 129**

**Proposal for a regulation**

**Article 35 – paragraph 4**

*Text proposed by the Commission*

4. In order to enter into purchase agreements with economic operators, representatives of the Commission, or experts nominated by the Commission, may carry out on-site visits in cooperation

*Amendment*

4. In order to enter into purchase agreements with economic operators, representatives of the Commission, or experts nominated by the Commission, or **the Commission** may carry out on-site

with relevant national authorities at the locations of production facilities of relevant defence products.

visits in cooperation with relevant national authorities at the locations of production facilities of relevant defence products.

Or. en

## Amendment 130

### 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.**

Or. en

## Amendment 131

### 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.**

Or. en

## Amendment 132

### 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 133**

**Proposal for a regulation**  
**Article 35 b (new)**

*Text proposed by the Commission*

*Amendment*

**Article 35b**

**Exclusivity clause**

*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. 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. 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 134

### 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;**

Or. en

## Amendment 135

### Proposal for a regulation Article 57 – paragraph 7

*Text proposed 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. 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.

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.

Or. en

## Amendment 136

### Proposal for a regulation Article 60 – paragraph 5

*Text proposed by the Commission*

5. The Commission shall make available approved and accredited existing systems to facilitate the exchange of classified information between the Commission, the High-Representative / Head of Agency, the Member States and associated countries and, where appropriate, with the applicants and the recipients.

*Amendment*

5. The Commission shall make available approved and accredited existing systems to facilitate the exchange of classified ***and sensitive*** information between the Commission, the High-Representative / Head of Agency, the Member States and associated countries and, where appropriate, with the applicants and the recipients.

Or. en

## **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 declares that she received input from the following entities or persons in the preparation of the draft opinion:

<b>Entity and/or person</b>
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

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.