



**2017/0125(COD)**

7.12.2017

# **AMENDMENTS**

## **12 - 170**

### **Draft opinion**

**Esteban González Pons**

Establishing the European Defence Industrial Development Programme aiming at supporting the competitiveness and innovative capacity of the EU defence industry

Proposal for a regulation

(COM(2017)0294 – C8-0180/2017 – 2017/0125(COD))

AM\_Com\_LegOpinion

## Amendment 12

Jens Geier, Arne Lietz, Martina Werner, Constanze Krehl

### Proposal for a regulation

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#### *Proposal for rejection*

***The Committee on Budgets calls on the Committee on Industry, Research and Energy, as the committee responsible, to reject the Commission proposal.***

Or. en

#### *Justification*

*There are serious doubts about the legal basis for the Programme. The Commission chose art. 173 TFEU as the single legal basis for the regulation. This neglects that the Programme has two different goals, one being the competitiveness and innovation capacity of the defence industry, the other being the improvement of the "strategic autonomy" of the Union (p.2 in the Commission proposal). Art. 173 omits the second goal of the programme. As both goals are inextricably linked and none of them could be identified as inferior, the programme would need to have a dual legal basis. This is supported by ECJ ruling C-411/06 which clearly points out that a dual legal basis has to be taken as a starting point when two purposes are equal to each other.*

## Amendment 13

Monika Vana

### Proposal for a regulation

#### Title 1

#### *Text proposed by the Commission*

Proposal for a  
REGULATION OF THE EUROPEAN  
PARLIAMENT AND OF THE COUNCIL  
establishing the European Defence  
Industrial Development Programme  
***aiming at supporting the competitiveness  
and innovative capacity of the EU defence  
industry***

#### *Amendment*

Proposal for a  
REGULATION OF THE EUROPEAN  
PARLIAMENT AND OF THE COUNCIL  
establishing the European Defence  
Industrial Development ***Cooperation***  
Programme ***for an efficient defence sector***

Or. en

### *Justification*

*Until today the European Defence Agency has not been able to increase Member States cooperation on defence research, development and procurement projects, most are still exclusively national. A more efficient cooperation mechanism must be set up to finally address the structural problems of the defence sector. As sufficient national funds are available for the financing of projects (Commission estimates annual savings between 25-100 bn€ of collective national defence spending), no single EURO shall be transferred from EU budget to national defence administration or industries.*

#### **Amendment 14**

**Jens Geier, Arne Lietz, Martina Werner, Constanze Krehl, Arndt Kohn**

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

##### **Citation 1**

*Text proposed by the Commission*

*Amendment*

Having regard to the Treaty on the Functioning of the European Union, **and in particular Article 173 thereof,**

Having regard to the Treaty on the Functioning of the European Union,

Or. en

### *Justification*

*There are serious doubts about the legal basis for the Programme. The Commission chose art. 173 TFEU as the single legal basis for the regulation. This neglects that the Programme has two different goals, one being the competitiveness and innovation capacity of the defence industry, the other being the improvement of the "strategic autonomy" of the Union (p.2 in the Commission proposal). Art. 173 omits the second goal of the programme. As both goals are inextricably linked and none of them could be identified as inferior, the programme would need to have a dual legal basis. This is supported by ECJ ruling C-411/06 which clearly points out that a dual legal basis has to be taken as a starting point when two purposes are equal to each other.*

#### **Amendment 15**

**Isabelle Thomas**

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

##### **Citation 5 a (new)**

*Text proposed by the Commission*

*Amendment*

***Having regard to the Chemical Weapons***

*Convention (CWC) of 3 September 1992,*

Or. fr

**Amendment 16**  
**Isabelle Thomas**

**Proposal for a regulation**  
**Citation 5 b (new)**

*Text proposed by the Commission*

*Amendment*

*Having regard to the Biological Weapons  
Convention (BWC) of 19 April 1972,*

Or. fr

**Amendment 17**  
**Isabelle Thomas**

**Proposal for a regulation**  
**Citation 5 c (new)**

*Text proposed by the Commission*

*Amendment*

*Having regard to Council Regulation  
(EC) No 1236/2005 concerning trade in  
certain goods which could be used for  
capital punishment, torture or other cruel,  
inhuman or degrading treatment or  
punishment,*

Or. fr

**Amendment 18**  
**Isabelle Thomas**

**Proposal for a regulation**  
**Citation 5 d (new)**

*Text proposed by the Commission*

*Amendment*

*Having regard to the Council's Common Position 2008/944/CFSP of 8 December 2008 defining common rules governing control of exports of military technology and equipment,*

Or. fr

## **Amendment 19**

**Monika Vana**

### **Proposal for a regulation**

#### **Recital 1**

*Text proposed by the Commission*

(1) In the European Defence Action Plan, adopted on 30 November 2016, the Commission committed to complement, leverage and consolidate collaborative efforts by Member States in developing defence capabilities to respond to security challenges, as well as to foster *a competitive and innovative* European defence industry. It proposed in particular to launch *a European Defence Fund to support investment* in joint research and the joint development of defence equipment and technologies. *The Fund would support cooperation during the whole cycle of defence product and technology development.*

*Amendment*

(1) In the European Defence Action Plan, adopted on 30 November 2016, *the Commission described the many structural problems in the European defence sector which hamper the efficient use of national resources for providing the defence capabilities needed for an effective Common Security and Defence Policy (CSDP). The Commission in particular underlines that duplications, fragmentation, and other structural problems have led to a sector which generates only 15% of capabilities compared to the same investment by the US. The highly inefficient structures and mechanisms, coupled with a very low rate of collaborative projects currently leads to a loss of an estimated 25-100 bn€ annually according to the Commission.<sup>1a</sup> This is why in the European Defence Action Plan*, the Commission committed to complement, leverage and consolidate collaborative efforts by Member States in developing defence capabilities to respond to security challenges, as well as to foster *an efficient* European defence industry. *To realise these objectives it is therefore at Union level necessary to enhance the institutional framework for cooperation of*

*Member States in the defence industrial development sector. It proposed in particular to launch efficient cooperation actions that would lead to investments by the Member States in joint research and the joint development of defence equipment and technologies, as well as action in the scope of conversion from military to civil protection. '*

<sup>1a</sup> *European Commission, 30 November 2016, ANNEX The business case for more efficient spending on defence.*

Or. en

#### *Justification*

*Until today the European Defence Agency has not been able to increase Member States cooperation on defence research, development and procurement projects, most are still exclusively national. A more efficient cooperation mechanism must be set up to finally address the structural problems of the defence sector. As sufficient national funds are available for the financing of projects (Commission estimates annual savings between 25-100 bn€ of collective national defence spending), no single EURO shall be transferred from EU budget to national defence administration or industries.*

#### **Amendment 20** **Isabelle Thomas**

#### **Proposal for a regulation** **Recital 1**

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

(1) In the European Defence Action Plan, adopted on 30 November 2016, the Commission committed to complement, leverage and consolidate collaborative efforts by Member States in developing defence capabilities to respond to security challenges, *as well as* to foster a competitive and innovative European defence industry. It proposed in particular to launch a European Defence Fund to

##### *Amendment*

(1) In the European Defence Action Plan, adopted on 30 November 2016, the Commission committed to complement, leverage and consolidate collaborative efforts by Member States in developing *and acquiring appropriate and sufficient* defence capabilities, *enabling it* to respond to security challenges, to foster a competitive, *transparent, effective* and innovative European defence industry –

support investment in joint research and the joint development of defence equipment and technologies. The Fund would support cooperation during the whole cycle of defence product and technology development.

*ensuring a sustainable supply chain – and to contribute to the strategic autonomy and technological and industrial independence of the Union.* It proposed in particular to launch a European Defence Fund, *enhancing synergies and budgetary efficiency*, to support investment in joint research and the joint development of defence equipment and technologies. The Fund would support cooperation during the whole cycle of defence product and technology development.

Or. fr

## **Amendment 21**

**Urmas Paet, Jozo Radoš**

### **Proposal for a regulation**

#### **Recital 1**

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

(1) In the European Defence Action Plan, adopted on 30 November 2016, the Commission committed to complement, leverage and consolidate collaborative efforts by Member States in developing defence capabilities to respond to security challenges, as well as to foster a competitive and innovative European defence industry. It proposed in particular to launch a European Defence Fund to support investment in joint research and the joint development of defence equipment and technologies. The Fund would support cooperation during the whole cycle of defence product and technology development.

##### *Amendment*

(1) In the European Defence Action Plan, adopted on 30 November 2016, the Commission committed to complement, leverage and consolidate collaborative efforts by Member States in developing defence capabilities to respond to security challenges, as well as to foster a competitive and innovative European defence industry. ***The Programme should complement Member States defence budgets and give incentive to invest more in Union's common defence strategies.*** It proposed in particular to launch a European Defence Fund to support investment in joint research and the joint development of defence equipment and technologies. The Fund would support cooperation during the whole cycle of defence product and technology development.

Or. en



## Amendment 22

Jens Geier, Arne Lietz, Martina Werner, Constanze Krehl, Arndt Kohn

### Proposal for a regulation

#### Recital 1

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

(1) In the European Defence Action Plan, adopted on 30 November 2016, the Commission committed to complement, leverage and consolidate collaborative efforts by Member States in developing defence capabilities to respond to security challenges, as well as to foster a competitive and innovative European defence industry. It proposed in particular to launch a European Defence Fund to support investment in joint research and the joint development of defence equipment and technologies. The Fund would support cooperation during the whole cycle of defence product and technology development.

##### *Amendment*

(1) In the European Defence Action Plan, adopted on 30 November 2016, the Commission committed to complement, leverage and consolidate collaborative efforts by Member States in developing defence capabilities to respond to security challenges, as well as to foster a competitive and innovative European defence industry. It proposed in particular to launch a European Defence Fund to support investment in joint research and the joint development of defence equipment and technologies. The Fund would support cooperation during the whole cycle of defence product and technology development *as well as actions in the scope of conversion from military to civil production.*

Or. en

## Amendment 23

Monika Vana

### Proposal for a regulation

#### Recital 1 a (new)

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

##### *Amendment*

*(1a) In order for the establishment of an efficient European defence market, including for this Programme to have real impact, it is of crucial importance that the key regulatory preconditions are fulfilled. In this respect the Directive on procurement was adopted eight years ago*

*with a view to improve the functioning of the defence market and increasing competition. If fully applied, it still could make a significant contribution to achieving the goal of an integrated open and competitive European Defence Equipment Market. However, the evaluations of the Directive identified a number of shortcomings. In particular, despite a more than twofold increase in the value of the contracts published EU-wide, a large share of defence procurement is still done outside EU public procurement rules leaving a significant untapped potential to generate further public savings. Furthermore, public authorities to some extent still use, offsets/industrial return requirements which can lead to uncertainties for the industry. Finally, the subcontracting provisions of the Directive, which enable procurement authorities to require the successful tenderer to subcontract a share of the contract to third parties via competitive tendering, are rarely used. After eight years on inactivity, it is now time for effective implementation of the Directive, including through enforcement by the Commission.*

Or. en

#### *Justification*

*Until today the European Defence Agency has not been able to increase Member States cooperation on defence research, development and procurement projects, most are still exclusively national. A more efficient cooperation mechanism must be set up to finally address the structural problems of the defence sector. As sufficient national funds are available for the financing of projects (Commission estimates annual savings between 25-100 bn€ of collective national defence spending), no single EURO shall be transferred from EU budget to national defence administration or industries.*

**Amendment 24**  
**Monika Vana**

**Proposal for a regulation**

## Recital 2

### *Text proposed by the Commission*

(2) In order to contribute to the **enhancement of the competitiveness and innovation capacity** of the Union's defence industry, a European Defence Industrial Development Programme (hereinafter referred to as the Programme) should be established. The Programme should **aim at enhancing the competitiveness of the Union's defence industry inter alia cyber defence by supporting the** cooperation between **undertakings in** the development phase of defence products and technologies. The development phase, which follows the research and technology phase, entails significant risks and costs that hamper the further exploitation of the results of research **and adversely impact the competitiveness of the Union's defence industry. By supporting** the development phase, the Programme would contribute to **a better** exploitation of the results of defence research and it would help to cover the gap between research and production as well as to promote all forms of innovation. The Programme should complement activities carried out in accordance with Article 182 TFEU and it does not cover the production of defence products and technologies.

### *Amendment*

(2) In order to contribute to the **efficiency** of the Union's defence industry, a European Defence Industrial Development **Cooperation** Programme (hereinafter referred to as the Programme) should be established **jointly by the Member States and the Commission**. The Programme should **consist of a** cooperation **mechanism** between **Member States and the Commission, and address** the development phase of defence products and technologies. The development phase, which follows the research and technology phase, **which** entails significant risks and costs that hamper the further exploitation of the results of research. **By addressing** the development phase, the Programme would contribute to **a better** exploitation of the results of defence research and it would help to cover the gap between research and production as well as to promote all forms of innovation. The Programme should complement activities carried out in accordance with Article 182 TFEU and it does not cover the production of defence products and technologies.

Or. en

### *Justification*

*Until today the European Defence Agency has not been able to increase Member States cooperation on defence research, development and procurement projects, most are still exclusively national. A more efficient cooperation mechanism must be set up to finally address the structural problems of the defence sector. As sufficient national funds are available for the financing of projects (Commission estimates annual savings between 25-100 bn€ of collective national defence spending), no single EURO shall be transferred from EU budget to national defence administration or industries.*

## Amendment 25

Jens Geier, Arne Lietz, Martina Werner, Constanze Krehl, Arndt Kohn

### Proposal for a regulation

#### Recital 2

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

(2) In order to contribute to the enhancement of the competitiveness and innovation capacity of the Union's defence industry, a European Defence Industrial Development Programme (hereinafter referred to as the Programme) should be established. The Programme should aim at enhancing the competitiveness of the Union's defence industry *inter alia* cyber defence by supporting the cooperation between undertakings in the development phase of defence products and technologies. The development phase, which follows the research and technology phase, entails significant risks and costs that hamper the further exploitation of the results of research and adversely impact the competitiveness of the Union's defence industry. By supporting the development phase, the Programme would contribute to a better exploitation of the results of defence research and it would help to cover the gap between research and production as well as to promote all forms of innovation. The Programme should complement activities carried out in accordance with Article 182 TFEU and it does not cover the production of defence products and technologies.

##### *Amendment*

(2) In order to contribute to the enhancement of the competitiveness and innovation capacity of the Union's defence industry, a European Defence Industrial Development Programme (hereinafter referred to as the Programme) should be established. The Programme should aim at enhancing the competitiveness of the Union's defence industry *especially* cyber defence by supporting the cooperation between undertakings in the development phase of defence products and technologies. The development phase, which follows the research and technology phase, entails significant risks and costs that hamper the further exploitation of the results of research and adversely impact the competitiveness of the Union's defence industry. ***The Programme should lead to efficiency gains enabling the reduction of the overall defence spending in the Union while at the same time ensuring the defence capabilities necessary to perform the essential core tasks of collective defence, crisis management and cooperative security.*** By supporting the development phase, the Programme would contribute to a better exploitation of the results of defence research and it would help to cover the gap between research and production as well as to promote all forms of innovation. The Programme should complement activities carried out in accordance with Article 182 TFEU and it does not cover the production of defence products and technologies.

Or. en

**Amendment 26**  
**Urmas Paet**

**Proposal for a regulation**  
**Recital 2**

*Text proposed by the Commission*

(2) In order to contribute to the enhancement of the competitiveness and innovation capacity of the Union's defence industry, a European Defence Industrial Development Programme (hereinafter referred to as the Programme) should be established. The Programme should aim at enhancing the competitiveness of the Union's defence industry inter alia cyber defence by supporting the cooperation between undertakings in the development phase of defence products and technologies. The development phase, which follows the research and technology phase, entails significant risks and costs that hamper the further exploitation of the results of research and adversely impact the competitiveness of the Union's defence industry. By supporting the development phase, the Programme would contribute to a better exploitation of the results of defence research and it would help to cover the gap between research and production as well as to promote all forms of innovation. The Programme should complement activities carried out in accordance with Article 182 TFEU and it does not cover the production of defence products and technologies.

*Amendment*

(2) In order to contribute to the enhancement of the competitiveness and innovation capacity of the Union's defence industry, a European Defence Industrial Development Programme (hereinafter referred to as the Programme) should be established. The Programme should aim at enhancing the competitiveness of the Union's defence industry ***and to improve the Union's independence in defence and security*** inter alia cyber defence by supporting the cooperation between undertakings in the development phase of defence products and technologies. The development phase, which follows the research and technology phase, entails significant risks and costs that hamper the further exploitation of the results of research and adversely impact the competitiveness of the Union's defence industry. By supporting the development phase, the Programme would contribute to a better exploitation of the results of defence research and it would help to cover the gap between research and production as well as to promote all forms of innovation. The Programme should complement activities carried out in accordance with Article 182 TFEU and it does not cover the production of defence products and technologies.

Or. en

**Amendment 27**  
**Jens Geier, Arne Lietz, Martina Werner, Constanze Krehl, Arndt Kohn**

**Proposal for a regulation**

### Recital 3

*Text proposed by the Commission*

(3) To better exploit economies of scale in the defence industry, the Programme should support the cooperation between undertakings in the development of defence products and technologies.

*Amendment*

(3) ***The Programme should not lead to an armament of the European Union.*** To better exploit economies of scale in the defence industry, the Programme should support the cooperation between undertakings in the development of defence products and technologies.

Or. en

### Amendment 28

Monika Vana

#### Proposal for a regulation

### Recital 3

*Text proposed by the Commission*

(3) To better exploit economies of scale in the defence industry, the Programme should support the cooperation between ***undertakings*** in the development of defence products and technologies.

*Amendment*

(3) To better exploit economies of scale in the defence industry, the Programme should support the cooperation between ***Member States*** in the development of defence products and technologies.

Or. en

#### *Justification*

*Until today the European Defence Agency has not been able to increase Member States cooperation on defence research, development and procurement projects, most are still exclusively national. A more efficient cooperation mechanism must be set up to finally address the structural problems of the defence sector. As sufficient national funds are available for the financing of projects (Commission estimates annual savings between 25-100 bn€ of collective national defence spending), no single EURO shall be transferred from EU budget to national defence administration or industries.*

### Amendment 29

Jens Geier, Arne Lietz, Martina Werner, Constanze Krehl, Arndt Kohn

#### Proposal for a regulation

PE615.378v01-00

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### **Recital 3 a (new)**

*Text proposed by the Commission*

*Amendment*

**(3a)** *To alleviate any potential negative effects of the integration in the European defence market, the Programme should support actions aimed at converting military into civilian technologies and production lines.*

Or. en

### **Amendment 30**

**Isabelle Thomas**

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

##### **Recital 4**

*Text proposed by the Commission*

*Amendment*

(4) The Programme should cover a two year period from 1 January 2019 to 31 December 2020 whereas the amount for the implementation of the Programme should be determined for this period.

(4) The Programme should cover a two year period from 1 January 2019 to 31 December 2020 whereas the amount for the implementation of the Programme should be determined for this period. ***In the framework of the current multiannual financial framework, the Programme should be exclusively funded from unallocated margins and flexibility instruments (flexibility instrument, global margin for commitments and the global margin for payments). Any redeployment shall be ruled out.***

Or. fr

### **Amendment 31**

**Monika Vana**

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

##### **Recital 4**

*Text proposed by the Commission*

*Amendment*

(4) The Programme should cover a two year period from 1 January 2019 to 31 December 2020 *whereas the amount for the implementation of the Programme should be determined for this period.*

(4) The Programme should cover a two year period from 1 January 2019 to 31 December 2020

Or. en

#### *Justification*

*Until today the European Defence Agency has not been able to increase Member States cooperation on defence research, development and procurement projects, most are still exclusively national. A more efficient cooperation mechanism must be set up to finally address the structural problems of the defence sector. As sufficient national funds are available for the financing of projects (Commission estimates annual savings between 25-100 bn€ of collective national defence spending), no single EURO shall be transferred from EU budget to national defence administration or industries.*

#### **Amendment 32** **Monika Vana**

#### **Proposal for a regulation** **Recital 5**

*Text proposed by the Commission*

*Amendment*

(5) *The Programme should be implemented in full compliance with Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council<sup>6</sup>. Funding may take in particular the form of grants. Financial instruments or public procurement may be used where appropriate.*

*deleted*

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<sup>6</sup> *Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002 (OJ L 298, 26.10.2012, p. 1).*

Or. en



## Justification

*Until today the European Defence Agency has not been able to increase Member States cooperation on defence research, development and procurement projects, most are still exclusively national. A more efficient cooperation mechanism must be set up to finally address the structural problems of the defence sector. As sufficient national funds are available for the financing of projects (Commission estimates annual savings between 25-100 bn€ of collective national defence spending), no single EURO shall be transferred from EU budget to national defence administration or industries.*

### Amendment 33 Isabelle Thomas

#### Proposal for a regulation Recital 5

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

(5) The Programme should be implemented in full compliance with Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council<sup>6</sup>. Funding may take in particular the form of grants. Financial instruments or public procurement may be used where appropriate.

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<sup>6</sup> Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002 (OJ L 298, 26.10.2012, p. 1).

##### *Amendment*

(5) The Programme should be implemented in full compliance with Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council<sup>6</sup>. Funding may take in particular the form of grants. Financial instruments or public procurement may be used where appropriate. ***In the event that the Programme is continued, since the market is one that is capable of profitability, the Commission should look into the possibility of developing alternative forms of funding to grants (financial instruments and public contracts) so that they may play a central role among the forms of funding for the Programme.***

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<sup>6</sup> Regulation (EU, Euratom ) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002 (OJ L 298, 26.10.2012, p. 1).

Or. fr

**Amendment 34**  
**Monika Vana**

**Proposal for a regulation**  
**Recital 6**

*Text proposed by the Commission*

*Amendment*

(6) *The Commission may entrust part of the implementation of the programme to entities referred to in Article 58(1) (c) of Regulation (EU, Euratom) N°966/2012. In view of its expertise, the Commission may entrust the European Defence Agency with such a role.* **deleted**

Or. en

*Justification*

*Until today the European Defence Agency has not been able to increase Member States cooperation on defence research, development and procurement projects, most are still exclusively national. A more efficient cooperation mechanism must be set up to finally address the structural problems of the defence sector. As sufficient national funds are available for the financing of projects (Commission estimates annual savings between 25-100 bn€ of collective national defence spending), no single EURO shall be transferred from EU budget to national defence administration or industries.*

**Amendment 35**  
**Monika Vana**

**Proposal for a regulation**  
**Recital 7**

*Text proposed by the Commission*

*Amendment*

(7) In view of the specificities of the sector, ***in practice*** no collaborative project between undertakings ***will*** be launched if the Member States have not first agreed to support such projects. After having defined common defence capability priorities ***at Union-level and also taking into account where appropriate collaborative initiatives on a regional basis***, Member States

(7) In view of the specificities of the sector, no collaborative project between undertakings ***should*** be launched if the Member States have not first agreed to support such projects. After having defined common defence capability priorities ***via the Capability Development Plan in the context of the Common Security and Defence Policy (CSDP)***, Member States

identify and consolidate military requirements and define the technical specifications of the project. They may also appoint a project manager in charge of leading the work related to the development of a collaborative project.

identify and consolidate military requirements and define the technical specifications of the project. They may also appoint a project manager in charge of leading the work related to the development of a collaborative project.

Or. en

### *Justification*

*Until today the European Defence Agency has not been able to increase Member States cooperation on defence research, development and procurement projects, most are still exclusively national. A more efficient cooperation mechanism must be set up to finally address the structural problems of the defence sector. As sufficient national funds are available for the financing of projects (Commission estimates annual savings between 25-100 bn€ of collective national defence spending), no single EURO shall be transferred from EU budget to national defence administration or industries.*

### **Amendment 36** **Ivana Maletić**

#### **Proposal for a regulation** **Recital 7**

#### *Text proposed by the Commission*

(7) In view of the specificities of the sector, in practice no collaborative project between undertakings will be launched if the Member States have not first agreed to support such projects. After having defined common defence capability priorities at Union-level and also taking into account where appropriate collaborative initiatives on a regional basis, Member States identify and consolidate military requirements and define the technical specifications of the project. They may also appoint a project manager in charge of leading the work related to the development of a collaborative project.

#### *Amendment*

(7) In view of the specificities of the sector, in practice no collaborative project between undertakings will be launched if the Member States have not first agreed to support such projects. After having defined common defence capability priorities at Union-level and also taking into account where appropriate collaborative initiatives on a regional basis, Member States identify and consolidate military requirements and define the technical specifications of the project. They may also appoint a project manager in charge of leading the work related to the development of a collaborative project, ***with the assent of all the companies involved in the cooperation project.***

Or. hr

**Amendment 37**  
**Monika Vana**

**Proposal for a regulation**  
**Recital 7 a (new)**

*Text proposed by the Commission*

*Amendment*

***(7a) The Union financial contribution, to be drawn from existing administrative budget of the Union, will be available exclusively to support actions of administrative and organisational nature, necessary for establishing the appropriate cooperation mechanisms leading to the development and the implementation of the Programme; actions implemented under the Programme itself shall be fully financed by the Member States and as appropriate by the Athena Mechanism; as the aim is to enable better efficiency of spending of available investments in the Member States, under no circumstances should financing of projects under for this programme be drawn from existing EU programmes established under the MFF.***

Or. en

*Justification*

*Until today the European Defence Agency has not been able to increase Member States cooperation on defence research, development and procurement projects, most are still exclusively national. A more efficient cooperation mechanism must be set up to finally address the structural problems of the defence sector. As sufficient national funds are available for the financing of projects (Commission estimates annual savings between 25-100 bn€ of collective national defence spending), no single EURO shall be transferred from EU budget to national defence administration or industries.*

**Amendment 38**  
**Monika Vana**

**Proposal for a regulation**

## Recital 8

*Text proposed by the Commission*

*Amendment*

**(8) In case an action supported by the Programme is managed by a project manager appointed by Member States, the Commission should inform the project manager prior to executing the payment to the beneficiary of the eligible action so that the project manager can ensure that the time-frames are respected by the beneficiaries.** *deleted*

Or. en

### *Justification*

*Until today the European Defence Agency has not been able to increase Member States cooperation on defence research, development and procurement projects, most are still exclusively national. A more efficient cooperation mechanism must be set up to finally address the structural problems of the defence sector. As sufficient national funds are available for the financing of projects (Commission estimates annual savings between 25-100 bn€ of collective national defence spending), no single EURO shall be transferred from EU budget to national defence administration or industries.*

## **Amendment 39**

**Jens Geier, Arne Lietz, Martina Werner, Constanze Krehl, Arndt Kohn**

### **Proposal for a regulation**

#### **Recital 9**

*Text proposed by the Commission*

*Amendment*

**(9) The Union financial support should not affect the export of products, equipment or technologies, and it should not affect the discretion of Member States regarding policy on the export of defence related products. The Union financial support should not affect Member States' export policies on defence related products.** *deleted*

Or. en

**Amendment 40**  
**Monika Vana**

**Proposal for a regulation**  
**Recital 9**

*Text proposed by the Commission*

(9) *The Union financial support should not affect the export of products, equipment or technologies, and it should not affect the discretion of Member States regarding policy on the export of defence related products. The Union financial support should not affect Member States' export policies on defence related products.*

*Amendment*

(9) *Military or dual-use technology supported by this Programme should only be exported to NATO allies and friendly nations which fully comply with the provisions of the Arms Trade Treaty (ATT). Also any technology supported by this Programme should, when exported to third countries, comply with the eight criteria of Common Position 944/2008/CFSP. Those Member States involved in a particular action should all agree to the export and the Commission should monitor and report back on the end-use and end-users of that particular technology.*

Or. en

*Justification*

*Until today the European Defence Agency has not been able to increase Member States cooperation on defence research, development and procurement projects, most are still exclusively national. A more efficient cooperation mechanism must be set up to finally address the structural problems of the defence sector. As sufficient national funds are available for the financing of projects (Commission estimates annual savings between 25-100 bn€ of collective national defence spending), no single EURO shall be transferred from EU budget to national defence administration or industries.*

**Amendment 41**  
**Isabelle Thomas**

**Proposal for a regulation**  
**Recital 9**

*Text proposed by the Commission*

(9) The Union financial support ***should***

*Amendment*

(9) The Union financial support ***must***

not affect the export of products, equipment or technologies, and it should not affect the discretion of Member States regarding policy on the export of defence related products. The Union financial support *should* not affect Member States' export policies on *defence related products*.

not affect the export of products, equipment or technologies, and it should not affect the discretion of Member States regarding policy on the export of defence related products. The Union financial support *must* not affect Member States' export policies on *defence-related products which are framed by Decision 2008/944/CFSP*.

Or. fr

## Amendment 42

Jens Geier, Arne Lietz, Martina Werner, Constanze Krehl, Arndt Kohn

### Proposal for a regulation

#### Recital 10

*Text proposed by the Commission*

(10) As the objective of the Programme is to support the *competitiveness* of the Union defence industry by *de-risking* the development phase of cooperative projects, actions related to the development of a defence product or technology, namely definition of common technical specifications, design, prototyping, testing, qualification, certification *as well* feasibility studies and other supporting measures, should be eligible to benefit from it. This will also apply to the upgrade of existing defence products and technologies.

*Amendment*

(10) As the objective of the Programme is to support the *integration* of the Union defence industry by *bearing some of the risk of* the development phase of cooperative projects, actions related to the development of a defence product or technology, namely definition of common technical specifications, design, prototyping, testing, qualification, certification, feasibility studies and other supporting measures *as well as actions aimed at converting military production lines into civilian production lines*, should be eligible to benefit from it. This will also apply to the upgrade of existing defence products and technologies.

Or. en

## Amendment 43

Monika Vana

### Proposal for a regulation

#### Recital 10

*Text proposed by the Commission*

(10) As the objective of the Programme is to ***support the competitiveness of the Union defence industry by*** de-risking the development phase of cooperative projects, actions related to the development of a defence product or technology, namely definition of common technical specifications, design, prototyping, testing, qualification, certification ***as well feasibility studies and other supporting measures,*** should be ***eligible to benefit from it.*** This will also apply to the upgrade of existing defence products and technologies.

*Amendment*

(10) As the objective of the Programme is to ***increase the level of efficiency of cooperation between Member States*** ***and*** de-risking the development phase of cooperative projects, actions related to the development of a defence product or technology, namely definition of common technical specifications, design, prototyping, testing, qualification, certification should be ***considered under the Programme.*** This will also apply to the upgrade of existing defence products and technologies.

Or. en

*Justification*

*Until today the European Defence Agency has not been able to increase Member States cooperation on defence research, development and procurement projects, most are still exclusively national. A more efficient cooperation mechanism must be set up to finally address the structural problems of the defence sector. As sufficient national funds are available for the financing of projects (Commission estimates annual savings between 25-100 bn€ of collective national defence spending), no single EURO shall be transferred from EU budget to national defence administration or industries.*

**Amendment 44**  
**Isabelle Thomas**

**Proposal for a regulation**  
**Recital 10**

*Text proposed by the Commission*

(10) As the objective of the Programme is to support the competitiveness of the Union defence industry by de-risking the development phase of cooperative projects, actions related to the development of a defence product or technology, namely definition of common technical specifications, design, prototyping, testing, qualification, certification as well

*Amendment*

(10) As the objective of the Programme is to support the competitiveness of the Union defence industry by de-risking the development phase of cooperative projects, actions related to the development of a defence product or technology, namely definition of common technical specifications, design, prototyping, testing, qualification, certification as well



feasibility studies and other supporting measures, should be eligible to benefit from it. This will also apply to the upgrade of existing defence products and technologies.

feasibility studies and other supporting measures, should be eligible to benefit from it. This will also apply to the upgrade of existing defence products and technologies *developed in the Union by Member States*.

Or. fr

## **Amendment 45**

**Ivana Maletić**

### **Proposal for a regulation**

#### **Recital 10**

*Text proposed by the Commission*

(10) As the objective of the Programme is to support the competitiveness of the Union defence industry by de-risking the development phase of cooperative projects, actions related to the development of a defence product or technology, namely definition of common technical specifications, design, prototyping, testing, qualification, certification as well feasibility studies and other supporting measures, should be eligible to benefit from it. This will also apply to the upgrade of existing defence products and technologies.

*Amendment*

(10) As the objective of the Programme is to support the competitiveness of the Union defence industry by de-risking the development phase of cooperative projects, actions related to the development of a defence product or technology, namely definition of common technical specifications, design, prototyping, testing, qualification, certification, *protection of intellectual property*, as well feasibility studies and other supporting measures, should be eligible to benefit from it. This will also apply to the upgrade of existing defence products and technologies.

Or. hr

## **Amendment 46**

**Jens Geier, Arne Lietz, Martina Werner, Constanze Krehl, Arndt Kohn**

### **Proposal for a regulation**

#### **Recital 11**

*Text proposed by the Commission*

(11) Given that the Programme aims particularly at enhancing cooperation

*Amendment*

(11) Given that the Programme aims particularly at enhancing cooperation

between undertakings across Member States, an action should be eligible for funding under the Programme only if it is undertaken by a cooperation of at least **three** undertakings based in at least **two** different Member States.

between undertakings across Member States, an action should be eligible for funding under the Programme only if it is undertaken by a cooperation of at least **four** undertakings based in at least **three** different Member States. ***This rule shall not apply to actions in support of conversion from military to civil production.***

Or. en

#### **Amendment 47** **Monika Vana**

#### **Proposal for a regulation** **Recital 11**

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

(11) Given that the Programme aims particularly at enhancing cooperation between ***undertakings across*** Member States, an action should be ***eligible for funding*** under the Programme only if it is undertaken by a cooperation of at least ***three*** undertakings based in at least ***two*** different Member States.

##### *Amendment*

(11) Given that the Programme aims particularly at enhancing cooperation between Member States, an action should be ***considered*** under the Programme only if it is undertaken by a cooperation of at least ***four*** undertakings based in at least ***three*** different Member States.

Or. en

##### *Justification*

*Until today the European Defence Agency has not been able to increase Member States cooperation on defence research, development and procurement projects, most are still exclusively national. A more efficient cooperation mechanism must be set up to finally address the structural problems of the defence sector. As sufficient national funds are available for the financing of projects (Commission estimates annual savings between 25-100 bn€ of collective national defence spending), no single EURO shall be transferred from EU budget to national defence administration or industries.*

#### **Amendment 48** **Monika Hohlmeier**

**Proposal for a regulation**  
**Recital 11**

*Text proposed by the Commission*

(11) Given that the Programme aims particularly at enhancing cooperation between undertakings across Member States, an action should be eligible for funding under the Programme only if it is undertaken by a cooperation of at least **three** undertakings based in at least two different Member States.

*Amendment*

(11) Given that the Programme aims particularly at enhancing cooperation between undertakings across Member States, an action should be eligible for funding under the Programme only if it is undertaken by a cooperation of at least **two** undertakings based in at least two different Member States.

Or. en

**Amendment 49**  
**Monika Vana**

**Proposal for a regulation**  
**Recital 12**

*Text proposed by the Commission*

(12) Cross-border collaboration in the development of defence products and technologies has often been hampered by the difficulty to agree on common technical specifications. The absence or limited level of common technical specifications have led to increased complexity, delays and inflated costs in the development phase. The agreement on common technical specifications should be a condition in order to benefit from the Union's support under this Programme. Actions aiming at supporting the creation of a common definition of technical specifications should also be eligible for support under the Programme.

*Amendment*

(12) Cross-border collaboration in the development of defence products and technologies has often been hampered by the difficulty to agree on common technical specifications. The absence or limited level of common technical specifications have led to increased complexity, delays and inflated costs in the development phase. The agreement on common technical specifications should be a condition in order to benefit from the Union's **administrative** support under this Programme. Actions aiming at supporting the creation of a common definition of technical specifications should also be eligible for support under the Programme.

Or. en

### *Justification*

*Until today the European Defence Agency has not been able to increase Member States cooperation on defence research, development and procurement projects, most are still exclusively national. A more efficient cooperation mechanism must be set up to finally address the structural problems of the defence sector. As sufficient national funds are available for the financing of projects (Commission estimates annual savings between 25-100 bn€ of collective national defence spending), no single EURO shall be transferred from EU budget to national defence administration or industries.*

## **Amendment 50**

**Monika Vana**

### **Proposal for a regulation**

#### **Recital 13**

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

(13) As the Programme aims at enhancing the ***competitiveness of*** the Union's defence industry, only entities established in the Union and effectively controlled by Member States or their nationals should be eligible for support. Additionally, in order to ensure the protection of essential security interests of the Union and its Member States, the infrastructure, facilities, assets and resources used by the ***beneficiaries*** and subcontractors in actions ***funded*** under the Programme, shall not be located on the territory of non-Member States.

##### *Amendment*

(13) As the Programme aims at enhancing the ***cooperation of Member States leading to efficiency gains in*** the Union's defence industry, only entities established in the Union and effectively controlled by Member States or their nationals should be eligible for support. Additionally, in order to ensure the protection of essential security interests of the Union and its Member States, the infrastructure, facilities, assets and resources used by the ***participants*** and subcontractors in actions ***supported*** under the Programme, shall not be located on the territory of non-Member States ***and shall not be subject to control or restrictions by third-countries, undertakings or public entities in third countries..***

Or. en

### *Justification*

*Until today the European Defence Agency has not been able to increase Member States cooperation on defence research, development and procurement projects, most are still exclusively national. A more efficient cooperation mechanism must be set up to finally address the structural problems of the defence sector. As sufficient national funds are available for the financing of projects (Commission estimates annual savings between 25-100*

*bn€ of collective national defence spending), no single EURO shall be transferred from EU budget to national defence administration or industries.*

## **Amendment 51**

**Jens Geier, Arne Lietz, Martina Werner, Constanze Krehl, Arndt Kohn**

### **Proposal for a regulation**

#### **Recital 13**

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

(13) As the Programme aims at enhancing the ***competitiveness*** of the Union's defence industry, only entities established in the Union and effectively controlled by Member States or their nationals should be eligible for support. Additionally, in order to ensure the protection of essential security interests of the Union and its Member States, the infrastructure, facilities, assets and resources used by the beneficiaries and subcontractors in actions funded under the Programme, shall not be located on the territory of non-Member States.

##### *Amendment*

(13) As the Programme aims at enhancing the ***integration*** of the Union's defence industry, only entities established in the Union and effectively controlled by Member States or their nationals should be eligible for support. Additionally, in order to ensure the protection of essential security interests of the Union and its Member States, the infrastructure, facilities, assets and resources used by the beneficiaries and subcontractors in actions funded under the Programme, shall not be located on the territory of non-Member States.

Or. en

## **Amendment 52**

**Monika Vana**

### **Proposal for a regulation**

#### **Recital 14**

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

(14) Eligible actions developed in the context of Permanent Structured Cooperation in the institutional framework of the Union would ensure enhanced cooperation between undertakings in the different Member States on a continuous basis and thus directly contribute to the aims of the Programme. Such projects should thus be eligible for an increased

##### *Amendment*

(14) Eligible actions developed in the context of Permanent Structured Cooperation in the institutional framework of the Union would ensure enhanced cooperation between undertakings in the different Member States on a continuous basis and thus directly contribute to the aims of the Programme. Such projects should thus be eligible for

*funding rate.*

an increased *administrative support by the Commission.*

Or. en

*Justification*

*Until today the European Defence Agency has not been able to increase Member States cooperation on defence research, development and procurement projects, most are still exclusively national. A more efficient cooperation mechanism must be set up to finally address the structural problems of the defence sector. As sufficient national funds are available for the financing of projects (Commission estimates annual savings between 25-100 bn€ of collective national defence spending), no single EURO shall be transferred from EU budget to national defence administration or industries.*

**Amendment 53**

**Monika Vana**

**Proposal for a regulation**

**Recital 15**

*Text proposed by the Commission*

*Amendment*

*(15) If a consortium of undertakings wishes to participate in an eligible action under the Programme and financial assistance of the Union is to take form of a grant, the consortium should appoint one of its members as a coordinator who will be the principle point of contact with the Commission.*

*deleted*

Or. en

*Justification*

*Until today the European Defence Agency has not been able to increase Member States cooperation on defence research, development and procurement projects, most are still exclusively national. A more efficient cooperation mechanism must be set up to finally address the structural problems of the defence sector. As sufficient national funds are available for the financing of projects (Commission estimates annual savings between 25-100 bn€ of collective national defence spending), no single EURO shall be transferred from EU budget to national defence administration or industries.*

**Amendment 54**

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**Isabelle Thomas**

**Proposal for a regulation**  
**Recital 15**

*Text proposed by the Commission*

(15) If a consortium of undertakings wishes to participate in an eligible action under the Programme and financial assistance of the Union is to take form of a grant, the consortium should appoint one of its members as a coordinator who will be the principle point of contact with the Commission.

*Amendment*

(15) If a consortium of undertakings wishes to participate in an eligible action under the Programme and financial assistance of the Union is to take form of a grant, ***a financial instrument or a public contract***, the consortium should appoint one of its members as a coordinator who will be the principle point of contact with the Commission.

Or. fr

**Amendment 55**

**Jens Geier, Arne Lietz, Martina Werner, Constanze Krehl, Arndt Kohn**

**Proposal for a regulation**  
**Recital 15**

*Text proposed by the Commission*

(15) If a consortium of undertakings wishes to participate in an eligible action under the Programme and financial assistance of the Union is to take form of a grant, the consortium should appoint one of its members as a coordinator who will be the principle point of contact with the Commission.

*Amendment*

(15) If a consortium of undertakings wishes to participate in an eligible action under the Programme and financial assistance of the Union is to take form of a grant, the consortium should appoint one of its members as a coordinator who will be the principle point of contact with the Commission ***and who shall regularly report back to the EU Institutions regarding the status of the actions funded under the Programme.***

Or. en

**Amendment 56**

**Isabelle Thomas**

**Proposal for a regulation**  
**Recital 16**

*Text proposed by the Commission*

(16) The promotion of innovation and technological development in the Union defence industry should take place in a manner coherent with the security interests of the Union. Accordingly, the action's contribution to those interests and to the defence capability priorities commonly agreed by Member States should serve as an award criterion. Within the Union, common defence capability priorities are identified notably through the Capability Development Plan. Other Union processes such as the Coordinated Annual Review on Defence (CARD) and the Permanent Structured Cooperation will support the implementation of relevant priorities through enhanced cooperation. Where appropriate regional or international cooperative initiatives, such as in the NATO context, and serving the Union security and defence interest, may also be taken into account.

*Amendment*

(16) The promotion of innovation and technological development in the Union defence industry should ***allow the maintenance and development of the skills and know-how of the Union's defence industry and contribute to strengthening its technological and industrial autonomy. It should also*** take place in a manner coherent with the security interests of the Union. Accordingly, the action's contribution to those interests and to the defence capability priorities commonly agreed by Member States should serve as an award criterion. Within the Union, common defence capability priorities are identified notably through the Capability Development Plan. Other Union processes such as the Coordinated Annual Review on Defence (CARD) and the Permanent Structured Cooperation will support the implementation of relevant priorities through enhanced cooperation. Where appropriate regional or international cooperative initiatives, such as in the NATO context, and serving the Union security and defence interest, may also be taken into account.

Or. fr

**Amendment 57**  
**Monika Vana**

**Proposal for a regulation**  
**Recital 16**

*Text proposed by the Commission*

(16) The promotion of innovation and technological development in the Union

*Amendment*

(16) The promotion of innovation and technological development in the



defence industry should take place in a manner coherent with the security interests of the Union. Accordingly, the action's contribution to those interests and to the defence capability priorities commonly agreed by Member States should serve as an award criterion. Within the Union, common defence capability priorities are identified notably through the Capability Development Plan. Other Union processes such as the Coordinated Annual Review on Defence (CARD) and the Permanent Structured Cooperation will support the implementation of relevant priorities through enhanced cooperation. Where appropriate regional or international cooperative initiatives, such as in the NATO context, and serving the Union security and defence interest, may also be taken into account.

Union defence industry should take place in a manner coherent with the security interests of the Union *as defined objectively within the context of the Common Security and Defence Policy (CSDP)*. Accordingly, the action's contribution to those interests and to the defence capability priorities commonly agreed by Member States should serve as an award criterion. Within the Union, common defence capability priorities are identified notably through the Capability Development Plan. Other Union processes such as the Coordinated Annual Review on Defence (CARD) and the Permanent Structured Cooperation will support the implementation of relevant priorities through enhanced cooperation. Where appropriate regional or international cooperative initiatives, such as in the NATO context, and serving the Union security and defence interest, may also be taken into account.

Or. en

### *Justification*

*Until today the European Defence Agency has not been able to increase Member States cooperation on defence research, development and procurement projects, most are still exclusively national. A more efficient cooperation mechanism must be set up to finally address the structural problems of the defence sector. As sufficient national funds are available for the financing of projects (Commission estimates annual savings between 25-100 bn€ of collective national defence spending), no single EURO shall be transferred from EU budget to national defence administration or industries.*

## **Amendment 58** **Monika Vana**

### **Proposal for a regulation** **Recital 17**

*Text proposed by the Commission*

(17) *In order to ensure that the funded actions are viable, the* Member States

*Amendment*

(17) Member States *should consider whether to make use of the already*

*commitment to effectively contribute to the financing of the action should be an award criterion for such actions.*

*existing intergovernmental ATHENA mechanism of the Common Security and Defence Policy (CSDP) for co-funding actions under this Programme.*

Or. en

#### *Justification*

*Until today the European Defence Agency has not been able to increase Member States cooperation on defence research, development and procurement projects, most are still exclusively national. A more efficient cooperation mechanism must be set up to finally address the structural problems of the defence sector. As sufficient national funds are available for the financing of projects (Commission estimates annual savings between 25-100 bn€ of collective national defence spending), no single EURO shall be transferred from EU budget to national defence administration or industries.*

#### **Amendment 59**

**Monika Vana**

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

#### **Recital 18**

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

(18) In order to ensure that the ***funded*** actions will contribute to ***the competitiveness*** of the European defence industry, they should be market-oriented and demand driven. Therefore, the fact that Member States have already committed to jointly produce and procure the final product or technology, possibly in a coordinated way, should be taken into account in the award criteria.

##### *Amendment*

(18) In order to ensure that the actions will contribute to ***a higher level of efficiency*** of the European defence industry, they should be market-oriented and demand driven. Therefore, the fact that Member States have already committed to jointly produce and procure the final product or technology, possibly in a coordinated way, should be taken into account in the award criteria. ***In order to reduce market distortions in the defence sector, which often hamper efficient projects, it is of crucial importance to not subsidise the defence industry via the use of EU funds.***

Or. en

### *Justification*

*Until today the European Defence Agency has not been able to increase Member States cooperation on defence research, development and procurement projects, most are still exclusively national. A more efficient cooperation mechanism must be set up to finally address the structural problems of the defence sector. As sufficient national funds are available for the financing of projects (Commission estimates annual savings between 25-100 bn€ of collective national defence spending), no single EURO shall be transferred from EU budget to national defence administration or industries.*

#### **Amendment 60** **Isabelle Thomas**

##### **Proposal for a regulation** **Recital 18**

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

(18) In order to ensure that the funded actions will contribute to the competitiveness of the European defence industry, they should be market-oriented and demand driven. Therefore, the fact that Member States have already committed to jointly produce and procure the final product or technology, possibly in a coordinated way, should be taken into account in the award criteria.

###### *Amendment*

(18) In order to ensure that the funded actions will contribute to the competitiveness of the European defence industry, they should be market-oriented and demand driven, ***including for dual-use technologies***. Therefore, the fact that Member States have already committed to jointly produce and procure the final product or technology, possibly in a coordinated way, should be taken into account in the award criteria.

Or. fr

#### **Amendment 61** **Ivana Maletić**

##### **Proposal for a regulation** **Recital 18**

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

(18) In order to ensure that the funded actions will contribute to the competitiveness of the European defence industry, they should be market-oriented and demand driven. Therefore, the fact that

###### *Amendment*

(18) In order to ensure that the funded actions will contribute to the competitiveness of the European defence industry, they should be market-oriented and demand driven. Therefore, the fact that

Member States have **already** committed to jointly produce and procure the final product or technology, possibly in a coordinated way, should be taken into account in the award criteria.

Member States have committed, **through expressions of interest**, to jointly produce and procure the final product or technology, possibly in a coordinated way, should be taken into account in the award criteria.

Or. hr

**Amendment 62**  
**Monika Vana**

**Proposal for a regulation**  
**Recital 19**

*Text proposed by the Commission*

*Amendment*

**(19) The financial assistance of the Union under the Programme should not exceed 20% of the total eligible cost of the action when it relates to prototyping which is often the most costly action in the development phase. The totality of the eligible costs should however be covered for other actions in the development phase.**

**deleted**

Or. en

*Justification*

*Until today the European Defence Agency has not been able to increase Member States cooperation on defence research, development and procurement projects, most are still exclusively national. A more efficient cooperation mechanism must be set up to finally address the structural problems of the defence sector. As sufficient national funds are available for the financing of projects (Commission estimates annual savings between 25-100 bn€ of collective national defence spending), no single EURO shall be transferred from EU budget to national defence administration or industries.*

**Amendment 63**  
**Ivana Maletić**

**Proposal for a regulation**  
**Recital 19**

*Text proposed by the Commission*

(19) The financial assistance of the Union under the Programme should not exceed 20% of the total **eligible** cost of the **action when it relates** to prototyping **which is often the most costly action in the development phase**. The totality of the eligible costs should however be covered for other actions in the development phase.

*Amendment*

(19) The financial assistance of the Union under the Programme should not exceed 20% of the total cost of the **actions related** to prototyping. The totality of the eligible costs should however be covered for other actions in the development phase.

Or. hr

**Amendment 64**

**Jens Geier, Arne Lietz, Martina Werner, Constanze Krehl, Arndt Kohn**

**Proposal for a regulation**

**Recital 19**

*Text proposed by the Commission*

(19) The financial assistance of the Union under the Programme should not exceed 20% of the total eligible cost of the action when it relates to prototyping which is often the most costly action in the development phase. **The totality** of the eligible costs should however be covered for other actions in the development phase.

*Amendment*

(19) The financial assistance of the Union under the Programme should not exceed 20% of the total eligible cost of the action when it relates to prototyping which is often the most costly action in the development phase. **Up to 50%** of the eligible costs should however be covered for other actions in the development phase.

Or. en

**Amendment 65**

**Jens Geier, Arne Lietz, Martina Werner, Constanze Krehl, Arndt Kohn**

**Proposal for a regulation**

**Recital 20**

*Text proposed by the Commission*

(20) **As the Union support aims at enhancing the competitiveness of the sector and concerns only the specific development phase**, the Commission

*Amendment*

(20) The Commission **shall** have ownership or intellectual property rights over the products or technologies resulting from the funded actions. The applicable

**should not** have ownership or intellectual property rights over the products or technologies resulting from the funded actions. The applicable intellectual property rights regime will be defined contractually **by** the beneficiaries.

intellectual property rights regime will be defined contractually **between the Commission and** the beneficiaries.

Or. en

**Amendment 66**  
**Monika Vana**

**Proposal for a regulation**  
**Recital 20**

*Text proposed by the Commission*

(20) As the Union support aims at enhancing the **competitiveness of** the sector and concerns only the specific development phase, the Commission should not have ownership or intellectual property rights over the products or technologies resulting from the **funded** actions. The applicable intellectual property rights regime will be defined contractually by the **beneficiaries**.

*Amendment*

(20) As the Union support aims at enhancing the **efficient cooperation within** the sector and concerns only the specific development phase, the Commission should not have ownership or intellectual property rights over the products or technologies resulting from the actions **supported**. The applicable intellectual property rights regime will be defined contractually by the **participants**.

Or. en

*Justification*

*Until today the European Defence Agency has not been able to increase Member States cooperation on defence research, development and procurement projects, most are still exclusively national. A more efficient cooperation mechanism must be set up to finally address the structural problems of the defence sector. As sufficient national funds are available for the financing of projects (Commission estimates annual savings between 25-100 bn€ of collective national defence spending), no single EURO shall be transferred from EU budget to national defence administration or industries.*

**Amendment 67**  
**Ivana Maletić**

**Proposal for a regulation**

## Recital 20

*Text proposed by the Commission*

(20) As the Union support aims at enhancing the competitiveness of the sector and concerns only the specific development phase, the Commission should not have ownership or intellectual property rights over the products or technologies resulting from the funded actions. The applicable intellectual property rights regime will be defined contractually by the beneficiaries.

*Amendment*

(20) As the Union support aims at enhancing the competitiveness of the sector and concerns only the specific development phase, the Commission should not have ownership or intellectual property rights over the products or technologies resulting from the funded actions. The applicable intellectual property rights regime will be defined contractually by the beneficiaries ***in accordance with national law***.

Or. hr

## Amendment 68

Monika Vana

### Proposal for a regulation

## Recital 21

*Text proposed by the Commission*

(21) The Commission should establish a multiannual work programme in line with the objectives of the Programme. The Commission should be assisted in the establishment of the work programme by a committee of Member States (hereinafter referred to as Programme Committee). ***In light of the Union policy on Small and Medium Enterprises (SMEs) as key to ensuring economic growth, innovation, job creation, and social integration in the Union and the fact that the supported actions will typically require trans-national collaboration,*** it is of importance that the work programme will reflect and enable ***such*** cross-border participation of SMEs and that therefore a proportion of the overall budget will benefit such action.

*Amendment*

(21) The Commission should establish a multiannual work programme in line with the objectives of the Programme. The Commission should be assisted in the establishment of the work programme by a committee of Member States (hereinafter referred to as Programme Committee). It is of importance that the work programme will reflect and enable cross-border participation of SMEs and that therefore a proportion of the overall budget will benefit such action.

Or. en

### *Justification*

*Until today the European Defence Agency has not been able to increase Member States cooperation on defence research, development and procurement projects, most are still exclusively national. A more efficient cooperation mechanism must be set up to finally address the structural problems of the defence sector. As sufficient national funds are available for the financing of projects (Commission estimates annual savings between 25-100 bn€ of collective national defence spending), no single EURO shall be transferred from EU budget to national defence administration or industries.*

#### **Amendment 69**

**Urmas Paet, Jozo Radoš**

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

##### **Recital 21**

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

(21) The Commission should establish a multiannual work programme in line with the objectives of the Programme. The Commission should be assisted in the establishment of the work programme by a committee of Member States (hereinafter referred to as Programme Committee). In light of the Union policy on Small and Medium Enterprises (SMEs) as key to ensuring economic growth, innovation, job creation, and social integration in the Union and the fact that the supported actions will typically require trans-national collaboration, it is of importance that the work programme will reflect and enable such cross-border participation of SMEs and that therefore a proportion of the overall budget will benefit such action.

###### *Amendment*

(21) The Commission should establish a multiannual work programme in line with the objectives of the Programme. The Commission should be assisted in the establishment of the work programme by a committee of Member States (hereinafter referred to as Programme Committee). In light of the Union policy on Small and Medium Enterprises (SMEs) as key to ensuring economic growth, innovation, job creation, and social integration in the Union and the fact that the supported actions will typically require trans-national collaboration, it is of importance that the work programme will reflect and enable such cross-border participation of SMEs and that therefore a ***fixed*** proportion ***of at least 20%*** of the overall budget will benefit such action.

Or. en

#### **Amendment 70**

**Isabelle Thomas**

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



## **Recital 22 a (new)**

*Text proposed by the Commission*

*Amendment*

***(22a) Observer status should be accorded to the European Parliament in the committee of Member States.***

Or. fr

## **Amendment 71**

**Monika Vana**

### **Proposal for a regulation**

#### **Recital 23**

*Text proposed by the Commission*

*Amendment*

***(23) For the selection of actions to be funded by the Programme, the Commission or the entities referred to in Article 58(1)(c) of Regulation N°966/2012 should organise competitive calls as provided for by Regulation No 966/2012. After evaluation of the received proposals with the help of independent experts, the Commission will select the actions to be funded under the Programme. In order to ensure uniform conditions for the implementation of this Regulation implementing powers should be conferred on the Commission as regards the adoption and the implementation of the work programme, as well as for awarding the funding to selected actions. Those powers should be exercised in accordance with Regulation (EU) No 182/2011 of the European Parliament and of the Council<sup>7</sup>.***

***deleted***

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<sup>7</sup> Regulation (EU) No 182/2011 of the European Parliament and of the Council of 16 February 2011 laying down the rules and general principles concerning mechanisms for control by the Member

*Justification*

*Until today the European Defence Agency has not been able to increase Member States cooperation on defence research, development and procurement projects, most are still exclusively national. A more efficient cooperation mechanism must be set up to finally address the structural problems of the defence sector. As sufficient national funds are available for the financing of projects (Commission estimates annual savings between 25-100 bn€ of collective national defence spending), no single EURO shall be transferred from EU budget to national defence administration or industries.*

**Amendment 72**

**Jens Geier, Arne Lietz, Martina Werner, Constanze Krehl, Arndt Kohn**

**Proposal for a regulation**

**Recital 23**

*Text proposed by the Commission*

(23) For the selection of actions to be funded by the Programme, the Commission or the entities referred to in Article 58(1)(c) of Regulation N°966/2012 should organise competitive calls as provided for by Regulation No 966/2012. After evaluation of the received proposals with the help of independent experts, the Commission will select the actions to be funded under the Programme. In order to ensure uniform conditions for the implementation of this Regulation **implementing** powers should be conferred on the Commission as regards the adoption and the implementation of the work programme, as well as for awarding the funding to selected actions. Those powers should be exercised in accordance with Regulation (EU) No 182/2011 of the European Parliament and of the Council<sup>7</sup>.

*Amendment*

(23) For the selection of actions to be funded by the Programme, the Commission or the entities referred to in Article 58(1)(c) of Regulation N°966/2012 should organise competitive calls as provided for by Regulation No 966/2012. After evaluation of the received proposals with the help of ***an independent and transparently selected expert committee comprising the European Parliament, the Commission and defence experts from academia, think tanks and other stakeholders, excluding representatives from defence companies to avoid bias***, the Commission will select the actions to be funded under the Programme. In order to ensure uniform conditions for the implementation of this Regulation ***delegated*** powers should be conferred on the Commission as regards the adoption and the implementation of the work programme, as well as ***implementing powers*** for awarding the funding to selected actions. Those powers should be

exercised in accordance with Regulation (EU) No 182/2011 of the European Parliament and of the Council<sup>7</sup>.

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<sup>7</sup> Regulation (EU) No 182/2011 of the European Parliament and of the Council of 16 February 2011 laying down the rules and general principles concerning mechanisms for control by the Member States of the Commission's exercise of implementing powers

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<sup>7</sup> Regulation (EU) No 182/2011 of the European Parliament and of the Council of 16 February 2011 laying down the rules and general principles concerning mechanisms for control by the Member States of the Commission's exercise of implementing powers

Or. en

#### **Amendment 73**

**Jens Geier, Arne Lietz, Martina Werner, Constanze Krehl, Arndt Kohn**

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

#### **Recital 23 a (new)**

*Text proposed by the Commission*

*Amendment*

***(23a) The Commission when monitoring and controlling the export of arms and technologies produced with funding from the European Union to countries other than NATO, EU and NATO equivalent countries shall be assisted by a supervisory body made up of the European Parliament, Commission, European External Action Service and EU Members States (hereafter referred to as the Supervisory Body).***

Or. en

#### **Amendment 74**

**Monika Vana**

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

#### **Recital 25**

*Text proposed by the Commission*

(25) The Commission should draw up an implementation report at the end of the Programme, examining the financial activities in terms of financial implementation results and where possible, impact. This report should also analyse the cross border participation of SMEs in projects under the Programme as well as the participation of SMEs to the global value chain.

*Amendment*

(25) The Commission should ***monitor implementation and*** draw up ***an interim progress report every six month and*** an implementation report at the end of the Programme, examining the financial activities in terms of financial implementation results and where possible, impact. This report should also analyse the cross border participation of SMEs in projects under the Programme as well as the participation of SMEs to the global value chain. ***The interim progress reports and the implementation report at the end of the Programme should be presented to the European Parliament.***

Or. en

*Justification*

*Until today the European Defence Agency has not been able to increase Member States cooperation on defence research, development and procurement projects, most are still exclusively national. A more efficient cooperation mechanism must be set up to finally address the structural problems of the defence sector. As sufficient national funds are available for the financing of projects (Commission estimates annual savings between 25-100 bn€ of collective national defence spending), no single EURO shall be transferred from EU budget to national defence administration or industries.*

**Amendment 75**

**Jens Geier, Arne Lietz, Martina Werner, Constanze Krehl, Arndt Kohn**

**Proposal for a regulation**

**Recital 25**

*Text proposed by the Commission*

(25) The Commission should draw up an implementation report ***at the end*** of the Programme, examining the financial activities in terms of financial implementation results and where possible, impact. This report should also analyse the cross border participation of SMEs in projects under the Programme as well as

*Amendment*

(25) The Commission should draw up an implementation ***and evaluation*** report of the Programme ***at the end of each financial year***, examining the financial activities in terms of financial implementation results and where possible, impact. This report should also analyse the cross border participation of SMEs in

the participation of SMEs to the global value chain.

projects under the Programme as well as the participation of SMEs to the global value chain.

Or. en

**Amendment 76**  
**Isabelle Thomas**

**Proposal for a regulation**  
**Recital 25 a (new)**

*Text proposed by the Commission*

*Amendment*

***(25a) If any extension of the Programme occurs, it should be subject to the outcome of the Commission's implementation report. This report should thus be completed before the adoption of the new legal basis and published in May 2020 at the latest.***

Or. fr

**Amendment 77**  
**Urmas Paet, Jozo Radoš**

**Proposal for a regulation**  
**Recital 25 a (new)**

*Text proposed by the Commission*

*Amendment*

***(25a) There is a need for dedicated budget lines in the next MFF for such activities like the Programme and other defence related matters.***

Or. en

**Amendment 78**  
**Monika Vana**

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

*Text proposed by the Commission*

A European Defence Industrial Development Programme (hereinafter referred to as the Programme) **for Union action** covering the period from 1st January 2019 to 31 December 2020 is hereby established.

*Amendment*

***A European cooperation mechanism between the Commission and Member States, supporting the development and implementation of a joint*** European Defence Industrial Development ***Cooperation*** Programme (hereinafter referred to as the Programme) covering the period from 1st January 2019 to 31 December 2020, is hereby established

Or. en

*Justification*

*Until today the European Defence Agency has not been able to increase Member States cooperation on defence research, development and procurement projects, most are still exclusively national. A more efficient cooperation mechanism must be set up to finally address the structural problems of the defence sector. As sufficient national funds are available for the financing of projects (Commission estimates annual savings between 25-100 bn€ of collective national defence spending), no single EURO shall be transferred from EU budget to national defence administration or industries.*

**Amendment 79**  
**Monika Vana**

**Proposal for a regulation**  
**Article 2 – paragraph 1 – introductory part**

*Text proposed by the Commission*

**The** Programme **shall** have the following objectives:

*Amendment*

***Member States shall cooperate with each other and with the Commission in a transparent manner in order to adopt and implement a*** Programme ***that*** have the following objectives:

Or. en

*Justification*

*Until today the European Defence Agency has not been able to increase Member States cooperation on defence research, development and procurement projects, most are still*

*exclusively national. A more efficient cooperation mechanism must be set up to finally address the structural problems of the defence sector. As sufficient national funds are available for the financing of projects (Commission estimates annual savings between 25-100 bn€ of collective national defence spending), no single EURO shall be transferred from EU budget to national defence administration or industries.*

## **Amendment 80**

**Isabelle Thomas**

### **Proposal for a regulation**

#### **Article 2 – paragraph 1 – point a**

*Text proposed by the Commission*

(a) to foster the ***competitiveness and innovation capacity*** of the Union defence industry by supporting actions in their development phase;

*Amendment*

(a) to foster the ***technological and industrial autonomy*** of the Union ***and the competitiveness and innovation capacity of its*** defence industry by supporting actions in their development phase;

Or. fr

## **Amendment 81**

**Monika Vana**

### **Proposal for a regulation**

#### **Article 2 – paragraph 1 – point a**

*Text proposed by the Commission*

(a) to foster ***the competitiveness and innovation capacity of*** the Union defence industry by supporting actions in their development phase;

*Amendment*

(a) to foster ***efficiency gains in*** the Union defence industry by ***Member States*** supporting ***joint*** actions ***on Union territory*** in their ***industrial*** development phase;

Or. en

#### *Justification*

*Until today the European Defence Agency has not been able to increase Member States cooperation on defence research, development and procurement projects, most are still exclusively national. A more efficient cooperation mechanism must be set up to finally address the structural problems of the defence sector. As sufficient national funds are available for the financing of projects (Commission estimates annual savings between 25-100*

*bn€ of collective national defence spending), no single EURO shall be transferred from EU budget to national defence administration or industries.*

#### **Amendment 82**

**Jens Geier, Arne Lietz, Martina Werner, Constanze Krehl, Arndt Kohn**

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

#### **Article 2 – paragraph 1 – point a**

*Text proposed by the Commission*

(a) to foster the ***competitiveness*** and innovation capacity of the Union defence industry by supporting actions in their development phase;

*Amendment*

(a) to foster the ***integration*** and innovation capacity, ***especially in cyber-defence***, of the Union defence industry by supporting actions in their development phase;

Or. en

#### **Amendment 83**

**Isabelle Thomas**

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

#### **Article 2 – paragraph 1 – point b**

*Text proposed by the Commission*

(b) to support and leverage the cooperation between undertakings, including ***small and medium-sized enterprises***, in the development of technologies or products in line with defence capability priorities commonly agreed by Member States ***within the Union***;

*Amendment*

(b) to support and leverage the cooperation between ***EU Member States and between*** undertakings, including ***SMEs and mid-cap companies***, in the development of technologies or products in line with defence capability priorities commonly agreed by Member States ***by promoting compatibility, interoperability and standardisation, in particular through the definition of common technical specifications relating thereto***;

Or. fr

#### **Amendment 84**

**Monika Vana**



## Proposal for a regulation

### Article 2 – paragraph 1 – point b

*Text proposed by the Commission*

(b) to support and leverage the cooperation between undertakings, including small and medium-sized enterprises, in the development of technologies or products in line with defence capability priorities commonly agreed by Member States within the Union;

*Amendment*

(b) to support and leverage the cooperation between **Member States and with** undertakings, including small and medium-sized enterprises, in the development of technologies or products **solely** in line with defence capability priorities commonly agreed by Member States within the Union **in the context of the Capability Development Plan of the Common Security and Defence Policy (CSDP)**;

Or. en

*Justification*

*Until today the European Defence Agency has not been able to increase Member States cooperation on defence research, development and procurement projects, most are still exclusively national. A more efficient cooperation mechanism must be set up to finally address the structural problems of the defence sector. As sufficient national funds are available for the financing of projects (Commission estimates annual savings between 25-100 bn€ of collective national defence spending), no single EURO shall be transferred from EU budget to national defence administration or industries.*

## Amendment 85

**Jens Geier, Arne Lietz, Martina Werner, Constanze Krehl, Arndt Kohn**

## Proposal for a regulation

### Article 2 – paragraph 1 – point b

*Text proposed by the Commission*

(b) to support and leverage the cooperation between undertakings, including small and medium-sized enterprises, in the development of technologies or products in line with defence capability priorities commonly agreed by Member States within the Union;

*Amendment*

(b) to support and leverage the **cross-border** cooperation between undertakings, including small and medium-sized enterprises, in the development of technologies or products in line with defence capability priorities commonly agreed by Member States within the Union;

**Amendment 86**

**Jens Geier, Arne Lietz, Martina Werner, Constanze Krehl, Arndt Kohn**

**Proposal for a regulation**

**Article 2 – paragraph 1 – point c a (new)**

*Text proposed by the Commission*

*Amendment*

*(ca) to support undertakings in the conversion of excess military into civilian production lines.*

**Amendment 87**

**Monika Vana**

**Proposal for a regulation**

**Article 3 – title**

*Text proposed by the Commission*

*Amendment*

***Budget***

***Financial resources***

*Justification*

*Until today the European Defence Agency has not been able to increase Member States cooperation on defence research, development and procurement projects, most are still exclusively national. A more efficient cooperation mechanism must be set up to finally address the structural problems of the defence sector. As sufficient national funds are available for the financing of projects (Commission estimates annual savings between 25-100 bn€ of collective national defence spending), no single EURO shall be transferred from EU budget to national defence administration or industries.*

**Amendment 88**

**Monika Vana**

**Proposal for a regulation**

**Article 3 – paragraph 1**

*Text proposed by the Commission*

*Amendment*

***The amount for the implementation of the Programme for the period 2019-2020 is set at EUR 500 million in current prices.***

***Actions under this Programme shall be funded by the Member States and where appropriate via the use of the ATHENA mechanism. Only administrative and organisational expenditure to which the development of this Programme gives rise for the institutions may be charged to the Union budget. The financial resources will be drawn from the existing administrative resources available to the institutions. No financing of projects under for this Programme shall be drawn from existing EU programmes established under the MFF.***

Or. en

*Justification*

*Until today the European Defence Agency has not been able to increase Member States cooperation on defence research, development and procurement projects, most are still exclusively national. A more efficient cooperation mechanism must be set up to finally address the structural problems of the defence sector. As sufficient national funds are available for the financing of projects (Commission estimates annual savings between 25-100 bn€ of collective national defence spending), no single EURO shall be transferred from EU budget to national defence administration or industries.*

**Amendment 89**  
**Isabelle Thomas**

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

*Text proposed by the Commission*

*Amendment*

The amount for the implementation of the Programme for the period 2019-2020 is set at EUR 500 million in current prices.

The amount for the implementation of the Programme for the period 2019-2020 is set at EUR 500 million in current prices. ***In the framework of the current multiannual financial framework, this envelope shall come exclusively from unallocated margins and flexibility instruments (flexibility instrument, global margin for commitments and the global margin for***

*payments). Any redeployment shall be ruled out.*

Or. fr

**Amendment 90**  
**Monika Hohlmeier**

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

*Text proposed by the Commission*

The amount for the implementation of the Programme for the period 2019-2020 is set at EUR 500 million in current prices.

*Amendment*

The amount for the implementation of the Programme for the period 2019-2020 is set at EUR 500 million in current prices, *to be drawn exclusively from the unallocated margins under the 2014-2020 multiannual financial framework ceilings. These margins should not be created by artificially reducing well running programs, such as Horizon2020 or Erasmus.*

Or. en

**Amendment 91**  
**Jens Geier, Arne Lietz, Martina Werner, Constanze Krehl, Arndt Kohn**

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

*Text proposed by the Commission*

The amount for the implementation of the Programme for the period 2019-2020 is set at EUR **500** million in current prices.

*Amendment*

The amount for the implementation of the Programme for the period 2019-2020 is set at EUR **125** million in current prices, *to be drawn exclusively from the unallocated margins under the 2014-2020 multiannual financial framework ceilings. Additional spending from the EU budget shall be compensated by savings in national defence budgets.*

### *Justification*

*This amendment reiterates the EP's longstanding position that new priorities shall be financed by additional resources. As the Commission in its proposal identifies only 125 million Euro to be drawn from unallocated margins, the amount of this programme should be limited to this amount. As the aim of the programme is to increase efficiency, it should be clarified that additional spending shall be compensated by savings on the national level.*

## **Amendment 92**

**Monika Vana**

### **Proposal for a regulation**

#### **Article 4**

*Text proposed by the Commission*

*Amendment*

#### **Article 4**

***deleted***

#### ***General financing provisions***

***1. The Union's financial assistance may be provided through the types of financing envisaged by Regulation (EU, Euratom) No 966/2012, and in particular:***

- (a) grants;***
- (b) financial instruments;***
- (c) public procurement.***

***2. The types of financing referred to in paragraph 1 of this Article and the methods of implementation, shall be chosen on the basis of their ability to achieve the specific objectives of the actions and to deliver results, taking into account, in particular, the costs of controls, the administrative burden and the risk of conflict of interests.***

***3. The Union's financial assistance shall be implemented by the Commission as provided for by Regulation (EU, Euratom) No 966/2012 directly or indirectly by entrusting budget implementation tasks to the entities listed in Article 58(1) (c) of that Regulation.***

**4. In case a project manager is appointed by Member States, the Commission shall execute the payment to the eligible beneficiaries after informing the project manager.**

Or. en

*Justification*

*Until today the European Defence Agency has not been able to increase Member States cooperation on defence research, development and procurement projects, most are still exclusively national. A more efficient cooperation mechanism must be set up to finally address the structural problems of the defence sector. As sufficient national funds are available for the financing of projects (Commission estimates annual savings between 25-100 bn€ of collective national defence spending), no single EURO shall be transferred from EU budget to national defence administration or industries.*

**Amendment 93  
Monika Vana**

**Proposal for a regulation  
Article 5**

*Text proposed by the Commission*

*Amendment*

**Article 5**

**deleted**

**Types of financial instruments**

**1. Financial instruments set up in accordance with Title VIII of Regulation (EU, Euratom) No 966/2012 may be used to facilitate access to finance by entities implementing actions in accordance with Article 6.**

**2. The following types of financial instruments may be used:**

- (a) Equity or quasi-equity investments;**
- (b) Loans or guarantees;**
- (c) Risk sharing instruments.**

Or. en

### *Justification*

*Until today the European Defence Agency has not been able to increase Member States cooperation on defence research, development and procurement projects, most are still exclusively national. A more efficient cooperation mechanism must be set up to finally address the structural problems of the defence sector. As sufficient national funds are available for the financing of projects (Commission estimates annual savings between 25-100 bn€ of collective national defence spending), no single EURO shall be transferred from EU budget to national defence administration or industries.*

#### **Amendment 94**

**Monika Vana**

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

##### **Article 6 – title**

*Text proposed by the Commission*

*Amendment*

***Eligible actions***

***Areas of cooperation***

Or. en

### *Justification*

*Until today the European Defence Agency has not been able to increase Member States cooperation on defence research, development and procurement projects, most are still exclusively national. A more efficient cooperation mechanism must be set up to finally address the structural problems of the defence sector. As sufficient national funds are available for the financing of projects (Commission estimates annual savings between 25-100 bn€ of collective national defence spending), no single EURO shall be transferred from EU budget to national defence administration or industries.*

#### **Amendment 95**

**Monika Vana**

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

##### **Article 6 – paragraph 1 – introductory part**

*Text proposed by the Commission*

*Amendment*

1. The Programme shall ***provide support for*** actions by ***beneficiaries*** in the development phase covering both new and the upgrade of existing products and technologies, in relation to:

1. The Programme shall ***identify and develop*** actions by ***participants*** in the development phase covering both new and the upgrade of existing products and technologies, in relation to:

### *Justification*

*Until today the European Defence Agency has not been able to increase Member States cooperation on defence research, development and procurement projects, most are still exclusively national. A more efficient cooperation mechanism must be set up to finally address the structural problems of the defence sector. As sufficient national funds are available for the financing of projects (Commission estimates annual savings between 25-100 bn€ of collective national defence spending), no single EURO shall be transferred from EU budget to national defence administration or industries.*

### **Amendment 96**

**Jens Geier, Arne Lietz, Martina Werner, Constanze Krehl, Arndt Kohn**

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

#### **Article 6 – paragraph 1 – point a**

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

(a) the design of a defence product, tangible or intangible component or technology as well as the technical specifications on which such design has been developed;

##### *Amendment*

(a) the design of a defence product ***or a product supporting the undertakings' aim to convert from military to civil production***, tangible or intangible component or technology as well as the technical specifications on which such design has been developed;

### **Amendment 97**

**Jens Geier, Arne Lietz, Martina Werner, Constanze Krehl, Arndt Kohn**

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

#### **Article 6 – paragraph 1 – point b**

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

(b) the prototyping of a defence product, tangible or intangible component or technology. A prototype is a model of a product or technology that can demonstrate the element's performance in an operational environment;

##### *Amendment*

(b) the prototyping of a defence product ***or a product supporting the undertakings' aim to convert from military to civil production***, tangible or intangible component or technology. A prototype is a model of a product or technology that can demonstrate the



element's performance in an operational environment;

Or. en

#### **Amendment 98**

**Jens Geier, Arne Lietz, Martina Werner, Constanze Krehl, Arndt Kohn**

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

#### **Article 6 – paragraph 1 – point c**

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

(c) the testing of a defence product, tangible or intangible component or technology;

##### *Amendment*

(c) the testing of a defence product ***or a product supporting the undertakings' aim to convert from military to civil production***, tangible or intangible component or technology;

Or. en

#### **Amendment 99**

**Jens Geier, Arne Lietz, Martina Werner, Constanze Krehl, Arndt Kohn**

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

#### **Article 6 – paragraph 1 – point d**

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

(d) the qualification of a defence product, tangible or intangible component or technology; qualification is the entire process of demonstrating that the design of a product/component/technology meets the specified requirements. This process provides objective evidence by which particular requirements of a design are demonstrated to have been achieved;

##### *Amendment*

(d) the qualification of a defence product ***or a product supporting the undertakings' aim to convert from military to civil production***, tangible or intangible component or technology; qualification is the entire process of demonstrating that the design of a product/component/technology meets the specified requirements. This process provides objective evidence by which particular requirements of a design are demonstrated to have been achieved;

Or. en

## Amendment 100

Jens Geier, Arne Lietz, Martina Werner, Constanze Krehl, Arndt Kohn

### Proposal for a regulation

#### Article 6 – paragraph 1 – point e

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

(e) the certification of a defence product or technology. Certification is the process according to which a national authority certifies that the product/component/technology complies with the applicable regulations;

##### *Amendment*

(e) the certification of a defence product ***or a product supporting the undertakings' aim to convert from military to civil production*** or technology. Certification is the process according to which a national authority certifies that the product/component/technology complies with the applicable regulations;

Or. en

## Amendment 101

Monika Vana

### Proposal for a regulation

#### Article 6 – paragraph 1 – point f

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

(f) ***studies such as feasibility studies and other accompanying measures.***

##### *Amendment*

***deleted***

Or. en

##### *Justification*

*Until today the European Defence Agency has not been able to increase Member States cooperation on defence research, development and procurement projects, most are still exclusively national. A more efficient cooperation mechanism must be set up to finally address the structural problems of the defence sector. As sufficient national funds are available for the financing of projects (Commission estimates annual savings between 25-100 bn€ of collective national defence spending), no single EURO shall be transferred from EU budget to national defence administration or industries.*

## Amendment 102

Ivana Maletić

**Proposal for a regulation**

**Article 6 – paragraph 1 – point f a (new)**

*Text proposed by the Commission*

*Amendment*

(fa) *protection of intellectual property;*

Or. hr

**Amendment 103**

**Jens Geier, Arne Lietz, Martina Werner, Constanze Krehl, Arndt Kohn**

**Proposal for a regulation**

**Article 6 – paragraph 2**

*Text proposed by the Commission*

*Amendment*

2. The action shall be undertaken in a cooperation of at least **three** undertakings which are established in at least **two** different Member States. The undertakings which are beneficiaries shall not effectively be controlled, directly or indirectly, by the same entity or shall not control each other.

2. The action shall be undertaken in a cooperation of at least **four** undertakings which are established in at least **three** different Member States. The undertakings which are beneficiaries shall not effectively be controlled, directly or indirectly, by the same entity or shall not control each other. ***This paragraph shall not apply to actions in support of conversion from military to civil production.***

Or. en

**Amendment 104**

**Monika Vana**

**Proposal for a regulation**

**Article 6 – paragraph 2**

*Text proposed by the Commission*

*Amendment*

2. The action shall be undertaken in a cooperation of at least three undertakings which are established in at least two different Member States. The undertakings which are **beneficiaries** shall not

2. The action shall be undertaken in a cooperation of at least three undertakings which are established in at least two different Member States. The undertakings **and their subcontractors** which are

effectively be controlled, directly or indirectly, by the same entity or shall not control each other.

**participants** shall not effectively be controlled, directly or indirectly, by the same entity or shall not control each other.

Or. en

#### *Justification*

*Until today the European Defence Agency has not been able to increase Member States cooperation on defence research, development and procurement projects, most are still exclusively national. A more efficient cooperation mechanism must be set up to finally address the structural problems of the defence sector. As sufficient national funds are available for the financing of projects (Commission estimates annual savings between 25-100 bn€ of collective national defence spending), no single EURO shall be transferred from EU budget to national defence administration or industries.*

#### **Amendment 105**

**Monika Vana**

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

#### **Article 6 – paragraph 4 a (new)**

*Text proposed by the Commission*

*Amendment*

***4a. Actions which contribute in parts or entirely (parts and components including software, artificial intelligence features, and any relevant dual-use technologies), directly or indirectly to the following technologies shall be excluded from the Programme:***

***(a) Weapons of mass destruction and related warhead and missile technology;***

***(b) Banned weapons and munitions not compliant with international law such as:***

***(i) Cluster munitions and related aspects in line with the Convention on Cluster Munitions;***

***(ii) Anti-personal landmines and related aspects in line with the Convention on the Prohibition on the Prohibition of the Use, Stockpiling, Production and Transfer of Anti-***

***Personnel Mines and their Destruction;***

***(iii) Incendiary weapons including white phosphorus;***

***(iv) Depleted uranium ammunitions;***

***(c) Fully autonomous weapons that enable lethal actions without meaningful human intervention;***

***(d) Small and light weapons (SALW) mainly developed for export purposes, i.e. where no Member State has expressed a requirement for the action to be carried out.***

Or. en

***Justification***

*Until today the European Defence Agency has not been able to increase Member States cooperation on defence research, development and procurement projects, most are still exclusively national. A more efficient cooperation mechanism must be set up to finally address the structural problems of the defence sector. As sufficient national funds are available for the financing of projects (Commission estimates annual savings between 25-100 bn€ of collective national defence spending), no single EURO shall be transferred from EU budget to national defence administration or industries.*

**Amendment 106**

**Jens Geier, Arne Lietz, Martina Werner, Constanze Krehl, Arndt Kohn**

**Proposal for a regulation**

**Article 6 – paragraph 4 a (new)**

*Text proposed by the Commission*

*Amendment*

***4a. Actions in relation to products listed in Annex I shall not be funded. Actions in relation to products listed in Annex II shall not be funded if they are developed mainly for export purposes.***

Or. en

**Amendment 107**

**Monika Vana**

**Proposal for a regulation**  
**Article 6 – paragraph 4 b (new)**

*Text proposed by the Commission*

*Amendment*

**4b. Actions which contribute directly or indirectly to the production of armed unmanned aerial vehicles or their parts, including the production of parts and components, software, artificial intelligence features and any relevant dual-use technologies, are excluded so long as no Council Decision on the use of such new military technology exists which upholds international human rights law and international humanitarian law and which addresses issues such as a legal framework, proportionality, protection of civilians and transparency.**

Or. en

*Justification*

*Until today the European Defence Agency has not been able to increase Member States cooperation on defence research, development and procurement projects, most are still exclusively national. A more efficient cooperation mechanism must be set up to finally address the structural problems of the defence sector. As sufficient national funds are available for the financing of projects (Commission estimates annual savings between 25-100 bn€ of collective national defence spending), no single EURO shall be transferred from EU budget to national defence administration or industries.*

**Amendment 108**

**Jens Geier, Arne Lietz, Martina Werner, Constanze Krehl, Arndt Kohn**

**Proposal for a regulation**  
**Article 6 – paragraph 4 b (new)**

*Text proposed by the Commission*

*Amendment*

**4b. The action shall be in line with the tasks referred to in Article 42 TFEU for peace keeping, conflict prevention and strengthening international security in accordance with the principles of the**

**Amendment 109**

**Monika Vana**

**Proposal for a regulation**

**Article 6 – paragraph 4 c (new)**

*Text proposed by the Commission*

*Amendment*

***4c. Military or dual-use technology supported by this Programme shall only be exported to NATO allies and friendly nations which fully comply with the provisions of the Arms Trade Treaty (ATT). Such exports shall also fully comply with the eight criteria of Common position 944/2008/CFSP on arms exports. The results of cooperation between Member States under this Programme shall only be authorised for export in case all participating Member States agree. The Commission shall put in place a tracking mechanism to verify the end-use and end-users of the technology supported by this Programme and report about their status every 6 months to Council and Parliament.***

Or. en

*Justification*

*Until today the European Defence Agency has not been able to increase Member States cooperation on defence research, development and procurement projects, most are still exclusively national. A more efficient cooperation mechanism must be set up to finally address the structural problems of the defence sector. As sufficient national funds are available for the financing of projects (Commission estimates annual savings between 25-100 bn€ of collective national defence spending), no single EURO shall be transferred from EU budget to national defence administration or industries.*

**Amendment 110**

Monika Vana

**Proposal for a regulation**  
**Article 7 – title**

*Text proposed by the Commission*

*Amendment*

**Eligible** Entities

**Participating** Entities

Or. en

*Justification*

*Until today the European Defence Agency has not been able to increase Member States cooperation on defence research, development and procurement projects, most are still exclusively national. A more efficient cooperation mechanism must be set up to finally address the structural problems of the defence sector. As sufficient national funds are available for the financing of projects (Commission estimates annual savings between 25-100 bn€ of collective national defence spending), no single EURO shall be transferred from EU budget to national defence administration or industries.*

**Amendment 111**  
**Monika Vana**

**Proposal for a regulation**  
**Article 7 – paragraph 1**

*Text proposed by the Commission*

*Amendment*

1. **Beneficiaries** shall be undertakings established in the Union, in which Member States and/or nationals of Member States own **more than 50% of** the undertaking and effectively control it within the meaning of Article 6(3), whether directly or indirectly through one or more intermediate undertakings. In addition, all infrastructure, facilities, assets and resources used by the participants, including subcontractors and other third parties, in actions **funded** under the Programme shall not be located on the territory of non-Member States during the entire duration of the action.

1. **Participants in the actions foreseen by the Programme** shall be undertakings **and their subcontractors** established in the Union, in which Member States and/or nationals of Member States own the undertaking and effectively control it within the meaning of Article 6(3), whether directly or indirectly through one or more intermediate undertakings. In addition, all infrastructure, facilities, assets and resources used by the participants, including subcontractors and other third parties, in actions **foreseen** under the Programme shall not be located on the territory of non-Member States during the entire duration of the action. **The use of these infrastructures, facilities, assets and**



***resources shall not be under the control of any third country or entity established outside of the Union.***

Or. en

*Justification*

*Until today the European Defence Agency has not been able to increase Member States cooperation on defence research, development and procurement projects, most are still exclusively national. A more efficient cooperation mechanism must be set up to finally address the structural problems of the defence sector. As sufficient national funds are available for the financing of projects (Commission estimates annual savings between 25-100 bn€ of collective national defence spending), no single EURO shall be transferred from EU budget to national defence administration or industries.*

**Amendment 112**  
**Isabelle Thomas**

**Proposal for a regulation**  
**Article 7 – paragraph 1**

*Text proposed by the Commission*

1. Beneficiaries shall be undertakings established in the Union, in which Member States and/or nationals of Member States own more than 50% of the undertaking and effectively control it within the meaning of Article 6(3), whether directly or indirectly through one or more intermediate undertakings. In addition, all infrastructure, facilities, assets and resources used by the participants, including subcontractors and other third parties, in actions funded under the Programme shall ***not*** be located on the territory of ***non-Member States*** during the entire duration of the action.

*Amendment*

1. Beneficiaries ***and their subcontractors*** shall be undertakings established in the Union, in which Member States and/or nationals of Member States own more than 50% of the undertaking and effectively control it within the meaning of Article 6(3), whether directly or indirectly through one or more intermediate undertakings. In addition, all infrastructure, facilities, assets and resources used by the participants, including subcontractors and other third parties, in actions funded under the Programme shall be located on the territory of ***the Union*** during the entire duration of the action. ***The use of such infrastructure, facilities, assets and resources shall not be subject to any control or restriction by a third country or a non-EU entity.***

Or. fr

**Amendment 113**  
**Monika Vana**

**Proposal for a regulation**  
**Article 7 – paragraph 1 a (new)**

*Text proposed by the Commission*

*Amendment*

***1a. In case a change occurs regarding the effective control of an undertaking participating in the Programme, the undertaking concerned should inform without delay the Commission and competent authority in the Member State in which it is established which will then jointly decide on appropriate measures with regards to the protection of national and Union interests.***

Or. en

*Justification*

*Until today the European Defence Agency has not been able to increase Member States cooperation on defence research, development and procurement projects, most are still exclusively national. A more efficient cooperation mechanism must be set up to finally address the structural problems of the defence sector. As sufficient national funds are available for the financing of projects (Commission estimates annual savings between 25-100 bn€ of collective national defence spending), no single EURO shall be transferred from EU budget to national defence administration or industries.*

**Amendment 114**  
**Monika Vana**

**Proposal for a regulation**  
**Article 7 – paragraph 2**

*Text proposed by the Commission*

*Amendment*

2. If the ***beneficiary***, as defined in paragraph 1, is developing an action, as defined in Article 6, in the context of Permanent Structured Cooperation, it shall be ***eligible*** for the increased ***funding*** referred to in Article 11(2) in respect of

2. If the ***participant***, as defined in paragraph 1, is developing an action, as defined in Article 6, in the context of Permanent Structured Cooperation, it shall be ***identified*** for the increased ***administrative support*** referred to in

that action.

Article 11(2) in respect of that action.

Or. en

*Justification*

*Until today the European Defence Agency has not been able to increase Member States cooperation on defence research, development and procurement projects, most are still exclusively national. A more efficient cooperation mechanism must be set up to finally address the structural problems of the defence sector. As sufficient national funds are available for the financing of projects (Commission estimates annual savings between 25-100 bn€ of collective national defence spending), no single EURO shall be transferred from EU budget to national defence administration or industries.*

**Amendment 115**

**Monika Vana**

**Proposal for a regulation**

**Article 8 – title**

*Text proposed by the Commission*

*Amendment*

Declaration by *applicants*

Declaration by *participants*

Or. en

*Justification*

*Until today the European Defence Agency has not been able to increase Member States cooperation on defence research, development and procurement projects, most are still exclusively national. A more efficient cooperation mechanism must be set up to finally address the structural problems of the defence sector. As sufficient national funds are available for the financing of projects (Commission estimates annual savings between 25-100 bn€ of collective national defence spending), no single EURO shall be transferred from EU budget to national defence administration or industries.*

**Amendment 116**

**Jens Geier, Arne Lietz, Martina Werner, Constanze Krehl, Arndt Kohn**

**Proposal for a regulation**

**Article 8 – paragraph 1**

*Text proposed by the Commission*

*Amendment*

Each applicant shall declare, by written

Each applicant shall declare, by written

statement, that it is fully aware of and compliant with applicable national and Union legislation and regulations relating to activities in the domain of defence.

statement, that it is fully aware of and compliant with applicable national and Union legislation and regulations relating to activities in the domain of defence, ***including the Council Common Position 2008/944/CFSP of 8 December 2008 defining common rules governing control of exports of military technology and equipment, the Community regime for the control of exports, transfer, brokering and transit of dual-use items and the relevant national legislation on export controls.***

Or. en

**Amendment 117**  
**Isabelle Thomas**

**Proposal for a regulation**  
**Article 9 – paragraph 1**

*Text proposed by the Commission*

1. Where the Union's financial assistance is provided through a grant, the members of any consortium wishing to participate in an action shall appoint one of them to act as coordinator, which shall be identified in the grant agreement. The coordinator shall be the principal point of contact between the members of the consortium in relations with the Commission or the relevant funding body, unless specified otherwise in the grant agreement or in the event of non-compliance with its obligations under the grant agreement.

*Amendment*

1. Where the Union's financial assistance is provided through a grant, the members of any consortium wishing to participate in an action shall appoint one of them to act as coordinator, which shall be identified in the grant agreement. The coordinator shall be the principal point of contact between the members of the consortium in relations with the Commission or the relevant funding body, unless specified otherwise in the grant agreement or in the event of non-compliance with its obligations under the grant agreement. ***The Union's financial assistance may also take the form of a financial instrument or a public contract.***

Or. fr

**Amendment 118**  
**Jens Geier, Arne Lietz, Martina Werner, Constanze Krehl, Arndt Kohn**

**Proposal for a regulation**  
**Article 9 – paragraph 1**

*Text proposed by the Commission*

1. Where the Union's financial assistance is provided through a grant, the members of any consortium wishing to participate in an action shall appoint one of them to act as coordinator, which shall be identified in the grant agreement. The coordinator shall be the principal point of contact between the members of the consortium in relations with the Commission or the relevant funding body, unless specified otherwise in the grant agreement or in the event of non-compliance with its obligations under the grant agreement.

*Amendment*

1. Where the Union's financial assistance is provided through a grant, the members of any consortium wishing to participate in an action shall appoint one of them to act as coordinator, which shall be identified in the grant agreement. The coordinator shall be the principal point of contact between the members of the consortium in relations with the Commission or the relevant funding body, unless specified otherwise in the grant agreement or in the event of non-compliance with its obligations under the grant agreement. ***The coordinator shall regularly report back to the EU Institutions regarding the funded action's status.***

Or. en

**Amendment 119**  
**Monika Vana**

**Proposal for a regulation**  
**Article 9 – paragraph 1**

*Text proposed by the Commission*

1. Where the Union's ***financial assistance*** is provided ***through a grant***, the members of any consortium wishing to participate in an action shall appoint one of them to act as coordinator, which shall be identified in the ***grant*** agreement. The coordinator shall be the principal point of contact between the members of the consortium in relations with the Commission ***or*** the relevant funding ***body***, unless specified otherwise in the ***grant*** agreement or in the event of non-

*Amendment*

1. Where the Union's ***administrative support*** is provided, the members of any consortium wishing to participate in an action shall appoint one of them to act as coordinator, which shall be identified in the agreement. The coordinator shall be the principal point of contact between the members of the consortium in relations with the Commission ***and*** the relevant funding ***Member States***, unless specified otherwise in the agreement or in the event of non-

compliance with its obligations under the **grant** agreement.

compliance with its obligations under the agreement.

Or. en

*Justification*

*Until today the European Defence Agency has not been able to increase Member States cooperation on defence research, development and procurement projects, most are still exclusively national. A more efficient cooperation mechanism must be set up to finally address the structural problems of the defence sector. As sufficient national funds are available for the financing of projects (Commission estimates annual savings between 25-100 bn€ of collective national defence spending), no single EURO shall be transferred from EU budget to national defence administration or industries.*

**Amendment 120**

**Monika Vana**

**Proposal for a regulation**

**Article 9 – paragraph 2**

*Text proposed by the Commission*

2. The members of a consortium participating in an action shall conclude an internal agreement establishing their rights and obligations with respect to the implementation of the action (in compliance with the **grant** agreement), except in duly justified cases provided for in the work programme or call for proposals.

*Amendment*

2. The members of a consortium participating in an action shall conclude an internal agreement establishing their rights and obligations with respect to the implementation of the action (in compliance with the agreement),except in duly justified cases provided for in the work programme or call for proposals.

Or. en

*Justification*

*Until today the European Defence Agency has not been able to increase Member States cooperation on defence research, development and procurement projects, most are still exclusively national. A more efficient cooperation mechanism must be set up to finally address the structural problems of the defence sector. As sufficient national funds are available for the financing of projects (Commission estimates annual savings between 25-100 bn€ of collective national defence spending), no single EURO shall be transferred from EU budget to national defence administration or industries.*

**Amendment 121**  
**Monika Vana**

**Proposal for a regulation**  
**Article 10 – title**

*Text proposed by the Commission*

*Amendment*

**Award** criteria

**Selection** criteria

Or. en

*Justification*

*Until today the European Defence Agency has not been able to increase Member States cooperation on defence research, development and procurement projects, most are still exclusively national. A more efficient cooperation mechanism must be set up to finally address the structural problems of the defence sector. As sufficient national funds are available for the financing of projects (Commission estimates annual savings between 25-100 bn€ of collective national defence spending), no single EURO shall be transferred from EU budget to national defence administration or industries.*

**Amendment 122**  
**Isabelle Thomas**

**Proposal for a regulation**  
**Article 10 – paragraph 1 – introductory part**

*Text proposed by the Commission*

*Amendment*

Actions proposed for funding under the Programme shall be evaluated on the basis of the following cumulative criteria:

Actions proposed for funding under the Programme shall be evaluated ***with regard to the objectives laid down in Article 2 and*** on the basis of the following cumulative criteria:

Or. fr

**Amendment 123**  
**Monika Vana**

**Proposal for a regulation**  
**Article 10 – paragraph 1 – introductory part**

*Text proposed by the Commission*

Actions proposed for **funding under** the Programme shall be evaluated on the basis of the following cumulative criteria:

*Amendment*

Actions proposed for **inclusion in** the Programme **and eligible for administrative support** shall be evaluated on the basis of the following cumulative criteria:

Or. en

*Justification*

*Until today the European Defence Agency has not been able to increase Member States cooperation on defence research, development and procurement projects, most are still exclusively national. A more efficient cooperation mechanism must be set up to finally address the structural problems of the defence sector. As sufficient national funds are available for the financing of projects (Commission estimates annual savings between 25-100 bn€ of collective national defence spending), no single EURO shall be transferred from EU budget to national defence administration or industries.*

**Amendment 124**

**Ivana Maletić**

**Proposal for a regulation**

**Article 10 – paragraph 1 – point a**

*Text proposed by the Commission*

(a) excellence

*Amendment*

(a) excellence **and the possibility of multiplying activities in other Member States**

Or. hr

**Amendment 125**

**Isabelle Thomas**

**Proposal for a regulation**

**Article 10 – paragraph 1 – point a**

*Text proposed by the Commission*

(a) excellence

*Amendment*

(a) **technological and industrial excellence;**



**Amendment 126**  
**Monika Vana**

**Proposal for a regulation**  
**Article 10 – paragraph 1 – point b**

*Text proposed by the Commission*

(b) contribution to the innovation and technological development of defence industries and thus to fostering the industrial autonomy of the Union in *the field of defence technologies; and,*

*Amendment*

(b) contribution to the innovation and technological development of defence industries and thus to fostering the industrial autonomy of the Union in *relation to the capability requirements under the Common Security and Defence Policy (CSDP);*

Or. en

*Justification*

*Until today the European Defence Agency has not been able to increase Member States cooperation on defence research, development and procurement projects, most are still exclusively national. A more efficient cooperation mechanism must be set up to finally address the structural problems of the defence sector. As sufficient national funds are available for the financing of projects (Commission estimates annual savings between 25-100 bn€ of collective national defence spending), no single EURO shall be transferred from EU budget to national defence administration or industries.*

**Amendment 127**  
**Isabelle Thomas**

**Proposal for a regulation**  
**Article 10 – paragraph 1 – point b a (new)**

*Text proposed by the Commission*

*Amendment*

*(ba) the number of Member States involved in the project;*

Or. fr

**Amendment 128**  
**Monika Vana**

**Proposal for a regulation**  
**Article 10 – paragraph 1 – point c**

*Text proposed by the Commission*

(c) contribution to the security and defence ***interests of the Union*** by enhancing defence technologies which contribute to implement defence capability priorities commonly agreed by Member States ***within the Union; and,***

*Amendment*

(c) contribution to the ***Common Security and Defence Policy (CSDP)*** by enhancing defence technologies which contribute to implement defence capability priorities commonly agreed by Member States ***n in the context of the Capability Development Plan;***

Or. en

*Justification*

*Until today the European Defence Agency has not been able to increase Member States cooperation on defence research, development and procurement projects, most are still exclusively national. A more efficient cooperation mechanism must be set up to finally address the structural problems of the defence sector. As sufficient national funds are available for the financing of projects (Commission estimates annual savings between 25-100 bn€ of collective national defence spending), no single EURO shall be transferred from EU budget to national defence administration or industries.*

**Amendment 129**  
**Isabelle Thomas**

**Proposal for a regulation**  
**Article 10 – paragraph 1 – point c**

*Text proposed by the Commission*

(c) contribution to the security and defence interests of the Union by enhancing defence technologies which contribute to ***implement*** defence capability priorities commonly agreed by Member States within the Union; ***and,***

*Amendment*

(c) contribution to the security and defence interests of the Union by enhancing defence technologies which contribute to ***the implementation of the*** defence capability priorities commonly agreed by Member States within the Union, ***as part of the capacity development plan or coordinated annual defence review, and;***

**Amendment 130**  
**Monika Vana**

**Proposal for a regulation**  
**Article 10 – paragraph 1 – point d**

*Text proposed by the Commission*

(d) viability notably via a demonstration by the **beneficiaries** that the **remaining** costs of the eligible action are covered by **other** means of financing such as Member States' contributions; **and**

*Amendment*

(d) viability notably via a demonstration by the **participants** that the costs of the eligible action are covered by means of financing such as Member States' contributions **and the ATHENA mechanism; and**

Or. en

*Justification*

*Until today the European Defence Agency has not been able to increase Member States cooperation on defence research, development and procurement projects, most are still exclusively national. A more efficient cooperation mechanism must be set up to finally address the structural problems of the defence sector. As sufficient national funds are available for the financing of projects (Commission estimates annual savings between 25-100 bn€ of collective national defence spending), no single EURO shall be transferred from EU budget to national defence administration or industries.*

**Amendment 131**  
**Isabelle Thomas**

**Proposal for a regulation**  
**Article 10 – paragraph 1 – point d**

*Text proposed by the Commission*

(d) viability notably via a demonstration by the beneficiaries that the remaining costs of the eligible action are covered by other means of financing such as Member States' contributions; and

*Amendment*

(d) viability notably via a demonstration by the beneficiaries that the remaining costs of the eligible action are covered by other means of financing such as Member States' contributions and **the dual use of the developed technologies;**

Or. fr

## Amendment 132

Monika Vana

### Proposal for a regulation

#### Article 10 – paragraph 1 – point e

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

(e) for actions described in points (b) to (e) of Article 6(1), the contribution ***to the competitiveness of the*** European defence industry through the demonstration by the ***beneficiaries*** that Member States have committed to jointly produce and procure the final product or technology in a coordinated way, including joint procurement where applicable.

##### *Amendment*

(e) for actions described in points (b) to (e) of Article 6(1), the contribution ***a more efficient and integrated*** European defence industry ***inter alia*** through the demonstration by the ***participants*** that Member States have committed to jointly produce and procure the final product or technology in a coordinated way, including joint procurement where applicable.

Or. en

##### *Justification*

*Until today the European Defence Agency has not been able to increase Member States cooperation on defence research, development and procurement projects, most are still exclusively national. A more efficient cooperation mechanism must be set up to finally address the structural problems of the defence sector. As sufficient national funds are available for the financing of projects (Commission estimates annual savings between 25-100 bn€ of collective national defence spending), no single EURO shall be transferred from EU budget to national defence administration or industries.*

## Amendment 133

Jens Geier, Arne Lietz, Martina Werner, Constanze Krehl, Arndt Kohn

### Proposal for a regulation

#### Article 10 – paragraph 1 – point e a (new)

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

##### *Amendment*

***(ea) realisation of efficiency gains for the overall reduction of defence spending in the EU;***

Or. en

**Amendment 134**

**Jens Geier, Arne Lietz, Martina Werner, Constanze Krehl, Arndt Kohn**

**Proposal for a regulation**

**Article 10 – paragraph 1 – point e b (new)**

*Text proposed by the Commission*

*Amendment*

*(eb) contribution to innovative  
conversion of military to civil production;*

Or. en

**Amendment 135**

**Jens Geier, Arne Lietz, Martina Werner, Constanze Krehl, Arndt Kohn**

**Proposal for a regulation**

**Article 10 – paragraph 1 – point e c (new)**

*Text proposed by the Commission*

*Amendment*

*(ec) increased or new cross-border  
cooperation;*

Or. en

**Amendment 136**

**Monika Vana**

**Proposal for a regulation**

**Article 11**

*Text proposed by the Commission*

*Amendment*

*Article 11*

*deleted*

*Funding rates*

*1. The financial assistance of the  
Union provided under the Programme  
may not exceed 20% of the total cost of  
the action where it relates to prototyping.  
In all the other cases, the assistance may  
cover up to the total cost of the action.*

*2. An action developed by a*

*beneficiary referred to in Article 7 paragraph 2 may benefit from a funding rate increased by an additional 10 percentage points.*

Or. en

*Justification*

*Until today the European Defence Agency has not been able to increase Member States cooperation on defence research, development and procurement projects, most are still exclusively national. A more efficient cooperation mechanism must be set up to finally address the structural problems of the defence sector. As sufficient national funds are available for the financing of projects (Commission estimates annual savings between 25-100 bn€ of collective national defence spending), no single EURO shall be transferred from EU budget to national defence administration or industries.*

**Amendment 137**

**Jens Geier, Arne Lietz, Martina Werner, Constanze Krehl, Arndt Kohn**

**Proposal for a regulation**

**Article 11 – paragraph 1**

*Text proposed by the Commission*

1. The financial assistance of the Union provided under the Programme may not exceed 20% of the total cost of the action where it relates to prototyping. In all the other cases, the assistance may cover up to the **total** cost of the action.

*Amendment*

1. The financial assistance of the Union provided under the Programme may not exceed 20% of the total cost of the action where it relates to prototyping. In all the other cases, the assistance may cover up to **50% of** the cost of the action.

Or. en

**Amendment 138**

**Jens Geier, Arne Lietz, Martina Werner, Constanze Krehl, Arndt Kohn**

**Proposal for a regulation**

**Article 12 – paragraph 1**

*Text proposed by the Commission*

The Commission ***shall not own the products or technologies resulting from the action nor shall it have any IPR claim***

*Amendment*

***The Union Institutions, bodies, offices or agencies enjoy, for the duly justified purpose of developing, implementing and***

*pertaining to the action.*

*monitoring Union policies or programmes, access rights solely to the results of a beneficiary that has received Union funding. Such access rights are limited to non-commercial and non-competitive use. Such access is to be granted on a royalty-free basis. With regard to results which are generated by beneficiaries that have received funding under the Programme, the agreement between the Commission and the beneficiary shall provide that the Commission may object to transfers of ownership or to grants of a licence to third parties established in a third country not associated with the Programme, if it considers that the grant or transfer is inconsistent with ethical principles of the EU Common Position on arms exports or security considerations. In such cases, the transfer of ownership or grant of licence cannot take place unless the Commission is satisfied that appropriate safeguards will be put in place. Where appropriate, the agreement between the Commission and the beneficiary will provide that the Commission is to be notified at least six months in advance of any such transfer of ownership or grant of a licence. Non-compliance with these provisions will be subject to measures stipulated in Regulation (EU, Euratom) No 966/2012 and Regulation (EU) No 1268/2012.*

Or. en

**Amendment 139**  
**Isabelle Thomas**

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

*Text proposed by the Commission*

*Amendment*

***Intellectual property rights resulting from the Programme shall not be transferable***

*to actors outside the EU for a period of 10 years; similarly, licensed production by third parties outside Europe shall be prohibited.*

Or. fr

**Amendment 140**

**Monika Vana**

**Proposal for a regulation**

**Article 12 – paragraph 1 a (new)**

*Text proposed by the Commission*

*Amendment*

*The results of the actions under this Programme shall under no circumstances be under the control of any third country or entity established outside of the Union.*

Or. en

*Justification*

*Until today the European Defence Agency has not been able to increase Member States cooperation on defence research, development and procurement projects, most are still exclusively national. A more efficient cooperation mechanism must be set up to finally address the structural problems of the defence sector. As sufficient national funds are available for the financing of projects (Commission estimates annual savings between 25-100 bn€ of collective national defence spending), no single EURO shall be transferred from EU budget to national defence administration or industries.*

**Amendment 141**

**Jens Geier, Arne Lietz, Martina Werner, Constanze Krehl, Arndt Kohn**

**Proposal for a regulation**

**Article 12 a (new)**

*Text proposed by the Commission*

*Amendment*

**Article 12a**

**Export**

*Military technology and equipment that has been produced with funding from the*



*Union under the Programme shall not be exported to non-NATO, non-EU or non-NATO equivalent countries without prior authorisation by the Supervisory Committee. Upon being notified by a beneficiary of their intention to export military technologies or equipment to non-NATO, non-EU or non-NATO equivalent countries, the Commission shall convene the Supervisory Committee, which shall decide on all requests based on relevant Union legislation, in particular Council Common Position 2008/944/CFSP of 8 December 2008 defining common rules governing control of exports of military technology and equipment, the Common Military List of the Union and the User's Guide to Council Common Position 2008/944/CFSP defining common rules governing the control of exports of military technology and equipment.*

Or. en

## **Amendment 142**

**Jens Geier, Arne Lietz, Martina Werner, Constanze Krehl, Arndt Kohn**

### **Proposal for a regulation**

#### **Article 13 – paragraph 1**

*Text proposed by the Commission*

1. The Commission, ***by means of an implementing act***, shall adopt multiannual ***a*** work programme for the duration of the Programme. This ***implementing*** act shall be adopted in accordance with the examination procedure referred to in ***in*** Article ***16(2)***. This work programme shall be in line with the objectives set out in Article 2;

*Amendment*

1. The Commission, shall ***be empowered to adopt delegated acts to establish a*** multiannual work programme for the duration of the Programme. This ***delegated*** act shall be adopted in accordance with the examination procedure referred to in Article ***16***. This work programme shall be in line with the objectives set out in Article 2;

Or. en

**Amendment 143**  
**Monika Vana**

**Proposal for a regulation**  
**Article 13 – paragraph 1**

*Text proposed by the Commission*

1. The Commission, by means of ***an implementing act***, shall adopt multiannual a ***work programme*** for the duration of the Programme. This ***implementing*** act shall be adopted in accordance with ***the examination procedure referred to in in*** Article 16(2). This work programme shall be in line with the objectives set out in Article 2;

*Amendment*

1. The Commission, by means of ***delegated act*** shall adopt multiannual a ***work-programme*** for the duration of the Programme. This ***delegated*** act shall be adopted in accordance with Article 16(2). This work programme shall be in line with the objectives set out in Article 2.

Or. en

*Justification*

*Until today the European Defence Agency has not been able to increase Member States cooperation on defence research, development and procurement projects, most are still exclusively national. A more efficient cooperation mechanism must be set up to finally address the structural problems of the defence sector. As sufficient national funds are available for the financing of projects (Commission estimates annual savings between 25-100 bn€ of collective national defence spending), no single EURO shall be transferred from EU budget to national defence administration or industries.*

**Amendment 144**  
**Monika Vana**

**Proposal for a regulation**  
**Article 13 – paragraph 2**

*Text proposed by the Commission*

2. The work programme shall set out in detail the categories of projects to be ***funded under*** the Programme;

*Amendment*

2. The work programme shall set out in detail the categories of projects to be ***included in*** the Programme ***as well as the commitment of the Member States for financing their implementation***;

Or. en

### *Justification*

*Until today the European Defence Agency has not been able to increase Member States cooperation on defence research, development and procurement projects, most are still exclusively national. A more efficient cooperation mechanism must be set up to finally address the structural problems of the defence sector. As sufficient national funds are available for the financing of projects (Commission estimates annual savings between 25-100 bn€ of collective national defence spending), no single EURO shall be transferred from EU budget to national defence administration or industries.*

#### **Amendment 145**

**Ivana Maletić**

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

##### **Article 13 – paragraph 2**

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

2. The work programme shall set out in detail the categories of projects to be funded under the Programme;

###### *Amendment*

2. The work programme shall set out in detail the categories of projects, ***eligibility of activities, eligibility of expenditure and eligibility of the applicants and their partners in projects*** to be funded under the Programme.

Or. hr

#### **Amendment 146**

**Monika Vana**

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

##### **Article 13 – paragraph 3**

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

3. The work programme shall ***ensure that a credible proportion of the overall budget will benefit actions enabling the cross-border participation of SMEs.***

###### *Amendment*

3. The work programme shall ***set out in detail the categories of projects to be included in the Programme as well as the commitment of the Member States for financing their implementation.***

Or. en

### *Justification*

*Until today the European Defence Agency has not been able to increase Member States cooperation on defence research, development and procurement projects, most are still exclusively national. A more efficient cooperation mechanism must be set up to finally address the structural problems of the defence sector. As sufficient national funds are available for the financing of projects (Commission estimates annual savings between 25-100 bn€ of collective national defence spending), no single EURO shall be transferred from EU budget to national defence administration or industries.*

#### **Amendment 147**

**Urmas Paet, Jozo Radoš**

#### **Proposal for a regulation Article 13 – paragraph 3**

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

3. The work programme shall ensure that a ***credible*** proportion of the overall budget will benefit actions enabling the cross-border participation of SMEs.

##### *Amendment*

3. The work programme shall ensure that a ***fixed*** proportion ***of 20%*** of the overall budget will benefit actions enabling the cross-border participation of SMEs.

Or. en

#### **Amendment 148**

**Isabelle Thomas**

#### **Proposal for a regulation Article 13 – paragraph 3**

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

3. The work programme shall ensure that ***a credible proportion*** of the overall budget will benefit actions enabling ***the cross-border participation of SMEs***.

##### *Amendment*

3. The work programme shall ensure that ***at least 20%*** of the overall budget will benefit actions enabling ***cooperation between SMEs from several Member States***.

Or. fr

#### **Amendment 149**

**Monika Vana**

**Proposal for a regulation**  
**Article 14**

*Text proposed by the Commission*

*Amendment*

**Article 14**

**deleted**

**Award procedure**

- 1. In the implementation of the Programme, Union funding shall be granted following competitive calls issued in accordance with Regulation (EU, Euratom) No 966/2012 and Commission Delegated Regulation (EU) No 1268/12<sup>8</sup>.**
- 2. The proposals submitted following the call for proposals shall be evaluated by the Commission assisted by independent experts on the basis of the award criteria of Article 10.**
- 3. The Commission shall award, after each call, the funding for selected actions, by means of an implementing act. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 16(2).**

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<sup>8</sup> **Commission Delegated Regulation (EU) No 1268/2012 of 29 October 2012 on the rules of application of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council on the financial rules applicable to the general budget of the Union (OJ L 362, 31.12.2012, p. 1).**

Or. en

*Justification*

*Until today the European Defence Agency has not been able to increase Member States cooperation on defence research, development and procurement projects, most are still exclusively national. A more efficient cooperation mechanism must be set up to finally address the structural problems of the defence sector. As sufficient national funds are available for the financing of projects (Commission estimates annual savings between 25-100*

*bn€ of collective national defence spending), no single EURO shall be transferred from EU budget to national defence administration or industries.*

#### **Amendment 150**

**Jens Geier, Arne Lietz, Martina Werner, Constanze Krehl, Arndt Kohn**

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

#### **Article 14 – paragraph 2**

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

2. The proposals submitted following the call for proposals shall be evaluated by the Commission assisted by independent experts on the basis of the award criteria of Article 10.

##### *Amendment*

2. The proposals submitted following the call for proposals shall be evaluated by the Commission assisted by ***an independent and transparently selected expert committee comprising the European Parliament, the Commission and defence experts from academia, think tanks and other stakeholders, excluding representatives from defence companies to avoid bias*** on the basis of the award criteria of Article 10.

Or. en

#### **Amendment 151**

**Isabelle Thomas**

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

#### **Article 14 – paragraph 2**

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

2. The proposals submitted following the call for proposals shall be evaluated by the Commission assisted by independent experts on the basis of the award criteria of Article 10.

##### *Amendment*

2. The proposals submitted following the call for proposals shall be evaluated by the Commission assisted by independent ***EU national experts validated by the Article 16 Committee***, on the basis of the award criteria of Article 10.

Or. fr

#### **Amendment 152**

**Monika Vana**

**Proposal for a regulation**  
**Article 16 – paragraph 1**

*Text proposed by the Commission*

1. The Commission shall be assisted by a committee. That committee shall be a committee within the meaning of Regulation (EU) No 182/2011. The European Defence Agency shall be invited as observer.

*Amendment*

1. The Commission shall be assisted by a committee. That committee shall be a committee within the meaning of Regulation (EU) No 182/2011. The European Defence Agency **and representatives of the European Parliament, civil society and academia** shall be invited as observer.

Or. en

*Justification*

*Until today the European Defence Agency has not been able to increase Member States cooperation on defence research, development and procurement projects, most are still exclusively national. A more efficient cooperation mechanism must be set up to finally address the structural problems of the defence sector. As sufficient national funds are available for the financing of projects (Commission estimates annual savings between 25-100 bn€ of collective national defence spending), no single EURO shall be transferred from EU budget to national defence administration or industries.*

**Amendment 153**  
**Isabelle Thomas**

**Proposal for a regulation**  
**Article 16 – paragraph 1**

*Text proposed by the Commission*

1. The Commission shall be assisted by a **committee**. That committee shall be a committee within the meaning of Regulation (EU) No 182/2011. The European Defence Agency shall be invited as **observer**.

*Amendment*

1. The Commission shall be assisted by a **Committee**. That committee shall be a committee within the meaning of Regulation (EU) No 182/2011. The European Defence Agency **and the European Union** shall be invited as **observers**.

Or. fr

**Amendment 154**  
**Monika Vana**

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

*Text proposed by the Commission*

*Amendment*

***1a. The Commission shall establish an Advisory group composed of independent experts, academia and civil society organisations to provide advice to the Committee in particular on the compatibility of technology supported by this Programme with a view on moral, ethical and international law obligations of both the Union and its Member States.***

Or. en

*Justification*

*Until today the European Defence Agency has not been able to increase Member States cooperation on defence research, development and procurement projects, most are still exclusively national. A more efficient cooperation mechanism must be set up to finally address the structural problems of the defence sector. As sufficient national funds are available for the financing of projects (Commission estimates annual savings between 25-100 bn€ of collective national defence spending), no single EURO shall be transferred from EU budget to national defence administration or industries.*

**Amendment 155**  
**Monika Vana**

**Proposal for a regulation**  
**Article 16 – paragraph 2**

*Text proposed by the Commission*

*Amendment*

***2. Where reference is made to this paragraph, Article 5 of Regulation (EU) No 182/2011 shall apply.*** ***deleted***

Or. en



## *Justification*

*Until today the European Defence Agency has not been able to increase Member States cooperation on defence research, development and procurement projects, most are still exclusively national. A more efficient cooperation mechanism must be set up to finally address the structural problems of the defence sector. As sufficient national funds are available for the financing of projects (Commission estimates annual savings between 25-100 bn€ of collective national defence spending), no single EURO shall be transferred from EU budget to national defence administration or industries.*

### **Amendment 156**

**Jens Geier, Arne Lietz, Martina Werner, Arndt Kohn, Constanze Krehl**

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

#### **Article 16 – paragraph 2 a (new)**

*Text proposed by the Commission*

*Amendment*

***2a. The power to adopt delegated acts is conferred on the Commission subject to the conditions laid down in this Article.***

***The power to adopt delegated acts referred to in Article 13 shall be conferred on the Commission for a period of two years from 2019.***

***The delegation of power referred to in Article 13 may be revoked at any time by the European Parliament or by the Council. A decision to revoke shall put an end to the delegation of the power specified in that decision. It shall take effect the day following the publication of the decision in the Official Journal of the European Union or at a later date specified therein. It shall not affect the validity of any delegated acts already in force.***

***Before adopting a delegated act, the Commission shall consult experts designated by each member state in accordance with the principles laid down in the interinstitutional agreement of 13 April 2016 on Better Law Making.***

***As soon as it adopts a delegated act, the Commission shall notify it simultaneously***

*to the European Parliament and to the Council.*

*A delegated act adopted pursuant to Article 13 shall enter into force only if no objection has been expressed either by the European Parliament or by the Council within a period of two months of notification of that act to the European Parliament and to the Council or if, before the expiry of that period, the European Parliament and the Council have both informed the Commission that they will not object. That period shall be extended by two months at the initiative of the European Parliament or of the Council.*

Or. en

**Amendment 157**  
**Monika Vana**

**Proposal for a regulation**  
**Article 16 – paragraph 2 a (new)**

*Text proposed by the Commission*

*Amendment*

**2a.** *The power to adopt delegated acts referred to in Article 13 shall be conferred on the Commission for the duration of the programme and may be revoked at any time by the European Parliament or by the Council.*

*Before adopting the delegated act, the Commission shall consult the Committee and Advisory Group.*

*As soon as it adopts a delegated act, the Commission shall notify it simultaneously to the European Parliament and to the Council.*

*A delegated act adopted pursuant to Articles 13 shall enter into force only if no objection has been expressed either by the European Parliament or the Council*

*within a period of two months of notification of that act to the European Parliament and the Council or if, before the expiry of that period, the European Parliament and the Council have both informed the Commission that they will not object. That period shall be extended by two months at the initiative of the European Parliament or the Council.*

Or. en

*Justification*

*Until today the European Defence Agency has not been able to increase Member States cooperation on defence research, development and procurement projects, most are still exclusively national. A more efficient cooperation mechanism must be set up to finally address the structural problems of the defence sector. As sufficient national funds are available for the financing of projects (Commission estimates annual savings between 25-100 bn€ of collective national defence spending), no single EURO shall be transferred from EU budget to national defence administration or industries.*

**Amendment 158**

**Monika Vana**

**Proposal for a regulation  
Article 17 – paragraph 1**

*Text proposed by the Commission*

1. The Commission shall regularly monitor the implementation of the programme and **annually** report on the progress made in accordance with Article 38(3)(e) of **Regulation 966/2012**. To this end, the Commission shall put in place necessary monitoring arrangements.

*Amendment*

1. The Commission shall regularly monitor the implementation of the programme and **sent a monitoring report every six month to the Parliament and the Council** on the progress, made in accordance with Article 38(3)(e) of **Regulation 966/2012**. To this end, the Commission shall put in place necessary monitoring arrangements.

Or. en

*Justification*

*Until today the European Defence Agency has not been able to increase Member States cooperation on defence research, development and procurement projects, most are still*

*exclusively national. A more efficient cooperation mechanism must be set up to finally address the structural problems of the defence sector. As sufficient national funds are available for the financing of projects (Commission estimates annual savings between 25-100 bn€ of collective national defence spending), no single EURO shall be transferred from EU budget to national defence administration or industries.*

#### **Amendment 159**

**Jens Geier, Arne Lietz, Martina Werner, Constanze Krehl, Arndt Kohn**

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

#### **Article 17 – paragraph 1**

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

1. The Commission shall regularly monitor the implementation of the programme and annually report on the progress made in accordance with Article 38(3)(e) of Regulation 966/2012. To this end, the Commission shall put in place necessary monitoring arrangements.

##### *Amendment*

1. The Commission shall regularly monitor ***and evaluate*** the implementation of the programme and annually report on the progress made in accordance with Article 38(3)(e) of Regulation 966/2012. To this end, the Commission shall put in place necessary monitoring arrangements.

Or. en

#### **Amendment 160**

**Jens Geier, Arne Lietz, Martina Werner, Constanze Krehl, Arndt Kohn**

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

#### **Article 17 – paragraph 2**

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

2. To support greater efficiency and effectiveness of future Union policy actions, the Commission shall draw up ***a retrospective*** evaluation report and send it to the European Parliament and to the Council. The report - building on relevant consultations of Member States and key stakeholders - shall notably assess the progress made towards the achievement of objectives set out in Article 2. It shall also analyse cross border participation of SMEs in projects implemented under the programme as well as the participation of

##### *Amendment*

2. ***The Commission shall draw up an annual monitoring report examining the efficiency and effectiveness of supported actions in terms of financial implementation, results, costs and, where possible, impact.*** To support greater efficiency and effectiveness of future Union policy actions, the Commission shall draw up ***an*** evaluation report ***annually*** and send it to the European Parliament and to the Council. The report - building on relevant consultations of Member States and key stakeholders - shall

SMEs to the global value chain.

notably assess the progress made towards the achievement of objectives set out in Article 2. It shall also analyse cross border participation of SMEs in projects implemented under the programme as well as the participation of SMEs to the global value chain.

Or. en

#### **Amendment 161**

**Isabelle Thomas**

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

#### **Article 17 – paragraph 2**

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

2. To support greater efficiency and effectiveness of future Union policy actions, the Commission shall draw up a retrospective evaluation report and send it to the European Parliament and to the Council. The report - building on relevant consultations of Member States and key stakeholders - shall notably assess the progress made towards the achievement of objectives set out in Article 2. It shall also analyse cross border participation of SMEs in projects implemented under the **programme** as well as the participation of SMEs to the global value chain.

##### *Amendment*

2. To support greater efficiency and effectiveness of future Union policy actions, the Commission shall draw up a retrospective evaluation report and send it to the European Parliament and to the Council. The report - building on relevant consultations of Member States and key stakeholders - shall notably assess the progress made towards the achievement of objectives set out in Article 2. It shall also analyse cross border participation of SMEs in projects implemented under the **Programme** as well as the participation of SMEs to the global value chain. **Moreover, it evaluates the impact on arms exports which benefit from the Programme.**

Or. fr

#### **Amendment 162**

**Jens Geier, Arne Lietz, Martina Werner, Constanze Krehl, Arndt Kohn**

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

#### **Article 17 – paragraph 2 – point a (new)**

*Text proposed by the Commission*

*Amendment*

*(a) In due time before the end of this Programme, the Commission shall establish an interim evaluation report on the achievement of the objectives of all the actions supported under the Programme at the level of results and impacts, the efficiency of the use of resources and its European added value. This interim evaluation report needs to be available to European Parliament and Council before any decision on a continuation of the Programme under a new multiannual financial framework can be taken.*

Or. en

**Amendment 163**

**Jens Geier, Arne Lietz, Martina Werner, Constanze Krehl, Arndt Kohn**

**Proposal for a regulation**

**Article 17 – paragraph 2 – point b (new)**

*Text proposed by the Commission*

*Amendment*

*(b) The Commission shall establish a final evaluation report on the longer-term impact and sustainability of effects of the measures.*

Or. en

**Amendment 164**

**Isabelle Thomas**

**Proposal for a regulation**

**Article 17 – paragraph 2 a (new)**

*Text proposed by the Commission*

*Amendment*

*2a. If any extension of the Programme occurs, it must be subject to the outcome of the Commission's implementation*

*report. This report shall be published by May 2020 at the latest and, if necessary, prior to approval being given for the continuation of the Programme.*

Or. fr

**Amendment 165**

**Jens Geier, Arne Lietz, Martina Werner, Constanze Krehl, Arndt Kohn**

**Proposal for a regulation**

**Article 17 – paragraph 2 a (new)**

*Text proposed by the Commission*

*Amendment*

**2a. All grant beneficiaries and other parties involved who have received Union funds under this Regulation shall provide the Commission with the appropriate data and information necessary to permit the monitoring and evaluation of the measures concerned.**

Or. en

**Amendment 166**

**Jens Geier, Arne Lietz, Martina Werner, Constanze Krehl, Arndt Kohn**

**Proposal for a regulation**

**Article 17 – paragraph 2 b (new)**

*Text proposed by the Commission*

*Amendment*

**2b. The Commission shall submit the reports referred to in paragraphs 2, 2 (a) and 2 (b) to the European Parliament and the Council.**

Or. en

**Amendment 167**

**Jens Geier, Arne Lietz, Martina Werner, Constanze Krehl, Arndt Kohn**

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

*Text proposed by the Commission*

*Amendment*

**2c. Member States shall report to the Commission or the EU delegations on their exports of EU-funded defence technologies and equipment to Third Countries on a six-monthly basis. The Commission shall set up a tracking mechanism to verify the end-use and end-users of defence technologies and equipment funded by the Programme and exported to Third Countries and report back to the European Parliament on a yearly basis.**

Or. en

**Amendment 168**  
**Isabelle Thomas**

**Proposal for a regulation**  
**Article 18 – paragraph 1 a (new)**

*Text proposed by the Commission*

*Amendment*

**1a. The Programme finances bodies that comply with applicable EU legislation and agreed international and EU standards and, therefore, shall not support projects under this Regulation that contribute to money laundering, terrorism financing, tax avoidance, tax fraud and tax evasion.**

Or. fr

**Amendment 169**  
**Jens Geier, Arne Lietz, Martina Werner, Constanze Krehl, Arndt Kohn**

**Proposal for a regulation**



## **Article 19 a (new)**

*Text proposed by the Commission*

*Amendment*

### **Article 19a**

#### **ANNEX I**

##### ***Non eligible products***

- ***Weapons of mass destruction and related warhead technologies;***
- ***Banned weapons and munitions and weapons not compliant with international humanitarian law;***
- ***Fully autonomous weapons that enable strikes to be carried out without meaningful human control as well as IA software, dual-use and military components that leave to the machine the final decision to apply lethal force;***
- ***Weapons systems that are not regulated by international legal frameworks that have been ratified by the Union or all Member States individually to prevent misuse.***

Or. en

## **Amendment 170**

**Jens Geier, Arne Lietz, Martina Werner, Constanze Krehl, Arndt Kohn**

### **Proposal for a regulation**

#### **Article 19 b (new)**

*Text proposed by the Commission*

*Amendment*

### **Article 19b**

#### **ANNEX II**

##### ***Non eligible products, when they are mainly developed for export purposes:***

- ***Small arms and light weapons***

Or. en

