



2017/0125(COD)

5.12.2017

AMENDMENTS

35 - 253

Draft report
Françoise Grossetête
(PE608.022v01-00)

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

Proposal for a regulation
(COM(2017)0294 – C8-0180/2017 – 2017/0125(COD))

Amendment 35

Martina Werner, Jens Geier, Constanze Krehl, Eugen Freund, Arne Lietz

Proposal for a regulation

—

Proposal for a rejection

The European Parliament rejects 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 36

Jonás Fernández

Draft legislative resolution

Citation 3 a (new)

Draft legislative resolution

Amendment

Having regard to the Permanent Structured Cooperation in Security and Defence (PESCO) agreed by 23 Member States of the European Union on 13th November 2017, as outlined in the Treaty of the EU, Articles 42 (6) and 46, as well as Protocol 10 of the said Treaty;

Or. en

Amendment 37

Jonás Fernández, Soledad Cabezón Ruiz, José Blanco López

Draft legislative resolution

Citation 3 b (new)

Draft legislative resolution

Amendment

Having regard to the Permanent Structured Cooperation in Security and Defence (PESCO) agreed by 23 Member States of the European Union on 13th November 2017, as outlined in the Treaty of the EU, Articles 42 (6) and 46, as well as Protocol 10 of the said Treaty;

Or. en

Amendment 38

Neoklis Sylikiotis, João Ferreira, João Pimenta Lopes, Miguel Viegas, Sofia Sakorafa, Xabier Benito Ziluaga, Paloma López Bermejo, Marisa Matias

Proposal for a regulation

Title 1

Text proposed by the Commission

Amendment

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

Rejects the 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

Or. en

Justification

The prior aim of the regulation is the development of EU - defence capabilities in the framework of CSDP/CFSP. According to Article 41 (2) TEU any expenditure arising from actions having military or defence implications must not be charged to the Union budget. Therefore the legal reference to Article 173 must not apply.

Amendment 39

Reinhard Bütikofer

on behalf of the Verts/ALE Group

Proposal for a regulation

Title 1

Text proposed by the Commission

Amendment

Proposal for a

Proposal for a

REGULATION OF THE EUROPEAN
PARLIAMENT AND OF THE COUNCIL

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*

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 40

Martina Werner, Jens Geier, Constanze Krehl, Eugen Freund, Arne Lietz, 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 41 **Edouard Martin, Pervenche Berès**

Proposal for a regulation **Citation 1 a (new)**

Text proposed by the Commission

Amendment

having regard to the Treaty on European Union, in particular Title V thereof on ‘General provisions on the Union’s external action and specific provisions on the common foreign and security policy’,

Or. fr

Amendment 42 **Edouard Martin**

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 43 **Edouard Martin**

Proposal for a regulation
Citation 5 b (new)

Text proposed by the Commission

Amendment

***having regard to the Biological Weapons
Convention (BWC) of 10 April 1972,***

Or. fr

Amendment 44
Edouard Martin

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 45
Reinhard Bütikofer
on behalf of the Verts/ALE Group

Proposal for a regulation
Recital 1

Text proposed by the Commission

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

(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***

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.*

Policy (CSDP). In particular, the Commission 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 United States of America. The highly inefficient structures and mechanism, coupled with a very low rate of collaborative projects currently leads to an estimated annual loss of EUR 25-100 billion according to the Commission.^{1a} 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 actions in the scope of conversion from military to civil protection.

^{1a} *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 46

Edouard Martin, Pervenche Berès

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 *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 – *ensuring a sustainable supply chain (promoting the circular economy and banning blood minerals) – 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 *essential* 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 47

Jerzy Buzek, Michał Boni, Marian-Jean Marinescu, Peter Kouroumbashev

Proposal for a regulation

Recital 1

Text proposed by the Commission

(1) In the European Defence Action Plan, adopted on 30 November 2016, the

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.

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, innovative **and balanced** 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 **and to promote the Member States' joint purchase and maintenance of defence equipment. The Fund would complement national budgets already used for this purpose and should act as an incentive for Member States to invest more in defence.** The Fund would support cooperation during the whole cycle of defence product and technology development **by enhancing synergies and budgetary efficiency.**

Or. en

Amendment 48

Martina Werner, Jens Geier, Constanze Krehl, Eugen Freund, Arne Lietz, 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

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.

technology development *as well as actions in the scope of conversion from military to civil production.*

Or. en

Amendment 49

Anneleen Van Bossuyt

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 *and to create a more integrated defence market in Europe*. 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 50

Miroslav Poche, Zigmantas Balčytis, Carlos Zorrinho, Patrizia Toia, Răzvan Popa, Clare Moody, José Blanco López, Theresa Griffin, Dan Nica

Proposal for a regulation

Recital 1

Text proposed by the Commission

(1) In the European Defence Action

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.

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, *thus fostering synergies and cost-effectiveness*. The Fund would support cooperation during the whole cycle of defence product and technology development.

Or. en

Amendment 51

Zdzisław Krasnodebski, Evžen Tošenovský, Hans-Olaf Henkel, Edward Czesak

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, innovative **and balanced** 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.

Or. en

Amendment 52
Reinhard Bütikofer
on behalf of the Verts/ALE Group

Proposal for a regulation
Recital 1 a (new)

Text proposed by the Commission

Amendment

(1a) In order to establish 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 2009/81/EC of the European Parliament and of the Council^{1a} 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 Union-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 of inactivity, it is now time for effective implementation of the Directive, including through enforcement by the Commission.

^{1a} Directive 2009/81/EC of the European

Parliament and of the Council of 13 July 2009 on the coordination of procedures for the award of certain works contracts, supply contracts and service contracts by contracting authorities or entities in the fields of defence and security, and amending Directives 2004/17/EC and 2004/18/EC (OJ L 216 20.8.2009, p. 76)

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

Martina Werner, Jens Geier, Constanze Krehl, Eugen Freund, Arne Lietz, 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

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. 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.

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 54 **Edouard Martin**

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

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 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.

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. ***It clearly complies with international obligations under the CWC and BWC, as well as with the EU's commitments in connection with goods which could be used for capital punishment, torture or other cruel, inhuman or degrading treatment or punishment;***

Or. fr

Amendment 55
David Borrelli, Dario Tamburrano

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

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 inter alia cyber defence by supporting the cooperation between ***European*** undertakings, ***including SMEs***, in the development phase of defence products and technologies. ***In addition, the Programme should foster positive spillovers also in the civil sector, for example in areas such as transport, communications and energy.*** The

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.

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. it

Amendment 56
Dominique Riquet, Kaja Kallas

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

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 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.

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, ***as, beyond the results in the defence sector, positive effects can also be expected in the civilian sector.*** 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. fr

Amendment 57

Gunnar Hökmark, Michal Boni, Krišjānis Kariņš, Bendt Bendtsen

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.

Amendment

(2) In order to contribute to the enhancement of the competitiveness and innovation capacity of the Union's defence industry, ***thereby contributing to EU strategic autonomy through the development of joint capabilities and strategic partnerships,*** 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

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.

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 58

Michał Boni, Jerzy Buzek, Henna Virkkunen, Marian-Jean Marinescu, Gunnar Hökmark, Andrzej Grzyb

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

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 thus to improve defence capabilities***, 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 ***and any form of its***

Article 182 TFEU and it does not cover the production of defence products and technologies.

potential continuation after 2020, 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 59

Zdzisław Krasnodębski, Hans-Olaf Henkel, Evžen Tošenovský, Edward Czesak, Anna Elżbieta Fotyga

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, **and to strengthen Member States' strategic defence capabilities in cooperation with NATO**, 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.

Or. en

Amendment 60

Reinhard Bütikofer

on behalf of the Verts/ALE Group

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 61

Jerzy Buzek, Marian-Jean Marinescu

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 ***and to strengthen Member States' strategic defence capabilities***, 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.

Or. en

Amendment 62

Christelle Lechevalier, Angelo Ciocca

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 **Member States'** 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 **Member States'** 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 **Member States'** 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. fr

Amendment 63
Olle Ludvigsson

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 inter alia cyber defence by supporting the cooperation between **Member States and** 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 64
Miroslav Poche, Zigmantas Balčytis, Carlos Zorrinho, Edouard Martin, Clare Moody, José Blanco López, Theresa Griffin, Dan Nica

Proposal for a regulation
Recital 2 a (new)

Text proposed by the Commission

Amendment

(2a) Undertakings should be understood as referring to entities engaged in an economic activity regardless of their legal status and the way in which they are financed.

Or. en

Amendment 65
Anneleen Van Bossuyt

Proposal for a regulation
Recital 3

Text proposed by the Commission

Amendment

(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.

(3) *The fragmentation of European defence markets leads to unnecessary duplication of capabilities and expenditures.* 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, ***both at the level of prime contractors and of suppliers, where commonly agreed capability requirements are identified.*** ***This should also improve the efficiency of the single market in the defence sector which would ultimately mean better value for money for the Member States..***

Or. en

Amendment 66
Zdzisław Krasnodębski, Evžen Tošenovský, Hans-Olaf Henkel, Edward Czesak

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 *create an efficient European defence industry and to make better use of* economies of scale, *the Programme should allow for the full potential of all European actors to be utilised. Therefore,* the Programme should support the cooperation between undertakings in the development of defence products and technologies *and facilitate the development of cooperation between new partners.*

Or. en

Amendment 67

Miroslav Poche, Zigmantas Balčytis, Carlos Zorrinho, Peter Kouroumbashev, Răzvan Popa, Clare Moody, José Blanco López, Theresa Griffin, Dan Nica

**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 undertakings in the development of defence products and technologies. *In order to foster open and fair cooperation in the internal market, the Programme shall actively support the cross-border participation of SMEs.*

Or. en

Amendment 68

Dominique Riquet, Kaja Kallas

**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 undertakings in the development of defence products and technologies, ***thereby promoting the standardisation of military systems while improving their interoperability.***

Or. fr

Amendment 69

David Borrelli, Dario Tamburrano

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 undertakings in the development of defence products and technologies ***that are innovative, effective, efficient, economical and have a low environmental impact.***

Or. it

Amendment 70

Martina Werner, Jens Geier, Constanze Krehl, Eugen Freund, Arne Lietz, 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

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

of defence products and technologies.

support the cooperation between undertakings in the development of defence products and technologies.

Or. en

Amendment 71

Reinhard Bütikofer

on behalf of the Verts/ALE Group

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 72

Martina Werner, Constanze Krehl, Eugen Freund, Arne Lietz, Arndt Kohn, Reinhard Bütikofer

Proposal for a regulation

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 73

Miroslav Poche, Zigmantas Balčytis, Flavio Zanonato, Massimo Paolucci, Pier Antonio Panzeri, Patrizia Toia, Răzvan Popa, Clare Moody, José Blanco López, Dan Nica, Carlos Zorrinho

Proposal for a regulation Recital 4

Text proposed by the Commission

(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.

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. *In order to finance the Programme from the general budget of the Union, an amount of EUR 500 million in current prices should be earmarked for that purpose. Considering that the Programme is a new initiative that was not foreseen when the multiannual financial framework for 2014-2020 was established, and to avoid any negative impact on the financing of existing multiannual programmes, that amount should be drawn primarily from unallocated margins under the multiannual financial framework ceilings. The final amount should be authorised by the European Parliament and the Council through the annual budgetary procedure.*

Or. en

Amendment 74

David Borrelli, Dario Tamburrano

Proposal for a regulation
Recital 4

Text proposed by the Commission

(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.

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. ***This amount should not affect the funding of existing multiannual programmes, but should be drawn exclusively from unallocated margins and/or by identifying and remedying waste, inefficiencies or unspent appropriations.***

Or. it

Amendment 75
Olle Ludvigsson

Proposal for a regulation
Recital 4

Text proposed by the Commission

(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.

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. ***Without prejudice to the powers of the Budgetary Authority, the overall budget for the implementation of the Programme should be exclusively made available through redeployments within the Multiannual Financial Framework 2014-2020.***

Or. en

Amendment 76
Evžen Tošenovský, Zdzisław Krasnodębski

Proposal for a regulation
Recital 4

Text proposed by the Commission

(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.

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. ***The envelopes of the existing EU space programmes, particularly that of the European Satellite Navigation Programme (Galileo), which is entering the critical phase of its implementation, should not be reduced to finance the Programme.***

Or. en

Amendment 77
Reinhard Bütikofer
on behalf of the Verts/ALE Group

Proposal for a regulation
Recital 4

Text proposed by the Commission

(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.***

Amendment

(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 78

Reinhard Bütikofer

on behalf of the Verts/ALE Group

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 Council⁶. Funding may take in particular the form of grants. Financial instruments or public procurement may be used where appropriate.* **deleted**

⁶ *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 79

Dominique Riquet, Kaja Kallas

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 Council⁶. Funding may take in particular the form of grants. Financial instruments or public procurement may be used where appropriate.

⁶ 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 Council⁶. Funding may take in particular the form of grants. Financial instruments or public procurement may be used where appropriate, ***and blending mechanisms could be of interest, in which case it would be appropriate to consider adapting the Statute of the European Investment Bank (EIB).***

⁶ 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 80

Miroslav Poche, Zigmantas Balčytis, Carlos Zorrinho, Răzvan Popa, Clare Moody, José Blanco López, Theresa Griffin, Dan Nica

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 Council⁶. Funding may take in particular the form of grants. ***Financial instruments or*** public procurement ***may*** be used where appropriate.

Amendment

(5) The Programme should be implemented in full compliance with Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council⁶. Funding may take in particular the form of grants. Public procurement ***should*** be used where appropriate. ***Financial instruments could also be used in the future, reflecting the experiences***

from the Programme.

⁶ 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).

⁶ 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

Amendment 81
Christelle Lechevalier

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. fr

Amendment 82
Reinhard Bütikofer
on behalf of the Verts/ALE Group

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

deleted

Commission may entrust the European Defence Agency with such a role.

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 83
Dominique Riquet

Proposal for a regulation
Recital 6

Text proposed by the Commission

(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.***

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.

Or. fr

Amendment 84
Christelle Lechevalier

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

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.

the Member States have not first agreed to support such projects. After having defined collaborative initiatives on a ***national*** basis, Member States 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. fr

Amendment 85
Anneleen Van Bossuyt

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 ***in the Permanent Structured Cooperation*** 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.

Or. en

Justification

The project manager should be appointed within the consortium; we do not want an external third party out of efficiency.

Amendment 86

Gunnar Hökmark, Krišjānis Kariņš, Bendt Bendtsen

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 **security and defence** 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

Amendment 87

Miroslav Poche, Zigmantas Balčytis, Carlos Zorrinho, Patrizia Toia, Edouard Martin, Răzvan Popa, Clare Moody, José Blanco López, Theresa Griffin, Dan Nica

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

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 **defence-related**

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.

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

Amendment 88

Reinhard Bütikofer

on behalf of the Verts/ALE Group

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, 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.

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**Reinhard Bütikofer**

on behalf of the Verts/ALE Group

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 the 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 90**Anneleen Van Bossuyt****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

The project manager should be appointed within the consortium; we do not want an external third party out of efficiency.

Amendment 91

Reinhard Bütikofer

on behalf of the Verts/ALE Group

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 92

Martina Werner, Jens Geier, Constanze Krehl, Eugen Freund, Arne Lietz, 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 93

Miroslav Poche, Zigmantas Balčytis, Flavio Zanonato, Edouard Martin, Clare Moody, José Blanco López, Theresa Griffin, Dan Nica, Carlos Zorrinho

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.

(9) The Union financial support 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, ***except products listed in the Annex 1.***

Or. en

Amendment 94
Reinhard Bütikofer
on behalf of the Verts/ALE Group

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 the Programme should only be exported to NATO allies and friendly nations which fully comply with the provisions of the Arms Trade Treaty (ATT). Any technology supported by the 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 95
Edouard Martin, Pervenche Berès

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 ***have any impact on*** 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 ***have any impact on*** Member States' export policies on defence related products ***laid down in Decision 2008/944/CFSP***.

Or. fr

Amendment 96
Evžen Tošenovský

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 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. ***Where relevant, the projects supported by the Programme should benefit from the services and applications relying on European satellite navigation programmes (EGNOS and Galileo) and/or Copernicus programme.***

Or. en

Amendment 97
Martina Werner, Jens Geier, Constanze Krehl, Eugen Freund, Arne Lietz, 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 at** 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 98
Dominique Riquet, Kaja Kallas

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

Amendment 99

Christelle Lechevalier, Angelo Ciocca

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 **Member States'** 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.

Or. fr

Amendment 100

Anneleen Van Bossuyt

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

Amendment

(10) As the objective of the Programme is to support the competitiveness of the Union defence industry by **bearing some of the risk at** the development phase of cooperative projects, actions related to the development of a defence product or technology, namely definition of common technical specifications **and standards**, design, prototyping, testing, qualification, certification as well feasibility studies and

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

other supporting measures, should be eligible to benefit from it.

Or. en

Justification

Priority should be given to new technologies and products; the Programme should not risk investing in the mere upgrading of existing resources.

Amendment 101

Reinhard Bütikofer

on behalf of the Verts/ALE Group

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 102

David Borrelli, Dario Tamburrano

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 ***limiting the risks 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 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. it

Amendment 103

Edouard Martin, Pervenche Berès

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 three undertakings based in at least two different Member States; ***the number of Member States involved should be taken***

into account in the evaluation of proposals for action, as well as the industrial footprint of the sector concerned (for example, not all Member States are necessarily active in every defence sector, but cyber defence concerns all of them).

Or. fr

Amendment 104

David Borrelli, Dario Tamburrano

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 **four** undertakings – **preferably including two SMEs** – based in at least **four** different Member States, **taking into consideration also the principle of geographical balance**.

Or. it

Amendment 105

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

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

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.

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 106

Patrizia Toia

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 three undertakings based in at least **three** different Member States.

Or. en

Amendment 107

Christelle Lechevalier

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 three undertakings based in at least **three** different Member States.

Amendment 108

Zdzisław Krasnodębski, Evžen Tošenovský, Hans-Olaf Henkel, Edward Czesak, Anna Elżbieta Fotyga

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 three undertakings based in at least *three* different Member States.

Or. en

Amendment 109

Massimiliano Salini, Pilar del Castillo Vera, Lara Comi

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 three undertakings based in at least *three* different Member States.

Or. en

Justification

EU budget should be used in the field of defence industry to incentivize the implementation of

multilateral cooperation programmes, not only bilateral programmes. Therefore, a minimum of three states is required.

Amendment 110
Christelle Lechevalier

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 three undertakings based in at least **three** different Member States.

Or. fr

Amendment 111
Anneleen Van Bossuyt

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 **eight** undertakings based in at least **six** different Member States

Or. en

Justification

Low participation thresholds present no incentive for forming new cooperation structures.

Amendment 112

Reinhard Bütikofer

on behalf of the Verts/ALE Group

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 113

Reinhard Bütikofer

on behalf of the Verts/ALE Group

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

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 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.

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

Amendment 114

Miroslav Poche, Zigmantas Balčytis, Carlos Zorrinho, Patrizia Toia, Răzvan Popa, José Blanco López, Theresa Griffin, Dan Nica

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, *duplications*, 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.

Or. en

Amendment 115

Anneleen Van Bossuyt

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 **and standards**. 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.

Or. en

Justification

Standards are very important for cooperation, they reinforce interoperability and lead to cost savings.

Amendment 116

Zdzisław Krasnodębski, Evžen Tošenovský, Hans-Olaf Henkel, Edward Czesak, Anna Elżbieta Fotyga

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

Amendment

(13) As the Programme aims at enhancing the competitiveness of the Union's defence industry, entities established in the Union and effectively controlled by Member States or their nationals should be eligible for support. ***Given that the aim of the Programme is to***

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.

enhance the overall competitiveness of the Union's defence industry, it is important to apply the research and industrial potential of all Member States. The Programme takes into account the economic and social differences in the development of entities that form the defence industry, which had an impact on the present level of integration within the sector and the particular characters of the entities, such as their ownership structure. Therefore, an undertaking established in the Union but controlled by non-EU States or by non-EU entities would be eligible provided that this would not contravene the security and defence interests of the Union and of all Member States as established in the framework of the Common Foreign and Security Policy in accordance with Title V of the TEU and if the Member State, where the entity is located, provides other Member States with sufficient guaranties thereof.

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 117
Lorenzo Fontana, Angelo Ciocca

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

Amendment

(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.

nationals should be eligible for support. ***However, for particular cases where undertakings located in the EU are controlled by non-EU States or by non-EU entities, such undertakings can be eligible if the Member State they are located in provides sufficient assurances, in accordance with effective national procedures or contractual arrangements, that this would not contravene the Union and Member States' security and defence interests as established in the framework of Common Foreign and Security Policy in accordance with Title V of the TEU.*** 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, ***unless such infrastructure is not available in the European Union and its use does not undermine Union's security.***

Or. en

Amendment 118

Christian Ehler, Michael Gahler, Norbert Lins, Sven Schulze

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

Amendment

(13) As the Programme aims at ***the progressive framing of a common defence policy and*** 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

subcontractors in actions funded under the Programme, shall not be located on the territory of non-Member States.

resources used by the beneficiaries and subcontractors in actions funded under the Programme, shall not be located on the territory of non-Member States. ***However, for particular cases where undertakings located in the EU are controlled by non-EU States or by non-EU entities, such undertakings can be eligible if the Member State in which they are located provides sufficient assurances that this would not contravene the security and defence interests of the Union and its Member States as established in the framework of the Common Foreign and Security Policy in accordance with Title V of the TEU, including in terms of strengthening the European Defence Technological and Industrial Base (EDTIB).***

Or. en

Justification

In running this programme we need to be realistic that already some technologies are not anymore in control of industries in EU countries. Therefore, we need to have sufficient assurances that strict non-EU involvement won't harm the Union's interests and competitiveness.

Amendment 119 **Massimiliano Salini, Lara Comi**

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

Amendment

(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. ***However, undertakings which are controlled by non-EU States or by non-EU entities can also be eligible to***

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.

participate as beneficiaries if the Member State in which they are located ensures, in accordance with effective national procedures or contractual arrangements, that this would not conflict with the security and defence interests of the Union and its Member States as established in the framework of Common Foreign and Security Policy in accordance with Title V of the TEU.

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, *unless such infrastructure is not available in the European Union and its use does not undermine EU security.*

Or. en

Amendment 120

Patrizia Toia, Miroslav Poche

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 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. *However, for particular cases where undertakings*

located in the EU are controlled by a non-EU countries or by non-EU entities, such undertakings can be eligible if the Member State where it is located provides sufficient assurances, that this would not violate security and defence interests of the EU and its Member States as established in the framework of Common Foreign and Security Policy in accordance with Title V of the TEU.

Or. en

Amendment 121

Jerzy Buzek, Marian-Jean Marinescu

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 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. ***However, undertakings controlled by non-EU states or by non-EU entities could qualify as beneficiaries if the Member State they are located in provides assurances that this will not contravene the security and defence interests of the Union.*** Additionally, in order to ensure the protection of essential ***defence and*** 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. ***Material, non-material and human resources should be free to use and free of restrictions vis-à-vis third countries.***

Or. en

Amendment 122

Olle Ludvigsson

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 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, facilities, assets and resources used by the beneficiaries and subcontractors in actions funded under the Programme, ***should in principle*** be located on the territory of ***the European Union***. ***European companies owned by non-EU entities should have a EU management structure and have a government license from the Member State in which they are based. Beneficiaries should identify before the signature of the funding agreement all relevant elements and infrastructure to be used in the action. Beneficiaries should also take into account Member States' concerns regarding security of supply.***

Or. en

Amendment 123

Gunnar Hökmark, Krišjānis Kariņš, Bendt Bendtsen

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

Amendment

(13) As the Programme aims at enhancing the competitiveness of the Union's defence industry ***by promoting the development of joint capabilities and***

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.

strategic partnerships with third countries in Europe, only entities established in the Union and effectively controlled by Member States or their nationals, *through control mechanisms put in place by the Member State concerned, and which are not effectively controlled to a decisive extent by a third country* 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 124
Anneleen Van Bossuyt

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 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 ***financial*** support. ***Undertakings established outside the Union should also be able to participate where they are established in a third country identified in the work programme***. 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 ***third countries which are not identified in the work programme***.

Justification

It is important to leave certain flexibility as regards participation of undertakings established in third countries, if for the benefit of the European project. See also the following AM.

Amendment 125**Reinhard Bütikofer**

on behalf of the Verts/ALE Group

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 126

Miroslav Poche, Zigmantas Balčytis, Carlos Zorrinho, Răzvan Popa, Clare Moody, José Blanco López, Dan Nica

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 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 ***and shall not be subject to control or restriction by third-countries which are not respecting the security and defence interests of the Member States and of the Union.***

Or. en

Amendment 127

Dominique Riquet

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

Amendment

(13) As the Programme aims at enhancing the competitiveness of the Union's defence industry ***and consolidating the Union's strategic and technological defence autonomy***, only entities established in the Union and ***more than 50%-owned or*** effectively controlled

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.

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. fr

Justification

Restates the rapporteur's amendment, adding 'technological autonomy', which goes hand in hand with strategic autonomy.

Amendment 128

Christelle Lechevalier, Angelo Ciocca

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 competitiveness of the defence industry **in the European Union**, 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. fr

Amendment 129

Martina Werner, Jens Geier, Constanze Krehl, Eugen Freund, Arne Lietz, 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 130

Fredrick Federley

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 competitiveness of the Union's defence industry, only entities established in the Union and **with their effective executive management structure** 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 131**David Borrelli, Dario Tamburrano****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 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 be located ***in*** the ***Member*** States.

Or. it

Amendment 132**Sven Schulze, Christian Ehler****Proposal for a regulation****Recital 13 a (new)***Text proposed by the Commission**Amendment*

(13a) The beneficiaries and their subcontractors should in principle not be subject to control by third countries or third country entities. However, for particular cases where undertakings located in the Union are controlled by a third country or a third country entity, such undertakings can be eligible if the Member State in which they are located provides sufficient assurances that this

would not contravene the security and defence interests of the Union and its Member States as established in the framework of the Common Foreign and Security Policy in accordance with Title V of the Treaty on European Union, including in terms of strengthening the European Defence Technological and Industrial Base. For the purpose of this Regulation only, a third country entity should mean a legal entity established outside the Union or having its executive management structures outside the Union or a legal entity which is under the control of a third country, a national of a third country or of another such third country entity. The control should be defined as the ability to exercise a decisive influence on an undertaking. Beneficiaries should provide before the signature of the funding agreement all relevant information about elements and infrastructure to be used in the action. Member States' concerns regarding security of supply should also be taken into account.

Or. en

Amendment 133
Gunnar Hökmark, Krišjānis Kariņš, Bendt Bendtsen

Proposal for a regulation
Recital 13 a (new)

Text proposed by the Commission

Amendment

(13a) For the purposes of the actions funded under the Programme, the beneficiaries and their subcontractors should not be subject to control by non-EU States or by non-EU entities. The control should be defined as the ability to exercise a decisive influence on an undertaking. In order to determine the control of an undertaking, it is necessary to establish where and how strategic

commercial decisions are taken. This requires an analysis of the governance of the undertaking, which should be carried out on the basis of an overview of how it operates, including its commercial relations and principle markets, and the control mechanisms that the concerned Member States has in place. Other aspects which are likely to influence decision-making on strategic economic issues, such as composition of the board and executive management, shareholder rights, financial ties and commercial cooperation between the undertaking and any shareholders in third countries, should also be examined.

Or. en

Amendment 134
Dominique Riquet

Proposal for a regulation
Recital 13 a (new)

Text proposed by the Commission

Amendment

(13a) In order to assess effective European control of an undertaking it is necessary to assess fairly whether Member States or their nationals have a decisive influence over the management of the undertaking concerned. It is important to determine where and how strategic commercial decisions are taken. This requires an analysis of the governance of the undertaking with regard to its overall functioning. Other aspects which are likely to influence decision-making on strategic issues, such as shareholder rights, financial ties and commercial cooperation between the undertaking and any shareholders in third countries, should also be examined.

Or. fr

Amendment 135

Zdzisław Krasnodebski, Evžen Tošenovský, Hans-Olaf Henkel, Edward Czesak, Anna Elżbieta Fotyga

Proposal for a regulation

Recital 13 a (new)

Text proposed by the Commission

Amendment

(13a) For the purpose of this regulation any entity engaged in an economic activity, that is an activity consisting in offering goods or services on a given market, regardless of its legal status and the way in which it is financed, is considered an undertaking. To qualify, no intention to earn profits is required, nor are public bodies by definition excluded^{1a}.

^{1a} Commission Notice on the concept of undertakings concerned under Council Regulation (EEC) No 4064/89 on the control of concentrations between undertakings.

Or. en

Amendment 136

Anneleen Van Bossuyt

Proposal for a regulation

Recital 13 a (new)

Text proposed by the Commission

Amendment

(13a) As research and innovation in general benefit largely from an openness towards third countries, the Programme should seek to foster beneficial links with third countries where that serves the interests of achieving its objectives. Where appropriate, and in particular to safeguard the European interests as regards intellectual property, a more

cautious approach may be adopted.

Or. en

Amendment 137

Michał Boni, Jerzy Buzek, Henna Virkkunen, Marian-Jean Marinescu

Proposal for a regulation

Recital 13 a (new)

Text proposed by the Commission

Amendment

(13a) In cases where no alternative solutions exist within the Union, technologies, products or assets that are not based in EU territory may be employed by beneficiaries;

Or. en

Amendment 138

Michał Boni, Jerzy Buzek, Henna Virkkunen, Marian-Jean Marinescu, Gunnar Hökmark, Andrzej Grzyb

Proposal for a regulation

Recital 13 b (new)

Text proposed by the Commission

Amendment

(13b) Beneficiaries may cooperate in projects established outside of the EU territory funded under the Programme provided that this would not have any adverse effects on the security and defence interest of the Union;

Or. en

Amendment 139

Christelle Lechevalier

Proposal for a regulation

Recital 14

Text proposed by the Commission

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 an increased funding rate.* **deleted**

Or. fr

Amendment 140

Anneleen Van Bossuyt

Proposal for a regulation

Recital 14

Text proposed by the Commission

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 an increased funding rate.* **deleted**

Or. en

Justification

The Programme should remain non-discriminatory in this respect and should incentivise new Member States' cooperation.

Amendment 141

Patrizia Toia

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 funding rate.

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 an increased funding rate. ***All projects will be used to evaluate the possibility of increasing the minimum number of Member States in the context of any future programme.***

Or. en

Amendment 142

Miroslav Poche, Zigmantas Balčytis, Carlos Zorrinho, Răzvan Popa, Clare Moody, José Blanco López, Theresa Griffin, Dan Nica

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 funding rate.

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, ***and especially projects with considerable participation of SMEs and Mid-caps, and in particular cross-border SMEs,*** should thus be eligible for an increased funding rate.

Or. en

Amendment 143

Reinhard Bütikofer

on behalf of the Verts/ALE Group

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 *funding rate*.

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 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 144

Patrizia Toia, Miroslav Poche

Proposal for a regulation

Recital 14 a (new)

Text proposed by the Commission

Amendment

(14a) Eligible actions developed with a considerable involvement of SMEs that support the opening up of the supply chain, directly contribute to the objectives

of the Programme.

Or. en

Amendment 145

Reinhard Bütikofer

on behalf of the Verts/ALE Group

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 146

Anneleen Van Bossuyt

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 *(15) In all cases the consortium should appoint one of its members as a*

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.

coordinator who will be the principle point of contact with the Commission. 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.

Or. en

Amendment 147

Martina Werner, Jens Geier, Constanze Krehl, Eugen Freund, Arne Lietz, 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 148

Edouard Martin, Pervenche Berès

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 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.*

defence industry should *allow for the maintenance and development of the skills and know-how of the Union's defence industry and contribute to strengthening its technological and industrial independence. It should also* take place in a manner coherent with the security interests of the Union. *The European Council of 19 and 20 December 2013 stressed the importance of delivering key capabilities and addressing critical shortfalls through tangible projects in areas such as remotely-piloted aircraft, air-to-air refuelling, satellite telecommunications and cyberspace. In addition, in its Communication of 30 November 2016 entitled 'European Defence Action Plan', the Commission emphasised the need to maximise civil/military synergies, including in areas such as space policy, cyber security, cyber defence and maritime security.*

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.

Or. fr

Amendment 149

Zdzisław Krasnodębski, Evžen Tošenovský, Hans-Olaf Henkel, Edward Czesak

Proposal for a regulation

Recital 16

Text proposed by the Commission

Amendment

(16) The promotion of innovation and

(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.*

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. *The EU-NATO Declaration stressed the importance of delivering key capabilities and addressing critical shortfalls through project in such areas as preserving critical infrastructure, strengthening resilience against hybrid and cyber threats. Other EU and NATO documents suggest a need for developing strategic transport as well.* 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. *In order to avoid duplication of actions, and given the joint commitment to develop coherent, complementary, and interoperable defence capabilities of EU Member States and NATO Allies as expressed in the Warsaw Declaration in 2016, NATO-led initiatives, as well as other regional and international cooperation programmes serving the Union security and defence interest, will be taken into account in defining the defence capability priorities by Member States and in the award procedure.*

Or. en

Amendment 150
Dominique Riquet, Kaja Kallas

Proposal for a regulation
Recital 16

(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.***

(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. ***The European Council of 19 and 20 December 2013 stressed the importance of delivering key capabilities and addressing critical shortfalls through tangible projects in areas such as remotely-piloted aircraft, air-to-air refuelling, satellite telecommunications and cyberspace. In addition, in its Communication of 30 November 2016 entitled 'European Defence Action Plan', the Commission emphasised the need to maximise civil/military synergies, including in areas such as space policy, cyber security, cyber defence and maritime security.*** 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, ***such as that to which 23 Member States signed up on 13 November 2017.***

Or. fr

Justification

Restates the rapporteur's amendment, adding a reference to the PESCO agreement signed by 23 Member States in November.

Amendment 151

Michał Boni, Jerzy Buzek, Henna Virkkunen, Marian-Jean Marinescu, Gunnar

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 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. ***Member States' PESCO National Implementation Plans comprising of concrete actions should be coordinated with the Programme.*** 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

Amendment 152
Clare Moody

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

Amendment

(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.

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, ***and which do not in principle prevent any Member State from participating, at least at the subcontractor level,*** may also be taken into account.

Or. en

Justification

This restriction would be very limiting since some complex NATO programmes will only be relevant to a small number of NATO members, either which have the appropriate technologies and budgets to take part at beneficiary level. Furthermore some EU nations are not NATO members. To avoid ending up excluding NATO programmes altogether, this text has been amended to ensure that there is no restriction that prevents the involvement of competitive subcontractors from anywhere in the EU.

Amendment 153

Reinhard Bütikofer

on behalf of the Verts/ALE Group

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

Amendment

(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.***

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 ***within the context of the CSDP*** 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.

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 154

Gunnar Hökmark, Michal Boni, Krišjānis Kariņš, Bendt Bendtsen

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

Amendment

(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.

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, ***and which do not prevent any Member State from participating***, may also be taken into account.

Or. en

Amendment 155

Christelle Lechevalier, Angelo Ciocca

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

Amendment

(16) The promotion of innovation and technological development in the defence industry ***in the European Union*** 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

NATO context, and serving the Union security and defence interest, may also be taken into account.

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 156

Miroslav Poche, Zigmantas Balčytis, Carlos Zorrinho, Peter Kouroumbashev, Răzvan Popa, Clare Moody, José Blanco López, Theresa Griffin, Dan Nica

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 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, *should* also be taken into account.

Or. en

Amendment 157

Anneleen Van Bossuyt

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 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. **Other** regional or international cooperative initiatives, such as in the NATO context, and serving the Union security and defence interest, **should** also be taken into account.

Or. en

Amendment 158

Zdzisław Krasnodebski, Evžen Tošenovský, Hans-Olaf Henkel, Edward Czesak, Anna Elżbieta Fotyga

Proposal for a regulation
Recital 16 a (new)

Text proposed by the Commission

Amendment

(16a) Meeting the objectives of this programme requires the application of the research and industrial potential of all Member States. Therefore, it is necessary to avoid a concentration of cooperation in the defence industry, which would lead to the emergence of closed networks of partners that exclude the potential of

undertakings from other regions. In this way, the Programme reflects on the lessons learned from other EU programmes such as the Horizon 2020, which strengthened existing relationships within the groups of old partners and excluded newcomers from consortia, as evidenced by uneven distribution of the programme's funding. Therefore, contribution of project to development of cooperation between new partners should be taken into account in the award criteria.

Or. en

Amendment 159

Reinhard Bütikofer

on behalf of the Verts/ALE Group

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

Amendment

(17) Member States *should consider whether to make use of the already existing intergovernmental ATHENA mechanism of the Common Security and Defence Policy (CSDP) for co-funding actions 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 160

Zdzisław Krasnodębski, Evžen Tošenovský, Hans-Olaf Henkel, Edward Czesak, Anna Elżbieta Fotyga

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. 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. ***Given the economic significance of non-EU exports for European defence undertakings and its impact on their capabilities and investment decisions, the commitment of non-EU countries to purchase the final product or technology should serve as an award criterion on the condition that the export of the product or the technology in question does not contravene the security and defence interests of the Union and all Member States as established in the framework of the Common Foreign and Security Policy in accordance with Title V of the TEU. The EU export control regime governed by Council Regulation (EC) No 428/2009 and the Common Position should apply accordingly.***

Or. en

Amendment 161

Anneleen Van Bossuyt

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. 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 all cases, the requirements of Directive 2009/81/EC of the European Parliament and of the Council^{1a} should be respected in full, including the transparency and non-discrimination principles, and exceptions should be allowed within the strict framework of that Directive.***

^{1a} Directive 2009/81/EC of the European Parliament and of the Council of 13 July 2009 on the coordination of procedures for the award of certain works contracts, supply contracts and service contracts by contracting authorities or entities in the fields of defence and security, and amending Directives 2004/17/EC and 2004/18/EC (OJ L 216 20.8.2009, p. 76).

Or. en

Justification

The award criterion proposed by the Commission under Article 6(1)e should not be misunderstood, there needs to be clarity about the application of the defence procurement Directive.

Amendment 162

Reinhard Bütikofer

on behalf of the Verts/ALE Group

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 not to subsidise the defence industry by means of 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 163

Edouard Martin, Pervenche Berès

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

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 technologies***. Therefore, the fact that Member States have already committed to

product or technology, possibly in a coordinated way, should be taken into account in the award criteria.

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 164

Reinhard Bütikofer

on behalf of the Verts/ALE Group

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 165

David Borrelli, Dario Tamburrano

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. ***80 %*** of the eligible costs should however be covered for other actions in the development phase, ***without prejudice to financing for studies and accompanying measures, which may cover the total cost of the action.***

Or. it

Amendment 166

Anneleen Van Bossuyt

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 ***by the Union*** for other actions in the development phase ***and 100% in relation to actions undertaken by SMEs.***

Or. en

Justification

The Commission's proposal does not sufficiently explain the choice that all eligible actions except for prototyping are funded up to 100%. The Rapporteur proposes to have a lower funding rate, the other part should be paid by the Member States or undertakings. However, in order to support defence-related SMEs, and especially their cross-border market access and integration in the European supply chains, 100% funding of such SME's actions should be made possible.

Amendment 167

Martina Werner, Jens Geier, Constanze Krehl, Eugen Freund, Arne Lietz, 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 168

Massimiliano Salini, Lara Comi

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 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.

Or. en

Amendment 169

Olle Ludvigsson

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 ***total*** costs ***could*** be covered for other actions in the development phase.

Or. en

Amendment 170
Christelle Lechevalier

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 action when it relates to prototyping which is often the most costly action in the development phase. The totality of the costs should however be covered for other actions in the development phase.

Or. en

Justification

To be aligned to Article 11(1), which explicitly foresees the coverage of total costs.

Amendment 171
Gunnar Hökmark, Krišjānis Kariņš, Bendt Bendtsen

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.

Furthermore, the results of actions funded under the Programme should not be subject to any restriction by a third country or a non-EU entity.

Or. en

Amendment 172

Martina Werner, Jens Geier, Constanze Krehl, Eugen Freund, Arne Lietz, 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 ***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) The Commission ***should*** 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 ***between the Commission and*** the beneficiaries.

Or. en

Amendment 173

Reinhard Bütikofer

on behalf of the Verts/ALE Group

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 174
Dominique Riquet

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 **Union** 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 175**Edouard Martin, Pervenche Berès****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 proportion of the overall budget will benefit such action, *such as the establishment of networks between defence-related regions within the EU; specific support for SMEs and mid-caps in the defence sector facing global competition should be considered; financial support for innovation by SMEs and mid-caps must be consolidated over time in order to facilitate the transition from research to development, with particular focus on dual-use technologies. In order to enhance synergies, a genuine partnership chain should be established at European level between the various parties engaged in SME development – major industrial contractors and regional, national and European stakeholders. Dedicated training programmes must also be developed to give the EU the labour required to promote technological*

capabilities and generate innovation.

Or. fr

Amendment 176

Zdzisław Krasnodębski, Evžen Tošenovský, Hans-Olaf Henkel, Edward Czesak, Anna Elżbieta Fotyga

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), ***as close cooperation between governments (as sole customers) as well as industries (as main suppliers) and R&T organisations from different Member States is crucial for the success of the Programme.*** 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. ***This proportion of the overall budget should also include middle capitalisation companies (mid-caps), which, for the purpose of this regulation and without prejudice to post-2020 decisions, should be understood as entities having a number of employees up to 3000, where the staff headcount is calculated in accordance with Articles 3 - 6 of Title I of the Annex to the Commission Recommendation 2003/361/EC and which***

are not SMEs. However, the inclusion of middle capitalisation companies (mid-caps) to this proportion of the overall budget should be without prejudice to the financial support granted to SMEs.

Or. en

Amendment 177
Dominique Riquet

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 *power to adopt acts in accordance with Article 290 of the Treaty on the Functioning of the European Union should be delegated to the Commission with respect to the adoption of a multiannual work programme in line with the objectives of the Programme. It is of particular importance that the Commission carry out appropriate consultations during its preparatory work, including at expert level, and that those consultations be conducted in accordance with the principles laid down in the Interinstitutional Agreement of 13 April 2016 on Better Law-Making. In particular, to ensure equal participation in the preparation of delegated acts, the European Parliament and the Council receive all documents at the same time as Member States' experts, and their experts systematically have access to meetings of Commission expert groups dealing with the preparation of delegated acts.* In light of the Union policy on Small and **Medium-sized** Enterprises (SMEs) *and mid-capitalisation companies (mid-caps)* 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 mid-caps* and that therefore a proportion of the overall budget will benefit such action.

Or. fr

Amendment 178

Reinhard Bütikofer

on behalf of the Verts/ALE Group

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 179

Christian Ehler, Michael Gahler, Sven Schulze

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 ***open, non-discriminatory and transparent*** such cross-border participation of SMEs and that therefore ***at least 10%*** of the overall budget will benefit such action, ***which will allow SMEs to be included in the value chains of the envisaged projects.***

Or. en

Justification

Only the integration of SMEs into cross border value chains will guarantee that necessary structural shifts will occur within Europe's Defence Technological and Industrial Base (EDTIB).

Amendment 180

Jerzy Buzek

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 ***open, non-discriminatory and transparent*** cross-border participation of SMEs and that therefore ***at least 10%*** of the overall budget will benefit such action. ***A category of projects should be specifically dedicated to SMEs.***

Or. en

Amendment 181

Patrizia Toia

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***

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, it is of importance that the work

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.

programme will reflect and enable participation of SMEs and that therefore a proportion of the overall budget will benefit such action.

Or. en

Amendment 182

Krišjānis Kariņš, Gunnar Hökmark

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 *open non-discriminatory and transparent* such cross-border participation of SMEs and that therefore *at least 15%* of the overall budget will benefit such action.

Or. en

Amendment 183

Christelle Lechevalier

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 **the** 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 **at least 30%** of the overall budget will benefit such action.

Or. fr

Amendment 184
Christelle Lechevalier

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

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 proportion of the overall budget will benefit such action.

work programme will reflect and enable participation of SMEs, **even cross-border**, and that therefore a proportion of the overall budget will benefit such action.

Or. en

Amendment 185

Miroslav Poche, Zigmantas Balčytis, Carlos Zorrinho, Răzvan Popa, José Blanco López

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 **at least 15 %** of the overall budget will benefit such action.

Or. en

Amendment 186

Anneleen Van Bossuyt

Proposal for a regulation

Recital 21

Text proposed by the Commission

(21) The Commission should establish a

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 proportion of the overall budget will benefit such action.

two-year 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.

Or. en

Justification

This programme is only covering years 2019-2020.

Amendment 187

Christian Ehler, Michael Gahler, Sven Schulze

Proposal for a regulation

Recital 21 a (new)

Text proposed by the Commission

Amendment

(21a) All actions under the Programme involve entities from at least two Member States. The use of a system of general transfer licenses for the purposes of the Programme would significantly reduce the administrative overhead arising from transfers among the participants. The Member States should therefore publish general transfer licenses relating to this Programme. Where necessary for the performance of the Programme, Union institutions, bodies and agencies as well as the project managers should be included in such licenses.

Justification

As the programme actions involve entities from at least two MS, the use of general licenses for the purposes of the programme would significantly reduce administrative burden of transfers among participants, in particular SMEs. For the transfer of information relating to defence products the EC, the EDA and the project managers will receive information that will be export-controlled. In such cases, the general transfer license should also include transfers to these institutions and entities.

Amendment 188
Olle Ludvigsson

Proposal for a regulation
Recital 21 a (new)

Text proposed by the Commission

Amendment

(21a) To ensure the success of the Programme the Commission should endeavour to maintain dialogue with a broad spectrum of Europe's industry, including SME's and non-traditional suppliers to the defence sector.

Or. en

Amendment 189
Christelle Lechevalier

Proposal for a regulation
Recital 22

Text proposed by the Commission

Amendment

(22) In order to benefit from its expertise in the defence sector, the European Defence Agency will be given the status of an observer in the committee of Member States. The European External Action Service should also assist in the committee of Member States.

deleted

Amendment 190

Zdzisław Krasnodębski, Evžen Tošenovský, Hans-Olaf Henkel, Edward Czesak

Proposal for a regulation

Recital 22

Text proposed by the Commission

(22) In order to benefit from its expertise in the defence sector, the European Defence Agency will be given the status of ***an observer*** in the committee of Member States. The European External Action Service should also assist in the committee of Member States.

Amendment

(22) In order to benefit from its expertise in the defence sector ***and to facilitate complementarity between projects carried out on the European and NATO levels***, the European Defence Agency ***and NATO*** will be given the status of ***observers*** in the committee of Member States. The European External Action Service should also assist in the committee of Member States.

Or. en

Amendment 191

Anneleen Van Bossuyt

Proposal for a regulation

Recital 22

Text proposed by the Commission

(22) In order to benefit from its expertise in the defence sector, the European Defence Agency will be given the status of an observer in the committee ***of Member States***. The European External Action Service should also assist ***in*** the committee ***of Member States***.

Amendment

(22) In order to benefit from its expertise in the defence sector, the European Defence Agency will be given the status of an observer in the ***Programme*** Committee. The European External Action Service should also assist the ***Programme*** Committee.

Or. en

Justification

Technical amendment following the chosen text of recital 21.

Amendment 192

Reinhard Bütikofer

on behalf of the Verts/ALE Group

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 Council⁷. **deleted**

⁷ 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

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 193

Martina Werner, Jens Geier, Constanze Krehl, Eugen Freund, Arne Lietz, 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 Council⁷.

⁷ 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

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 Council⁷.

⁷ 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

Amendment 194

Christelle Lechevalier, Angelo Ciocca

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 Council⁷.

⁷ 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

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 ***proposals received, the selection of which will be validated by the Council of the European Union***, 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 Council⁷.

⁷ 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

Amendment 195

Miroslav Poche, Zigmantas Balčytis, Carlos Zorrinho, Patrizia Toia, Peter Kouroumbashev, Răzvan Popa, José Blanco López, Theresa Griffin, Dan Nica

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 Council⁷.

⁷ 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

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 ***transparently selected*** 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 Council⁷.

⁷ 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 196

Martina Werner, Jens Geier, Constanze Krehl, Eugen Freund, Arne Lietz, 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, the Commission, the European External Action Service and Members States (hereafter referred to as the Supervisory Body).

Or. en

Amendment 197

Christelle Lechevalier, Angelo Ciocca

Proposal for a regulation

Recital 23 a (new)

Text proposed by the Commission

Amendment

(23a) The independent experts involved in the evaluation of the proposals received by the Commission under this programme should be investigated for possible conflicts of interest or risks relating to confidentiality; the results of these investigations must be made known to applicants for funding.

Or. fr

Amendment 198

Zdzisław Krasnodębski, Evžen Tošenovský, Hans-Olaf Henkel, Edward Czesak, Anna Elżbieta Fotyga

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 draw up ***an interim progress report by the end of the first year of implementation and*** an implementation report at the end of the Programme, examining ***and evaluating*** the financial activities in terms of financial implementation results and where possible, impact. This report should also analyse the cross border participation of SMEs ***and middle capitalisation companies (mid-caps)*** in projects under the Programme as well as ***their*** participation to the global value chain. ***The report will also include information on the origin of beneficiaries under the Programme. The future Programme will take into account the findings of the reports from previous years as well as of the Pilot Project and Preparatory Action, in particular the contribution of the Programme to the security of all Member States and its impact on innovation and technological development as well as on balancing of defence industries across all Member States.***

Or. en

Amendment 199
Jerzy Buzek

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 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 ***and mid-caps*** in projects under the Programme

the participation *of SMEs* to the global value chain.

as well as *their* participation to the global value chain. ***It should also include information on the origin of beneficiaries. Finally, in connection with the research window of the European Defence Fund, it should propose solutions for reducing the Union's dependence on the products and technologies of non-EU entities, in particular those identified during implementation of this Regulation.***

Or. en

Amendment 200

Miroslav Poche, Zigmantas Balčytis, Patrizia Toia, Peter Kouroumbashev, Edouard Martin, Clare Moody, José Blanco López, Theresa Griffin, Dan Nica, Carlos Zorrinho

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 draw up an implementation report at the end ***of the Programme, and an interim report after one year of implementation*** of the Programme, examining the financial activities in terms of financial implementation results and where possible, impact. ***The reports*** 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 report should be presented to the European Parliament and should be part of the text of the new programme for the period after 2020. The implementation report shall be presented to the European Parliament.***

Or. en

Amendment 201

Reinhard Bütikofer

on behalf of the Verts/ALE Group

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 months 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 202
Anneleen Van Bossuyt

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

Amendment

(25) The Commission should draw up an implementation ***and evaluation*** report at the end ***of each year*** of the Programme, examining ***and evaluating*** the 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.

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.

Or. en

Amendment 203

Martina Werner, Jens Geier, Constanze Krehl, Eugen Freund, Arne Lietz, 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 the participation of SMEs to the global value chain.

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

Or. en

Amendment 204

Gunnar Hökmark, Michał Boni, Krišjānis Kariņš, Bendt Bendtsen

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,

Amendment

(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.

impact. This report should also analyse the cross border participation of SMEs *and strategic partners* in projects under the Programme as well as *their* participation *and contributions* to the global value chain.

Or. en

Amendment 205
Christelle Lechevalier

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

Or. en

Amendment 206
Dominique Riquet, Kaja Kallas

Proposal for a regulation
Recital 25 a (new)

Text proposed by the Commission

Amendment

(25a) In the context of the negotiations on the multiannual financial framework of the European Union post-2020, a stable framework should be provided for such actions, including through the establishment of a separate budget line and tailored implementing measures.

Amendment 207

Reinhard Bütikofer

on behalf of the Verts/ALE Group

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 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 208

Reinhard Bütikofer

on behalf of the Verts/ALE Group

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 *which shall* 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 209

Gunnar Hökmark, Michal Boni, Krišjānis Kariņš, Bendt Bendtsen

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 competitiveness and innovation capacity of the Union defence industry *and to enhance capabilities and the Union's strategic autonomy and its ability to act with partners*, by supporting actions *carried out in the Union* in their development phase;

Or. en

Amendment 210

Edouard Martin, Pervenche Berès

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

Amendment

(a) to foster the *strategic autonomy* and *technological and industrial independence* of the Union *and the*

development phase;

innovation capacity and competitiveness of its defence industry by supporting actions in their development phase;

Or. fr

Amendment 211

Miroslav Poche, Zigmantas Balčytis, Carlos Zorrinho, Patrizia Toia, Peter Kouroumbashev, Răzvan Popa, Clare Moody, José Blanco López, Dan Nica

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 competitiveness and innovation capacity of the Union defence industry *and to strengthen the Union's strategic autonomy* by supporting actions in their development phase;

Or. en

Amendment 212

Zdzisław Krasnodębski, Evžen Tošenovský, Hans-Olaf Henkel, Edward Czesak

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 competitiveness, innovation capacity *and balance* of the Union defence industry by supporting actions in their development phase *of defence technologies or products*;

Or. en

Amendment 213

Jerzy Buzek, Michał Boni, Marian-Jean Marinescu, Peter Kouroumbashev

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 *ensure a competitive, innovative and balanced basis for Europe's* defence industry *across the EU*, by supporting actions *carried out in the Union* in their development phase;

Or. en

Amendment 214

Martina Werner, Jens Geier, Constanze Krehl, Eugen Freund, Arne Lietz, 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 215

Reinhard Bütikofer

on behalf of the Verts/ALE Group

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 216

András Gyürk

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 competitiveness and innovation capacity of the Union defence industry by supporting actions in their development phase ***on a balanced basis***;

Or. en

Amendment 217

Christelle Lechevalier, Angelo Ciocca

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 competitiveness and innovation capacity of the defence industry ***in the European Union*** by supporting actions in their development phase;

Or. fr

Amendment 218

Zdzisław Krasnodebski, Evžen Tošenovský, Hans-Olaf Henkel, Edward Czesak

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

Text proposed by the Commission

Amendment

(aa) to facilitate a balanced development of the European defence industry by supporting the creation of new networks of cross-border cooperation between undertakings;

Or. en

Amendment 219

Zdzisław Krasnodębski, Evžen Tošenovský, Hans-Olaf Henkel, Edward Czesak, Anna Elżbieta Fotyga

Proposal for a regulation
Article 2 – paragraph 1 – point b

Text proposed by the Commission

Amendment

(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;

(b) to support and leverage the cooperation between undertakings, including small and medium-sized enterprises ***and middle capitalisation companies (mid-caps)***, in the development of technologies or products in line with defence capability priorities commonly agreed by Member States within the Union, ***which reflect other relevant regional and international cooperation initiatives, primarily those carried out in the NATO context;***

Or. en

Amendment 220
Edouard Martin, Pervenche Berès

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-caps*, in the development of technologies or products in line with *defined* 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 221

Jerzy Buzek, Marian-Jean Marinescu

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* between undertakings, including small and medium-sized enterprises *and middle capitalisation companies(mid-caps)*, in the development of technologies or products in line with defence capability priorities commonly agreed by Member States within the Union *in order to avoid duplication and to promote interoperability and standardisation*;

Or. en

Amendment 222

Reinhard Bütikofer

on behalf of the Verts/ALE Group

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 223
Anneleen Van Bossuyt

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 **in view of supporting integrated actions in the single market for defence**, including **the involvement of** 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 224

Gunnar Hökmark, Krišjānis Kariņš, Bendt Bendtsen

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 undertakings, including small and medium-sized enterprises, ***and between undertakings and strategic non-EU partners***, in the development of technologies or products in line with defence capability priorities commonly agreed by Member States within the Union;

Or. en

Amendment 225

Michał Boni, Jerzy Buzek, Henna Virkkunen, Marian-Jean Marinescu, Gunnar Hökmark, Andrzej Grzyb

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 ***level*** and leverage the cooperation between undertakings, including ***and promoting the participation of*** 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;

Or. en

Amendment 226

Martina Werner, Jens Geier, Constanze Krehl, Eugen Freund, Arne Lietz, 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;

Or. en

Amendment 227

Christelle Lechevalier

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 undertakings, including, **as a priority**, 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;

Or. fr

Amendment 228

Miroslav Poche, Zigmantas Balčytis, Carlos Zorrinho, Clare Moody, José Blanco López, Theresa Griffin, Dan Nica

Proposal for a regulation

Article 2 – paragraph 1 – point b

Text proposed by the Commission

Amendment

(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*;

(b) to support and leverage the ***cross-border*** cooperation between undertakings, including small and medium-sized enterprises, ***as well as intermediate manufacturing enterprises (SMIEs)***, in the ***value chains of defence*** technologies or products;

Or. en

Amendment 229

Jonás Fernández, Soledad Cabezón Ruiz, José Blanco López

Proposal for a regulation

Article 2 – paragraph 1 – point b

Text proposed by the Commission

Amendment

(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;

(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 agreed by Member States ***by*** the Union;

Or. en

Amendment 230

Christian Ehler, Michael Gahler, Sven Schulze

Proposal for a regulation

Article 2 – paragraph 1 – point c

Text proposed by the Commission

Amendment

(c) To foster better exploitation of the results of defence research and contribute to ***closing the gaps between research and*** development.

(c) To foster better exploitation of the results of defence research and contribute to development ***after the research phase and thus to support the progressive***

framing of a European defence policy, the competitiveness of the European defence industry on the internal market and the global marketplace, including by consolidation where appropriate.

Or. en

Amendment 231
Anneleen Van Bossuyt

Proposal for a regulation
Article 2 – paragraph 1 – point c

Text proposed by the Commission

(c) To foster better exploitation of the results of defence research and contribute to closing the gaps between research and development.

Amendment

(c) to foster better exploitation of the results of defence research and contribute to closing the gaps between research and development *in line with the defence capability priorities commonly agreed by Member States within the Union;*

Or. en

Amendment 232
David Borrelli, Dario Tamburrano

Proposal for a regulation
Article 2 – paragraph 1 – point c

Text proposed by the Commission

(c) To foster better exploitation of the results of defence research and contribute to closing the gaps between research and development.

Amendment

(c) to foster better exploitation of the results of defence research and contribute to closing the gaps between research and development, *by enabling economies of scale, reduced duplication and more efficient spending.*

Or. it

Amendment 233
David Borrelli, Dario Tamburrano

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

Text proposed by the Commission

Amendment

(ca) to facilitate the transfer of results to the civil sector in areas of common interest, in particular transport, communications and energy.

Or. it

Amendment 234
Dominique Riquet, Kaja Kallas

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

Text proposed by the Commission

Amendment

(ca) to promote the standardisation of military systems and their interoperability, allowing the Member States to benefit from substantial economies of scale;

Or. fr

Amendment 235
Anneleen Van Bossuyt

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

Text proposed by the Commission

Amendment

(ca) to foster the growing of an autonomous and consolidated European defence industry within the single market, with guaranteed security of supply.

Or. en

Justification

These objectives are very critical for the added value of the Programme. It is important to define carefully the objectives of the Programme, against which projects will be selected and the whole Programme will be evaluated.

Amendment 236

Martina Werner, Jens Geier, Constanze Krehl, Eugen Freund, Arne Lietz, Arndt Kohn, Reinhard Bütikofer

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 production lines into civilian ones.

Or. en

Amendment 237

Reinhard Bütikofer

on behalf of the Verts/ALE Group

Proposal for a regulation

Article 3 – title

Text proposed by the Commission

Amendment

Budget

Financial resources

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 238
Reinhard Bütikofer
on behalf of the Verts/ALE Group

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

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 Union 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 239
Martina Werner, Jens Geier, Constanze Krehl, Eugen Freund, Arne Lietz, 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

Amendment

The amount for the implementation of the Programme for the period 2019-2020 is set

at EUR **500** million in current prices.

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.*

Or. en

Amendment 240

David Borrelli, Dario Tamburrano

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 unallocated margins and/or by identifying and remedying waste, inefficiencies or unspent appropriations.*

Or. it

Amendment 241

Edouard Martin, Pervenche Berès

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; *it does not come from budget reallocations.*

Or. fr

Amendment 242
Anneleen Van Bossuyt

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 **355** million in current prices.

Or. en

Justification

According to the Commission, 145 million will be deployed from the successful CEF programme which is investing amongst others on critical actions fostering digitalisation. In addition, it is not convincingly justified why the Commission proposes a budget of 500 million when a scoping study commissioned by the Commission recommended that the budget of the Programme should be of EUR 150 million in 2019 and EUR 250 million in 2020 (SWD(2017) 228 final, p 21).

Amendment 243
Christelle Lechevalier

Proposal for a regulation
Article 3 – paragraph 1 a (new)

Text proposed by the Commission

Amendment

The funds making up the amount referred to in Article 3(1) cannot come from financial margins generated by other European programmes, such as Galileo, but only from the margins of the 2014-2018 multiannual financial framework.

Or. fr

Amendment 244
Reinhard Bütikofer
on behalf of the Verts/ALE Group

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 245
Dominique Riquet

Proposal for a regulation
Article 4 – paragraph 1 – introductory part

Text proposed by the Commission

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:

Amendment

1. The Union's financial assistance may be provided through the types of financing envisaged by Regulation (EU, Euratom) No 966/2012, in particular ***grants, public procurement*** and, in ***appropriate cases, financial instruments, including through blending mechanism.***

Or. fr

Amendment 246
David Borrelli, Dario Tamburrano

Proposal for a regulation
Article 4 – paragraph 1 – introductory part

Text proposed by the Commission

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:***

Amendment

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

Or. it

Amendment 247
Olle Ludvigsson

Proposal for a regulation
Article 4 – paragraph 1 – introductory part

Text proposed by the Commission

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:*

Amendment

1. The Union's financial assistance *shall* be provided through *grants in accordance with* Regulation (EU, Euratom) No 966/2012.

Or. en

Amendment 248
Olle Ludvigsson

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

Text proposed by the Commission

(a) *grants;*

Amendment

deleted

Or. en

Amendment 249
David Borrelli, Dario Tamburrano

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

Text proposed by the Commission

(a) *grants;*

Amendment

deleted

Or. it

Amendment 250
Dominique Riquet

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

Text proposed by the Commission

Amendment

(a) *grants;* *deleted*

Or. fr

Amendment 251
Dominique Riquet

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

Text proposed by the Commission

Amendment

(b) *financial instruments;* *deleted*

Or. fr

Amendment 252
Olle Ludvigsson

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

Text proposed by the Commission

Amendment

(b) *financial instruments;* *deleted*

Or. en

Amendment 253
David Borrelli, Dario Tamburrano

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

Text proposed by the Commission

Amendment

(b) *financial instruments;* *deleted*

Or. it