



**2018/0254(COD)**

14.9.2018

# **AMENDMENTS**

## **99 - 457**

**Draft report**  
**Zdzisław Krasnodębski**  
(PE625.510v01-00)

Establishing the European Defence Fund

Proposal for a regulation  
(COM(2018)0476 – C8-0268/2018 – 2018/0254(COD))



**Amendment 99**  
**Christelle Lechevalier**

**Proposal for a regulation**

–

*Proposal for rejection*

***The European Parliament rejects [the Commission proposal].***

Or. fr

*Justification*

*This programme is the industrial component of a desire to establish an illegitimate European defence. The implicit objective is to make our industries and armies interdependent. Without the know-how needed to fully implement military-industrial projects, our nations would be interdependent, to the detriment of non-negotiable national sovereignty in the field of defence. The enormous sums allocated to this project could be saved.*

**Amendment 100**  
**Rolandas Paksas**

**Proposal for a regulation**

–

*Proposal for rejection*

***The European Parliament rejects the Commission proposal.***

Or. lt

**Amendment 101**  
**Jens Geier, Martina Werner, Arne Lietz, Constanze Krehl**

**Proposal for a regulation**

–

*Proposal for rejection*

***The European Parliament rejects the Commission proposal.***

*Justification*

*There are serious doubts about the legal basis for the Programme. The Commission chose art. 173 TFEU as a legal basis for the regulation, together with art. 182, 183 and 184 TFEU. This neglects that the Programme has two different, but in the proposal clearly mentioned, goals, one being the competitiveness and innovation capacity of the defence industry, the other being the improvement of the "strategic autonomy" of the Union (art. 3(1)). Art. 173 and the other articles omit the second goal of the programme. As both goals are inextricably linked and none could be identified as inferior, the programme would need to have a dual or different 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 102**  
**Rolandas Paksas**

**Draft legislative resolution**  
**Paragraph 1**

*Draft legislative resolution*

1. *Adopts its position at first reading hereinafter set out;*

*Amendment*

1. *The European Parliament rejects the Commission proposal;*

Or. en

**Amendment 103**  
**Rolandas Paksas**

**Draft legislative resolution**  
**Paragraph 2**

*Draft legislative resolution*

2. *Calls on the Commission to refer the matter to Parliament again if it replaces, substantially amends or intends to substantially amend its proposal;*

*Amendment*

2. *Calls on the Commission to withdrawn its proposal;*

Or. en

**Amendment 104**  
**Neoklis Sylikiotis, Marisa Matias, Miguel Viegas, João Ferreira, João Pimenta Lopes, Sofia Sakorafa, Xabier Benito Ziluaga, Sabine Lösing, Cornelia Ernst**

**Proposal for a regulation**  
**Title 0**

*Text proposed by the Commission*

*Amendment*

Proposal for a  
REGULATION OF THE EUROPEAN  
PARLIAMENT AND OF THE COUNCIL  
establishing the European Defence Fund  
(Text with EEA relevance)

**Rejects the** proposal for a  
REGULATION OF THE EUROPEAN  
PARLIAMENT AND OF THE COUNCIL  
establishing the European Defence Fund  
(Text with EEA relevance)

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. Therefor the legal reference to Article 173(3), 182(4) and the second paragraph of 188 TFEU must not apply. The establishment of the Defence Fund will further militarise the European Union and its policies and contradicts the Union as peace maker and mediator in conflicts.*

**Amendment 105**  
**Gunnar Hökmark**

**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 technological and industrial capabilities to respond to security challenges, as well as to foster a competitive, innovative and efficient **European** defence industry. It proposed in particular to launch a European Defence Fund (the 'Fund') to support investments in joint research and the joint development of defence products and technologies, thus fostering synergies and cost-effectiveness, and to promote the Member States' joint purchase and maintenance of defence

(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 technological and industrial capabilities to respond to security challenges, as well as to foster a competitive, innovative and efficient defence industry **in Europe by securing a competitive environment for research and innovation**. It proposed in particular to launch a European Defence Fund (the 'Fund') to support investments in joint research and the joint development of defence products and technologies, thus fostering synergies and cost-effectiveness,

equipment. This Fund would complement national funding already used for this purpose and should act as an incentive for Member States to cooperate and invest more in defence. The Fund would support cooperation during the whole cycle of defence products and technologies.

and to promote the Member States' joint purchase and maintenance of defence equipment. This Fund would complement national funding already used for this purpose and should act as an incentive for Member States to cooperate and invest more in defence. The Fund would support cooperation during the whole cycle of defence products and technologies.

Or. en

## **Amendment 106**

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

### **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 technological and industrial capabilities to respond to security challenges, as well as to foster a competitive, innovative and efficient European defence industry. It proposed in particular to launch a European Defence Fund (the 'Fund') to support investments in joint research and the joint development of defence products and technologies, thus fostering synergies and cost-effectiveness, and to promote the Member States' joint purchase and maintenance of defence equipment. This Fund would complement national funding already used for this purpose and should act as an incentive for Member States to cooperate **and invest more in defence**. The Fund would support cooperation during the whole cycle of defence products and technologies.

##### *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 technological and industrial capabilities to respond to security challenges, as well as to foster a competitive, innovative and efficient European defence industry. It proposed in particular to launch a European Defence Fund (the 'Fund') to support investments in joint research and the joint development of defence products and technologies, thus fostering synergies and cost-effectiveness, and to promote the Member States' joint purchase and maintenance of defence equipment. This Fund would complement national funding already used for this purpose and should act as an incentive for Member States to cooperate. The Fund would support cooperation during the whole cycle of defence products and technologies, **as well as conversion from military to civil production**.

Or. en

## Amendment 107

Rolandas Paksas

### 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 technological and industrial capabilities to respond to security challenges, as well as to foster a competitive, innovative and efficient European defence industry. It proposed in particular to launch a European Defence Fund (the 'Fund') to support investments in joint research and the joint development of defence products and technologies, thus fostering synergies and cost-effectiveness, and to promote the Member States' joint purchase and maintenance of defence equipment. This Fund would complement national funding already used for this purpose and should act as an incentive for Member States to cooperate ***and invest more in defence***. The Fund would support cooperation during the whole cycle of defence products and technologies.

*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 technological and industrial capabilities to respond to security challenges, as well as to foster a competitive, innovative and efficient European defence industry. It proposed in particular to launch a European Defence Fund (the 'Fund') to support investments in joint research and the joint development of defence products and technologies, thus fostering synergies and cost-effectiveness, and to promote the Member States' joint purchase and maintenance of defence equipment. This Fund would complement national funding already used for this purpose and should act as an incentive for Member States to cooperate. The Fund would support cooperation during the whole cycle of defence products and technologies.

Or. It

## Amendment 108

Jens Geier, Martina Werner, Arne Lietz, Constanze Krehl

### Proposal for a regulation

#### Recital 2

*Text proposed by the Commission*

(2) The Fund would contribute to the establishment of a strong, ***competitive*** and

*Amendment*

(2) The Fund would contribute to the establishment of a strong, ***integrated*** and

innovative defence industrial and technological base *and* go hand in hand with the Union's initiatives towards a more integrated European Defence Market and in particular, the two Directives<sup>6</sup> on procurement and on EU transfers in the defence sector adopted in 2009.

innovative defence industrial and technological base, *as well as to efficiency gains enabling the reduction of the overall defence spending in the Union, while at the same time ensuring the necessary defence capabilities to perform the essential core tasks of collective defence, crisis management and cooperative security. The Fund would* go hand in hand with the Union's initiatives towards a more integrated European Defence Market and in particular, the two Directives<sup>6</sup> on procurement and on EU transfers in the defence sector adopted in 2009.

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<sup>6</sup> Directive 2009/43/EC of the European Parliament and of the Council, simplifying terms and conditions of transfers of defence-related products within the Community, OJ L 146, 10.6.2009, p. 1; Directive 2009/81/EC of the European Parliament and of the Council 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, OJ L 216, 20.8.2009, p. 76.

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<sup>6</sup> Directive 2009/43/EC of the European Parliament and of the Council, simplifying terms and conditions of transfers of defence-related products within the Community, OJ L 146, 10.6.2009, p. 1; Directive 2009/81/EC of the European Parliament and of the Council 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, OJ L 216, 20.8.2009, p. 76.

Or. en

## **Amendment 109**

### **Gunnar Hökmark**

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

##### **Recital 3**

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

(3) Following an integrated approach and in order to contribute to the enhancement of the competitiveness and innovation capacity of the Union's defence industry, a European Defence Fund should be established. The Fund should aim at

###### *Amendment*

(3) Following an integrated approach and in order to contribute to the enhancement of the competitiveness and innovation capacity of the Union's defence industry, a European Defence Fund should be established. The Fund should aim at



enhancing the competitiveness, innovation, efficiency **and autonomy** of the Union's defence industry thereby contributing to the Union's strategic autonomy by supporting the cross border cooperation between Member States and between enterprises, research centres, national administrations, international organisations and universities, in the research phase and in the development phase of defence products and technologies. To achieve more innovative solutions and an open internal market, the Fund should support the cross-border participation of defence small and medium sized enterprises (SMEs) and middle capitalisation companies (mid-caps).

enhancing the competitiveness, innovation **and** efficiency of the Union's defence industry **through the development of capabilities and strategic capacity in Europe**, thereby contributing to the Union's strategic autonomy, **which is further enhanced by strengthened relations with strategic partners**, by supporting the cross border cooperation between Member States and between enterprises, research centres, national administrations, international organisations and universities, **and, where appropriate, cooperation with third countries**, in the research phase and in the development phase of defence products and technologies. To achieve more innovative solutions and an open internal market, the Fund should support the cross-border participation of defence small and medium sized enterprises (SMEs) and middle capitalisation companies (mid-caps).

Or. en

## **Amendment 110**

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

### **Proposal for a regulation**

#### **Recital 3**

*Text proposed by the Commission*

(3) Following an integrated approach and in order to contribute to the enhancement of the **competitiveness** and innovation capacity of the Union's defence industry, a European Defence Fund should be established. The Fund should aim at enhancing the competitiveness, innovation, efficiency and autonomy of the Union's defence industry thereby contributing to the Union's strategic autonomy by supporting the cross border cooperation between Member States and between enterprises, research centres, national administrations, international organisations

*Amendment*

(3) Following an integrated approach and in order to contribute to the enhancement of the **integration, efficiency gains** and innovation capacity of the Union's defence industry, a European Defence Fund should be established. The Fund should aim at enhancing the competitiveness, innovation, efficiency and autonomy of the Union's defence industry thereby contributing to the Union's strategic autonomy **in line with the political goals of the Common Foreign and Security Policy** by supporting the cross border cooperation between Member

and universities, in the research phase and in the development phase of defence products and technologies. ***To achieve more innovative solutions and an open internal market, the Fund should support the cross-border participation of defence small and medium sized enterprises (SMEs) and middle capitalisation companies (mid-caps).***

States and between enterprises, research centres, national administrations, international organisations and universities, in the research phase and in the development phase of defence products and technologies.

Or. en

## **Amendment 111**

**Edouard Martin, Clare Moody, Miroslav Poche, Carlos Zorrinho**

### **Proposal for a regulation**

#### **Recital 3**

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

(3) Following an integrated approach and in order to contribute to the enhancement of the competitiveness and innovation capacity of the Union's defence industry, a European Defence Fund should be established. The Fund should aim at enhancing the competitiveness, innovation, efficiency ***and*** autonomy of the Union's defence industry thereby contributing to the Union's strategic autonomy by supporting the cross border cooperation between Member States and between enterprises, research centres, national administrations, international organisations and universities, in the research phase and in the development phase of defence products and technologies. To achieve more innovative solutions and an open internal market, the Fund should support the cross-border participation of defence small and medium sized enterprises (SMEs) and middle capitalisation companies (mid-caps).

##### *Amendment*

(3) Following an integrated approach and in order to contribute to the enhancement of the competitiveness and innovation capacity of the Union's defence industry, a European Defence Fund should be established. The Fund should aim at enhancing the competitiveness, innovation, efficiency, ***environmental performance and technological and industrial*** autonomy of the Union's defence industry thereby contributing to the Union's strategic autonomy by supporting the cross border cooperation between Member States and between enterprises, research centres, national administrations, international organisations and universities, in the research phase and in the development phase of defence products and technologies. To achieve more innovative solutions and an open internal market, the Fund should support the cross-border participation of defence small and medium sized enterprises (SMEs) and middle capitalisation companies (mid-caps).

Or. en

**Amendment 112**  
**Răzvan Popa**

**Proposal for a regulation**  
**Recital 3**

*Text proposed by the Commission*

(3) Following an integrated approach and in order to contribute to the enhancement of the competitiveness and innovation capacity of the Union's defence industry, a European Defence Fund should be established. The Fund should aim at enhancing the competitiveness, innovation, efficiency and autonomy of the Union's defence industry thereby contributing to the Union's strategic autonomy by supporting the cross border cooperation between Member States and between enterprises, research centres, national administrations, international organisations and universities, in the research phase and in the development phase of defence products and technologies. To achieve more innovative solutions and an open internal market, the Fund should support the cross-border participation of defence small and medium sized enterprises (SMEs) and middle capitalisation companies (*mid-caps*).

*Amendment*

3. Following an integrated approach and in order to contribute to the enhancement of the competitiveness and innovation capacity of the Union's defence industry, a European Defence Fund should be established. The Fund should aim at enhancing the competitiveness, innovation, efficiency and autonomy of the Union's defence industry thereby contributing to the Union's strategic autonomy by supporting the cross border cooperation between Member States and between enterprises, research centres, national administrations, international organisations and universities, in the research phase and in the development phase of defence products and technologies. To achieve more innovative solutions and an open internal market, the Fund should support the cross-border participation of defence small and medium sized enterprises (SMEs) and middle capitalisation companies, ***which could generate job creation***.

Or. ro

**Amendment 113**  
**Françoise Grossetête, Christian Ehler, Massimiliano Salini, Pilar del Castillo Vera, Sven Schulze**

**Proposal for a regulation**  
**Recital 3**

*Text proposed by the Commission*

(3) Following an integrated approach and in order to contribute to the enhancement of the competitiveness and

*Amendment*

(3) Following an integrated approach and in order to contribute to the enhancement of the competitiveness and

innovation capacity of the Union's defence industry, a European Defence Fund should be established. The Fund should aim at enhancing the competitiveness, innovation, efficiency and autonomy of the Union's defence industry thereby contributing to the Union's strategic autonomy by supporting the cross border cooperation between Member States and between enterprises, research centres, national administrations, international organisations and universities, in the research phase and in the development phase of defence products and technologies. To achieve more innovative solutions and an open internal market, the Fund should support the cross-border participation of defence small and medium sized enterprises (SMEs) and middle capitalisation companies (mid-caps).

innovation capacity of the Union's defence industry, a European Defence Fund should be established. The Fund should aim at enhancing the competitiveness, innovation, efficiency and **technological and industrial** autonomy of the Union's defence industry thereby contributing to the Union's strategic autonomy by supporting the cross border cooperation between Member States and between enterprises, research centres, national administrations, international organisations and universities, in the research phase and in the development phase of defence products and technologies. To achieve more innovative solutions and an open internal market, the Fund should support the cross-border participation of defence small and medium sized enterprises (SMEs) and middle capitalisation companies (mid-caps).

Or. en

**Amendment 114**  
**Clare Moody, Theresa Griffin**

**Proposal for a regulation**  
**Recital 3**

*Text proposed by the Commission*

(3) Following an integrated approach and in order to contribute to the enhancement of the competitiveness and innovation capacity of the Union's defence industry, a European Defence Fund should be established. The Fund should aim at enhancing the competitiveness, innovation, efficiency and autonomy of the Union's defence industry thereby contributing to the Union's strategic autonomy by supporting the cross border cooperation between Member States and between enterprises, research centres, national administrations, international organisations and universities, in the research phase and

*Amendment*

(3) Following an integrated approach and in order to contribute to the enhancement of the competitiveness and innovation capacity of the Union's defence industry, a European Defence Fund should be established. The Fund should aim at enhancing the competitiveness, innovation, efficiency, **environmental performance** and autonomy of the Union's defence industry thereby contributing to the Union's strategic autonomy by supporting the cross border cooperation between Member States and between enterprises, research centres, national administrations, international organisations and universities,

in the development phase of defence products and technologies. To achieve more innovative solutions and an open internal market, the Fund should support the cross-border participation of defence small and medium sized enterprises (SMEs) and middle capitalisation companies (mid-caps).

in the research phase and in the development phase of defence products and technologies. To achieve more innovative solutions and an open internal market, the Fund should support the cross-border participation of defence small and medium sized enterprises (SMEs) and middle capitalisation companies (mid-caps).

Or. en

**Amendment 115**  
**Christelle Lechevalier**

**Proposal for a regulation**  
**Recital 3**

*Text proposed by the Commission*

(3) Following an integrated approach and in order to contribute to the enhancement of the competitiveness and innovation capacity of the Union's defence industry, a European Defence Fund should be established. The Fund should aim at enhancing the competitiveness, innovation, efficiency and autonomy of the Union's defence industry thereby contributing to the *Union's* strategic autonomy by supporting the cross border cooperation between Member States and between enterprises, research centres, national administrations, international organisations and universities, in the research phase and in the development phase of defence products and technologies. To achieve more innovative solutions and an open internal market, the Fund should support the cross-border participation of defence small and medium sized enterprises (SMEs) and middle capitalisation companies (mid-caps).

*Amendment*

(3) Following an integrated approach and in order to contribute to the enhancement of the competitiveness and innovation capacity of the Union's defence industry, a European Defence Fund should be established. The Fund should aim at enhancing the competitiveness, innovation, efficiency and autonomy of the Union's defence industry thereby contributing to the strategic autonomy *of the Member States of the Union* by supporting the cross border cooperation between Member States and between enterprises, research centres, national administrations, international organisations and universities, in the research phase and in the development phase of defence products and technologies. To achieve more innovative solutions and an open internal market, the Fund should support the cross-border participation of defence small and medium sized enterprises (SMEs) and middle capitalisation companies (mid-caps).

Or. fr

**Amendment 116**  
**Gunnar Hökmark**

**Proposal for a regulation**  
**Recital 3 a (new)**

*Text proposed by the Commission*

*Amendment*

**(3a) Whereas European security is dependent on strong and robust relations with strategic partners around the world; and whereas the Programme should enhance the competitiveness of the European defence industrial market by further strengthening partnerships through research and development, thereby promoting European strategic capacity and capability.**

Or. en

**Amendment 117**  
**Gunnar Hökmark**

**Proposal for a regulation**  
**Recital 4**

*Text proposed by the Commission*

*Amendment*

(4) The research phase is a crucial element as it conditions the capacity of the European industry and the **autonomy of the European** industry to develop products and the independence of Member States as defence end-users. The research phase linked to the development of defence capabilities may include significant risks, in particular related to the low level of maturity and the disruption of technologies. The development phase, which follows the research and technology phase, also entails significant risks and costs that hamper the further exploitation of the results of research and adversely impact the competitiveness and innovation of the Union's defence industry.

(4) The research phase is a crucial element as it conditions the capacity of the European industry **to retain and develop its global competitiveness** and the industry to develop products and the independence of Member States as defence end-users. The research phase linked to the development of defence capabilities may include significant risks, in particular related to the low level of maturity and the disruption of technologies. The development phase, which follows the research and technology phase, also entails significant risks and costs that hamper the further exploitation of the results of research and adversely impact the competitiveness and innovation of the Union's defence industry.

**Amendment 118****Jens Geier, Martina Werner, Arne Lietz, Constanze Krehl****Proposal for a regulation****Recital 5***Text proposed by the Commission*

(5) The Fund should not support pure basic research which should instead be supported through other schemes but may include defence oriented basic research likely to form the basis of the solution to recognised or expected problems or possibilities.

*Amendment*

(5) The Fund should not support pure basic research which should instead be supported through other schemes but may include defence oriented basic research likely to form the basis of the solution to recognised or expected problems or possibilities, ***dual-use research and research on conversion from military to civil production.***

Or. en

**Amendment 119****Edouard Martin, Carlos Zorrinho****Proposal for a regulation****Recital 7***Text proposed by the Commission*

(7) In order to ensure that the Union's and its Member States' international obligations are respected in the implementation of this Regulation, actions relating to products or technologies the use, development or production of which are prohibited by international law should not receive funding under the Fund. In this respect, the eligibility of actions related to new defence products or technologies, ***such as*** those that are specifically designed to carry out lethal strikes without any human control over the engagement decisions, should ***also be subject to developments in international law.***

*Amendment*

(7) In order to ensure that the Union's and its Member States' international obligations are respected in the implementation of this Regulation, actions relating to products or technologies the use, development or production of which are prohibited by international law should not receive funding under the Fund. In this respect, the eligibility of actions related to new defence products or technologies, ***in particular*** those that are specifically designed to carry out lethal strikes without any human control over the engagement decisions, should ***not be allowed until the adoption of an international, binding convention for their prohibition.***

*All actions, may they relate to new or more traditional defence products or technologies, should be ethically screened by a mixed, gender-balanced group of experts. Additional ethical screening in the course of any action could be activated by MEPs.*

Or. en

**Amendment 120**  
**Rolandas Paksas**

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

*Text proposed by the Commission*

(7) In order to ensure that the Union's and its Member States' international obligations are respected in the implementation of this Regulation, actions relating to products or technologies the use, development or production of which are prohibited by international law should not receive funding under the Fund. ***In this respect, the eligibility of actions related to new defence products or technologies, such as those that are specifically designed to carry out lethal strikes without any human control over the engagement decisions, should also be subject to developments in international law.***

*Amendment*

(7) In order to ensure that the Union's and its Member States' international obligations are respected in the implementation of this Regulation, actions relating to products or technologies the use, development or production of which are prohibited by international law should not receive funding under the Fund.

Or. It

**Amendment 121**  
**Jens Geier, Martina Werner, Arne Lietz, Constanze Krehl**

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

*Text proposed by the Commission*

*Amendment*



(7) In order to ensure that the Union's and its Member States' international obligations are respected in the implementation of this Regulation, actions relating to products or technologies the use, development or production of which are prohibited by international law should not receive funding under the Fund. In this respect, the eligibility of actions related to new defence products or technologies, such as those that are specifically designed to carry out lethal strikes without any human control over the engagement decisions, should also be subject to developments in international law.

(7) In order to ensure that the Union's and its Member States' international obligations are respected in the implementation of this Regulation, actions relating to products or technologies the use, development or production of which are prohibited by international law should not receive funding under the Fund. In this respect, the eligibility of actions related to new defence products or technologies, such as those that are specifically designed to carry out lethal strikes without any human control over the engagement decisions, should also be subject to developments in international law ***and should be excluded from Union funding.***

Or. en

## **Amendment 122**

**Edouard Martin, Martina Werner, Carlos Zorrinho**

### **Proposal for a regulation**

#### **Recital 7 a (new)**

*Text proposed by the Commission*

*Amendment*

***(7a) Regarding exports of products which would be the result of research or development actions of the Programme, particular attention should be paid to article 7 of the Arms Trade Treaty which provides that even if the export is not prohibited, exporting State Parties shall, in an objective and non-discriminatory manner and taking into account relevant factors, assess the potential that the conventional arms or items: (a) would contribute to or undermine peace and security;(b) could be used to: (i) commit or facilitate a serious violation of international humanitarian law;(ii) commit or facilitate a serious violation of international human rights law;(iii) commit or facilitate an act constituting an offense under international conventions or protocols relating to terrorism to which***

*the exporting State is a Party; or (iv) commit or facilitate an act constituting an offense under international conventions or protocols relating to transnational organized crime to which the exporting State is a Party.*

Or. en

### **Amendment 123**

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

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

##### **Recital 9**

*Text proposed by the Commission*

(9) As the objective of the Fund is to support the **competitiveness** and innovation of the Union defence industry by leveraging and complementing collaborative defence research and technology activities and **de-risking** the development phase of cooperative projects, actions related to the research and development of a defence product or technology should be eligible to benefit from it. This will also apply to the upgrade, including the interoperability thereof, of existing defence products and technologies.

*Amendment*

(9) As the objective of the Fund is to support the **integration, efficiency** and innovation **and alleviating any potential negative effects of the integration** of the Union defence industry by leveraging and complementing collaborative defence research and technology activities and **alleviating some of the risk of** the development phase of cooperative projects, actions related to the research and development of a defence product or technology, **as well as those aiming at conversion from military to civil production** should be eligible to benefit from it. This will also apply to the upgrade, including the interoperability thereof, of existing defence products and technologies.

Or. en

### **Amendment 124**

**Edouard Martin, Miroslav Poche, Carlos Zorrinho, Răzvan Popa**

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

##### **Recital 9**

*Text proposed by the Commission*

*Amendment*

(9) As the objective of the Fund is to support the competitiveness **and** innovation of the Union defence industry by leveraging and complementing collaborative defence research and technology activities and de-risking the development phase of cooperative projects, actions related to the research and development of a defence product or technology should be eligible to benefit from it. This will also apply to the upgrade, including the interoperability thereof, of existing defence products and technologies.

(9) As the objective of the Fund is to support the competitiveness, innovation **and industrial autonomy** of the Union defence industry by leveraging and complementing collaborative defence research and technology activities and de-risking the development phase of cooperative projects, actions related to the research and development of a defence product or technology should be eligible to benefit from it. This will also apply to the upgrade, including the interoperability thereof, of existing defence products and technologies.

Or. en

## Amendment 125

Jens Geier, Martina Werner, Arne Lietz, Constanze Krehl

### Proposal for a regulation

#### Recital 10

*Text proposed by the Commission*

(10) Given that the Fund aims particularly at enhancing cooperation between legal entities and Member States across Europe, an action should be eligible for funding only if it is undertaken by a cooperation of at least **three** legal entities based in at least three different Member States and/or associated countries. At least **three** of these legal eligible entities established in at least two different Member States and/or associated countries should not be effectively controlled, directly or indirectly, by the same entity or should not control each other. In order to boost the cooperation between Member States the Fund may support joint pre-commercial procurement .

*Amendment*

(10) Given that the Fund aims particularly at enhancing cooperation between legal entities and Member States across Europe, an action should be eligible for funding only if it is undertaken by a cooperation of at least **four** legal entities based in at least three different Member States and/or associated countries. At least **four** of these legal eligible entities established in at least two different Member States and/or associated countries should not be effectively controlled, directly or indirectly, by the same entity or should not control each other. In order to boost the cooperation between Member States the Fund may support joint pre-commercial procurement; ***This rule shall not apply to actions in support of conversion from military to civil production.***

Or. en

**Amendment 126**  
**Fabio Massimo Castaldo**

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

*Text proposed by the Commission*

(10) Given that the Fund aims particularly at enhancing cooperation between legal entities and Member States across Europe, an action should be eligible for funding only if it is undertaken by a cooperation of at least three legal entities based in at least three different Member States and/or associated countries. At least three of these legal eligible entities established in at least two different Member States and/or associated countries should not be effectively controlled, directly or indirectly, by the same entity or should not control each other. In order to boost the cooperation between Member States the Fund may support joint pre-commercial procurement .

*Amendment*

(10) Given that the Fund aims particularly at enhancing cooperation **and competitiveness** between legal entities and Member States across Europe, an action should be eligible for funding only if it is undertaken by a cooperation of at least three legal entities based in at least three different Member States and/or associated countries. At least three of these legal eligible entities established in at least two different Member States and/or associated countries should not be effectively controlled, directly or indirectly, by the same entity or should not control each other. In order to boost the cooperation between Member States the Fund may support joint pre-commercial procurement .

Or. it

**Amendment 127**  
**Fabio Massimo Castaldo**

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

*Text proposed by the Commission*

(10) Given that the Fund aims particularly at enhancing cooperation between legal entities and Member States across Europe, an action should be eligible for funding only if it is undertaken by a cooperation of at least three legal entities based in at least three different Member States and/or associated countries. At least three of these legal eligible entities

*Amendment*

(10) Given that the Fund aims particularly at enhancing cooperation between legal entities and Member States across Europe, an action should be eligible for funding only if it is undertaken by a cooperation of at least three legal entities based in at least three different Member States and/or associated countries. At least three of these legal eligible entities

established in at least **two** different Member States and/or associated countries should not be effectively controlled, directly or indirectly, by the same entity or should not control each other. In order to boost the cooperation between Member States the Fund may support joint pre-commercial procurement .

established in at least **three** different Member States and/or associated countries should not be effectively controlled, directly or indirectly, by the same entity or should not control each other. In order to boost the cooperation between Member States the Fund may support joint pre-commercial procurement .

Or. en

**Amendment 128**  
**David Borrelli**

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

*Text proposed by the Commission*

(10) Given that the Fund aims particularly at enhancing cooperation between legal entities and Member States across Europe, an action should be eligible for funding only if it is undertaken by a cooperation of at least three legal entities based in at least three different Member States and/or associated countries. At least three of these legal eligible entities established in at least **two** different Member States and/or associated countries should not be effectively controlled, directly or indirectly, by the same entity or should not control each other. In order to boost the cooperation between Member States the Fund may support joint pre-commercial procurement .

*Amendment*

(10) Given that the Fund aims particularly at enhancing cooperation between legal entities and Member States across Europe, an action should be eligible for funding only if it is undertaken by a cooperation of at least three legal entities based in at least three different Member States and/or associated countries. At least three of these legal eligible entities established in at least **three** different Member States and/or associated countries should not be effectively controlled, directly or indirectly, by the same entity or should not control each other. In order to boost the cooperation between Member States the Fund may support joint pre-commercial procurement.

Or. it

**Amendment 129**  
**Christelle Lechevalier**

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

*Text proposed by the Commission*

(12) As the Fund aims at enhancing the competitiveness, efficiency and autonomy of the Union's defence industry, only entities established in the Union ***or associated countries and not subject to control by non-associated third countries or non-associated third country entities*** should in principle be eligible for support. Additionally, in order to ensure the protection of essential security and defence interests of the Union and its Member States, the infrastructure, facilities, assets and resources used by the recipients and their subcontractors in actions supported by the Fund should not be located on the territory of non-associated third countries.

*Amendment*

(12) As the Fund aims at enhancing the competitiveness, efficiency and autonomy of the Union's defence industry, only entities established in the Union should in principle be eligible for support. Additionally, in order to ensure the protection of essential security and defence interests of the Union and its Member States, the infrastructure, facilities, assets and resources used by the recipients and their subcontractors in actions supported by the Fund should not be located on the territory of non-associated third countries.

Or. fr

**Amendment 130**  
**Patrizia Toia**

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

*Text proposed by the Commission*

(12) As the Fund aims at enhancing the competitiveness, efficiency and autonomy of the Union's defence industry, only entities established in the Union or associated countries and not subject to control by non-associated third countries ***or non-associated third country entities should in principle be eligible for support.*** Additionally, in order to ensure the protection of essential security and defence interests of the Union and its Member States, the infrastructure, facilities, assets and resources used by the recipients and their subcontractors in actions supported by the Fund should not be located on the territory of non-associated third countries.

*Amendment*

(12) As the Fund aims at enhancing the competitiveness, efficiency and autonomy of the Union's defence industry, only entities established in the Union or associated countries and not subject to control by non-associated third countries. Additionally, in order to ensure the protection of essential security and defence interests of the Union and its Member States, the infrastructure, facilities, assets and resources used by the recipients and their subcontractors in actions supported by the Fund should not be located on the territory of non-associated third countries.

Or. en

## Justification

*There is no reason to discriminate industries controlled by entities based in countries outside the EU, compared to those controlled by entities based in EU countries, provided that the national legislation in the Member States gives adequate and uniform guarantees on the subject of control and therefore of European security protection, on the basis of common standards to be defined in the context of the current legislative procedure.*

### Amendment 131

Angelo Ciocca (ENF)

#### Proposal for a regulation

##### Recital 12

*Text proposed by the Commission*

(12) As the Fund aims at enhancing the competitiveness, efficiency and autonomy of the *Union's* defence industry, only entities established in the Union or associated countries and not subject to control by non-associated third countries *or non-associated third country entities* should in principle be eligible for support. Additionally, in order to ensure the protection of essential security and defence interests of the Union and its Member States, the infrastructure, facilities, assets and resources used by the recipients and their subcontractors in actions supported by the Fund should not be located on the territory of non-associated third countries.

*Amendment*

(12) As the Fund aims at enhancing the competitiveness, efficiency, *synergies* and autonomy of the defence industry *of the Union and the Member States*, only entities established in the Union or associated countries and not subject to control by non-associated third countries should in principle be eligible for support. Additionally, in order to ensure the protection of essential security and defence interests of the Union and its Member States, the infrastructure, facilities, assets and resources used by the recipients and their subcontractors in actions supported by the Fund should not be located on the territory of non-associated third countries.

Or. it

### Amendment 132

Jens Geier, Martina Werner, Arne Lietz, Constanze Krehl

#### Proposal for a regulation

##### Recital 12

*Text proposed by the Commission*

(12) As the Fund aims at enhancing the *competitiveness*, efficiency and autonomy of the Union's defence industry, only

*Amendment*

(12) As the Fund aims at enhancing the *integration, interoperability*, efficiency and autonomy of the Union's defence

entities established in the Union or associated countries and not subject to control by non-associated third countries or non-associated third country entities should in principle be eligible for support. Additionally, in order to ensure the protection of essential security and defence interests of the Union and its Member States, the infrastructure, facilities, assets and resources used by the recipients and their subcontractors in actions supported by the Fund should not be located on the territory of non-associated third countries.

industry, only entities established in the Union or associated countries and not subject to control by non-associated third countries or non-associated third country entities should in principle be eligible for support. Additionally, in order to ensure the protection of essential security and defence interests of the Union and its Member States, the infrastructure, facilities, assets and resources used by the recipients and their subcontractors in actions supported by the Fund should not be located on the territory of non-associated third countries.

Or. en

### **Amendment 133** **Massimiliano Salini**

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

*Text proposed by the Commission*

(12) As the Fund aims at enhancing the competitiveness, efficiency and autonomy of the Union's defence industry, only entities established in the Union or associated countries and not subject to control by non-associated third countries ***or non-associated third country entities*** should in principle be eligible for support. Additionally, in order to ensure the protection of essential security and defence interests of the Union and its Member States, the infrastructure, facilities, assets and resources used by the recipients and their subcontractors in actions supported by the Fund should not be located on the territory of non-associated third countries.

*Amendment*

(12) As the Fund aims at enhancing the competitiveness, efficiency and autonomy of the Union's defence industry, only entities established in the Union or associated countries and not subject to control by non-associated third countries should in principle be eligible for support. Additionally, in order to ensure the protection of essential security and defence interests of the Union and its Member States, the infrastructure, facilities, assets and resources used by the recipients and their subcontractors in actions supported by the Fund should not be located on the territory of non-associated third countries.

Or. en

### **Amendment 134**



**Olle Ludvigsson**

**Proposal for a regulation**

**Recital 13**

*Text proposed by the Commission*

(13) ***In certain circumstances, if this is necessary for achieving the objectives of the action, it should be possible to derogate from the principle that recipients and their subcontractors should not be subject to control by non-associated third countries or non-associated third country entities.*** In that perspective, legal entities established in the Union that are controlled by a non-associated third country or a non-associated third country entity can be eligible if relevant ***and strict*** conditions relating to the security and defence interests of the Union and its Member States are fulfilled. The participation of such entities should not contravene the objectives of the Fund. ***Applicants should provide all relevant information about the infrastructure, facilities, assets and resources to be used in the action.***

*Amendment*

(13) In that perspective, legal entities established in the Union that are controlled by a non-associated third country or a non-associated third country entity can be eligible if relevant conditions relating to the security and defence interests of the Union and its Member States are fulfilled. The participation of such entities should not contravene the objectives of the Fund.

Or. en

**Amendment 135**

**Massimiliano Salini**

**Proposal for a regulation**

**Recital 13**

*Text proposed by the Commission*

(13) In certain circumstances, if this is necessary for achieving the objectives of the action, it should be possible to derogate from the principle that recipients and their subcontractors should not be subject to control by non-associated third countries or non-associated third country entities. In that perspective, legal entities established in the Union that are controlled by a non-

*Amendment*

(13) In certain circumstances, if this is necessary for achieving the objectives of the action, it should be possible to derogate from the principle that recipients and their subcontractors should not be subject to control by non-associated third countries or non-associated third country entities. In that perspective, legal entities established in the Union that are controlled by a non-

associated third country **or a non-associated third country entity** can be eligible if relevant and strict conditions relating to the security and defence interests of the Union and its Member States are fulfilled. The participation of such entities should not contravene the objectives of the Fund. Applicants should provide all relevant information about the infrastructure, facilities, assets and resources to be used in the action.

associated third country can be eligible if relevant and strict conditions relating to the security and defence interests of the Union and its Member States are fulfilled.

***Given the sensitive and strategic nature of the defence sector, Member States should implement measures at the national level that serve to guarantee a uniform degree of oversight over the functioning of beneficiaries operating in this field, whether they are controlled by an entity established within the European Union or in a third country. In all cases,*** the participation of such entities should not contravene the objectives of the Fund. Applicants should provide all relevant information about the infrastructure, facilities, assets and resources to be used in the action.

Or. en

## **Amendment 136**

**Patrizia Toia**

### **Proposal for a regulation**

#### **Recital 13**

#### *Text proposed by the Commission*

(13) In certain circumstances, if this is necessary for achieving the objectives of the action, it should be possible to derogate from the principle that recipients and their subcontractors should not be subject to control by non-associated third countries or non-associated third country entities. In that perspective, legal entities established in the Union that are controlled by a non-associated third country **or a non-associated third country entity** can be eligible if relevant and strict conditions relating to the security and defence interests of the Union and its Member States are fulfilled. The participation of such entities should not contravene the objectives of the Fund. Applicants should

#### *Amendment*

(13) In certain circumstances, if this is necessary for achieving the objectives of the action, it should be possible to derogate from the principle that recipients and their subcontractors should not be subject to control by non-associated third countries or non-associated third country entities. In that perspective, legal entities established in the Union that are controlled by a non-associated third country can be eligible if relevant and strict conditions relating to the security and defence interests of the Union and its Member States are fulfilled. ***Given the strategic relevance and sensitivity of the defence sector, Member States should apply at national level measures that guarantee a uniform degree of control***

provide all relevant information about the infrastructure, facilities, assets and resources to be used in the action.

***over the functioning of beneficiaries operating in this domain, whether they are controlled by an entity established in the European Union or in a third country. In all cases,*** the participation of such entities should not contravene the objectives of the Fund. Applicants should provide all relevant information about the infrastructure, facilities, assets and resources to be used in the action.

Or. en

### *Justification*

*There is no reason to discriminate industries controlled by entities based in countries outside the EU, compared to those controlled by entities based in EU countries, provided that the national legislation in the Member States gives adequate and uniform guarantees on the subject of control and therefore of European security protection, on the basis of common standards to be defined in the context of the current legislative procedure.*

### **Amendment 137**

**Angelo Ciocca (ENF)**

### **Proposal for a regulation**

#### **Recital 13**

#### *Text proposed by the Commission*

(13) In certain circumstances, if this is necessary for achieving the objectives of the action, it should be possible to derogate from the principle that recipients and their subcontractors should not be subject to control by non-associated third countries or non-associated third country entities. In that perspective, legal entities established in the Union that are controlled by a non-associated third country or a non-associated third country entity can be eligible if relevant and strict conditions relating to the security and defence interests of the Union and its Member States are fulfilled. The participation of such entities should not contravene the objectives of the Fund. Applicants should provide all relevant information about the

#### *Amendment*

(13) In certain circumstances, if this is necessary for achieving the objectives of the action, it should be possible to derogate from the principle that recipients and their subcontractors should not be subject to control by non-associated third countries or non-associated third country entities. In that perspective, legal entities established in the Union that are controlled by a non-associated third country or a non-associated third country entity can be eligible if relevant and strict conditions relating to the security and defence interests of the Union and its Member States are fulfilled. The participation of such entities should not contravene the objectives of the Fund. Applicants should provide all relevant information about the

infrastructure, facilities, assets and resources to be used in the action.

infrastructure, facilities, assets and resources to be used in the action. *Member States may apply measures to ensure a uniform level of control over the activities of the beneficiaries.*

Or. it

**Amendment 138**  
**Gunnar Hökmark**

**Proposal for a regulation**  
**Recital 13**

*Text proposed by the Commission*

(13) *In certain circumstances, if this is necessary for achieving the objectives of the action*, it should be possible to derogate from the principle that recipients and their subcontractors should not be subject to control by non-associated third countries or non-associated third country entities. In that perspective, legal entities established in the Union that are controlled by a non-associated third country or a non-associated third country entity can be eligible if relevant *and strict* conditions relating to the security and defence interests of the Union and its Member States are fulfilled. The participation of such entities should not contravene the objectives of the Fund. *Applicants should provide all relevant information about the infrastructure, facilities, assets and resources to be used in the action.*

*Amendment*

(13) *For the purpose of promoting the competitiveness of the European defence industrial market*, it should be possible to derogate from the principle that recipients and their subcontractors should not be subject to control by non-associated third countries or non-associated third country entities. In that perspective, legal entities established in the Union that are controlled by a non-associated third country or a non-associated third country entity can be eligible if relevant conditions relating to the security and defence interests of the Union and its Member States are fulfilled. The participation of such entities should not contravene the objectives of the Fund.

Or. en

**Amendment 139**  
**Edouard Martin, Martina Werner, Carlos Zorrinho**

**Proposal for a regulation**  
**Recital 13**

*Text proposed by the Commission*

(13) In certain circumstances, if this is **necessary** for achieving the objectives of the action, it should be possible to derogate from the principle that recipients and their subcontractors should not be subject to control by non-associated third countries or non-associated third country entities. In that perspective, legal entities established in the Union that are controlled by a non-associated third country or a non-associated third country entity can be eligible if relevant and strict conditions relating to the security and defence interests of the Union and its Member States are fulfilled. The participation of such entities should not contravene the objectives of the Fund. Applicants should provide all relevant information about the infrastructure, facilities, assets and resources to be used in the action.

*Amendment*

(13) In certain circumstances, if this is **critical** for achieving the objectives of the action, it should be possible to derogate from the principle that recipients and their subcontractors should not be subject to control by non-associated third countries or non-associated third country entities. In that perspective, legal entities established in the Union that are controlled by a non-associated third country or a non-associated third country entity can be eligible if relevant and strict conditions relating to the security and defence interests of the Union and its Member States are fulfilled. The participation of such entities should not contravene the objectives of the Fund. Applicants should provide all relevant information about the infrastructure, facilities, assets and resources to be used in the action, **and demonstrate that their input could not be brought by European entities.**

Or. en

**Amendment 140**  
**Fabio Massimo Castaldo**

**Proposal for a regulation**  
**Recital 13**

*Text proposed by the Commission*

(13) In certain circumstances, if this is necessary for achieving the objectives of the action, it should be possible to derogate from the principle that recipients and their subcontractors should not be subject to control by non-associated third countries or non-associated third country entities. In that perspective, legal entities established in the Union that are controlled by a non-associated third country or a non-associated third country entity can be eligible if relevant and strict conditions

*Amendment*

(13) In certain circumstances, if this is necessary for achieving the objectives of the action, it should be possible to derogate from the principle that recipients and their subcontractors should not be subject to control by non-associated third countries or non-associated third country entities. In that perspective, legal entities established in the Union that are controlled by a non-associated third country or a non-associated third country entity can be eligible if relevant and strict conditions

relating to the security and defence interests of the Union and its Member States are fulfilled. The participation of such entities should not contravene the objectives of the Fund. Applicants should provide all relevant information about the infrastructure, facilities, assets and resources to be used in the action.

relating to the security and defence interests of the Union and its Member States are fulfilled, ***based on the guarantees provided by the Member States themselves***. The participation of such entities should not contravene the objectives of the Fund. Applicants should provide all relevant information about the infrastructure, facilities, assets and resources to be used in the action.

Or. it

#### **Amendment 141**

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

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

##### **Recital 14**

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

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

###### *Amendment*

(14) If a consortium wishes to participate in an eligible action and the financial assistance of the Union is to take the form of a grant, the consortium should appoint one of its members as a coordinator who will be the principal point of contact ***and who shall regularly report back to the EU institutions on the status of the action funded under the Programme.***

Or. en

#### **Amendment 142**

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

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

##### **Recital 15**

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

(15) In case a development action supported by the Fund is managed by a project manager appointed by Member

###### *Amendment*

(15) In case a development action supported by the Fund is managed by a project manager appointed by Member

States or associated countries, the Commission should inform the project manager prior to executing the payment to the recipient so that the project manager can ensure that the time-frames are respected by the recipients. *Under certain circumstances*, the project manager *could* provide the Commission with its observations on the progress of the action so that the Commission can validate whether the conditions to proceed to the payment are fulfilled.

States or associated countries, the Commission should inform the project manager prior to executing the payment to the recipient so that the project manager can ensure that the time-frames are respected by the recipients. The project manager *should* provide the Commission with its observations on the progress of the action so that the Commission can validate whether the conditions to proceed to the payment are fulfilled.

Or. en

**Amendment 143**  
**Christelle Lechevalier**

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

*Text proposed by the Commission*

(15) In case a development action supported by the Fund is managed by a project manager appointed by Member States *or associated countries*, the Commission should inform the project manager prior to executing the payment to the recipient so that the project manager can ensure that the time-frames are respected by the recipients. Under certain circumstances, the project manager could provide the Commission with its observations on the progress of the action so that the Commission can validate whether the conditions to proceed to the payment are fulfilled.

*Amendment*

(15) In case a development action supported by the Fund is managed by a project manager appointed by Member States, the Commission should inform the project manager prior to executing the payment to the recipient so that the project manager can ensure that the time-frames are respected by the recipients. Under certain circumstances, the project manager could provide the Commission with its observations on the progress of the action so that the Commission can validate whether the conditions to proceed to the payment are fulfilled.

Or. fr

**Amendment 144**  
**Jens Geier, Martina Werner, Arne Lietz, Constanze Krehl**

**Proposal for a regulation**

## Recital 18

*Text proposed by the Commission*

(18) Given the specificities of the defence industry ***where demand comes almost exclusively from Member States and associated countries, which also control all acquisition of defence-related products and technologies, including exports, the functioning of the defence sector is unique and does not follow the conventional rules and business models that govern more traditional markets. Industry therefore cannot undertake substantial self-funded defence Research and Development (R&D) projects and Member States and associated countries normally fully fund all R&D cost.*** To achieve the objectives of the Fund, notably to incentivise cooperation between companies from different Member States and associated countries, and taking into account the specifics of the defence sector, up to ***totality*** of the eligible costs should be covered for actions that take place ahead of the development of prototypes phase.

*Amendment*

(18) Given the specificities of the defence industry ***with its high fragmentation and resulting inefficiency across Member States, the possibility to apply for financial support from the fund will foster a more effective use of defence spending as incentivising cross-border cooperation and the development of common prototypes will reduce fragmentation.*** To achieve the objectives of the Fund, notably to incentivise cooperation between companies from different Member States and associated countries, and taking into account the specifics of the defence sector, up to ***60%*** of the eligible costs should be covered for actions that take place ahead of the development of prototypes phase.

Or. en

## Amendment 145

Jens Geier, Martina Werner, Arne Lietz, Constanze Krehl

### Proposal for a regulation

#### Recital 20

*Text proposed by the Commission*

(20) For actions beyond the prototype phase, funding up to ***80%*** should be foreseen. These actions which are closer to product and technology finalisation may still involve substantial costs.

*Amendment*

(20) For actions beyond the prototype phase, funding up to ***60%*** should be foreseen. These actions which are closer to product and technology finalisation may still involve substantial costs.

Or. en



**Amendment 146**  
**Dominique Riquet, Pavel Telička**

**Proposal for a regulation**  
**Recital 21**

*Text proposed by the Commission*

(21) Stakeholders in the defence sector are facing specific indirect costs, such as costs for security. Furthermore, stakeholders are working in a specific market where they – without any demand on the buyers' side – cannot recover the research and development costs like in the civilian sector. Therefore, it is justified to allow a flat rate of 25 % as well as the possibility, on a project base, to charge indirect costs calculated in accordance with the usual accounting practises of beneficiaries if these practises are accepted by their national authorities ***under comparable national funding schemes, which have been communicated to the Commission. The authorising officer responsible should justify its decision to accept indirect eligible costs beyond the flat rate of 25 % in the work programme or in the call for proposals.***

*Amendment*

(21) Stakeholders in the defence sector are facing specific indirect costs, such as costs for security. Furthermore, stakeholders are working in a specific market where they – without any demand on the buyers' side – cannot recover the research and development costs like in the civilian sector. Therefore, it is justified to allow a flat rate of 25 % as well as the possibility, on a project base, to charge indirect costs calculated in accordance with the usual accounting practises of beneficiaries if these practises are accepted by their national authorities.

Or. fr

**Amendment 147**  
**Jens Geier, Martina Werner, Arne Lietz, Constanze Krehl**

**Proposal for a regulation**  
**Recital 22**

*Text proposed by the Commission*

(22) In order to ensure that the funded actions will contribute to the ***competitiveness*** and efficiency of the European defence industry, it is important that Member States already intend to jointly procure the final product or use the technology, notably through joint cross-

*Amendment*

(22) In order to ensure that the funded actions will contribute to the ***integration, interoperability*** and efficiency of the European defence industry, it is important that Member States already intend to jointly procure the final product or use the technology, notably through joint cross-

border procurement, where Member States jointly organise their procurement procedures in particular with the use of a central purchasing body.

border procurement, where Member States jointly organise their procurement procedures in particular with the use of a central purchasing body.

Or. en

## Amendment 148

Jens Geier, Martina Werner, Arne Lietz, Constanze Krehl

### Proposal for a regulation

#### Recital 23

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

(23) The promotion of innovation and technological development in the Union defence industry should ***take place in a manner coherent with*** the security and defence interests of the Union. Accordingly, the action's contribution to those interests and to the defence research and capability priorities commonly agreed by Member States should serve as an award criterion. Within the Union, common defence research and capability shortfalls are identified in the Common Security and Defence Policy (CSDP) framework notably through Overarching Strategic Research Agenda and the Capability Development Plan. Other Union processes such as the Coordinated Annual Review on Defence and the Permanent Structured Cooperation will support the implementation of relevant priorities through identifying and taking forward opportunities for enhanced cooperation with a view to fulfilling the EU level of ambition on security and defence. Where appropriate, regional and international priorities, including those in the North Atlantic Treaty Organisation context, may also be taken into account if they are in line with Union priorities and do not prevent any Member State or an associated country from participating, while also taking into account that unnecessary duplication

##### *Amendment*

(23) The promotion of innovation and technological development in the Union defence industry should ***serve*** the security and defence interests ***of the Union. Taking into account the specific nature of the defence sector, any action in the field of defence industry should be closely coordinated and be coherent with the foreign and security policies and priorities*** of the Union. Accordingly, the action's contribution to those interests and to the defence research and capability priorities commonly agreed by Member States ***in line with Union policies and political priorities*** should serve as an award criterion. Within the Union, common defence research and capability shortfalls are identified in the Common Security and Defence Policy (CSDP) framework notably through Overarching Strategic Research Agenda and the Capability Development Plan. Other Union processes such as the Coordinated Annual Review on Defence and the Permanent Structured Cooperation will support the implementation of relevant priorities through identifying and taking forward opportunities for enhanced cooperation with a view to fulfilling the EU level of ambition on security and defence. Where appropriate, regional and international priorities, including those in the North Atlantic Treaty Organisation

should be avoided.

context, may also be taken into account if they are in line with Union priorities and do not prevent any Member State or an associated country from participating, while also taking into account that unnecessary duplication should be avoided.

Or. en

**Amendment 149**  
**Christelle Lechevalier**

**Proposal for a regulation**  
**Recital 23**

*Text proposed by the Commission*

(23) The promotion of innovation and technological development in the Union defence industry should take place in a manner coherent with the security and defence interests of the Union. Accordingly, the action's contribution to those interests and to the defence research and capability priorities commonly agreed by Member States should serve as an award criterion. Within the Union, common defence research and capability shortfalls are identified in the Common Security and Defence Policy (CSDP) framework notably through Overarching Strategic Research Agenda and the Capability Development Plan. Other Union processes such as the Coordinated Annual Review on Defence and the Permanent Structured Cooperation will support the implementation of relevant priorities through identifying and taking forward opportunities for enhanced cooperation with a view to fulfilling the EU level of ambition on security and defence. Where appropriate, regional and international priorities, ***including those in the North Atlantic Treaty Organisation context***, may also be taken into account if they are in line with Union priorities and do not prevent any Member State or an associated country

*Amendment*

(23) The promotion of innovation and technological development in the Union defence industry should take place in a manner coherent with the security and defence interests of the Union. Accordingly, the action's contribution to those interests and to the defence research and capability priorities commonly agreed by Member States should serve as an award criterion. Within the Union, common defence research and capability shortfalls are identified in the Common Security and Defence Policy (CSDP) framework notably through Overarching Strategic Research Agenda and the Capability Development Plan. Other Union processes such as the Coordinated Annual Review on Defence and the Permanent Structured Cooperation will support the implementation of relevant priorities through identifying and taking forward opportunities for enhanced cooperation with a view to fulfilling the EU level of ambition on security and defence. Where appropriate, regional and international priorities may also be taken into account if they are in line with Union priorities and do not prevent any Member State or an associated country from participating, while also taking into account that

from participating, while also taking into account that unnecessary duplication should be avoided.

unnecessary duplication should be avoided.

Or. fr

**Amendment 150**  
**Fabio Massimo Castaldo**

**Proposal for a regulation**  
**Recital 23**

*Text proposed by the Commission*

(23) The promotion of innovation and technological development in the Union defence industry should take place in a manner coherent with the security and defence interests of the Union. Accordingly, the action's contribution to those interests and to the defence research and capability priorities commonly agreed by Member States should serve as an award criterion. Within the Union, common defence research and capability shortfalls are identified in the Common Security and Defence Policy (CSDP) framework notably through Overarching Strategic Research Agenda and the Capability Development Plan. Other Union processes such as the Coordinated Annual Review on Defence and the Permanent Structured Cooperation will support the implementation of relevant priorities through identifying and taking forward opportunities for enhanced cooperation with a view to fulfilling the EU level of ambition on security and defence. Where appropriate, regional and international priorities, including those in the North Atlantic Treaty Organisation context, may also be taken into account if they are in line with Union priorities and do not prevent any Member State or an associated country from participating, while also taking into account that unnecessary duplication should be avoided.

*Amendment*

(23) The promotion of innovation and technological development in the Union defence industry should take place in a manner coherent with the security and defence interests of the Union **and of the Member States**. Accordingly, the action's contribution to those interests and to the defence research and capability priorities commonly agreed by Member States should serve as an award criterion. Within the Union, common defence research and capability shortfalls are identified in the Common Security and Defence Policy (CSDP) framework notably through Overarching Strategic Research Agenda and the Capability Development Plan. Other Union processes such as the Coordinated Annual Review on Defence and the Permanent Structured Cooperation will support the implementation of relevant priorities through identifying and taking forward opportunities for enhanced cooperation with a view to fulfilling the EU level of ambition on security and defence. Where appropriate, regional and international priorities, including those in the North Atlantic Treaty Organisation context, may also be taken into account if they are in line with Union priorities and do not prevent any Member State or an associated country from participating, while also taking into account that unnecessary duplication should be avoided.

**Amendment 151****Christian Ehler, Michael Gahler****Proposal for a regulation****Recital 23***Text proposed by the Commission*

(23) The promotion of innovation and technological development in the Union defence industry should take place in a manner coherent with the security and defence interests of the Union. Accordingly, the action's contribution to those interests and to the defence research and capability priorities commonly agreed by Member States should serve as an award criterion. Within the Union, common defence research and capability shortfalls are identified in the Common Security and Defence Policy (CSDP) framework notably through ***Overarching Strategic Research Agenda*** and the Capability Development ***Plan***. Other Union processes such as the Coordinated Annual Review on Defence and the Permanent Structured Cooperation will support the implementation of relevant priorities through identifying and taking forward opportunities for enhanced cooperation with a view to fulfilling the EU level of ambition on security and defence. Where appropriate, regional and international priorities, including those in the North Atlantic Treaty Organisation context, may also be taken into account if they are in line with Union priorities and do not prevent any Member State or an associated country from participating, while also taking into account that unnecessary duplication should be avoided.

*Amendment*

(23) The promotion of innovation and technological development in the Union defence industry should take place in a manner coherent with the security and defence interests of the Union. Accordingly, the action's contribution to those interests and to the defence research and capability priorities commonly agreed by Member States should serve as an award criterion. Within the Union, common defence research and capability shortfalls are identified in the Common Security and Defence Policy (CSDP) framework notably through the Capability Development ***Mechanism (CDM)***. Other Union processes such as the Coordinated Annual Review on Defence and the Permanent Structured Cooperation will support the implementation of relevant priorities through identifying and taking forward opportunities for enhanced cooperation with a view to fulfilling the EU level of ambition on security and defence. Where appropriate, regional and international priorities, including those in the North Atlantic Treaty Organisation context, may also be taken into account if they are in line with Union priorities and do not prevent any Member State or an associated country from participating, while also taking into account that unnecessary duplication should be avoided.

Or. en

**Amendment 152**  
**Rolandas Paksas**

**Proposal for a regulation**  
**Recital 24**

*Text proposed by the Commission*

*Amendment*

**(24) Eligible actions developed in the context of Permanent Structured Cooperation (PESCO) in the institutional framework of the Union should ensure enhanced cooperation between legal entities in the different Member States on a continuous basis and thus directly contribute to the aims of the Fund. If selected, such projects should thus be eligible for an increased funding rate.**

**Deleted.**

Or. It

**Amendment 153**  
**Jens Geier, Martina Werner, Arne Lietz, Constanze Krehl**

**Proposal for a regulation**  
**Recital 25**

*Text proposed by the Commission*

*Amendment*

**(25) The Commission will take into account the other activities financed under the Horizon Europe Framework programme in order to avoid unnecessary duplication *and* ensure the cross-fertilisation between civil and defence research.**

**(25) The Commission will take into account the other activities financed under the Horizon Europe Framework programme in order to avoid unnecessary duplication, ensure the cross-fertilisation between civil and defence research *and ensure that Horizon Europe remains a purely civil research programme.***

Or. en

**Amendment 154**  
**Fabio Massimo Castaldo**

**Proposal for a regulation**  
**Recital 25**

*Text proposed by the Commission*

(25) The Commission will take into account the other activities financed under the Horizon Europe Framework programme in order to avoid unnecessary duplication and ensure the cross-fertilisation between civil and defence research.

*Amendment*

(25) The Commission will take into account the other activities financed under the Horizon Europe Framework programme in order to avoid unnecessary duplication and ensure the cross-fertilisation **and synergies** between civil and defence research.

Or. it

**Amendment 155**

**Dominique Riquet, Pavel Telička**

**Proposal for a regulation**

**Recital 27**

*Text proposed by the Commission*

(27) An integrated approach should be ensured by bringing together activities covered by the Preparatory Action on Defence Research launched by the Commission within the meaning of Article [58 (2) (b)] of Regulation (EU, Euratom) 2018/... of the European Parliament and of the Council (the ‘Financial Regulation’) and the European Defence Industrial Development Programme established by Regulation (EC) No ... of the European Parliament and of the Council and to harmonise the conditions for participation, to create a more coherent set of instruments, to increase the innovative, collaborative and economic impact, while avoiding unnecessary duplication and fragmentation. With this integrated approach, the Fund would also contribute to a better exploitation of the results of defence research, covering the gap between research and development taking into account the specificities of the defence sector, and promoting all forms of innovation, including disruptive innovation where possible failure should be accepted.

*Amendment*

(27) An integrated approach should be ensured by bringing together activities covered by the Preparatory Action on Defence Research launched by the Commission within the meaning of Article [58 (2) (b)] of Regulation (EU, Euratom) 2018/... of the European Parliament and of the Council (the ‘Financial Regulation’) and the European Defence Industrial Development Programme established by Regulation (EC) No ... of the European Parliament and of the Council and to harmonise the conditions for participation, to create a more coherent set of instruments, to increase the innovative, collaborative and economic impact, while avoiding unnecessary duplication and fragmentation. With this integrated approach, the Fund would also contribute to a better exploitation of the results of defence research, covering the gap between research and development taking into account the specificities of the defence sector, and promoting all forms of innovation, **and as positive spillover effects can be expected, where applicable,**

*in the civil field*, including disruptive innovation where possible failure should be accepted.

Or. fr

## Amendment 156

Jens Geier, Martina Werner, Arne Lietz, Constanze Krehl

### Proposal for a regulation

#### Recital 27

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

(27) An integrated approach should be ensured by bringing together activities covered by the Preparatory Action on Defence Research launched by the Commission within the meaning of Article [58 (2) (b)] of Regulation (EU, Euratom) 2018/... of the European Parliament and of the Council (the ‘Financial Regulation’) and the European Defence Industrial Development Programme established by Regulation (EC) No ... of the European Parliament and of the Council and to harmonise the conditions for participation, to create a more coherent set of instruments, to increase the innovative, collaborative and economic impact, while avoiding unnecessary duplication and fragmentation. With this integrated approach, the Fund would also contribute to a better exploitation of the results of defence research, covering the gap between research and development taking into account the specificities of the defence sector, and promoting all forms of innovation, including disruptive innovation where possible failure should be accepted.

##### *Amendment*

(27) An integrated approach should be ensured by bringing together activities covered by the Preparatory Action on Defence Research launched by the Commission within the meaning of Article [58 (2) (b)] of Regulation (EU, Euratom) 2018/... of the European Parliament and of the Council (the ‘Financial Regulation’) and the European Defence Industrial Development Programme established by Regulation (EC) No ... of the European Parliament and of the Council and to harmonise the conditions for participation, to create a more coherent set of instruments, to increase the innovative, collaborative and economic impact, while avoiding unnecessary duplication and fragmentation. With this integrated approach, the Fund would also contribute to a better exploitation of the results of defence research, covering the gap between research and development taking into account the specificities of the defence sector, and promoting all forms of innovation, including disruptive innovation where possible failure should be accepted ***and conversion from military to civil production.***

Or. en



## Amendment 157

Rolandas Paksas

### Proposal for a regulation

#### Recital 28

*Text proposed by the Commission*

**(28) The policy objectives of this Fund will be also addressed through financial instruments and budgetary guarantees under the policy window(s) [...] of the InvestEU Fund.**

*Amendment*

**Deleted.**

Or. It

## Amendment 158

Edouard Martin, Martina Werner, Carlos Zorrinho, Răzvan Popa

### Proposal for a regulation

#### Recital 31

*Text proposed by the Commission*

(31) The Commission should establish annual or multiannual work programmes in line with the objectives of the Fund. The Commission should be assisted in the establishment of the work programme by a committee of Member States. 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. Given the specificities of the defence area, the European External Action Service should also assist in the committee of Member States.

*Amendment*

(31) The Commission should establish annual or multiannual work programmes in line with the objectives of the Fund. The Commission should be assisted in the establishment of the work programme by a committee of Member States. 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. Given the specificities of the defence area, the European External Action Service should also assist in the committee of Member States. ***The European Parliament may send representatives to the committee.***

Or. en

## Amendment 159

Jens Geier, Martina Werner, Arne Lietz, Constanze Krehl

### Proposal for a regulation

#### Recital 31

*Text proposed by the Commission*

(31) The Commission should establish annual or multiannual work programmes in line with the objectives of the Fund. The Commission should be assisted in the establishment of the work programme by a committee of Member States. 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. Given the specificities of the defence area, the European External Action Service should also *assist* in the committee of Member States.

*Amendment*

(31) The Commission should establish annual or multiannual work programmes in line with the objectives of the Fund. The Commission should be assisted in the establishment of the work programme by a committee of Member States *and representatives from the European Parliament*. In order to benefit from its expertise in the defence sector, the European Defence Agency will be given the status of *a participant* in the committee. Given the specificities of the defence area, the European External Action Service should also *participate* in the committee of Member States.

Or. en

**Amendment 160**

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

**Proposal for a regulation**

**Recital 33**

*Text proposed by the Commission*

*(33) In order to support an open internal market, participation of cross-border SMEs and mid-caps, either as members of consortia or as subcontractors, should be encouraged.*

*Amendment*

*deleted*

Or. en

**Amendment 161**

**Fabio Massimo Castaldo**

**Proposal for a regulation**

**Recital 33**

*Text proposed by the Commission*

(33) In order to support an open internal

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*Amendment*

(33) In order to support an open internal

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market, participation of cross-border SMEs and mid-caps, either as members of consortia or as subcontractors, should be encouraged.

market, participation of cross-border SMEs and mid-caps, either as members of consortia or as subcontractors, should be encouraged, ***by providing – as already done in the EDIDP – for specific funding for SMEs, especially if they are involved in cross-border cooperation.***

Or. it

**Amendment 162**  
**Fabio Massimo Castaldo**

**Proposal for a regulation**  
**Recital 34**

*Text proposed by the Commission*

(34) The Commission should endeavour to maintain dialogue with Member States and industry to ensure the success of the Fund.

*Amendment*

(34) The Commission should endeavour to maintain dialogue with Member States, ***with the military component as regards technical aspects,*** and ***with*** industry to ensure the success of the Fund, ***ensuring that the final products developed are of concrete benefit to end-users.***

Or. it

**Amendment 163**  
**Jens Geier, Martina Werner, Arne Lietz, Constanze Krehl**

**Proposal for a regulation**  
**Recital 34**

*Text proposed by the Commission*

(34) The Commission should endeavour to maintain dialogue with Member States and industry to ensure the success of the Fund.

*Amendment*

(34) The Commission should endeavour to maintain dialogue with Member States, ***the European Parliament, defence experts from academia, trade unions*** and industry to ensure the success of the Fund.

Or. en

**Amendment 164**  
**Fabio Massimo Castaldo**

**Proposal for a regulation**  
**Recital 36**

*Text proposed by the Commission*

(36) The Financial Regulation applies to the Fund, ***unless otherwise specified***. It lays down rules on the implementation of the Union budget, including the rules on grants, prizes, procurement, financial assistance, financial instruments and budgetary guarantees.

*Amendment*

(36) The Financial Regulation applies to the Fund. It lays down rules on the implementation of the Union budget, including the rules on grants, prizes, procurement, financial assistance, financial instruments and budgetary guarantees.

Or. it

**Amendment 165**  
**Jens Geier, Martina Werner, Arne Lietz, Constanze Krehl**

**Proposal for a regulation**  
**Recital 40**

*Text proposed by the Commission*

(40) Pursuant to paragraph 22 and 23 of the Inter-institutional agreement for Better Law-Making of 13 April 2016, there is a need to evaluate this regulation on the basis of information collected through specific monitoring requirements, while avoiding overregulation and administrative burdens, in particular on Member States. These requirements, where appropriate, can include measurable indicators, as a basis for evaluating the effects of the regulation on the ground. The Commission should carry out an interim evaluation ***no later than four years*** after the start of the Fund implementation and a final evaluation at the end of the implementation period of the Fund, examining the financial activities in terms of financial implementation results and to the extent possible at that point in time, results and impact. This report should also analyse the cross-border participation

*Amendment*

(40) Pursuant to paragraph 22 and 23 of the Inter-institutional agreement for Better Law-Making of 13 April 2016, there is a need to evaluate this regulation on the basis of information collected through specific monitoring requirements, while avoiding overregulation and administrative burdens, in particular on Member States. These requirements, where appropriate, can include measurable indicators, as a basis for evaluating the effects of the regulation on the ground. The Commission should carry out an interim evaluation ***at the end of every financial year*** after the start of the Fund implementation and a final evaluation at the end of the implementation period of the Fund, examining the financial activities in terms of financial implementation results and to the extent possible at that point in time, results and impact. This report should also analyse the cross-border participation

of SMEs and mid-caps in projects supported by the Fund as well as the participation of SMEs and mid-caps to the global value chain. The Commission may also propose amendments to this Regulation to react on possible developments during the implementation of the Fund.

of SMEs and mid-caps in projects supported by the Fund as well as the participation of SMEs and mid-caps to the global value chain. The Commission may also propose amendments to this Regulation to react on possible developments during the implementation of the Fund.

Or. en

#### **Amendment 166**

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

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

#### **Recital 40 a (new)**

*Text proposed by the Commission*

*Amendment*

***(40a) 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 board made up of the European Parliament, Commission, European External Action Service and EU Member States (hereafter referred to as the Supervisory Body).***

Or. en

#### **Amendment 167**

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

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

#### **Recital 41**

*Text proposed by the Commission*

*Amendment*

(41) Reflecting the importance of tackling climate change in line with the Union's commitments to implement the Paris Agreement and the United Nations

(41) Reflecting the importance of tackling climate change in line with the Union's commitments to implement the Paris Agreement and the United Nations

Sustainable Development Goals, this Fund will contribute to mainstream climate action in the Union's policies and to the achievement of an overall target of 25 % of the EU budget expenditures supporting climate objectives. Relevant actions will be identified during the Fund's preparation and implementation, and reassessed in the context of its mid-term evaluation.

Sustainable Development Goals, this Fund will contribute to mainstream climate action in the Union's policies and to the achievement of an overall target of 25 % of the EU budget expenditures supporting climate objectives. Relevant actions will be identified during the Fund's preparation and implementation, and reassessed in the context of its mid-term evaluation. *As military bases are amongst the biggest energy consumers and increasingly affected by the effects of climate change, the fund should pay special attention to incorporating climate action into its portfolio by awarding climate sensitive projects with greater financial support.*

Or. en

#### **Amendment 168**

**Edouard Martin, Clare Moody, Carlos Zorrinho**

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

#### **Recital 41**

*Text proposed by the Commission*

(41) Reflecting the importance of tackling climate change in line with the Union's commitments to implement the Paris Agreement and the United Nations Sustainable Development Goals, this Fund will contribute to mainstream climate action in the Union's policies and to the achievement of an overall target of 25 % of the EU budget expenditures supporting climate objectives. Relevant actions will be identified during the Fund's preparation and implementation, and reassessed in the context of its mid-term evaluation.

*Amendment*

(41) Reflecting the importance of tackling climate change in line with the Union's commitments to implement the Paris Agreement and the United Nations Sustainable Development Goals, this Fund will contribute to mainstream climate action in the Union's policies and to the achievement of an overall target of 25 % of the EU budget expenditures supporting climate objectives *by including the environmental impact reduction as a goal and award criteria for the Fund.* . Relevant actions will be identified during the Fund's preparation and implementation, and reassessed in the context of its mid-term evaluation.

Or. en

**Amendment 169**  
**Clare Moody, Theresa Griffin**

**Proposal for a regulation**  
**Recital 41**

*Text proposed by the Commission*

(41) Reflecting the importance of tackling climate change in line with the Union's commitments to implement the Paris Agreement and the United Nations Sustainable Development Goals, this Fund will contribute to mainstream climate action in the Union's policies and to the achievement of an overall target of 25 % of the EU budget expenditures supporting climate objectives. Relevant actions will be identified during the Fund's preparation and implementation, and reassessed in the context of its mid-term evaluation.

*Amendment*

(41) Reflecting the importance of tackling climate change in line with the Union's commitments to implement the Paris Agreement and the United Nations Sustainable Development Goals, this Fund will contribute to mainstream climate action in the Union's policies and to the achievement of an overall target of 25 % of the EU budget expenditures supporting climate objectives ***by including the environmental impact reduction as a goal and award criteria for the Fund.*** Relevant actions will be identified during the Fund's preparation and implementation, and reassessed in the context of its mid-term evaluation.

Or. en

**Amendment 170**  
**Jens Geier, Martina Werner, Arne Lietz, Constanze Krehl**

**Proposal for a regulation**  
**Recital 42**

*Text proposed by the Commission*

(42) ***As the Fund supports only the research and development phases of defence products and technologies, in principle the Union should not have ownership or intellectual property rights (IPRs) over the products or technologies resulting from the funded actions unless the Union assistance is provided through procurement. However, for research actions, interested Member States and associated countries should have the possibility to use the results of funded***

*Amendment*

(42) The Union should have ownership or intellectual property rights (IPRs) over the products or technologies resulting from the funded actions.

*actions and participate in follow-up cooperative development and therefore derogations to that principle should be allowed.*

Or. en

#### **Amendment 171**

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

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

##### **Recital 43**

*Text proposed by the Commission*

(43) The Union financial support ***should not*** affect the transfer of defence-related products within the Union in accordance with ***Directive 2009/43/CE*** of the European Parliament and the Council<sup>15</sup> , ***nor*** the export of products, equipment or technologies.

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<sup>15</sup> Directive 2009/43/EC of the European Parliament and the Council of 6 May 2009 simplifying terms and conditions of transfers of defence-related products within the Community (OJ L 146, 10.6.2009, p. 1).

*Amendment*

(43) The Union financial support ***will*** affect the transfer of defence-related products within the Union in accordance with ***Directive 2009/43/CE*** of the European Parliament and the Council<sup>15</sup> , ***as well as*** the export of products, equipment or technologies. ***The Commission when monitoring and controlling the export of arms and technologies produced with financial assets from the Fund shall be assisted by a supervisory body made up of the European Parliament, European Commission, European External Action Service and EU Member States (hereafter referred to as the Supervisory Body).***

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<sup>15</sup> Directive 2009/43/EC of the European Parliament and the Council of 6 May 2009 simplifying terms and conditions of transfers of defence-related products within the Community (OJ L 146, 10.6.2009, p. 1).

Or. en

#### **Amendment 172**

**Edouard Martin**

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



## Recital 43

*Text proposed by the Commission*

(43) The Union financial support should not affect the transfer of defence-related products within the Union in accordance with Directive 2009/43/CE of the European Parliament and the Council<sup>15</sup>, ***nor the export of products, equipment or technologies.***

---

<sup>15</sup> Directive 2009/43/EC of the European Parliament and the Council of 6 May 2009 simplifying terms and conditions of transfers of defence-related products within the Community (OJ L 146, 10.6.2009, p. 1).

*Amendment*

(43) The Union financial support should not affect the transfer of defence-related products within the Union in accordance with Directive 2009/43/CE of the European Parliament and the Council<sup>15</sup>.

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<sup>15</sup> Directive 2009/43/EC of the European Parliament and the Council of 6 May 2009 simplifying terms and conditions of transfers of defence-related products within the Community (OJ L 146, 10.6.2009, p. 1).

Or. en

## Amendment 173

Edouard Martin, Clare Moody, Răzvan Popa, Eugen Freund

### Proposal for a regulation Recital 43 a (new)

*Text proposed by the Commission*

*Amendment*

***(43a) Entities which have been found guilty in a court of law of a criminal offence such as, but not limited to, bribing official or breaching EU restrictive measures, should not be eligible for funding. The Commission may decide that any such entity, or an entity where senior executives have been found guilty, shall be barred from applying for funding for a period of no less than 36 months following conviction. The Commission shall maintain a publicly accessible database of all barred undertakings. Where an entity is under a credible and relevant investigation for a criminal offence, the Commission should reserve the right to await the outcome of the***

*investigation before awarding funding.*

Or. en

**Amendment 174**  
**Clare Moody, Theresa Griffin**

**Proposal for a regulation**  
**Recital 43 a (new)**

*Text proposed by the Commission*

*Amendment*

***(43a) Entities which have been found guilty in a court of law of a criminal offence such as, but not limited to, bribing official or breaching EU restrictive measures, should not be eligible for funding. The Commission may decide that any such entity, or an entity where senior executives have been found guilty, shall be barred from applying for funding for a period of no less than 36 months following conviction. The Commission shall maintain a publicly accessible database of all barred undertakings. Where an entity is under a credible and relevant investigation for a criminal offence, the Commission should reserve the right to await the outcome of the investigation before awarding funding.***

Or. en

**Amendment 175**  
**Clare Moody, Theresa Griffin**

**Proposal for a regulation**  
**Recital 43 b (new)**

*Text proposed by the Commission*

*Amendment*

***(43b) The Fund should support industry best practice in corporate governance and procurement practices. This should include the possibility for anonymous and***

*confidential whistleblowing, through hotlines operated by third parties and with procedures in place to prevent retaliation. The award procedure should reflect these corporate governance standards with the goal of raising corporate accountability standards in the European defence sector.*

Or. en

**Amendment 176**

**Edouard Martin, Clare Moody, Carlos Zorrinho, Eugen Freund**

**Proposal for a regulation  
Recital 43 b (new)**

*Text proposed by the Commission*

*Amendment*

*(43b) The Fund should support industry best practice in corporate governance and procurement practices. This should include the possibility for anonymous and confidential whistleblowing, through hotlines operated by third parties and with procedures in place to prevent retaliation. The award procedure should reflect these corporate governance standards with the goal of raising corporate accountability standards in the European defence sector.*

Or. en

**Amendment 177**

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

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

*Text proposed by the Commission*

*Amendment*

*(1a) 'conversion' means the translation of military structures, products or production lines into civilian usage;*

Or. en

**Amendment 178**  
**Gunnar Hökmark**

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

*Text proposed by the Commission*

1. The general objective of the Fund is to foster the competitiveness, **efficiency** and innovation capacity of the European defence **industry**, by supporting collaborative actions and cross-border cooperation between legal entities throughout the Union, including SMEs and mid-caps as well as fostering the better exploitation of the industrial potential of innovation, research and technological development, at each stage of the industrial life cycle, thus contributing to the Union strategic **autonomy**. The Fund should also contribute to the freedom of action of the Union and its autonomy, in particular in technological and industrial terms.

*Amendment*

1. The general objective of the Fund is to foster the competitiveness and innovation capacity of the **defence industry in Europe, and to foster an efficient development of capacities and capabilities on the European defence industrial market, thus contributing to increasing the Union's global relevance in the field of security and defence**, by supporting collaborative actions and cross-border cooperation between legal entities throughout the Union, including SMEs and mid-caps **and, where appropriate, with strategic partners outside the Union**, as well as fostering the better exploitation of the industrial potential of innovation, research and technological development, at each stage of the industrial life cycle, thus contributing to the Union strategic **capacity and global competitiveness of the European market**. The Fund should also contribute to the freedom of action of the Union and its autonomy, in particular in technological and industrial terms.

Or. en

**Amendment 179**  
**Christian Ehler, Michael Gahler**

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

*Text proposed by the Commission*

1. The general objective of the Fund is to foster the competitiveness, efficiency

*Amendment*

1. The general objective of the Fund is **to enable the Union to apply its**

and innovation capacity of the European defence industry, by supporting collaborative actions and cross-border cooperation between legal entities throughout the Union, including SMEs and mid-caps as well as fostering the better exploitation of the industrial potential of innovation, research and technological development, at each stage of the industrial life cycle, thus contributing to the Union strategic autonomy. The Fund should also contribute to the freedom of action of the Union and its autonomy, in particular in technological and industrial terms.

***competence to define and implement a common foreign and security policy, including the progressive framing of a common defence policy, and*** to foster the competitiveness, efficiency and innovation capacity of the European defence industry, by supporting collaborative actions and cross-border cooperation between legal entities throughout the Union, including SMEs and mid-caps as well as fostering the better exploitation of the industrial potential of innovation, research and technological development, at each stage of the industrial life cycle, thus contributing to the Union strategic autonomy. The Fund should also contribute to the freedom of action of the Union and its autonomy, in particular in technological and industrial terms.

Or. en

## **Amendment 180**

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

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

#### *Text proposed by the Commission*

1. The general objective of the Fund is to foster the ***competitiveness***, efficiency and innovation capacity of the European defence industry, by supporting collaborative actions and cross-border cooperation between legal entities throughout the Union, ***including SMEs and mid-caps*** as well as fostering the better exploitation of the industrial potential of innovation, research and technological development, at each stage of the industrial life cycle, thus contributing to the Union strategic autonomy. The Fund should also contribute to the freedom of action of the Union and its autonomy, in particular in technological and industrial terms.

#### *Amendment*

1. The general objective of the Fund is to ***contribute to the political priorities under the CFSP/CSDP framework, and to*** foster the ***integration, interoperability, especially in cyber-defence***, efficiency and innovation capacity, of the European defence industry, by supporting collaborative actions and cross-border cooperation between legal entities throughout the Union, as well as fostering the better exploitation of the industrial potential of innovation, research and technological development, at each stage of the industrial life cycle, thus contributing to the Union strategic autonomy. The Fund should also contribute to the freedom of action of the Union and

its autonomy, in particular in technological and industrial terms.

Or. en

## **Amendment 181**

**Fabio Massimo Castaldo**

### **Proposal for a regulation**

#### **Article 3 – paragraph 1**

*Text proposed by the Commission*

1. The general objective of the Fund is to foster the competitiveness, efficiency and innovation capacity of the European defence industry, by supporting collaborative actions and cross-border cooperation between legal entities throughout **the Union**, including SMEs and mid-caps as well as fostering the better exploitation of the industrial potential of innovation, research and technological development, at each stage of the industrial life cycle, thus contributing to the Union strategic autonomy. The Fund should also contribute to the freedom of action of the Union and its autonomy, in particular in technological and **industrial** terms.

*Amendment*

1. The general objective of the Fund is to foster the competitiveness, efficiency, **inclusivity** and innovation capacity of the European defence industry, by supporting collaborative actions and cross-border cooperation between legal entities throughout **Europe**, including SMEs and mid-caps, as well as fostering the better exploitation of the industrial potential of innovation, research and technological development, at each stage of the industrial life cycle, thus contributing to the Union strategic autonomy **thanks to the development of more advanced military capabilities**. The Fund should also contribute to the freedom of action of the Union and its autonomy, in particular in technological, **industrial** and **defence** terms.

Or. it

## **Amendment 182**

**Dominique Riquet, Pavel Telička**

### **Proposal for a regulation**

#### **Article 3 – paragraph 1**

*Text proposed by the Commission*

1. The general objective of the Fund is to foster the competitiveness, efficiency

*Amendment*

*(Does not affect the English version.)*

and innovation capacity of the European defence industry, by supporting collaborative actions and cross-border cooperation between legal entities throughout the Union, including SMEs and mid-caps as well as fostering the better exploitation of the industrial potential of innovation, research and technological development, at each stage of the industrial life cycle, thus contributing to the Union strategic autonomy. The Fund should also contribute to the freedom of action of the Union and its autonomy, in particular in technological and industrial terms.

Or. fr

### **Amendment 183**

**Françoise Grossetête, Sven Schulze, Christian Ehler, Massimiliano Salini, Pilar del Castillo Vera**

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

#### **Article 3 – paragraph 1**

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

1. The general objective of the Fund is to foster the competitiveness, efficiency and innovation capacity of the European defence industry, by supporting collaborative actions and cross-border cooperation between legal entities throughout the Union, including SMEs and mid-caps as well as fostering the better exploitation of the industrial potential of innovation, research and technological development, at each stage of the industrial life cycle, thus contributing to the Union strategic autonomy. The Fund ***should also*** contribute to the freedom of action of the Union and its autonomy, in particular in technological and industrial terms.

##### *Amendment*

1. The general objective of the Fund is to foster the competitiveness, efficiency and innovation capacity of the European defence industry, by supporting collaborative actions and cross-border cooperation between legal entities throughout the Union, including SMEs and mid-caps as well as fostering the better exploitation of the industrial potential of innovation, research and technological development, at each stage of the industrial life cycle, thus contributing to the Union strategic autonomy. The Fund ***shall*** contribute to the freedom of action of the Union and its autonomy, in particular in technological and industrial terms.

Or. en

#### Amendment 184

**Reinhard Bütikofer**

on behalf of the Verts/ALE Group

#### Proposal for a regulation

#### Article 3 – paragraph 2 – point a

*Text proposed by the Commission*

(a) support collaborative research projects ***that could significantly boost the performance of future capabilities, aiming at maximising innovation and introducing new defence products and technologies, including disruptive ones;***

*Amendment*

(a) support ***highly efficient*** collaborative research projects;

Or. en

#### Amendment 185

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

#### Proposal for a regulation

#### Article 3 – paragraph 2 – point a

*Text proposed by the Commission*

(a) support collaborative research projects that could significantly boost the performance of future capabilities, aiming at maximising innovation and introducing new defence products and technologies, including disruptive ones;

*Amendment*

(a) support collaborative research projects that could significantly boost the performance of future capabilities, aiming at maximising innovation and ***integration, and*** introducing new defence products and technologies, including disruptive ones;

Or. en

#### Amendment 186

**Edouard Martin, Miroslav Poche, Carlos Zorrinho, Răzvan Popa**

#### Proposal for a regulation

#### Article 3 – paragraph 2 – point a

*Text proposed by the Commission*

(a) support collaborative research projects that could significantly boost the performance of future capabilities, aiming

*Amendment*

(a) support collaborative research projects that could significantly boost the performance of future ***European***



at maximising innovation and introducing new defence products and technologies, including disruptive ones;

capabilities, aiming at maximising innovation and introducing new defence products and technologies, including disruptive ones;

Or. en

**Amendment 187**  
**Gunnar Hökmark**

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

*Text proposed by the Commission*

(b) support collaborative development projects of defence products and technologies consistent with defence capability priorities commonly agreed by Member States within the framework of the Common Foreign and Security Policy, ***thus contributing to*** greater efficiency of defence spending within the Union, achieving greater economies of scale, reducing the risk of unnecessary duplication and as such reducing the fragmentation of defence products and technologies throughout the Union. Ultimately, the Fund will lead to greater interoperability between Member States' capabilities.

*Amendment*

(b) support collaborative development projects of defence products and technologies consistent with defence capability priorities commonly agreed by Member States within the framework of the Common Foreign and Security Policy, ***thereby contribute to a more competitive European defence market capable of attracting investments and knowledge,*** greater efficiency of defence spending within the Union, achieving greater economies of scale ***and enhanced international cooperation with strategic partners,*** reducing the risk of unnecessary duplication and as such reducing the fragmentation of defence products and technologies throughout the Union. Ultimately, the Fund will lead to greater interoperability between Member States' capabilities.

Or. en

**Amendment 188**  
**Edouard Martin, Miroslav Poche, Carlos Zorrinho**

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

*Text proposed by the Commission*

(b) support collaborative development projects of defence products and technologies consistent with defence capability priorities commonly agreed by Member States within the framework of the Common Foreign and Security Policy, thus contributing to greater efficiency of defence spending within the Union, achieving greater economies of scale, reducing the risk of unnecessary duplication and as such reducing the fragmentation of defence products and technologies throughout the Union. Ultimately, the Fund will lead to greater interoperability between Member States' capabilities.

*Amendment*

(b) support collaborative development projects of defence products and technologies consistent with defence capability priorities commonly agreed by Member States within the framework of the Common Foreign and Security **Policy and in particular in the context of the CDP of the Common Security and Defence** Policy, thus contributing to greater efficiency of defence spending within the Union, achieving greater economies of scale, reducing the risk of unnecessary duplication and as such reducing the fragmentation of defence products and technologies throughout the Union. Ultimately, the Fund will lead to greater interoperability between Member States' capabilities **and the acquisition of European equipment by Member States.**

Or. en

**Amendment 189**

**Christian Ehler, Michael Gahler**

**Proposal for a regulation**

**Article 3 – paragraph 2 – point b**

*Text proposed by the Commission*

(b) support collaborative development projects of defence products and technologies consistent with defence capability priorities commonly agreed by Member States within the framework of the Common Foreign and Security Policy, thus contributing to greater efficiency of defence spending within the Union, achieving greater economies of scale, reducing the risk of unnecessary duplication and as such reducing the fragmentation of defence products and technologies throughout the Union. Ultimately, the Fund will lead to greater interoperability between Member States'

*Amendment*

(b) support collaborative development projects of defence products and technologies consistent with defence capability priorities commonly agreed by Member States within the framework of the Common Foreign and Security Policy **and in particular in the context of the Capability Development Mechanism (CDM)**, thus contributing to greater efficiency of defence spending within the Union, achieving greater economies of scale, reducing the risk of unnecessary duplication and as such reducing the fragmentation of defence products and technologies throughout the Union.

capabilities.

Ultimately, the Fund will lead to greater interoperability between Member States' capabilities.

Or. en

#### **Amendment 190**

**Dominique Riquet, Pavel Telička**

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

#### **Article 3 – paragraph 2 – point b**

*Text proposed by the Commission*

b) support collaborative development projects of defence products and technologies consistent with defence capability priorities commonly agreed by Member States within the framework of the Common Foreign and Security Policy, thus contributing to greater efficiency of defence spending within the Union, achieving greater economies of scale, reducing the risk of unnecessary duplication and as such reducing the fragmentation of defence products and technologies throughout the Union. *Ultimately*, the Fund will lead to greater interoperability between Member States' capabilities.

*Amendment*

b) support collaborative development projects of defence products and technologies consistent with defence capability priorities commonly agreed by Member States within the framework of the Common Foreign and Security Policy, thus contributing to greater efficiency of defence spending within the Union, achieving greater economies of scale, reducing the risk of unnecessary duplication and as such reducing the fragmentation of defence products and technologies throughout the Union. The Fund will *also have to* lead to greater interoperability between Member States' capabilities, *while promoting the standardisation of military systems*.

Or. fr

#### **Amendment 191**

**Fabio Massimo Castaldo**

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

#### **Article 3 – paragraph 2 – point b**

*Text proposed by the Commission*

(b) support collaborative development projects of defence products and technologies consistent with defence

*Amendment*

(b) support, *from a European standpoint*, collaborative development projects of defence products and

capability priorities commonly agreed by Member States within the framework of the Common Foreign and Security Policy, thus contributing to greater efficiency of defence spending within the Union, achieving greater economies of scale, reducing the risk of unnecessary duplication and as such reducing the fragmentation of defence products and technologies throughout the Union. Ultimately, the Fund will lead to greater interoperability between Member States' capabilities.

technologies consistent with defence capability priorities commonly agreed by Member States within the framework of the Common Foreign and Security Policy, thus contributing to greater efficiency of defence spending within the Union, achieving greater economies of scale, reducing the risk of unnecessary duplication and as such reducing the fragmentation of defence products and technologies throughout the Union. Ultimately, the Fund will lead to greater interoperability between Member States' capabilities.

Or. it

## **Amendment 192**

**Reinhard Bütikofer**

on behalf of the Verts/ALE Group

### **Proposal for a regulation**

#### **Article 3 – paragraph 2 – point b**

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

(b) support collaborative development projects of defence products and technologies consistent with defence capability priorities commonly agreed by Member States within the framework of the ***Common Foreign and Security Policy***, thus contributing to greater efficiency of defence spending within the Union, achieving greater economies of scale, reducing the risk of unnecessary duplication and as such reducing the fragmentation of defence products and technologies throughout the Union. Ultimately, the Fund ***will lead to*** greater interoperability between Member States' capabilities.

##### *Amendment*

(b) support ***highly efficient*** collaborative development projects of defence products and technologies consistent with defence capability priorities commonly agreed by Member States within the framework of the ***Capability Development Plan (CAP)***, thus contributing to greater efficiency of defence spending within the Union, achieving greater economies of scale, reducing the risk of unnecessary duplication and as such reducing the fragmentation of defence products and technologies throughout the Union. Ultimately, the Fund ***shall seek*** greater interoperability between Member States' capabilities..

Or. en

## Amendment 193

Jens Geier, Martina Werner, Arne Lietz, Constanze Krehl

### Proposal for a regulation

#### Article 3 – paragraph 2 – point b

*Text proposed by the Commission*

(b) support collaborative development projects of defence products and technologies consistent with defence capability priorities commonly agreed by Member States within the framework of the Common Foreign and Security Policy, thus contributing to greater efficiency of defence spending within the Union, achieving greater economies of scale, **reducing** the risk of unnecessary duplication and as such reducing the fragmentation of defence products and technologies throughout the Union. Ultimately, the Fund will lead to greater interoperability between Member States' capabilities.

*Amendment*

(b) support collaborative development projects of defence products and technologies consistent with defence capability priorities commonly agreed by Member States within the framework of the Common Foreign and Security Policy, thus contributing to greater efficiency of defence spending within the Union, achieving greater economies of scale, **eliminating** the risk of unnecessary duplication and as such reducing the fragmentation of defence products and technologies throughout the Union. Ultimately, the Fund will lead to greater interoperability between Member States' capabilities.

Or. en

## Amendment 194

Fabio Massimo Castaldo

### Proposal for a regulation

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

*Text proposed by the Commission*

*Amendment*

***(ba) encourage European cooperation on research and the defence industry by involving three or more Member States and three or more companies, as specified in Article 11(4).***

Or. it

## Amendment 195

Jens Geier, Martina Werner, Arne Lietz, Constanze Krehl

**Proposal for a regulation**  
**Article 3 – paragraph 2 – point b a (new)**

*Text proposed by the Commission*

*Amendment*

***(ba) contribute to innovative conversion of military to civilian production;***

Or. en

**Amendment 196**  
**Jens Geier, Martina Werner, Arne Lietz, Constanze Krehl**

**Proposal for a regulation**  
**Article 3 – paragraph 2 – point b b (new)**

*Text proposed by the Commission*

*Amendment*

***(bb) foster efficiency gains for the overall reduction of costs for defence;***

Or. en

**Amendment 197**  
**Jens Geier, Martina Werner, Arne Lietz, Constanze Krehl**

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

*Text proposed by the Commission*

*Amendment*

1. The financial envelope for the implementation of the European Defence Fund for the period 2021 – 2027 shall be EUR 13 000 000 000 in current prices.

1. The financial envelope for the implementation of the European Defence Fund for the period 2021 – 2027 shall be EUR 13 000 000 000 in current prices.  
***Spending from the EU budget shall be compensated by savings in national defence budgets.***

Or. en

**Amendment 198**  
**Edouard Martin, Carlos Zorrinho**

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

*Text proposed by the Commission*

1. The financial envelope for the implementation of the European Defence Fund for the period 2021 – 2027 shall be EUR **13 000 000 000 in current** prices.

*Amendment*

1. The financial envelope for the implementation of the European Defence Fund for the period 2021 – 2027 shall be EUR **11 453 000 000 in constant** prices.

***This financial envelope shall be additional to pre-existing MFF headings.***

Or. en

**Amendment 199**  
**Reinhard Bütikofer**  
on behalf of the Verts/ALE Group

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

*Text proposed by the Commission*

1. The financial envelope for the implementation of the European Defence Fund for the period 2021 – 2027 shall be EUR **13 000 000 000** in current prices.

*Amendment*

1. The financial envelope for the implementation of the European Defence Fund for the period 2021 – 2027 shall be EUR **9 000 000 000** in current prices.

Or. en

*Justification*

*While the Commission proposes to strongly increase investments in military technology for the 2021-2027 financial framework, EU budget funds for civilian conflict prevention and crisis response are reduced to a financial volume, which is less than 50% of what was available during the 2014-2020 MFF. The current proposal of the Commission of EUR 1 Billion for EU civilian conflict and crisis response in the context of the NDICI draft regulation needs a sharp increase to EUR 3.5 Billion. In a similar vein and because of the multiple crisis around in Europe' neighbourhood,, EU budget resources for civilian CSDSP missions need to be increased by EUR 0.5 Billion. Consequently the amount of paragraph 2 (a) is reduced by EUR 1 Billion and the amount of paragraph 2 (b) by EUR 3 Billion.*

**Amendment 200**  
**Edouard Martin**

**Proposal for a regulation**  
**Article 4 – paragraph 2 – point a**

*Text proposed by the Commission*

(a) up to **EUR 4 100 000 000** for research actions;

*Amendment*

(a) **EUR 3 612 100 000** for research actions (*constant prices*);

Or. en

**Amendment 201**  
**Jens Geier, Martina Werner, Arne Lietz, Constanze Krehl**

**Proposal for a regulation**  
**Article 4 – paragraph 2 – point a**

*Text proposed by the Commission*

(a) up to EUR **4 100 000 000** for research actions;

*Amendment*

(a) up to EUR **6 500 000 000** for research actions;

Or. en

**Amendment 202**  
**Reinhard Bütikofer**  
on behalf of the Verts/ALE Group

**Proposal for a regulation**  
**Article 4 – paragraph 2 – point a**

*Text proposed by the Commission*

(a) up to EUR **4 100 000 000** for research actions;

*Amendment*

(a) up to EUR **3 100 000 000** for research actions;

Or. en

*Justification*

*While the Commission proposes to strongly increase investments in military technology for the 2021-2027 financial framework, EU budget funds for civilian conflict prevention and crisis response are reduced to a financial volume, which is less than 50% of what was*



available during the 2014-2020 MFF. The current proposal of the Commission of EUR 1 Billion for EU civilian conflict and crisis response in the context of the NDICI draft regulation needs a sharp increase to EUR 3.5 Billion. In a similar vein and because of the multiple crisis around in Europe' neighbourhood,, EU budget resources for civilian CSDSP missions need to be increased by EUR 0.5 Billion. Consequently the amount of paragraph 2 (a) is reduced by EUR 1 Billion and the amount of paragraph 2 (b) by EUR 3 Billion.

**Amendment 203**  
**Edouard Martin**

**Proposal for a regulation**  
**Article 4 – paragraph 2 – point b**

*Text proposed by the Commission*

(b) up to EUR 8 900 000 000 for development actions.

*Amendment*

(b) EUR 7 840 900 000 for development actions (*constant prices*).

Or. en

**Amendment 204**  
**Jens Geier, Martina Werner, Arne Lietz, Constanze Krehl**

**Proposal for a regulation**  
**Article 4 – paragraph 2 – point b**

*Text proposed by the Commission*

(b) up to EUR 8 900 000 000 for development actions.

*Amendment*

(b) up to EUR 6 500 000 000 for development actions.

Or. en

**Amendment 205**  
**Reinhard Bütikofer**  
on behalf of the Verts/ALE Group

**Proposal for a regulation**  
**Article 4 – paragraph 2 – point b**

*Text proposed by the Commission*

(b) up to EUR 8 900 000 000 for

*Amendment*

(b) up to EUR 5 900 000 000 for

development actions.

development actions.

Or. en

### *Justification*

*While the Commission proposes to strongly increase investments in military technology for the 2021-2027 financial framework, EU budget funds for civilian conflict prevention and crisis response are reduced to a financial volume, which is less than 50% of what was available during the 2014-2020 MFF. The current proposal of the Commission of EUR 1 Billion for EU civilian conflict and crisis response in the context of the NDICI draft regulation needs a sharp increase to EUR 3.5 Billion. In a similar vein and because of the multiple crisis around in Europe' neighbourhood,, EU budget resources for civilian CSDSP missions need to be increased by EUR 0.5 Billion. Consequently the amount of paragraph 2 (a) is reduced by EUR 1 Billion and the amount of paragraph 2 (b) by EUR 3 Billion.*

#### **Amendment 206**

**Edouard Martin, Martina Werner**

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

**Article 4 – paragraph 2 a (new)**

*Text proposed by the Commission*

*Amendment*

**2a. In order to respond to unforeseen circumstances or to new developments and needs, the Commission may, within the annual budgetary procedure, deviate from the amounts referred to in paragraph 2 by a maximum of 10%.**

Or. en

#### **Amendment 207**

**Reinhard Bütikofer**

on behalf of the Verts/ALE Group

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

**Article 4 – paragraph 3**

*Text proposed by the Commission*

*Amendment*

**3. The amount referred to in paragraph 1 may be used for technical and administrative assistance for the implementation of the Fund, such as**

**deleted**

*preparatory, monitoring, control, audit and evaluation activities including corporate information technology systems.*

Or. en

**Amendment 208**  
**Edouard Martin**

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

*Text proposed by the Commission*

3. The amount referred to in paragraph 1 may be used for technical and administrative assistance for the implementation of the Fund, such as preparatory, monitoring, control, audit and evaluation activities including corporate information technology systems.

*Amendment*

3. The amount referred to in paragraph 1 may be used for technical and administrative assistance for the implementation of the Fund, such as preparatory, monitoring, control, audit and evaluation activities including corporate information technology systems. ***This amount shall not exceed 5% of the value of the financial envelope referred in paragraph 1.***

Or. en

**Amendment 209**  
**Reinhard Bütikofer**  
on behalf of the Verts/ALE Group

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

*Text proposed by the Commission*

***4. Up to 5 % of the financial envelope referred to in paragraph 1 shall be devoted to support disruptive technologies for defence.***

*Amendment*

*deleted*

Or. en

## Amendment 210

Françoise Grossetête, Sven Schulze, Christian Ehler, Massimiliano Salini, Pilar del Castillo Vera

### Proposal for a regulation

#### Article 4 – paragraph 4

*Text proposed by the Commission*

4. *Up to 5 %* of the financial envelope referred to in paragraph 1 shall be devoted to support disruptive technologies for defence.

*Amendment*

4. *At least 5 %* of the financial envelope referred to in paragraph 1 shall be devoted to support disruptive technologies for defence.

Or. en

## Amendment 211

Dominique Riquet, Pavel Telička

### Proposal for a regulation

#### Article 4 – paragraph 4

*Text proposed by the Commission*

4. Up to **5 %** of the financial envelope referred to in paragraph 1 shall be devoted to support disruptive technologies for defence.

*Amendment*

4. Up to **10 %** of the financial envelope referred to in paragraph 1 shall be devoted to support disruptive technologies for defence.

Or. fr

## Amendment 212

Jens Geier, Martina Werner, Arne Lietz, Constanze Krehl

### Proposal for a regulation

#### Article 4 – paragraph 4

*Text proposed by the Commission*

4. Up to **5 %** of the financial envelope referred to in paragraph 1 shall be devoted to support *disruptive technologies for defence*.

*Amendment*

4. Up to **25 %** of the financial envelope referred to in paragraph 1 shall be devoted to support *cyber-defence*.

Or. en

**Amendment 213**

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

**Proposal for a regulation**

**Article 4 – paragraph 4 a (new)**

*Text proposed by the Commission*

*Amendment*

**4a. At least 25 % of the financial envelope referred to in paragraph 1 shall be devoted to fostering conversion from military to civil production.**

Or. en

**Amendment 214**

**Edouard Martin, Martina Werner**

**Proposal for a regulation**

**Article 4 – paragraph 5**

*Text proposed by the Commission*

*Amendment*

**5. Resources allocated to Member States under shared management may, at their request, be transferred to the Fund. The Commission shall implement those resources directly in accordance with Article [62(1)(a)] of the Financial Regulation. Where possible those resources shall be used for the benefit of the Member State concerned.**

**deleted**

Or. en

**Amendment 215**

**Reinhard Bütikofer**

on behalf of the Verts/ALE Group

**Proposal for a regulation**

**Article 4 – paragraph 5**

*Text proposed by the Commission*

*Amendment*

**5. Resources allocated to Member States under shared management may, at their request, be transferred to the Fund. The Commission shall implement those resources directly in accordance with Article [62(1)(a)] of the Financial Regulation. Where possible those resources shall be used for the benefit of the Member State concerned.** *deleted*

Or. en

#### **Amendment 216**

**Françoise Grossetête, Sven Schulze, Pilar del Castillo Vera**

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

#### **Article 4 – paragraph 5**

*Text proposed by the Commission*

*Amendment*

**5. Resources allocated to Member States under shared management may, at their request, be transferred to the Fund. The Commission shall implement those resources directly in accordance with Article [62(1)(a)] of the Financial Regulation. Where possible those resources shall be used for the benefit of the Member State concerned.** *deleted*

Or. en

#### **Amendment 217**

**Dominique Riquet, Pavel Telička**

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

#### **Article 4 – paragraph 5**

*Text proposed by the Commission*

*Amendment*

5. Resources allocated to Member States under shared management may, at their request, be transferred to the Fund. The Commission shall implement those resources directly in accordance with

5. Resources allocated to Member States under shared management may, at their request, be transferred to the Fund. The Commission shall implement those resources directly in accordance with

Article [62(1)(a)] of the Financial Regulation. *Where possible* those resources shall be used for the benefit of the Member State concerned.

Article [62(1)(a)] of the Financial Regulation. Those resources shall be used for the benefit of the Member State concerned.

Or. fr

**Amendment 218**  
**Edouard Martin**

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

*Text proposed by the Commission*

The Fund shall be open to the European Free Trade Association (EFTA) members which are members of the European Economic Area (EEA), in accordance with the conditions laid down in the EEA agreement.

*Amendment*

The Fund shall be open to the European Free Trade Association (EFTA) members which are members of the European Economic Area (EEA), in accordance with the conditions laid down in the EEA agreement. ***Any financial contribution to the programme based on this article shall constitute assigned revenue in accordance with Article [21(5)] of the Financial Regulation.***

Or. en

**Amendment 219**  
**Clare Moody, Theresa Griffin**

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

*Text proposed by the Commission*

The Fund shall be open to the European Free Trade Association (EFTA) members which are members of the European Economic Area (EEA), in accordance with the conditions laid down in the EEA agreement.

*Amendment*

The Fund shall be open to the European Free Trade Association (EFTA) members which are members of the European Economic Area (EEA), in accordance with the conditions laid down in the EEA agreement. ***The Fund shall also be open to countries with which the EU has signed a security treaty including on defence industry collaboration.***

**Amendment 220**  
**Olle Ludvigsson**

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

*Text proposed by the Commission*

The Fund shall be open to the European Free Trade Association (EFTA) members which are members of the European Economic Area (EEA), in accordance with the conditions laid down in the EEA agreement.

*Amendment*

The Fund shall be open to the European Free Trade Association (EFTA) members which are members of the European Economic Area (EEA), in accordance with the conditions laid down in the EEA agreement ***or equivalent agreements or arrangements.***

Or. en

**Amendment 221**  
**Gunnar Hökmark**

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

*Text proposed by the Commission*

The Fund shall be open to the European Free Trade Association (EFTA) members which are members of the European Economic Area (EEA), in accordance with the conditions laid down in the EEA agreement.

*Amendment*

The Fund shall be open to the European Free Trade Association (EFTA) members which are members of the European Economic Area (EEA), in accordance with the conditions laid down in the EEA agreement ***or any equivalent arrangement.***

Or. en

**Amendment 222**  
**Olle Ludvigsson**

**Proposal for a regulation**  
**Article 6 – paragraph 1**



*Text proposed by the Commission*

1. The Commission shall award funding through open and public consultations on the areas of intervention defined in the work programmes.

*Amendment*

1. The Commission shall award funding ***for support to, but not limited to, disruptive technologies for defence*** through open and public consultations on the areas of intervention defined in the work programmes.

Or. en

**Amendment 223**

**Christian Ehler, Michael Gahler**

**Proposal for a regulation**

**Article 6 – paragraph 1**

*Text proposed by the Commission*

1. The Commission shall award funding through open and public consultations on the areas of intervention defined in the work programmes.

*Amendment*

1. The Commission shall award funding through open and public consultations on the areas of intervention defined in the work programmes ***taking into consideration the Capability Development Mechanism (CDM)***.

Or. en

**Amendment 224**

**David Borrelli**

**Proposal for a regulation**

**Article 6 – paragraph 1**

*Text proposed by the Commission*

1. The Commission shall award funding through open and public consultations on the areas of intervention defined in the work programmes.

*Amendment*

1. The Commission shall award funding through open and public consultations on the areas of intervention defined in the work programmes ***and after seeking the opinion of the European Parliament***.

Or. it

**Amendment 225**  
**Fabio Massimo Castaldo**

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

*Text proposed by the Commission*

2. The Commission may, on a case by case basis, find the most appropriate form of funding to finance *innovative solutions*.

*Amendment*

2. The Commission may, on a case by case basis, find the most appropriate form of funding to finance *disruptive technologies*.

Or. it

**Amendment 226**  
**Dominique Riquet, Pavel Telička**

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

*Text proposed by the Commission*

2. The Commission *may*, on a case by case basis, *find* the most appropriate form of funding to finance innovative solutions.

*Amendment*

2. The Commission *shall define*, on a case by case basis, the most appropriate form of funding to finance innovative solutions.

Or. fr

**Amendment 227**  
**Edouard Martin, Eugen Freund**

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

*Text proposed by the Commission*

1. Actions carried out under the Fund shall comply with ethical principles and relevant national, Union and international legislation.

*Amendment*

1. Actions carried out under the Fund shall comply with ethical principles and relevant national, Union and international legislation, *notably the Arms Trade Treaty which was ratified by all the EU Member-*

*States.*

Or. en

**Amendment 228**  
**Dominique Riquet, Pavel Telička**

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

*Text proposed by the Commission*

*Amendment*

**2. Proposals shall be systematically screened to identify those actions raising complex or serious ethics issues and submit them to an ethics assessment. Ethics screenings and assessments shall be carried out by the Commission with the support of experts on defence ethics. The Commission shall ensure the transparency of the ethics procedures as much as possible.**

*deleted*

Or. fr

**Amendment 229**  
**Reinhard Bütikofer**  
on behalf of the Verts/ALE Group

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

*Text proposed by the Commission*

*Amendment*

**2. Proposals shall be systematically screened to identify those actions raising complex or serious ethics issues and submit them to an ethics assessment. Ethics screenings and assessments shall be carried out by the Commission with the support of experts *on defence ethics*. The Commission shall ensure the transparency of the ethics procedures *as much as possible*.**

**2. All proposals shall be systematically screened *ex-ante* to identify those actions raising complex or serious ethics issues and submit them to an *ex-ante* ethics *impact* assessment. *This review must extend beyond the narrow confines of privacy and data protection take into account the broader societal impacts of the underlying security R&D agenda. Proposals that raise substantial ethical and/or societal impact concerns must be***

*subject to enhanced scrutiny and control. In particular each project under that call will be subject to ethical review.* Ethics screenings and assessments shall be carried out by the Commission with the support of *independent* experts *with various background, including from civil society.* The Commission shall ensure the transparency of the ethics procedures *and report every six months to the European Parliament.*

Or. en

#### *Justification*

*This Programme will support R&D of technology designed to end the lives of human beings. It is therefore imperative to implement the highest possible standards as regards ethical review and transparency. In this respect, it is unacceptable that the Commission only consults "experts on defence ethics".*

#### **Amendment 230**

**Edouard Martin, Carlos Zorrinho**

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

#### **Article 7 – paragraph 2**

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

2. Proposals shall be systematically screened to identify those actions raising complex or serious ethics issues and submit them to an ethics assessment. Ethics screenings and assessments shall be carried out by the Commission with the support of experts on defence ethics. The Commission shall ensure the transparency of the ethics procedures *as much as possible.*

##### *Amendment*

2. Proposals shall be systematically screened to identify those actions raising complex or serious ethics issues and submit them to an ethics assessment. Ethics screenings and assessments shall be carried out by the Commission with the support of experts on defence ethics, *selected on a gender-balanced basis, whose list is public and updated regularly. These experts shall represent a diversity of opinions in the military, technology and civil protection fields (including medical staff).* The Commission shall ensure the transparency of the ethics procedures *and the experts shall collectively publish an annual report on the ethical issues they had to debate and assess.*

**Amendment 231**

**Françoise Grossetête, Christian Ehler, Massimiliano Salini, Pilar del Castillo Vera, Sven Schulze**

**Proposal for a regulation****Article 7 – paragraph 2***Text proposed by the Commission*

2. Proposals shall be systematically screened to identify those actions raising complex or serious ethics issues and submit them to an ethics assessment. Ethics screenings and assessments shall be carried out by the Commission with the support of experts on defence ethics. The Commission shall ensure the transparency of the ethics procedures as much as possible.

*Amendment*

2. Proposals shall be systematically screened to identify those actions raising complex or serious ethics issues and submit them to an ethics assessment. Ethics screenings and assessments shall be carried out by the Commission with the support of experts on defence ethics. ***All experts shall be required to be validated by the Member States that has issued their security clearance. The appropriate security clearance shall be required before appointment.*** The Commission shall ensure the transparency of the ethics procedures as much as possible.

**Amendment 232**

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

**Proposal for a regulation****Article 7 – paragraph 2***Text proposed by the Commission*

2. Proposals shall be systematically screened to identify those actions raising complex or serious ethics issues and submit them to an ethics assessment. Ethics screenings and assessments shall be carried out by the Commission with the support of experts on defence ethics. The Commission shall ensure the transparency of the ethics procedures ***as much as possible.***

*Amendment*

2. Proposals shall be systematically screened to identify those actions raising complex or serious ethics issues and submit them to an ethics assessment. Ethics screenings and assessments shall be carried out by the Commission with the support of experts on defence ethics. ***They can be invoked by the European Parliament in case its majority suspects an ethical issue with an action.*** The Commission shall

ensure the transparency of the ethics procedures.

Or. en

**Amendment 233**  
**David Borrelli**

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

*Text proposed by the Commission*

2. Proposals shall be systematically screened to identify those actions raising complex or serious ethics issues and submit them to an ethics assessment. Ethics screenings and assessments shall be carried out by the Commission with the support of experts on defence ethics. The Commission shall ensure the transparency of the ethics procedures *as much as possible*.

*Amendment*

2. Proposals shall be systematically screened to identify those actions raising complex or serious ethics issues and submit them to an ethics assessment. Ethics screenings and assessments shall be carried out by the Commission with the support of experts on defence ethics, *after seeking the opinion of the European Parliament*. The Commission shall ensure the transparency of the ethics procedures.

Or. it

**Amendment 234**  
**Dominique Riquet, Pavel Telička**

**Proposal for a regulation**  
**Article 7 – paragraph 3**

*Text proposed by the Commission*

3. *Entities participating in the action shall obtain all approvals or other mandatory documents from the relevant national, local ethics committees or other bodies such as data protection authorities before the start of the relevant activities. Those documents shall be kept on file and provided to the Commission.*

*Amendment*

*deleted*

Or. fr

**Amendment 235**  
**Clare Moody, Theresa Griffin**

**Proposal for a regulation**  
**Article 7 – paragraph 3 a (new)**

*Text proposed by the Commission*

*Amendment*

**3a. Entities participating in the action shall demonstrate to the Commission that they have robust corporate governance standards including anonymised whistleblowing channels operated by a third party. Entities, or their senior executives, which have been found guilty of a criminal offence in a court of law may be barred from applying to the Fund for a period of no less than 36 months starting on the date of criminal conviction.**

Or. en

*Justification*

*In order to ensure that EU funds are not allocated to companies guilty of corruption anywhere in the world, the Commission should include this as a precondition of funding. Based on the US system of suspension and debarment, the EU could use this Fund to driver a higher standard of corporate governance.*

**Amendment 236**  
**Edouard Martin, Clare Moody, Eugen Freund**

**Proposal for a regulation**  
**Article 7 – paragraph 3 a (new)**

*Text proposed by the Commission*

*Amendment*

**3a. Entities participating in the action shall demonstrate to the Commission that they have robust corporate governance standards including anonymised whistleblowing channels operated by a third party. Entities, or their senior executives, which have been found guilty of a criminal offence in a court of law**

*may be barred from applying to the Fund  
for a period of no less than 36 months  
starting on the date of criminal  
conviction.*

Or. en

**Amendment 237**

**Edouard Martin, Carlos Zorrinho, Eugen Freund**

**Proposal for a regulation**

**Article 7 – paragraph 3 b (new)**

*Text proposed by the Commission*

*Amendment*

**3b. An Ethics conformity certificate shall be published by the Commission for each project.**

Or. en

**Amendment 238**

**Dominique Riquet, Pavel Telička**

**Proposal for a regulation**

**Article 7 – paragraph 4**

*Text proposed by the Commission*

*Amendment*

**4. If appropriate, ethics checks shall be carried out by the Commission during the implementation of the action. For serious or complex ethics issues, the checks shall be carried out by the Commission with the support of experts on defence ethics.**

**deleted**

Or. fr

**Amendment 239**

**Gunnar Hökmark**

**Proposal for a regulation**



## Article 7 – paragraph 4

*Text proposed by the Commission*

*Amendment*

4. ***If appropriate, ethics checks shall be carried out by the Commission during the implementation of the action. For serious or complex ethics issues, the checks shall be carried out by the Commission with the support of experts on defence ethics.*** ***deleted***

Or. en

### Amendment 240

**Françoise Grossetête, Sven Schulze, Massimiliano Salini, Pilar del Castillo Vera**

#### Proposal for a regulation

##### Article 7 – paragraph 4

*Text proposed by the Commission*

*Amendment*

4. ***If appropriate, ethics checks shall be carried out by the Commission during the implementation of the action. For serious or complex ethics issues, the checks shall be carried out by the Commission with the support of experts on defence ethics.*** ***deleted***

Or. en

### Amendment 241

**Edouard Martin, Carlos Zorrinho, Eugen Freund**

#### Proposal for a regulation

##### Article 7 – paragraph 4

*Text proposed by the Commission*

*Amendment*

4. ***If appropriate, ethics checks shall be carried out by the Commission during the implementation of the action. For serious or complex ethics issues, the checks shall be carried out by the Commission with the support of experts on***

4. Ethics checks shall be carried during the implementation of the action, ***at the Commission's discretion or upon request of the European Parliament. Those*** checks shall be carried out by the Commission with the support of experts on

defence ethics.

defence ethics.

Or. en

**Amendment 242**  
**Dominique Riquet, Pavel Telička**

**Proposal for a regulation**  
**Article 7 – paragraph 5**

*Text proposed by the Commission*

*Amendment*

5. *Actions which are not ethically acceptable may be rejected or terminated at any time.* **deleted**

Or. fr

**Amendment 243**  
**Edouard Martin, Carlos Zorrinho, Eugen Freund**

**Proposal for a regulation**  
**Article 7 – paragraph 5**

*Text proposed by the Commission*

*Amendment*

5. Actions which are not ethically acceptable may be rejected or terminated at any time.

5. Actions which are not ethically acceptable may be rejected or terminated at any time. ***The termination of an action shall request a majority vote of the European Parliament.***

Or. en

**Amendment 244**  
**Jens Geier, Martina Werner, Arne Lietz, Constanze Krehl**

**Proposal for a regulation**  
**Article 7 – paragraph 5**

*Text proposed by the Commission*

*Amendment*

5. Actions which are not ethically

5. Actions which are not ethically

acceptable *may* be rejected or terminated *at any time*.

acceptable *shall* be rejected or terminated *as soon as the ethical unacceptability is detected*.

Or. en

#### **Amendment 245**

**Françoise Grossetête, Sven Schulze, Massimiliano Salini, Pilar del Castillo Vera**

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

##### **Article 7 – paragraph 5**

*Text proposed by the Commission*

5. Actions which are not ethically acceptable *may be rejected or terminated at any time*.

*Amendment*

5. Actions which are not ethically acceptable *shall not be eligible*.

Or. en

#### **Amendment 246**

**Fabio Massimo Castaldo**

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

##### **Article 8 – paragraph 1**

*Text proposed by the Commission*

1. The Fund shall be implemented in direct management *in accordance with the Financial* Regulation.

*Amendment*

1. The Fund shall be implemented *by the Commission as provided for by Regulation (EU, Euratom) No 966/2012* in direct *or indirect* management *entrusting budget implementation tasks to the entities listed in point (c) of Article 58(1) of that* Regulation.

Or. en

#### **Amendment 247**

**Dominique Riquet, Pavel Telička**

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

##### **Article 8 – paragraph 1**

*Text proposed by the Commission*

1. The Fund shall be implemented in direct management in accordance with the Financial Regulation.

*Amendment*

1. The Fund shall be implemented in direct management **by the Commission** in accordance with the Financial Regulation.

Or. fr

**Amendment 248**

**Edouard Martin, Carlos Zorrinho, Răzvan Popa**

**Proposal for a regulation  
Article 8 – paragraph 2**

*Text proposed by the Commission*

2. The Fund may provide funding in **any of** the forms laid down in the Financial Regulation, **in particular grants, prizes and procurement**. It may also provide financing in the form of financial instruments within blending operations.

*Amendment*

2. The Fund may provide funding in the forms **of grants, prizes and procurement as** laid down in the Financial Regulation. It may also provide financing in the form of financial instruments within blending operations **by providing the non-repayable forms of support to blending operations**.

Or. en

**Amendment 249**

**Reinhard Bütikofer**

on behalf of the Verts/ALE Group

**Proposal for a regulation  
Article 9**

*Text proposed by the Commission*

*Article 9*

***Cumulative, complementary and combined funding***

***1. An action that has received a contribution from another Union programme may also receive a contribution under the Fund, provided that the contributions do not cover the***

*Amendment*

***deleted***

*same costs. The rules of each contributing Union programme/Fund shall apply to its respective contribution to the action. The cumulative funding shall not exceed the total eligible costs of the action and the support from the different Union programmes may be calculated on a pro-rata basis in accordance with the documents setting out the conditions for support.*

*2. Actions awarded a Seal of Excellence certification, or which comply with the following cumulative, comparative, conditions:*

*(a) they have been assessed in a call for proposals under the Fund;*

*(b) they comply with the minimum quality requirements of that call for proposals;*

*(c) they may not be financed under that call for proposals due to budgetary constraints,*

*may receive support from the European Regional Development Fund, the Cohesion Fund, the European Social Fund or the European Agricultural Fund for Rural Development, in accordance with paragraph 5 of Article [65] of Regulation (EU) XX [Common Provisions Regulation] and Article [8] of Regulation (EU) XX [Financing, management and monitoring of the Common Agricultural Policy], provided that such actions are consistent with the objectives of the programme concerned. The rules of the Fund providing support shall apply.*

Or. en

#### *Justification*

*There should be limits to EU military spending. It is unacceptable to militarise various EU civilian programmes 2021-2027*

#### **Amendment 250**

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

**Proposal for a regulation**  
**Article 9 – paragraph 2**

*Text proposed by the Commission*

*Amendment*

**2. Actions awarded a Seal of Excellence certification, or which comply with the following cumulative, comparative, conditions:** *deleted*

**(a) they have been assessed in a call for proposals under the Fund;**

**(b) they comply with the minimum quality requirements of that call for proposals;**

**(c) they may not be financed under that call for proposals due to budgetary constraints,**

**may receive support from the European Regional Development Fund, the Cohesion Fund, the European Social Fund or the European Agricultural Fund for Rural Development, in accordance with paragraph 5 of Article [65] of Regulation (EU) XX [Common Provisions Regulation] and Article [8] of Regulation (EU) XX [Financing, management and monitoring of the Common Agricultural Policy], provided that such actions are consistent with the objectives of the programme concerned. The rules of the Fund providing support shall apply.**

Or. en

**Amendment 251**

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

**Proposal for a regulation**  
**Article 9 – paragraph 2 – point a**

*Text proposed by the Commission*

*Amendment*

**(a) they have been assessed in a call for proposals under the Fund;** *deleted*

**Amendment 252**

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

**Proposal for a regulation**

**Article 9 – paragraph 2 – point b**

*Text proposed by the Commission*

*Amendment*

**(b) they comply with the minimum quality requirements of that call for proposals;** **deleted**

Or. en

**Amendment 253**

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

**Proposal for a regulation**

**Article 9 – paragraph 2 – point c**

*Text proposed by the Commission*

*Amendment*

**(c) they may not be financed under that call for proposals due to budgetary constraints,** **deleted**

Or. en

**Amendment 254**

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

**Proposal for a regulation**

**Article 9 – paragraph 2 – subparagraph 1**

*Text proposed by the Commission*

*Amendment*

**may receive support from the European Regional Development Fund, the Cohesion Fund, the European Social Fund or the European Agricultural Fund for Rural Development, in accordance with paragraph 5 of Article [65] of** **deleted**

***Regulation (EU) XX [Common Provisions Regulation] and Article [8] of Regulation (EU) XX [Financing, management and monitoring of the Common Agricultural Policy], provided that such actions are consistent with the objectives of the programme concerned. The rules of the Fund providing support shall apply.***

Or. en

**Amendment 255**

**Françoise Grossetête, Sven Schulze, Massimiliano Salini, Pilar del Castillo Vera**

**Proposal for a regulation**

**Title 1 – chapter 3 – title**

*Text proposed by the Commission*

*Amendment*

GRANTS

***ELIGIBILITY AND GRANTS***

Or. en

**Amendment 256**

**Gunnar Hökmark**

**Proposal for a regulation**

**Article 10 – paragraph 1**

*Text proposed by the Commission*

*Amendment*

1. Applicants and their subcontractors shall be eligible for funding provided that ***they*** are established in the Union or in an associated country, have their executive management structures in the Union or in an associated country and are not controlled by a non-associated third country or by a non-associated third country entity.

1. Applicants and their subcontractors shall be eligible for funding provided that ***the applicants*** are established in the Union or in an associated country, have their executive management structures in the Union or in an associated country and are not, ***for the purpose of an action funded under the Programme,*** controlled by a non-associated third country or by a non-associated third country entity.

Or. en



## Amendment 257

Edouard Martin

### Proposal for a regulation

#### Article 10 – paragraph 1

*Text proposed by the Commission*

1. Applicants and their subcontractors shall be eligible for funding provided that they are established in the Union or in an associated country, have their executive management structures in the Union or in an associated country and are not controlled by a non-associated third country or by a non-associated third country entity.

*Amendment*

1. Applicants and their subcontractors shall be eligible for funding provided that they are established in the Union or in an associated country **as laid down in Article 5**, have their executive management structures in the Union or in an associated country **under Article 5**, and are not controlled by a non-associated third country or by a non-associated third country entity.

Or. en

## Amendment 258

Françoise Grossetête, Pilar del Castillo Vera

### Proposal for a regulation

#### Article 10 – paragraph 1

*Text proposed by the Commission*

1. Applicants and **their** subcontractors shall be eligible for funding provided that they are established in the Union or in an associated country, have their executive management structures in the Union or in an associated country and are not controlled by a non-associated third country or by a non-associated third country entity.

*Amendment*

1. Applicants and subcontractors **involved in the action** shall be eligible for funding provided that they are established in the Union or in an associated country, have their executive management structures in the Union or in an associated country and are not controlled by a non-associated third country or by a non-associated third country entity.

Or. en

## Amendment 259

David Borrelli

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

*Text proposed by the Commission*

1. Applicants and their subcontractors shall be eligible for funding provided that they are established in the Union or in an associated country, have their executive management structures in the Union or in an associated country and are not controlled by a non-associated third country *or by a non-associated third country entity*.

*Amendment*

1. Applicants and their subcontractors shall be eligible for funding provided that they are established in the Union or in an associated country, have their executive management structures in the Union or in an associated country and are not controlled by a non-associated third country.

Or. it

**Amendment 260**  
**Angelo Ciocca**

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

*Text proposed by the Commission*

1. Applicants and their subcontractors shall be eligible for funding provided that they are established in the Union or in an associated country, have their executive management structures in the Union or in an associated country and are not controlled by a non-associated third country *or by a non-associated third country entity*.

*Amendment*

1. Applicants and their subcontractors shall be eligible for funding provided that they are established in the Union or in an associated country, have their executive management structures in the Union or in an associated country and are not controlled by a non-associated third country.

Or. it

**Amendment 261**  
**Patrizia Toia**

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

*Text proposed by the Commission*

*Amendment*

1. Applicants and their subcontractors shall be eligible for funding provided that they are established in the Union or in an associated country, have their executive management structures in the Union or in an associated country and are not controlled by a non-associated third country **or by a non-associated third country entity**.

1. Applicants and their subcontractors shall be eligible for funding provided that they are established in the Union or in an associated country, have their executive management structures in the Union or in an associated country and are not controlled by a non-associated third country.

Or. en

#### *Justification*

*There is no reason to discriminate industries controlled by entities based in countries outside the EU, compared to those controlled by entities based in EU countries, provided that the national legislation in the Member States gives adequate and uniform guarantees on the subject of control and therefore of European security protection, on the basis of common standards to be defined in the context of the current legislative procedure.*

#### **Amendment 262** **Massimiliano Salini**

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

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

1. Applicants and their subcontractors shall be eligible for funding provided that they are established in the Union or in an associated country, have their executive management structures in the Union or in an associated country and are not controlled by a non-associated third country **or by a non-associated third country entity**.

##### *Amendment*

1. Applicants and their subcontractors **involved in the action** shall be eligible for funding provided that they are established in the Union or in an associated country, have their executive management structures in the Union or in an associated country and are not controlled by a non-associated third country.

Or. en

#### **Amendment 263** **David Borrelli**

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

*Text proposed by the Commission*

*Amendment*

***1a. In order to ensure the protection of the Union's security interests, all beneficiaries shall be subject to measures established at national level in such a way as to ensure, in a uniform manner, the highest degree of control over the operation of the beneficiary. Those provisions shall apply to beneficiaries controlled by an entity established in the Union or by an entity established in a third country.***

Or. it

**Amendment 264**  
**Massimiliano Salini**

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

*Text proposed by the Commission*

*Amendment*

***1a. All beneficiaries shall be subject to appropriate measures codified at the national level, which serve to best guarantee a uniform degree of control over the functioning of the beneficiaries themselves, so as to ensure the safeguard of the Union's security interests. This shall apply to beneficiaries controlled both by an entity established in the European Union as well as to those controlled by an entity established in a third country.***

Or. en

**Amendment 265**  
**Patrizia Toia**

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

**1a. In order to ensure the safeguarding of the Union's security interests, all beneficiaries shall be subject to appropriate measures, established at the national level, which are able to best guarantee a uniform degree of control over the functioning of the beneficiary itself. This shall apply both to beneficiaries controlled by an entity established in the European Union and to those controlled by an entity established in a third country**

Or. en

*Justification*

*There is no reason to discriminate industries controlled by entities based in countries outside the EU, compared to those controlled by entities based in EU countries, provided that the national legislation in the Member States gives adequate and uniform guarantees on the subject of control and therefore of European security protection, on the basis of common standards to be defined in the context of the current legislative procedure.*

**Amendment 266  
Gunnar Hökmark**

**Proposal for a regulation  
Article 10 – paragraph 2 – introductory part**

*Text proposed by the Commission*

*Amendment*

2. By derogation from paragraph 1, an applicant established in the Union or in an associated country and controlled by a non-associated third country or a non-associated third country entity **may** be eligible for funding if this is necessary for achieving the objectives of the action and provided that **its participation will not put at risk the security interests of the Union and its Member States. In order to ensure protection of the security** interests of the Union and its Member States, **the call for proposals shall require the applicant to provide information demonstrating**

2. By derogation from paragraph 1, an applicant established in the Union or in an associated country and controlled by a non-associated third country or a non-associated third country entity **shall** be eligible for funding if this is necessary for achieving the objectives of the action and provided that **guarantees approved by the Member State in which it is established in accordance with its national procedures are made available to the Commission. Those guarantees may refer to the undertaking's executive management structure established in the Union. If**

*notably* that:

*deemed to be appropriate by the Member State in which the undertaking is established, those guarantees may also refer to specific governmental rights in the control over the undertaking. The guarantees shall provide the assurances that the involvement in an action of such an undertaking 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 pursuant to Title V of the TEU, or the objectives set out in Article 3. The guarantees shall also comply with the provisions of Article 12. The guarantees shall in particular substantiate that, for the purpose of the action, measures are in place to ensure that:*

Or. en

#### *Justification*

*Amendment to align the text with the corresponding article of the Regulation establishing the European Defence Industrial Development Programme, adopted by the European Parliament on July 3, 2018 and published in the Official Journal on August 7, 2018.*

#### **Amendment 267** **Olle Ludvigsson**

#### **Proposal for a regulation** **Article 10 – paragraph 2 – introductory part**

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

2. By derogation from paragraph 1, an applicant established in the Union or in an associated country and controlled by a non-associated third country or a non-associated third country entity *may* be eligible for funding *if this is necessary for achieving the objectives of the action and provided that its participation will not put at risk the security interests of the Union and its Member States. In order to ensure protection of the security* interests of the

##### *Amendment*

2. By derogation from paragraph 1, an applicant established in the Union or in an associated country and controlled by a non-associated third country or a non-associated third country entity *shall* be eligible for funding provided that *guarantees approved by the Member State in which it is established in accordance with its national procedure are made available to the Commission. Those guarantees may refer to the undertaking's*

Union and its Member States, *the call for proposals* shall *require the applicant to provide information demonstrating notably* that:

*executive managements structure established in the Union. If deemed appropriate by the Member State in which the undertaking is established, those guarantees may also refer to specific governmental rights in the control over the undertaking.*

*The guarantees shall provide assurances that the involvement in an action of such an undertaking 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 pursuant to Title V of the TEU, or the objectives set out in Article 3. The guarantees shall in particular substantiate that, for the purpose of the action, measures are in place to ensure that:*

Or. en

**Amendment 268**  
**Fabio Massimo Castaldo**

**Proposal for a regulation**  
**Article 10 – paragraph 2 – introductory part**

*Text proposed by the Commission*

2. By derogation from paragraph 1, an applicant established in the Union or in an associated country and controlled by a non-associated third country or a non-associated third country entity may *be* eligible for funding if this is necessary for achieving the objectives of the action and provided that its participation will not put at risk the security interests of the Union and its Member States. In order to ensure protection of the security interests of the Union and its Member States, the call for proposals shall require the applicant to provide information *demonstrating* notably that:

*Amendment*

2. By derogation from paragraph 1, an applicant *or a subcontractor involved in the action* established in the Union or in an associated country and controlled by a non-associated third country or a non-associated third country entity may *constitute an* eligible *entity* for funding if this is necessary for achieving the objectives of the action and provided that its participation will not put at risk the security *and defence* interests of the Union and its Member States, *or the objective set out in Article 3*. In order to ensure protection of the security interests of the Union and its Member States, the call for proposals shall require the applicant to provide information *or guarantees*

*approved by the Member State, in which the applicant is located, substantiating notably that:*

Or. en

#### **Amendment 269**

**Françoise Grossetête, Pilar del Castillo Vera**

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

#### **Article 10 – paragraph 2 – introductory part**

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

2. By derogation from paragraph 1, an applicant established in the Union or in an associated country and controlled by a non-associated third country or a non-associated third country entity may be eligible for funding if this is necessary for achieving the objectives of the **action** and provided that its participation will not put at risk the security interests of the Union and its Member States. In order to ensure protection of the security interests of the Union and its Member States, the call for proposals shall require the applicant to **provide information demonstrating notably** that:

##### *Amendment*

2. By derogation from paragraph 1, an applicant established **and having its executive management structure** in the Union or in an associated country and controlled by a non-associated third country or a non-associated third country entity may be eligible for funding if this is necessary for achieving the objectives of the **programme** and provided that its participation will not put at risk the security interests of the Union and its Member States. In order to ensure protection of the security interests of the Union and its Member States, the call for proposals shall require the applicant to **commit to implement measures before the beginning of the action ensuring** that:

Or. en

#### **Amendment 270**

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

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

#### **Article 10 – paragraph 2 – introductory part**

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

2. By derogation from paragraph 1, an applicant established in the Union or in an associated country and controlled by **a**

##### *Amendment*

2. By derogation from paragraph 1, an applicant established in the Union or in an associated country and controlled by **anon-**



**non-associated** third country or a non-associated third country entity may be eligible for funding if this is necessary for achieving the objectives of the action and provided that its participation will not put at risk the security interests of the Union and its Member States. In order to ensure protection of the security interests of the Union and its Member States, the call for proposals shall require the applicant to provide information demonstrating notably that:

**associated** third country or a non-associated third country entity may be eligible for funding **if it has been proven that no provider can be found within the Union and** if this is necessary for achieving the objectives of the action and provided that its participation will not put at risk the security interests of the Union and its Member States. In order to ensure protection of the security interests of the Union and its Member States, the call for proposals shall require the applicant to provide information demonstrating notably that:

Or. en

## **Amendment 271** **Miroslav Poche**

### **Proposal for a regulation** **Article 10 – paragraph 2 – introductory part**

#### *Text proposed by the Commission*

2. By derogation from paragraph 1, an applicant established in the Union or in an associated country and controlled by a non-associated third country or a non-associated third country entity may be eligible for funding **if this is necessary for achieving the objectives of the action and** provided that its participation will not put at risk the security interests of the Union and its Member States. In order to ensure protection of the security interests of the Union and its Member States, the call for proposals shall require the applicant to provide information demonstrating notably that:

#### *Amendment*

2. By derogation from paragraph 1, an applicant established in the Union or in an associated country and controlled by a non-associated third country or a non-associated third country entity may be eligible for funding provided that its participation will not put at risk the security interests of the Union and its Member States. In order to ensure protection of the security interests of the Union and its Member States, the call for proposals shall require the applicant to provide information demonstrating notably that:

Or. en

## **Amendment 272** **Angelo Ciocca**

**Proposal for a regulation**  
**Article 10 – paragraph 2 – introductory part**

*Text proposed by the Commission*

2. By derogation from paragraph 1, an applicant established in the Union or in an associated country and controlled by a non-associated third country **or a non-associated third country entity** may be eligible for funding if this is necessary for achieving the objectives of the action and provided that its participation will not put at risk the security interests of the Union and its Member States. In order to ensure protection of the security interests of the Union and its Member States, the call for proposals shall require the applicant to provide information demonstrating notably that:

*Amendment*

2. By derogation from paragraph 1, an applicant established in the Union or in an associated country and controlled by a non-associated third country may be eligible for funding if this is necessary for achieving the objectives of the action and provided that its participation will not put at risk the security interests of the Union and its Member States. In order to ensure protection of the security interests of the Union and its Member States, the call for proposals shall require the applicant to provide information demonstrating notably that:

Or. it

**Amendment 273**  
**Dominique Riquet, Pavel Telička**

**Proposal for a regulation**  
**Article 10 – paragraph 2 – introductory part**

*Text proposed by the Commission*

2. By derogation from paragraph 1, an applicant established in the Union or in an associated country and controlled by a non-associated third country or a non-associated third country entity may be eligible for funding if this is **necessary** for achieving the objectives of the action and provided that its participation will not put at risk the security interests of the Union and its Member States. In order to ensure protection of the security interests of the Union and its Member States, the call for proposals shall require the applicant to **provide information** demonstrating notably that:

*Amendment*

2. By derogation from paragraph 1, an applicant established in the Union or in an associated country and controlled by a non-associated third country or a non-associated third country entity may be eligible for funding if this is **essential** for achieving the objectives of the action and provided that its participation will not put at risk the security interests of the Union and its Member States. In order to ensure protection of the security interests of the Union and its Member States, the call for proposals shall require the applicant to **undertake to take action** demonstrating notably that:

**Amendment 274**  
**Massimiliano Salini**

**Proposal for a regulation**  
**Article 10 – paragraph 2 – introductory part**

*Text proposed by the Commission*

2. By derogation from paragraph 1, an applicant established in the Union or in an associated country and controlled by a non-associated third country **or a non-associated third country entity** may be eligible for funding if this is necessary for achieving the objectives of the action and provided that its participation will not put at risk the security interests of the Union and its Member States. In order to ensure protection of the security interests of the Union and its Member States, the call for proposals shall require the applicant to provide information demonstrating notably that:

*Amendment*

2. By derogation from paragraph 1, an applicant established in the Union or in an associated country and controlled by a non-associated third country may be eligible for funding if this is necessary for achieving the objectives of the action and provided that its participation will not put at risk the security interests of the Union and its Member States. In order to ensure protection of the security interests of the Union and its Member States, the call for proposals shall require the applicant to provide information demonstrating notably that:

Or. en

**Amendment 275**  
**Patrizia Toia**

**Proposal for a regulation**  
**Article 10 – paragraph 2 – introductory part**

*Text proposed by the Commission*

2. By derogation from paragraph 1, an applicant established in the Union or in an associated country and controlled by a non-associated third country **or a non-associated third country entity** may be eligible for funding if this is necessary for achieving the objectives of the action and provided that its participation will not put at risk the security interests of the Union and its Member States. In order to ensure

*Amendment*

2. By derogation from paragraph 1, an applicant established in the Union or in an associated country and controlled by a non-associated third country may be eligible for funding if this is necessary for achieving the objectives of the action and provided that its participation will not put at risk the security interests of the Union and its Member States. In order to ensure protection of the security interests of the

protection of the security interests of the Union and its Member States, the call for proposals shall require the applicant to provide information demonstrating notably that:

Union and its Member States, the call for proposals shall require the applicant to provide information demonstrating notably that:

Or. en

#### **Amendment 276**

**Clare Moody, Theresa Griffin**

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

#### **Article 10 – paragraph 2 – introductory part**

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

2. By derogation from paragraph 1, an applicant established in the Union or in an associated country and controlled by a non-associated third country or a non-associated third country entity *may* be eligible for funding if this is necessary for achieving the objectives of the action and provided that its participation will not put at risk the security interests of the Union and its Member States. In order to ensure protection of the security interests of the Union and its Member States, the call for proposals shall require the applicant to provide information demonstrating notably that:

##### *Amendment*

2. By derogation from paragraph 1, an applicant established in the Union or in an associated country and controlled by a non-associated third country or a non-associated third country entity *shall* be eligible for funding if this is necessary for achieving the objectives of the action and provided that its participation will not put at risk the security interests of the Union and its Member States. In order to ensure protection of the security interests of the Union and its Member States, the call for proposals shall require the applicant to provide information demonstrating notably that:

Or. en

#### **Amendment 277**

**Edouard Martin, Carlos Zorrinho, Răzvan Popa**

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

#### **Article 10 – paragraph 2 – introductory part**

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

2. By derogation from paragraph 1, an applicant established in the Union or in an associated country and controlled by a non-

##### *Amendment*

2. By derogation from paragraph 1, an applicant established in the Union or in an associated country and controlled by a non-

associated third country or a non-associated third country entity may be eligible for funding if this is *necessary* for achieving the objectives of the action and provided that its participation will not put at risk the security interests of the Union and its Member States. In order to ensure protection of the security interests of the Union and its Member States, the call for proposals shall require the applicant to provide information demonstrating notably that:

associated third country or a non-associated third country entity may be eligible for funding if this is *critical* for achieving the objectives of the action and provided that its participation will not put at risk the security interests of the Union and its Member States. In order to ensure protection of the security interests of the Union and its Member States, the call for proposals shall require the applicant to provide information demonstrating notably that:

Or. en

**Amendment 278**  
**Miroslav Poche**

**Proposal for a regulation**  
**Article 10 – paragraph 2 – point a**

*Text proposed by the Commission*

(a) the control over the applicant will not be exercised in a manner that restricts in any way its ability to perform and complete the action;

*Amendment*

(a) the control over the applicant will not be exercised in a manner that restricts in any way its ability to perform and complete the action *or that no restrictions are imposed by non-associated third countries or by non-associated third country entities on applicant's infrastructure, facilities, assets, resources, intellectual property or know-how needed for the purpose of the action;*

Or. en

**Amendment 279**  
**Olle Ludvigsson**

**Proposal for a regulation**  
**Article 10 – paragraph 2 – point a**

*Text proposed by the Commission*

(a) the control over the applicant *will*

*Amendment*

(a) the control over the applicant *is not*

**not be** exercised in a manner that restricts in any way its ability to perform and complete the action;

exercised in a manner that restricts in any way its ability to perform and complete the action;

Or. en

**Amendment 280**  
**Dominique Riquet, Pavel Telička**

**Proposal for a regulation**  
**Article 10 – paragraph 2 – point b**

*Text proposed by the Commission*

b) the access by non-associated third countries or by non-associated third country entities to classified and non-classified sensitive information relating to the action will be prevented; and the persons involved in the action will have national security clearance issued by a Member State or associated country;

*Amendment*

b) the access by non-associated third countries or by non-associated third country entities to classified and non-classified sensitive information relating to the action will be prevented **for non-classified sensitive information subject to the provisions of Article [30(1)(d)] of this Regulation for classified information**; and the persons involved in the action will have national security clearance issued by a Member State or associated country;

Or. fr

**Amendment 281**  
**Olle Ludvigsson**

**Proposal for a regulation**  
**Article 10 – paragraph 2 – point b**

*Text proposed by the Commission*

(b) the access by non-associated third countries or by non-associated third country entities to classified and non-classified sensitive information relating to the action **will be** prevented; and the persons involved in the action will have national security clearance issued by a Member State or associated country;

*Amendment*

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

**Amendment 282**

**Esther de Lange**

**Proposal for a regulation**

**Article 10 – paragraph 2 – point c**

*Text proposed by the Commission*

(c) the results of the action shall remain within the beneficiary and shall not be subject to control or restrictions by non-associated third countries or other non-associated third country entities during the action and for a specified period after its completion;

*Amendment*

(c) the results of the action shall remain within the beneficiary and shall not be subject to control or restrictions by non-associated third countries or other non-associated third country entities ***and cannot be exported or given access outside the Union without the approval of the Member State the undertaking is established in and if it would contravene the security and defence interests of the Union and its Member States,*** during the action and for a specified period after its completion;

Or. en

**Amendment 283**

**Françoise Grossetête, Pilar del Castillo Vera**

**Proposal for a regulation**

**Article 10 – paragraph 2 – point c**

*Text proposed by the Commission*

(c) the results of the action shall remain within the beneficiary and shall not be subject to control or restrictions by non-associated third countries or other non-associated third country entities during the action and ***for a specified period*** after its completion;

*Amendment*

(c) the results of the action shall remain within the beneficiary and shall not be subject to control or restrictions by non-associated third countries or other non-associated third country entities ***and cannot be exported or given access outside the Union without the approval of the Member State in which the undertaking is established in,*** during the action and after its completion;

**Amendment 284**

**Dominique Riquet, Pavel Telička**

**Proposal for a regulation**

**Article 10 – paragraph 2 – point c**

*Text proposed by the Commission*

c) the results of the action shall remain within the beneficiary and shall not be subject to control or restrictions by non-associated third countries or other non-associated third country entities during the action and for a specified period after its completion;

*Amendment*

c) the results of the action shall remain within the beneficiary and shall not be subject to control or restrictions by non-associated third countries ***and shall not be made available outside the Union without the approval of the Member State in which the undertaking is established*** or other non-associated third country entities during the action and for a specified period after its completion;

Or. fr

**Amendment 285**

**Gunnar Hökmark**

**Proposal for a regulation**

**Article 10 – paragraph 2 – point c**

*Text proposed by the Commission*

(c) the results of the action shall remain within the beneficiary and shall not be subject to ***control or*** restrictions by non-associated third countries or other non-associated third country entities during the action and for a specified period after its completion;

*Amendment*

(c) the results of the action shall remain within the beneficiary and shall not be subject to restrictions by non-associated third countries or other non-associated third country entities during the action and for a specified period after its completion;

Or. en

**Amendment 286**

**Edouard Martin, Carlos Zorrinho, Răzvan Popa**



**Proposal for a regulation**  
**Article 10 – paragraph 2 – point c a (new)**

*Text proposed by the Commission*

*Amendment*

***(ca) the non-associated third country or third country entity provides a technological and/or industrial input which could not be supplied by a European entity.***

Or. en

**Amendment 287**  
**Olle Ludvigsson**

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

*Text proposed by the Commission*

*Amendment*

3. All infrastructure, facilities, assets and resources used in actions financed under the Fund shall be located on the territory of the Union or associated countries. ***Furthermore, when performing an eligible action, beneficiaries and their subcontractors shall cooperate only with legal entities established in the Union or in an associated country and not controlled by non-associated third countries or non-associated third country entities.***

3. All infrastructure, facilities, assets and resources used in actions financed under the Fund shall be located on the territory of the Union or associated countries.

Or. en

**Amendment 288**  
**Françoise Grossetête, Esther de Lange, Pilar del Castillo Vera**

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

*Text proposed by the Commission*

*Amendment*

3. All infrastructure, facilities, assets and resources used in actions financed

3. All infrastructure, facilities, assets and resources used in actions financed

under the Fund shall be located on the territory of the Union or associated countries. Furthermore, when performing an eligible action, beneficiaries and their subcontractors shall cooperate only with legal entities established in the Union or in an associated country and not controlled by non-associated third countries or non-associated third country entities.

under the Fund shall be located on the territory of the Union or associated countries ***and shall not be subject to any control or restriction by a non-associated third country or by a non-associated third country entity***. Furthermore, when performing an eligible action, beneficiaries and their subcontractors shall cooperate only with legal entities established in the Union or in an associated country and not controlled by non-associated third countries or non-associated third country entities.

Or. en

**Amendment 289**  
**Patrizia Toia**

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

*Text proposed by the Commission*

3. All infrastructure, facilities, assets and resources used in actions financed under the Fund shall be located on the territory of the Union or associated countries. Furthermore, when performing an eligible action, beneficiaries and their subcontractors shall cooperate only with legal entities established in the Union or in an associated country ***and not controlled by non-associated third countries or non-associated third country entities***.

*Amendment*

3. All infrastructure, facilities, assets and resources used in actions financed under the Fund shall be located on the territory of the Union or associated countries. Furthermore, when performing an eligible action, beneficiaries and their subcontractors shall cooperate only with legal entities established in the Union or in an associated country.

Or. en

**Amendment 290**  
**Angelo Ciocca**

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

*Text proposed by the Commission*

3. All infrastructure, facilities, assets and resources used in actions financed under the Fund shall be located on the territory of the Union or associated countries. Furthermore, when performing an eligible action, beneficiaries and their subcontractors shall cooperate only with legal entities established in the Union or in an associated country and not controlled by non-associated third countries ***or non-associated third country entities***.

*Amendment*

3. All infrastructure, facilities, assets and resources used in actions financed under the Fund shall be located on the territory of the Union or associated countries. Furthermore, when performing an eligible action, beneficiaries and their subcontractors shall cooperate only with legal entities established in the Union or in an associated country and not controlled by non-associated third countries.

Or. it

**Amendment 291**  
**Massimiliano Salini**

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

*Text proposed by the Commission*

3. All infrastructure, facilities, assets and resources used in actions financed under the Fund shall be located on the territory of the Union or associated countries. Furthermore, when performing an eligible action, beneficiaries and their subcontractors shall cooperate only with legal entities established in the Union or in an associated country and not controlled by non-associated third countries ***or non-associated third country entities***.

*Amendment*

3. All infrastructure, facilities, assets and resources used in actions financed under the Fund shall be located on the territory of the Union or associated countries. Furthermore, when performing an eligible action, beneficiaries and their subcontractors shall cooperate only with legal entities established in the Union or in an associated country and not controlled by non-associated third countries.

Or. en

**Amendment 292**  
**Françoise Grossetête, Esther de Lange, Pilar del Castillo Vera**

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

*Text proposed by the Commission*

4. By derogation from the paragraph 3 beneficiaries and subcontractors involved in the action may use their assets, infrastructure, facilities and resources located or held on the territory of a non-associated third country if this is necessary for achieving the objectives of an action **and** provided that this will not **put at risk** the security of the Union and its Member States. Under the same conditions, when performing an eligible action, beneficiaries and their subcontractors may cooperate with an entity established in a non-associated third country. The costs related to the use of such infrastructure, facilities, assets or resources and to such cooperation shall not be eligible under the Fund.

*Amendment*

4. By derogation from the paragraph 3, **if there are no competitive substitutes readily available in the Union**, beneficiaries and subcontractors involved in the action may use their assets, infrastructure, facilities and resources located or held on the territory of a non-associated third country if this is necessary for achieving the objectives of an action provided that this will not **contravene** the security **and defence interests** of the Union and its Member States **and the objectives of the programme**. Under the same conditions, when performing an eligible action, beneficiaries and their subcontractors may cooperate with an entity established in a non-associated third country. The costs related to the use of such infrastructure, facilities, assets or resources and to such cooperation shall not be eligible under the Fund.

Or. en

**Amendment 293**  
**Olle Ludvigsson**

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

*Text proposed by the Commission*

4. By derogation from the paragraph 3 beneficiaries and subcontractors involved in the action may use their assets, infrastructure, facilities and resources located or held on the territory of a non-associated third country **if this is necessary for achieving the objectives of an action** **and** provided that this will not put at risk the security of the Union and its Member States. **Under the same conditions**, when performing an eligible action, beneficiaries and their subcontractors may cooperate with an entity established in a non-

*Amendment*

4. By derogation from the paragraph 3 beneficiaries and subcontractors involved in the action may use their assets, infrastructure, facilities and resources located or held on the territory of a non-associated third country **should no competitive substitutes are readily available in the Union** provided that this will not put at risk the security of the Union and its Member States. **Furthermore**, when performing an eligible action, beneficiaries and their subcontractors may cooperate with an

associated third country. The costs related to the use of such infrastructure, facilities, assets or resources and to such cooperation shall not be eligible under the Fund.

entity established in a non-associated third country. ***Such cooperation shall be consistent with the objectives set out in Article 3.*** The costs related to the use of such infrastructure, facilities, assets or resources and to such cooperation shall not be eligible under the Fund.

Or. en

**Amendment 294**  
**Gunnar Hökmark**

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

*Text proposed by the Commission*

4. By derogation from the paragraph 3 beneficiaries and subcontractors involved in the action may use their assets, infrastructure, facilities and resources located or held on the territory of a non-associated third country if ***this is necessary for achieving the objectives of an action*** and provided that this will not put at risk the security of the Union and its Member States. ***Under the same conditions***, when performing an eligible action, beneficiaries and their subcontractors may cooperate with an entity established in a non-associated third country. The costs related to the use of such infrastructure, facilities, assets or resources and to such cooperation shall not be eligible under the Fund.

*Amendment*

4. By derogation from the paragraph 3 beneficiaries and subcontractors involved in the action may use their assets, infrastructure, facilities and resources located or held on the territory of a non-associated third country if ***no competitive alternatives are available in the Union*** and provided that this will not put at risk the security of the Union and its Member States. When performing an eligible action, beneficiaries and their subcontractors may cooperate with an entity established in a non-associated third country ***provided that such cooperation is consistent with the objectives set out in Article 3.*** The costs related to the use of such infrastructure, facilities, assets or resources and to such cooperation shall not be eligible under the Fund.

Or. en

**Amendment 295**  
**Dominique Riquet, Pavel Telička**

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

*Text proposed by the Commission*

4. By derogation from the paragraph 3 beneficiaries and subcontractors involved in the action may use their assets, infrastructure, facilities and resources located or held on the territory of a non-associated third country if this is **necessary** for achieving the objectives of an action and provided that this will not put at risk the security of the Union and its Member States. Under the same conditions, when performing an eligible action, beneficiaries and their subcontractors may cooperate with an entity established in a non-associated third country. The costs related to the use of such infrastructure, facilities, assets or resources and to such cooperation shall not be eligible under the Fund.

*Amendment*

4. By derogation from the paragraph 3 beneficiaries and subcontractors involved in the action may use their assets, infrastructure, facilities and resources located or held on the territory of a non-associated third country if this is **essential** for achieving the objectives of an action and provided that this will not put at risk the security of the Union and its Member States. Under the same conditions, when performing an eligible action, beneficiaries and their subcontractors may cooperate with an entity established in a non-associated third country. The costs related to the use of such infrastructure, facilities, assets or resources and to such cooperation shall not be eligible under the Fund.

Or. fr

**Amendment 296**

**Françoise Grossetête, Pilar del Castillo Vera**

**Proposal for a regulation**  
**Article 10 – paragraph 5**

*Text proposed by the Commission*

5. In order to ensure protection of the security interests of the Union and its Member States, the call for proposals or grant agreement shall specify further conditions. These conditions shall relate, in particular to the provisions on ownership of results of the action and access to classified and non-classified sensitive information and to guarantees on security of supply.

*Amendment*

5. In order to ensure protection of the security interests of the Union and its Member States, the call for proposals or grant agreement shall specify further conditions, **in addition to those mentioned in Article 10**. These conditions shall relate, in particular to the provisions on ownership of results of the action and access to classified and non-classified sensitive information and to guarantees on security of supply.

Or. en

## **Amendment 297**

**Olle Ludvigsson**

### **Proposal for a regulation**

#### **Article 10 – paragraph 5**

*Text proposed by the Commission*

5. In order to ensure protection of the security interests of the Union and its Member States, the call for proposals or grant agreement **shall** specify further conditions. These conditions shall relate, in particular to the provisions on ownership of results of the action and access to classified and non-classified sensitive information and to guarantees on security of supply.

*Amendment*

5. In order to ensure protection of the security interests of the Union and its Member States, the call for proposals or grant agreement **may** specify further conditions. These conditions shall relate, in particular to the provisions on ownership of results of the action and access to classified and non-classified sensitive information and to guarantees on security of supply.

Or. en

## **Amendment 298**

**Olle Ludvigsson**

### **Proposal for a regulation**

#### **Article 10 – paragraph 6**

*Text proposed by the Commission*

6. ***Applicants shall provide all relevant information necessary for the assessment of the eligibility criteria and the conditions referred to in paragraphs 1 to 4.***

*Amendment*

***deleted***

Or. en

## **Amendment 299**

**Olle Ludvigsson**

### **Proposal for a regulation**

#### **Article 10 – paragraph 7**

*Text proposed by the Commission*

7. Applications which require the

*Amendment*

7. Applications which require the

verifications under paragraph 2 or paragraph 4 may only be **submitted** with the **agreement** of the Member State or associated country in which the applicant is established.

verifications under paragraph 2 or paragraph 4 may only be **granted funds** with the **approval or verification** of the Member State or associated country in which the applicant is established.

Or. en

**Amendment 300**  
**Olle Ludvigsson**

**Proposal for a regulation**  
**Article 10 – paragraph 8**

*Text proposed by the Commission*

8. In the event of a change during the implementation of an action which might question the fulfilment of those criteria and conditions, the beneficiary shall inform the Commission, which shall **assess** whether those criteria and conditions are still met and address the potential impact on the funding of the action.

*Amendment*

8. In the event of a change during the implementation of an action which might question the fulfilment of those criteria and conditions, the beneficiary shall inform the Commission, which shall **ask the Member state, where the beneficiary is established, to verify** whether those criteria and conditions are still met and address the potential impact on the funding of the action.

Or. en

**Amendment 301**  
**Dominique Riquet, Pavel Telička**

**Proposal for a regulation**  
**Article 10 – paragraph 8**

*Text proposed by the Commission*

8. In the event of a change during the implementation of an action which might question the fulfilment of those criteria and conditions, the beneficiary shall inform the Commission, which shall assess whether those criteria and conditions are still met and address the potential impact on the funding of the action.

*Amendment*

8. In the event of a change during the implementation of an action which might question the fulfilment of those criteria and conditions, the beneficiary shall inform the Commission, which shall assess whether those criteria and conditions are still met and address the potential impact **(suspension, cancellation)** on the funding



of the action.

Or. fr

**Amendment 302**  
**Clare Moody, Theresa Griffin**

**Proposal for a regulation**  
**Article 10 – paragraph 9**

*Text proposed by the Commission*

9. For the purpose of this Article, subcontractors means subcontractors with a direct contractual relationship to a beneficiary, other subcontractors to which at least 10% of the total eligible costs of the action is allocated, and subcontractors which may require access to classified information according to Commission Decision (EU, Euratom) 2015/444 in order to carry out the action.

*Amendment*

9. For the purpose of this Article, subcontractors means subcontractors with a direct contractual relationship to a beneficiary, other subcontractors to which at least 10% of the total eligible costs of the action is allocated, and subcontractors which may require access to **highly** classified information according to Commission Decision (EU, Euratom) 2015/444 in order to carry out the action.

Or. en

*Justification*

*In the defence sector, nearly all information is 'classified'. A more appropriate standard is restricting this to 'highly classified'*

**Amendment 303**  
**Reinhard Bütikofer**  
on behalf of the Verts/ALE Group

**Proposal for a regulation**  
**Article 11 – paragraph 1 a (new)**

*Text proposed by the Commission*

*Amendment*

***1a. Only research and development actions shall be eligible for funding under this Programme as far as it is provided, that identical or similar national or bilateral research and developments actions are terminated prior to the launch of the action(s) under this Programme. A***

***maximum of 75% of the amounts referred to in paragraph 2 (a) and 2(b) under Article 4 shall be available for such actions***

Or. en

*Justification*

*It is imperative that this Programme significantly reduces duplication within the European defence sector, which is one of the main causes for the very high inefficiency rate. Via this pre-condition there is the guarantee that the same, or similar projects are not being conducted in parallel, while both using tax payers money*

**Amendment 304**

**Dominique Riquet, Pavel Telička**

**Proposal for a regulation**

**Article 11 – paragraph 2**

*Text proposed by the Commission*

2. The Fund shall provide support for actions covering both new and upgrade of existing products and technologies where the use of pre-existing information needed to perform the upgrade is not subject, directly or indirectly to a restriction by non-associated third countries or non-associated third country entities.

*Amendment*

2. The Fund shall provide support for actions covering both new and upgrade of existing products and technologies where the use of pre-existing information ***or technologies*** needed to perform the upgrade is not subject, directly or indirectly to a restriction by non-associated third countries or non-associated third country entities.

Or. fr

**Amendment 305**

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

**Proposal for a regulation**

**Article 11 – paragraph 3 – point a**

*Text proposed by the Commission*

(a) activities aiming to create, underpin and improve new knowledge and defence technology which can achieve significant

*Amendment*

(a) activities aiming to create, underpin and improve new knowledge and defence technology which can achieve significant effects in the area of defence ***or which aim***

effects in the area of defence;

*at supporting undertakings in their conversion from military to civil production;*

Or. en

#### **Amendment 306**

**Miroslav Poche**

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

#### **Article 11 – paragraph 3 – point c**

*Text proposed by the Commission*

(c) studies, such as feasibility studies to explore the feasibility of a new or improved technology, *product, process, service, solution or statistics on the defence industry and projects to pilot the collection of data;*

*Amendment*

(c) studies, such as feasibility studies to explore the feasibility of a new or improved technology;

Or. en

#### **Amendment 307**

**Dominique Riquet, Pavel Telička**

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

#### **Article 11 – paragraph 3 – point c**

*Text proposed by the Commission*

c) studies, such as feasibility studies to explore the feasibility of a new or improved technology, product, process, service, solution *or statistics on the defence industry and projects to pilot the collection of data;*

*Amendment*

c) studies, such as feasibility studies to explore the feasibility of a new or improved technology, product, process, service, solution;

Or. fr

#### **Amendment 308**

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

**Proposal for a regulation**  
**Article 11 – paragraph 3 – point c**

*Text proposed by the Commission*

(c) studies, such as feasibility studies to explore the feasibility of a new or improved technology, product, process, service, solution or statistics on the defence industry and projects to pilot the collection of data;

*Amendment*

(c) studies, such as ***studies on conversion from military to civil production or*** feasibility studies to explore the feasibility of a new or improved technology, product, process, service, solution or statistics on the defence industry and projects to pilot the collection of data;

Or. en

**Amendment 309**

**Françoise Grossetête, Sven Schulze, Massimiliano Salini, Pilar del Castillo Vera**

**Proposal for a regulation**  
**Article 11 – paragraph 3 – point c**

*Text proposed by the Commission*

(c) studies, such as feasibility studies to explore the feasibility of a new or improved technology, product, process, service, solution ***or statistics on the defence industry and projects to pilot the collection of data;***

*Amendment*

(c) studies, such as feasibility studies to explore the feasibility of a new or improved technology, product, process, service, solution;

Or. en

*Justification*

*The possibility to fund projects on statistics on the defence industry and projects to pilot the collection of data should be written in Article 35 of the Regulation.*

**Amendment 310**

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

**Proposal for a regulation**  
**Article 11 – paragraph 3 – point d**

*Text proposed by the Commission*

*Amendment*

(d) the design of a defence product, tangible or intangible component or technology as well as the definition of the technical specifications on which such design has been developed which may include partial tests for risk reduction in an industrial or representative environment;

(d) the design of a defence product, tangible or intangible component or technology as well as the definition of the technical specifications on which such design has been developed which may include partial tests for risk reduction in an industrial or representative environment ***or a product supporting the conversion from military to civil production;***

Or. en

### **Amendment 311**

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

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

#### **Article 11 – paragraph 3 – point e**

*Text proposed by the Commission*

(e) the development of a model of a defence product, tangible or intangible component or technology, which can demonstrate the element's performance in an operational environment (system prototype);

*Amendment*

(e) the development of a model of a defence product, tangible or intangible component or technology, which can demonstrate the element's performance in an operational environment (system prototype) ***or a model of a product supporting the conversion from military to civil production;***

Or. en

### **Amendment 312**

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

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

#### **Article 11 – paragraph 3 – point f**

*Text proposed by the Commission*

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

*Amendment*

(f) the testing of a defence product, tangible or intangible component or technology ***or the testing of a product supporting the conversion from military to civil production;***

**Amendment 313****Jens Geier, Arne Lietz, Martina Werner, Constanze Krehl****Proposal for a regulation****Article 11 – paragraph 3 – point g***Text proposed by the Commission*

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

*Amendment*

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

Or. en

**Amendment 314****Jens Geier, Arne Lietz, Martina Werner, Constanze Krehl****Proposal for a regulation****Article 11 – paragraph 3 – point h***Text proposed by the Commission*

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

*Amendment*

(h) the certification of a defence product ***or a product supporting the conversion from military to civil production***, tangible or intangible component or technology. Certification is the process according to which a national authority certifies that the defence product, tangible or intangible component or technology complies with the applicable regulations;

Or. en

## Amendment 315

Jens Geier, Arne Lietz, Martina Werner, Constanze Krehl

### Proposal for a regulation

#### Article 11 – paragraph 3 – point i

*Text proposed by the Commission*

(i) the development of technologies or assets increasing efficiency across the life cycle of defence products and technologies;

*Amendment*

(i) the development of technologies or assets increasing efficiency across the life cycle of defence products and technologies ***or supporting the conversion from military to civil production;***

Or. en

## Amendment 316

Edouard Martin, Clare Moody, Carlos Zorrinho, Răzvan Popa, Eugen Freund

### Proposal for a regulation

#### Article 11 – paragraph 3 – point i

*Text proposed by the Commission*

(i) the development of technologies or assets increasing efficiency across the life cycle of defence products and technologies;

*Amendment*

(i) the development of technologies or assets increasing efficiency ***and reducing the environmental impact*** across the life cycle of defence products and technologies;

Or. en

## Amendment 317

Clare Moody, Theresa Griffin

### Proposal for a regulation

#### Article 11 – paragraph 3 – point i

*Text proposed by the Commission*

(i) the development of technologies or assets increasing efficiency across the life cycle of defence products and

*Amendment*

(i) the development of technologies or assets increasing efficiency ***and reducing the environmental impact*** across the life cycle of defence products and

technologies;

technologies;

Or. en

*Justification*

*The Commission has stated that the Fund contributes to climate mainstreaming and yet there is no obligation in the Commission proposal around reducing the environmental impact of the military. This need not come at the cost of defence equipment performance. In order to fully mainstream the EU's commitments on climate change the Fund should promote programmes that reduce the environmental impact of the military.*

**Amendment 318**  
**Miroslav Poche**

**Proposal for a regulation**  
**Article 11 – paragraph 3 – point j**

*Text proposed by the Commission*

*Amendment*

**(j) dissemination activities,  
networking events and awareness-raising  
activities.**

**deleted**

Or. en

**Amendment 319**  
**Dominique Riquet, Pavel Telička**

**Proposal for a regulation**  
**Article 11 – paragraph 3 – point j**

*Text proposed by the Commission*

*Amendment*

**j) dissemination activities,  
*networking events* and awareness-raising  
activities.**

**j) dissemination activities and  
awareness-raising activities.**

Or. fr

**Amendment 320**  
**Edouard Martin**



**Proposal for a regulation**  
**Article 11 – paragraph 3 a (new)**

*Text proposed by the Commission*

*Amendment*

**3a. Where an action covers research and development activities, Title III shall apply for the action.**

Or. en

**Amendment 321**

**Françoise Grossetête, Sven Schulze, Esther de Lange, Massimiliano Salini, Pilar del Castillo Vera**

**Proposal for a regulation**  
**Article 11 – paragraph 4**

*Text proposed by the Commission*

*Amendment*

4. Unless otherwise provided for in the work programme referred to in Article 27, the action shall be undertaken in a cooperation of at least three legal entities which are established in at least three different Member States and/or associated countries. At least three of these eligible entities established in at least two Member States and/or associated countries shall not, during the whole implementation of the action, be effectively controlled, directly or indirectly, by the same entity, and shall not control each other.

4. Unless otherwise provided for in the work programme referred to in Article 27, the action shall be undertaken in a cooperation of at least three legal entities which are established in at least three different Member States and/or associated countries. At least three of these eligible entities established in at least two Member States and/or associated countries shall not, during the whole implementation of the action, be effectively controlled, directly or indirectly, by the same entity, and shall not control each other.

***If the cooperation includes at least one legal entity from an associated country, at least two legal entities from two different Member States shall participate.***

Or. en

**Amendment 322**

**Reinhard Bütikofer**  
on behalf of the Verts/ALE Group

**Proposal for a regulation**

## Article 11 – paragraph 4

*Text proposed by the Commission*

4. ***Unless otherwise provided for in the work programme referred to in Article 27***, the action shall be undertaken in a cooperation of at least three legal entities which are established in at least three different Member States and/or associated countries. ***At least three of these*** eligible entities ***established in at least two Member States and/or associated countries*** shall not, during the whole implementation of the action, be effectively controlled, directly or indirectly, by the same entity, and shall not control each other.

*Amendment*

4. The action shall be undertaken in a cooperation of at least three legal entities which are established in at least three different Member States and/or associated countries. ***The*** eligible entities shall not, during the whole implementation of the action, be effectively controlled, directly or indirectly, by the same entity, and shall not control each other.

Or. en

*Justification*

*In order to be a truly European programme the 3 undertakings from 3 Member States formula should under no circumstances be watered down. This applies also to so called disruptive technologies.*

### Amendment 323

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

### Proposal for a regulation

#### Article 11 – paragraph 4

*Text proposed by the Commission*

4. Unless otherwise provided for in the work programme referred to in Article 27, the action shall be undertaken in a cooperation of at least ***three*** legal entities which are established in at least three different Member States and/or associated countries. At least ***three*** of these eligible entities established in at least two Member States and/or associated countries shall not, during the whole implementation of the action, be effectively controlled, directly or indirectly, by the same entity, and shall not control each other.

*Amendment*

4. Unless otherwise provided for in the work programme referred to in Article 27, the action shall be undertaken in a cooperation of at least ***four*** legal entities which are established in at least three different Member States and/or associated countries. At least ***four*** of these eligible entities established in at least two Member States and/or associated countries shall not, during the whole implementation of the action, be effectively controlled, directly or indirectly, by the same entity, and shall not control each other. ***This rule shall not apply to actions in support of conversion***

*from military to civil production.*

Or. en

**Amendment 324**  
**Dominique Riquet, Pavel Telička**

**Proposal for a regulation**  
**Article 11 – paragraph 4**

*Text proposed by the Commission*

4. Unless otherwise provided for in the work programme referred to in Article 27, the action shall be undertaken in a cooperation of at least three legal entities which are established in at least **three different** Member States **and/or associated countries**. **At least three of** these **eligible** entities **established in at least two Member States and/or associated countries** shall not, during the whole implementation of the action, be effectively controlled, directly or indirectly, by the same entity, and shall not control each other.

*Amendment*

4. Unless otherwise provided for in the work programme referred to in Article 27, the action shall be undertaken in a cooperation of at least three legal entities which are established in at least **two** Member States. These entities shall not, during the whole implementation of the action, be effectively controlled, directly or indirectly, by the same entity, and shall not control each other.

Or. fr

**Amendment 325**  
**David Borrelli**

**Proposal for a regulation**  
**Article 11 – paragraph 4**

*Text proposed by the Commission*

4. **Unless otherwise provided for in the work programme referred to in Article 27, the** action shall be undertaken in a cooperation of at least three legal entities which are established in at least three different Member States and/or associated countries. At least three of these eligible entities established in at least **two** Member States and/or associated countries shall not,

*Amendment*

4. **The** action shall be undertaken in a cooperation of at least three legal entities which are established in at least three different Member States and/or associated countries. At least three of these eligible entities established in at least **three** Member States and/or associated countries shall not, during the whole implementation of the action, be effectively controlled,

during the whole implementation of the action, be effectively controlled, directly or indirectly, by the same entity, and shall not control each other.

directly or indirectly, by the same entity, and shall not control each other.

Or. it

**Amendment 326**  
**Angelo Ciocca**

**Proposal for a regulation**  
**Article 11 – paragraph 4**

*Text proposed by the Commission*

4. ***Unless otherwise provided for in the work programme referred to in Article 27, the*** action shall be undertaken in a cooperation of at least three legal entities which are established in at least three different Member States and/or associated countries. At least three of these eligible entities established in at least two Member States and/or associated countries shall not, during the whole implementation of the action, be effectively controlled, directly or indirectly, by the same entity, and shall not control each other.

*Amendment*

4. ***The*** action shall be undertaken in a cooperation of at least three legal entities which are established in at least three different Member States and/or associated countries. At least three of these eligible entities established in at least two Member States and/or associated countries shall not, during the whole implementation of the action, be effectively controlled, directly or indirectly, by the same entity, and shall not control each other.

Or. it

**Amendment 327**  
**Massimiliano Salini**

**Proposal for a regulation**  
**Article 11 – paragraph 4**

*Text proposed by the Commission*

4. ***Unless otherwise provided for in the work programme referred to in Article 27, the*** action shall be undertaken in a cooperation of at least three legal entities which are established in at least three different Member States and/or associated

*Amendment*

4. The action shall be undertaken in a cooperation of at least three legal entities which are established in at least three different Member States and/or associated countries. At least three of these eligible entities established in at least two Member

countries. At least three of these eligible entities established in at least two Member States and/or associated countries shall not, during the whole implementation of the action, be effectively controlled, directly or indirectly, by the same entity, and shall not control each other.

States and/or associated countries shall not, during the whole implementation of the action, be effectively controlled, directly or indirectly, by the same entity, and shall not control each other.

Or. en

**Amendment 328**  
**Edouard Martin**

**Proposal for a regulation**  
**Article 11 – paragraph 4**

*Text proposed by the Commission*

4. ***Unless otherwise provided for in the work programme referred to in Article 27,*** the action shall be undertaken in a cooperation of at least three legal entities which are established in at least three different Member States and/or associated countries. At least three of these eligible entities established in at least two Member States and/or associated countries shall not, during the whole implementation of the action, be effectively controlled, directly or indirectly, by the same entity, and shall not control each other.

*Amendment*

4. The action shall be undertaken in a cooperation of at least three legal entities which are established in at least three different Member States and/or associated countries. At least three of these eligible entities established in at least two Member States and/or associated countries shall not, during the whole implementation of the action, be effectively controlled, directly or indirectly, by the same entity, and shall not control each other.

Or. en

**Amendment 329**  
**Patrizia Toia**

**Proposal for a regulation**  
**Article 11 – paragraph 4**

*Text proposed by the Commission*

4. ***Unless otherwise provided for in the work programme referred to in Article 27,*** the action shall be undertaken in a

*Amendment*

4. The action shall be undertaken in a cooperation of at least three legal entities which are established in at least three

cooperation of at least three legal entities which are established in at least three different Member States and/or associated countries. At least three of these eligible entities established in at least two Member States and/or associated countries shall not, during the whole implementation of the action, be effectively controlled, directly or indirectly, by the same entity, and shall not control each other.

different Member States and/or associated countries. At least three of these eligible entities established in at least two Member States and/or associated countries shall not, during the whole implementation of the action, be effectively controlled, directly or indirectly, by the same entity, and shall not control each other.

Or. en

#### *Justification*

*Any derogation to the principle of the three entities goes against the first aim of the Fund, namely the promotion of cooperation between a growing number of Member States.*

#### **Amendment 330**

**Fabio Massimo Castaldo**

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

#### **Article 11 – paragraph 4**

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

4. *Unless otherwise provided for in the work programme* referred to in *Article 27, the action* shall be undertaken in a cooperation of at least three legal entities which are established in at least three different Member States and/or associated countries. At least three of these eligible entities established in at least **two** Member States and/or associated countries shall not, during the whole implementation of the action, be effectively controlled, directly or indirectly, by the same entity, and shall not control each other.

##### *Amendment*

4. *Actions as* referred to in *paragraph 3* shall be undertaken in a cooperation of at least three legal entities which are established in at least three different Member States and/or associated countries. At least three of these eligible entities established in at least **three** Member States and/or associated countries shall not, during the whole implementation of the action, be effectively controlled, directly or indirectly, by the same entity, and shall not control each other.

Or. en

#### **Amendment 331**

**Massimiliano Salini**

**Proposal for a regulation**  
**Article 11 – paragraph 5**

*Text proposed by the Commission*

*Amendment*

**5. Paragraph 4 shall not apply to for actions referred to in points c) and j) of paragraph 3 and to actions referred to in Article 6.** *deleted*

Or. en

**Amendment 332**  
**Patrizia Toia**

**Proposal for a regulation**  
**Article 11 – paragraph 5**

*Text proposed by the Commission*

*Amendment*

**5. Paragraph 4 shall not apply to for actions referred to in points c) and j) of paragraph 3 and to actions referred to in Article 6.** *deleted*

Or. en

*Justification*

*See above.*

**Amendment 333**  
**Angelo Ciocca (ENF)**

**Proposal for a regulation**  
**Article 11 – paragraph 5**

*Text proposed by the Commission*

*Amendment*

**5. Paragraph 4 shall not apply to for actions referred to in points c) and j) of paragraph 3 and to actions referred to in Article 6.** *deleted*

Or. it

**Amendment 334**

**David Borrelli**

**Proposal for a regulation**

**Article 11 – paragraph 5**

*Text proposed by the Commission*

*Amendment*

5. Paragraph 4 shall not apply to for actions referred to in points c) and j) of paragraph 3 and to actions referred to in Article 6. *deleted*

Or. it

**Amendment 335**

**Reinhard Bütikofer**

on behalf of the Verts/ALE Group

**Proposal for a regulation**

**Article 11 – paragraph 5**

*Text proposed by the Commission*

*Amendment*

5. Paragraph 4 shall not apply to for actions referred to in points c) and j) of paragraph 3 *and to actions referred to in Article 6.*

5. Paragraph 4 shall not apply to for actions referred to in points c) and j) of paragraph 3.

Or. en

*Justification*

*In order to be a truly European programme the 3 undertakings from 3 Member States formula should under no circumstances be watered down. This applies also to so called disruptive technologies.*

**Amendment 336**

**Edouard Martin, Martina Werner, Carlos Zorrinho**

**Proposal for a regulation**

**Article 11 – paragraph 6**



*Text proposed by the Commission*

6. Actions for the development of products and technologies the use, development *or* production of which is prohibited by applicable international law shall not be eligible.

*Amendment*

6. Actions for the development of products and technologies the use, development, production *or trade* of which is prohibited by applicable international law shall not be eligible.

Or. en

**Amendment 337**

**Reinhard Bütikofer**

on behalf of the Verts/ALE Group

**Proposal for a regulation**

**Article 11 – paragraph 6 a (new)**

*Text proposed by the Commission*

*Amendment*

**6a. 6 a. Actions which contribute in parts or entirely (parts and components including software, artificial intelligence features, and any relevant dual-use technologies), directly or indirectly to the following technologies shall be excluded the Programme:**

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

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

**(c) Anti-personal landmines and related aspects in line with the Convention on the Prohibition of the Use, Stockpiling, Production and Transfer of Anti-Personnel Mines and their Destruction;**

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

**(e) Depleted uranium ammunitions;**

**(f) Lethal autonomous weapons without meaningful human control over the critical functions of selecting and attacking individual targets;**

**(g) Small and light weapons (SALW)**

*mainly developed for export purposes, i.e. where no Member State has expressed a requirement for the action to be carried out.*

Or. en

**Amendment 338**  
**Edouard Martin, Carlos Zorrinho**

**Proposal for a regulation**  
**Article 11 – paragraph 6 a (new)**

*Text proposed by the Commission*

*Amendment*

**6a. Actions for the development of products and technologies which could serve the following purposes shall not be eligible:**

**(i) commit or facilitate a serious violation of international humanitarian law;**

**(ii) commit or facilitate a serious violation of international human rights law;**

**(iii) commit or facilitate an act constituting an offense under international conventions or protocols relating to terrorism ;**

**(iv) commit or facilitate an act constituting an offense under international conventions or protocols relating to transnational organized crime.**

Or. en

**Amendment 339**  
**Jens Geier, Arne Lietz, Martina Werner, Constanze Krehl**

**Proposal for a regulation**  
**Article 11 – paragraph 6 a (new)**

*Text proposed by the Commission*

*Amendment*

**6a. Actions in relation to products listed in Annex A shall not be funded.**

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

Or. en

**Amendment 340**  
**Reinhard Bütikofer**  
on behalf of the Verts/ALE Group

**Proposal for a regulation**  
**Article 11 – paragraph 6 b (new)**

*Text proposed by the Commission*

*Amendment*

**6b.** *Actions which contribute directly or indirectly to the production of armed unmanned aerial vehicles or their parts, including components, software, artificial intelligence features, and any relevant dual-use technologies shall be excluded so long as no Council Decision on the use of such new military technology exists which upholds international human rights law and international humanitarian law and which addresses issues such as a legal framework, proportionality, protection of civilians and transparency.*

Or. en

**Amendment 341**  
**Edouard Martin, Carlos Zorrinho**

**Proposal for a regulation**  
**Article 11 – paragraph 6 b (new)**

*Text proposed by the Commission*

*Amendment*

**6b.** *Conversely, actions for the development of products and technologies aiming at the prevention, annulation or mitigation of the effects on human victims of military conducts contrary to international law, shall be encouraged.*

**Amendment 342**

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

**Proposal for a regulation**

**Article 11 – paragraph 6 b (new)**

*Text proposed by the Commission*

*Amendment*

**6b. The action shall be in line with the tasks referred to in Article 42 TEU for peace keeping, conflict prevention and strengthening international security in accordance with the principles of the United Nations Charter.**

Or. en

**Amendment 343**

**Reinhard Bütikofer**

on behalf of the Verts/ALE Group

**Proposal for a regulation**

**Article 12 – paragraph 1**

*Text proposed by the Commission*

*Amendment*

**1. Grants may be awarded without a call for proposals to legal entities identified in the work programme in accordance with Article [195(e)] of the Financial Regulation.** **deleted**

Or. en

*Justification*

*There should always be a call for proposal for grants. This increases transparency in the defence sector*

**Amendment 344**

**David Borrelli**

**Proposal for a regulation**  
**Article 12 – paragraph 1**

*Text proposed by the Commission*

1. Grants may be awarded without a call for proposals to legal entities identified in the work programme in accordance with Article [195(e)] of the Financial Regulation.

*Amendment*

1. Grants may be awarded without a call for proposals to legal entities identified in the work programme in accordance with Article [195(e)] of the Financial Regulation **and subject to the positive opinion of the European Parliament.**

Or. it

**Amendment 345**  
**Fabio Massimo Castaldo**

**Proposal for a regulation**  
**Article 12 – paragraph 1**

*Text proposed by the Commission*

1. **Grants may be awarded without a call for proposals to legal entities identified** in the work programme in accordance with **Article [195(e)] of the Financial Regulation.**

*Amendment*

1. In the **implementation of the Programme, Union funding shall be granted following competitive calls issued** in accordance with **Regulation (EU, Euratom) No 966/2012 and Delegated Regulation (EU) No1268/2012.**

Or. en

**Amendment 346**  
**Angelo Ciocca**

**Proposal for a regulation**  
**Article 12 – paragraph 1**

*Text proposed by the Commission*

1. Grants may be awarded **without** a call for proposals to legal entities identified in the work programme in accordance with Article [195(e)] of the Financial Regulation.

*Amendment*

1. Grants may be awarded, **subject to** a call for proposals, to legal entities identified in the work programme in accordance with Article [195(e)] of the Financial Regulation.

**Amendment 347**

**Edouard Martin, Miroslav Poche, Carlos Zorrinho, Răzvan Popa**

**Proposal for a regulation**

**Article 12 – paragraph 3**

*Text proposed by the Commission*

3. For the award of funding for development actions, the Commission shall act by means of ***implementing acts adopted in accordance with the procedure referred to in Article 28 paragraph 2.***

*Amendment*

3. For the award of funding for development actions, the Commission shall act by means of ***delegated acts.***

Or. en

**Amendment 348**

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

**Proposal for a regulation**

**Article 13 – paragraph 1 – point c**

*Text proposed by the Commission*

(c) contribution to the ***competitiveness*** of the European defence industry, in particular by creating new market opportunities and accelerating the growth of companies throughout the Union;

*Amendment*

(c) contribution to the ***integration and efficiency*** of the European defence industry, in particular by creating new market opportunities and accelerating the growth of companies throughout the Union;

Or. en

**Amendment 349**

**Edouard Martin, Carlos Zorrinho, Răzvan Popa**

**Proposal for a regulation**

**Article 13 – paragraph 1 – point c a (new)**

*Text proposed by the Commission*

*Amendment*

*(ca) contribution to the industrial autonomy of the European defence industry by enhancing defence technologies or products in line with defence capability priorities agreed by Member States within the framework of the Common Foreign and Security Policy;*

Or. en

#### **Amendment 350**

**Françoise Grossetête, Christian Ehler, Pilar del Castillo Vera, Sven Schulze**

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

**Article 13 – paragraph 1 – point c a (new)**

*Text proposed by the Commission*

*Amendment*

*(ca) contribution to the industrial and technological autonomy of the Union by enhancing defence technologies or products in line with defence capability priorities agreed by Member States within the framework of the Common Foreign and Security Policy;*

Or. en

#### **Amendment 351**

**Edouard Martin, Carlos Zorrinho, Răzvan Popa**

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

**Article 13 – paragraph 1 – point d**

*Text proposed by the Commission*

*Amendment*

(d) contribution to the security and defence interests of the Union in line with the priorities referred to in Article 3 paragraph 2 and, where appropriate, regional and international cooperative agreements;

(d) contribution to the security and defence interests of the Union in line with the priorities referred to in Article 3 paragraph 2 and, where appropriate, regional and international cooperative agreements, *provided that they serve the Union's security and defence interests and do not exclude the participation of any Member State;*

**Amendment 352**

**Françoise Grossetête, Sven Schulze, Pilar del Castillo Vera**

**Proposal for a regulation**

**Article 13 – paragraph 1 – point d**

*Text proposed by the Commission*

(d) contribution to the security and defence interests of the Union in line with the priorities referred to in Article 3 paragraph 2 **and, where appropriate, regional and international cooperative agreements;**

*Amendment*

(d) contribution to the security and defence interests of the Union in line with the priorities referred to in Article 3 paragraph 2;

**Amendment 353**

**David Borrelli**

**Proposal for a regulation**

**Article 13 – paragraph 1 – point d – point i (new)**

*Text proposed by the Commission*

*Amendment*

**i) number of Member States and/or associated countries involved;**

**Amendment 354**

**Fabio Massimo Castaldo**

**Proposal for a regulation**

**Article 13 – paragraph 1 – point d a (new)**

*Text proposed by the Commission*

*Amendment*

**(da) number of countries and companies involved;**



**Amendment 355**

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

**Proposal for a regulation**

**Article 13 – paragraph 1 – point e**

*Text proposed by the Commission*

(e) contribution to the creation of new cross-border cooperation between legal entities, ***in particular for SMEs which are established in Member States and/or associated countries other than those where the entities in the consortium which are not SMEs are established;***

*Amendment*

(e) contribution to the creation of new cross-border cooperation between legal entities;

Or. en

**Amendment 356**

**Françoise Grossetête, Sven Schulze, Massimiliano Salini, Pilar del Castillo Vera**

**Proposal for a regulation**

**Article 13 – paragraph 1 – point e**

*Text proposed by the Commission*

(e) contribution to the creation of new cross-border cooperation between legal entities, in particular for SMEs ***which are established in Member States and/or associated countries other than those where the entities in the consortium which are not SMEs are established;***

*Amendment*

(e) contribution to the creation of new cross-border cooperation between legal entities, in particular for SMEs;

Or. en

**Amendment 357**

**Edouard Martin, Clare Moody, Martina Werner, Carlos Zorrinho**

**Proposal for a regulation**

**Article 13 – paragraph 1 – point e a (new)**

*Text proposed by the Commission*

*Amendment*

***(ea) contribution to reducing the environmental impact of defence products, providing innovative solutions enabling the phase out of environmentally harmful substances where possible;***

Or. en

**Amendment 358**

**Clare Moody, Theresa Griffin**

**Proposal for a regulation**

**Article 13 – paragraph 1 – point e a (new)**

*Text proposed by the Commission*

*Amendment*

***(ea) contribution to reducing the environmental impact of defence products, providing innovative solutions enabling the phase out of environmentally harmful substances where possible;***

Or. en

*Justification*

*The Commission has stated that the Fund contributes to climate mainstreaming and yet there is no obligation in the Commission proposal around reducing the environmental impact of the military. This need not come at the cost of defence equipment performance. In order to fully mainstream the EU's commitments on climate change the Fund should promote programmes that reduce the environmental impact of the military.*

**Amendment 359**

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

**Proposal for a regulation**

**Article 13 – paragraph 1 – point e a (new)**

*Text proposed by the Commission*

*Amendment*

***(ea) contribution to the conversion from excess military to civil production;***

**Amendment 360**  
**Dominique Riquet, Pavel Telička**

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

*Text proposed by the Commission*

*Amendment*

***(fa) contribution to reducing or eliminating the European defence industry's dependence on technologies or products controlled and/or subject to authorisation by a third country or one of its entities;***

Or. fr

**Amendment 361**  
**Edouard Martin, Clare Moody, Carlos Zorrinho**

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

*Text proposed by the Commission*

*Amendment*

***(fa) appropriate transparency and accountability provisions among contractors and sub-contractors shall be considered one of the criteria.***

Or. en

**Amendment 362**  
**Clare Moody, Theresa Griffin**

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

*Text proposed by the Commission*

*Amendment*

***(fa) Appropriate transparency and accountability provisions among***

*contractors and sub-contractors shall be considered one of the criteria.*

Or. en

**Amendment 363**

**Fabio Massimo Castaldo**

**Proposal for a regulation**

**Article 13 – paragraph 1 – point f a (new)**

*Text proposed by the Commission*

*Amendment*

**(fa) environmental sustainability and environmental impact.**

*(This amendment should be letter g))*

Or. it

**Amendment 364**

**Fabio Massimo Castaldo**

**Proposal for a regulation**

**Article 13 – paragraph 1 – subparagraph 1 (new)**

*Text proposed by the Commission*

*Amendment*

**research spin-offs in the civilian sector, subject of course to confidentiality requirements.**

*(It should be letter h))*

Or. it

**Amendment 365**

**Françoise Grossetête, Sven Schulze, Massimiliano Salini, Pilar del Castillo Vera**

**Proposal for a regulation**

**Article 13 – paragraph 2**

*Text proposed by the Commission*

*Amendment*

2. *Under points (d) of paragraph 1, regional and international priorities may be taken into account, in particular to avoid unnecessary duplication, provided they serve the Union's security and defence interests and do not exclude the participation of any Member State.* *deleted*

Or. en

#### **Amendment 366**

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

#### **Proposal for a regulation Article 14 – paragraph 1**

*Text proposed by the Commission*

1. The Fund may finance up to **100%** of the eligible costs of an action without prejudice to the co-financing principle.

*Amendment*

1. The Fund may finance up to **60%** of the eligible costs of an action without prejudice to the co-financing principle.

Or. en

#### **Amendment 367**

**Françoise Grossetête, Sven Schulze, Christian Ehler, Massimiliano Salini**

#### **Proposal for a regulation Article 14 – paragraph 1**

*Text proposed by the Commission*

1. The Fund **may** finance **up to** 100% of the eligible costs of an action without prejudice to the co-financing principle.

*Amendment*

1. The Fund **shall** finance 100% of the eligible costs of an action without prejudice to the co-financing principle.

Or. en

#### **Amendment 368**

**Fabio Massimo Castaldo**

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

*Text proposed by the Commission*

*Amendment*

**1a. At least 10% of the overall budget of the development actions shall benefit the crossborder participation of SMEs.**

Or. en

**Amendment 369**

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

**Proposal for a regulation**

**Article 14 – paragraph 2 – point b**

*Text proposed by the Commission*

*Amendment*

(b) for actions defined in Article 11(3) f) to h) the financial assistance of the Fund shall not exceed **80%** of the eligible costs of the action.

(b) for actions defined in Article 11(3) f) to h) the financial assistance of the Fund shall not exceed **60%** of the eligible costs of the action.

Or. en

**Amendment 370**

**Pilar del Castillo Vera**

**Proposal for a regulation**

**Article 14 – paragraph 3 – introductory part**

*Text proposed by the Commission*

*Amendment*

3. For development actions **the funding rate** shall be increased in the following cases:

3. **The funding rate** for development actions **enhancing Member State and cross-border cooperation** shall be increased in the following cases:

Or. en

**Amendment 371**

**Dominique Riquet, Pavel Telička**

**Proposal for a regulation**

## Article 14 – paragraph 3 – introductory part

*Text proposed by the Commission*

3. For development actions the funding rate shall be increased in the following cases:

*Amendment*

3. For development actions the funding rate shall be increased, ***without being allowed to exceed the total eligible cost***, in the following cases:

Or. fr

### Amendment 372

Christelle Lechevalier

#### Proposal for a regulation

##### Article 14 – paragraph 3 – point a

*Text proposed by the Commission*

***a) an action developed in the context of the Permanent Structured Cooperation as established by Council Decision (CFSP) 2017/2315 of 11 December 2017, it may benefit from a funding rate increased by an additional 10 percentage points;***

*Amendment*

***deleted***

Or. fr

### Amendment 373

Jens Geier, Arne Lietz, Martina Werner, Constanze Krehl

#### Proposal for a regulation

##### Article 14 – paragraph 3 – point b

*Text proposed by the Commission*

***(b) a consortium shall benefit from a funding rate increased by the percentage points equivalent to the percentage of the total eligible costs allocated to SMEs established in a Member State or an associated country other than those in which the consortium members that are not SMEs are established in;***

*Amendment*

***deleted***

**Amendment 374**

**Françoise Grossetête, Esther de Lange, Sven Schulze**

**Proposal for a regulation**

**Article 14 – paragraph 3 – point b**

*Text proposed by the Commission*

(b) a consortium shall benefit from a funding rate increased by the percentage points equivalent to the percentage of the total eligible costs allocated to SMEs established in a Member State or an associated country other than those in which the consortium members that are not SMEs are established in;

*Amendment*

(b) a consortium shall benefit from a funding rate increased by the percentage points equivalent to the ***half of the*** percentage of the total eligible costs allocated to SMEs; ***if SME's are*** established in a Member State or an associated country other than those in which the consortium members that are not SMEs are established in, ***the consortium will benefit from a funding rate increased by 10% of the total eligible costs allocated to those mid-caps;***

Or. en

**Amendment 375**

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

**Proposal for a regulation**

**Article 14 – paragraph 3 – point c**

*Text proposed by the Commission*

***(c) a consortium shall benefit from a funding rate increased by the percentage points equivalent to the quarter of the percentage of the total eligible costs allocated to mid-caps established in a Member State or an associated country other than those in which the other consortium members that are not SMEs or mid-caps are established in;***

*Amendment*

***deleted***

Or. en



### **Amendment 376**

**Françoise Grossetête, Esther de Lange, Sven Schulze**

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

#### **Article 14 – paragraph 3 – point c**

*Text proposed by the Commission*

(c) a consortium shall benefit from a funding rate increased by the percentage points equivalent to the quarter of the percentage of the total eligible costs allocated to mid-caps established in a Member State or an associated country other than those in which the other consortium members that are not SMEs or mid-caps are established in;

*Amendment*

(c) a consortium shall benefit from a funding rate increased by the percentage points equivalent to the quarter of the percentage of the total eligible costs allocated to mid-caps; ***if mid-caps are*** established in a Member State or an associated country other than those in which the other consortium members that are not SMEs or mid-caps are established in, ***the consortium will benefit from a funding rate increased by 5% of the total eligible costs allocated to those mid-caps;***

Or. en

### **Amendment 377**

**Françoise Grossetête, Sven Schulze, Massimiliano Salini**

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

#### **Article 14 – paragraph 3 – point d**

*Text proposed by the Commission*

(d) the overall increase in the funding rate of an action shall not exceed **30** percentage points.

*Amendment*

(d) the overall increase in the funding rate of an action shall not exceed **20** percentage points.

Or. en

### **Amendment 378**

**Pilar del Castillo Vera**

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

#### **Article 14 – paragraph 3 – point d**

*Text proposed by the Commission*

(d) the overall increase in the funding rate of an action shall not exceed **30** percentage points.

*Amendment*

(d) the overall increase in the funding rate of an action shall not exceed **35** percentage points.

Or. en

**Amendment 379**

**Dominique Riquet, Pavel Telička**

**Proposal for a regulation**

**Article 16 – paragraph 1**

*Text proposed by the Commission*

1. Indirect eligible costs shall be determined by applying a flat rate of 25 % of the total direct eligible costs, ***excluding*** direct eligible costs for subcontracting, ***financial support to third parties and any unit costs or lump sums which include indirect costs.***

*Amendment*

1. Indirect eligible costs shall be determined by applying a flat rate of 25 % of the total direct eligible costs, ***including*** direct eligible costs for subcontracting.

Or. fr

**Amendment 380**

**Fabio Massimo Castaldo**

**Proposal for a regulation**

**Article 16 – paragraph 1**

*Text proposed by the Commission*

1. Indirect eligible costs shall be determined by applying a flat rate of 25 % of the total direct eligible costs, excluding direct eligible costs for subcontracting, financial support to third parties and any unit costs or lump sums which include indirect costs.

*Amendment*

1. ***Where appropriate*** indirect eligible costs shall be determined by applying a flat rate of 25 % of the total direct eligible costs, excluding direct eligible costs for subcontracting, financial support to third parties and any unit costs or lump sums which include indirect costs.

Or. en

**Amendment 381**  
**Fabio Massimo Castaldo**

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

*Text proposed by the Commission*

1. Indirect eligible costs shall be determined **by applying a flat rate of 25 % of the total direct eligible costs**, excluding direct eligible costs for subcontracting, financial support to third parties and any unit costs or lump sums which include indirect costs.

*Amendment*

1. Indirect eligible costs shall be determined **on a case by case basis**, excluding direct eligible costs for subcontracting, financial support to third parties and any unit costs or lump sums which include indirect costs.

Or. en

**Amendment 382**  
**Françoise Grossetête, Pilar del Castillo Vera, Sven Schulze**

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

*Text proposed by the Commission*

1. Indirect eligible costs shall be determined by applying a flat rate of 25 % of the total direct eligible costs, **excluding direct eligible** costs for subcontracting, financial support to third parties and any unit costs or lump sums which include indirect costs.

*Amendment*

1. Indirect eligible costs shall be determined by applying a flat rate of 25 % of the total direct eligible costs, **including** costs for subcontracting **but excluding** financial support to third parties and any unit costs or lump sums which include indirect costs.

Or. en

**Amendment 383**  
**Olle Ludvigsson**

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

*Text proposed by the Commission*

2. **Where appropriate, indirect eligible costs beyond the flat rate of 25 %**

*Amendment*

**deleted**

*may be determined in accordance with the beneficiary's usual cost accounting practices on the basis of actual indirect costs provided that these cost accounting practices are accepted by national authorities under comparable funding schemes in accordance with Article [185] of the Financial Regulation and communicated to the Commission.*

Or. en

**Amendment 384**  
**David Borrelli**

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

*Text proposed by the Commission*

2. *Where appropriate*, indirect eligible costs **beyond the flat rate of 25 %** may be determined in accordance with the beneficiary's usual cost accounting practices on the basis of actual indirect costs provided that these cost accounting practices are accepted by national authorities under comparable funding schemes in accordance with Article [185] of the Financial Regulation and communicated to the Commission.

*Amendment*

2. Indirect eligible costs **shall** be determined in accordance with the beneficiary's usual cost accounting practices on the basis of actual indirect costs provided that these cost accounting practices are accepted by national authorities under comparable funding schemes in accordance with Article [185] of the Financial Regulation and communicated to the Commission. ***Should the beneficiary not be able to calculate indirect eligible costs on the basis of cost accounting practices referred to in Article 16(1), indirect eligible costs may be determined by applying a flat rate of 25% of the total direct eligible costs, excluding direct eligible costs for subcontracting, financial support to third parties and may unit costs or lump sums which include direct costs. This will be allowed when the beneficiary is an SME or in the absence of accepted practices at national level.***

Or. en

## Amendment 385

Françoise Grossetête, Christian Ehler, Pilar del Castillo Vera, Sven Schulze

### Proposal for a regulation

#### Article 16 – paragraph 2

*Text proposed by the Commission*

2. ***Where appropriate***, indirect eligible costs ***beyond the flat rate of 25 %*** may be determined in accordance with the beneficiary's usual cost accounting practices on the basis of actual indirect costs provided that these cost accounting practices are accepted by national authorities ***under comparable funding schemes in accordance with Article [185] of the Financial Regulation and communicated to the Commission.***

*Amendment*

2. ***As an alternative***, indirect eligible costs may be determined in accordance with the beneficiary's usual cost accounting practices on the basis of actual indirect costs provided that these cost accounting practices are accepted by national authorities.

Or. en

## Amendment 386

Dominique Riquet, Pavel Telička

### Proposal for a regulation

#### Article 16 – paragraph 2

*Text proposed by the Commission*

2. ***Where appropriate, indirect*** eligible costs ***beyond the flat rate of 25 %*** may be determined in accordance with the beneficiary's usual cost accounting practices on the basis of actual indirect costs provided that these cost accounting practices are accepted by national authorities ***under comparable funding schemes in accordance with Article [185] of the Financial Regulation and communicated to the Commission.***

*Amendment*

2. ***Indirect*** eligible costs may be determined in accordance with the beneficiary's usual cost accounting practices on the basis of actual indirect costs provided that these cost accounting practices are accepted by national authorities ***under comparable funding schemes.***

Or. fr

## Amendment 387

Angelo Ciocca

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

*Text proposed by the Commission*

2. *Where appropriate, indirect* eligible costs *beyond the flat rate of 25 %* **may** be determined in accordance with the beneficiary's usual cost accounting practices on the basis of actual indirect costs provided that these cost accounting practices are accepted by national authorities under comparable funding schemes in accordance with Article [185] of the Financial Regulation and communicated to the Commission.

*Amendment*

2. *Indirect* eligible costs **shall** be determined in accordance with the beneficiary's usual cost accounting practices on the basis of actual indirect costs provided that these cost accounting practices are accepted by national authorities under comparable funding schemes in accordance with Article [185] of the Financial Regulation and communicated to the Commission.

Or. it

**Amendment 388**  
**Fabio Massimo Castaldo**

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

*Text proposed by the Commission*

2. *Where appropriate,* indirect eligible costs *beyond* the flat rate of 25 % may be **determined** in accordance with the beneficiary's usual cost accounting practices on the basis of actual indirect costs provided that these cost accounting practices are accepted by national authorities under comparable funding schemes in accordance with Article [185] of the Financial Regulation and communicated to the Commission.

*Amendment*

2. *When an ad-hoc evaluation of the* indirect eligible costs **cannot be made** the flat rate of 25 % may be **applied** in accordance with the beneficiary's usual cost accounting practices on the basis of actual indirect costs provided that these cost accounting practices are accepted by national authorities under comparable funding schemes in accordance with Article [185] of the Financial Regulation and communicated to the Commission.

Or. en

**Amendment 389**  
**Massimiliano Salini**

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

*Text proposed by the Commission*

2. ***Where appropriate***, indirect eligible costs ***beyond the flat rate of 25 % may*** be determined in accordance with the beneficiary's usual cost accounting practices on the basis of actual indirect costs provided that these cost accounting practices are accepted by national authorities under comparable funding schemes in accordance with Article [185] of the Financial Regulation and communicated to the Commission.

*Amendment*

2. Indirect eligible costs ***shall*** be determined in accordance with the beneficiary's usual cost accounting practices on the basis of actual indirect costs provided that these cost accounting practices are accepted by national authorities under comparable funding schemes in accordance with Article [185] of the Financial Regulation and communicated to the Commission.

Or. en

**Amendment 390**  
**Massimiliano Salini**

**Proposal for a regulation**  
**Article 16 – paragraph 2 – subparagraph 1 (new)**

*Text proposed by the Commission*

*Amendment*

***Should the beneficiary not be able to calculate indirect eligible costs on the basis of cost accounting practices referred to in Article 16(1), indirect eligible costs may be determined by applying a flat rate of 25 % of the total direct eligible costs, excluding direct eligible costs for subcontracting, financial support to third parties and any unit costs or lump sums which include indirect costs. This will be allowed when the beneficiary is an SME or in the absence of accepted practices at national level.***

Or. en

**Amendment 391**

**Dominique Riquet, Pavel Telička**

**Proposal for a regulation**

**Article 17 – paragraph 1 – introductory part**

*Text proposed by the Commission*

1. For grants awarded to actions referred to Article 11(3)(e) and other actions where Member States and/or associated countries finance **the major part** of the budget, the Commission may use:

*Amendment*

1. For grants awarded to actions referred to Article 11(3)(e) and other actions where Member States and/or associated countries finance **more than 50%** of the budget, the Commission may use:

Or. fr

**Amendment 392**

**Olle Ludvigsson**

**Proposal for a regulation**

**Article 20 – paragraph 1**

*Text proposed by the Commission*

Where necessary for the protection of the essential security interest of the Union and its Member States, the Commission shall set the requisite eligibility conditions applicable to the procurement or prizes financed by the Fund. ***Particular regard shall be had, for that purpose, to the need for recipients to be established in the Union or in associated countries, to commit to carry out any relevant activities inside the Union and not to be effectively controlled by non-associated third countries or non-associated third country' entities.*** Those conditions shall be included in the documents relating to the procurement or prize, as applicable, and shall apply to the full life cycle of the resulting contract.

*Amendment*

Where necessary for the protection of the essential security interest of the Union and its Member States, the Commission shall set the requisite eligibility conditions applicable to the procurement or prizes financed by the Fund. Those conditions shall be included in the documents relating to the procurement or prize, as applicable, and shall apply to the full life cycle of the resulting contract.

Or. en



## Amendment 393

Françoise Grossetête, Sven Schulze, Pilar del Castillo Vera

### Proposal for a regulation

#### Article 20 – paragraph 1

*Text proposed by the Commission*

*Where necessary* for the protection of the essential security interest of the Union and its Member States, the Commission shall set the requisite eligibility conditions applicable to the procurement or prizes financed by the Fund. Particular regard shall be had, for that purpose, to the need for recipients to be established in the Union or in associated countries, to commit to carry out any relevant activities inside the Union and not to be effectively controlled by non-associated third countries or non-associated third country' entities. Those conditions shall be included in the documents relating to the procurement or prize, as applicable, and shall apply to the full life cycle of the resulting contract.

*Amendment*

For the protection of the essential security interest of the Union and its Member States, the Commission shall set the requisite eligibility conditions applicable to the procurement or prizes financed by the Fund. Particular regard shall be had, for that purpose, to the need for recipients to be established in the Union or in associated countries, to commit to carry out any relevant activities inside the Union and not to be effectively controlled by non-associated third countries or non-associated third country' entities. Those conditions shall be included in the documents relating to the procurement or prize, as applicable, and shall apply to the full life cycle of the resulting contract.

Or. en

## Amendment 394

Edouard Martin, Carlos Zorrinho

### Proposal for a regulation

#### Article 21 – paragraph 1

*Text proposed by the Commission*

Blending operations decided under this Fund shall be implemented in accordance with the [InvestEU regulation] and Title X of the Financial Regulation.

*Amendment*

Blending operations decided under this Fund shall be implemented in accordance with the [InvestEU regulation] and Title X of the Financial Regulation. ***The amount of expenditure from this programme to be blended with a financial instrument shall be non-refundable.***

Or. en

## Amendment 395

Jens Geier, Arne Lietz, Martina Werner, Constanze Krehl

### Proposal for a regulation

#### Article 22 – paragraph 1

*Text proposed by the Commission*

1. The results of *the actions shall be owned by the* beneficiaries *generating them. Where legal entities jointly generate results, and where their respective contribution cannot be ascertained, or where it is not possible to separate such joint results, the legal entities shall have joint* ownership of the *results*.

*Amendment*

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

Or. en

## Amendment 396

Françoise Grossetête, Massimiliano Salini, Pilar del Castillo Vera, Sven Schulze

**Proposal for a regulation**  
**Article 22 – paragraph 1**

*Text proposed by the Commission*

1. The results of the actions shall be owned by the beneficiaries generating them. Where legal entities jointly generate results, and where their respective contribution cannot be ascertained, or where it is not possible to separate such joint results, the legal entities shall have joint ownership of the results.

*Amendment*

1. The results of the actions shall be owned by the beneficiaries generating them. Where legal entities jointly generate results, and where their respective contribution cannot be ascertained, or where it is not possible to separate such joint results, the legal entities shall have joint ownership of the results. ***The joint owners will establish an agreement regarding the allocation and terms of exercise of that joint ownership in accordance with their obligations under the grant agreement.***

Or. en

*Justification*

*This change is taken from the Preparatory Action on Defence Research.*

**Amendment 397**  
**Dominique Riquet, Pavel Telička**

**Proposal for a regulation**  
**Article 22 – paragraph 1**

*Text proposed by the Commission*

1. The results of the actions shall be owned by the beneficiaries generating them. Where legal entities jointly generate results, and where their respective contribution cannot be ascertained, or where it is not possible to separate such joint results, the legal entities shall have joint ownership of the results.

*Amendment*

1. The results of the actions shall be owned by the beneficiaries generating them. Where legal entities jointly generate results, and where their respective contribution cannot be ascertained, or where it is not possible to separate such joint results, the legal entities shall have joint ownership of the results, ***unless specifically provided otherwise by agreement between the legal entities.***

Or. fr

**Amendment 398**  
**Miroslav Poche**

**Proposal for a regulation**  
**Article 22 – paragraph 2**

*Text proposed by the Commission*

2. If Union assistance is provided in the form of public procurement, results shall be owned by the Union. Member States and associated countries shall enjoy access rights to the results, free of charge, upon their explicit request.

*Amendment*

2. If Union assistance is provided in the form of public procurement, results shall be owned by the Union. Member States and associated countries shall enjoy access rights to the results, free of charge, upon their explicit request. ***Where beneficiaries in an action have jointly generated results, and where their respective contribution to the joint results cannot be ascertained, or where it is not possible to separate such joint results for the purpose of applying for, obtaining or maintaining the relevant intellectual property rights protection, they will have joint ownership of those results. The joint owners will establish an agreement regarding the allocation and terms of exercise of that joint ownership in accordance with their obligations under the grant agreement.***

Or. en

*Justification*

*The original COMM proposal would go step aside from the usual practice. The proposed approach is in line with the logic already used under PADR.*

**Amendment 399**  
**Dominique Riquet, Pavel Telička**

**Proposal for a regulation**  
**Article 22 – paragraph 3**

*Text proposed by the Commission*

3. ***If justified the*** grant agreement may require that the results of actions receiving support from the Fund shall not be subject to any control or restriction,

*Amendment*

3. ***The*** grant agreement may require that the results of actions receiving support from the Fund shall not be subject to any control or restriction, directly or indirectly

directly or indirectly through one or more intermediate legal entities, including in terms of technology transfer by a non-associated third country or by a non-associated third country entity.

through one or more intermediate legal entities, including in terms of technology transfer by a non-associated third country or by a non-associated third country entity, ***unless provided for in the grant agreement.***

Or. fr

#### **Amendment 400**

**Françoise Grossetête, Sven Schulze, Massimiliano Salini, Pilar del Castillo Vera**

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

#### **Article 22 – paragraph 3**

*Text proposed by the Commission*

*Amendment*

3. ***If justified the grant agreement may require that*** the results of actions receiving support from the Fund shall not be subject to any control or restriction, directly or indirectly through one or more intermediate legal entities, including in terms of technology transfer by a non-associated third country or by a non-associated third country entity.

3. The results of actions receiving support from the Fund shall not be subject to any control or restriction, directly or indirectly through one or more intermediate legal entities, including in terms of technology transfer by a non-associated third country or by a non-associated third country entity.

Or. en

*Justification*

*The goal is to align with Article 25, paragraph 2. Research and development actions should have same requirements concerning the results of actions.*

#### **Amendment 401**

**Miroslav Poche**

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

#### **Article 22 – paragraph 3**

*Text proposed by the Commission*

*Amendment*

3. ***If justified the grant agreement may require that*** the results of actions receiving support from the Fund shall not be subject to any control or restriction,

3. The results of actions receiving support from the Fund shall not be subject to any control or restriction, directly or indirectly through one or more

directly or indirectly through one or more intermediate legal entities, including in terms of technology transfer by a non-associated third country or by a non-associated third country entity.

intermediate legal entities, including in terms of technology transfer by a non-associated third country or by a non-associated third country entity.

Or. en

*Justification*

*Alignment with para 25.*

**Amendment 402**  
**Miroslav Poche**

**Proposal for a regulation**  
**Article 22 – paragraph 4**

*Text proposed by the Commission*

4. The grant agreement shall, if justified, lay down the right of the Commission to be notified of and object to the transfer of ownership to results or to the granting of a license regarding results to a non-associated third country or a non-associated third country entity. Such transfers shall not contravene the defence and security interests of the Union and its Member States or the objectives of this Regulation as set out in Article 3.

*Amendment*

4. The grant agreement shall, if justified, lay down the right of the Commission to be notified of and object to the transfer of ownership to results or to the granting of a license regarding results to a non-associated third country or a non-associated third country entity. Such transfers shall not contravene the defence and security interests of the Union and its Member States or the objectives of this Regulation as set out in Article 3, ***otherwise it will necessitate reimbursement of the funding provided under the Programme.***

Or. en

*Justification*

*Alignment with Art 25, para 3; alignment with Art 12, para 4 EDIDP.*

**Amendment 403**  
**Dominique Riquet, Pavel Telička**

**Proposal for a regulation**  
**Article 22 – paragraph 4**

*Text proposed by the Commission*

*Amendment*

4. The grant agreement shall, if justified, lay down the right of the Commission to be notified of and object to the transfer of ownership to results or to the granting of a license regarding results to a non-associated third country or a non-associated third country entity. Such transfers shall not contravene the defence and security interests of the Union and its Member States or the objectives of this Regulation as set out in Article 3.

*(Does not affect the English version.)*

Or. fr

**Amendment 404**

**Françoise Grossetête, Pilar del Castillo Vera, Sven Schulze**

**Proposal for a regulation  
Article 22 – paragraph 7**

*Text proposed by the Commission*

*Amendment*

**7. *The beneficiaries shall grant access rights to their results on a royalty-free basis to the Union institutions, bodies or agencies, for duly justified purpose of developing, implementing and monitoring Union policies or programmes. Such access rights shall be limited to non-commercial and non-competitive use.***

*deleted*

Or. en

**Amendment 405**

**Françoise Grossetête, Pilar del Castillo Vera, Sven Schulze**

**Proposal for a regulation  
Article 22 – paragraph 7 a (new)**

*Text proposed by the Commission*

*Amendment*

**7a. *Any two or more Member States or associated countries that, multilaterally or***

*within the frame of an EU organisation, jointly have concluded one or several contracts with one or more participants to further develop together results obtained within the frame of a specific action that has received funding under a grant agreement for a research action on defence, shall enjoy access rights to the results of the action that are owned by such participant(s) and are necessary for the execution of the contract(s). Such access rights shall be granted on a royalty-free basis and under specific conditions aimed at ensuring that those rights will be used only for the purpose of the contract(s) and that appropriate confidentiality obligations will be in place*

Or. en

*Justification*

*It is taken from the PADR (Article 43).*

**Amendment 406**  
**Olle Ludvigsson**

**Proposal for a regulation**  
**Article 22 – paragraph 8**

*Text proposed by the Commission*

8. Specific provisions regarding ownership, access rights and licensing shall be laid down in the grant agreements and contracts regarding pre-commercial procurement to ensure maximum uptake of the results and to avoid any unfair advantage. The contracting authorities shall enjoy at least royalty-free access rights to the results for their own use and the right to grant, or require the recipients to grant, non-exclusive licences to third parties to exploit the results under fair and reasonable conditions without any right to sub-license. All Member States and associated countries shall have royalty-free

*Amendment*

8. Specific provisions regarding ownership, access rights and licensing shall be laid down in the grant agreements and contracts regarding pre-commercial procurement to ensure maximum uptake of the results and to avoid any unfair advantage. The contracting authorities shall enjoy at least royalty-free access rights to the results for their own use and the right to grant, or require the recipients to grant, non-exclusive licences to third parties to exploit the results under fair and reasonable conditions without any right to sub-license, ***upon their explicit request.*** All Member States and associated



access to the special report. If a contractor fails to commercially exploit the results within a given period after the pre-commercial procurement as identified in the contract, it shall transfer any ownership of the results to the contracting authorities.

countries shall have royalty-free access to the special report, ***upon their explicit request***. If a contractor fails to commercially exploit the results within a given period after the pre-commercial procurement as identified in the contract, it shall transfer any ownership of the results to the contracting authorities.

Or. en

**Amendment 407**  
**Christian Ehler, Michael Gahler**

**Proposal for a regulation**  
**Article 22 a (new)**

*Text proposed by the Commission*

*Amendment*

***Article 22 a***

***In order to respond to increased instability and conflicts in the Union's neighbourhood and to new security risks and geopolitical threats, Member States and the EU institutions need to identify common risks and threats and define common security interests, strategies and required capabilities which could be identified via an EU White Book on Security and Defence as well as via established procedures such as the Capability Development Mechanism (CDM);***

Or. en

**Amendment 408**  
**Edouard Martin, Carlos Zorrinho**

**Proposal for a regulation**  
**Article 23 – paragraph 3 – point a**

*Text proposed by the Commission*

*Amendment*

(a) at least two Member States and/or

(a) at least two Member States and/or

associated countries **intend** to procure the final product or use the technology in a coordinated way, including joint procurement;

associated countries **provide guarantees** to procure the final product or use the technology in a coordinated way, including joint procurement;

Or. en

**Amendment 409**  
**Olle Ludvigsson**

**Proposal for a regulation**  
**Article 23 – paragraph 3 – point a**

*Text proposed by the Commission*

(a) at least two Member States and/or associated countries intend to procure the final product or use the technology in a coordinated way, **including** joint procurement;

*Amendment*

(a) at least two Member States and/or associated countries intend to procure the final product or use the technology in a coordinated way, **this may include** joint procurement;

Or. en

**Amendment 410**  
**David Borrelli**

**Proposal for a regulation**  
**Article 23 – paragraph 3 – point a**

*Text proposed by the Commission*

(a) at least **two** Member States and/or associated countries intend to procure the final product or use the technology in a coordinated way, including joint procurement;

*Amendment*

(a) at least **three** Member States and/or associated countries intend to procure the final product or use the technology in a coordinated way, including joint procurement;

Or. it

**Amendment 411**  
**Olle Ludvigsson**

**Proposal for a regulation**

### Article 23 – paragraph 3 – point b

*Text proposed by the Commission*

(b) the action is based on **common** technical specifications jointly agreed by the Member States and/or associated countries which co-finance the action.

*Amendment*

(b) the action is based on **harmonised** technical specifications jointly agreed by the Member States and/or associated countries which co-finance the action.

Or. en

### Amendment 412

Jens Geier, Arne Lietz, Martina Werner, Constanze Krehl

#### Proposal for a regulation

### Article 24 – paragraph 1 – point a

*Text proposed by the Commission*

(a) the contribution to increasing efficiency across the life cycle of defence products and technologies, including cost-effectiveness and the potential for synergies in the procurement and maintenance process and disposal processes;

*Amendment*

(a) the contribution to increasing efficiency across the life cycle of defence products and technologies, including cost-effectiveness and the potential for synergies in the procurement and maintenance process and disposal processes, **as well as conversion from excess military to civil production**;

Or. en

### Amendment 413

Françoise Grossetête, Sven Schulze, Pilar del Castillo Vera

#### Proposal for a regulation

### Article 24 – paragraph 1 – point b

*Text proposed by the Commission*

(b) the **level of cooperation between Members States in the eligible action**.

*Amendment*

(b) the **quality of the industrial set-up and governance of programme management**.

Or. en

## Amendment 414

Jens Geier, Arne Lietz, Martina Werner, Constanze Krehl

### Proposal for a regulation

#### Article 25 – paragraph 1

*Text proposed by the Commission*

1. The Union *shall not own the products or technologies resulting from development actions, nor shall it have any intellectual property rights regarding the results of the actions.*

*Amendment*

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

Or. en

## Amendment 415

**Proposal for a regulation**  
**Article 25 – paragraph 1 a (new)**

*Text proposed by the Commission*

*Amendment*

**1a. The results of the actions shall be owned by the beneficiaries generating them. Where legal entities jointly generate results, and where their respective contribution cannot be ascertained, or where it is not possible to separate such joint results, the legal entities shall have joint ownership of the results. The joint owners will establish an agreement regarding the allocation and terms of exercise of that joint ownership in accordance with their obligations under the grant agreement.**

Or. en

*Justification*

*This amendment is in accordance with the Article 22.*

**Amendment 416**  
**Clare Moody, Theresa Griffin**

**Proposal for a regulation**  
**Article 25 – paragraph 2**

*Text proposed by the Commission*

*Amendment*

2. The results of actions receiving support from the Fund shall not be subject to any control or restriction by non-associated third countries or by non-associated third country entities, directly or indirectly through one or more intermediate legal entities, including in terms of technology transfer.

2. The results of actions receiving support from the Fund shall not be subject to any control or restriction by non-associated third countries or by non-associated third country entities, directly or indirectly through one or more intermediate legal entities, including in terms of technology transfer ***unless this is justified by inclusion of a non-associated third country entity where there is no EU entity alternative.***

*Justification*

*Non-associated third country entities' EU based subsidiaries may still participate in the Fund on an exceptional basis where there are no EU alternatives. Those entities should be able to restrict the transfer of technology where justifiable as the effect of not being able to do so may exclude any non EU entity from participating.*

**Amendment 417****Reinhard Bütikofer**

on behalf of the Verts/ALE Group

**Proposal for a regulation****Article 25 – paragraph 3***Text proposed by the Commission*

3. With regard to results generated by recipients, the Commission shall be notified of any transfer of ownership or grant of a licence to non-associated third countries. Such transfer of ownership or granting of a licence shall not contravene the defence and security interests of the Union and its Member States or the objectives this Regulation as set out in Article 3, otherwise it will necessitate reimbursement of the funding provided under the Fund.

*Amendment*

3. With regard to results generated by recipients, the Commission shall be notified ***ex-ante, at least six weeks before***, of any transfer of ownership or grant of a licence to non-associated third countries. Such transfer of ownership or granting of a licence shall not contravene the defence and security interests of the Union and its Member States, ***the eight criteria of Common Position 2008/944/CFSP, Regulation (EC) No 428/2009 setting up a Community regime for the control of exports, transfer, brokering and transit of dual-use items, EU restrictive measures in force*** or the objectives this Regulation as set out in Article 3, otherwise it will, ***among other measures***, necessitate reimbursement of the funding provided under the Fund.

Or. en

*Justification*

*Via this Programme the European Union becomes an actor in the defence sector. As regards transfers of military technology or dual-use technology the Union has to adhere to legally binding regimes whose criteria shall be respected also in the case of the present Programme*

**Amendment 418**  
**Dominique Riquet, Pavel Telička**

**Proposal for a regulation**  
**Article 25 – paragraph 3**

*Text proposed by the Commission*

3. With regard to results **generated** by **recipients**, the Commission shall be notified of any transfer of ownership or grant of a licence to non-associated third countries. Such transfer of ownership or granting of a licence shall not contravene the defence and security interests of the Union and its Member States or the objectives this Regulation as set out in Article 3, otherwise it will necessitate reimbursement of the funding provided under the Fund.

*Amendment*

3. With regard to results **of actions covered by this Regulation**, the Commission shall be notified of any transfer of ownership or grant of a licence to non-associated third countries. Such transfer of ownership or granting of a licence shall not contravene the defence and security interests of the Union and its Member States or the objectives this Regulation as set out in Article 3, otherwise it will necessitate reimbursement of the funding provided under the Fund.

Or. fr

**Amendment 419**  
**Christian Ehler, Michael Gahler**

**Proposal for a regulation**  
**Article 27 – paragraph 1**

*Text proposed by the Commission*

1. The Fund shall be implemented by annual or multi annual work programmes established in accordance with Article [110] of the Financial Regulation. Work programmes shall set out, where applicable, the overall amount reserved for blending operations.

*Amendment*

1. The Fund shall be implemented by annual or multi annual work programmes established in accordance with Article [110] of the Financial Regulation. Work programmes shall set out, where applicable, the overall amount reserved for blending operations. ***For the establishment of the work programme input from the Capability Development Mechanism (CDM) shall be taken into consideration.***

Or. en

**Amendment 420**

Edouard Martin, Clare Moody, Carlos Zorrinho, Răzvan Popa

**Proposal for a regulation**  
**Article 27 – paragraph 1**

*Text proposed by the Commission*

1. The Fund shall be implemented by annual or multi annual work programmes established in accordance with Article [110] of the Financial Regulation. Work programmes shall set out, where applicable, the overall amount reserved for blending operations.

*Amendment*

1. The Fund shall be implemented by annual or multi annual work programmes established in accordance with Article [110] of the Financial Regulation. Work programmes shall set out, where applicable, the overall amount reserved for blending operations. ***The European Parliament may select a representative group of Members to assist the committee.***

Or. en

**Amendment 421**  
**Fabio Massimo Castaldo**

**Proposal for a regulation**  
**Article 27 – paragraph 1**

*Text proposed by the Commission*

1. The Fund shall be implemented by annual or multi annual work programmes established in accordance with Article [110] of the Financial Regulation. Work programmes shall set out, where applicable, the overall amount reserved for blending operations.

*Amendment*

1. The Fund shall be implemented by annual or multi annual work programmes established in accordance with Article [110] of the Financial Regulation. Work programmes shall set out, where applicable, the overall amount reserved for blending operations ***as well as for the crossborder participation of SMEs.***

Or. en

**Amendment 422**  
**Reinhard Bütikofer**  
on behalf of the Verts/ALE Group

**Proposal for a regulation**  
**Article 27 – paragraph 2**



*Text proposed by the Commission*

*Amendment*

2. The Commission shall adopt the work programmes by means of **implementing** acts in accordance with the procedure referred to in Article 28 paragraph 2.

2. The Commission shall adopt the work programmes by means of **delegated** acts in accordance with the procedure referred to in Article 28 paragraph 2. **The work programmes shall set out in detail the categories of projects to be included in the Programme as well as the commitment of the Member States for financing their implementation. These work programmes shall be in line with the objectives set out in Article 3.**

Or. en

*Justification*

*The European Defence Fund and any measures which might contribute to the development of a European defence market cannot exclude elected members of the European Parliament for a period of 7 years. As in other mature democracies also in the European Union elected members need to have the right to scrutinize the main choices as regards defence programmes. At EU level the legal mechanism to ensure a minimum of parliamentary scrutiny is delegated acts.*

**Amendment 423**

**Edouard Martin, Miroslav Poche, Carlos Zorrinho, Răzvan Popa**

**Proposal for a regulation**

**Article 27 – paragraph 2**

*Text proposed by the Commission*

*Amendment*

2. The Commission shall adopt the work programmes by means of **implementing acts in accordance with the procedure referred to in Article 28 paragraph 2.**

2. The Commission shall adopt the work programmes by means of **delegated acts.**

Or. en

**Amendment 424**

**Edouard Martin, Carlos Zorrinho**

**Proposal for a regulation**

**Article 27 – paragraph 2 a (new)**

*Text proposed by the Commission*

*Amendment*

**2a.** *Based on the work programmes' elaboration process and in close cooperation with the Committee, the Commission shall carry out an upfront assessment of possible duplication cases with existing capabilities or already funded research or development projects within the EU.*

*Where such duplication cases may occur, no award decision shall be taken on the action in question unless there is an agreement to phase-out the pre-existing technology or equipment, assorted with proper industrial and social transition tools.*

Or. en

**Amendment 425**

**Edouard Martin, Carlos Zorrinho**

**Proposal for a regulation**

**Article 27 – paragraph 2 b (new)**

*Text proposed by the Commission*

*Amendment*

**2b.** *The work programmes shall set out the categories of projects to be funded under the Programme, in line with the defence priorities referred to in Article 3.*

Or. en

**Amendment 426**

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

**Proposal for a regulation**

**Article 28 – paragraph 1**

*Text proposed by the Commission*

*Amendment*

1. The Commission shall be assisted by *a* committee ***within the meaning of Regulation (EU) No 182/2011***. The European Defence Agency shall be invited as *an observer* to provide its views and expertise. The European External Action Service shall also be invited to *assist*.

1. The Commission shall be assisted by *an expert* committee ***selected transparently and with a balanced participation of defence experts from academia, research organisations, EU institutions including the European Parliament and think tanks***. The European Defence Agency shall be invited as *a participant* to provide its views and expertise. The European External Action Service shall also be invited to *participate*.

Or. en

**Amendment 427**  
**Clare Moody, Theresa Griffin**

**Proposal for a regulation**  
**Article 28 – paragraph 1**

*Text proposed by the Commission*

1. The Commission shall be assisted by a committee within the meaning of Regulation (EU) No 182/2011. The European Defence Agency shall be invited as an observer to provide its views and expertise. The European External Action Service shall also be invited to assist.

*Amendment*

1. The Commission shall be assisted by a committee within the meaning of Regulation (EU) No 182/2011. The European Defence Agency shall be invited as an observer to provide its views and expertise. The European External Action Service shall also be invited to assist. ***The European Parliament may select a representative group of Members to assist the committee.***

Or. en

**Amendment 428**  
**Reinhard Bütikofer**  
on behalf of the Verts/ALE Group

**Proposal for a regulation**  
**Article 28 – paragraph 1**

*Text proposed by the Commission*

1. The Commission shall be assisted

*Amendment*

1. The Commission shall be assisted

by a committee within the meaning of Regulation (EU) No 182/2011. The European Defence Agency shall be invited as an **observer** to provide **its** views and expertise. The European External Action Service shall also be invited to assist.

by a committee within the meaning of Regulation (EU) No 182/2011. The European Defence Agency, **the European Parliament, civil society and academia** shall be invited as an **observers** to provide **their** views and expertise. The European External Action Service shall also be invited to assist.

Or. en

*Justification*

*It is of key importance for the emergence of an efficient European defence sector to incorporate minimum transparency requirements*

**Amendment 429**

**Reinhard Bütikofer**

on behalf of the Verts/ALE Group

**Proposal for a regulation**

**Article 28 – paragraph 1 a (new)**

*Text proposed by the Commission*

*Amendment*

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

Or. en

**Amendment 430**

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

**Proposal for a regulation**

**Article 28 – paragraph 2**

*Text proposed by the Commission*

*Amendment*

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

Or. en

**Amendment 431**  
**Christian Ehler, Michael Gahler**

**Proposal for a regulation**  
**Article 28 – paragraph 2**

*Text proposed by the Commission*

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

*Amendment*

2. Where reference is made to this paragraph, Article 5 of Regulation (EU) No 182/2011 shall apply. ***Where the Committee delivers no opinion, the Commission shall not adopt the draft implementing act and the third subparagraph of Article 5 (4) of Regulation (EU) No 182/2011 shall apply.***

Or. en

**Amendment 432**  
**Jens Geier, Arne Lietz, Martina Werner, Constanze Krehl**

**Proposal for a regulation**  
**Article 29 – paragraph 1**

*Text proposed by the Commission*

1. The Commission shall appoint independent experts to assist in the evaluation of proposals pursuant to Article [237] of the Financial Regulation. It may also appoint independent experts to advise on or assist with the monitoring of the implementation of actions carried out.

*Amendment*

1. The Commission shall appoint independent experts ***from academia, research organisations and think tanks transparently*** to assist in the evaluation of proposals pursuant to Article [237] of the Financial Regulation. It may also appoint independent experts to advise on or assist with the monitoring of the implementation of actions carried out. ***Experts from the defence industry shall not be identified to avoid bias.***

**Amendment 433**  
**Clare Moody, Theresa Griffin**

**Proposal for a regulation**  
**Article 29 – paragraph 2**

*Text proposed by the Commission*

2. Independent experts shall be Union's citizens identified and selected on the basis of calls for expressions of interest addressed to relevant organisations such as Ministries of Defence and subordinated agencies, research institutes, universities, business associations or enterprises of the defence sector with a view to establishing a list of experts. By derogation from Article [237] of the Financial Regulation, this list shall not be made public.

*Amendment*

2. Independent experts shall be Union's citizens identified and selected on the basis of calls for expressions of interest addressed to relevant organisations such as Ministries of Defence and subordinated agencies, research institutes, **non-governmental organisations**, universities, business associations or enterprises of the defence sector with a view to establishing a list of experts **that is gender balanced**. By derogation from Article [237] of the Financial Regulation, this list shall not be made public.

Or. en

*Justification*

*NGOs active in the defence sector, such as those defending the interests of military personnel should also be eligible to contribute potential experts. In addition, the panel of experts should be gender balanced to reflect the important role that women play in peace and security.*

**Amendment 434**  
**Reinhard Bütikofer**  
 on behalf of the Verts/ALE Group

**Proposal for a regulation**  
**Article 29 – paragraph 2**

*Text proposed by the Commission*

2. Independent experts shall be Union's citizens identified and selected on the basis of calls for expressions of interest addressed to relevant organisations such as Ministries of Defence and subordinated

*Amendment*

2. Independent experts shall be Union's citizens identified and selected on the basis of calls for expressions of interest addressed to relevant organisations such as Ministries of Defence and subordinated

agencies, research institutes, universities, business associations or enterprises of the defence sector with a view to establishing a list of experts. **By derogation from Article [237] of the Financial Regulation**, this list shall **not** be made public.

agencies, research institutes, universities, **civil society organisations**, business associations or enterprises of the defence sector with a view to establishing a list of experts. **In compliance with the Financial Regulation**, this list shall be made public.

Or. en

#### *Justification*

*The defence sectors in Europe are also highly inefficient because of a lack of transparency. It is of strategic importance to change this situation and to use this opportunity in order to change such structural deficiencies. A future European defence market should be a highly efficient and transparent sector. Information such as the list of experts chosen are of interest to the wider public and cannot be considered an industrial secret.*

#### **Amendment 435**

**Edouard Martin, Carlos Zorrinho, Răzvan Popa, Eugen Freund**

#### **Proposal for a regulation Article 29 – paragraph 2**

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

2. Independent experts shall be Union's citizens identified and selected on the basis of calls for expressions of interest addressed to relevant organisations such as Ministries of Defence and subordinated agencies, research institutes, universities, business associations or enterprises of the defence sector with a view to establishing a list of experts. **By derogation from Article [237] of the Financial Regulation, this list shall not be made public.**

##### *Amendment*

2. Independent experts shall be Union's citizens identified and selected on the basis of calls for expressions of interest addressed to relevant organisations such as Ministries of Defence and subordinated agencies, research institutes, universities, **non-governmental organisations**, business associations or enterprises of the defence sector with a view to establishing a list of experts **that is gender balanced.**

Or. en

#### **Amendment 436**

**Christian Ehler, Michael Gahler**

#### **Proposal for a regulation Article 29 – paragraph 2**

*Text proposed by the Commission*

*Amendment*

2. Independent experts shall be **Union's citizens** identified **and selected** on the basis of calls for expressions of interest addressed to relevant organisations such as Ministries of Defence and subordinated agencies, research institutes, universities, business associations or enterprises of the defence sector with a view to establishing a list of experts. By derogation from Article [237] of the Financial Regulation, this list shall not be made public.

2. Independent experts shall be identified on the basis of **excellence based on** calls for expressions of interest addressed to relevant organisations such as Ministries of Defence and subordinated agencies, research institutes, universities, business associations or enterprises of the defence sector with a view to establishing a list of experts. By derogation from Article [237] of the Financial Regulation, this list shall not be made public.

Or. en

**Amendment 437**

**Reinhard Bütikofer**

on behalf of the Verts/ALE Group

**Proposal for a regulation**

**Article 29 – paragraph 3**

*Text proposed by the Commission*

*Amendment*

3. **Independent experts shall have the appropriate security clearance issued by a Member State.**

**deleted**

Or. en

*Justification*

*As this is a Union programme, only the Commission should verify the credentials of experts.*

**Amendment 438**

**Reinhard Bütikofer**

on behalf of the Verts/ALE Group

**Proposal for a regulation**

**Article 29 – paragraph 4**

*Text proposed by the Commission*

*Amendment*

4. The Committee referred to in Article 28 shall be informed annually on

4. The Committee **and the European Parliament** referred to in Article 28 shall



the list of experts.

be informed annually on the list of experts

Or. en

**Amendment 439**  
**Dominique Riquet, Pavel Telička**

**Proposal for a regulation**  
**Article 29 – paragraph 5**

*Text proposed by the Commission*

5. Independent experts shall be chosen on the basis of their skills, experience and knowledge appropriate to carry out the tasks assigned to them.

*Amendment*

5. Independent experts shall be chosen on the basis of their skills, experience and knowledge appropriate to carry out the tasks assigned to them. ***The Commission must also ensure that experts do not assess, advise or assist on matters in which they have a conflict of interest.***

Or. fr

**Amendment 440**  
**Reinhard Bütikofer**  
on behalf of the Verts/ALE Group

**Proposal for a regulation**  
**Article 29 – paragraph 5**

*Text proposed by the Commission*

5. Independent experts shall be chosen on the basis of their skills, experience and knowledge appropriate to carry out the tasks assigned to them.

*Amendment*

5. Independent experts shall be chosen ***only by the European Commission*** on the basis of their skills, experience and knowledge appropriate to carry out the tasks assigned to them.

Or. en

**Amendment 441**  
**Dominique Riquet, Pavel Telička**

**Proposal for a regulation**

### Article 30 – paragraph 3

*Text proposed by the Commission*

3. In order to facilitate exchange of sensitive information between the Commission, the recipients and, where applicable the Member states, the Commission shall set up **an** electronic exchange system.

*Amendment*

3. In order to facilitate exchange of sensitive information between the Commission, the recipients and, where applicable the Member states, the Commission shall set up **a secure** electronic exchange system.

Or. fr

### Amendment 442

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

#### Proposal for a regulation

### Article 31 – paragraph 3

*Text proposed by the Commission*

3. The Commission shall regularly monitor the implementation of the Fund and annually report on the progress made. To this end, the Commission shall put in place necessary monitoring arrangements.

*Amendment*

3. The Commission shall regularly monitor **and evaluate** the implementation of the Fund and annually report **to the Parliament and the Council** on the progress made. To this end, the Commission shall put in place necessary monitoring arrangements.

Or. en

### Amendment 443

**Dominique Riquet, Pavel Telička**

#### Proposal for a regulation

### Article 31 – paragraph 3

*Text proposed by the Commission*

3. The Commission shall regularly monitor the implementation of the Fund and annually report on the progress made. To this end, the Commission shall put in place necessary monitoring arrangements.

*Amendment*

3. The Commission shall regularly monitor the implementation of the Fund and annually report **to the Council and the European Parliament** on the progress made. To this end, the Commission shall put in place necessary monitoring

arrangements.

Or. fr

**Amendment 444**

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

**Proposal for a regulation**

**Article 31 – paragraph 4 – subparagraph 1 (new)**

*Text proposed by the Commission*

*Amendment*

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

Or. en

**Amendment 445**

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

**Proposal for a regulation**

**Article 32 – paragraph 1**

*Text proposed by the Commission*

*Amendment*

1. Evaluations shall be carried out ***in a timely manner*** to feed into the decision-making process.

1. Evaluations shall be carried out ***annually*** to feed into the decision-making process.

Or. en

**Amendment 446**

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

**Proposal for a regulation**  
**Article 32 – paragraph 2**

*Text proposed by the Commission*

2. The interim evaluation of the Fund shall be performed once there is sufficient information available about the implementation of the Fund, ***but no later than four years after the start of the Fund implementation***. The interim evaluation report will include notably, an assessment of the governance of the Fund, implementation rates, project award results including SMEs and mid-caps involvement and the degree of their cross-border participation, and funding granted in accordance with Article [195] of the Financial Regulation by 31 July 2024. The Commission may submit proposals for any appropriate amendments to the present regulation.

*Amendment*

2. The interim evaluation of the Fund shall be performed once there is sufficient information available about the implementation of the Fund ***at the end of every financial year***. The interim evaluation report will include notably, an assessment of the governance of the Fund, implementation rates, project award results including SMEs and mid-caps involvement and the degree of their cross-border participation, ***information about exports of funded products or technologies, an evaluation of the increase in efficiency and in the elimination of unnecessary duplications, the state of conversion from military to civil production*** and funding granted in accordance with Article [195] of the Financial Regulation by 31 July 2024. The Commission may submit proposals for any appropriate amendments to the present regulation.

Or. en

**Amendment 447**  
**Fabio Massimo Castaldo**

**Proposal for a regulation**  
**Article 32 – paragraph 2**

*Text proposed by the Commission*

2. The interim evaluation of the Fund shall be performed once there is sufficient information available about the implementation of the Fund, but no later than four years after the start of the Fund implementation. The interim evaluation report will include notably, an assessment of the governance of the Fund, implementation rates, project award results

*Amendment*

2. The interim evaluation of the Fund shall be performed once there is sufficient information available about the implementation of the Fund, but no later than four years after the start of the Fund implementation. The interim evaluation report will include notably, an assessment of the governance of the Fund, ***the number of countries involved in individual***

including SMEs and mid-caps involvement and the degree of their cross-border participation, and funding granted in accordance with Article [195] of the Financial Regulation by 31 July 2024. The Commission may submit proposals for any appropriate amendments to the present regulation.

*projects*, implementation rates, project award results including SMEs and mid-caps involvement and the degree of their cross-border participation, and funding granted in accordance with Article [195] of the Financial Regulation by 31 July 2024. The Commission may submit proposals for any appropriate amendments to the present regulation.

Or. it

#### **Amendment 448**

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

#### **Proposal for a regulation Article 32 – paragraph 3**

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

3. At the end of the implementation period but no later than four years after the 31 December 2031, a final evaluation of the Fund implementation shall be carried out by the Commission. The final evaluation report shall include the results of the implementation and to the extent possible given timing the impact of the Fund. The report - building on relevant consultations of Member States and associated countries and key stakeholders - shall notably assess the progress made towards the achievement of objectives set out in Article 3. It shall also analyse cross border participation, including of SMEs and mid-caps in projects implemented under the Fund as well as the integration of SMEs and Mid-caps in the global value chain. The evaluation shall also contain information on the countries of origin of the recipients and, where possible, the distribution of the generated intellectual property rights.

##### *Amendment*

3. At the end of the implementation period but no later than four years after the 31 December 2031, a final evaluation of the Fund implementation shall be carried out by the Commission. The final evaluation report shall include the results of the implementation and to the extent possible given timing the impact of the Fund. The report - building on relevant consultations of Member States and associated countries and key stakeholders - shall notably assess the progress made towards the achievement of objectives set out in Article 3. It shall also analyse cross border participation, including of SMEs and mid-caps in projects implemented under the Fund as well as the integration of SMEs and Mid-caps in the global value chain. The evaluation shall also contain information on the countries of origin of the recipients and, where possible, the distribution of the generated intellectual property rights, ***as well as about exports of funded products or technologies. It shall further evaluate the increase in efficiency and in the elimination of unnecessary duplications and the state of conversion from military to civil production .***

**Amendment 449****Dominique Riquet, Pavel Telička****Proposal for a regulation****Article 32 – paragraph 3***Text proposed by the Commission*

3. At the end of the implementation period but no later than four years after the 31 December **2031**, a final evaluation of the Fund implementation shall be carried out by the Commission. The final evaluation report shall include the results of the implementation and to the extent possible given timing the impact of the Fund. The report - building on relevant consultations of Member States and associated countries and key stakeholders - shall notably assess the progress made towards the achievement of objectives set out in Article 3. It shall also analyse cross border participation, including of SMEs and mid-caps in projects implemented under the Fund as well as the integration of SMEs and Mid-caps in the global value chain. The evaluation shall also contain information on the countries of origin of the recipients and, where possible, the distribution of the generated intellectual property rights.

*Amendment*

3. At the end of the implementation period but no later than four years after the 31 December **2027**, a final evaluation of the Fund implementation shall be carried out by the Commission. The final evaluation report shall include the results of the implementation and to the extent possible given timing the impact of the Fund. The report - building on relevant consultations of Member States and associated countries and key stakeholders - shall notably assess the progress made towards the achievement of objectives set out in Article 3. It shall also analyse cross border participation, including of SMEs and mid-caps in projects implemented under the Fund as well as the integration of SMEs and Mid-caps in the global value chain. The evaluation shall also contain information on the countries of origin of the recipients and, where possible, the distribution of the generated intellectual property rights.

Or. fr

**Amendment 450****Clare Moody, Theresa Griffin****Proposal for a regulation****Article 34 – paragraph 1 a (new)***Text proposed by the Commission**Amendment*

***Where a Member State or undertaking invokes national security as a reason for withholding information from OLAF***

*where there is a risk of fraud or other unlawful activity, the national security concerns shall be interpreted strictly.*

Or. en

*Justification*

*There is a risk that defence firms, or the Member States in which they are located, invoke national security reasons for failure to fully cooperate with OLAF. Provided that OLAF is capable of assuring the confidentiality of sensitive military information, these national security concerns should be interpreted strictly to prevent the financial interests of the Union from being abused.*

**Amendment 451**

**Edouard Martin, Clare Moody, Eugen Freund**

**Proposal for a regulation**

**Article 34 – paragraph 1 a (new)**

*Text proposed by the Commission*

*Amendment*

*Where a Member State or undertaking invokes national security as a reason for withholding information from OLAF where there is a risk of fraud or other unlawful activity, the national security concerns shall be interpreted strictly.*

Or. en

**Amendment 452**

**Françoise Grossetête, Sven Schulze, Massimiliano Salini, Pilar del Castillo Vera**

**Proposal for a regulation**

**Article 35 – paragraph 2**

*Text proposed by the Commission*

*Amendment*

2. The Commission shall implement information and communication actions relating to the Fund, and its actions and results. Financial resources allocated to the Fund shall also contribute to the corporate communication of the political priorities of the Union, as far as they are related to the

2. The Commission shall implement information and communication actions relating to the Fund, and its actions and results. Financial resources allocated to the Fund shall also contribute to the corporate communication of the political priorities of the Union, as far as they are related to the

objectives referred to in Article 3.

objectives referred to in Article 3, ***and may be used for projects on statistics on the defence industry and projects to pilot the collection of data.***

Or. en

#### **Amendment 453**

**Reinhard Bütikofer**

on behalf of the Verts/ALE Group

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

##### **Article 36 – paragraph 1**

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

1. The power to adopt delegated acts referred to in **Article 31** shall be conferred on the Commission for an indeterminate period of time from the date of entry into force of this Regulation.

###### *Amendment*

1. The power to adopt delegated acts referred to in **Articles 27(2) and 31** shall be conferred on the Commission for an indeterminate period of time from the date of entry into force of this Regulation.

Or. en

#### **Amendment 454**

**Reinhard Bütikofer**

on behalf of the Verts/ALE Group

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

##### **Article 36 – paragraph 5**

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

5. A delegated act adopted pursuant to **Article 31** shall enter into force only if no objection has been expressed either by the European Parliament or by the Council within a period of two months of notification of that act to the European Parliament and the Council or if, before the expiry of that period, the European Parliament and the Council have both informed the Commission that they will not object. That period shall be extended by two months at the initiative of the

###### *Amendment*

5. A delegated act adopted pursuant to **Articles 27(2) and 31** shall enter into force only if no objection has been expressed either by the European Parliament or by the Council within a period of two months of notification of that act to the European Parliament and the Council or if, before the expiry of that period, the European Parliament and the Council have both informed the Commission that they will not object. That period shall be extended by two months at the initiative of the



**Amendment 455**

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

**Proposal for a regulation**

**Annex I – part 2 – paragraph 2 – subparagraph 1 a (new)**

*Text proposed by the Commission*

*Amendment*

**ANNEX A**

***Non eligible products***

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

**Amendment 456**

**Edouard Martin, Carlos Zorrinho**

**Proposal for a regulation**

**Annex I – part 2 – paragraph 2 a (new)**

*Text proposed by the Commission*

*Amendment*

***Indicator 5: Europeanisation of military equipment:***

*Measured by: financial share and geographical spread of Programme-funded projects in terms of European public procurement or potential acquisitions*

Or. en

**Amendment 457**

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

**Proposal for a regulation**

**Annex I – part 2 – paragraph 2 a (new)**

*Text proposed by the Commission*

*Amendment*

**ANNEX B**

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

*· Small arms and light weapons.*

Or. en