

First-ever EU defence industry fund to finance joint development of capabilities

- €500 million to develop defence industry initiatives in 2019-2020
- Promoting cooperation between member states and EU undertakings
- Optimising production capacities by reducing equipment duplication
- Strengthening the single market for defence and making EU products more competitive

For the first time, MEPs endorsed the setting up of a programme devoted to boosting innovation in European defence industry including cyber security on Tuesday.

With a €500 million budget for 2019-2020, the new European Defence Industrial Development Programme (EDIDP) will help fund the development of new and upgraded products and technologies to make the EU more independent, make budget spending more efficient and stimulate innovation in defence.

Who can apply?

The EU will co-fund projects implemented by consortia of at least three public or private companies established in at least three different EU member states.

To win contracts, project backers will need to prove that they contribute to excellence, innovation and competitiveness. Projects specifically dedicated to SMEs and Mid-Caps (firms with up to 3,000 employees) will be eligible for higher co-financing rates, as well as actions within the PESCO framework.

What can be funded?

The European Defence Industrial Development Programme will fund the development phase (between research and production) of new and upgraded defence products and technologies in the EU, from studies, through design, testing and up to certification and development phases in areas such as:

- remotely piloted systems,

- satellite communications,
- autonomous access to space and permanent earth observation,
- energy sustainability,
- cyber and maritime security,
- high-end military air, land and sea capabilities, and
- joint domain systems, including strategic enablers.

Fostering “strategic autonomy” in defence

The programme can be seen as the pilot of the next [European Defence Fund](#), which, with a proposed budget of €13 billion over 7 years, aims to make the EU more independent in the area of defence through cooperation, whilst promoting more efficient use of taxpayers money.

Quote

Rapporteur [Françoise Grossetête \(EPP, FR\)](#) said: "This programme is an historic step forward for European defence industrial projects and responds to three challenges: budgetary efficiency, competitiveness and strategic autonomy. We have achieved in one year of negotiations a promising regulation to improve the innovation capacity of the EU."

Next steps

The informal deal between Parliament and Council was backed by the full House by 478 votes to 179, with 23 abstentions. Once the Council has given its green light, the regulation will enter into force upon publication in the EU Official Journal. The first capability projects are expected to be financed in 2019.

Further information

[Adopted text will be available here \(click on 03.07.2018\)](#)

[Press release after the conclusion of the provisional agreement \(23.05.2018\)](#)

[Procedure file](#)

[Profile of the rapporteur Françoise Grossetête \(EPP, FR\)](#)


[EP briefing: European defence industrial development programme \(EDIDP\)](#)

[EP legislative train](#)

Contacts

Gerardo FORTUNA

Press

 (+32) 2 28 43442 (BXL)

 gerardo.fortuna@europarl.europa.eu



EN_defence