

European Defence Fund 2021–2027

2018/0254(COD) - 29/04/2021 - Text adopted by Parliament, 2nd reading

The European Parliament adopted a legislative resolution approving the Council position at first reading with a view to the adoption of a regulation of the European Parliament and of the Council establishing the European Defence Fund and repealing Regulation (EU) 2018/1092.

The regulation establishes the European Defence Fund for the period from 1 January 2021 to 31 December 2027, which corresponds to the duration of the multiannual financial framework 2021-2027.

Fund's objectives

The aim of the Fund is to strengthen the competitiveness, innovative capacity, efficiency and technological autonomy of the EU's defence industry, thereby contributing to the strategic autonomy of the Union.

The Fund should support cross-border cooperation between Member States as well as cooperation between companies, research centres, national administrations, international organisations and universities throughout the EU, both during the research phase and the development phase of defence products and technologies.

In order to achieve more innovative solutions and foster an open internal market, the Fund should support and facilitate the expansion of cross-border cooperation of small and medium-sized enterprises (SMEs) and mid-cap companies in the defence sector.

Budget

The Fund should have an overall budget of EUR 7 953 000 000 (at current prices) for the period 2021-2027, of which:

- EUR 2 651 000 000 for research actions;
- EUR 5 302 000 000 for development actions.

At least 4% and up to 8% of the financial envelope should be dedicated to calls for proposals or grants to support disruptive defence technologies.

To be eligible, actions should, in principle, be carried out in a consortium of at least three legal entities established in at least three different Member States and/or Associated Countries. The recipients and subcontractors participating in an action must be established in the EU or in an Associated Country and must not be subject to the control of a non-associated third country or a non-associated third country entity.