

European Defence Industry Programme and framework of measures to ensure the timely availability and supply of defence products ('EDIP')

2024/0061(COD) - 25/11/2025 - Text adopted by Parliament, 1st reading/single reading

The European Parliament adopted by 457 votes to 148, with 33 abstentions, a legislative resolution on the proposal for a regulation of the European Parliament and of the Council establishing the European Defence Industry Programme and a framework of measures to ensure the timely availability and supply of defence products ('EDIP').

The European Parliament adopted its position at first reading by amending the Commission's proposal as follows:

Objectives

The regulation aims to enhance the technological leadership, innovation, readiness, long-term competitiveness, resilience, integration and preparedness of the **European Defence Technological and Industrial Base** (EDTIB), ensure the timely availability and supply of defence products and contribute to the recovery, reconstruction and modernisation of the **Ukrainian Defence Technological and Industrial Base** (the Ukrainian DTIB).

The programme aims to:

- **enhance cooperation in defence procurement** by incentivising Member States to aggregate demand for defence products, harmonise defence capability requirements and strengthen solidarity among themselves, ultimately leading to greater interoperability and interchangeability, and by improving predictability of demand for the EDTIB, corresponding with Member States' defence product needs;
- **improve and accelerate the capacity for adaptation of defence industrial supply chains**, open up supply chains for cross-border cooperation, in particular for SMEs and mid-caps, increase manufacturing capacities, reduce production lead time for defence products and support the industrialisation and commercialisation of defence products supported by actions funded by the Union or by other Union cooperative activities conducted with the support of Member States, with a view to ensuring the availability and supply of defence products throughout the Union, and taking into account the specific needs of Member States in the case of materialisation of conventional military threats;
- **improve the security of supply and resilience of the EDTIB.**

The programme will be implemented taking into account the objectives of the Strategic Compass for Security and Defence and will be consistent with the defence capability priorities commonly agreed by Member States within the framework of the common foreign and security policy (CFSP).

Budget

The overall budget for the programme for the period up to 31 December 2027, amounts to **EUR 1.5 billion, of which EUR 300 million is earmarked for the Ukraine Support Instrument**. The amended

text provides for the creation of a fund to accelerate the transformation of the defence supply chain (**FAST instrument**), aiming to reach an indicative amount of at least **EUR 150 million** through additional financial contributions.

The programme's budget may also be increased, notably through additional financial contributions under the 'Security Action for Europe' (**SAFE**) instrument. Furthermore, the programme enables Member States to make full use of the Recovery and Resilience Facility (**RRF**) by redirecting and reallocating unspent RRF funds to support EDIP projects.

Eligible actions

Actions eligible for funding under the programme may take one of the following forms, or a combination thereof:

- **common procurement** actions shall consist of activities related to the cooperation of legal entities in the procurement of defence products, at any point in the lifecycle of such defence products, including for the purpose of establishing, managing and maintaining defence industrial readiness pools;

- **actions to strengthen the industry** consisting of activities related to accelerating adaptation to structural changes in the production capacity of defence products, including their components and corresponding raw materials insofar as they are entirely intended for the production of defence products or used for that purpose;

- **support actions** consisting of increasing interoperability and interchangeability, including cross-certification of defence products and activities leading to mutual recognition of certification, or facilitating the implementation of military standards, in particular NATO standards and other relevant standards;

- **the deployment of European defence projects of common interest**, consisting of collaborative industrial projects aimed at strengthening the competitiveness of the European Defence Technological and Industrial Base (EDTIB) across the EU, while contributing to the development of the military capabilities of Member States critical to the Union's security and defence interests. To be eligible for funding, these projects must involve at least four Member States; Ukraine may participate.

Buy European

For procurement awarded under the regulation, which is supported by Union funding, the cost of components originating from non-associated third countries cannot exceed 35% of the estimated total cost of components. No component of the product the increase in production capacity of which is supported by Union funding shall be sourced from third countries that contravene the security and defence interests of the Union and its Member States.

Ukraine Support Instrument

The amended text establishes that the Ukraine Support Instrument will contribute to the recovery, reconstruction and modernisation of the Ukrainian Defence Technological and Industrial Base (DTIB) with a view to increasing its defence industrial readiness, taking into account its possible future integration into the European Defence Technological and Industrial Base (EDTIB). In pursuing this objective, emphasis will be placed on enhancing cross-border cooperation between the EDTIB and the Ukrainian DTIB, taking into account the defence industrial reinforcement and defence procurement needs of Ukraine.

Special attention shall be given to the objective of supporting Ukraine to progressively align with Union rules, standards, policies and practices with a view to future Union membership.