

Defence readiness and facilitating defence investments and conditions for the defence industry (Omnibus V)

2025/0176(COD) - 16/09/2026 - Text adopted by Parliament, 1st reading/single reading

The European Parliament adopted by 530 votes to 125, with 12 abstentions, a legislative resolution on the proposal for a regulation of the European Parliament and of the Council amending Regulations (EC) No 1907/2006, (EC) No 1272/2008, (EU) No 528/2012, (EU) 2019/1021 and (EU) 2021/697 as regards defence readiness and facilitating defence investments and conditions for defence industry (Omnibus V).

The proposal is part of the omnibus package of measures on defence readiness. It involves extending existing provisions in defence-specific legislation and the European Defence Fund, as well as in non-defence specific legislation, to remove regulatory barriers and facilitate EU defence readiness and industrial build-up.

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

European Defence Fund (EDF)

The EDF should:

- contribute to the implementation and achievement of the objective of **defence readiness by 2030**, thereby reinforcing the Union's strategic autonomy and resilience in the face of evolving security challenges. That includes strengthening the defence capabilities of Member States to effectively address a broad spectrum of threats, including the threat of hybrid operations and the risk of armed aggression;
- strengthen the **resilience of the European Defence Technological and Industrial Base (EDTIB)**, including through the development of technologies and assets that increase energy efficiency and reduce dependencies on external suppliers for critical raw materials;
- promote **collaboration** that is consistent with the defence capability priorities commonly agreed by Member States within the framework of the common foreign and security policy, in particular in the context of the Capability Development Priorities, and contribute to addressing the priority capability areas identified by the European Council.

The **administrative burden** linked to participation in the EDF should be further reduced, and procedures should be simplified. Specific attention should be given to **cross-border SMEs and small mid-cap enterprises** to ensure fair and equitable access to calls for proposals throughout the Union. Application and evaluation procedures for calls for proposals involving SMEs must be significantly shortened and simplified.

Support for disruptive technologies for defence and research and development actions carried out by SMEs

The Fund should support actions that are conducive to developing disruptive technologies for defence and research and development actions carried out by SMEs in the areas of intervention defined in the work programmes. The work programmes should lay down the most appropriate forms of funding, selection and

award criteria and procedures and of implementation for disruptive technologies for defence and research and development actions carried out by SMEs.

Award criteria

Each proposal should be assessed on the basis of the following criteria:

- (a) its contribution to **excellence** in the defence domain, in particular by showing that the expected results of the proposed action present significant advantages over existing defence products or technologies;
- (b) its **quality and efficiency** of the implementation of the action.

In addition to the criteria referred to above, each proposal should be assessed on the basis of one or more of the following criteria, as set out in the work programme, on a call-by-call basis:

- (a) its contribution to the innovation or potential of disruption of the European defence industry;
- (b) its contribution to the competitiveness of the EDTIB by creating new market opportunities across the Union and beyond and accelerating the growth of companies throughout the Union;
- (c) its contribution to reducing dependency on non-Union sources and strengthening security of supply of defence products;
- (d) its contribution to cross-border cooperation between legal entities established in Member States or associated countries, in particular with SMEs and mid-caps;
- (e) its contribution to increasing efficiency across the life cycle of defence products and technologies;
- (f) its contribution to the further integration of the European defence industry;
- (g) its contribution to addressing the needs of the Member States and the associated countries with the highest exposure to the risk of materialisation of conventional military threats.

Co-financing rate

The text provides that an action developed in the context of a **permanent structured cooperation project** or within the framework of a **structure for European armament programmes (SEAP)**, established by Regulation (EU) 2025/2643 of the European Parliament and of the Council establishing the European Defence Industry Programme for the European defence industry (EDIP Regulation) may benefit from a funding rate increased by 10 percentage points.

Ukraine

To strengthen cooperation with Ukrainian entities, Members and Member States agreed that costs related to **testing** in EU candidate country Ukraine will be eligible for EDF funding.