Programme for agile and rapid defence innovation (AGILE)

2026/0078(COD) - 21/10/2026 - Final act

Regulation (EU) 2026/2387 establishes the Programme for agile and rapid defence innovation (AGILE) for the period from 1 January to 31 December 2027. It provides rapid, targeted Union support to small and medium-sized enterprises (SMEs), including innovative start-ups and scale-ups, developing emerging and disruptive defence products. The Regulation also amends the Strategic Technologies for Europe Platform (STEP) Regulation and the Ukraine Support Loan Regulation.

Objectives and budget

AGILE aims to accelerate the development and operational uptake of cost-efficient defence solutions responding to urgent and evolving capability needs of Member States and associated third countries, particularly those arising from Russia's war of aggression against Ukraine. It seeks to strengthen the competitiveness, innovation capacity, security of supply and technological edge of the European Defence Technological and Industrial Base.

The Programme has an indicative budget of EUR 115 million in current prices. It may also receive additional financial or non-financial contributions from Member States, Union bodies, third countries, international organisations, financial institutions and other third parties. Member States may transfer resources allocated under shared management to the Programme, for their benefit.

Supported activities and funding

AGILE supports the rapid development of emerging and disruptive defence products, including necessary components and the adaptation of civilian dual-use technologies for defence purposes. It also supports market uptake through demand aggregation, field testing, demonstrations, end-user feedback and matchmaking with defence prime contractors, system integrators and first-tier subcontractors.

Support may cover qualification, certification, access to infrastructure and innovative manufacturing, investment readiness, skills, studies and ecosystem-building. It may also support the rapid upgrade of existing products and technologies, subject to safeguards against restrictive control by non-associated third countries. Recipients may receive fast-track access to Union testing and experimentation facilities and to the European Union Defence Innovation Scheme (EUDIS) Business Accelerator.

Union funding may take any form and may cover up to 100% of eligible costs. Grants should normally use lump sums or other simplified cost options. Costs and activities begun up to three months before the closing date of a call may be eligible, provided that the action was not completed before the grant agreement was signed.

Eligibility and safeguards

Funding is principally directed to SMEs established in the Union or an associated third country, with executive management structures located there and without control by non-associated third countries or entities. Their relevant infrastructure, facilities, assets and resources must generally be located in the Union or an associated third country.

The Programme may be opened, through association agreements, to European Free Trade Association countries that are members of the European Economic Area and to Ukraine. Ukraine is not required to make a financial contribution to participate.

Actions already fully financed from other sources are excluded. The Programme cannot support products or technologies prohibited by international law, cluster munitions, or lethal autonomous weapons lacking meaningful human control over target selection and engagement decisions against humans. Defensive early-warning systems and countermeasures remain eligible.

A limited “inducement intervention” may temporarily suspend establishment or executive-management-location requirements for SMEs outside the Union or associated countries, where funding supports their relocation. Payments are made only after all eligibility conditions are met; otherwise, funding is recovered in full. No pre-financing is paid under this mechanism.

Results generated under AGILE cannot be controlled or restricted by non-associated third countries or entities. Transfers of ownership or exclusive licences for such results to them within three years of final payment require prior notification to the Commission and approval by the relevant national authorities. Funding must be reimbursed where such transfers conflict with Union and Member State security and defence interests or the Programme’s objectives.

Implementation and award procedures

The Commission implements AGILE directly or indirectly and adopts work programmes and funding decisions through implementing acts. Work programmes identify supported topics and prioritise challenges based on urgent capability needs shared by several Member States.

Awards may use accelerated and simplified procedures. Decisions and legal commitments may initially rely on preliminary assessments and applicants’ declarations, while final checks are completed afterwards. Payments are conditional on completion of the final evaluation. The Regulation also permits two-stage, bottom-up procedures in which projects are first assessed on their contribution to Programme objectives, after which the appropriate funding instrument—such as a grant, procurement or another form of support—is selected.

Award criteria include the disruptive potential of the solution, proposal quality and implementation capacity, and defence impact, notably cost-efficiency, delivery speed, operational readiness and, where relevant, cyber-resilience. Supply-chain security may also be considered.

Links with other Union instruments

AGILE may be combined with other Union funding, provided that the same costs are not financed twice. It complements existing defence innovation instruments, including the European Defence Fund and EUDIS.

The Regulation adds AGILE to the programmes whose qualifying projects may receive a STEP Sovereignty Seal. It also allows manufacturers and subcontractors meeting equivalent AGILE eligibility conditions to be treated as meeting relevant eligibility conditions under the Ukraine Support Loan Regulation.

Procurement by Member States for defence products resulting from AGILE-supported actions, or from STEP Sovereignty Seal projects subsequently funded by a Member State, is treated as procurement within a cooperative research and development programme under the defence and security procurement rules.

Monitoring and entry into force

The Commission must monitor implementation, assess success at portfolio level and regularly inform Parliament and the Council. By 1 July 2028, it must submit an evaluation report covering SME participation, geographical and thematic distribution, expenditure, award-procedure effectiveness and uptake of funded products.

The Regulation was adopted following the European Parliament’s position of 6 October 2026 and the Council’s decision of 12 October 2026. It was published on 3 November 2026 and entered into force on 4 November 2026. It is directly applicable in all Member States.

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