Basic information

2022/2079(INI) INI - Own-initiative procedure	Procedure completed
Critical technologies for security and defence: state-of-play and future challenges **Subject** 3.40.09 Defence and arms industry 6.10.02 Common security and defence policy (CSDP); WEU, NATO	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
ITRE Industry, Research and Energy	TERRAS Riho (EPP)	28/03/2022
	Shadow rapporteur KOHUT Łukasz (S&D) BEER Nicola (Renew) NIINISTÖ Ville (Greens/EFA) KRASNODĘBSKI Zdzisław (ECR) DREOSTO Marco (ID) BOTENGA Marc (The Left)	

Committee for opinion	Rapporteur for opinion	Appointed
AFET Foreign Affairs (Associated committee)	TUDORACHE Dragoş (Renew)	31/08/2022

Key events

Date	Event	Reference	Summary
07/07/2022	Committee referral announced in Parliament		
07/07/2022	Referral to associated committees announced in Parliament		
28/03/2023	Vote in committee		
04/04/2023	Committee report tabled for plenary	A9-0120/2023	Summary
09/05/2023	Decision by Parliament	T9-0131/2023	Summary
09/05/2023	Results of vote in Parliament		

Technical information	
Procedure reference	2022/2079(INI)
Procedure type	INI - Own-initiative procedure
Procedure subtype	Initiative
Legal basis	Rules of Procedure EP 55 Rules of Procedure EP 57_o
Other legal basis	Rules of Procedure EP 165
Stage reached in procedure	Procedure completed
Committee dossier	ITRE/9/08843

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE738.598	16/11/2022	
Amendments tabled in committee		PE739.727	08/12/2022	
Committee opinion	AFET	PE739.574	10/03/2023	
Committee report tabled for plenary, single reading		A9-0120/2023	04/04/2023	Summary
Text adopted by Parliament, single reading		T9-0131/2023	09/05/2023	Summary

European Commission

Document type	Reference	Date	Summary
Commission response to text adopted in plenary	SP(2023)345	29/08/2023	

Meetings with interest representatives published in line with the Rules of Procedure

Rapporteurs, Shadow Rapporteurs and Committee Chairs

Transparency

Name	Role	Committee	Date	Interest representatives
BEER Nicola	Shadow rapporteur	ITRE	07/03/2023	Diehl Stiftung & Co. KG
BEER Nicola	Shadow rapporteur	ITRE	07/12/2022	MBDA Deutschland GmbH
BEER Nicola	Shadow rapporteur	ITRE	12/07/2022	Diehl Stiftung & Co. KG

Other Members

Transparency

Name	Date	Interest representatives
BEER Nicola	27/03/2023	Krauss-Maffei Wegmann GmbH & Co. KG

Critical technologies for security and defence: state-of-play and future challenges

2022/2079(INI) - 09/05/2023 - Text adopted by Parliament, single reading

The European Parliament adopted by 520 votes to 76, with 31 abstentions, a resolution on Critical technologies for security and defence: state of play and future challenges.

Member States have set a target of 35% for collaborative defence investment, but their political will to reach this target has tended to diminish, with only 11% in 2020 and a historic low of 8% in 2021. Russia's war of aggression against Ukraine has shown that Europe urgently needs to invest in its defence and security technologies. The proposal to adopt a coordinated EU-wide strategic approach to critical security and defence technologies from the outset is the right way forward.

Better coordination of efforts

Welcoming the Commission's roadmap on critical technologies for security and defence, Parliament stressed that the worsening security situation in Europe, especially in countries with external borders, following Russia's war of aggression against Ukraine, requires the Union and its Member States to **intensify and better coordinate their efforts** to invest in and supply critical security and defence technologies to the widest possible extent and to develop a European defence equipment market.

Members regretted the fact that the combined defence research and technology spending of the Member States in 2020 amounted to only 1.2 % of their total defence spending, which falls far below the 2 % benchmark agreed on under the EDA framework.

Critical Technology Observatory

Parliament welcomed the Commission’s establishment of an observatory of critical technologies. It called on the Commission to fully integrate the findings of the observatory into its classified report to the Member States on critical technologies and risks associated with strategic dependencies affecting security, space and defence.

Members stressed the need for the Commission, in cooperation with the EDA, to further coordinate, promote and **facilitate cooperation and resource pooling among the Member States** to address the existing and future gaps in technology, reduce the duplication of projects and increase the effectiveness and efficiency of spending. The Commission should keep Parliament duly informed of the main outputs of this observatory.

Reducing dependencies

Noting the risk of dependency for the supply of critical materials and of overstretched supply chains, Members called on the Commission to promote circularity and to assess how to increase research on new materials for critical technologies in the critical raw materials act, so as to minimise the EU’s dependency on non-EU countries.

The resolution stressed the need for close coordination with associated and like-minded partners such as the US and NATO, while stressing the need for the EU to build an open strategic autonomy with a special focus on investment in European technologies.

Foster investments

Members are concerned about the lack of investment in new, **disruptive technologies** in the defence and security industries despite the existence of the European Defence Fund Regulation. They called on the Commission to **clarify strategic guidelines** and regulations to foster investment in the defence industry and to establish the necessary cooperative tools and measures to encourage the defence and security industries to invest more in technological innovation in critical technologies for security and defence, in addition to producing existing weapon systems. They stressed the important role of SMEs and start-ups in innovation and development and called for them to be included in specific programme

Cooperate for development capacity

Parliament stressed the need for closer cooperation between Member States on capability development to boost innovation in critical security and defence technologies. It called on the relevant EU bodies to give priority to **joint EU-funded and co-financed projects** in the field of innovation in critical security and defence technologies and to act as catalysts and accelerators to encourage Member States to effectively coordinate their capability development programmes. It also called on the Commission and Member States to consider the creation of a European mechanism for pooling national resources for defence and security R&D, with the active involvement of Parliament, where appropriate, in its implementation.

Members stressed that EU-financed and co-financed innovation and development in critical and disruptive defence technologies should lead to a higher degree of interoperability and common procurement of defence equipment by the Member States once the technologies developed have reached an appropriate technological readiness level.

Increased funding

Members are concerned about the insufficient level of financing for defence and security from the EU funds and deplores the record low collaboration rate of the Member States on defence procurement. They regretted the fact that the EDF's budget was cut by approximately 40 % relative to the Commission's proposal for the 2021-2027 multiannual financial framework (MFF), and the fact that the military mobility programme's budget was reduced by 75 %.

The resolution pointed out that the current MFF will not be able to provide sufficient financial resources to boost EU defence collaboration to an appropriate level. It called on Member States to consider pooling at EU level a considerable part of their rising national defence budgets in order to jointly replenish depleted ammunition stocks and to jointly procure weapons systems, including the most complex and expensive ones such as fighter jets, warships and tanks.

Parliament emphasised the need for better dual-use of existing civilian technologies and for cross-fertilisation among civilian, military and dual-use innovation in the field of critical technologies for security and defence. It encouraged innovation based on increased resource efficiency, the development of new materials, the promotion of secondary raw materials and more sustainable joint public procurement and the use of environmentally sustainable technology solutions.

Lastly, Members stressed the need to strengthen investment in **'green' defence** by dedicating a higher share of EU-funded R&D to carbon-neutral fuels and propulsion systems for military vehicles.

Critical technologies for security and defence: state-of-play and future challenges

2022/2079(INI) - 04/04/2023 - Committee report tabled for plenary, single reading

The Committee on Industry, Research and Energy adopted an own-initiative report by Riho TERRAS (EPP, EE) on critical technologies for security and defence: state of play and future challenges.

Russia's war of aggression against Ukraine has shown that Europe must urgently invest in its defence and security technologies.

Better coordination of efforts

The report welcomed the Commission's roadmap for critical technologies for security and defence. It emphasised the need for **greater involvement of the EU in coordinating and facilitating the development of security- and defence-related technology**, which should be, to the largest extent possible, compatible with the goals of the European Green Deal, without reducing operational effectiveness.

Members stressed that the worsening security situation in Europe, especially in countries with external borders, following Russia's war of aggression against Ukraine, requires the EU and its Member States to **intensify and better coordinate their efforts** to invest in and supply critical security and defence technologies to the widest extent possible and to establish a genuine European defence equipment market.

Critical Technology Observatory

The report welcomed the Commission's establishment of an observatory of critical technologies. It called on the Commission to fully integrate the findings of the observatory into its classified report to the Member States on critical technologies and risks associated with strategic dependencies affecting security, space and defence.

Members stressed the need for the Commission, in cooperation with the EDA, to further coordinate, promote and facilitate cooperation and resource pooling among the Member States to address the existing and future gaps in technology, reduce the duplication of projects and increase the effectiveness and efficiency of spending. The Commission should keep Parliament duly informed of the main outputs of this observatory.

Reducing dependencies

The report noted that there is a risk of dependency for the supply of critical materials and of overstretched supply chains that may affect the EU's ability to stay competitive in the field of critical technologies for security and defence. Members called on the Commission to promote circularity and to assess how to increase research on **new materials** for critical technologies in the critical raw materials act, so as to minimise the EU's dependency on non-EU countries.

The report stresses the need for close coordination with associated and like-minded partners such as the US and NATO.

Disruptive technologies

Members are concerned about the lack of investment in new, disruptive technologies in the defence and security industries despite the existence of the European Defence Fund Regulation. They called on the Commission to clarify strategic guidelines and regulations to foster investment in the defence industry and to establish the necessary cooperative tools and measures to encourage the defence and security industries to invest more in technological innovation in critical technologies for security and defence, in addition to producing existing weapon systems.

They stressed the important role of SMEs and start-ups in innovation and development and called for them to be included in specific programmes and instruments as part of the future implementation of the roadmap on critical technologies for security and defence.

Closer cooperation

The report stressed the need for closer cooperation between Member States on capability development to boost innovation in critical security and defence technologies. It called on the relevant EU bodies to give priority to **joint EU-funded and co-financed projects** in the field of innovation in critical security and defence technologies and to act as catalysts and accelerators to encourage Member States to effectively coordinate their capability development programmes. It also called on the Commission and Member States to consider the creation of a **European mechanism for pooling national resources** for defence and security R&D, with the active involvement of Parliament, where appropriate, in its implementation.

Members stressed that EU-financed and co-financed innovation and development in critical and disruptive defence technologies should lead to a higher degree of interoperability and common procurement of defence equipment by the Member States once the technologies developed have reached an appropriate technological readiness level.

Insufficient funding

Members are concerned about the insufficient level of financing for defence and security from the EU funds and deplores the record low collaboration rate of the Member States on defence procurement. They regretted the fact that the EDF's budget was cut by approximately 40 % relative to the Commission's proposal for the 2021-2027 multiannual financial framework (MFF), and the fact that the military mobility programme's budget was reduced by 75 %.

The report pointed out that the current MFF will not be able to provide sufficient financial resources to **boost EU defence collaboration to an appropriate level**. It called on Member States to consider pooling at EU level a considerable part of their rising national defence budgets in order to jointly replenish depleted ammunition stocks and to jointly procure weapons systems, including the most complex and expensive ones such as fighter jets, warships and tanks.

Lastly, Members stressed the need to strengthen investment in **'green' defence** by dedicating a higher share of EU-funded R&D to carbon-neutral fuels and propulsion systems for military vehicles, in particular for future major weapons systems developed within the relevant EU frameworks.