




| Basic information | |
|---|---|
| 2025/0103(COD) COD - Ordinary legislative procedure (ex-codecision procedure) Regulation | Awaiting Council's 1st reading position |
| Incentivising defence-related investments in the EU budget to implement the ReArm Europe Plan Amending Regulation 2021/695 2018/0224(COD) Amending Regulation 2021/694 2018/0227(COD) Amending Regulation 2021/1153 2018/0228(COD) Amending Regulation 2021/697 2018/0254(COD) Amending Regulation 2023/1525 2023/0140(COD) Amending Regulation 2024/795 2023/0199(COD) Subject 3.40.09 Defence and arms industry 4.70.01 Structural funds, investment funds in general, programmes 8.70 Budget of the Union | |

| Key players | | | |
|---------------------|--|--|------------------|
| European Parliament | Committee responsible | Rapporteur | Appointed |
| | ITRE Industry, Research and Energy | KOLS Rihards (ECR) | 15/05/2025 |
| | | Shadow rapporteur BEKE Wouter (EPP) GONÇALVES Bruno (S&D) THIONNET Pierre-Romain (Pfe) LØKKEGAARD Morten (Renew) LAGODINSKY Sergey (Greens/EFA) SARAMO Jussi (The Left) SYPNIEWSKI Marcin (ESN) | |
| | Committee for opinion | Rapporteur for opinion | Appointed |
| | SEDE Security and Defence | REUTEN Thijs (S&D) | 15/05/2025 |
| | TRAN Transport and Tourism | ŠAREC Marjan (Renew) | 03/06/2025 |
| | Committee for opinion on the legal basis | Rapporteur for opinion | Appointed |

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|--|------------------------------------|--|------------|
| | <div>JURI</div> Legal Affairs | LAGODINSKY Sergey (Greens/EFA) | 13/11/2025 |
| | Committee for budgetary assessment | Rapporteur for budgetary assessment | Appointed |
| | <div>BUDG</div> Budgets | EHLER Christian (EPP) | 22/05/2025 |
| Council of the European Union | | | |
| European Economic and Social Committee | | | |
| European Committee of the Regions | | | |

| Key events | | | |
|------------|---|--|---------|
| Date | Event | Reference | Summary |
| 22/04/2025 | Legislative proposal published | COM(2025)0188  | Summary |
| 16/06/2025 | Committee referral announced in Parliament, 1st reading | | |
| 23/09/2025 | Vote in committee, 1st reading | | |
| 23/09/2025 | Committee decision to open interinstitutional negotiations with report adopted in committee | | |
| 30/09/2025 | Committee report tabled for plenary, 1st reading | A10-0172/2025 | Summary |
| 06/10/2025 | Committee decision to enter into interinstitutional negotiations announced in plenary (Rule 71) | | |
| 08/10/2025 | Committee decision to enter into interinstitutional negotiations confirmed by plenary (Rule 71) | | |
| 20/11/2025 | Approval in committee of the text agreed at 1st reading interinstitutional negotiations | PE779.649 GEDA/A/(2025)005303 | |
| 15/12/2025 | Debate in Parliament |  | |
| 16/12/2025 | Decision by Parliament, 1st reading | T10-0320/2025 | |
| 16/12/2025 | Results of vote in Parliament |  | |

| Technical information | |
|------------------------|--|
| Procedure reference | 2025/0103(COD) |
| Procedure type | COD - Ordinary legislative procedure (ex-codecision procedure) |
| Procedure subtype | Legislation |
| Legislative instrument | Regulation |
| Amendments and repeals | Amending Regulation 2021/695 2018/0224(COD) |

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| | Amending Regulation 2021/694 2018/0227(COD) Amending Regulation 2021/1153 2018/0228(COD) Amending Regulation 2021/697 2018/0254(COD) Amending Regulation 2023/1525 2023/0140(COD) Amending Regulation 2024/795 2023/0199(COD) |
| Legal basis | Rules of Procedure EP 41 Rules of Procedure EP 58 Treaty on the Functioning of the EU TFEU 177-p2 Treaty on the Functioning of the EU TFEU 178-p1 Treaty on the Functioning of the EU TFEU 192-p1 Treaty on the Functioning of the EU TFEU 114 Treaty on the Functioning of the EU TFEU 164 Treaty on the Functioning of the EU TFEU 182-p5 Treaty on the Functioning of the EU TFEU 182-p1 Treaty on the Functioning of the EU TFEU 182-p4 Treaty on the Functioning of the EU TFEU 183 Treaty on the Functioning of the EU TFEU 188-p2 Treaty on the Functioning of the EU TFEU 188 -a1 Treaty on the Functioning of the EU TFEU 177-p1 Treaty on the Functioning of the EU TFEU 172 Treaty on the Functioning of the EU TFEU 175-p3 Treaty on the Functioning of the EU TFEU 173-p3 |
| Other legal basis | Rules of Procedure EP 165 |
| Mandatory consultation of other institutions | European Economic and Social Committee European Committee of the Regions |
| Stage reached in procedure | Awaiting Council's 1st reading position |
| Committee dossier | ITRE/10/02710 |

| Documentation gateway | | | | |
|---|-------------------------------------|-------------------------------|------------|-------------------------|
| European Parliament | | | | |
| Document type | Committee | Reference | Date | Summary |
| Committee draft report | | PE774.253 | 18/06/2025 | |
| Amendments tabled in committee | | PE775.462 | 02/07/2025 | |
| Committee opinion | BUDG | PE774.231 | 16/07/2025 | |
| Committee opinion | TRAN | PE774.234 | 16/07/2025 | |
| Committee opinion | SEDE | PE774.466 | 07/08/2025 | |
| Committee report tabled for plenary, 1st reading/single reading | | A10-0172/2025 | 30/09/2025 | Summary |
| Text agreed during interinstitutional negotiations | | PE779.649 | 07/11/2025 | |
| Specific opinion | JURI | PE779.731 | 03/12/2025 | |
| Text adopted by Parliament, 1st reading/single reading | | T10-0320/2025 | 16/12/2025 | |
| Council of the EU | | | | |
| Document type | Reference | | Date | Summary |
| Coreper letter confirming interinstitutional agreement | GEDA/A/(2025)005303 | | 07/11/2025 | |
| Draft final act | 00054/2025/LEX | | 17/12/2025 | |

European Commission

| Document type | Reference | Date | Summary |
|----------------------|--|------------|-------------------------|
| Legislative proposal | COM(2025)0188  | 22/04/2025 | Summary |

National parliaments

| Document type | Parliament /Chamber | Reference | Date | Summary |
|---------------|---------------------|---------------|------------|---------|
| Contribution | ES_PARLIAMENT | COM(2025)0188 | 11/07/2025 | |

Other institutions and bodies

| Institution/body | Document type | Reference | Date | Summary |
|------------------|--|--------------|------------|---------|
| EESC | Economic and Social Committee: opinion, report | CES1682/2025 | 18/09/2025 | |
| CofR | Committee of the Regions: opinion | CDR1590/2025 | 15/10/2025 | |

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 |
| KOLS Rihards | Rapporteur | ITRE | 03/09/2025 | Kongsberg Defence & Aerospace AS |
| GONÇALVES Bruno | Shadow rapporteur | ITRE | 03/09/2025 | TINGVOLL |
| KOLS Rihards | Rapporteur | ITRE | 02/09/2025 | Permanent Representation of Latvia to the EU |
| LØKKEGAARD Morten | Shadow rapporteur | ITRE | 10/04/2025 | Terma A/S |

Incentivising defence-related investments in the EU budget to implement the ReArm Europe Plan

2025/0103(COD) - 30/09/2025 - Committee report tabled for plenary, 1st reading/single reading

The Committee on Industry, Research and Energy adopted the report by Rihards KOLS (ECR, LV) on the proposal for a regulation of the European Parliament and of the Council amending Regulations (EU) 2021/694, (EU) 2021/695, (EU) 2021/697, (EU) 2021/1153, (EU) 2023/1525 and 2024/795, as regards incentivising defence-related investments in the EU budget to implement the ReArm Europe Plan.

The committee responsible recommended that the position adopted at first reading by the European Parliament should amend the proposal.

The proposed amendments do not create new funding instruments, but rather introduce targeted and legally coherent adjustments to existing Union programmes under the current Multiannual Financial Framework (MFF).

Programme for a Digital Europe

The Programme should aim, *inter alia*, to:

- widen the diffusion and uptake of Europe's key digital technologies, promoting the digital transformation, access to digital technologies and increasing the resilience against **hybrid warfare in the digital domain**;
- support and accelerate dual-use projects, services, skills and applications that strengthen **societal resilience**;
- support the development and best possible use of European knowledge, capacities and skills in **cybersecurity** and the fight against hybrid warfare in the digital domain;
- support the development of **advanced threat intelligence and cyber defence capabilities** tailored to defence infrastructure, including secure-by-design hardware, intrusion-resilient systems and cryptographic technologies;
- support the **civil protection** sector.

For calls for proposals intended to support dual-use technologies, services, competences or applications, projects with a trans-European dimension will be given priority where multiple applications are submitted.

Support for dual-use research under Horizon Europe

The report called for targeted changes to the Horizon Europe framework programme to enable controlled support for dual-use research, in particular through the European Innovation Council (EIC) Accelerator. By way of derogation, support could include possible **civilian dual-use applications**, provided that these applications are primarily designed for civilian use.

European Defence Fund

The Fund should be open to the participation of **Ukraine**. The Commission should support actions that promote the development of **disruptive defence technologies**. An action that has received a contribution from another Union programme could also receive a contribution from the Programme, provided that the contributions do not cover the same costs.

An eligible action could cover activities that **foster collaboration between European and Ukrainian DTIBs** around the development, prototyping, or testing of new products or technologies, including disruptive technologies for defence, and that facilitate progressive integration of industrial bases and technology transfers'.

For certain activities, the Fund's support should not exceed 20% of the eligible costs, except when these activities are carried out by a consortium composed exclusively of **SMEs or small mid-cap companies**, in which case the support could reach a maximum of 40% of the eligible costs. An activity could benefit from a **financing rate increased by 10 percentage points** if at least 15% of the total eligible costs of the activity are allocated to entities established in Ukraine.

Connecting Europe Facility (CEF)

Actions financed under CEF should contribute to the improvement and acceleration of the Trans-European Transport Network (TEN-T) and be designed for interoperability and compatibility with civilian use. The Union should give special consideration to the necessary development of **dual-use fuel infrastructure**, whose core task is to ensure civilian needs, such as ensuring supplies to civil aviation, and that switches to military mode in wartime.

Furthermore, in relation to **military mobility**, there is a need to increase the protection of European territories from conventional military threats. Adapting the TEN-T to dual-use infrastructure requirements may, where appropriate, include measures to safeguard assets intended for civilian–defence use with regard to military counter-mobility and related risks, by designing, reinforcing, and protecting the infrastructure so that it is less vulnerable to disabling, blocking, or destruction by hostile acts, hazards, or sabotage.

In cases where Member States transfer resources allocated to them in shared management to CEF, they should benefit from the **same conditions on pre-financing (30%) and co-financing (up to 100%)** for dual-use transport infrastructure projects as introduced in the ERDF and Cohesion Fund.

Strengthening coherence between NATO and the European Union

The report recalled that NATO remains the cornerstone of Europe's collective defence architecture. In the face of the persistent threat from Russia, its war of aggression against Ukraine and its increased use of hybrid, cyber and subversive tactics against the EU, Members believe that the EU must **strengthen its practical cooperation with NATO**, NATO members and trusted, like-minded partners, particularly in defence research, capability development, and military mobility.

Incentivising defence-related investments in the EU budget to implement the ReArm Europe Plan

2025/0103(COD) - 22/04/2025 - Legislative proposal

PURPOSE: to incentivise defence-related investments in the EU budget and strengthen the EU's defence industry and technological base in line with the ReArm Europe Plan.

PROPOSED ACT: Regulation of the European Parliament and of the Council.

ROLE OF THE EUROPEAN PARLIAMENT: the European Parliament decides in accordance with the ordinary legislative procedure on an equal footing with Council.

BACKGROUND: the unprecedented geopolitical instability and the rapid deterioration of regional and global threat levels require an urgent and significant step up of the Union spending on research and development, industrial capacity and development of infrastructures connected with security and defence. As identified in the Joint White Paper for European Defence Readiness 2030, the Union should do more to support the urgent need to increase European defence-related investments with the Union budget.

The Strategic Technologies for Europe Platform (STEP) established by Regulation (EU) 2024/795 of the European Parliament and of the Council is an initiative aimed at boosting Union competitiveness by mobilising funds from 11 existing Union programmes towards critical technologies in three strategic sectors: digital technologies and deep tech innovation, clean and resource-efficient technologies, and biotechnologies. As such, it is a good vehicle to mobilise, in a coordinated and synergetic manner, Union resources towards defence, including key digital frontier technologies required for the development of defence products and technologies.

While support to technologies having defence implications is possible today under the three existing strategic sectors identified in STEP, it appears necessary to **increase the potentialities of development of research, industry and innovation in the defence area** by setting out a fourth strategic sector in STEP focused on defence technologies. This new strategic sector should ensure that the STEP incentives are used to increase Union funding in defence technologies and contribute to European competitiveness in line with STEP objectives.

CONTENT: the Commission proposal aims to address the need for **increased and swift investments in defence** and the development of a strong and competitive European defence technological and industrial base (EDTIB), in line with the ReArm Europe Plan. It aims to introduce changes to existing EU programmes, including STEP, as well as to the regulations of other programmes covered by STEP: the European Defence Fund (EDF), the Digital Europe Programme (DEP) and Horizon Europe (HE). In addition, this proposal will also amend the regulation on supporting ammunition production (ASAP) and the Connecting Europe Facility (CEF) to further channel EU funds towards defence industry and technologies.

More specifically, the proposal aims to:

- enable the extension of the Strategic Technologies for Europe Platform (STEP) to cover **defence-related technologies** and products, and to strengthen the **EU's strategic autonomy** in the defence sector;
- amend the European Defence Fund (EDF) to (i) better exploit **synergies** with other Union programmes by allowing for the combination of EDF contributions with other Union programmes for specific actions; (ii) allowing for voluntary transfers of resources allocated to Member States in shared management to the EDF; (iii) streamline the evaluation and funding process the development of disruptive technologies for defence;
- amend the Act in Support of Ammunition Production (ASAP) Regulation to (i) introduce the possibility of **voluntary transfers** of resources allocated to Member States in shared management to ASAP, as well as additional voluntary contributions from Member States or other relevant stakeholders; (ii) extend the application of the ASAP Regulation until 31 December 2026 to ensure continued support for the development of new production capacities for ammunition and related products;
- amend the Digital Europe Programme (DEP) to enhance its focus on **strategic autonomy and competitiveness**, and better support dual-use technologies and applications. This includes the deployment of digital infrastructure such as artificial intelligence, high-performance computing, and cybersecurity, e.g. through the development of AI Factories and Gigafactories. The amendment will also ensure that the programme's funding is used in a way that aligns with the EU's strategic interests, including by adapting eligibility rules for dual-use actions;
- amend Horizon Europe to enable support to projects with **potential dual-use applications** under the European Innovation Council (EIC) Accelerator;
- amend the Connecting Europe Facility (CEF) to **extend its digital sector objectives** to include the deployment and provision of digital capacities such as cloud, AI, and AI Gigafactories, and to contribute to the development of projects of common interest relating to efficient, interconnected and multimodal networks and infrastructure for smart, interoperable, sustainable, inclusive, accessible, safe and secure mobility in accordance with the objectives of Regulation (EU) No 1315/2013.

Budgetary implications

This initiative will be financed by existing resources, within the agreed envelopes of the programmes concerned. The proposal will reinforce the envelop of the EIC by EUR 210 million from the unused amounts and reflows of the EIC pilot of Horizon 2020.