



TEXTS ADOPTED

P10_TA(2026)0080

Flagship European defence projects of common interest

European Parliament resolution of 11 March 2026 on flagship European defence projects of common interest (2025/2144(INI))

The European Parliament,

- having regard to the Treaty on European Union (TEU), in particular Articles 42(2) and 42(3) thereof,
- having regard to the Treaty on the Functioning of the European Union (TFEU), in particular Articles 2, 107(3)(b), 114 and 346 thereof,
- having regard to Article 2(e) of Protocol No 10 on permanent structured cooperation (PESCO) established by Article 42(6) TEU and the joint notification on PESCO signed by ministers of 23 EU Member States on 13 November 2017,
- having regard to the Versailles Declaration adopted at the informal meeting of heads of state or government on 11 March 2022, in particular paragraph 22 thereof,
- having regard to the ‘Strategic Compass for Security and Defence – For a European Union that protects its citizens, values and interests and contributes to international peace and security’, which was approved by the Council on 21 March 2022 and endorsed by the European Council on 25 March 2022,
- having regard to the joint communication from the Commission and the High Representative of the Union for Foreign Affairs and Security Policy of 18 May 2022 on the Defence Investment Gaps Analysis and Way Forward (JOIN(2022)0024),
- having regard to the joint communication from the Commission and the High Representative of the Union for Foreign Affairs and Security Policy of 10 March 2023 entitled ‘European Union Space Strategy for Security and Defence’ (JOIN(2023)0009),
- having regard to the joint communication from the Commission and the High Representative of the Union for Foreign Affairs and

Security Policy of 5 March 2024 entitled 'A new European Defence Industrial Strategy: Achieving EU readiness through a responsive and resilient European Defence Industry' (JOIN(2024)0010),

- having regard to the joint communication from the Commission and the High Representative of the Union for Foreign Affairs and Security Policy of 21 February 2025 entitled 'EU Action Plan on Cable Security' (JOIN(2025)0009),
- having regard to the joint white paper from the Commission and the High Representative of the Union for Foreign Affairs and Security Policy of 19 March 2025 entitled 'Joint White Paper for European Defence Readiness 2030' (JOIN(2025)0120),
- having regard to Regulation (EU) 2021/697 of the European Parliament and of the Council of 29 April 2021 establishing the European Defence Fund (EDF)¹,
- having regard to Regulation (EU) 2025/2643 of the European Parliament and of the Council of 16 December 2025 establishing the European Defence Industry Programme and a framework of measures to ensure the timely availability and supply of defence products² (EDIP Regulation), in particular Chapter IV thereof regarding European Defence Projects of Common Interest (EDPCIs),
- having regard to the Commission proposal of 19 March 2025 for a Council regulation establishing the Security Action for Europe (SAFE) through the reinforcement of the European defence industry Instrument (COM(2025)0122),
- having regard to the Commission proposal of 22 April 2025 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 (EU) 2024/795, as regards incentivising defence-related investments in the EU budget to implement the ReArm Europe Plan (COM(2025)0188),
- having regard to Council Regulation (EU) 2025/1106 of 27 May 2025 establishing the Security Action for Europe (SAFE) through the Reinforcement of the European Defence Industry Instrument³,
- having regard to the joint communication from the Commission and the High Representative of the Union for Foreign Affairs and

¹ OJ L 170, 12.5.2021, p. 149, ELI:
<http://data.europa.eu/eli/reg/2021/697/oj>.

² OJ L, 2025/2643, 29.12.2025, ELI:
<http://data.europa.eu/eli/reg/2025/2643/oj>.

³ OJ L, 2025/1106, 28.5.2025, ELI:
<http://data.europa.eu/eli/reg/2025/1106/oj>.

Security Policy of 16 October 2025 entitled 'Preserving Peace - Defence Readiness Roadmap 2030' (JOIN(2025)0027),

- having regard to Council Common Position 2008/944/CFSP of 8 December 2008 defining common rules governing control of exports of military technology and equipment⁴,
- having regard to the scoping paper of the Commission of 29 September 2025 entitled 'Defence Readiness Roadmap 2030',
- having regard to the report of the High Representative of the Union for Foreign Affairs and Security Policy to the Council of 11 April 2025 entitled 'Annual progress report on the Implementation of the Strategic Compass for Security and Defence',
- having regard to the conclusions of the European Council of 22 and 23 June 2017, particularly those of paragraph 8 on PESCO, and of 6 March 2025, particularly those of paragraph 3(f),
- having regard to the conclusions of the European Council of 23 October 2025,
- having regard to the national security strategies of the EU Member States,
- having regard to European Court of Auditors Opinion 02/2024 of 3 October 2024 concerning 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)', and in particular paragraph 42 thereof,
- having regard to the 2024 annual report by the European Defence Agency (EDA), as well as its report of 14 November 2023 entitled 'The 2023 EU Capability Development Priorities', and the 2024 report entitled 'Coordinated Annual Review on Defence',
- having regard to the progress report of the PESCO Secretariat of September 2025 on PESCO projects,
- having regard to the report by Mario Draghi of 9 September 2024 on the future of European competitiveness and Chapter 4 thereof on increasing security and reducing dependencies,
- having regard to the report by Enrico Letta of 17 April 2024 entitled 'Much more than a market' and, in particular, Chapter 3 thereof on a single market to play big: scale matters,

⁴ OJ L 335, 13.12.2008, p. 99, ELI:
<http://data.europa.eu/eli/compos/2008/944/oj>.

- having regard to the report by Sauli Niinistö of 30 October 2024 entitled ‘Safer Together: Strengthening Europe’s Civilian and Military Preparedness and Readiness’, and in particular Chapter 7 thereof,
 - having regard to the Joint Declaration on EU-NATO Cooperation of 10 January 2023,
 - having regard to The Hague Summit Declaration issued by the NATO heads of state and government participating in the meeting of the North Atlantic Council in The Hague on 25 June 2025,
 - having regard to the 10th progress report of 10 June 2025 on the implementation of the common set of proposals endorsed by EU and NATO Councils on 6 December 2016 and 5 December 2017,
 - having regard to the cooperative equipment programmes managed by the Organisation for Joint Armament Cooperation (OCCAR),
 - having regard to its resolution of 12 March 2025 on the white paper on the future of European defence⁵, and in particular paragraphs 4 and 58 thereof,
 - having regard to its resolution of 2 April 2025 on the implementation of the common security and defence policy – annual report 2024⁶, and in particular paragraph 46 thereof,
 - having regard to Rule 55 of its Rules of Procedure,
 - having regard to the opinion of the Committee on the Internal Market and Consumer Protection,
 - having regard to the report of the Committee on Security and Defence (A10-0014/2026),
- A. whereas the challenges posed by the decline in global peace and security, the pursuit by Russia of its war of aggression against Ukraine, and the emergence of new and evolving threats to EU security require the EU and its Member States to significantly increase their defence investment in order to develop military and intelligence capabilities that enable them to defend their sovereignty, independence and territorial integrity, and to bolster deterrence, as well as to act and respond autonomously or in partnership with their allies, particularly within NATO, to immediate and future threats;

⁵ OJ C, C/2025/3151, 20.6.2025, ELI:
<http://data.europa.eu/eli/C/2025/3151/oj>.

⁶ OJ C, C/2025/4389, 9.9.2025, ELI:
<http://data.europa.eu/eli/C/2025/4389/oj>.

- B. whereas rising attacks on European critical infrastructure, including cyberattacks and sabotage, seriously threaten our daily life and economic activities across the EU, and require a coordinated EU response through large-scale European projects;
- C. whereas warfare, historically dominated by conventional weapons, appears to be evolving 'from steel to web'; whereas it is increasingly incorporating cyber capabilities and networked operations, and warfare strategies are being transformed through new technologies and artificial intelligence (AI) and are no longer limited to massed firepower and large-scale confrontations, but moving towards miniaturisation and decentralisation of systems, as evidenced by the use of drones and drone swarms across all domains, AI-enabled weapons, smart mines, and portable missile systems in battlefields; whereas fighter jets, ships, artillery, battle tanks and ground vehicles are becoming more vulnerable to precision strikes and therefore require greater protection, as they are still essential to military and security operations; whereas there remains a need to produce and deploy traditional weapons systems and ammunition on a large scale, when necessary;
- D. whereas this new paradigm of conflict means that no region of the EU is exempt from the potential threat of aggression, interference, disinformation, psychological subversion or hybrid attacks; whereas strategic preparation for a prolonged conflict remains crucial to ensuring long-term security and defence resilience;
- E. whereas space is becoming an increasingly congested and contested strategic domain, with the growing weaponisation of both ground and space segments; whereas NATO has recognised space as the fifth strategic operational domain, acknowledging the increasing security challenges originating from space and, consequently, the need to make it more secure;
- F. whereas in its joint communication of 5 March 2024 entitled 'A new European Defence Industrial Strategy', the Commission highlighted that only 18 % of total equipment spending by EU Member States was devoted to EU collaborative defence equipment procurement in 2022, far below the current 35 % collective benchmark set by Member States at the EDA Ministerial Steering Board in 2007; whereas the Preserving Peace – Defence Readiness Roadmap 2030 sets a target of organising at least 40 % of defence procurement as joint procurement by the end of 2027; whereas in order to ramp up European defence industry capacity, on 23 October 2025, the European Council called on the Member States to increasingly gear defence investments towards joint development, production and procurement with the support of the EDA; whereas the coordination of efforts among Member States to ensure efficient allocation of resources, reduce fragmentation and accelerate the development of innovative defence technologies is essential for the establishment of

a fully operational market; whereas achieving these objectives requires stronger incentives and a reduction in administrative burdens, while ensuring that cooperation remains market-driven, based on defence capability requirements and the complementary defence planning processes of the EU, its Member States and NATO;

- G. whereas 'European Readiness Flagships', as presented by the Preserving Peace – Defence Readiness Roadmap 2030, are based on a comprehensive approach to defence, encompassing both protection against direct military attacks and preparedness for hybrid threats; whereas they represent an opportunity to foster innovation, interoperability and competitiveness within the EU defence industry, by developing innovative joint industrial partnerships on frontier technologies, substantially strengthening the European Defence Technological and Industrial Base (EDTIB) and making it less dependent on third-country technologies;
- H. whereas Member States located on the eastern borders of the EU are the most exposed to serious threats and are essential to the security of the EU as a whole; whereas in its conclusions of 23 October 2025, the European Council noted that the immediate threats on the EU's eastern flank and the provision of concrete support to Member States need to be addressed as matters of priority; whereas the Preserving Peace – Defence Readiness Roadmap 2030 highlights the European Drone Defence Initiative and the Eastern Flank Watch as the initiatives to be launched first; whereas, as proposed, the Eastern Flank Watch is set to reinforce the EU's eastern borders, by integrating ground, naval and air defence capabilities with effective and state-of-the-art counter-drone systems and technologies that are also instrumental to the European Drone Defence Initiative;
- I. whereas the end users of defence products are primarily the national armed forces of Member States and the latter can therefore only consider increasing their investments in defence industrial projects if these projects concern the development of military capabilities of common interest to their armed forces; whereas Article 346 TFEU provides that any Member State may take such measures as it considers necessary for the protection of the essential interests of its security which are connected with the production of or trade in arms, munitions and war material;
- J. whereas the Strategic Compass on Security and Defence sets the objective of developing incentives to stimulate Member States' collaborative investments in joint projects and the joint procurement of defence capabilities that are developed in a collaborative way within the EU;
- K. whereas Regulation (EU) 2025/2643 establishing the European Defence Industry Programme (EDIP) provides for the implementation

of EDPCIs; whereas EDPCIs consist of collaborative industrial projects aimed at reinforcing the competitiveness of the EDTIB throughout the Union, while contributing to the development of Member States' military capabilities critical for the security and defence interests of the Union, and promoting open and modular architecture, dual-use innovation, and the cross-border participation of small and medium-sized enterprises (SMEs) and mid-caps across all operational domains, namely land, maritime, air, space and cyber; whereas the EDIP also includes the Structures for European Armament Programme (SEAPs), a new legal framework that can be used for collaborative armament initiatives under the umbrella of flagship projects;

- L. whereas as emphasised in the Preserving Peace – Defence Readiness Roadmap 2030, Ukraine remains Europe's first line of defence and forms an integral part of Europe's defence and security architecture; whereas cooperation between the defence industries of the EU and Ukraine, in particular in the context of flagship projects or EDPCIs, is of great importance for their respective markets, competitiveness and innovation potential;
1. Acknowledges the overall increase in defence expenditure among EU Member States as a clear reflection of their determination to respond to the deteriorating security environment, by enhancing military capabilities, strengthening deterrence and reinforcing their collective commitment to European and transatlantic defence; notes that some Member States, in particular those located on the eastern borders of the EU, have met or exceeded NATO's spending target of devoting 2 % of their GDP to defence expenditure by the end of 2025;
 2. Acknowledges also that strengthening Europe's security and defence requires not merely an increase in national defence spending, but a comprehensive shift towards greater coordination, efficiency and integration in the way that Member States develop, resource and implement their defence policies; stresses that this shift from a predominantly national approach to defence towards a shared understanding of the Union's collective security and deterrence posture must be conducted with full respect for the sovereignty of Member States and their competences in the fields of security and defence, in line with Article 4(2) TEU;
 3. Notes that, despite increased defence efforts, the EU and its Member States continue to face persistent shortfalls in strategic collective capabilities, command and control structures, and sustainable military capacity; highlights, in particular, that Member States have identified the following initial priority capability gaps⁷: air and

⁷ As listed on page 3 of the joint communication entitled 'Preserving Peace – Defence Readiness Roadmap 2030'.

missile defence, artillery systems, missiles and ammunition, drones and counter-drone systems, strategic enablers, including in relation to space and critical infrastructure, military mobility, cyber, AI and electronic warfare, ground combat, and maritime security; underlines that these gaps significantly limit the ability of the EU and its Member States to bolster deterrence and sustain a prolonged large-scale defence engagement, in the increased likelihood of acts of hybrid or conventional warfare; calls for urgent measures to address these critical capability shortfalls through enhanced cooperation both on strategic and industrial matters, coordinated planning, and targeted investments to ensure defence readiness; recognises the efforts made by the EDTIB stakeholders to tackle such challenges;

4. Stresses that filling capability gaps requires developing autonomous strategic enablers without which Member States' armed forces cannot effectively conduct joint military operations; recommends, in this regard, the development of a safe and secure common architecture for command, control, communications, intelligence, surveillance, target acquisition and reconnaissance, as well as common defence capabilities in the areas of space, strategic airlift and sealift, air-to-air refuelling and chemical, biological, radiological and nuclear risk prevention; praises the work of the EDA, which provides an overview and analysis of the EU defence landscape and offers recommendations on opportunities for collaboration on capability development and acquisition through the Capability Development Priorities and the Coordinated Annual Review on Defence;
5. Recalls that NATO and the EU play complementary, coherent and mutually reinforcing roles; calls for greater engagement in cooperation by EU Member States and NATO allies, in line with the third Joint Declaration of 10 January 2023 on EU-NATO cooperation, in order to develop defence capabilities and fill existing gaps; highlights that all European efforts in that regard should be made in close coordination with NATO, with the aim of strengthening industrial cooperation and interoperability; calls for increased European engagement in existing NATO structures for cooperation and also recalls the need to ensure the coherence of output between the EU's capability development planning process and the NATO Planning and Review Process; calls for improved interoperability of military equipment between EU Member States and NATO allies, in particular by ensuring compatibility between their standards and specifications;
6. Recognises that there are immediate defence needs that still need to be met with supplies or support from non-EU countries; further emphasises that European security remains heavily dependent on the defence industry of non-EU countries; stresses that, in the current geopolitical context and given the requirement for the EU to assume

greater responsibility for defence, there is a need for a managed and gradual transition from dependency on non-EU countries to strategic autonomy and strengthening the EDTIB; concurs with the objective of significantly reducing or progressively phasing out, as far as possible, reliance on non-EU manufacturers and suppliers, including in the field of raw materials and rare earth minerals, where equivalent solutions exist or can be developed within the EU, which are essential for EU strategic autonomy and security of supply; calls, therefore, for measures to strengthen the EDTIB and enhance its competitiveness, including through an ambitious and dynamic EU preference for defence procurement, open and competitive markets for EU companies, cross-border industrial cooperation within the EU and with trusted and like-minded partners, and fair access to procurement for SMEs;

7. Highlights that without the establishment of a fully functioning single EU market for defence products and services, the increase in national defence spending risks being dissipated through inefficiencies, thereby contributing to further fragmentation of the EDTIB; calls on the Member States to strengthen joint defence procurement and enhance cooperation on defence capability development in order to enhance interoperability and interchangeability, ensure efficient resource allocation, reinforce the EDTIB, attract private investment, reduce fragmentation in the EU defence market, and decrease the variety of different defence products addressing similar operational needs across the Union; emphasises that procurement in the context of flagship projects should be carried out jointly by participating Member States and that flagship projects should contribute to the goal of organising 40 % of defence procurement as common procurement by the end of 2027;

Developing defence capabilities through flagship projects in priority areas

8. Acknowledges the proposal by the Commission and the High Representative of the Union for Foreign Affairs and Security Policy to launch a set of initial European Readiness Flagships, as part of the Preserving Peace – Defence Readiness Roadmap 2030; takes note of the European Council’s endorsement of this roadmap and the Member States’ commitment to developing four initial European Readiness Flagships – the European Drone Defence Initiative, the Eastern Flank Watch, the European Air Shield and the European Space Shield; notes that these proposed flagship projects cover a very wide range of defence capabilities; notes, furthermore, that they are of a cross-cutting nature and that they contribute to the full-spectrum security interests of the Union; urges the Commission, the participating Member States and the EDA to therefore clearly identify the specific objectives, timeline and milestones for the implementation, financing proposals, governance mechanisms, technological scope and expected size of each of these projects;

highlights the need for an operational concept and clear governance to determine who does what, especially in cases with cross-border implications, for example when a hostile drone flies from one Member State to another; stresses that the design and implementation of these projects should be comprehensive, ensuring that they incorporate conventional defence components alongside advanced technologies, in order to guarantee operational sustainability in the event of protracted conflicts; calls on the participating Member States to ensure that the milestones of each project are met, finalise the capability coalitions outlined in the roadmap and do their utmost to launch flagship projects swiftly, in line with the European Council conclusions of 23 October 2025;

9. Welcomes the approach proposed for the European Drone Defence Initiative, which aims to develop a technologically advanced, multilayered system with interoperable capabilities to detect, track and neutralise drones, and capabilities to hit ground targets by leveraging drone technology for precision strikes; recognises that counter-drone capabilities should be fully interoperable and connected between Member States in order to ensure situational awareness at EU level and EU Member States' ability to act together and secure critical infrastructure in cooperation with NATO; recognises the challenges of achieving a functional drone defence system under this initiative and therefore calls for the implementation of pilot projects involving a smaller number of Member States as an initial step, leading to a 360-degree approach once systems are sufficiently operational and effective to be deployed more widely;
10. Stresses that flagship projects should take into account the specific defence and deterrence requirements of the EU's eastern flank; welcomes the approach proposed for the Eastern Flank Watch, which is designed to build up the capacity of Member States bordering Russia to face a wide range of threats and risks, including hybrid threats, the use of Russia's shadow fleet to conduct sabotage operations and surveillance, and the risk of armed aggression; highlights that it consists of integrating the four elements of ground defence, situational awareness, air defence and counter-drone systems, and maritime security in the Baltic and Black Seas; supports the proposed objective to establish a comprehensive border defence capability, thereby contributing to the security of the whole Union, with multi-domain surveillance systems, drone and counter-drone capabilities, electronic warfare capabilities, precision strike systems, and responsive operational coordination; calls for the inclusion of measures to strengthen forward resilience, reinforce infrastructure protection measures and cyber defence capabilities, and ensure regional interoperability and full operational readiness in case of crisis;
11. Stresses that flagship projects represent a strong opportunity to

strengthen the competitiveness, efficiency and innovation capacity of the EDTIB; recognises the need to establish a widely agreed upon definition of 'flagship projects of common interest' as large-scale, pan-European collaborative initiatives involving as many Member States as possible, in defence capability and industrial development, including strategic enablers within a common framework such as EDIP that allow their identification and implementation in a coherent manner within EU defence and industrial policies; underlines that defining flagship projects is crucial to ensuring effective collaboration among Member States, pooling resources to address critical capability gaps, and moving towards a genuine European Defence Union;

12. Underlines the strategic importance of strengthening the EDTIB through cooperation with Ukraine, associated countries in the framework of the cooperation established under the Agreement on the European Economic Area⁸, like-minded non-EU countries, and countries with which the EU has signed security and defence partnerships; emphasises, in this regard, that the Ukrainian defence industry has acquired key technological expertise and know-how based on lessons learned from the experience of the Ukrainian armed forces in the battlefield and acknowledges the proposed Drone Alliance with Ukraine; recommends that, in order to tackle the slow innovation cycles in the EU, to link research and development and production, and to ensure continuous technological development, the flagship projects be open, as far as possible and with full respect for the security interests of the EU and its Member States, to the participation of Ukraine, associated countries and countries that have signed a security and defence partnership with the EU;

Identifying and ensuring the proper set-up and implementation of flagship projects

13. Stresses that the objectives of flagship projects must be aligned with those of agreed EU defence objectives and coherent with NATO targets for capability development; emphasises, furthermore, that they should address innovative technological areas for defence and contribute to the development of cutting-edge defence capabilities that respond to the requirements of modern warfare, including the rising need to network military multi-domain operations, troops and weapons, ensure cyber defence, develop intelligence data collection, storage, processing, sharing, unmanned systems and AI-based decision support tools, operate deep and precise strikes and counter drone attacks; highlights the importance of the ethical and

⁸ OJ L 1, 3.1.1994, p. 3, ELI:
http://data.europa.eu/eli/agree_international/1994/1/oj.

responsible use of AI systems in full compliance with international humanitarian law;

14. Calls on the Commission and the EU Member States to integrate the cyber domain and digital technologies into EU core defence priorities, in order to ensure data sovereignty and collective preparedness against hybrid and cyber threats; stresses that ensuring cyber security and resilience should be a cross-cutting objective of all flagship projects, ensuring secure digital infrastructure, the protection of command-and-control systems and the integrity of data flows across operational domains, in line with the EU Cyber Defence Policy and the Strategic Compass priorities;
15. Stresses the need for flagship projects that cover the space domain – an increasingly militarised strategic domain – as it is an area on which several security-related activities depend, such as secure communications and intelligence gathering; stresses, furthermore, the importance of integrating flagship projects with strategic transport and logistics infrastructure, such as cross-border military mobility corridors and dual-use infrastructure, in particular in eastern and south-eastern Europe, which are critical for rapid deployment and resilience along the eastern flank;
16. Emphasises that flagship projects should aim to foster closer cooperation and innovation in governance mechanisms at EU level and among EU Member States, showing best practice towards a common and coordinated strategy for European defence, while also taking into account the knowledge acquired in Ukraine about the conduct of modern warfare; stresses that the Commission should establish clear short-, medium- and long-term strategies for developing flagship projects, ensuring that long-term research and development and innovation efforts are coherently coordinated with short-term investments in critical defence capabilities, in order to guarantee both technological advancement and immediate operational readiness; stresses, furthermore, that good governance of flagship projects must be based on a shared vision and effective coordination among their ‘programmatic actors’, namely the Commission, the governments, military headquarters and public procurement agencies of EU Member States, and defence industrial companies; considers that flagship projects could benefit from and build on existing cooperation within the framework of PESCO and European Defence Fund (EDF) projects;
17. Acknowledges that several European defence companies have already engaged over time in major transnational collaborative projects across various areas related to the security dimension; highlights that these case studies can serve as examples for the design and management of flagship projects; stresses that, beyond their development and production phases, flagship projects should

also ensure the establishment of common frameworks for their operation, maintenance and life-cycle management at Union level;

18. Acknowledges the creation of EDPCIs as a new tool under the EDIP; recognises that flagship projects could also be developed under its framework; notes that EDPCIs can be developed in the context of SEAPs; stresses that EDPCIs should enhance the interoperability and resilience of supply chains and remain fully complementary to NATO capability planning as set out in the Preserving Peace - Defence Readiness Roadmap 2030;
19. Calls on the Commission to strive for full conceptual and procedural alignment between the implementation frameworks of flagship projects and existing instruments such as PESCO, EDF, EDIP and EDPCIs, so that these instruments operate coherently and mutually reinforce one another within the EU's defence architecture; further calls on the Commission to clarify how EDPCIs are to be structured and combined in practice to form a flagship project, including the necessary governance, sequencing and coordination mechanisms;
20. Stresses the need to foster stronger synergies between research, innovation and industrial development within the EU defence ecosystem; acknowledges, in this regard, the contributing role of relevant stakeholders, such as research organisations, academic institutions, innovation hubs, technology centres, and testing and certification bodies from all Member States; calls for the inclusion of the widest possible range of industrial actors in flagship projects, especially mid-caps, SMEs and start-ups, to enable the spread of innovation across the entire spectrum of the EDTIB and to strengthen security of supply; calls for the establishment of a high-level European defence industry group to ensure effective cooperation, and for closer dialogue and engagement with industry across the whole of Europe;
21. Underlines the importance of ensuring balanced geographical participation in flagship projects, which should aim for the broadest possible participation of Member States, including those with emerging defence industries; emphasises that flagship projects should enable all participating Member States to benefit from technological advances and production capacities and contribute to strengthening capabilities and resilience across the Union as a whole; also stresses that these projects should remain open for new Member States to join, and that the participation of additional Member States over time should be encouraged and facilitated; calls for co-financing mechanisms that are flexible and inclusive, ensuring that all Member States, regardless of economic size, can participate meaningfully in flagship projects;
22. Underlines the importance of strengthening the regional dimension of the EU defence industrial strategy and stresses the potential

impact of flagship projects in terms of technological spillover effects, economic benefits, skilled employment and social cohesion across regions in the EU; calls for the involvement of regional and local governments and for regions of the EU to be given the opportunity to benefit from flagship projects in order to promote joint ownership in defence matters;

23. Stresses the need to prevent military technologies, in particular sensitive emerging technologies and critical dual-use items, especially in the areas of space, quantum technologies and AI, from being transferred to hostile countries or systemic rivals outside the EU; urges the Member States participating in flagship projects to strengthen coordination and to commit to following common approaches and to defining and agreeing on a common strategy and conditions for granting export licences to non-participating non-EU countries for products resulting from flagship projects;
24. Calls for the establishment of a coordinated risk-based export control mechanism among Member States participating in flagship projects, aligned with the EU's Strategic Compass objectives and consistent with Member States' national competences, prerogatives and international obligations, including those under NATO;

Governance of flagship projects and the role of Parliament

25. Calls on the Commission and the Member States to further present proposals for flagship projects addressing the development of defence capabilities and allowing Member States to better align their national efforts with agreed EU defence objectives and in coherence with the relevant NATO targets for capability development; highlights that project proposals should take into account the specific needs of Member States most exposed to the risk of materialisation of conventional military and hybrid threats; underlines the importance of involving defence industries in defining the priorities and scope of future flagship projects;
26. Stresses that the selection of flagship projects should be merit-based and rely on transparent procedures, ensuring balanced geographical participation and preventing the concentration of decision-making or industrial benefits in a limited number of Member States;
27. Recommends that the Commission, the High Representative of the Union for Foreign Affairs and Security Policy and the EDA participate in an advisory, supporting and coordinating role to facilitate the implementation of flagship projects; underlines the critical role of the European Union Military Committee in giving strategic military advice and making recommendations to the Political and Security Committee, in particular on the development, assessment and review of capability objectives, and calls, in this

regard, for its formal inclusion in the governance framework of flagship projects;

28. Commits to exercising its scrutiny, legislative and budgetary roles in relation to the coordination, implementation and financing of flagship projects on the basis of regular and comprehensive information and reports from the Commission; highlights its budgetary authority and responsibility with regard to the use of EU funds; calls for regular public reporting and parliamentary scrutiny to ensure accountability and foster trust in flagship projects;

Ensuring the financing of flagship projects in the long term

29. Calls for adequate and dedicated funding under the next multiannual financial framework to ensure the long-term financing of flagship projects; underlines the need for adequate and appropriate funding for flagship projects that does not compromise the funds allocated to other strategic areas of the EU budget devoted to defence; highlights the need to dedicate part of this funding to training, skills development and talent retention initiatives;
30. Stresses that developing defence capabilities collectively at Union level can generate significant economies of scale, reduce costs and ensure that public funds and taxpayers' money are used in the most efficient and responsible manner;
31. Shares the European Court of Auditors' observation regarding the EDIP proposal that the time needed to complete flagship projects is likely to exceed the two-year implementation period provided for by the EDIP; stresses, therefore, that for flagship projects to benefit from EDIP funding, the Member States concerned must commit to co-financing them for their entire duration, well beyond an initial two-year period; highlights the importance of long-term planning for sustained investment and industrial continuity to secure Europe's strategic autonomy;
32. Stresses that the co-financing of flagship projects should be grounded in sound management and budgetary planning, cost efficiency and transparency; calls, therefore, on the Commission and the Member States to establish milestones, performance indicators, periodic financial controls and reviews of expenditure incurred in the implementation of flagship projects;
33. Calls on the Member States to consider systematically earmarking part of their national defence budgets for the development of partnership initiatives and the procurement of defence equipment produced within the framework of flagship projects in areas where joint efforts generate added value, in line with Article 4(2) TEU and Article 346 TFEU;

34. Encourages the Member States to coordinate national defence budgetary planning with NATO capability targets in order to ensure complementarity and avoid the fragmentation of resources; invites the Member States to explore ways of establishing an off-budget financial instrument that would allow for the pooling and mutualisation of certain parts of national defence budgets at EU level, in order to cover the entire life cycle of flagship projects;

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35. Instructs its President to forward this resolution to the Council, the Commission, NATO, the NATO Parliamentary Assembly, the EU security and defence agencies and the governments and parliaments of the Member States.