



EUROPEAN COMMISSION

*Brussels, 19.3.2019
C(2019) 1885 final*

*Mr Daniel GÜNTHER
President of the Bundesrat
Leipziger Straße 3 - 4
D – 10117 BERLIN*

Dear President,

The Commission would like to thank the Bundesrat for its Opinion on the proposal for a Regulation of the European Parliament and of the Council establishing the European Defence Fund {COM(2018) 476 final}.

The Commission welcomes the Opinion and is pleased that the Bundesrat supports the separation between the funding instrument for research and development activities with a civil application and that for research and development activities with a defence application.

In the proposal for a Regulation establishing Horizon Europe – the Framework Programme for Research and Innovation¹ – defence research is included as a specific programme alongside the specific programme implementing Horizon Europe, which has a focus on research and development activities with a civil application. This approach has been followed since, pursuant to Article 179 (and the following articles) of the Treaty on the Functioning of the European Union, all research activities should be covered as part of a Multiannual Framework Research Programme. However, it is explicitly mentioned in the proposal for a Regulation establishing the Framework Programme for Research and Innovation that activities to be carried out under the specific programme on defence research will be ruled by the separate Regulation establishing the European Defence Fund², which also lays down a separate budget. The proposal for a Regulation establishing the Framework Programme further specifies that such defence research activities will have an exclusive focus on defence applications, with the objective to foster the competitiveness, efficiency and innovation of the European defence industry.

¹ *Proposal for a Regulation of the European Parliament and of the Council establishing Horizon Europe – the Framework Programme for Research and Innovation, laying down its rules for participation and dissemination, COM(2018) 435*

² *Proposal for a Regulation of the European parliament and of the Council establishing the European Defence Fund, COM(2018) 476*

Discussions between the co-legislators, the European Parliament and the Council, concerning the proposal are now underway and the Commission remains hopeful that an agreement will be reached in the near future.

The Commission wishes however to attract the attention of Bundesrat that despite the clear counter advise by the Commission, the Council proposes to include the entire European Defence Fund (i.e. both the research and development and capability strands) as a specific programme of Horizon Europe as part of its negotiating position with the European Parliament. The discussions on these specific points are still ongoing in trilogue.

The Commission looks forward to continuing the political dialogue with the Bundesrat in the future.

Yours faithfully,

*Frans Timmermans
First Vice-President*

*Elżbieta Bieńkowska
Member of the Commission*