Defence Readiness Omnibus. The Commission's proposals for swifter and more effective investments in the defence sector

01/08/2025 EU LAW, DEFENSE, PERSPECTIVES

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On 17 June 2025, the Commission proposed a series of measures, laid down in a so-called "Defence readiness Omnibus"[1], aimed, on the one hand, at helping Member States to scale up their defence capabilities and infrastructures to reach the levels of readiness required to prepare for and deter future conflicts and, on the other hand, to speed up defence investments and production to make the EU more responsive to security challenges.

The Defence Omnibus restates the White Paper for European Defence-Readiness 2030's rationale[2] that massive investments over a sustained period are fundamental to build a truly independent Europe and fill the substantial gap in defence spend that has accumulated over the last decades. Complementing the amendments presented in April 2025 to existing EU funding programmes[3], therefore, the Defence Omnibus introduces ambitious proposals in defence-specific legislation and programmes as well as in non-defence-specific ones, to remove regulatory barriers and facilitate EU defence readiness and industrial capacity.

In the first place, the Proposal aims to simplify the Defence and Sensitive

[1] Com. Comm. COM(2025) 820 final of 17.06.2025, *Defence Readiness Omnibus*.
[2] For further information see our previous article, available at the following LINK.
[3] For further information see our previous article, available at the following LINK.

Security Procurement Directive[4] to address the need for Europe to rebuild its defence vision, give more flexibility to common procurements by several Member States and boost innovative solutions necessary to achieve defence readiness by 2030. The availability of procurement contracts and the long-term predictability of demand are fundamental for industry to ramp up its production and reach defence readiness objectives. The Proposal[5] increases the Directive's thresholds of applicability to EUR 900.000 for supply and service contracts to enable Member States to reduce the administrative burden on the industry for smaller procurement procedures[6]. Furthermore, to increase the number of ways contracting authorities can carry out public procurement, the Proposal allows them to use the open procedure and the dynamic purchasing system provided for in Directive 2014/24/EU[7] and introduces a simplified procedure for the direct procurement of innovative products or services resulting from competitive parallel research and development projects[8]. Finally, to provide Member States with the necessary flexibility in responding to emerging security challenges and to enable them to quickly acquire the defence capabilities they need, the Proposal introduces a temporary derogation to use of the negotiated procedure without prior publication for common procurements, including off-the-shelf procurement[9].

The Proposal also amends Directive 2009/43/EC[10] to allow the swift transfers of defence-related products within the Union, which in turn will help mobilise the full industrial and technological capacities across Member States, achieve innovation and ensure security of supply. More particularly, upon request of a Member State or on its own initiative, the Commission will be empowered to introduce new cases where Member States may provide for exemptions from prior authorisation for transfers of defence-related products to include, amongst others, those necessary for the implementation of projects funded by EU defence industrial programmes, those in the framework of structured cross-border industrial partnerships and those related to an emergency resulting from a crisis[11]. Furthermore, Member States will be required to enable the introduction of General Transfer Licences[12] other than those already listed in Article 5(2), i.e. regarding EU defence industrial projects[13]. Finally, to facilitate cross-border transactions in supply chains and accelerate the production ramp up, the Commission calls on Member States to refrain from intra-EU transfers limitations for components that will be integrated in a final product in another Member State and cannot be re-exported separately.

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[4] Directive 2009/81/EC of the European Parliament and of the Council of 13 July 2009 on the coordination of procedures for the award of certain works contracts, supply contracts and service contracts by contracting authorities or entities in the fields of defence and security, and amending Directives 2004/17/EC and 2004/18/EC, OJ L 216 of 20.08.2009.
[5] Com. Comm. COM(2025) 823 final of 17.06.2025, *Proposal for a Regulation of the European Parliament and of the Council amending Directives 2009/43/EC and 2009/81/EC, as regards the simplification of intra-EU transfers of defence-related products and the simplification of security and defence procurement*.
[6] See the new Article 8 of Directive 2009/81/EC.
[7] See the new Article 29a of Directive 2009/81/EC.
[8] See the new Article 28 of Directive 2009/81/EC.
[9] *Ibidem*.
[10] Directive 2009/43/EC of the European Parliament and of the Council of 6 May 2009 simplifying terms and conditions of transfers of defence-related products within the Community, OJ L 146 of 10.06.2009.
[11] See the new Article 4 of Directive 2009/43/EC.
[12] General Transfer Licences allow to replace and *ex ante* control by an *ex post* one, thereby enabling a transfer to be performed within one to three days instead of 6-7 weeks.
[13] See the new Article 5a of Directive 2009/43/EC.

In the second place, the Proposal[14] introduces additional flexibility in the European Defence Fund (EDF)[15] implementation. More particularly, the Commission proposes to clarify and simplify the award criteria for the evaluation of proposals and introduces the possibility of selecting only the most relevant ones based on the objectives of the calls for proposals, thereby making the evaluation process faster and less burdensome[16]. Furthermore, the Commission simplifies the conditions for pre-commercial procurement, as the current provisions promote the award of multiple contracts within the same procedure, which is not always suitable for all the circumstances. Removing this restriction, on the contrary, will provide for a clearer and more effective pre-commercial procurement framework, enabling the EDF to better support the development of innovative solutions[17]. Finally, the Commission will put in place yet additional measures to speed up the evaluation of proposals and reduce the time to sign grant agreements and issue payments, such as, amongst others, a higher level of subcontracting or an extended validity of ownership control assessments for beneficiaries.

In the third place, the Proposal[18] highlights the need to expedite the permitting processes for defence industrial investments and defence readiness activities, which are often too lengthy and burdensome. In this regard, Member States will designate a national competent authority acting as a single point of contact, in charge of coordinating and facilitating the permitting processes, guiding economic operators and ensuring that information is publicly accessible and that all documents can be digitally submitted[19]. The permit-granting process for defence readiness projects shall not exceed 60 days, a period Member States can extend i) by a maximum of 30 days where the nature, complexity, location or size of the proposed defence readiness project so requires, and ii) by 60 days, within 30 days of the start of the permit-granting process, where the project raises exceptional risks for the health and safety of workers or of the general population, and where additional time is necessary to establish that measures to address identifiable risks have been put in place[20]. Moreover, all dispute resolution procedures, litigation, appeals and judicial remedies, as well as all administrative proceedings related to defence readiness projects, before any national courts shall be treated as urgent if and to the extent national law concerning the relevant processes provides for such urgency procedures, and provided that the applicable rights of defence of individuals or local communities are respected[21].

In the fourth place, the Commission notes that the existing possibility for Member States to allow for exemptions in specific cases for certain substances, where necessary in the interests of defence, as provided for by the Regulation on Registration, Evaluation, Authorisation and Restriction of

[14] Com. Comm. COM(2025) 822 final of 17.06.2025, *Proposal for a Regulation of the European Parliament and of the Council amending Regulations (EC) No 1907/2006, (EC) No 1272/2008, (EU) No 528/2012, (EU) 2019/1021 and (EU) 2021/697 as regards defence readiness and facilitating defence investments and conditions for defence industry*.
[15] Regulation (EU) 2021/697 of the European Parliament and of the Council of 29 April 2021 establishing the European Defence Fund and repealing Regulation (EU) 2018/1092, OJ L 170 of 12.05.2021.
[16] See the new Article 12 of Regulation (EU) 2021/697.
[17] See the new Article 23 of Regulation (EU) 2021/697.
[18] Com. Comm. COM(2025) 821 final of 17.06.2025, *Proposal for a Regulation of the European Parliament and of the Council on the acceleration of permit-granting for defence readiness projects*.
[19] See Articles 2-4 of the Proposal.
[20] See Article 5 of the Proposal.
[21] See Article 7 of the Proposal.

Chemicals (REACH)[22] does not meet the needs of the defence industry. This may depend on the exemption being limited to specific cases as well as to a restrictive interpretation by the Member States. The Commission, therefore, proposes to amend Article 2(3) so that it should not only be applicable to specific cases for certain substances, but rather on their own, in a mixture or in an article[23].

Finally, the Proposal[24] amends the Invest(EU) Regulation[25] to adapt its eligibility criteria for the defence sector to the specificities of the financial instruments offered under the fund, while maintaining the necessary safeguards, which will enhance and simplify access to financing and allow better supporting for the European Defence Technological and Industrial Base (EDTIB)'s growth and development, supporting the mobilisation of EUR 800 billion in investments over a period of 4 years.

[22] Regulation (EC) No 1907/2006 of the European Parliament and of the Council of 18 December 2006 concerning the Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH), establishing a European Chemicals Agency, amending Directive 1999/45/EC and repealing Council Regulation (EEC) No 793/93 and Commission Regulation (EC) No 1488/94 as well as Council Directive 76/769/EEC and Commission Directives 91/155/EEC, 93/67/EEC, 93/105/EC and 2000/21/EC, OJ L 396 of 30.12.2006.

[23] See the new Article 2(3) of Regulation (EC) No 1907/2006.

[24] Com. Comm. C(2025) 3802/3, *Commission Delegated Regulation amending Delegated Regulation (EU) 2021/1078 as regards strategic investments in the field of defence set out in the investment guidelines for the InvestEU Fund*.

[25] Commission Delegated Regulation (EU) 2021/1078 of 14 April 2021 supplementing Regulation (EU) 2021/523 of the European Parliament and of the Council by setting out the investment guidelines for the InvestEU Fund, OJ L 234 of 02.07.2021.

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