

Input-paper: Calling for an ambitious and effective Ukraine Support Instrument

The EU and Member States should continue ongoing efforts to ensure the long-term integration, modernization and functioning of the Ukrainian defence industry. We commit to fully integrate Ukraine's defence industry into the European defence technological and industrial base (EDTIB): through existing programmes and/or instruments on joint development of Ukraine's defence capabilities, by enabling investments in Ukraine's defence industry, by creating joint strategic partnerships and by other means of cooperation.

The Ukraine Support Instrument (USI) under the European Defence Industry Programme (EDIP) offers an opportunity to deliver real, tangible and timely results as to the recovery and modernization of the Ukrainian defence industry. Effective implementation of the USI will be an important step towards building long-term and mutually beneficial partnerships between the Ukrainian and European defence industrial actors. The USI should deliver on the following:

The instrument must be driven by the needs of Ukraine



It is important that the instrument delivers on the needs of Ukraine. To ensure this, it should be clearly stated in the regulation that Ukrainian actors are invited to relevant programme committee meetings. Moreover, we suggest inviting Ukrainian partners to provide their input on the Ukraine Support Instrument and where relevant to present their priorities and needs.

Prioritising funding and enabling investments



Prioritising funding for the Ukraine Support Instrument as well as enabling better access to mobilising private investments is an important political signal to send. We support a reallocation of a part of the available EDIP budget to the instrument and are open to discuss further reallocations as part of the annual budgetary procedure.

Specific award criteria for the Ukraine Support Instrument



The instrument should be geared towards directly benefitting - including scaling up - the Ukrainian defence industry. Therefore, we should formulate specific award criteria for the Ukraine Support Instrument, ensuring that the instrument delivers on the intentions and objectives of the programme.

Increasing the focus on joint maintenance and repairs



It should be stated in the regulation that joint maintenance, repairs and overhaul of donated equipment in Ukraine is part of the scope of the instrument. Supporting such activities will incentivize such efforts along with the focus on joint procurement and joint ventures. This will ensure a comprehensive approach to cooperation with Ukraine on defence industry-related activities.

Securing synergies with other EU-initiatives and efforts in NATO



It is essential that the efforts under the Ukraine Support Instrument are complementary to related EU initiatives, especially under the European Peace Facility (EPF) and efforts on donating ammunition and new equipment, as well as the on-going work on extraordinary revenues from immobilized Russian assets.

Ukraine and common procurement actions

In relation to common procurement actions under the Ukraine Support Instrument, it should be possible for one member state and Ukraine to conduct a common procurement, including from Ukraine's defence industry. This will increase incentives to engage in cooperation with Ukraine in relation to procurement activities.

Timely and efficient implementation of the Ukraine Support Instrument

We propose to include a deadline for concluding the Ukraine framework agreement no later than 6 months after the regulation enters into force. The instrument has a relatively short timeframe of implementation, which makes it important to have a framework agreement in place as quickly as possible.
