

A Stronger Internal Market for Europe's Defence Industry

The Congress of the Alliance of Liberals and Democrats for Europe (ALDE) Party convening in Brussels on 24-25 October 2025:

Notes that:

- Russia's full-scale invasion of Ukraine has fundamentally changed Europe's security landscape, highlighting the urgent need for greater European defence readiness and industrial resilience;
- EU Member States have significantly increased their defence budgets since 2022, yet a large share of this spending continues to go outside the EU, weakening the development of a competitive and autonomous European defence industry;
- The European defence sector remains fragmented, with multiple national standards, procurement systems, and limited cross-border cooperation, leading to duplication, inefficiencies, and missed opportunities for economies of scale;
- The EU internal market, while a cornerstone of European integration, is still not fully realised in the field of defence products and technologies;
- European Commission initiatives, such as the European Defence Fund (EDF), the European Defence Industry Reinforcement through common Procurement Act (EDIRPA), and the Act in Support of Ammunition Production (ASAP), mark important steps toward greater EU-level coordination in defence production;
- The EU Commission has proposed a European Defence Industry Programme (EDIP) as part of a broader push for a more coordinated and competitive European defence technological and industrial base (EDTIB);
- There is growing recognition among EU Member States of the need to move towards common procurement, joint development, and shared capability planning to achieve strategic autonomy and cost-effective defence spending;

Believes that:

- European security and defence require a robust, competitive, and integrated European defence industry based on a truly functioning internal market;
- Fragmentation of the defence market undermines the EU's ability to respond effectively to security threats and prevents Member States from getting the best value for money in defence procurement;
- A well-functioning internal market for defence products and services would enhance interoperability, foster innovation, and strengthen the EU's strategic autonomy and resilience;
- The EU should play a stronger role in facilitating coordination, setting common standards, and reducing regulatory and administrative barriers in the defence sector;
- Common European defence standards are essential for ensuring compatibility, reducing duplication, and enabling cross-border industrial cooperation;
- EU funding mechanisms must support the development of joint European capabilities, supply chain resilience, and innovation, particularly among SMEs in the defence sector;
- Transatlantic cooperation within NATO remains the cornerstone of Europe's defence, and a more

capable European industry must reinforce and not duplicate our commitments to NATO.

Calls for:

- The European Commission and Member States to accelerate the creation of a genuine internal market for defence products and services by harmonising standards, procedures, and technical requirements accompanied by a systematic reduction of bureaucratic obstacles in procurement systems, ensuring competitive neutrality and fostering innovation through open markets;
- The development and enforcement of **common European defence standards**, taking into account existing NATO standards, to improve interoperability, streamline procurement, and facilitate cross-border industrial cooperation;
- Stronger coordination of defence industrial policy at EU level, including **joint planning, capability development, and procurement**, in line with the EU Strategic Compass and the European Defence Industrial Strategy;
- A roadmap towards creating secure supply chains gradually reducing reliance on third-country suppliers for critical defence capabilities, while maintaining openness to strategic partnerships.