

*This is an excerpt from a Report to the European Parliament's Committee on Foreign Affairs
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The European Defense Fund is a notable start to advancing the European Union's ability to innovate military technology, possibly leading to new developments that can be expanded into usable equipment and technologies for the EU member-states. However, while the program incentivizes collaboration between a few member-states for each project, the European Union has yet to achieve the integration of each of the member-states' innovative power. Should the EU or member-states take a more collaborative approach to research and development, technological barriers could be breached, and the development time for technology could be reduced. There is no reason why further integration should not be pursued as members of the Union have already begun to form internal coalitions in the area of defense innovation. Spain, Italy, Germany, and France have collaborated on several projects and are continuously working to speak with one voice on this issue. Smaller nations within the Union have done the same, using a singular voice to influence defense policy.

The EDF itself is also only useful as a supplement to member-states defense spending or as a sole supporter of research for small-scale technology development and improvements to existing technology. The cost for research and development in the defense sector to create advanced systems can easily exceed the 8.000.000.000 Euro appropriation over the 2021-2027 funding term. Additionally, some proposals that received funding could easily be combined into larger endeavors. The promotion of several small-scale defense projects reduces the ability to work collectively on larger development projects and oversaturates the European defense market with similar products that achieve the same goal.

One notable example of this can be found in the development of new air superiority or dominance systems. Several European nations have undertaken coalition projects to create these systems, and the EDF itself has funded projects which would be included in larger air dominance systems such as 'Enhanced pilot environment for air combat' and 'Airborne electronic warfare'. As of now, France, Germany, and Spain are working towards the development of the FCAS, the Future Combat Air System, something which could comprehensively advance European security as a whole. Comparing European ventures to similar American programs, the European FCAS is expected to cost 100 billion USD, while the United States Next Generation Air Dominance Program is expected to spend over 20 billion USD in the early development stage by 2030.

Connecting this back to procurement, the ability of the EDF to develop expensive and advanced technologies will be limited, particularly when compared to the capabilities of coalition member-states in the EU, the United States, or China. Procurement will be solely supported by the proposed procurement fund.