

NEWS – ECIPE PRESS RELEASE – NEW POLICY BRIEF

Openness and Fragmentation in EU Defence Procurement

*By **Lucian Cernat***, Head of Global Regulatory Cooperation and Public Procurement Negotiations, DG TRADE; **Oscar Guinea**, Senior Economist at ECIPE; **Hannah Preuss****, Young Professional of the German Ministry for Economic Cooperation and Development/GIZ, former trainee at DG TRADE and Economic Security, European Commission*

Brussels, 15 December 2025 - A new [ECIPE Policy Brief](#) reveals that fragmentation in EU defence procurement continues to undermine Europe's collective security and economic efficiency. Despite growing defence budgets and ambitious joint procurement targets, most contracts remain nationally awarded, limiting competition and driving up costs. The study draws on data from the EU's Tenders Electronic Daily (TED) portal to assess how open defence markets really are, and finds that only 10 percent of total EU defence spending is captured in TED, a gap that hinders transparency and informed policymaking.

The analysis shows that three-quarters of TED-listed defence contracts in 2023 were awarded to domestic firms, with cross-border awards concentrated in smaller member states such as Malta, Portugal and Ireland. Larger countries, including Germany, Poland and Romania, overwhelmingly favour national suppliers. **"Europe cannot afford to waste resources on fragmented procurement systems"**, argues Lucian Cernat, co-author of the study. ***"If we want to strengthen our collective security, we must start by making defence markets more open, transparent and competitive, especially in areas where national sensitivities are not at stake."***

The brief also highlights the limited participation of small and medium-sized enterprises (SMEs) in defence tenders. While SMEs accounted for 41 percent of bids overall, nearly half of all TED tenders saw no SME participation at all. The authors also note that joint procurement instruments like EDIRPA and SAFE offer financial incentives, but uptake remains uneven across member states.

Looking ahead, the brief recommends two practical steps: breaking home bias in non-sensitive procurement and improving the quality and coverage of defence procurement data. As defence budgets continue to rise, the challenge is not

whether Europe will spend, but whether it will spend wisely. A more integrated and transparent procurement system would not only deliver better value for money but also strengthen Europe's industrial base and strategic autonomy, key goals in an increasingly unstable global environment.

Publication details: [Openness and Fragmentation in EU Defence Procurement](#), ECIPE Policy Brief No. 20/2025

Media inquiries: info@ecipe.org or +32 (0) 499 053 110

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