



EU funding opportunities for the industry

The European Defence Fund (EDF)

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DG for Defence Industry and Space

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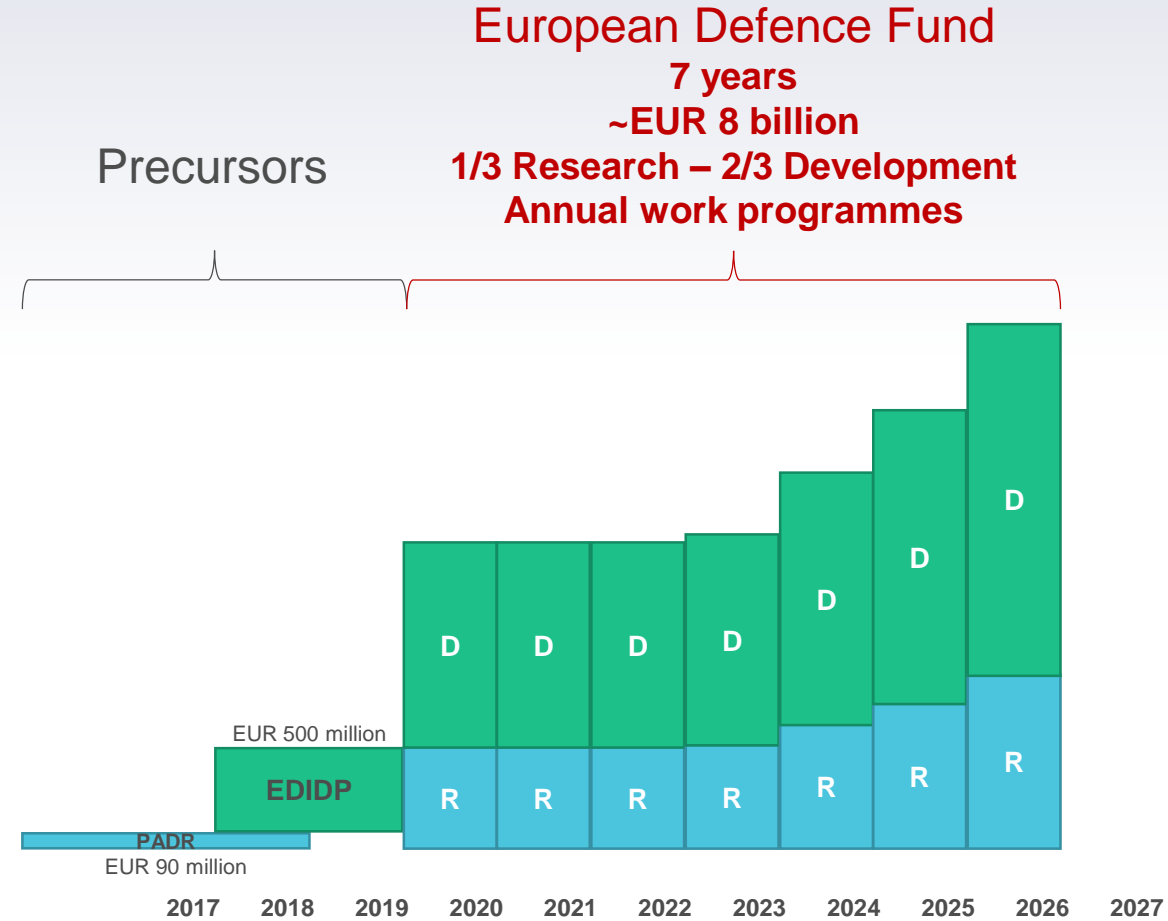
Does not represent an official position of the European Commission and does not bind the Commission in any way.





The European Defence Fund: key facts

- EDF Regulation (EU) 2021/697 29 April 2021
- **Continuity** with precursors (PADR and EDIDP) but a **step change in means and ambition:**
 - **Four times higher annual budget than precursors EDIDP and PADR**
 - **Integrated** research (R) and development (D) windows
 - **Balance:** cooperation/competition & large capabilities/innovation





The European Defence Fund: general objectives

- Supports **collaborative and cross-border projects in research and development** on defence technologies and capabilities
- Contributes to the **competitiveness and innovation capacity** of the EDTIB, including by encouraging **participation of SMEs** and other actors that are usually not active in the defence domain
- Contributes to **reducing fragmentation** of the Europe defence and industrial landscape
- Helps **maximising the outcome of defence expenditure** (*i.e.* spending more, better and together)
- Strengthens **Europe's resilience and its strategic autonomy**, notably by **reducing EU technological dependencies** on third countries



The European Defence Fund: general principles

- **Demand is mainly driven by the Member States**
- **Complementarity and consistency with priorities** commonly agreed by Member States and other EU defence initiatives and NATO
- Need to target projects that **bring real strategic and economic benefit for Europe**, are game changers for EU armed forces and would not materialise if not undertaken jointly
- Need to ensure **continuity** of already funded and completed actions
- Important for EDF to be **inclusive** and to offer fair opportunities for companies of all sizes from all Member States and associated countries
- Support to **innovation**: 4%-8% of the EDF budget must be dedicated to **disruptive technologies**
- No EDF support for actions that lead to defence capabilities prohibited by international law
- Seek **synergies** with other EU programmes: avoid unnecessary duplications in funding and trigger cross-fertilisation



Eligible entities

- Consortium of at least **three legal entities** established in at least **three different Member States/Associated Countries (Norway through the EEA agreement)**
- Only **entities established in the Union** or in an Associated Country which are not controlled by third countries/companies
- Exception if conditions relating to the **security and defence interests of the Union** and its **Member States** are met:
 - No risk in the ability to perform the action (security of supply)
 - Sensitive information are not accessible to 3rd country entity (security of information)
 - No Transfer of IP (IPR remains in the EU)**Guarantees** approved by Member States needed
- Companies outside the Union **can cooperate** (conditions above apply), but **without EU funding**



Eligible actions

- **Research and development** actions/activities leading to new and the upgrade of existing **defence products and technologies**
- **Research** actions: primarily research with an **exclusive focus on defence applications** – *low TRL (up to 4 – 5)*
- **Development** actions: defence oriented activities primarily in the development phase (new products/technologies/upgrading)- *higher TRL (5 – 8)*.
- No product and technologies prohibited by international law (+actions for the development of lethal autonomous weapons are ineligible).
- Background and generated foreground **IP** shall **not be subject to any control or restriction** by non-EU countries/entities

Activities	Eligibility	
	Research action	Development action
generating knowledge	Yes	No
integrating knowledge	Yes	Yes
studies	Yes	Yes
design	Yes	Yes
prototyping	No	Yes
testing	No	Yes
qualification	No	Yes
certification	No	Yes
increasing efficiency	No	Yes



Development actions: specific requirements

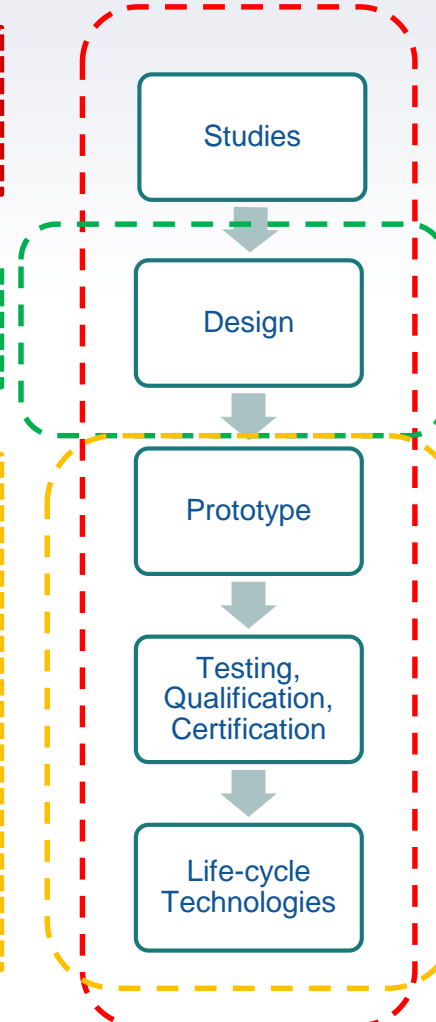
Always for base funding rate < 100%:

Evidence of co-financing [e.g. Letter of Comfort / Guarantee / AdHoc self financing]

Evidence of harmonized capability jointly agreed by at least two Member States or AC

at least two Member States or AC need to show their intention to procure the final product or to use the technology in a coordinated way, including through joint procurement where applicable

Activity based on common technical specifications jointly agreed by the Member States or AC that are to co-finance or that intend to jointly procure the final product or to jointly use the technology





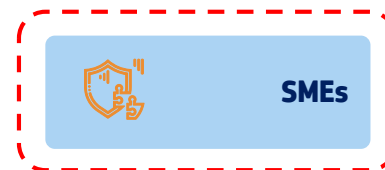
EDF Work Programme Backbone

16 thematic categories of actions

Medical Response & CBRN	Air combat
Information superiority	Air & missile defence
Sensors	Ground combat
Cyber	Protection & Mobility
Space	Naval combat
Digital transformation	Underwater warfare
Energy & Environment	Simulation and training
Materials & Components	Disruptive technologies

Yearly Calls for proposals with multiple Topics (R+D)

Not all CoA covered every year



Non-thematic open calls targeting inclusion of **SME in defence**

+
SME bonus

SME participation evaluated in award criterion



Dedicated open calls for SMEs

Separate open calls, focused on SMEs (e.g. EDF 2021):

1. **Research** on innovative and future-oriented defence solutions

- Consortium of SMEs and research organisations
- Up to 40% of funding can go to research organisations
- Successful SME beneficiaries may be offered Business Coaching

2. **Development** of innovative and future-oriented defence solutions

- Only SMEs can be beneficiaries
- Up to 30% funding in subcontracting per beneficiary
- Successful SME beneficiaries may be offered Business Coaching
- EU contribution ceiling set to € 4 million per proposal
- Total EU contribution up to € 36 million



Calls on disruptive technologies for defence

Dedicated thematic calls tagged with ‘DIS’ → open call ‘DIS-OPEN’:

“Disruptive technology for defence’ means an enhanced or completely new technology that brings about a radical change, including a paradigm shift in the concepts and conduct of defence affairs such as by replacing existing defence technologies or rendering them obsolete”

- Specific flexibility to welcome small consortia: 2 entities from 2 MS or AC
- Award criteria mention potential of disruption
- E.g. in 2021: only research calls

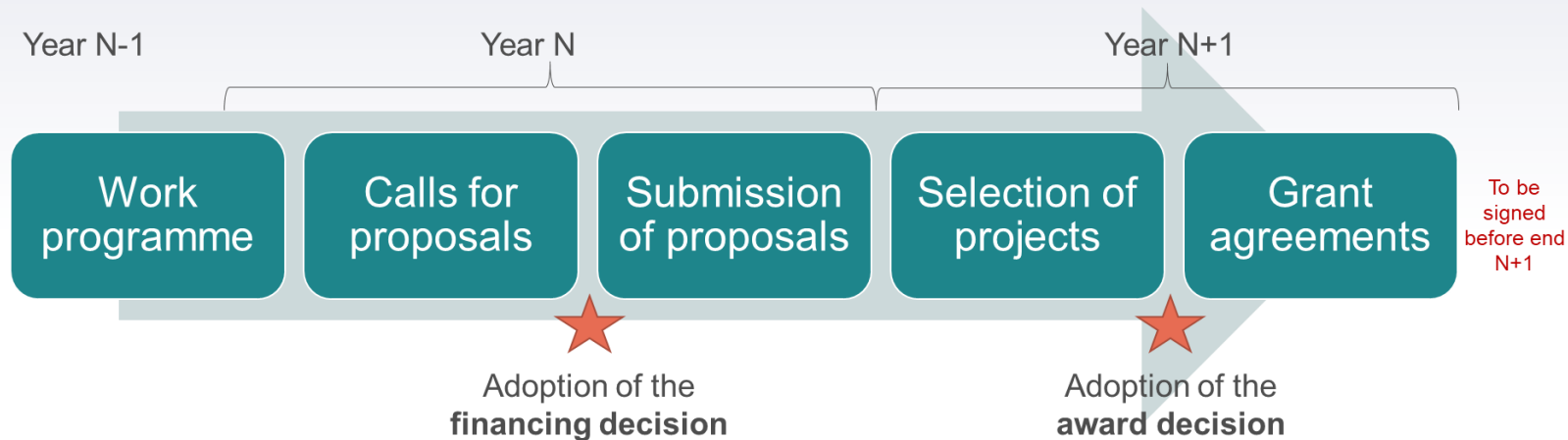
Open call on disruptive technologies for defence EDF-2021-OPEN-RDIS



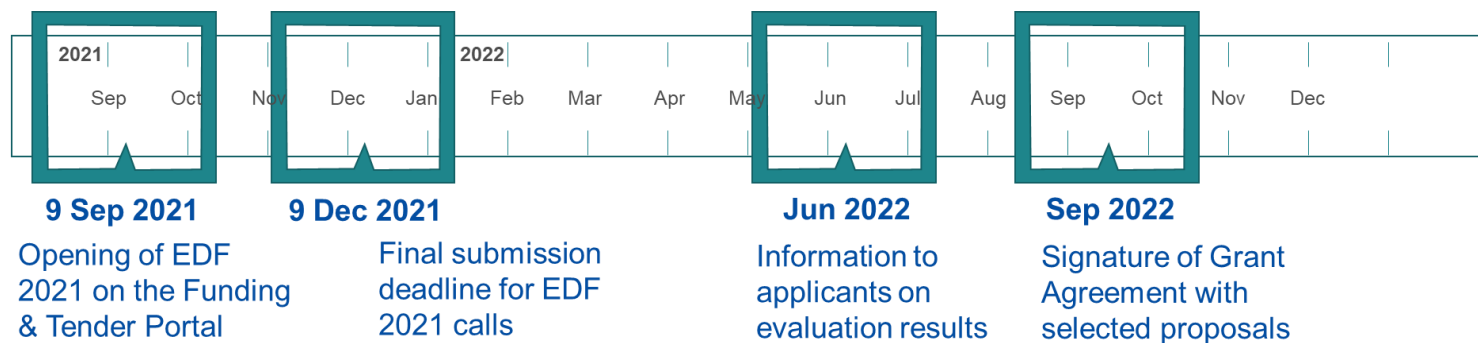


EDF2022 planning....

...still under discussion but...



EDF2021 high level planning



Be ready!

Thanks for the attention





EDIDP/EDF: SME success story



Call	EDIDP 2019-SME
Category of Action	C4ISR/SPACE
Start Date:	01/11/2020
End date (duration)	01/11/2021 (12 months)
EU Contribution/ Action Cost	€ 874,958 / € 874,958
Coordinator (country)	SATLANTIS (Spain)
Project manager (entity)	Yes (MoD, Spain)

OPTISSE

Design of advanced cost effective & high – performance small satellite surveillance system, for defense applications, in particular in the maritime field & in the Mediterranean area, with electronics that enable almost real-time on-board data processing for detection & identification of potential targets

https://ec.europa.eu/commission/presscorner/detail/en/fs_20_1088