

Brussels, 30.6.2021 C(2021) 4897 final

COMMISSION IMPLEMENTING DECISION

of 30.6.2021

on the financing of the European Defence Fund and the adoption of the work programme for 2022 - Part I

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THE EUROPEAN COMMISSION.

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the Union, amending Regulations (EU) No 1296/2013, (EU) No 1301/2013, (EU) No 1303/2013, (EU) No 1304/2013, (EU) No 1309/2013, (EU) No 1316/2013, (EU) No 223/2014, (EU) No 283/2014, and Decision No 541/2014/EU and repealing Regulation (EU, Euratom) No 966/2012¹, and in particular Article 110 thereof,

Having regard to Regulation (EU) No 2021/697 of the European Parliament and of the Council of 29 April 2021 establishing the European Defence Fund and repealing Regulation (EU) No 2018/1092², and in particular Article 24 thereof.

Whereas:

- (1) In order to ensure the implementation of the European Defence Fund for the year 2022 it is necessary to adopt a financing decision, which constitutes the annual work programme, for 2022. Article 110 of Regulation (EU, Euratom) 2018/1046 ('the Financial Regulation') establishes detailed rules on financing decisions.
- (2) The envisaged assistance is to comply with the conditions and procedures set out by the restrictive measures adopted pursuant to Article 215 TFEU.
- (3) It is necessary to allow for the payment of interest due for late payment on the basis of Article 116(5) of the Financial Regulation.
- (4) In order to allow for flexibility in the implementation of the work programme, it is appropriate to allow changes which should not be considered substantial for the purposes of Article 110(5) of the Financial Regulation.
- (5) The measures provided for in this Decision are in accordance with the opinion of the EDF Programme Committee established by Article 34 of Regulation 2021/697.

HAS DECIDED AS FOLLOWS:

Article 1 The work programme

The annual financing decision, constituting the first part of the annual work programme for the implementation of the European Defence Fund for 2022, as set out in the Annex, is adopted.

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OJ L 193, 30.7.2018, p.1.

OJ L 170, 12.5.2021, p.149.

Article 2 Union contribution

The maximum Union contribution for the implementation of the programme for 2022 Part 1 is set at EUR 290 000 000, and shall be financed from the appropriations entered in the following line of the general budget of the Union:

(a) budget line 13.0201 - Capability development: EUR 290 000 000

The appropriations provided for in the first paragraph may also cover interest due for late payment.

The implementation of this Decision is subject to the availability of the appropriations provided for in the draft general budget of the Union for 2022, following the adoption of that budget by the budget authority or as provided for in the system of provisional twelfths.

Article 3 Flexibility clause

Cumulated changes to the allocations to specific actions not exceeding 20% of the maximum Union contribution set in the first paragraph of Article 2 of this Decision shall not be considered to be substantial for the purposes of Article 110(5) of the Financial Regulation, where those changes do not significantly affect the nature of the actions and the objective of the work programme.

The authorising officer responsible may apply the changes referred to in the first paragraph. Those changes shall be applied in accordance with the principles of sound financial management and proportionality.

Done at Brussels, 30.6.2021

For the Commission
Thierry BRETON
Member of the Commission



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ANNEX

ANNEX

to the

Commission Implementing Decision

on the financing of the European Defence Fund and the adoption of the work programme for 2022 - Part I

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ANNEX

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1. Introduction

The EDF is implemented through annual work programmes from 2021 to 2027.

The adoption of the 2021 EDF work programme is subject of a separate financing decision.

The limited purpose of this 2022 EDF work programme-part I is to bring budget complement to some actions described in detail in the 2021 EDF work programme in order to enable the launching in 2021 of a limited number of calls for proposals with indicative amounts higher than the ones possible on the sole basis of 2021 appropriations.

The second part of the 2022 work programme will be subject of a separate financing decision to be adopted in due time later in the year with new actions which will then be detailed.

2021 EDF thematic categories of	(Million EUR)		
actions to be reinforced by 2022 appropriations	Amount earmarked in the 2021 WP	Complementary amount under the 2022 WP part I	Indicative amount of the Call launched in 2021
Air combat – Call EDF-2021-AIR-D: Avionics and advanced air combat	41	109	150
Air and missile defence (AIRDEF) – Call EDF-2021-AIRDEF-D: Protection against high-velocity aerial threats	28	72	100
Ground combat (GROUND) – Call EDF-2021-GROUND-D: Fleet upgrade and close combat	41	109	150

Each *category of actions* may lead to one or more *calls for proposals*, each of them addressing one or more *Topics*. The list of *calls for proposals* and associated *Topics* addressed in this 2022 work programme part I is defined in section 3.

2. LEGAL BASIS

All actions that will be funded under this work programme have their legal basis in Regulation (EU) 2021/697 (EDF Regulation).

3. ACTIONS IMPLEMENTED UNDER THE 2022 WORK PROGRAMME - PART I

This section lists, for each *category of actions*, the scope of the *calls for proposals* and associated *topics*, together with their main characteristics. These *calls for proposals* and *topics* result from a discussion with the EDF programme committee made of representatives from the Member States and associated countries.

Management mode:

As per Article 8(1) of the EDF Regulation, the actions set out in this work programme shall be implemented in direct management by the Commission.

By way of derogation, in accordance with Article 8(2) of the EDF Regulation, specific actions may, in substantiated cases, be carried out under indirect management by bodies as referred to in point (c) of Article 62(1) of the Financial Regulation, for example in case of complex actions where a project manager has been appointed by co-financing Member States.

The change of management mode set in the present work programme will:

- Be assessed at the time of the award decision and be subject to the prior assessment of the bodies concerned regarding their qualification to manage the grants as well.
- Require a further decision of the commission at the level of the College, in accordance with article 110(5) of the financial regulation, taking into account in particular the complexity of the action, the level of Member States co-financing and a cost benefit analysis.

3.1. Air combat (AIR)

- 3.1.1. EDF-2021-AIR-D: Avionics and advanced air combat
 - Targeted type of actions: Development actions
 - Form of funding: Grant following call for proposals
 - **Targeted type of applicants:** Any eligible consortium as defined in Articles 9 and 10(4) of the EDF Regulation
 - Indicative budget for the call:
 - o EUR 41 000 000 has been earmarked under the 2021 work programme.
 - o A budget complement of EUR 109 000 000 from 2022 appropriations is earmarked under the present 2022 work programme-part I.
 - **Number of actions to be funded:** Several actions, addressing different topics, may be funded

Proposals will be called against the following two topics:

3.1.1.1. EDF-2021-AIR-D-EPE: Enhanced pilot environment for air combat

The improvement in the performance of effectors and platforms and the networking of more and more various systems in an increasingly collaborative combat mode result in a greater diversity and a greater amount of information to deal with, while requiring an even higher pilot's responsiveness. The objective is therefore to improve the gender-neutral cockpit environment and to provide the pilot of next generation air combat systems with enhanced tools and avionics in order to keep the pilot efficiently focused on the mission to be carried out, e.g. through AI-based pilot support, integrated sensor management, path finding technology or manned-unmanned teaming (MUM-T) enhanced features.

Targeted activities: Studies, including demonstrations, design, not excluding upstream or downstream activities

3.1.1.2. EDF-2021-AIR-D-CAC: European interoperability standard for collaborative air combat

Nowadays, European air forces are built on a wide variety of heterogeneous systems, thus leading to the challenge of interoperability at the functional, software and hardware levels. The objective is therefore to develop jointly a European perspective enabling the member states to address with a middle to long-term perspective collaborative air warfare, through a common European standard that must be compliant with ongoing activities in Europe in that respect and with NATO too. It is to combine all still existing and future air combat systems in Europe, manned and/or unmanned, which shall be enabled to interoperate for the fulfilment of their missions in an unprecedented, integrated and connected manner. The air combat systems shall be able to share efficiently their sensors and effectors resources, and information and situational awareness, overall ultimately leading to decision and air superiority.

Targeted activities: Studies, design, including demonstrations, not excluding upstream or downstream activities

3.2. Air and missile defence (AIRDEF)

- 3.2.1. EDF-2021-AIRDEF-D: Protection against high-velocity aerial threats
 - Targeted type of actions: Development actions
 - Form of funding: Grant following call for proposals
 - **Targeted type of applicants:** Any eligible consortium as defined in Articles 9 and 10(4) of the EDF Regulation
 - Indicative budget for the call:
 - o 28 000 000 EUR has been earmarked under the 2021 work programme.
 - o A budget complement of 72 000 000 EUR from 2022 appropriations is earmarked under the present 2022 work programme-part I.
 - Number of actions to be funded: Up to one action may be funded

Proposals will be called against the following topic:

3.2.1.1. EDF-2021-AIRDEF-D-EATMI: Endo-atmospheric interceptor – concept phase

Defeating post-2030 threats such as manoeuvring ballistic missiles, hypersonic cruise missiles or hypersonic glide vehicle requests a high-speed and very early reconnaissance and high-speed C2 system, but a responsive and effective interception system too. There is thus a need to investigate for a concept for a European interceptor, encompassing e.g. new aerodynamic and actuator system for the high manoeuvrability, highly agile guidance concepts, sensor systems able to operate in different air levels, etc. This would be eventually an opportunity to relocate in Europe related technologies and materials, and in the meantime a way to complement valuably the NATO BMD with a consistent EU contribution.

Targeted activities: Studies, not excluding upstream or downstream activities

3.3. Ground combat (GROUND)

- 3.3.1. EDF-2021-GROUND-D: Fleet upgrade and close combat
 - Targeted type of actions: Development actions
 - Form of funding: Grant following call for proposals
 - **Targeted type of applicants:** Any eligible consortium as defined in Articles 9 and 10(4) of the EDF Regulation
 - Indicative budget for the call:
 - o EUR 41 000 000 has been earmarked under the 2021 work programme.
 - o A budget complement of EUR 109 000 000 from 2022 appropriations is earmarked under the present 2022 work programme-part I.
 - **Number of actions to be funded:** Several actions, addressing different topics, may be funded

Proposals will be called against the following topics:

3.3.1.1. EDF-2021-GROUND-D-FMGV: Future modular ground vehicles and enabling technologies, including green technologies

The evolving operational environment requires the development of next generation and the modernisation of current armoured platforms with improved robustness, agility, versatility and interoperability. Moreover, future land vehicles will require the ability to operate in adverse conditions, in digitised battlefield and network centric environments, and to obtain scalable effects, while ensuring efficient maintainability and support, high level of operational readiness and optimized life cycle cost. This topic addresses mainly technologies enhancing the mobility performance of ground platforms, making them more capable, modular and energy-efficient.

Targeted activities: Design, system prototyping and testing, not excluding upstream or downstream activities

3.3.1.2. EDF-2021-GROUND-D-UGVT: Unmanned ground vehicle technologies

There are significant cooperation opportunities in the Union regarding unmanned systems, which could be based on a shared operational concept and the resulting harmonisation of requirements. Moreover, the CDP analysis identifies the need to deploy unmanned systems to reduce the danger to human personnel and manned platforms, as well as to increase robustness, sustainability and resilience of ground systems. A comprehensive set of unmanned systems should contribute to the capability of land manoeuvre in the joint operational environment to gain positional advantage in respect to the adversary. Purely unmanned tracked vehicles as funded under EDIDP will be not considered under this topic.

Targeted activities: Studies, design and system prototyping, not excluding downstream activities

3.3.1.3. EDF-2021-GROUND-D-3CA: BLOS collaborative close combat architecture

The availability of mobile precision systems able to provide the necessary high degree of accuracy and efficiency, avoiding widespread collateral damage, and reducing exposure of friendly forces is a priority for Member States' armed forces. In this context, some requirements are becoming increasingly important, e.g. to provide the land and naval combat

units with the ability to defeat at medium and long ranges, and with a very high degree of accuracy and reliability. In order to meet these requirements, development activities on a beyond line of sight (BLOS) collaborative close combat architecture are required.

Targeted activities: Studies, design, system prototyping and testing, not excluding upstream or downstream activities