



EUROPEAN  
UNION

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DEFENCE  
FUND

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20  
23

III ° SESSION of  
Safety/Security/Defense &  
Space: INTRODUCTION TO  
THE DIANA-Programme &  
European Defence  
Innovation Scheme

# EU Defence Innovation Scheme EUDIS

Speaker

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DEFIS A.3  
EDF Implementation

—  
Defence Technologies

*This document has been prepared by  
the Commission services. It cannot be  
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European  
Commission

**DEFIS**

# Agenda

- What is EUDIS?
- Implementation status
- Current agenda
- Open questions for discussion

# WHAT HAS BEEN DONE SO FAR?

## 2017-2020 PADR & EDIDP

A new framework for EU-wide and cross-border defence R&D cooperation has been created through PADR, EDIDP.

## 2021-2027 EDF

The European Defence Fund (EDF) with inbuilt measures to support innovation and encourage participation of various-sized companies across all Member States.

## 2021 ACTION PLAN ON SYNERGIES

To foster synergies between civil, defence & space industries.

## 2022 Milestones

The Defence Package, the Strategic Compass, the Versailles Declaration.



**#StrongerEurope**  
**#EUDefenceIndustry**

# WHAT ARE WE PROPOSING?

**TOGETHER WITH THE EUROPEAN INNOVATION COUNCIL (EIC) AND IN PARTNERSHIP WITH THE EDA DEFENCE INNOVATION HUB, THE COMMISSION WILL:**

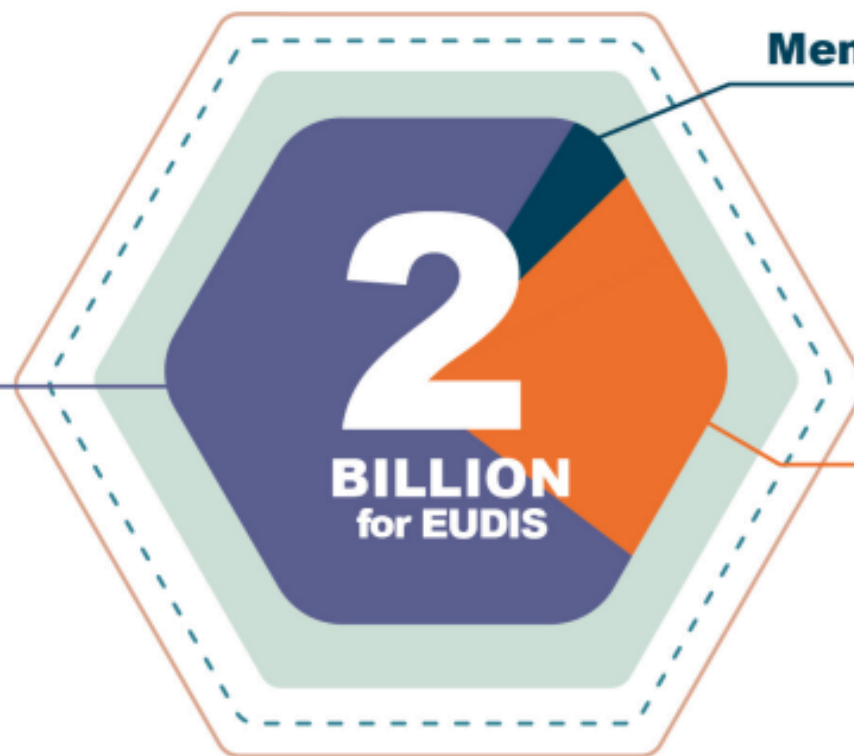
- Identify and spin-in ideas, technologies and solutions to spur defence innovation.
- Support idea maturity, from a technological, market development or end-user perspective.
- Integrate ideas into the capability development and support spin-outs to civil sectors.

# HOW MUCH IS PROPOSED IN THE 2021-2027 MFF?

It is expected that  
the **EU Defence  
Innovation  
Scheme** will see  
a total  
investment of  
nearly  
**€2 Bn**

European Defence Fund

**74%**



Member States co-funding

**4.5%**

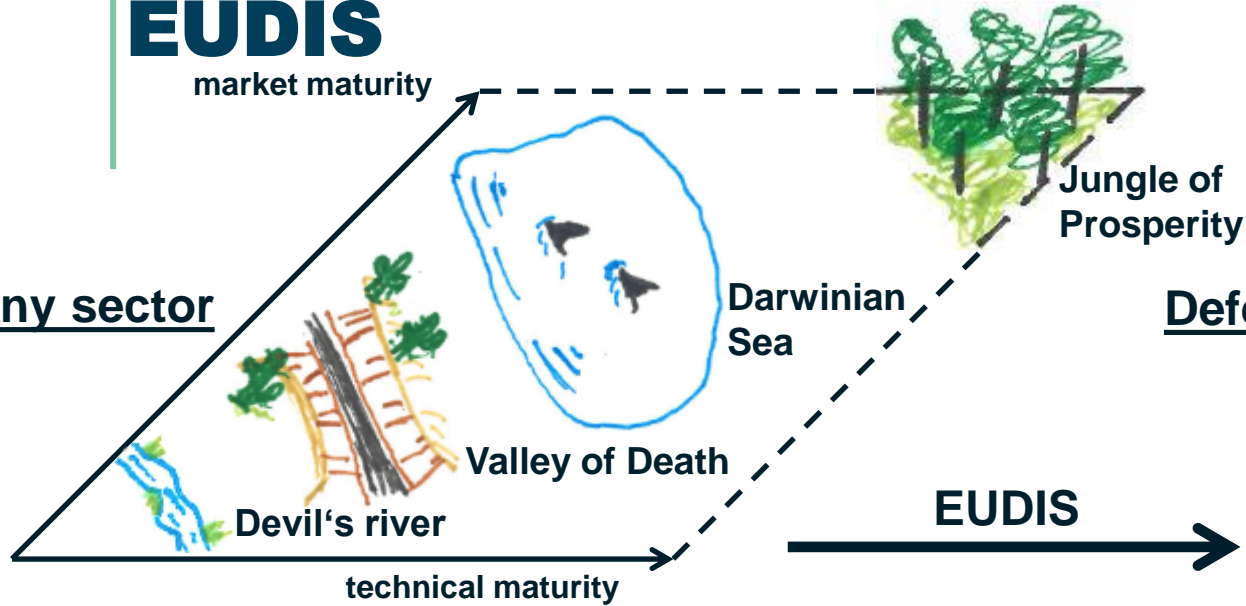
Other public &  
private investors

**21.5%**

# EUDIS

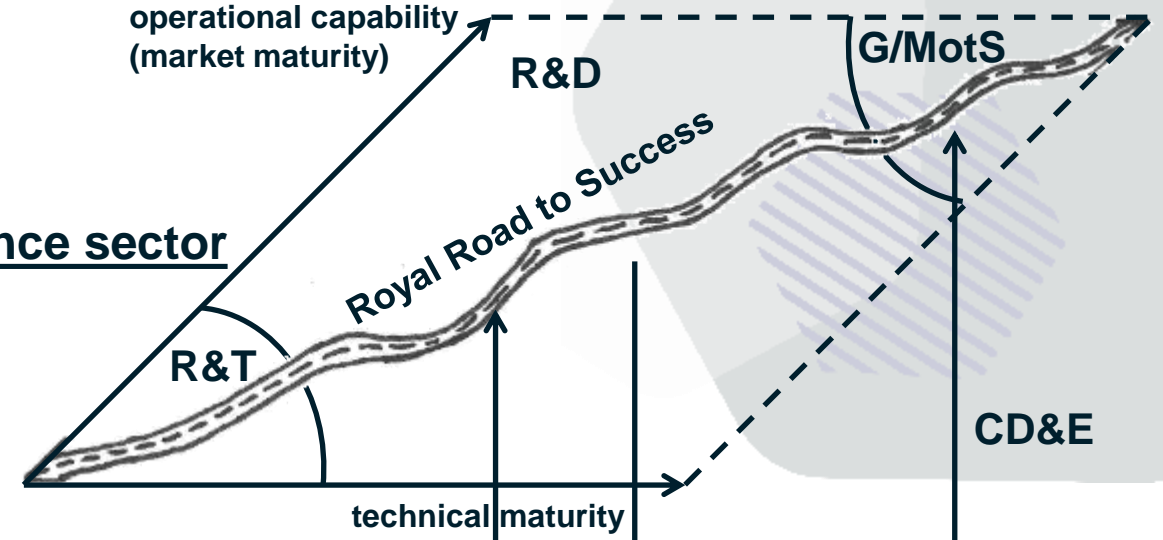
market maturity

Any sector

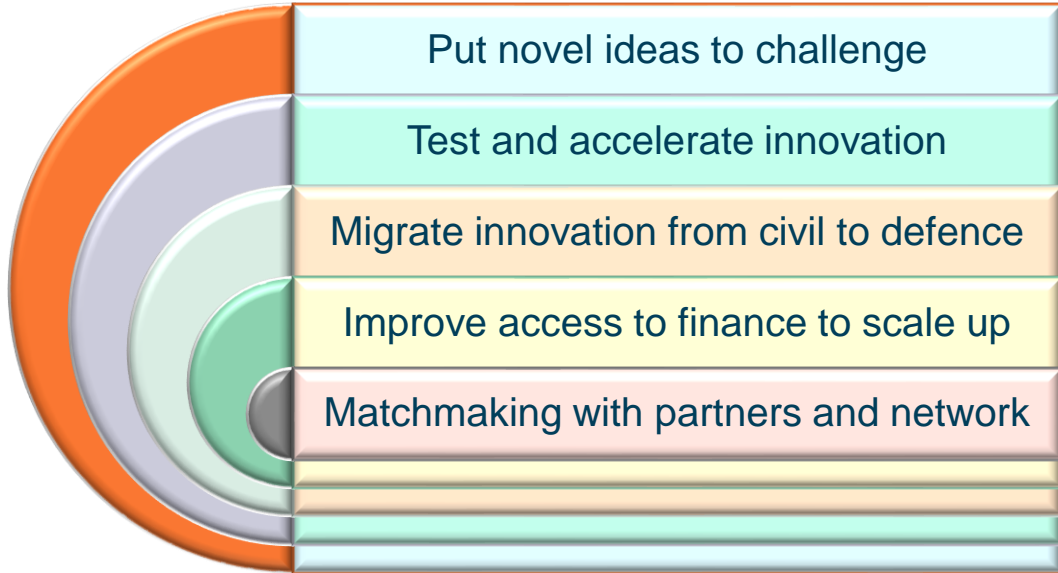


operational capability  
(market maturity)

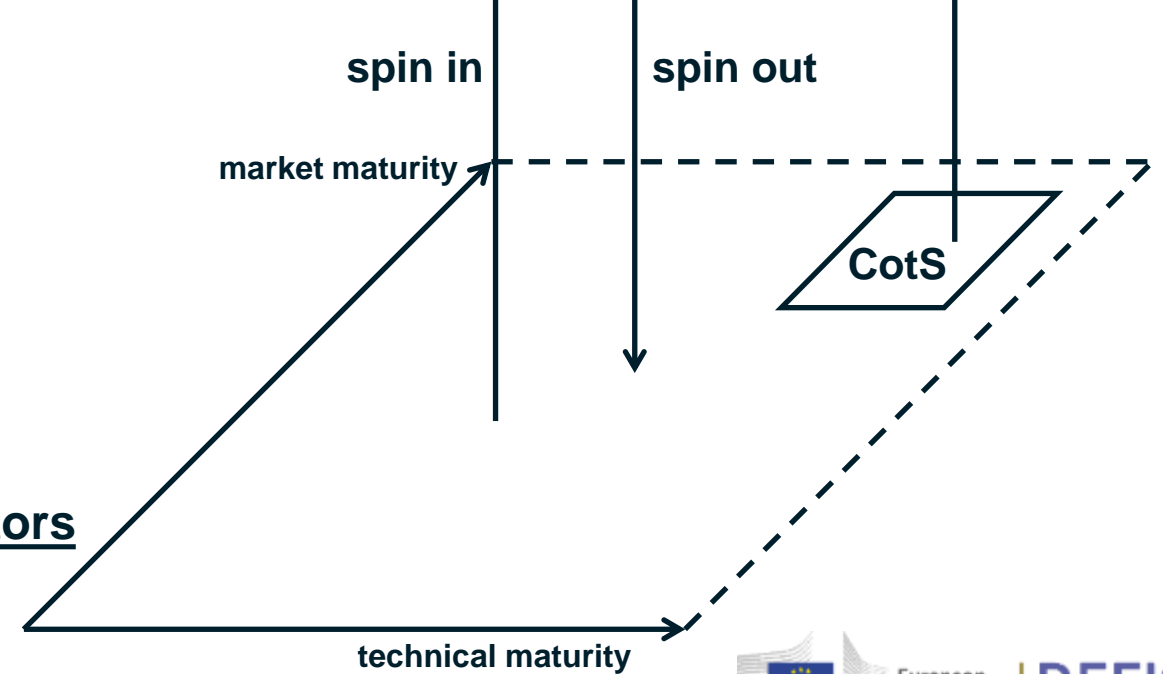
Defence sector



## Five tailor-made innovation tracks

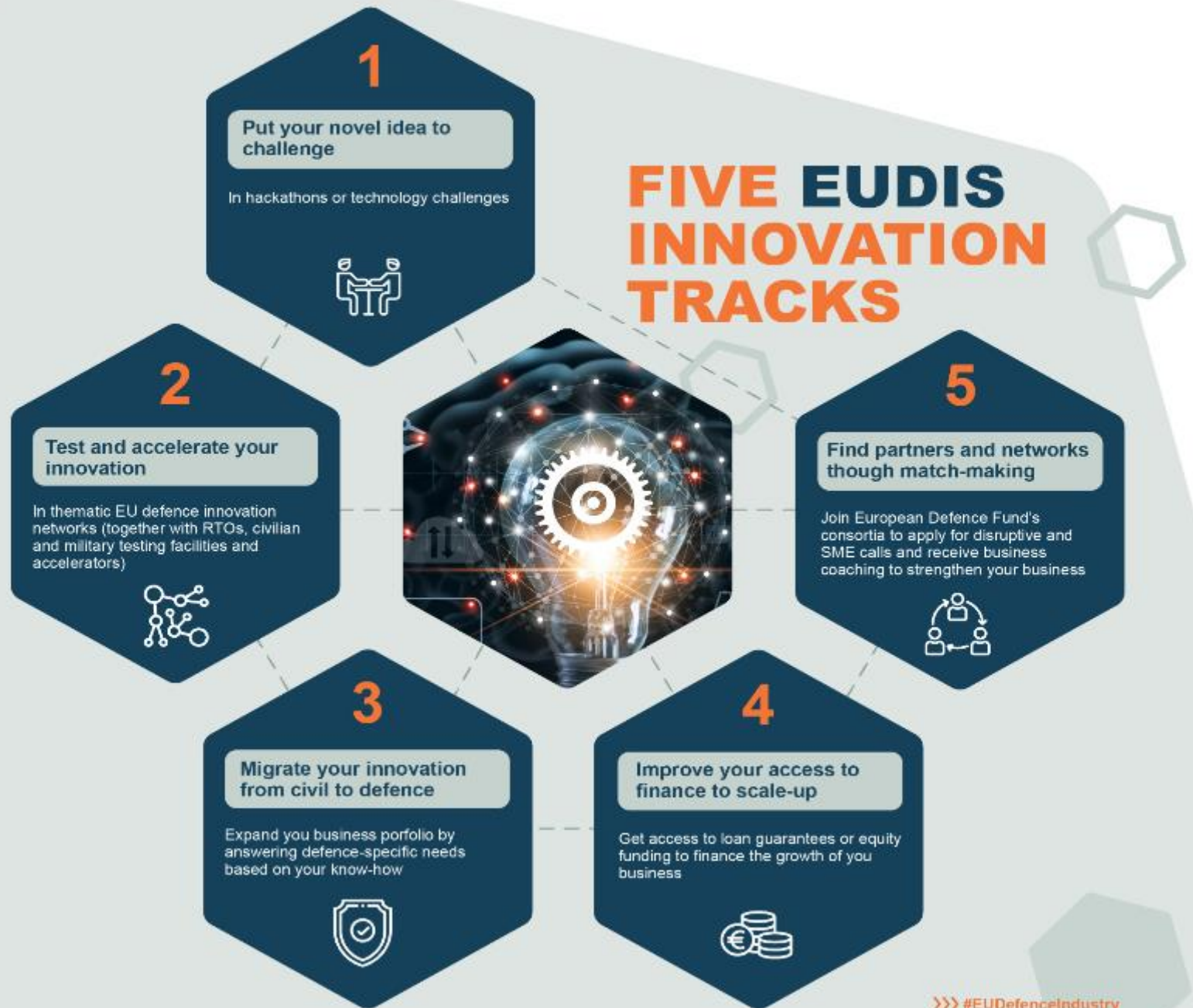


Civil sectors



#EUDefenceIndustry





# EUDIS - a stronger defence innovation ecosystem throughout the EU

**Aims to embrace the whole innovation ecosystem by offering tailored instruments**

**Gradual implementation**

**Many opportunities, depending on innovation maturity level**

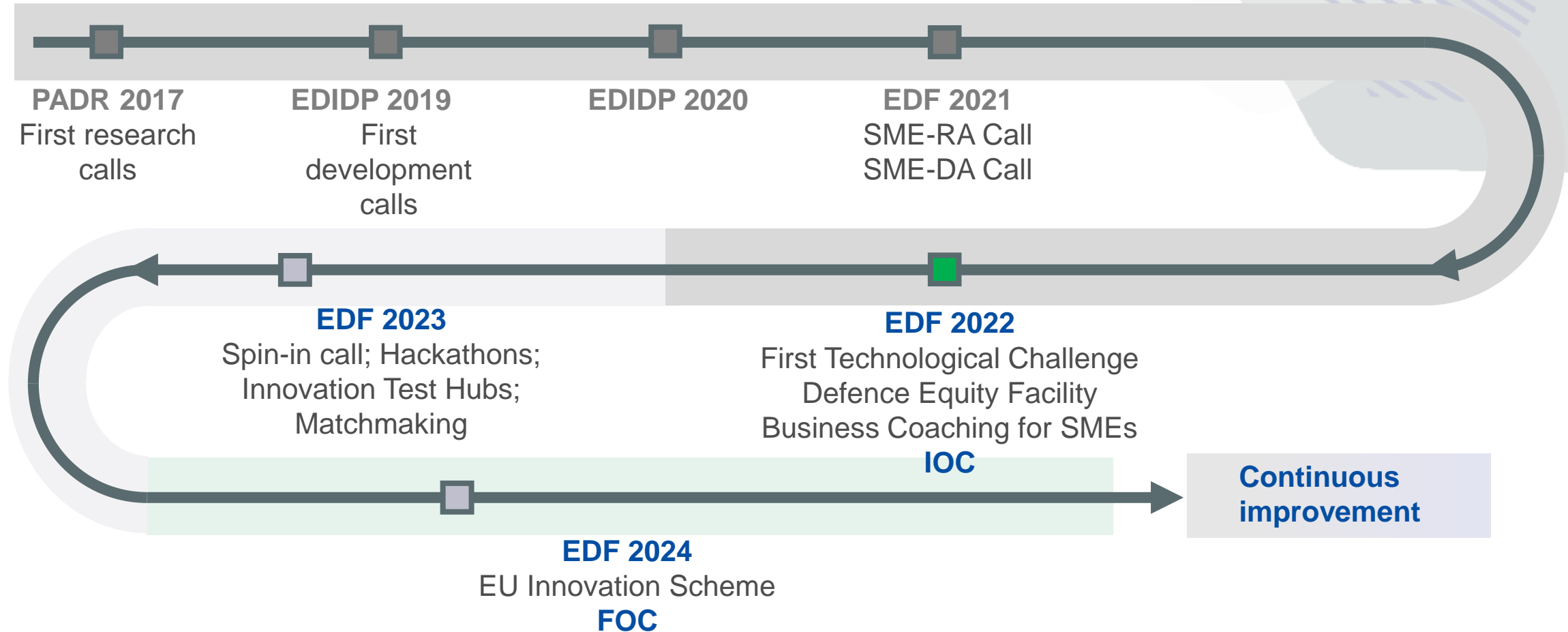
**300-400 innovative & scalable SMEs annually**

**In close cooperation with Member States**

**In close articulation with EDA's HEDI and relevant NATO initiatives**

>>> #EUDefenceIndustry

# Implementation



# Put novel ideas to challenge: Hackathons



- Outreach events that help to discover innovative solutions for defence and attract skills to defence sector
  - Events where multiple teams come together to develop ideas or solutions in a limited time
  - Thematic hackathons in several locations at the same time with financial award based on a specific topic – mentorship offered
  - **Building on the existing experience in DEFIS** – CASSINI hackathons on space thematic
  - COM ambition to introduce in EDF WP 2023 – contractual work initiated to procure the organisation of hackathons (first hackathon planned for Spring 2024)

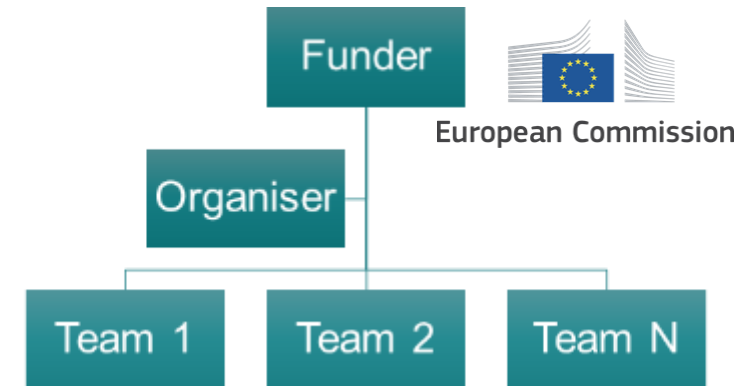




# Put novel ideas to challenge: Technological Challenge



- Incentivise researchers or developers to address a given challenging objective
  - Set up a testing environment to measure and foster the progress of R&D teams
- 
- Two calls: A call for challenge organizer + a thematic call for technological challenge
  - Support several teams pursuing different solutions. A preliminary evaluation plan provided and is common for organizers and teams.
  - **Already established in EDF WP 2022:**
    - Unmanned ground and aerial systems for hidden threats detection
    - Funding in WP 2022: 5 MEUR + 20 MEUR



# Test and accelerate: Innovation Test Hubs

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Test and accelerate your innovation

In thematic EU defence innovation networks (together with RTDs, civilian and military testing facilities and accelerators)



- Create defence industry knowledge hubs in specific fields (as required by MS) to foster uptake of civil technologies in defence domain
- Funding for Consortium's R&D project (main part of the grant), incl. 10-15% funding for organizing calls for innovative and scalable SMEs (financial support to third parties/cascade funding)

NEW

- **Thematic/open calls possible.** COM ambition to introduce in EDF WP 2023.
- **Two-tier grant scheme (financial support to third parties/cascade funding):**
  - **First tier** - EDF grant beneficiary - R&D Consortium
  - **Second tier** - Consortium organizes (challenges) calls for SMEs. COM defines support ( e.g. tech mentoring, testing, class on doing business in defence) to SMEs.
- **Possible Consortium composition:** industry, test centres, RTOs, accelerators, certification authorities
- **Benefits:** broader outreach to beneficiaries; opportunities for **single beneficiaries**

# Migrate innovation from civil to defence: *Spin in calls*



- Support proposals that build on results from civil EU funded R&D programmes
- Support integration of newcomers with faster proposal evaluation (*to be developed*)

- **Promising technologies that can have potential defence applications:**



- *Examples:* AI, medicine/biotechnology, energy and environmental transition, cyber, materials & components, autonomy, quantum

- **Thematic/open calls possible:**

- Proposed criteria for thematic: in line with EDF objectives, high potential to improve defence capabilities
- COM ambition to introduce in EDF WP 2023
- Synergies in the civilian programmes – including “spin out”

# Improve access to finance: Defence Equity Facility

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Improve your access to  
finance to scale-up

Get access to loan guarantees or equity  
financing to finance the growth of your  
business



- Improve access to equity investments in Europe
  - Stimulate development of an ecosystem of European private fund supporting defence innovation
- 
- **Fund of funds mechanism:**
    - EDF will support investments made by the **European Investment Fund (EIF)** into private funds focusing on innovative defence SMEs (including start-ups) and midcaps
    - EIF's investment reduces risks for investors, sends a positive signal to the market and crowds-in co-investors.
  - **Introduced in the EDF WP 2022.** Ambition to start implementation in 2023
  - **Financing: 100 MEUR from EDF\* + EIF 'Top-up' + Private investments:**
    - *Leverage effect between 3.5 - 5 times*

# Find partners for business growth: Matchmaking



- Provides opportunities to find project partners for EDF Calls
- Help innovators find investors/customers to achieve business growth
- **Matchmaking activities today:** focussed on finding partners to develop projects within EDF calls
  - EDF Infoday (next event in June 2023);
  - **NFP Matchmaking** - new matchmaking opportunities mainly to find EDF partners;
  - **ENDR events** - B2B matchmaking in cooperation with EEN as part of events
- **Matchmaking portfolio to be broadened** progressively in the upcoming years:
  - Possible extension of EDF Infoday (investors etc...);
  - Cooperation with EDA (EDA Innovation Day 2023);
  - Possible other activities (participation in Tech events, online tools....).





# Business coaching in the EDF for SMEs



- Coaches guide SMEs in their business challenges
  - Reduce the time from research to development, or from development to the market
  - Boost growth of SMEs
- 
- Support offered in: EDF-2022-LS-DA-SME-NT, EDF-2022-LS-RA-SMERO-NT, EDF-2022-LS-RA-DIS-NT

SME beneficiaries will be offered Business Coaching, to address business challenges such as:

- human resources
- legal and financial challenges
- market analysis
- accessing the defence market
- help to define and find the right cooperation partners
- ...



The Commission has established a contract with an external party through a Framework Contract to provide the services.

# Current Agenda

- **Deployment of EUDIS instruments for EDF WP 2023 and beyond**
- **Enhancement of EUDIS**
  - Timely identification of spin-in and spin-out opportunities
  - Best practices in effective (faster) access to grants
  - How to engage EC supported civil innovation networks
  - Other/new support measures for outer years
- **EDA**
  - Fields of cooperation: information, outreach, implementation
  - Indirect Management of EDF projects as of 2022
- **NATO**
  - Regular dialogue with teams of DIANA and NATO Innovation Fund

# Questions for discussion

- **What measures are you missing in support to defence and space innovation?**
- **How do you assess the potential of existing civil innovation networks as facilitators for defence and space innovation?**
- **How would you like to see matchmaking activities to be supported?**
- **What technology areas should be supported as spin-in calls from civil research to EDF?**

# Thank you!

# Any questions?

Contact: Volker Bäcker  
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