



EUROPEAN DEFENCE FUND

The role of SMEs in the European Defence Sector

Paul ANCIAUX
DEFIS.A.2

EDF – Implementation (1)
Programming and SME support

19 June 2023

Outline

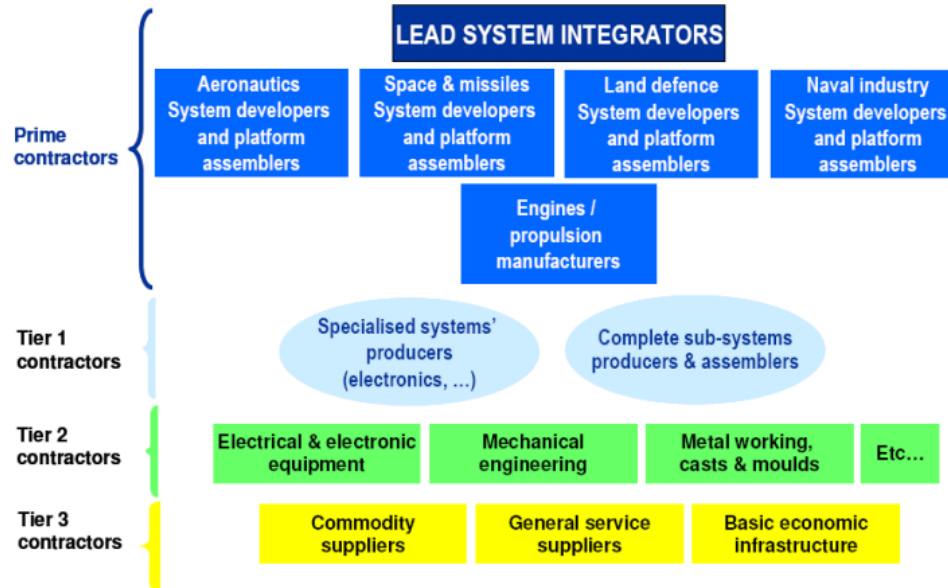
- SMEs in the defence ecosystem
- Challenges
- EDF opportunities
- Fostering innovation
- Questions for discussion





©Bundeswehr/Modes

Defence industrial supply chain



Source: BIPE

Challenges

- Access to information and procurement
- Access to finance
- Lack of harmonisation of complex regulatory and security requirements
- Access to supply chain
- IP concerns

EDF non-thematic calls (since 2021 and continues in 2023)

SME

Call for
development actions

- Consortium of **SMEs only**
- Limit of 30% funding in subcontracting per beneficiary

SMERO

Call for
research actions

- Consortium of **SMEs and research organisations, coordinated by an SME**
- Up to 40% of funding to research organisations
- Limit of 30% funding in subcontracting per beneficiary

DIS

Call for
research actions
addressing
disruptive
technologies

- **≥ 2 entities from 2 MS/AC**

Incentives for SME participation in EDF (thematic) calls

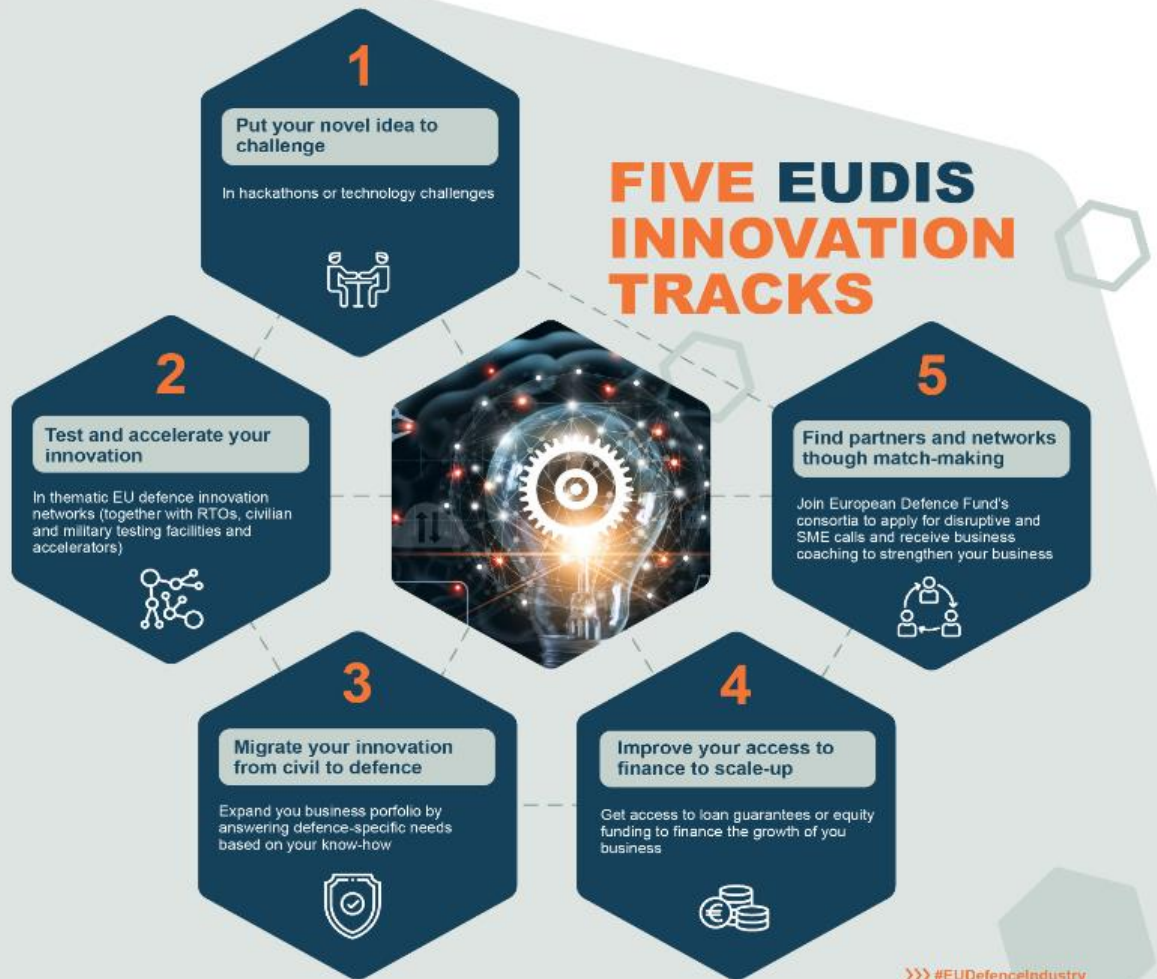
- Bonus on funding rates
 - % of eligible costs allocated to '**non cross-border SMEs**' established in the EU and Norway (maximum 5%)
 - + twice the % of eligible costs allocated to '**cross-border SMEs**' established in the EU and Norway
 - Cumulative with mid-cap and PESCO bonuses (maximum 35%)
- Award criterion on new cross-border cooperation
 - *Contribution to the creation of **new cross-border cooperation** between legal entities established in Member States or associated countries, in particular **SMEs and mid-caps with a substantial participation** in the action, as recipients, subcontractors or as other legal entities in the supply chain, and which are established in Member States or associated countries other than those where the legal entities cooperating within a consortium which are not SMEs or mid-caps are established*

Involvement of SMEs in the EDF 2021 projects

- Overall outcome of the EDF 2021 call for proposals
 - 60 projects
 - Total EU support of almost €1.2 billion
 - Close to 700 participating entities from 26 Member States and Norway
- SME participation
 - Close to 300 entities (43%)
 - 18% of the funding
 - About $\frac{3}{4}$ in thematic calls, $\frac{1}{4}$ in non-thematic calls

Case study – a Dutch SME





>>> #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

National Focal Points

>>> Nominated by (all) Member States and Norway

>>> Supported by national structures under their responsibility/control

>>> Inspired by National Contact Points in Horizon Europe



Find your NFP

Through our website under

EU Defence Policy > Network of European Defence Fund National Focal Points (NFP)

https://ec.europa.eu/defence-industry-space/network-european-defence-fund-national-focal-points-nfp-0_en

Main tasks:

- provide practical information and assistance on all aspects of participation in EDF
- organise awareness raising events
- help with partner search
- signpost to relevant national/EU sources

Finding partners

- Partner search tool on the EC Funding & Tender portal
- Enterprise Europe Network
- European Network of Defence-related Regions
- European Defence Agency B2B platform
- EDF Info Days (EU-level – **28 and 29 June**)
- Participation to exhibitions, B2B events

Questions for discussion

- What are key factors that motivate you to develop solutions for defence markets?
- What is your experience with networks and matchmaking tools?
- What measures are you missing in support of accessing defence markets?

Thank you!

Any questions?

Contact: Paul ANCIAUX

Policy Officer

DEFIS.A.2 EDF – Implementation (1) Programming and SME support

paul.anciaux@ec.europa.eu