



**EUROPEAN
DEFENCE
FUND**

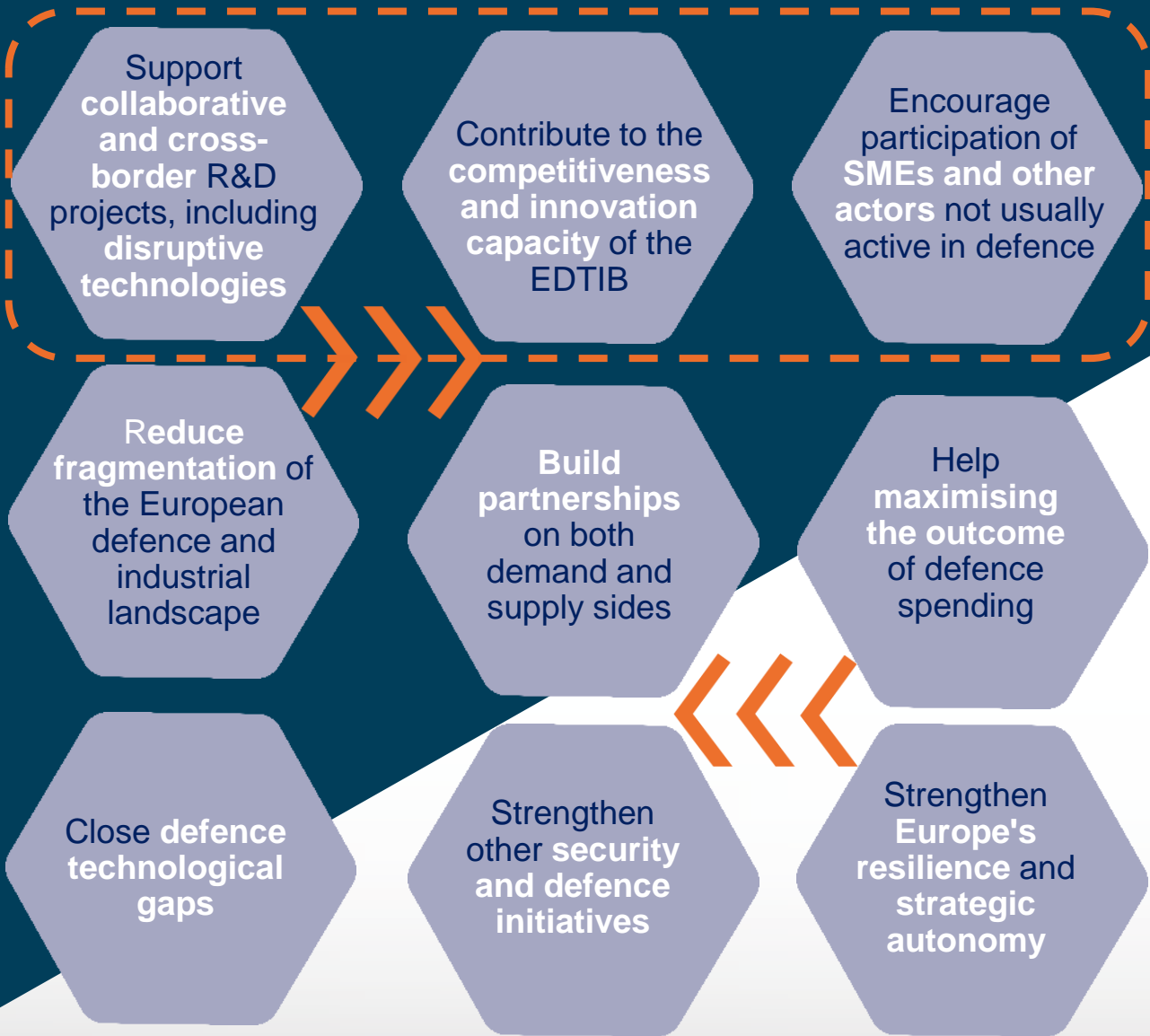
EDF

**Opportunities for
SMEs & Research
organisations (ROs)**

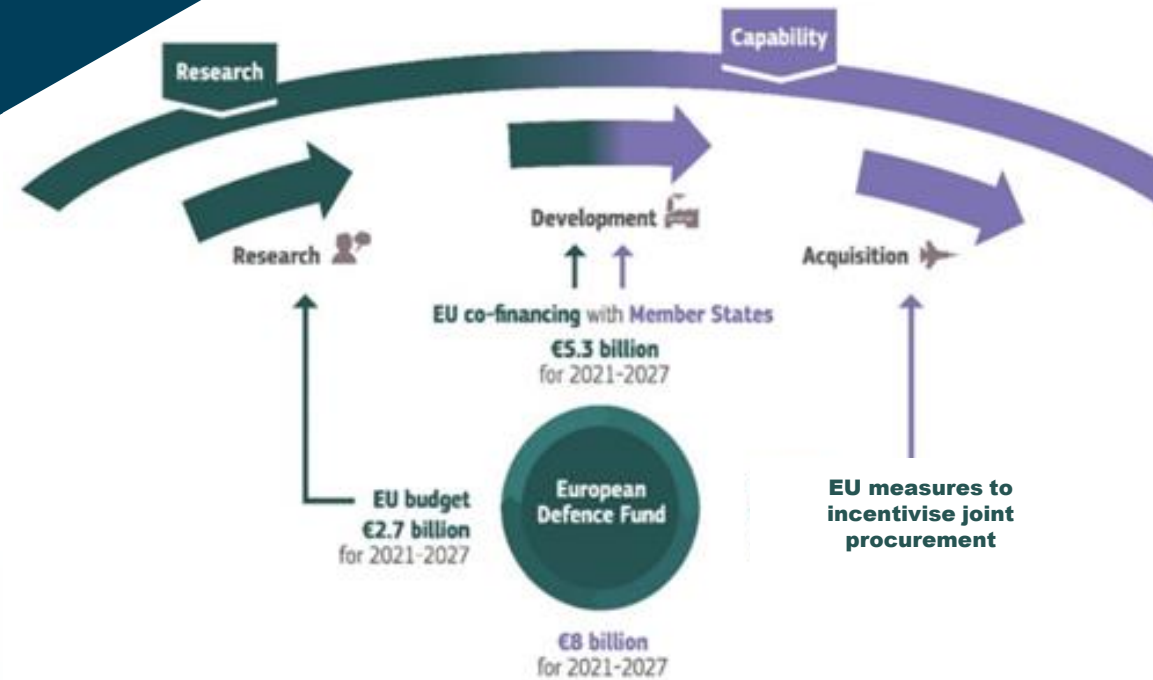
Luxembourg Info Day
7 July 2022

Guillaume GALTIER
Policy Officer DEFIS A.2
EDF Implementation –
Programming and SME support

European Defence Fund: Key objectives



SME oriented!



- **EDF financial support mainly in the form of grants**
- **Open to EU Member States and Norway**
- **Security-based participation conditions for entities controlled by third-countries**

EDF incentives for participation of SMEs

»»» Calls dedicated to SMEs and RO

»»» Award criterion assessing cross-border cooperation in particular with SMEs

»»» Increase in funding rate (bonus) for participation of SMEs

»»» Coaching offered to SMEs

- **Non prescriptive ('open') calls for proposals**
>50 M€ dedicated to SMEs and ROs every year*
- **Weight of 2 for this criterion**
Valid for both Research and Development calls
- **Valid for Development (Research 100% funded)**
Maximum bonus 'by default' for SME call
- **For awarded projects under SME calls + DIS call**

Results of precursor programme (EDIDP) showed that it works: **most of SMEs and budget allocated to SMEs stem from other calls than SME calls**

**Without prejudice to participation of SMEs and RO to all other calls*

EDF Categories of Actions

Addressed by annual work programmes & calls for proposals



- Medical response, CBRN & human factors**
- Information superiority**
- Sensors**
- Cyber**
- Space**
- Digital transformation**
- Energy resilience & environmental transition**
- Materials and components**

- Air combat**
- Air and Missile defence**
- Ground combat**
- Force protection and mobility**
- Naval combat**
- Underwater warfare**
- Simulation and training**



Horizontal categories

- Disruptive technologies**
- Innovative defence technologies (SMEs)**



EDF Work Programme 2022


















EUR 924 million

INFO
DAYS / 20
22

33 topics

Opening of the calls: 21 June 2022

Deadline for submission: 24 November 2022

 Medical Response & CBRN	<ul style="list-style-type: none"> • Diagnostics, treatment, transport and monitoring of highly contagious, injured and/or contaminated personnel 25 M€ • FPA on medical countermeasures n.a. 	 Air combat	<ul style="list-style-type: none"> • Airborne electronic warfare 40 M€
 Information superiority	<ul style="list-style-type: none"> • SES interoperability 20 M€ • European command and control 30 M€ • Special operations command post 20 M€ 	 Ground combat	<ul style="list-style-type: none"> • Collaborative ground combat 50 M€
 Sensors	<ul style="list-style-type: none"> • Covert sensing 25 M€ • Advanced radar technologies 15 M€ 	 Protection & Mobility	<ul style="list-style-type: none"> • Medium size tactical cargo 30 M€
 Cyber	<ul style="list-style-type: none"> • Adapting Cyber Situational Awareness 10 M€ • Cyber and information warfare toolbox 33 M€ • Cybersecurity and systems for improved resilience 27 M€ 	 Naval combat	<ul style="list-style-type: none"> • Medium size semi-autonomous vessel 65 M€ • Naval collaborative surveillance 65 M€
 Space	<ul style="list-style-type: none"> • Responsive space system 20 M€ • Innovative space ISR capabilities 40 M€ • Space-based missile early warning 90 M€ 	 Underwater warfare	<ul style="list-style-type: none"> • Underwater manned-unmanned teaming and swarms 25 M€ • Underwater ODAC 30 M€
 Digital transformation	<ul style="list-style-type: none"> • Hidden threats detection (challenge, 2 topics) 25 M€ • Shared databases for image recognition 25 M€ 	 Simulation and training	<ul style="list-style-type: none"> • Modelling, simulation and simulators integration 30 M€
 Energy & Environment	<ul style="list-style-type: none"> • Sustainable components for underwater applications 20 M€ 	 Disruptive technologies	<ul style="list-style-type: none"> • Adaptive camouflage 15 M€ • Electromagnetic artillery demonstrator 15 M€ • Non-thematic research 10 M€
 Materials & Components	<ul style="list-style-type: none"> • Packaging technologies for critical components 25 M€ • Smart and multifunctional textiles 20 M€ 	 SMEs	<ul style="list-style-type: none"> • Non-thematic research for SMEs and ROs 17.6 M€ • Non-thematic development for SMEs 36.5 M€
		 Others	<ul style="list-style-type: none"> • CSA for national focal points 1,5 M€ • External expertise, audits and IT systems 3 M€ • Business coaching for SMEs • Blending facility for equity funding for SMEs/Mid-Caps 20 M€

#EUDefenceIndustry

Legend: Research Development

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DEFIS

Non-thematic research call for SMEs and ROs

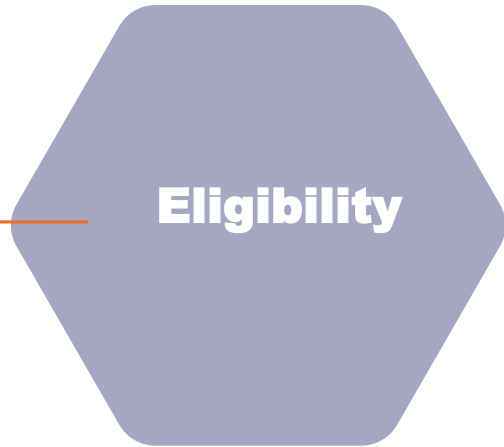
1 topic

EDF-LS-RA: European Defence Fund-
Lump Sum Grant - Research Action

EDF-AG-LS: European Defence Fund-
Lump Sum Grant

Topic/Budget	Title	Scope*	Types of activities	Max nb of projects
EDF-2022-LS-RA-SMERO-NT 17,6 M€ (4 M€ per proposal)	Non-thematic research actions by SMEs and research organisations	Innovative technologies and solutions for defence	Any activities for research actions No study alone	no

- 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/affiliated entity**

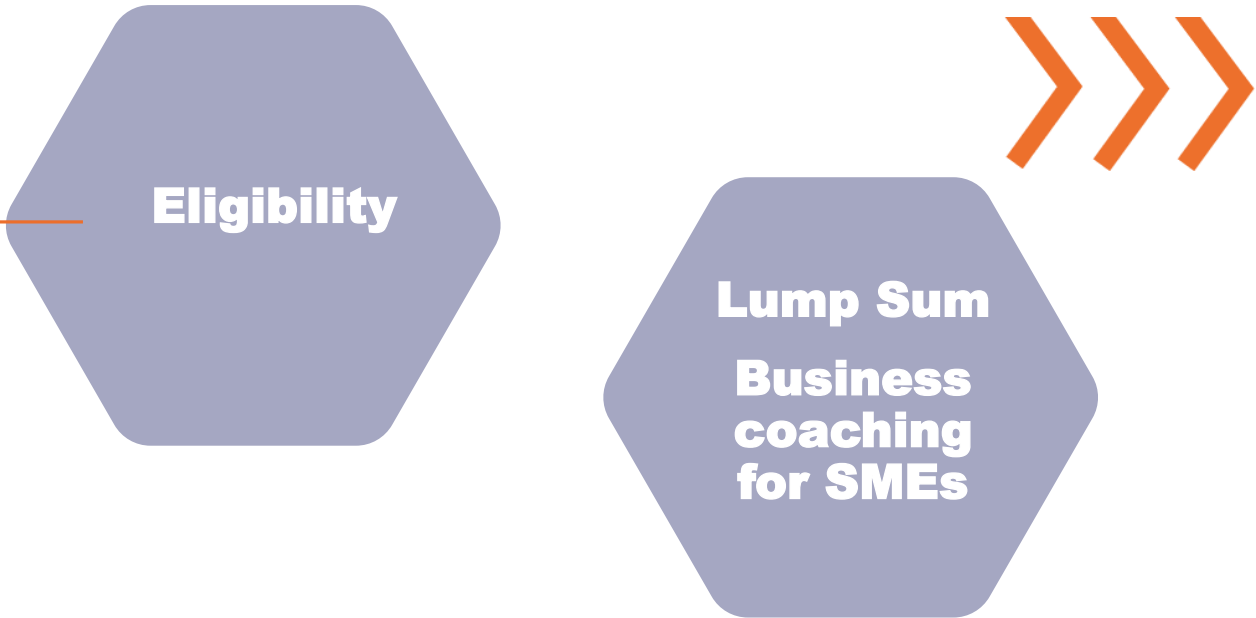


Non-thematic development call for SMEs

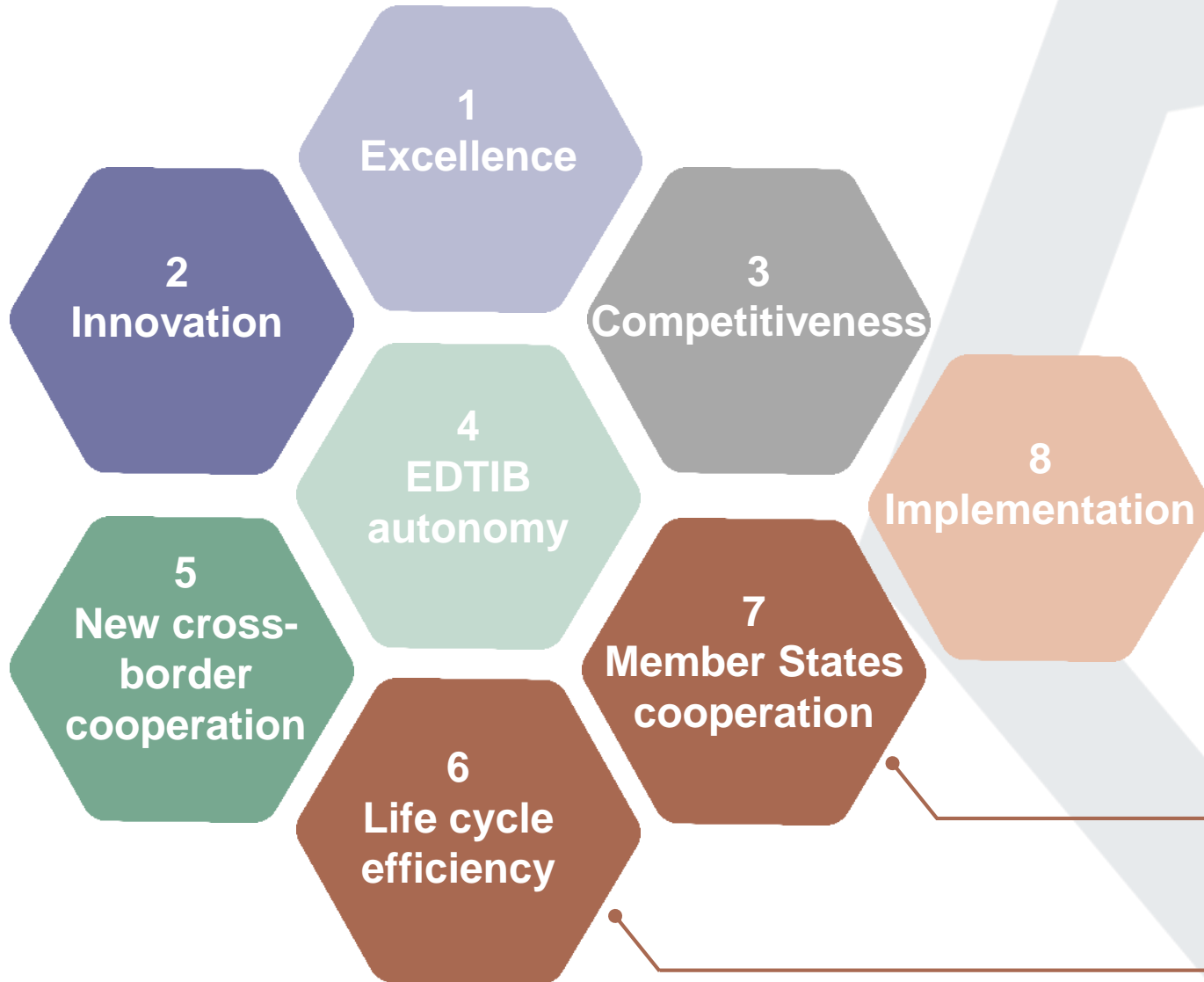
1 topic EDF-LS-RA: European Defence Fund- Lump Sum Grant - Research Action EDF-AG-LS: European Defence Fund- Lump Sum Grant

Topic/Budget	Title	Scope*	Types of activities	Max nb of projects
EDF-2022-LS-DA-SME-NT 36,5 M€ (4 M€ per proposal)	Non-thematic development actions by SMEs	Innovative technologies and solutions for defence	Any activities for development actions at least one from Design and beyond	no

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



Award criteria



**Criteria 1, 2, 3, 4, 5 and 8
Applicable to Research,
Development and FPA calls**

**Criteria 6 & 7 only applicable
to Development calls**

Criterion 5: 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.

- Qualitative assessment in part B. Quantitative information on SME and mid-caps participation in Annex 1.
- Creation of new cross-border cooperation in particular targeting SME and mid-caps
- Planned future cross-border cooperation
- Extent and added value of SME and mid-caps contribution to the action

EU funding rates: Research vs Development

Research actions

Activity type	EU funding rate
Generating knowledge	100%
Integrating knowledge	100%
Studies	100%
Design	100%

Development actions

Activity type	EU baseline funding rate	EU maximum funding rate
Integrating knowledge	65%	100%
Studies	90%	100%
Design	65%	100%
Prototyping	20%	55%
Testing	45%	80%
Qualification	70%	80%
Certification	70%	80%
Increasing efficiency	65%	100%



Funding rate mechanism to **incentivise co-financing** (leverage effect)

The bonus system: development actions

Condition for application	Value of the bonus
PESCO Bonus	
Action developed in context of the Permanent Structured Cooperation (PESCO)	+10% for all activities in the action
'Mid-cap' bonus	
% eligible costs allocated to 'Midcaps' established in the EU (and NO) \geq 15%	+10% for the activity
SME Bonus	
% eligible costs allocated to 'SMEs' established in the EU (and NO) \geq 10%	% of eligible costs allocated to ' non cross-border SMEs ' established in the EU and NO (maximum 5%) + 2 x % of eligible costs allocated to ' cross-border SMEs ' established in the EU and NO

Bonus system to **incentivise participation of SMEs and mid-caps**

SME and mid-cap self-assessment

- Needed for **each participant claiming the SME or mid-cap status to:**
 - Assess eligibility to **calls dedicated to SMEs** (EDF-2022-LS-RA-SMERO, EDF-2022-LS-DA-SME)
 - Assess (quantitative part) proposal against **award criterion 5** (both for Research and Development calls)
 - Each partner, affiliated entity and subcontractor involved in the action
 - Assess eligibility to **SME and mid-cap bonus** (Development calls only)
 - Each applicant, affiliated entity, and their direct subcontractors
- Wizard to be performed directly online on the Participants page
 - Dedicated guidance available online
- Final validation will be performed by the REA validation services after submission of the proposal
- Important that coordinators check as soon as possible that self-assessments (with data no older than 2 years) have been performed

Nota: Be aware that your entity will not be considered a mid-cap if 25 % or more of the capital or voting rights are directly or indirectly controlled, jointly or individually, by one or more public bodies.

How to search for partners?

Partner search tool on the Funding & Tender portal

- Register and request/offer expertise to your topics of interest (EDF topics are under “Horizon Europe” programme)



EDF brokerage / matchmaking events organised at:

- Union level (01 July 2022)
B2B platform open until end of October!
- Multinational or national level Reach out to your national focal point(s)

Network of EDF National Focal Points (NFP)

NEW

- Contact details of your national contact point(s) on the web site!

Other platforms

- European Defence Agency B2B platform
- European Network of Defence related Regions (ENDR)

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

Business coaching in the EDF for SMEs

EDF non-thematic topics

EDF-2022-LS-DA-SME-NT

EDF-2022-LS-RA-SMERO-NT

EDF-2022-LS-RA-DIS-NT

SME beneficiaries may be offered Business Coaching



Coaches guide SMEs in their business challenges

For 2 years

Reduce the time from research to development, or from development to the market
Boost growth of SMEs



Zoom on eligibility conditions

Consortia: at least 3 eligible entities from 3 different MS/Norway (2 for disruptive call)

Compliance with international law and high ethics standards

Recipients & main subcontractors + Infrastructure, facilities, assets and resources for the action located in EU or Norway

Entities located in 3rd countries can be associated if security-specific conditions are met, but no EDF financial support

Recipients and main subcontractors located in EU/Norway but controlled by 3rd country/entities eligible to funding, subject to approved guarantees

No restrictions nor control by 3rd country/entity on use of outcomes and resulting capabilities

+ specific to development actions

Co-financing where needed

Harmonised defence capability requirements jointly agreed by at least 2 MS/NO for design

Intention to procure & common technical specifications for system prototyping and beyond

- [General information on the EDF on DG DEFIS website](#)
(including EDF annual work programmes and multiannual perspective, Commission's Infoday presentation)
- [EDF Calls for proposals on the *Funding and Tenders portal*](#) (where to apply)
- [EDF Reference documents on the *Funding and Tenders portal*](#)
(Regulation, conditions to apply, submission templates, model grant agreements, etc.)
- [National Focal Points Network](#)
- Remaining questions regarding application to EDF calls for proposals?
→ DEFIS-EDF-PROPOSALS@ec.europa.eu
- [Commission's Infoday web page](#) (access to recording of the event)

MANY
THANKS
FOR YOUR
ATTENTION