European Commission - Press release





Commission invests over €1 billion in 54 ambitious defence industrial projects through the European Defence Fund

Brussels, 16 May 2024

Today, the Commission announced the <u>results of the 2023 calls for proposals under the European</u>
<u>Defence Fund (EDF)</u> amounting to €1,031 million of EU funding to support 54 outstanding joint European defence research and development projects.

The selected projects will support technological excellence across a wide range of defence capabilities in critical areas, including cyber defence, ground, air and naval combat, protection of space-based assets or Chemical, Biological, Radiological and Nuclear (CBRN) defence. They will contribute to the EU's capability priorities, like better situational awareness to ensure access to space, and to technologies for a future main battle tank. The MARTE and FMBTech projects, for example, will bring together more than 70 industrial players and research organisations to work on the design and systems for the main battle tank platform to be used across Europe.

They will also support strategic air transportation of outsized cargo, which is a core capability for rapid support to missions worldwide. For example, in continuity with the previously funded JEY-CUAS project, E-CUAS will bring together 24 beneficiaries from 12 Member States and Norway to advance defence technologies countering unmanned aerial systems, such as drones. In the land capabilities domain, building on the results developed under the European Defence Industrial Development Programme, project SRB2 will improve on a novel suspension system for heavy armoured vehicles. EDC2 will result in a prototype of the European patrol corvette, based on an initial design developed under EDF calls of 2021. The TALOS-TWO research project, with 19 participants from 8 countries, will bring forward European excellence in the area of laser-based directed energy weapons.

Under the <u>EU Defence Innovation Scheme (EUDIS)</u> of the EDF programme, SMEs, start-ups, and new entrants to the defence sector tapped into a number of opportunities provided in the 2023 EDF funding round. For the first time, 4 projects will support the transfer of civil innovation to defence. In addition, the MaJoR project will combine technology development with a short-term technical and financial support to up to 60 start-ups and SMEs during the implementation phase, providing them simpler and easier access to the programme.

The success of this third edition of EDF calls demonstrates the strong and constantly growing interest of EU defence industry and research organisations, of all sizes and geographies, to cooperate across borders and jointly contribute to the EU strategic capability development:

- **Highly attractive programme with strong interest by EU industry**: 236 proposals received by diverse consortia, encompassing large industries, SMEs, midcaps and Research and Technology organisations, and covering all calls and topics published.
- **Wide geographical coverage**: 581 legal entities from 26 EU Member States and Norway participate in the selected proposals.
- Wide cooperation within projects: on average, selected proposals involve 17 entities from 8 countries.
- Strong involvement of Small and Medium-sized Enterprises (SMEs): SMEs represent over 42% of all entities in selected proposals receiving more than 18% of the total requested EU funding.
- Good balance between research and capability development actions: €265 million to fund 30 research projects and €766 million to fund 24 capability development projects.
- Support for disruptive technologies for defence: 4% of the budget dedicated to funding game-changing ideas that will bring innovation to radically change the concepts and conduct of defence projects.
- Balanced support for strategic defence capabilities and new, promising technology solutions.
- Consistency with other EU defence initiatives: through the EU Strategic Compass, EU

capability priorities, and Permanent Structured Cooperation (PESCO), with 14 of the selected development proposals linked to PESCO.

Next Steps

The Commission will now enter into grant agreement preparation with the consortia behind the selected proposals. Following the successful conclusion of this process and the adoption of the Commission's award decision, the grant agreements will be signed before the end of the year and the projects will kick off the cooperation. Over the coming years, these cooperative projects will be instrumental in shaping the future landscape of European defence technology, fostering collaboration across borders, and boosting the innovation capacity of the European defence technological and industrial base.

Background

The European defence industry submitted, by 22 November 2023, 236 proposals for joint defence R&D projects in response to the 2023 European Defence Fund (EDF) calls for proposals, reflecting all the thematic priorities identified by the Member States with the support of the Commission.

The EDF is the EU's key instrument to support defence R&D cooperation in Europe. Building on Member States' efforts, it promotes cooperation between companies of all sizes and research actors throughout the EU and Norway (as an associated country). The EDF supports collaborative defence projects throughout the entire cycle of research and development, focusing on projects resulting in state-of-the-art and interoperable defence technologies and equipment. It also fosters innovation and incentivises the cross-border participation of SMEs. Projects are selected following calls for proposals which are defined based on the EU capability priorities commonly agreed by Member States within the framework of the Common Security and Defence Policy (CSDP) and particularly in the context of the Capability Development Plan (CDP).

The EDF is endowed with a budget of €7,953 billion for the period 2021-2027, with 1/3 earmarked for collaborative defence research to address emerging and future security threats and 2/3 for cofinancing collaborative capability development projects. Between 4% and 8% of the EDF budget is devoted to development or research for disruptive technologies having the potential to create gamechanging innovations in the defence sector. With the adoption in March 2024 of the annual work programme 2024, the Commission has now committed to invest more than €4 billion of the EDF budget in collaborative defence R&D. The EDF is implemented through annual work programmes structured along 17 stable thematic and horizontal categories of actions during the Multiannual Financial Framework period 2021-2027, focusing on:

- **Emerging challenges** to shape a multidimensional and holistic approach to the modern-day battlespace, such as defence medical support, Chemical Biological Radiological Nuclear (CBRN) threats, biotech and human factors, information superiority, advanced passive and active sensors, cyber and space.
- Boosters and enablers for defence to bring a key technology push to the EDF and which are relevant across capability domains, such as digital transformation, energy resilience and environmental transition, materials and components, disruptive technologies and open calls for innovative and future-oriented defence solutions, including dedicated calls for SMEs.
- Excellence in warfare to enhance the capability pull and support ambitious defence systems, such as air combat, air and missile defence, ground combat, force protection and mobility, naval combat, underwater warfare and simulation and training.

For More Information

Overview factsheet and individual project factsheets per selected proposal
Factsheet of the 2023 European Defence Fund Work Programme and Calls
Video recording on the 2023 EDF Info Days
The European Defence Fund and the 2024 EDF call

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Quotes:	

"The EU defence industry's enthusiastic participation, with 76% more proposals submitted compared to last year, once again showcases the importance of the European Defence Fund. Particularly high interest has been registered by SMEs which confirms that the EDF continues to be highly attractive to smaller companies and newcomers to the defence sector. With this round of EDF we see that the new EU Defence Innovation Scheme is facilitating the adaptation of civilian technologies into the defence realm and making the European Defence Technological and Industrial Base more competitive as a result."

Margrethe Vestager, Executive Vice-President for a Europe Fit for the Digital Age - 16/05/2024

"Today we are announcing the financing through the European Defence Fund of 54 defence collaborative projects with over €1 billion euros. With the EDF, we encourage industries across Member States to boost their cooperation and innovation in critical areas and develop defence capabilities needed, including cyber defence, ground, air, naval combat and space - and to anticipate, together. It contributes to deliver on our defence security needs in the face of the new security environment and prepare for Europe's technological leadership."

Thierry Breton, Commissioner for Internal Market - 16/05/2024

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