

CDE4Peace

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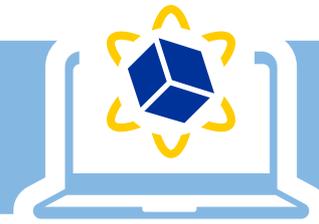
The Role of SMEs in the European Concept Development and Experimentation

by Nikolay Pavlov | August 2022, Vienna





Small and medium enterprises (SMEs) play a major role in European economy. They are considered to be the backbone of Europe's economy.¹ They represent 99% of all businesses in the EU. They employ around 100 million people, account for more than half of Europe's GDP and play a key role in adding value in every sector of the economy. With the SMEs Strategy for a sustainable and digital Europe² the European Commission has supported and empowered SMEs of all sizes and sectors, from innovative tech start-ups to traditional crafts. The objective of this Business Brief is to analyse the potential role of SMEs in the development of European capabilities for concept development and experimentation (CD&E).



The vast majority of the players in the European defence sector are SMEs. A number of SMEs remain specialized in defence related activities or in “niche” competencies and are consequently particularly dependant on military business opportunities. SMEs play a significant role in the Modelling & Simulation since this area is in permanent technological evolution and their structure enables them to drive innovations and/or fulfil the needs without delay.³

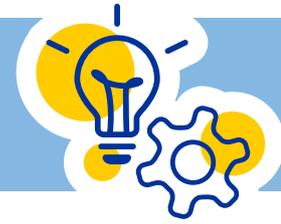
Over the last years the European Defence Agency has developed a Modelling & Simulation SME platform. The platform’s main goal is to support defence-related SMEs to more easily access the M&S market and supply chain and share some good practices/open products more quickly in EU defence environment.⁴ This M&S SME Platform is open to EU SMEs’ developing M&S products (software, hardware) and having industrial facility in EDA participating Member States.

The main services that EDA can provide to the M&S SME platform are:

- **Access to procurement** – to support SMEs working in the M&S domain to obtain better market awareness and improve access to relevant information on business opportunities in a systematic and structured way. EDA serves as a facilitator, but cannot guarantee contracts or other business opportunities.
- **Access to supply chain** - to guide SMEs in finding their clients in the M&S sector and accessing defence supply chains and support interaction with other relevant partners (e.g. academia, RTOs, laboratories).
- **Support to innovation** – to provide guidance and tips on how SMEs can identify R&T opportunities and potential partners for cooperative R&T projects in M&S domain.
- **Access to best practices and technological exchanges** could also be provided through specific Simulation CapTech workshops, EDSTAR group and any ad-hoc database.

The Modelling & Simulation SME platform is an important first step towards the development of European capabilities for concept development and experimentation through the involvement of SMEs.

Enhancing the Innovation Potential of European SMEs in the area of CD&E



The development of an innovative CD&E platform for SMEs will enhance the European capabilities in this key security and defence-related area. It will foster the competitiveness, efficiency and innovation capacity of the European defence technological and industrial base (EDTIB). The CD&E platform for SMEs will contribute to the EU's strategic autonomy and its freedom of action, by supporting collaborative actions and cross-border cooperation between SMEs from different EU Member States, as well as by strengthening and improving the agility of both defence supply and value chains, widening cross-border cooperation and fostering the better exploitation of the industrial potential of innovation, research and technological development at each stage of the industrial lifecycle of defence products and technologies.

The development of an innovative CD&E platform for SMEs is consistent with the defence capability priorities commonly agreed by EU Member States within the framework of the Common Foreign and Security Policy (CFSP). As a collaborative research and development action the CD&E platform for SMEs will significantly boost the performance of future capabilities, aiming to maximise innovation and introduce new defence products and technologies, including disruptive technologies for defence in the EU.



Conclusions

This Business Brief makes the case for the involvement of SMEs in the development of European CD&E capabilities through a CD&E platform tailor-made for SMEs. Innovative SMEs play a driving role in bringing forward innovation defence research. The CD&E platform for

SMEs can address innovative technologies and solutions for defence, including those that can improve readiness, deployability, reliability, safety and sustainability of forces in EU peacebuilding missions and operations.

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About CDE4Peace

CDE4Peace is a Marie Curie project funded under the EU's Horizon 2020 Research and Innovation programme (GA no. 882055). The project's principal research objective is to explore the potential of Concept Development and Experimentation for enhancing the EU's conflict prevention and peace-building policy. The project's hypothesis is that Concept Development and Experimentation could serve as a tool for politically independent, unbiased

and safe experimentation of novel concepts and approaches in the field of EU conflict prevention and peace-building. The project's research and innovation objectives are closely related to the current developments in the EU's Common Security and Defence Policy (CSDP) which forms the political framework of EU conflict prevention and peace-building. The project is hosted by the Vienna-based research and innovation company SYNNO GmbH.



References

¹ See: https://ec.europa.eu/growth/smes_en

² COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT, THE COUNCIL, THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE AND THE COMMITTEE OF THE REGIONS
An SME Strategy for a sustainable and digital Europe COM(2020)103.

³ <https://eda.europa.eu/what-we-do/all-activities/activities-search/modelling-simulation-sme-platform#>

⁴ <https://eda.europa.eu/what-we-do/all-activities/activities-search/modelling-simulation-sme-platform#>