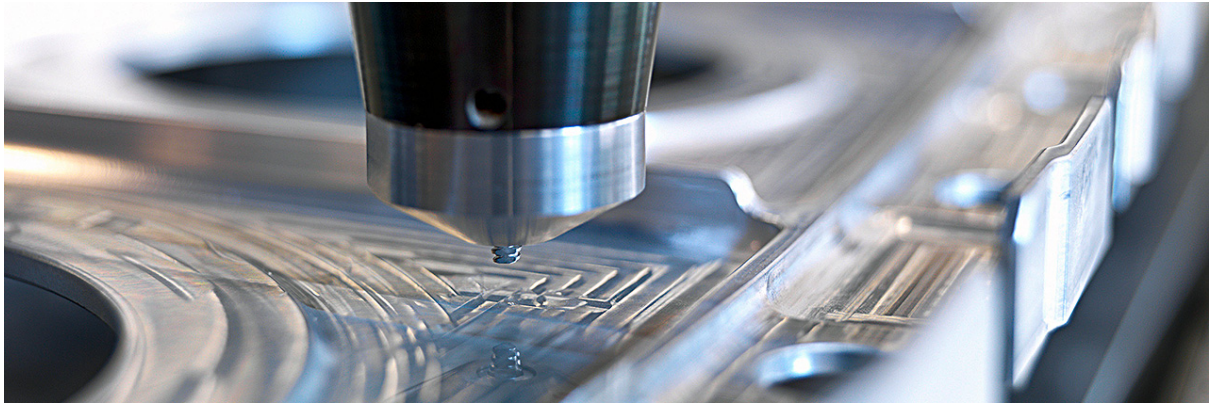


European Defence Agency Small and Medium Enterprise (EDA SME) Action Plan



Summary: Financially associated with the Enterprise Development and Innovation Facility (EDIF) (q.v.), this is a policy to seek to support small business involvement in EDA activities. The EDA notes that some EU states have defence industries only made up of SMEs. The EDA is seeking to “cluster” SME activity, grouping them along with university and other researchers.

At stake: SMEs become drawn into the rationalisation programme for EU member states’ Defence industries as they are similarly being transformed into specialised regional hubs of a single EU Defence industry. Funding and patronage meanwhile may benefit countries with inefficient and disjointed defence sectors as ‘Buggins’ turn’ is applied.

What they say: “Both SMEs and Clusters are priority areas for EDA and have also been similarly targeted by the Commission” - EDA

Exposure: Uncertain – UK SMEs and taxpayers would be exposed if other parts of Whitehall sign up to cooperative funding for more generic business grants. Currently this looks unlikely but there may be tensions arising over state aid provisions that complicate matters.

dd: The UK should apply domestic provisions for UK SMEs only (the UK does have its own parallel SME Action Plans).

Deep dive: https://issuu.com/europeandefenceagency/docs/eda_smes_2016