

The European Innovation Council

# Backing visionary entrepreneurs

Director Jean-David MALO  
Horizon Europe  
Launch event in Turkey  
21-22 March 2022

European  
Innovation  
Council





# A brief history...

- **2015:** Proposed by Commissioner Moedas as an innovation equivalent of the European Research Council
- **2017:** Recommended by Group led by Pascal Lamy in “Lab – Fab – App” report on mid-term review of Horizon 2020
- **2018** High level group of innovators (Chair Hermann Hauser) published “Funding - Awareness - Scale - Talent (FAST) Europe is back: Accelerating breakthrough innovation” with recommendations to set up EIC
  - Fed into EIC pilot phase 2018-2020
  - Commission’s legislative proposals for establishing EIC as part of Horizon Europe programme
- **2020** EIC pilot Advisory Board (Chair Mark Ferguson) published “A vision for the EIC: from deep-tech research to visionary innovation and scale-ups”
  - Basis for first EIC Work Programme
- **March 2021:** Launch of EIC – event with Commission President von der Leyen, President Macron, Commissioner Gabriel, et. al.



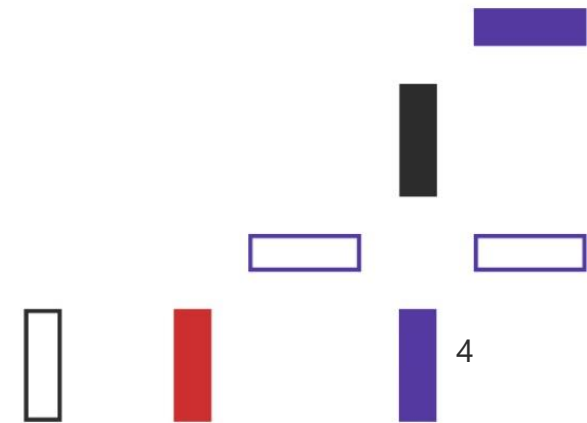
# Europe's most ambitious innovation initiative

- **€10 billion** programme to identify, develop and scale up breakthrough technologies and disruptive innovations in Europe
- **Unique** in the world to combine research on emerging technologies with Accelerator for startups, SMEs and scaleups
- **EIC Fund** largest VC deep-tech investor in Europe (over €3 billion)
- **Innovator-centric** steered by Board of leading innovators
- **Pro-active approach** with flexible funding
- Enhances the **European innovation ecosystem**





# European Innovation Council – why?





# What's holding back European innovation?

## Innovation performance

- **Strong research performance not translated** into innovation
- **Lack of breakthrough/ disruptive innovations** that create new markets

## Innovation funding

- Financing gaps (2 "valleys of death") in
- **Transition** from lab to enterprise
  - **Scaling up** for high-risk innovative start-ups

## Innovation ecosystem

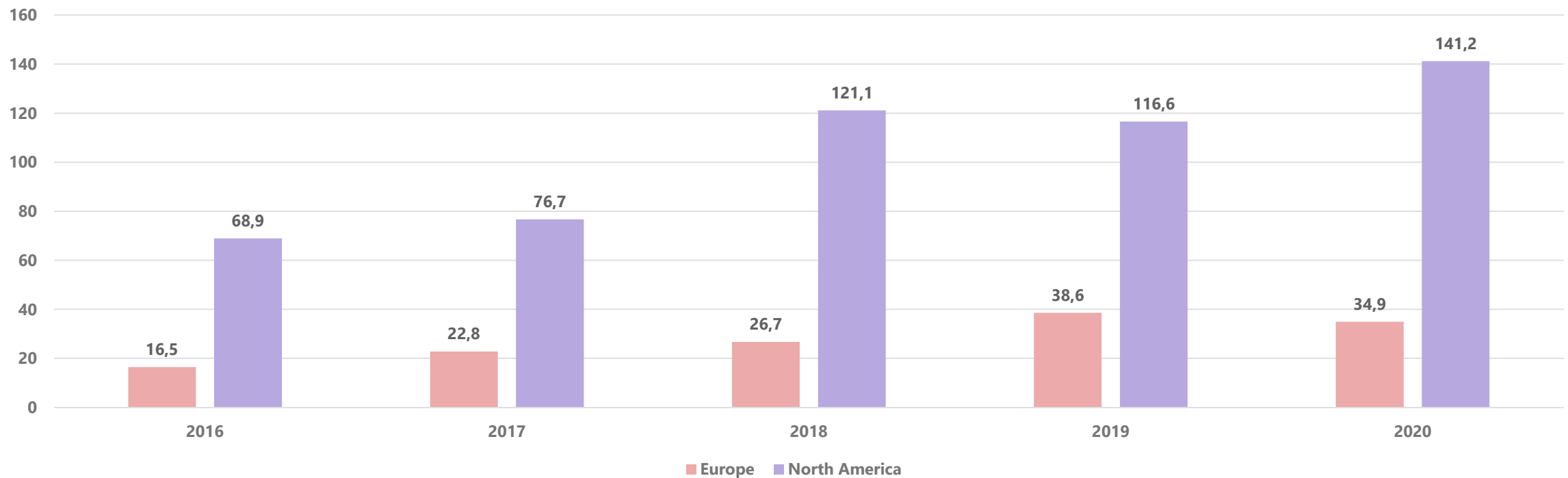
- Many national & local ecosystems, but **fragmented at European level**
- Need to **include all regions and all talent** (especially female)



# Funding gap for scaling up highly innovative startups and SMEs

US venture capital investments are 4-5 times higher than EU

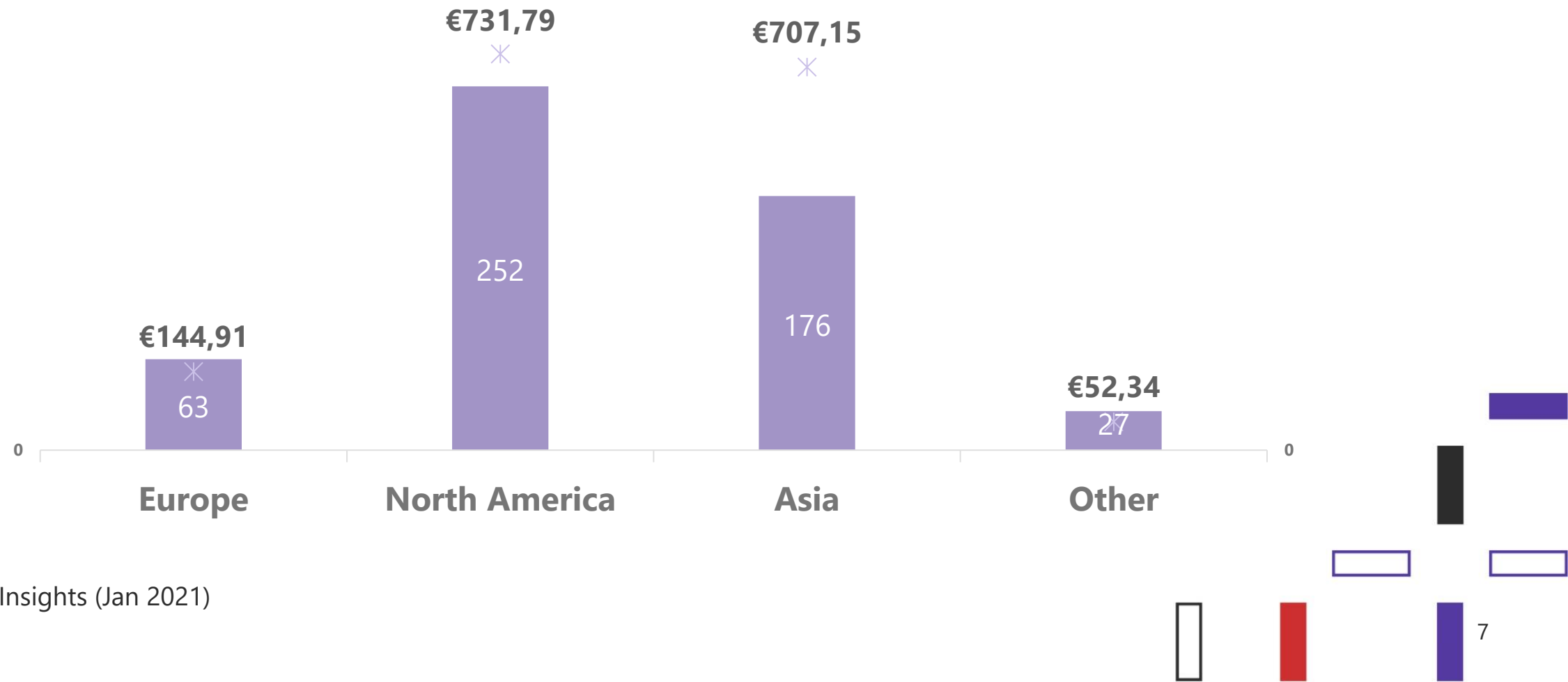
Capital invested by year (B\$)



Source: [Invest Europe, Pitchbook]

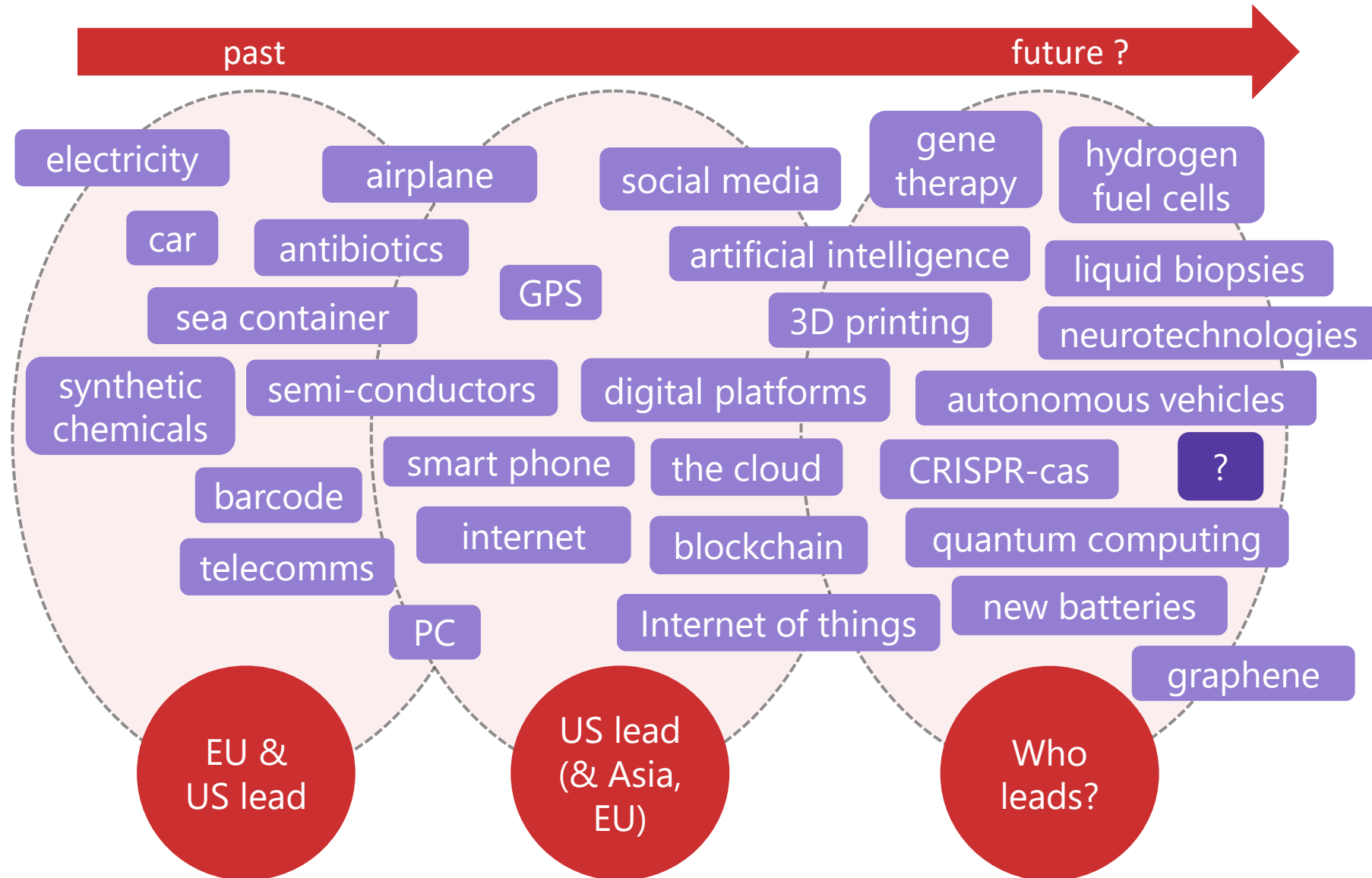
# What is at stake: will Europe be home to future « unicorns »?

Number and market value of “unicorn” companies (valued at over €1 billion) by regions



Source: CB Insights (Jan 2021)

# What is at stake: who will lead on the next wave of strategically important technologies?

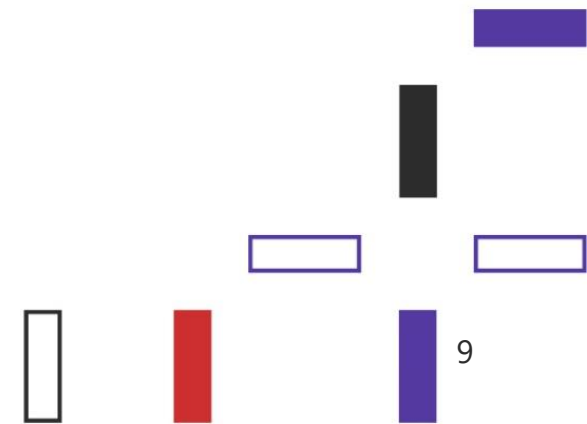


Examples taken from WIPO, MIT, WEF, OECD, etc.





# Experience from the EIC pilot phase (2018-2020)





# EIC pilot phase (2018-20) under Horizon 2020 programme

- **Budget of €3.5 billion (2018-20)**, €1.55 billion in 2020
- Introduction of **EIC pilot blended finance** (2019), **and set up of EIC Fund** (2020)
- **Very high demand:** ~ 14000 applications from SMEs/ startups in 2020 with request for over €40 billion support;
- **Special support for:**
  - **COVID relevant innovations:** 36 Startups/SMEs awarded funding of over €160m in May;
  - **'Green Deal' innovations:** 64 startups/ SMEs awarded funding of over €300m in July;
  - **for women innovators:** at least 25% of start-ups/ SMEs invited to interview to have female CEO
- **First four EIC programme managers** recruited





# EIC pilot phase (2018-20) under Horizon 2020 programme

- **Bringing together and reform of existing instruments:**
  - **Future Emerging Technologies** (FET Open, FET Proactive) => **EIC pilot Pathfinder**
    - Also, FET Launchpad, FET Transition to innovation as basis for EIC Transition
  - **SME instrument** => **EIC pilot Accelerator**
    - Primarily bottom up; face to face interviews
    - Introduction of “blended finance” grant of up to €2.5 m and equity of up to €15 m in single application
  - Also Fast Track to Innovation (FTI) and Prizes
- **Expanded Business Acceleration Services:**
  - Multi-corporate days (e.g. Planet.tech; energy4planet), visits to innovation hubs, overseas trade fairs, etc
  - Services for Pathfinder (boot-camps, etc.)



# Impacts of EIC pilot Accelerator (including SME instrument)



## Growing support to Startups & SMEs

- **5500** supported since 2014
- **159** awarded blended finance with ~€700 million equity
- Increase in startups with female CEOs



## Crowding in other investors:

- **€9.6 billion** follow up investments to EIC supported companies
- **5 unicorns** - value €1billion+
- **91 centaurs** - value €100million+



## 90% addressing Sustainable Development Goals

Main thematics in:

- 30% in **Green Deal**
- 30% in **Digital**
- 30% in **Health** (*including COVID solutions*)

## A pipeline of breakthrough technologies

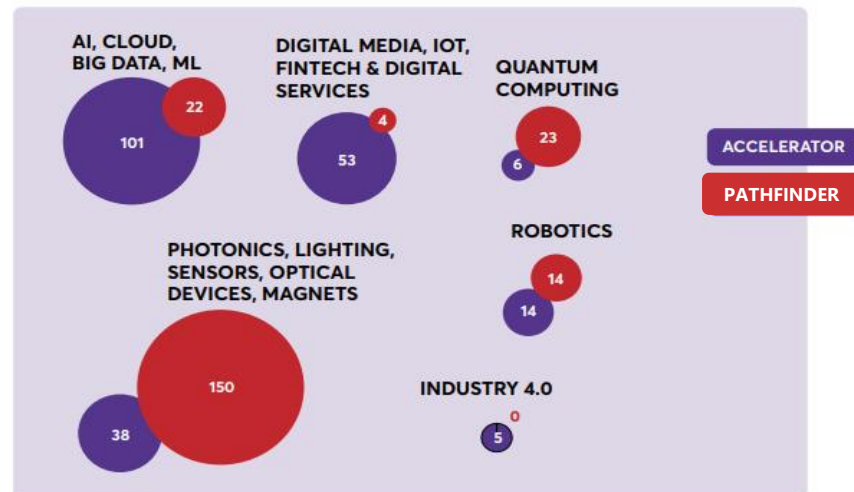
- **400** research projects
- **800** innovations tracked
- **Pilot of Transition funding** to follow up research results into applications



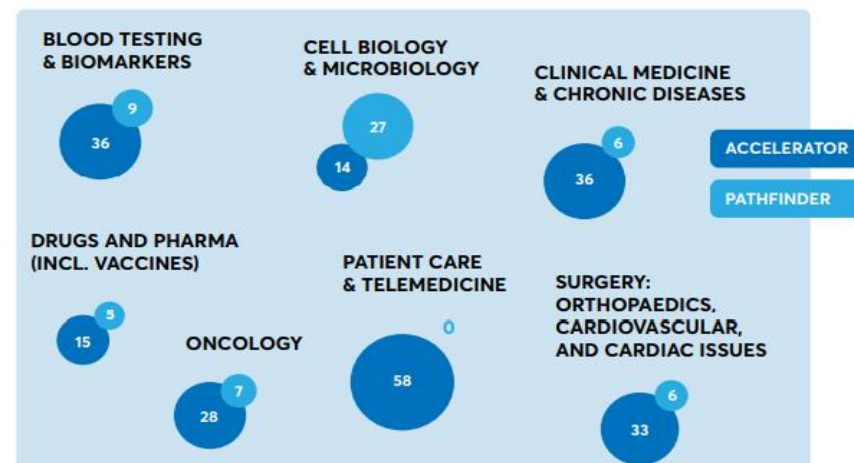
# EIC PATHFINDER and ACCELERATOR Projects in main thematic portfolios [2018 – 2020 (ongoing)]



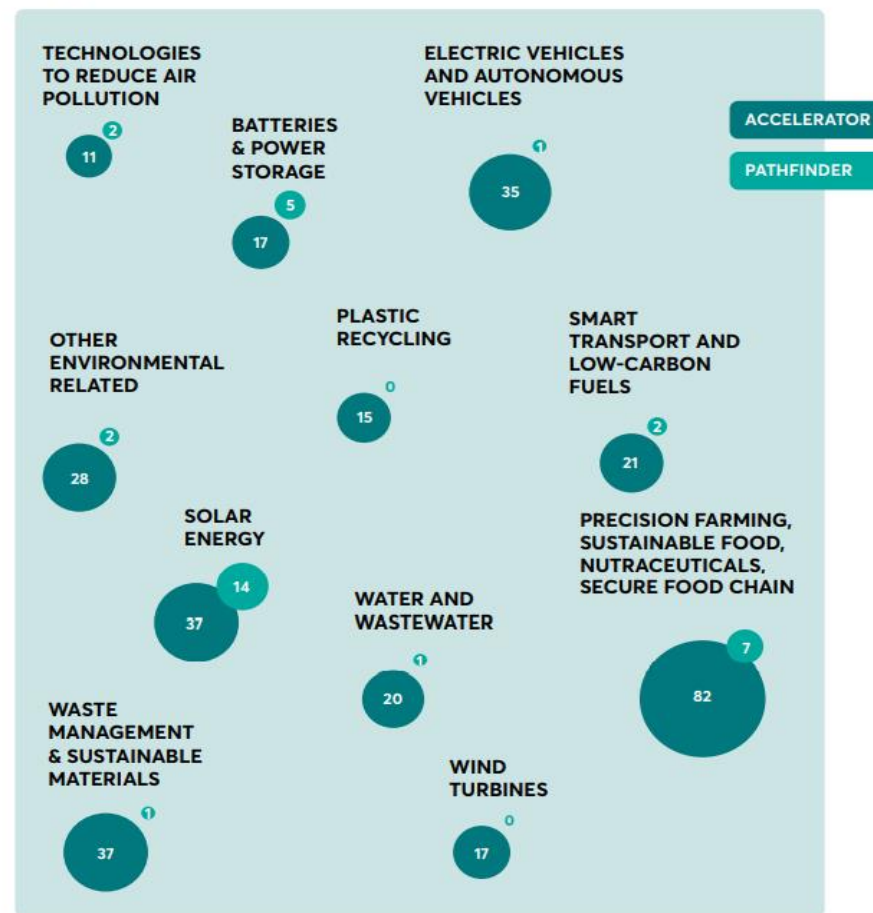
For Digital and Industry 5.0



For Health

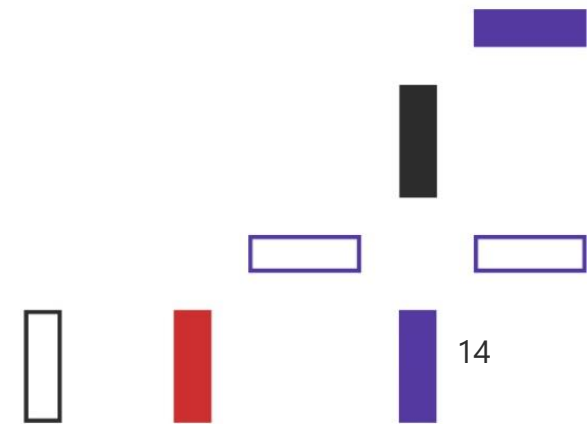


For Green





# What does the EIC look like in Horizon Europe?





# EIC Governance

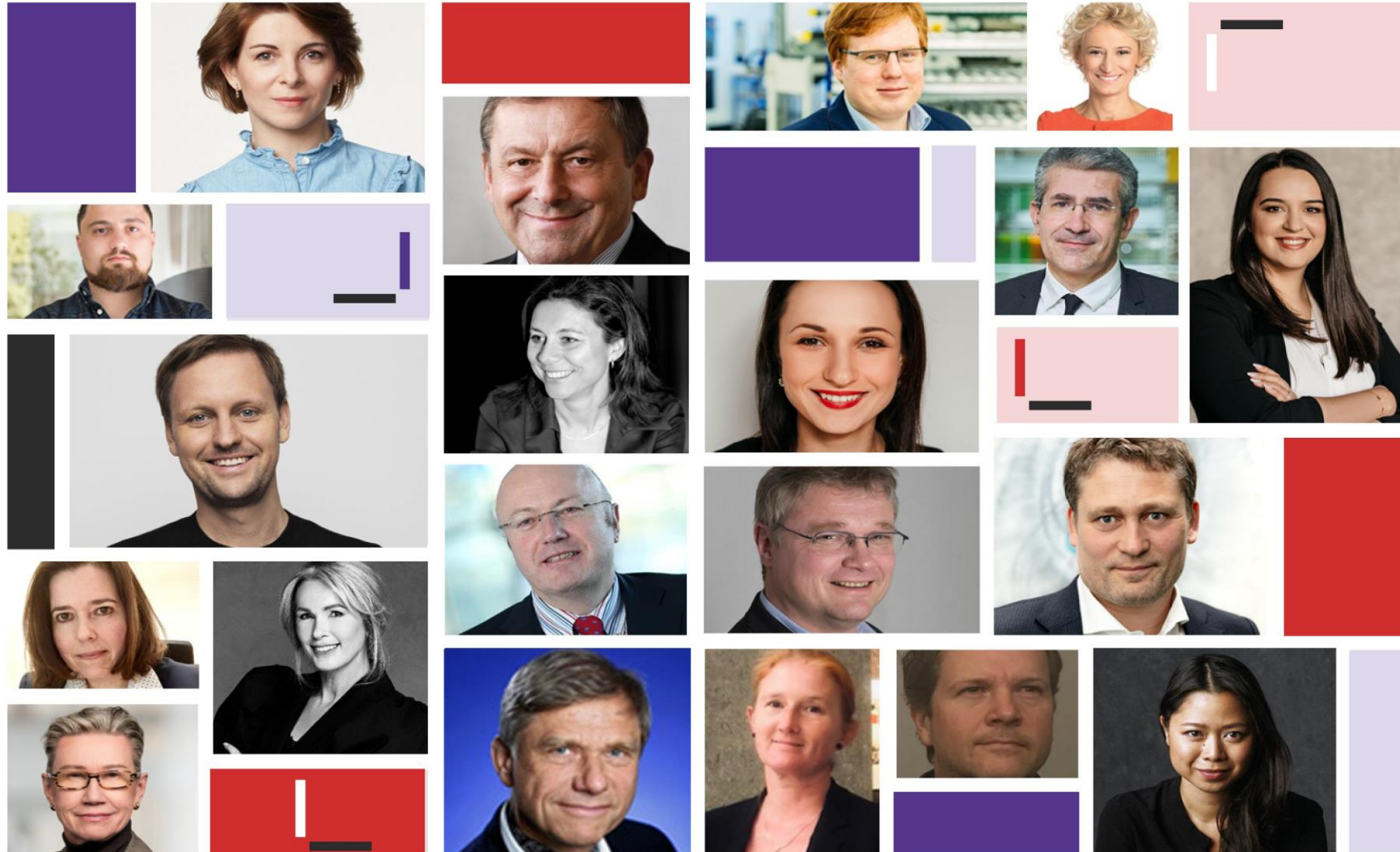
- **EIC Board & President** to set strategy, advise on work programme & implementation
- **EIC and SME Executive Agency** (from 1 April 2021) to manage EIC activities
- **EIC Fund** to manage equity investments in EIC supported companies
- **European Commission** to appoint Board, adopt Work Programme, monitor implementation







# EIC Board 2021-2023







# The fully fledged EIC

**One stop shop** for  
breakthrough, deep-tech,  
market-creating innovators

- Open to all innovators, in any field, at any time
- Complemented by targeted funding on strategic challenges
- Highly competitive for Europe's high potential innovators

**Agile funding** from idea to  
investment

- Pathfinder for advanced research on emerging technologies
- Transition from lab to commercial setting
- Accelerator & EIC Fund to scale up innovations by start-ups & SMEs

**Building ecosystems** and  
communities

- Access to Business Acceleration Services (coaches, mentors, corporates, investors & knowledge partners)
- EIC Programme Managers to develop visions for breakthroughs, manage portfolios, and connect to ecosystems
- Crowding in other investors (VC, corporates, etc.)



# EIC main instruments and characteristics

## Pathfinder

- **Early stage research** on breakthrough technologies
- Grants up to €3/4 million
- Successor of FET (Open & Proactive)

## Transition

- **Technology maturation** from proof of concept to validation
- **Business & market readiness**
- Grants up to €2.5 million

## Accelerator

- **Development & scale up** of deep-tech/ disruptive innovations by startups/ SMEs
- Blended finance (grants up to €2.5 million; equity investment up to €15 million)
- Successor of SME instrument

- Focus on **breakthrough, market-creating, deep-tech**
- **Mainly bottom up** complemented by targeted funding on strategic technologies/ challenges
- Steered by **EIC Board** of leading innovators (entrepreneurs, investors, researchers, ecosystem)
- **Business Acceleration Services** (coaches/ mentors, corporates, investors, ecosystem)
- **Pro-active management** (roadmaps, reviews, re-orientations, etc) with EIC Programme Managers
- **Fast track access** to Accelerator for results from EIC Pathfinder, EIT, ERC, Eurostars



# EIC main funding in 2022

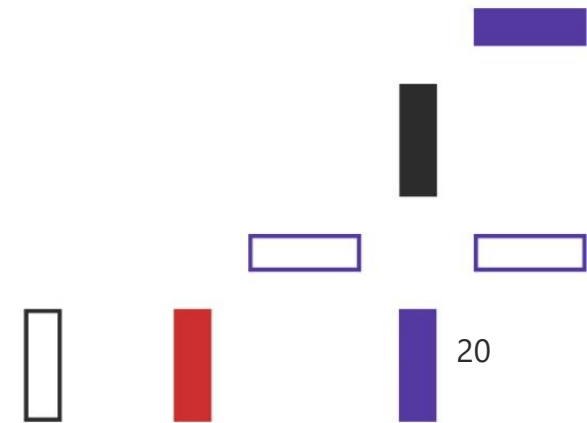


<b>Accelerator - Open</b>	Short applications - Apply any time ~ <b>800 per month</b>  Cutoffs for full applications: <b>23 March, 15 June, 5 October</b>	<b>~€630m</b> (~grant/equity)
<b>Accelerator – Challenges</b>		<b>~€537m</b> (~grant/equity)
<ul style="list-style-type: none"> <li>• Technologies for Open Strategic Autonomy</li> <li>• Technologies for 'Fit for 55'</li> </ul>		
<b>Pathfinder - Open</b>	<b>Deadline 3 May</b>	<b>~€183m</b>
<b>Pathfinder - Challenges</b>	<b>Deadline 19 October</b>	<b>~€167m</b>
<ul style="list-style-type: none"> <li>• Carbon dioxide &amp; Nitrogen management and valorisation</li> <li>• Mid-long term, systems-integrated energy storage</li> <li>• Cardiogenomics</li> <li>• Healthcare Continuum technologies</li> <li>• DNA-based digital data storage</li> </ul>		
<ul style="list-style-type: none"> <li>• Alternative Quantum Information Processing, Communication, and Sensing</li> </ul>		
<b>Transition – Open</b>	<b>Deadlines 4 May, 28 September</b>	<b>~€71m</b>
<b>Transition – Challenges</b>		<b>~€60m</b>
<ul style="list-style-type: none"> <li>• Green digital devices for the future</li> <li>• Process and system integration of clean energy technologies</li> <li>• RNA-based therapies and diagnostics for complex or rare genetic diseases</li> </ul>		



# EIC Business Acceleration Services

- Coaching and mentoring
- EIC Corporate days
- EIC Procurers days
- EIC investor matchmaking/ pitching
- Women leadership programme
- GHG emissions programme
- Overseas Trade Fairs
- Many other activities...





# Turkey and the EIC: a relationship to strengthen

- Applications from Turkish researchers, innovators and entrepreneurs to the different EIC instruments are more than welcome.
- Turkish companies and research institutes are eligible to join existing EIC Pathfinder projects through the “hop on” mechanism.
- 4 EIC National Contact Points (from TÜBİTAK) are available to provide some specific advice and support.
- In addition, provided that an association agreement to the Single Market Programme (SMP) enters into force, Turkey could join again the Enterprise Europe Network (EEN) for the current funding period of the Network (2022-2025).
- EIC Work programme for 2023 is already under preparation, taking into account the evolving international context.



# Thank you!

@EUeic

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