

The European Innovation Council

Backing visionary entrepreneurs

Keith Sequeira

Head of Unit « Governance & Coordination »

DG RTD - EIC Task Force

Horizon Europe Launching Event in Croatia

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European
Innovation
Council



INNOVATIVE EUROPE:

stimulating market-creating breakthroughs and ecosystems conducive to innovation

European Innovation Council (EIC)

- Support to innovations with breakthrough and market creating potential

€ 10.1 billion

European Innovation Ecosystems (EIE)

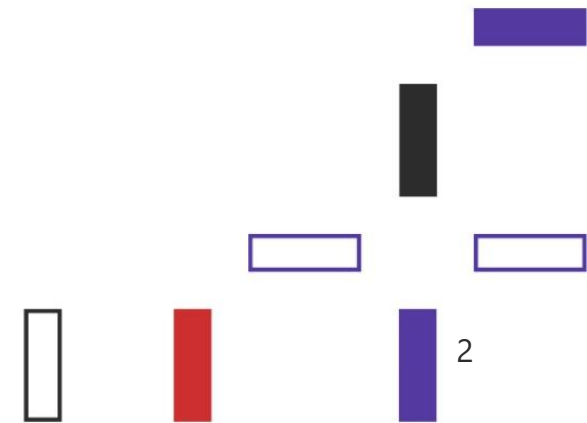
- Connecting with regional and national innovation actors

€ 0.5 billion

European Institute of Innovation and Technology (EIT)

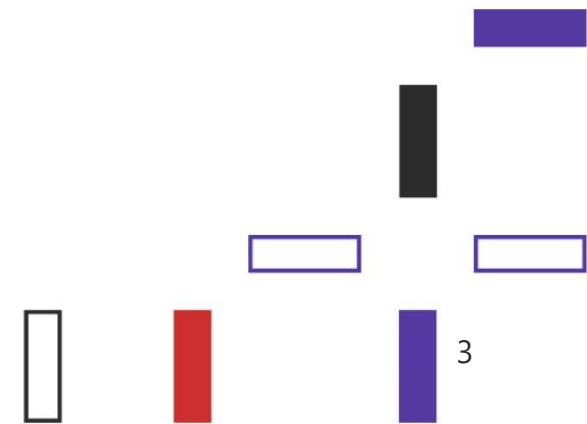
- Bringing key actors (research, education and business) together around a common goal for nurturing innovation

€ 3 billion





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

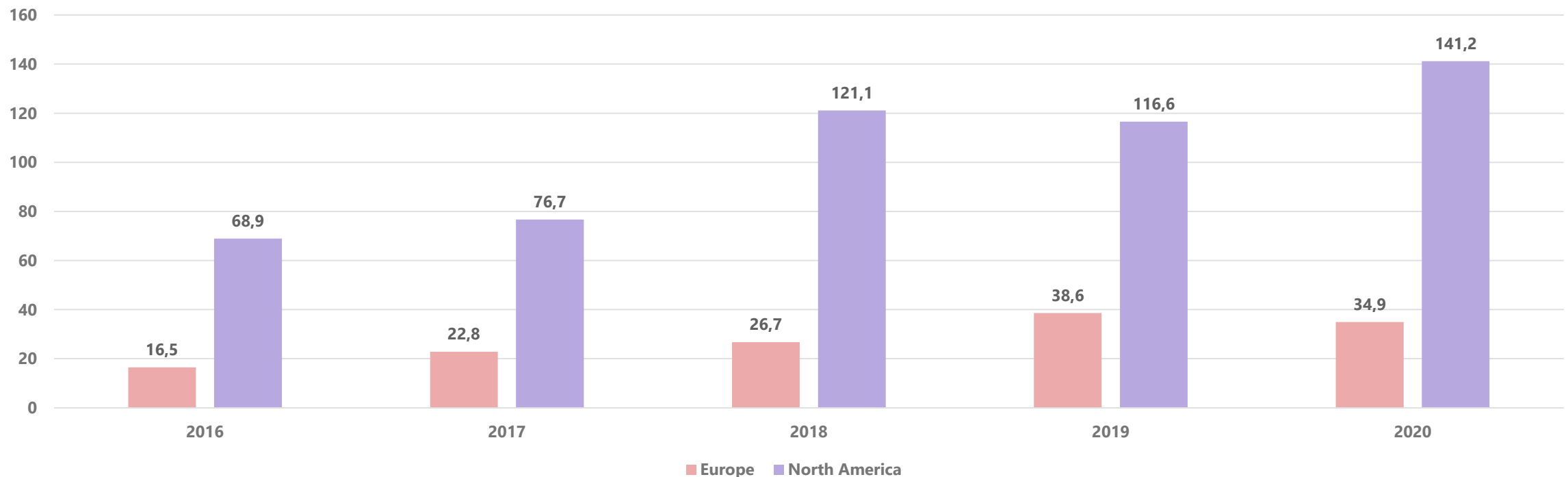
- Many national & local ecosystems, but **fragmented at European level**
- Need to **include all regions and all talent** (especially female)



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]

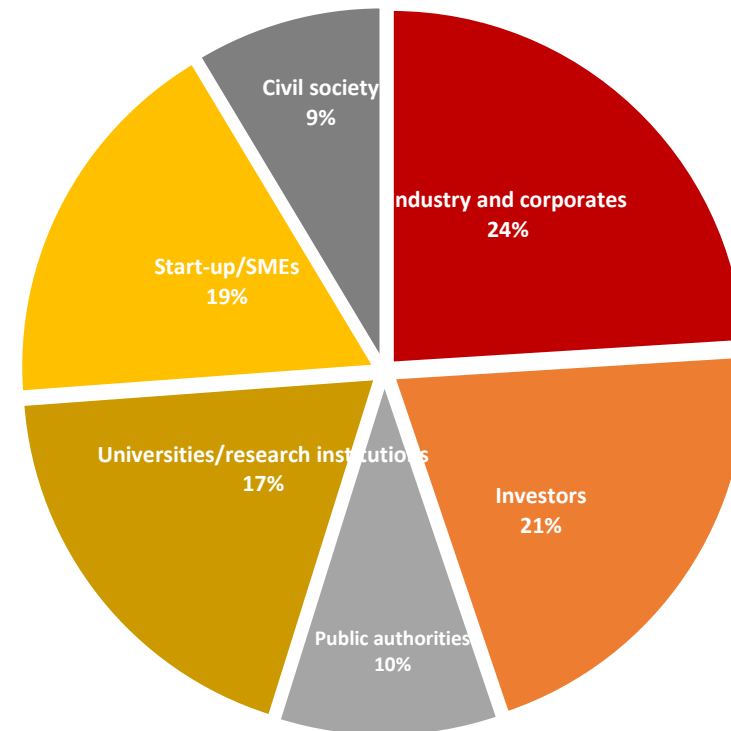


Gap to transition technologies from research to application

Universities consider their weakest ecosystem links are with industry, investors and startups

Universities

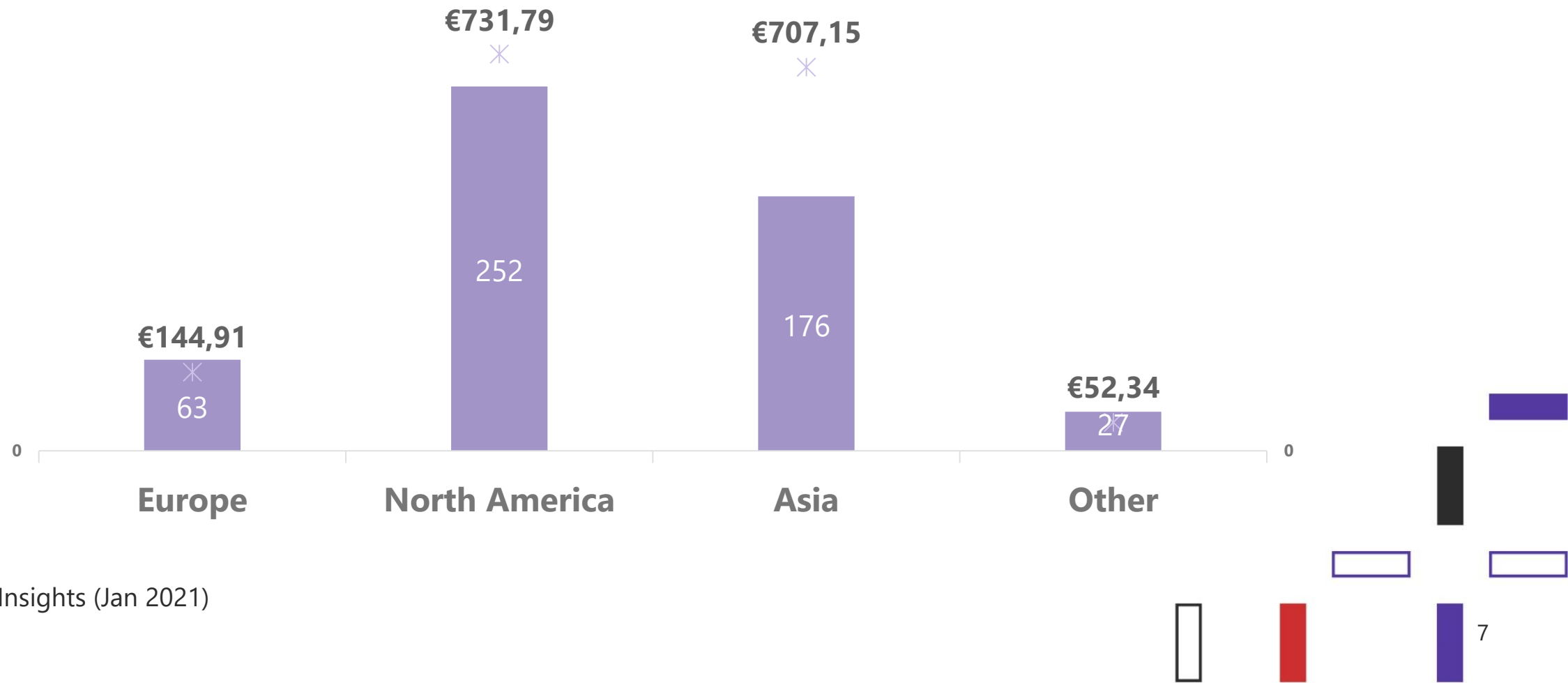
*Which actors would you **most need** to connect to within the...*





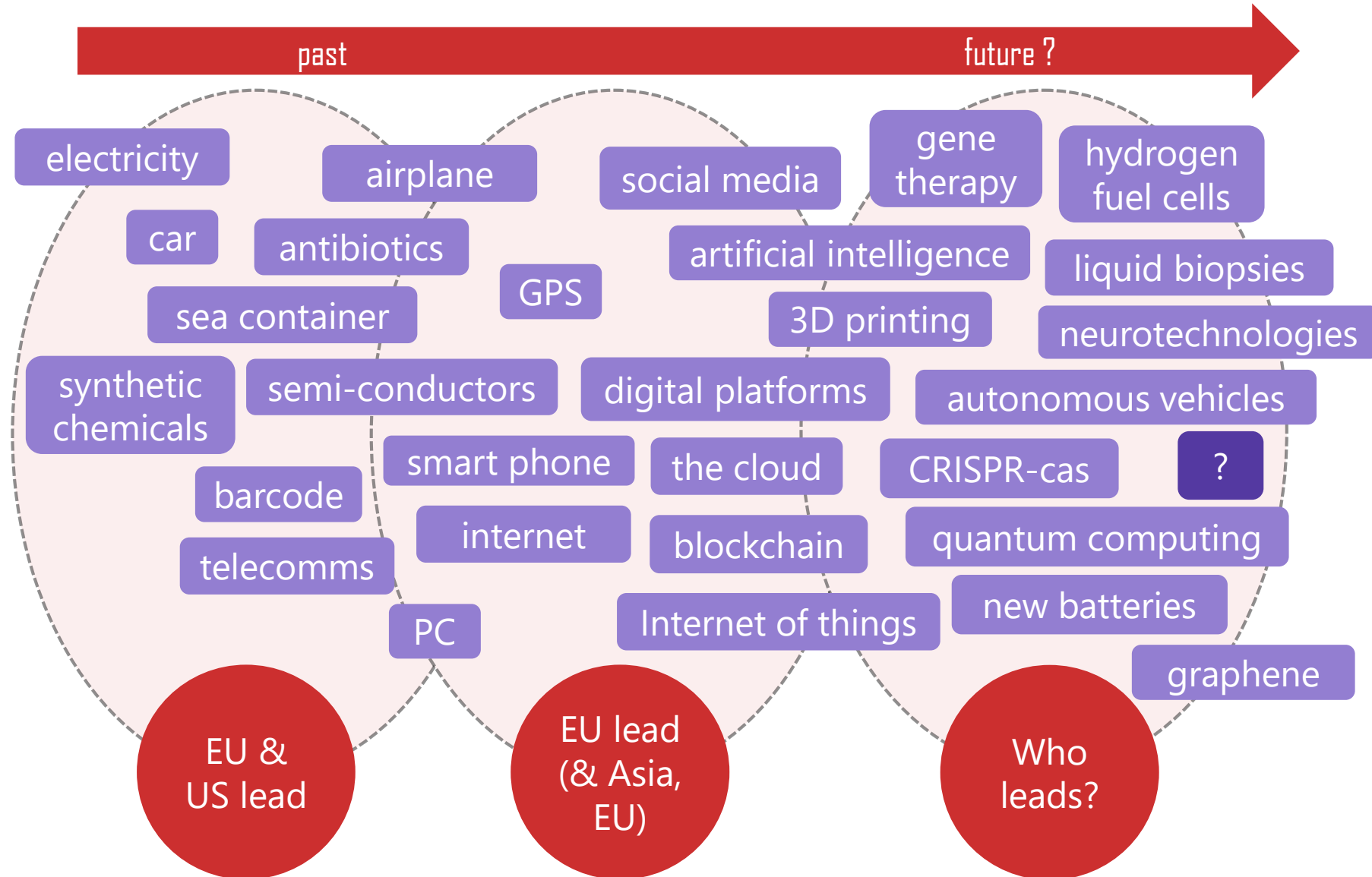
What is at stake: will Europe be home to future « unicorns »?

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



Source: CB Insights (Jan 2021)

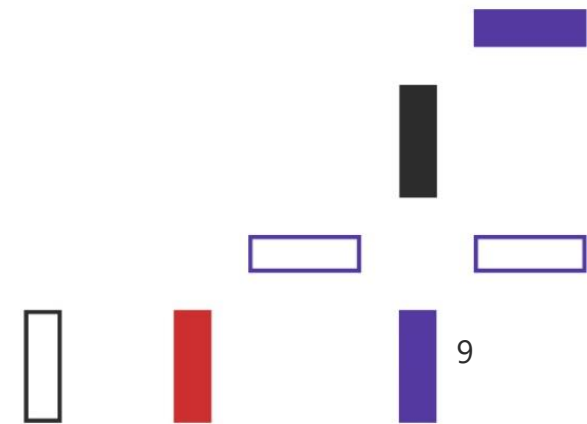
What is at stake: who will lead on the next wave of strategically important technologies?



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



Experience from the EIC pilot phase (2018-2020)





EIC pilot Accelerator (including SME instrument)

Unique offer of funding & support



- Up to €2.5 million grant
- EIC Fund providing equity investments up to €15 million
- Coaching, mentoring, links to corporates, investors, etc.

Growing demand from Startups & SMEs



- 14.000 applied in 2020
- 5.700 startups & SMEs supported since 2014 (including previous SME instrument)
- Increase in startups with female founders

90% addressing Sustainable Development



Goals

Main thematic in:

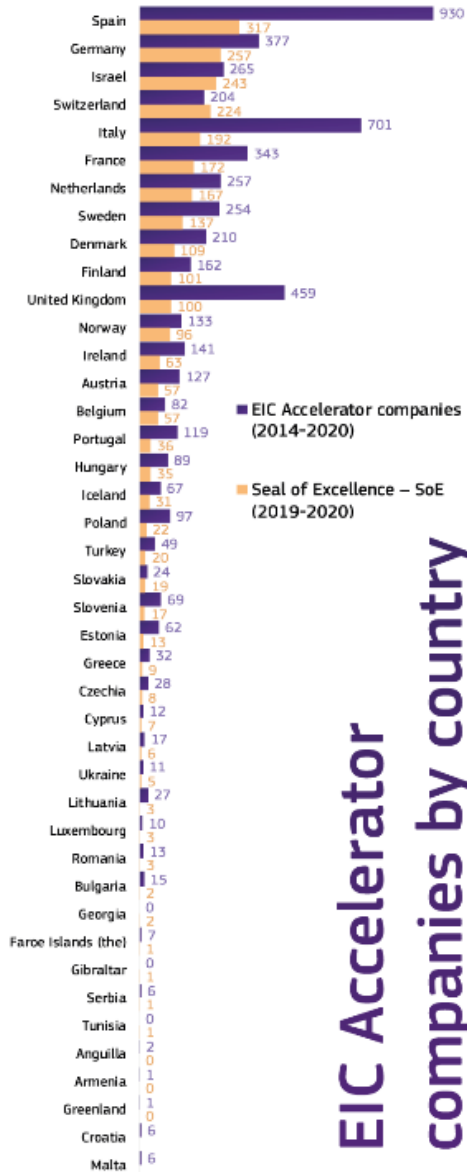
- 30% in Green Deal
- 30% in Digital
- 30% in Health (*including COVID solutions*)

Proven impact:



- €5.3 billion follow up investments attracted to EIC supported companies
- 1 unicorn (value €1billion+); 43 centaurs (value €100m+)





EIC Accelerator companies by country





EIC pilot Pathfinder Portfolio (including FET Open & Proactive)

Pipeline of projects across multiple technologies and application areas

		Applications					Sum
		Health	Digital	Energy & Environment	Food & Agriculture	Manufacturing /Infrastructure	
Technologies	Biotech & bioengineering	95	3	3	5	4	110
	Engineering	0	6	3	0	11	20
	Data	7	23	2	0	1	33
	Materials	23	69	41	2	38	173
	Sum	125	101	49	7	54	336

Proven impacts

- 590 innovations, 451 addressing new and emerging markets
- 2662 Peer-Reviewed Scientific Publications, 72% in high profile journals



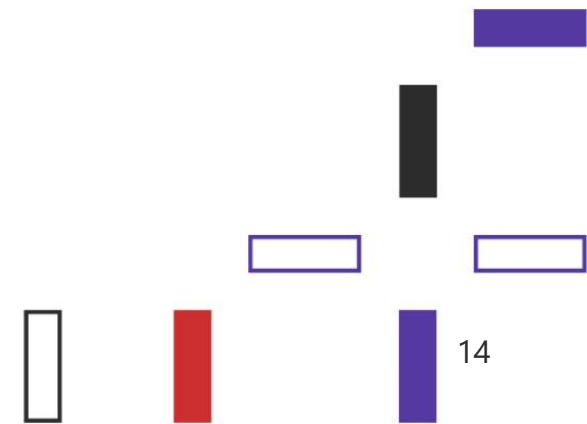
Croatian participation in the EIC Pilot

- Under **EIC Accelerator pilot/ SME instrument**
 - **6 Croatian start-ups & SMEs** awarded funding worth € 2.18 million in the SME instrument
 - **1 Croatia start-up/ SME** awarded a Seal of Excellence in final year (Oct 2019-Oct 2020) – but only 20 applied.
- Under the **EIC Pathfinder pilot/ FET:**
 - ✓ Croatian participants are partners in 7 projects (of which 1 as coordinator)
 - ✓ The total received budget for Croatia amounts to € 2.16 million, out of the total of € 1.5 billion (0.14%).





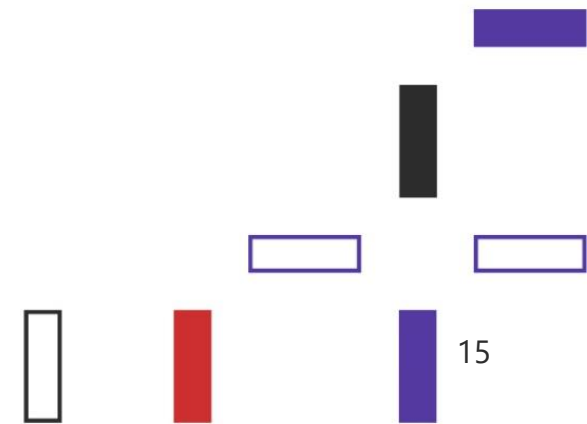
What will the EIC look like in Horizon Europe?





Europe's most ambitious innovation initiative

- ✓ **Budget of €10.1 billion** (2021-27)
- ✓ Mission to **identify, develop and scaleup high risk innovations**, with particular focus on disruptive, deeptech and market creating
- ✓ **“One stop shop” for high potential innovators**: advanced research programme + accelerator, providing grants & equity (EIC Fund)
- ✓ **Pro-active management with EIC “Programme Managers”** to develop visions for breakthroughs and steer portfolios





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

- Mission to **identify, develop and deploy high risk innovations** of all kinds
- Focus on **breakthrough, market-creating, deep-tech**
- 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
- **Follow up funding for results from Horizon** (ERC, EIT, collaborative) & national programmes



EIC pilot Advisory Board vision statement, *June 2020*

1. *EIC to pioneer a European approach to global innovation challenges:*

- ✓ **Unique** in combining advanced technological research (DARPA like) with innovation accelerator
- ✓ **Hallmark of excellence** for innovators (like ERC for researchers)
- ✓ **Overcome system biases**, e.g. in terms of high risk, gender, regions

2. *EIC to crowd in private investors:*

- ✓ **Filling market gaps** for financing high risk/ high impact ideas
- ✓ **3-5 euro** for every euro allocated by EIC
- ✓ Generating **impacts from other EU and national programmes**

3. **EIC as funder & investor of choice for visionary ideas**

- ✓ Targeting **deep-tech, interdisciplinarity, high risk** to achieve high impact
- ✓ **Simple, fast applications** focusing on the innovator
- ✓ High class **mentoring and advice**, as well as funding





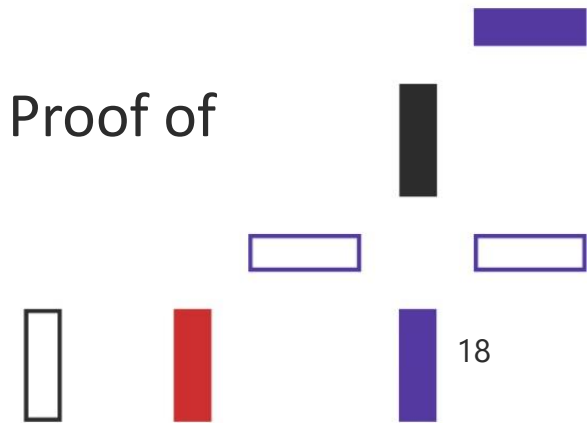
EIC Work Programme for 2021 – Key novelties

- **EIC Pathfinder**

- Programme managers to steer portfolios of projects
- Additional 50k follow up grants to test feasibility and interact across portfolios

- **EIC Transition**

- New funding scheme to bridge gap between research phase (proof of concept) and pre-commercial
- In first phase, for follow up to results from EIC Pathfinder and ERC Proof of Concept





EIC Work Programme for 2021 – Key novelties

- **EIC Accelerator - funding options**

- Mainly blended finance (grant + investment), but options for “grant only” and “grant first” (with investment follow up)
- Faster investment decisions by EIC Fund with clearer terms (investment guidelines)

- **Innovator friendly application process**

- Apply at any time with short (5 page) form, video pitch and slide-deck => feedback within 4 weeks
- If successful, support from AI platform and coaching to prepare full application/ business plan
- Second chance to apply if unsuccessful

- **Reinforced “Seal of Excellence”**

- To receive Seal of Excellence, applicant assessed for excellence & impact by remote evaluators & juries
- Seal of Excellence companies to benefit from EIC coaching, events, support to find other funding



EIC main funding opportunities in 2021

Accelerator - Open	Apply any time (early stage screening)	~€593m (~50:50 grant/equity)
Accelerator – Challenges	Cutoffs for full applications in 9 June, 6 October	~€495m (~50:50 grant/equity)
<ul style="list-style-type: none"> • Green Deal innovations for the economic recovery • Strategic technologies: digital & health 		
Pathfinder - Open	19 May	~€168m
Pathfinder - Challenges	27 October	~€132m
<ul style="list-style-type: none"> • Awareness inside • Measure & stimulate brain • Cell & gene therapies • Green Hydrogen • Engineered Living Materials 		
Transition – Open	22 September	~€60m
Transition – Challenges		~€40m
<ul style="list-style-type: none"> • Medtech & devices • Energy harvesting & storage 		





Thank you!

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