

The European Innovation Council

Backing visionary entrepreneurs

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*Horizon Europe Launching Event in
Poland*

26 March 2021

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)

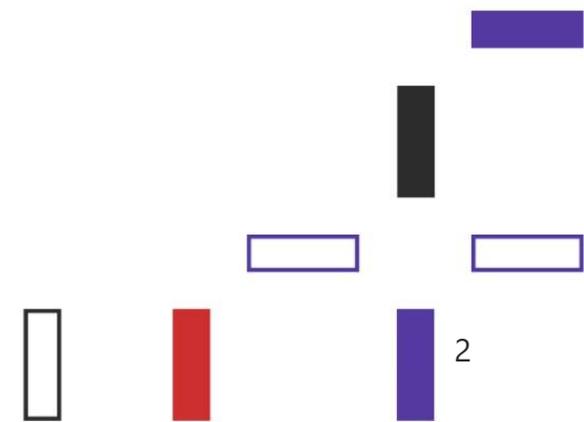
- Connecting with regional and national innovation actors

€ 0.5 billion

European Institute of Innovation and Technology (EIT)

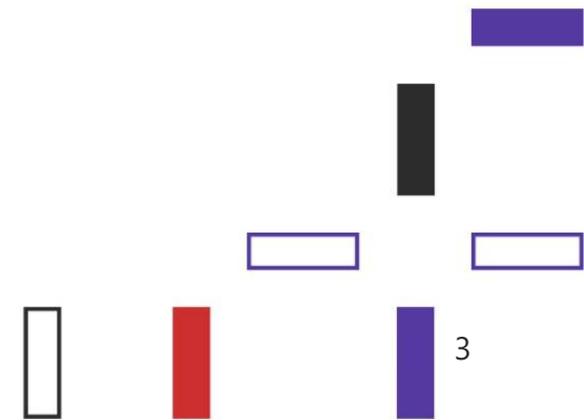
- Bringing key actors (research, education and business) together around a common goal for nurturing innovation

€ 3 billion





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

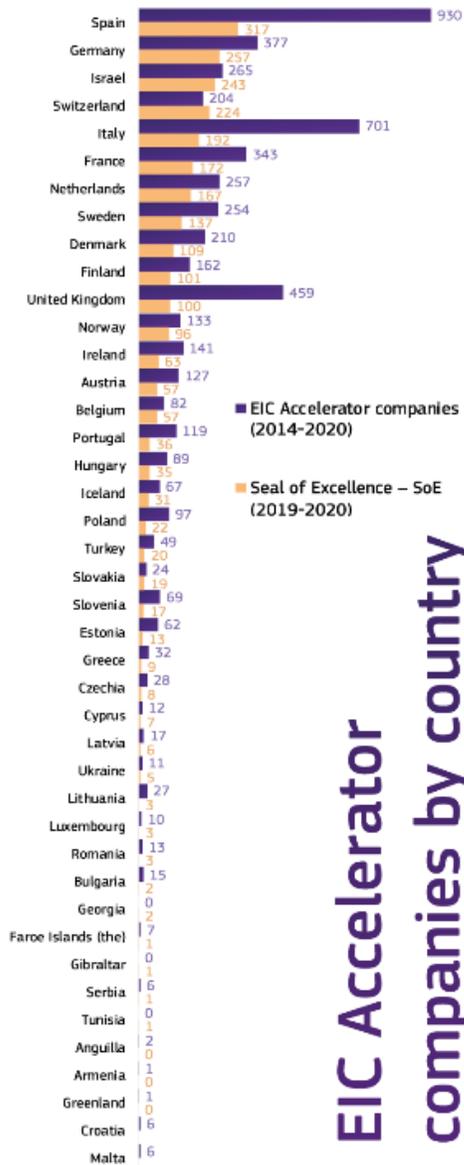
Main thematic in:

- 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





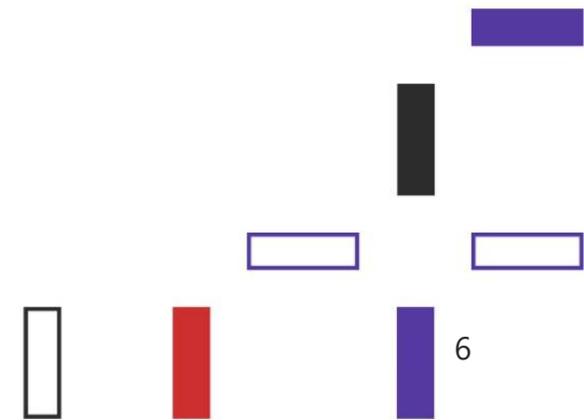
EIC pilot Pathfinder Portfolio (including FET Open & Proactive)

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





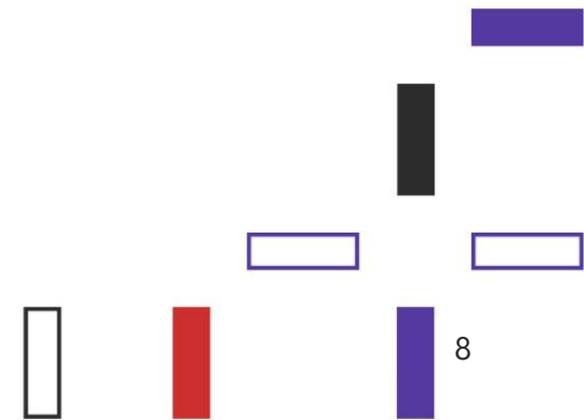
Polish participation in the EIC Pilot (1/2)

- In terms of obtaining EIC funding over the period 2014 - mid 2020, in € per capita, **Poland ranks twenty fourth among Member States**, with 1.4.
- **100 Polish start-ups & SMEs** were awarded funding worth € 43.8 million in the SME instrument / EIC Accelerator pilot under Horizon 2020 (2014-2020).
- Over the 5 last EIC Accelerator calls for proposals (October 2019 – December 2020), **2 Polish “green” start-ups and SMEs were selected** for a proposed total funding of € 5 million:
 - ✓ **CBreCYCLE** (Production of green rubber tyres through continuous pyrolysis– € 2.5 M – Green Deal);
 - ✓ **UVERA** (Natural and safe UV protection products –€ 2.5 M – Green Deal).





the EIC in Horizon Europe





EIC at glance

Pathfinder

For advanced research on
breakthrough / game-changing
technologies

Pathfinder Open: bottom-up
approach; no predefined topics

Pathfinder Challenges: top-
down challenge-driven calls for
tackling specific issues by
portfolios of projects

Transition

For transforming research
results into innovation
opportunities;
follow up results from
Pathfinder and ERC Proof of
Concept

Transition Open: no topic
prescription

Transition Challenges: selected
challenges

Accelerator

For individual companies to
develop and scale up
breakthrough innovations with
high risk and high impact

Grant Funding
Equity Funding
Business Acceleration Service

EIC Fund: VC fund – EC shareholder / Bridging equity funding gap at early stage / Crowding in other investors

Business Acceleration Service: access to advice, to business partners and to innovation ecosystems & peers

EIC Advisory Board

European
Investment Bank



Chair
Mark Ferguson



Vice-Chair
Hermann Hauser



Kerstin Bock



Jo Bury



Dermot Diamond



Laura Gonzalez-
Estefani



Jim Hagemann
Snabe



Ingmar Hoerr



Fredrik Hörstedt



Heidi Kakko



Bindi Karia



Anita Krohn
Traaseth



Jerzy Langer



Ana Maiques



Marja Makarow



Carlos Oliveira



Valeria
Nicolosi



Bruno
Sportisse



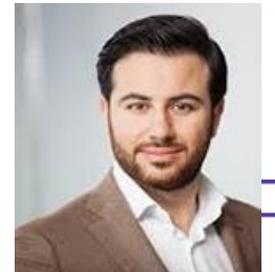
Kinga
Stanisławska



Roberto Verganti



Martin Villig



Yousef Yousef10



EIC Advisory Board vision statement

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**

- Mainly open (“bottom”) + targeted call on health, energy and digital technologies
- 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**

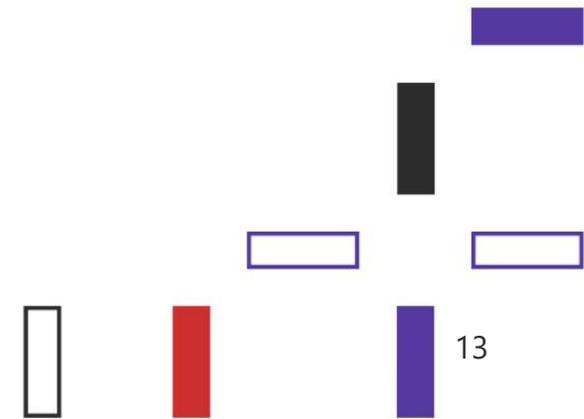
- Mainly open (“bottom”)
- Additional funding for green, digital and health technologies from Next Generation EU budget
- Mainly blended finance (grant + investment), but options for “grant only” and “grant first” (with investment follow up)

- **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 services to prepare full application/ business plan
- Second chance to apply if unsuccessful at first

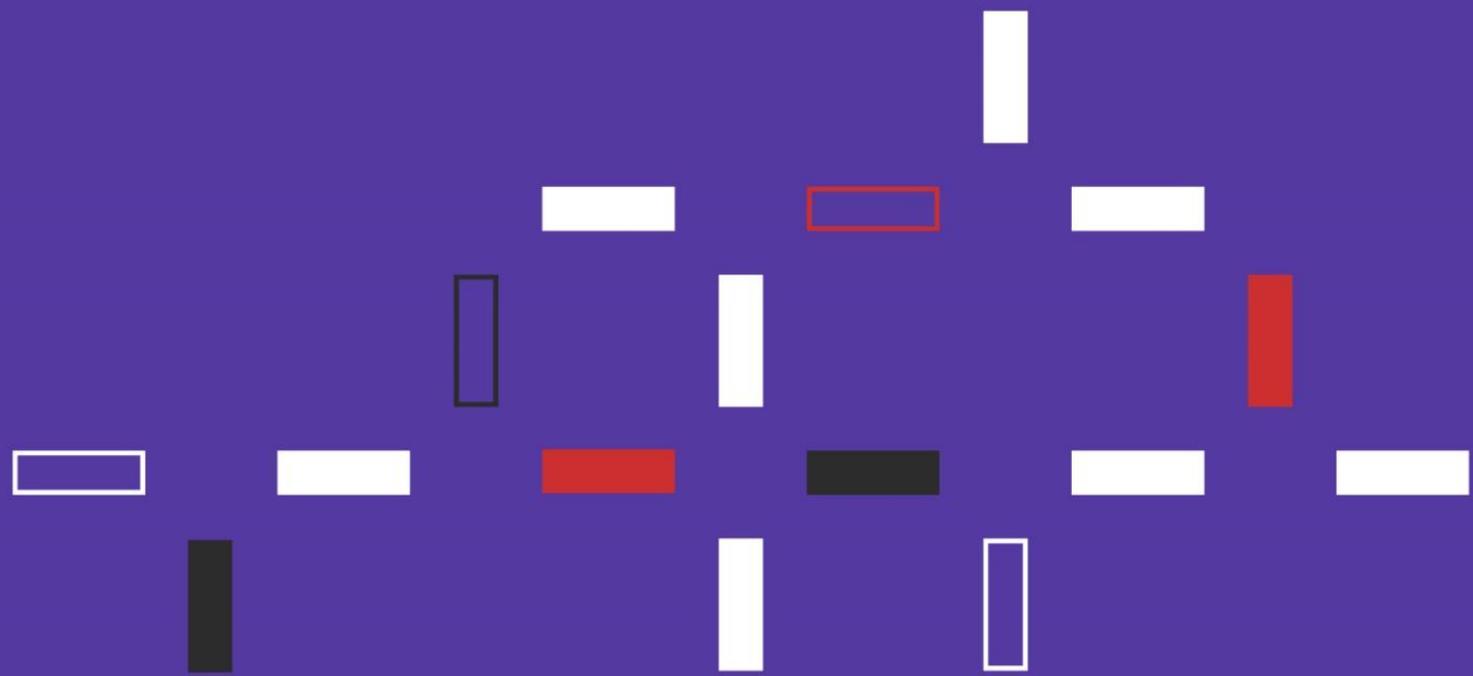
- **EIC Fund**

- Faster due diligence and decision making
- Platform to crowd in other investors





EIC Accelerator





EIC Accelerator – 7 guiding principles

- **Timeliness:** continuously open call for ideas – innovators can submit their ideas whenever they wish. Just-in-time evaluations.
- **Support services for innovators:** AI-based IT platform and business coaching to help applicants to further develop and improve their initial idea and draft their proposal.
- **Enhance the quality of evaluation:** limit resubmissions of rejected proposals: drastic reduction in the number of proposals to evaluate, allowing more time to evaluate every proposal.
- **Reward effort:** create a “second chance” for very good to excellent proposals failing to get funding at the interview.





EIC Accelerator – 7 guiding principles

- **Encourage radical ideas and risk-taking attitude:** avoid forcing consensus between evaluators, allow dissent. This novel approach acknowledges that choices made during the various stages of the evaluation process cannot be 100% objective. GO/NO-GO decisions.
- **Enhance transparency:** provide detailed feedback to applicants (even if evaluators dissent).
- **Promote innovativeness and disruptiveness:** new state-of-the-art Artificial Intelligence-based platform for the submission and evaluation of EIC proposal.





The EIC Accelerator

Grant funding (non-dilutive) to validate/ de-risk innovations

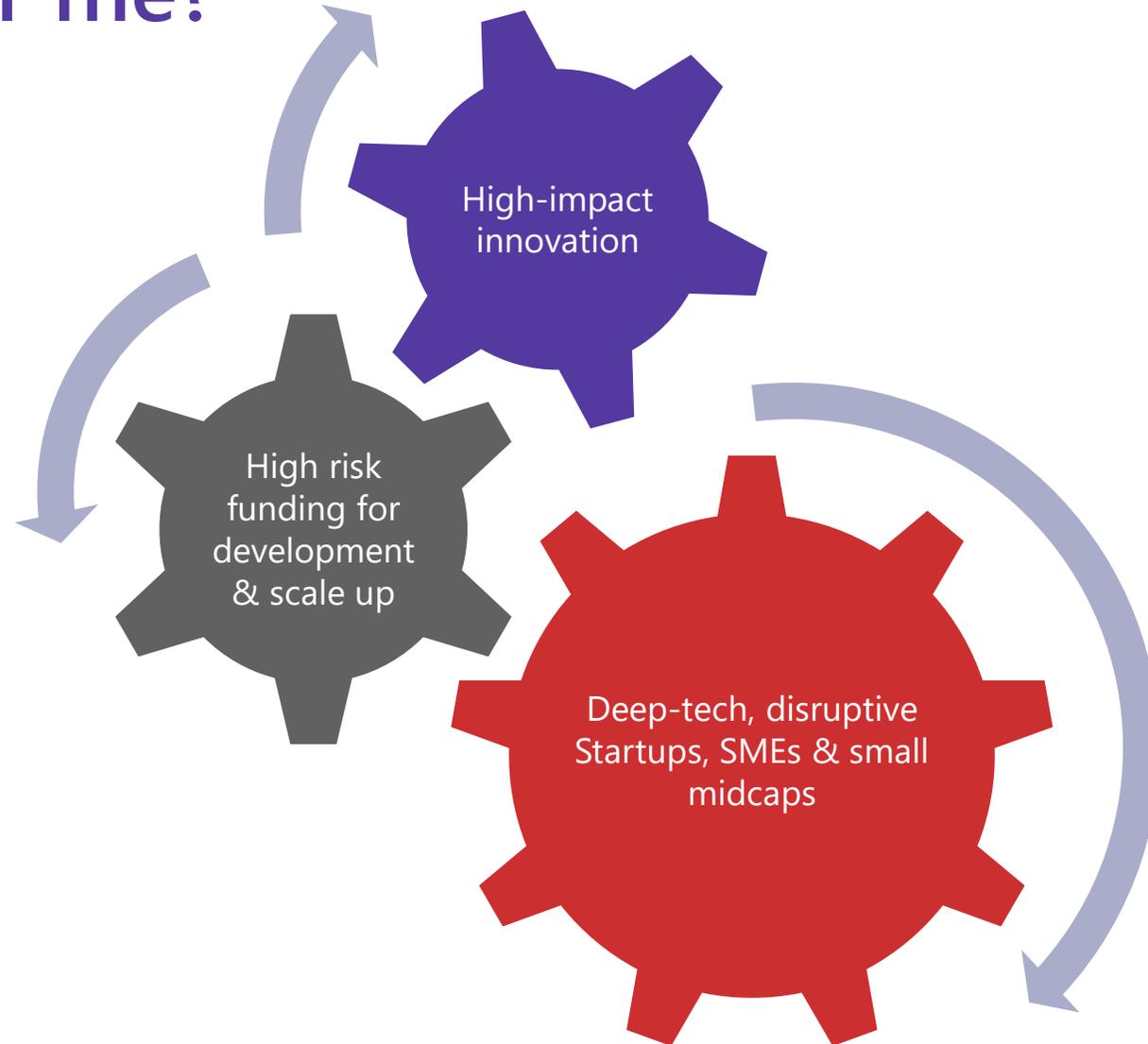
Equity funding by EIC Fund for scaling up

Business Acceleration Services





Is it right for me?





Who can apply?

SME (max 250 employees, not subsidiary/majority owned by large company)

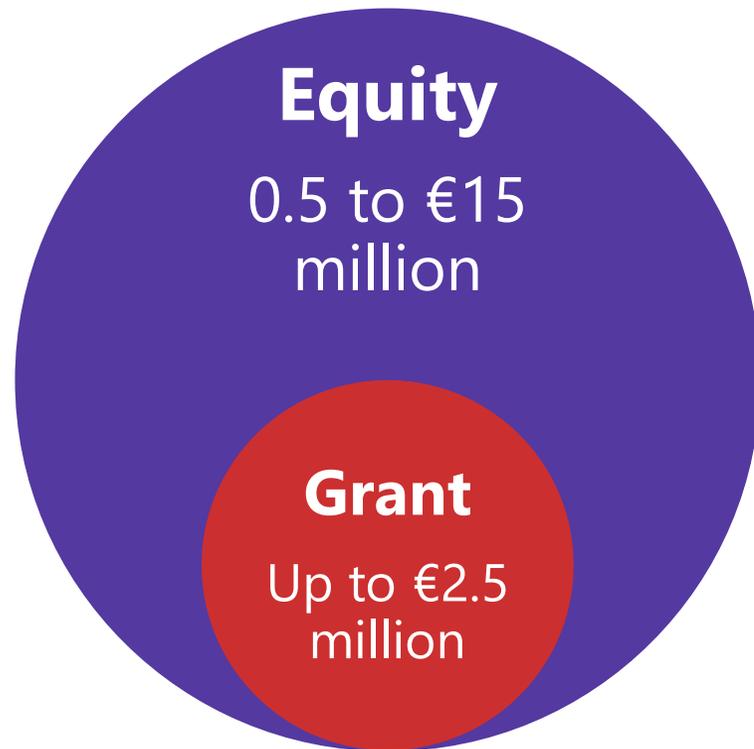
Exceptions for small mid-caps (up to 500 employees) – for rapid scale up and investment component only

Natural person(s) willing to set up SME

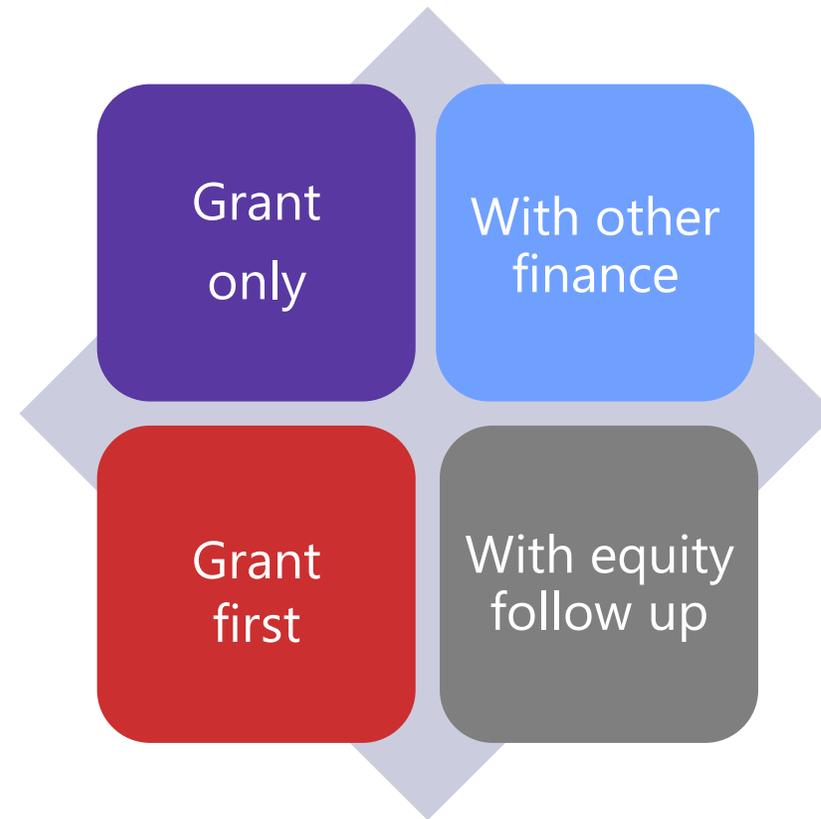
TRL 5/6 or above

What can you apply for?

EIC Blended Finance

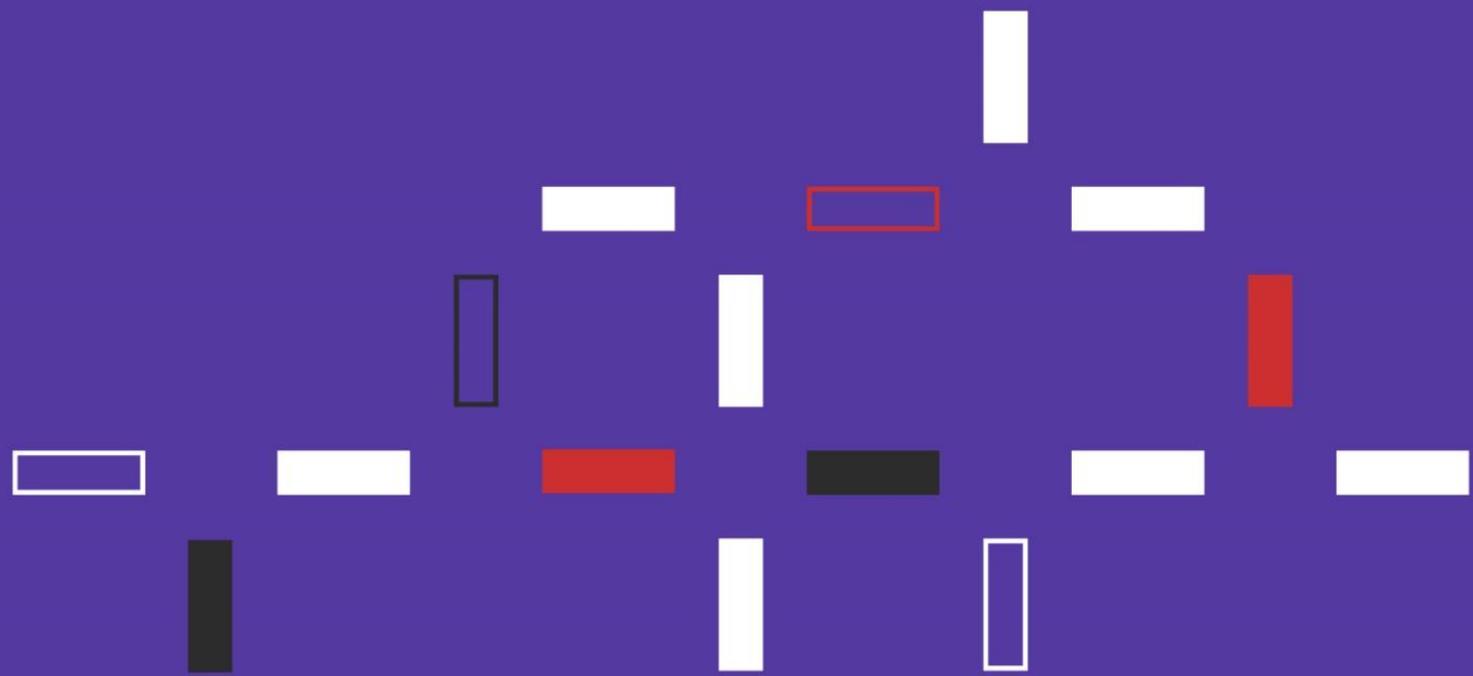


Also





How to apply





EIC Accelerator: a four-step evaluation process

1

- You have a disruptive / deep tech idea with a potential to scale up
- **Tell us your story** with short application at any time

2

- You prepare a full application with your **business plan**
- We will help you with a dedicated AI tool and free coaching

3

- **You submit your full proposal** at one of the regular cut-off dates
- Your application will be assessed by expert evaluators matched to your field

4

- **You pitch** your innovation to a Jury of experienced investors/ entrepreneurs
- If selected, you will sign the grant and start due diligence for the equity



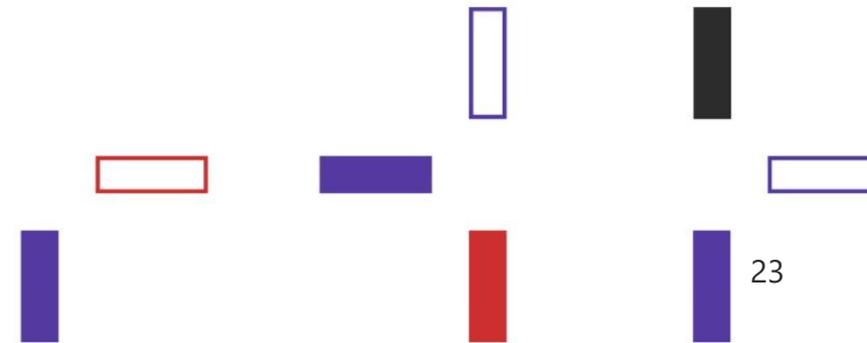
Short application: your idea

You will:

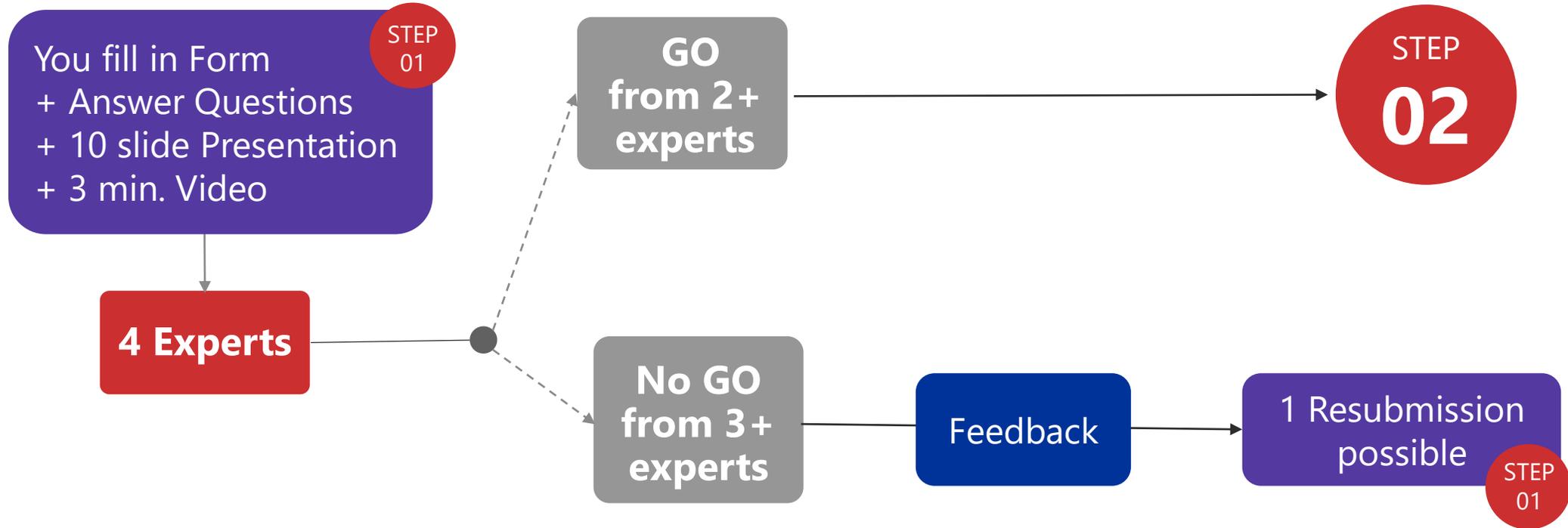
- Fill a questionnaire on the EIC AI-based IT platform illustrating your innovation
- Submit a 10-slide presentation and a 3-minute video pitch

STEP

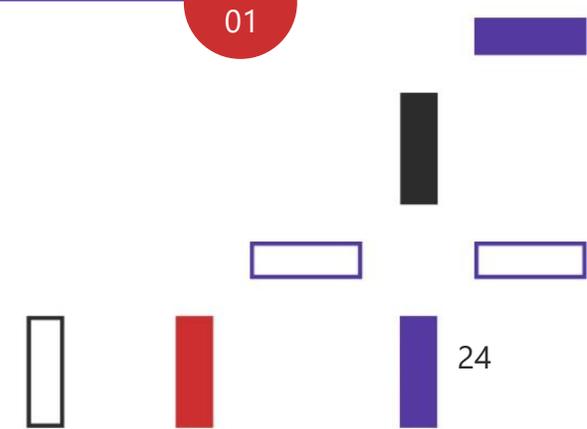
01



Short application: evaluation process



Continuously open

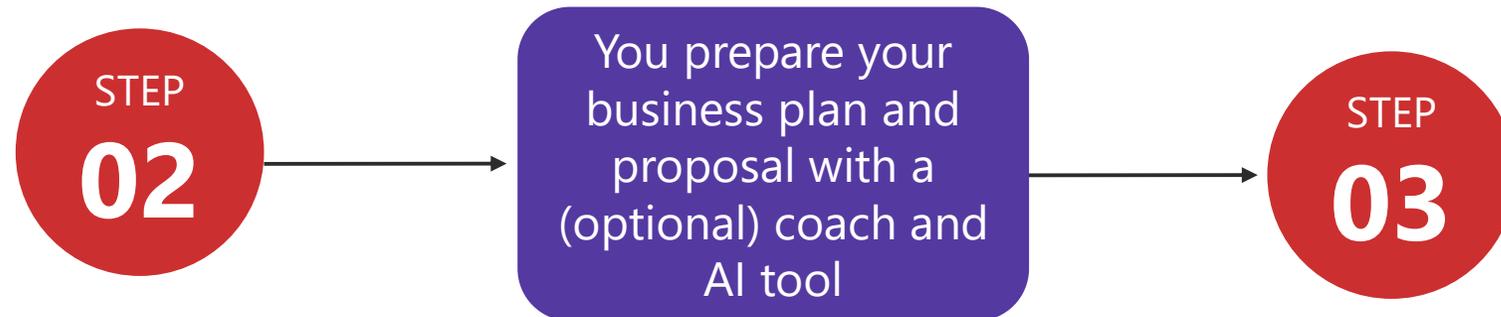




Full proposal: your business plan

You will:

- Prepare a business plan with the help of an EIC business coach (not mandatory)
- Draft and finalise your full proposal supported by the EIC AI-based platform

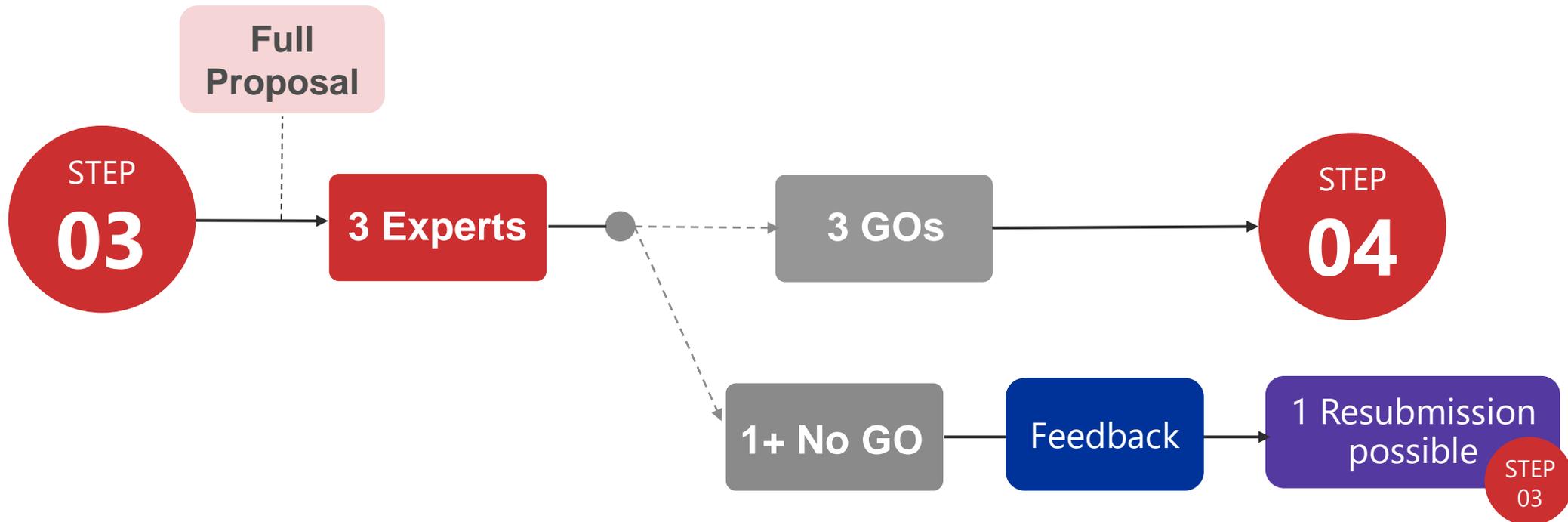


Up to one year from your GO at Step 1





Full proposal: remote evaluation process



**2 Cut-Offs in 2021
(June and October)**



Jury Interview: pitch your innovation

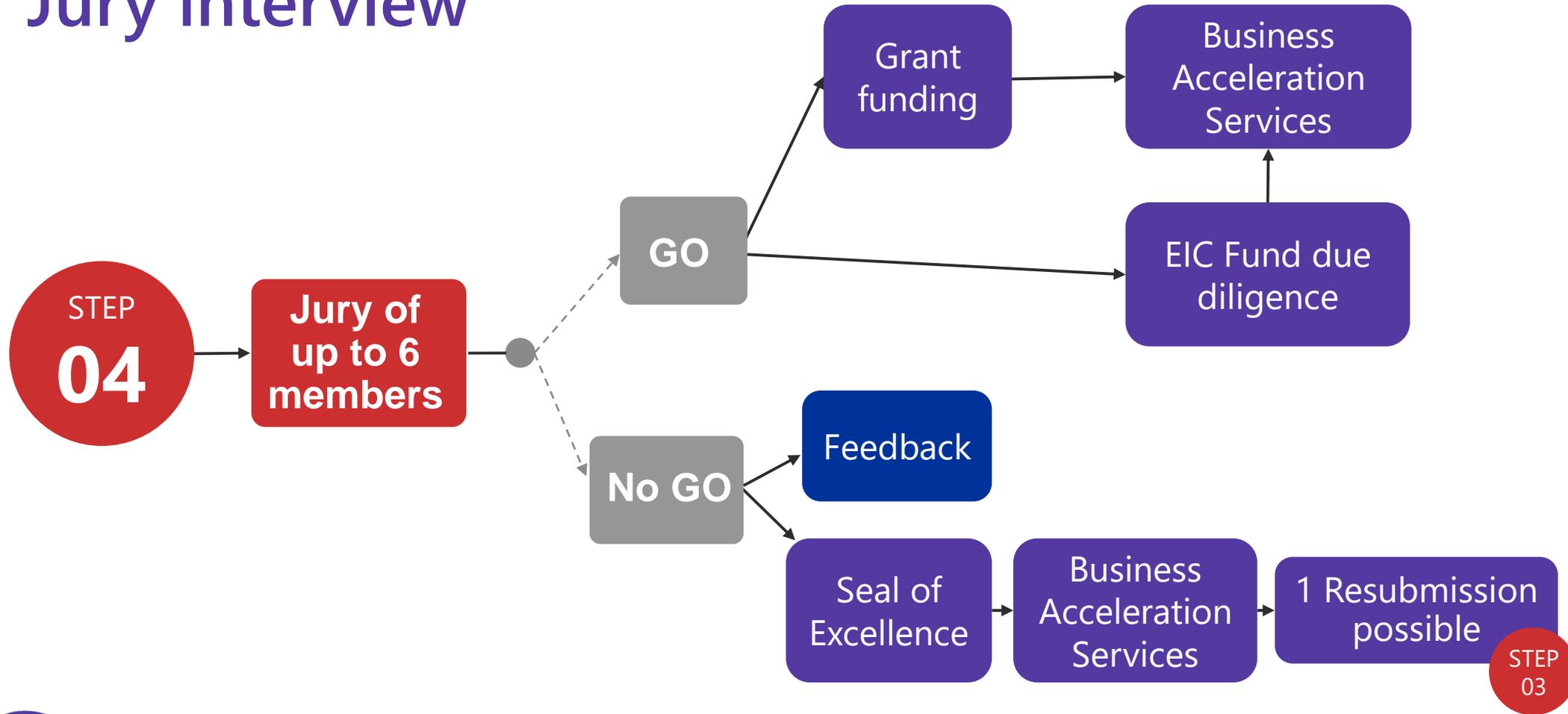
You will:

STEP

04

- Pitch your innovation to the EIC Jury Members composed of serial entrepreneurs, innovation specialists, senior investors
- Answer questions from the EIC Jury Members and other participants (EIC Programme Managers, EIC Fund members)

Jury interview



 **2 Cut-Offs in 2021
(June and October)**



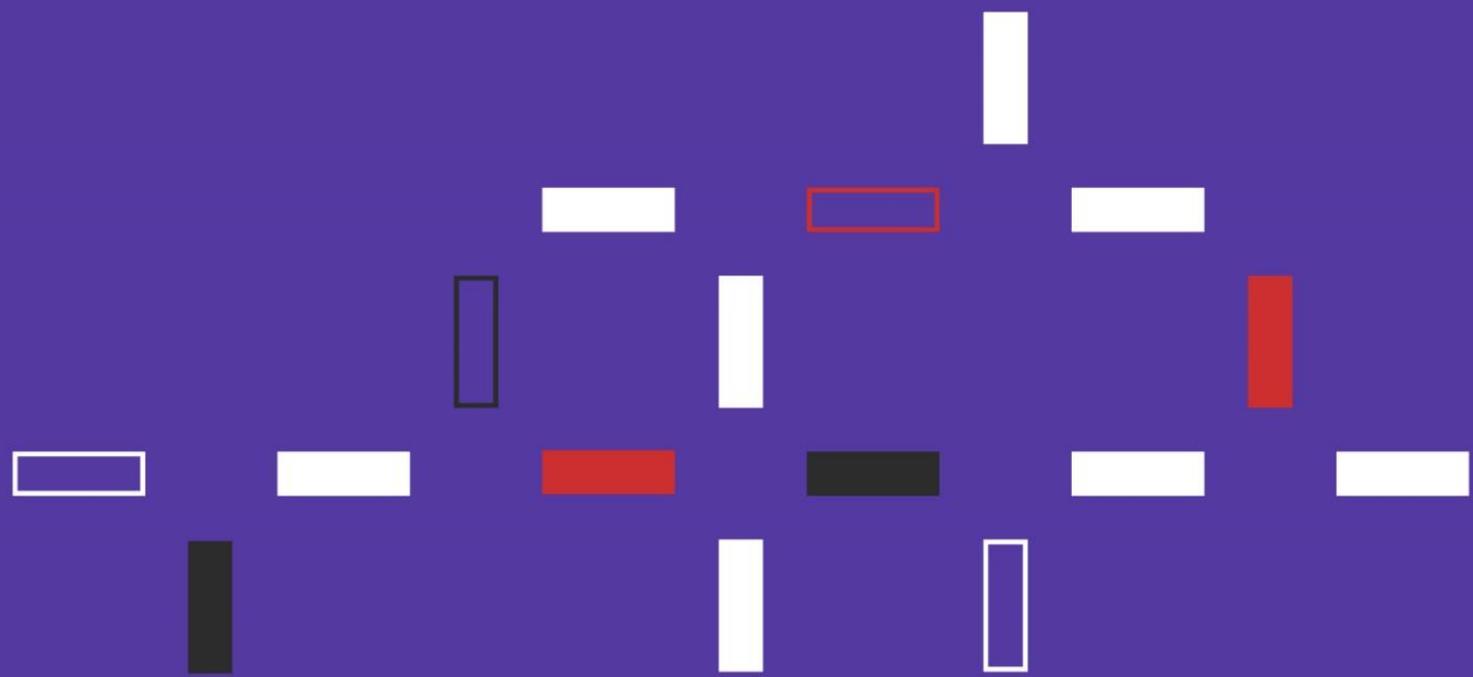
EIC Accelerator – Calls and timeline

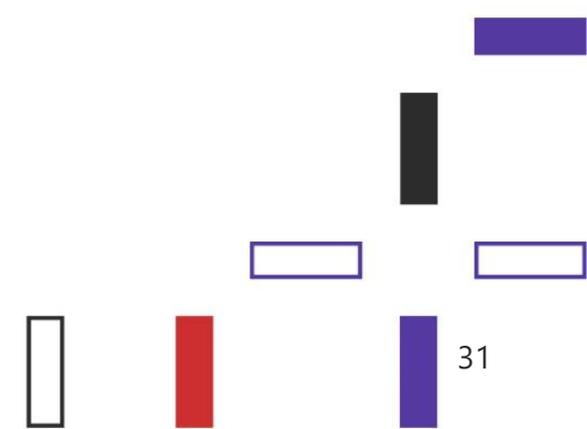
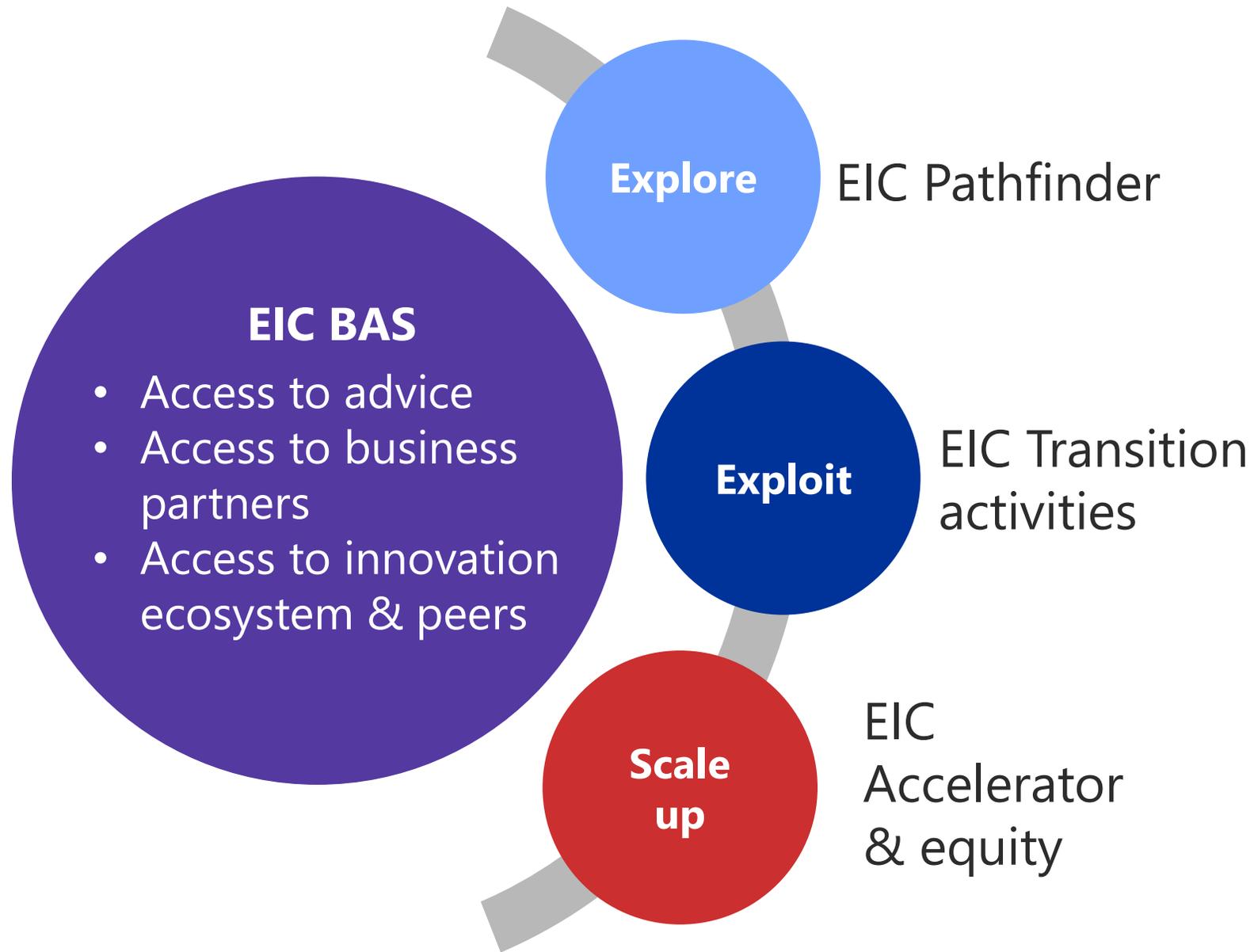
- Short application
- Call opening as from adoption of work programme
- Remote evaluation results 2-4 weeks

- Full application
- June 9 and October 6 cut-off dates
- Choice of: Open or challenges:
 - Strategic Health and Digital Technologies
 - Green Deal innovations for the economic recovery
- Remote evaluation results ~5 weeks
- Interviews ~9 weeks after cut-off

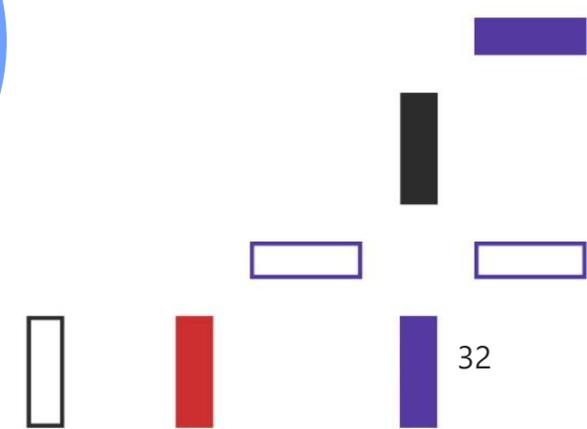
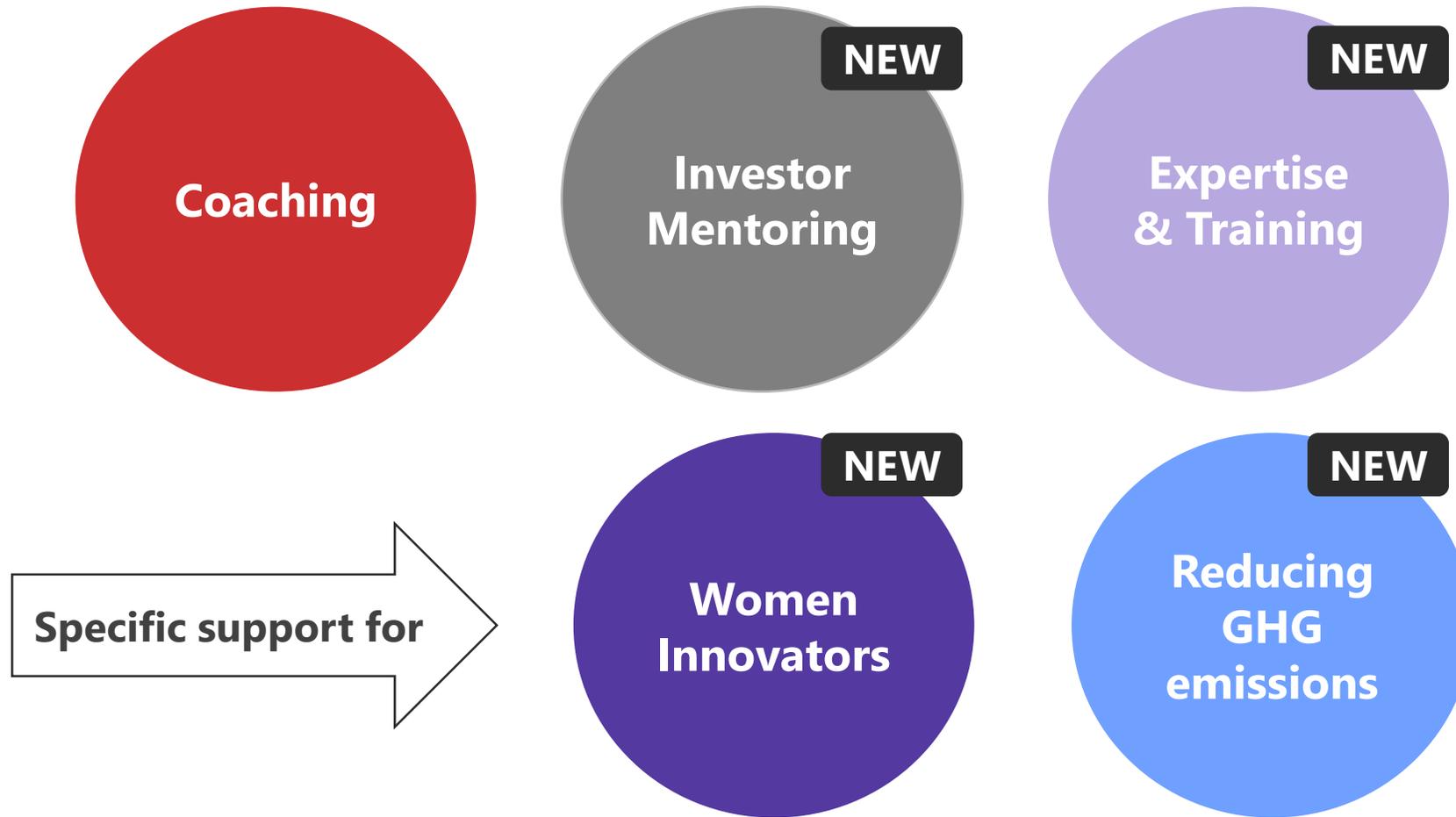


Business Acceleration Services

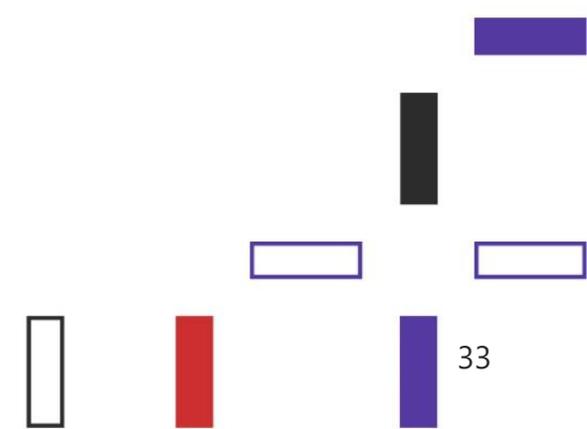




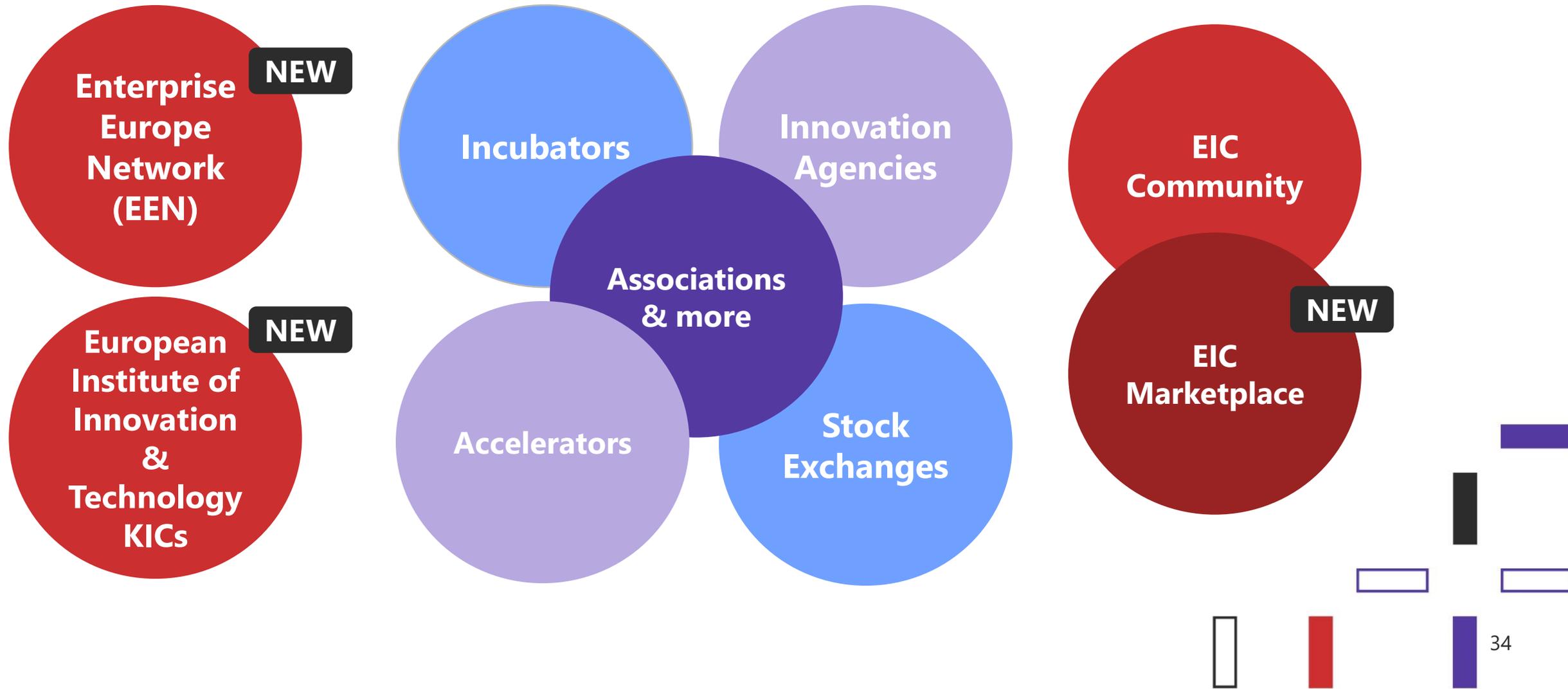
Access to advice/skills



Access to business partners

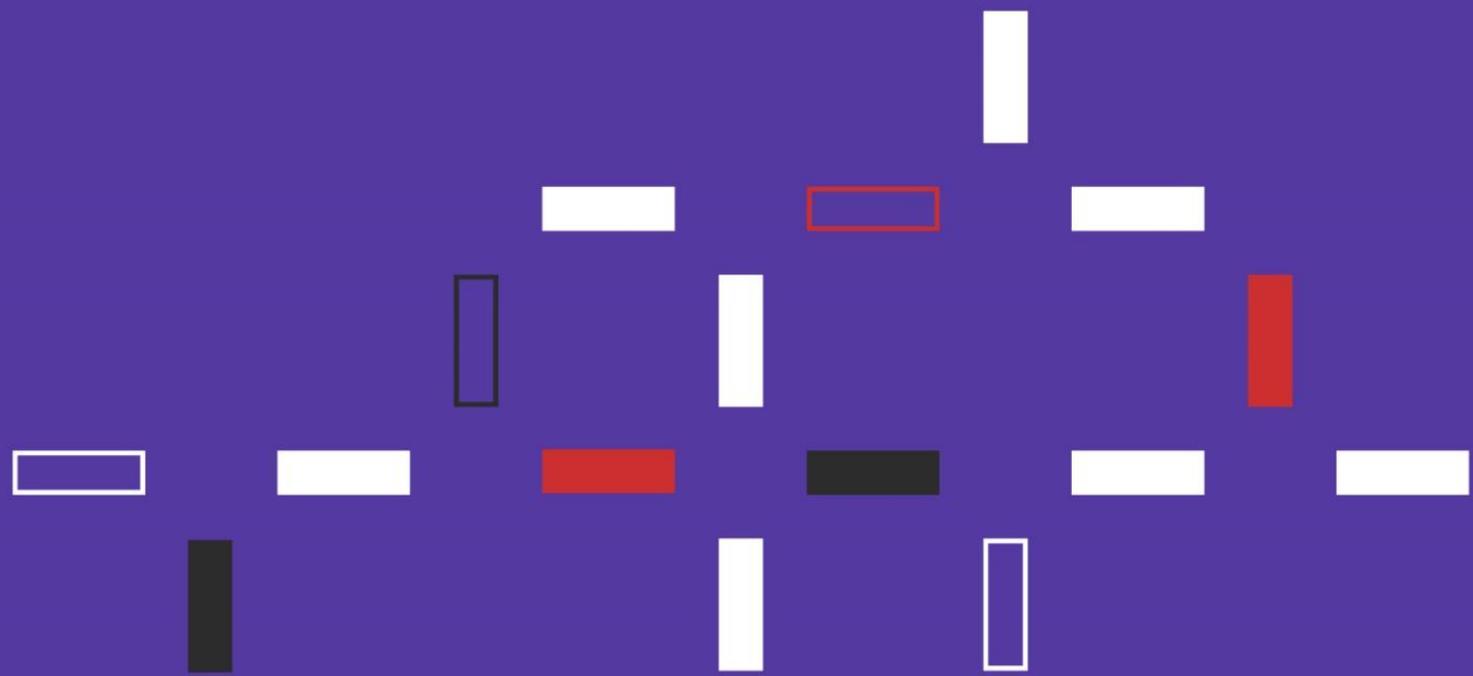


Access to innovation ecosystem and peers





EIC Fund





The EIC Fund

- **Venture capital fund – EC shareholder**
- **Bridging equity funding gap at early stage (seed, first rounds) for EIC selected start-ups**
- **Crowding in other investors, sharing risks**

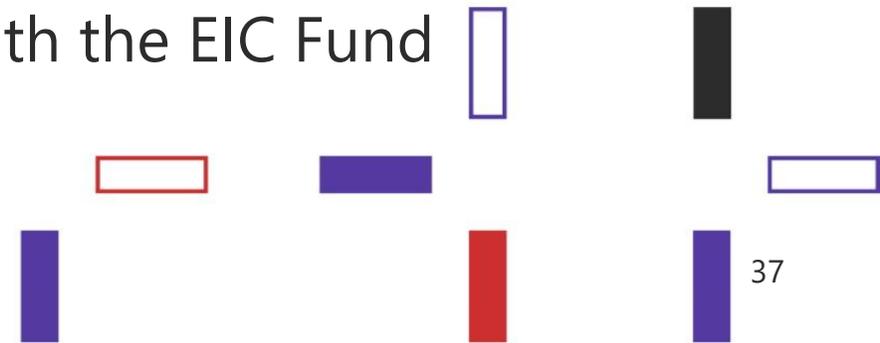




The EIC Fund's governance

EIC Fund Board of Directors

- **Broadest powers.** Five members appointed by the European Commission, mostly independents
- **Makes investment decisions**
- **Sets the investment guidelines**
- Ensures that the investments are in full conformity with the EIC Fund objectives and rules

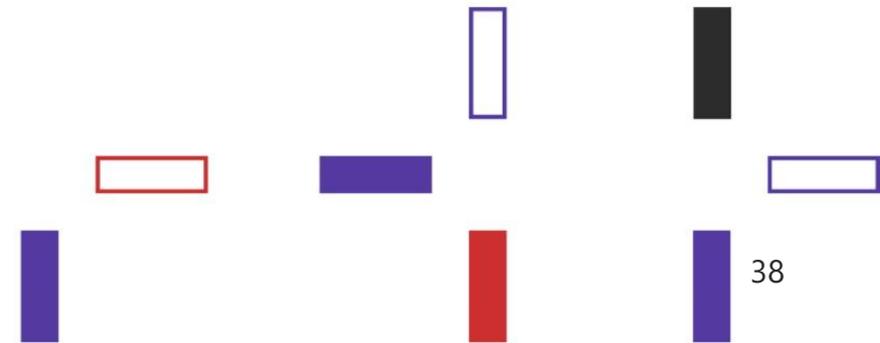




The EIC Fund's governance

EIC Fund Investment Committee

- Seven independent experts and seasoned investors and practitioners + European Commission representative as chairperson.
- **Makes recommendations** to the EIC Fund Board on investments, follow-on investments and divestments



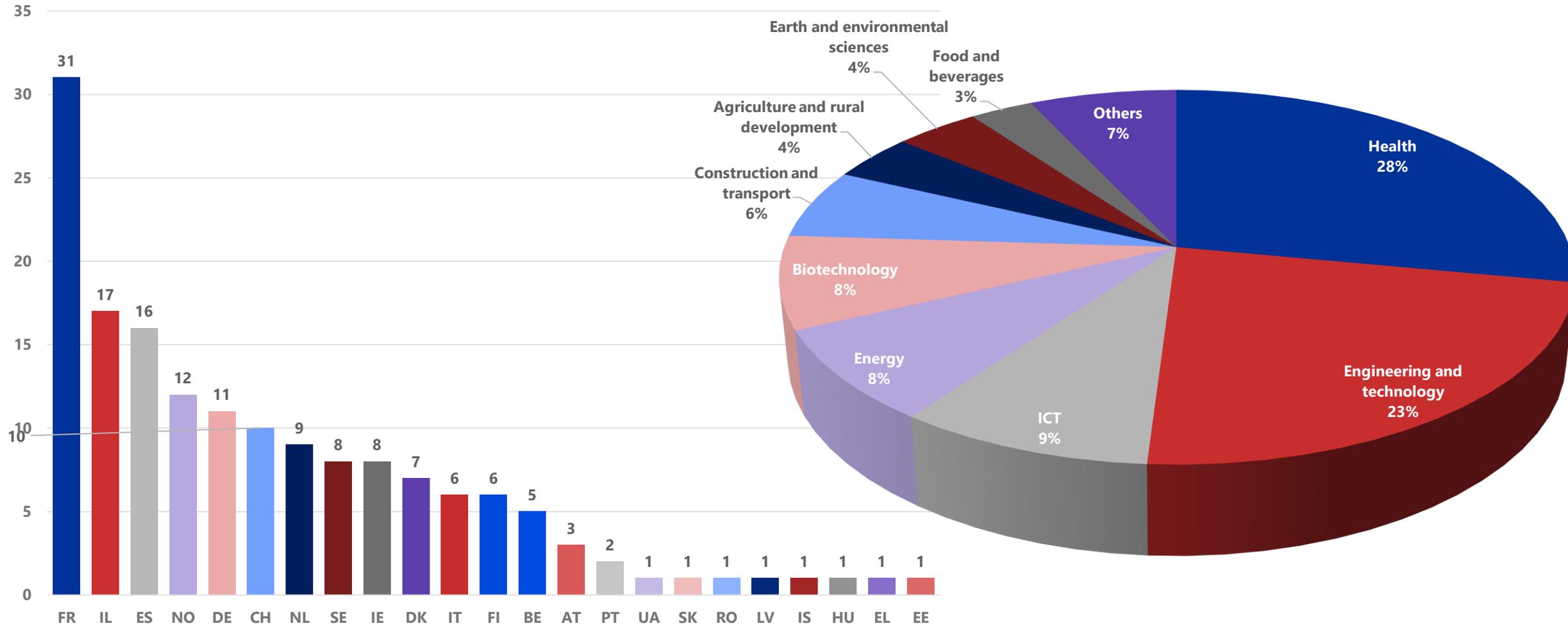


EIC Fund: Investment Process



EIC Fund deal flow from pilot phase (2019-20)

The EIC Fund is building a portfolio of 159 early-stage technology companies (€680 million investment, €4.3 million average)





Recent & next steps

- **18 March 2021**

- Formal adoption of EIC Work Programme for 2021 (by Commission following opinion of Programme Committee)
- Launch of EIC and launch of calls

- **April – December 2021**

- Deadlines/cutoffs for applications (from June)
- Evaluations, interviews, grants, due diligence for equity
- Autumn: launch of 2022 EIC Work Programme





Thank you!

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