



European
Commission

European
eic **INNOVATION**
Council

EMPOWERING EUROPEAN INNOVATORS

EU funding for innovation

Jean-David Malo

Director European Innovation Council Task Force

DG RTD

European Commission

*Research and
Innovation*



What's holding back European innovation

Innovation performance

Lack of **breakthrough and disruptive innovations** that create new markets

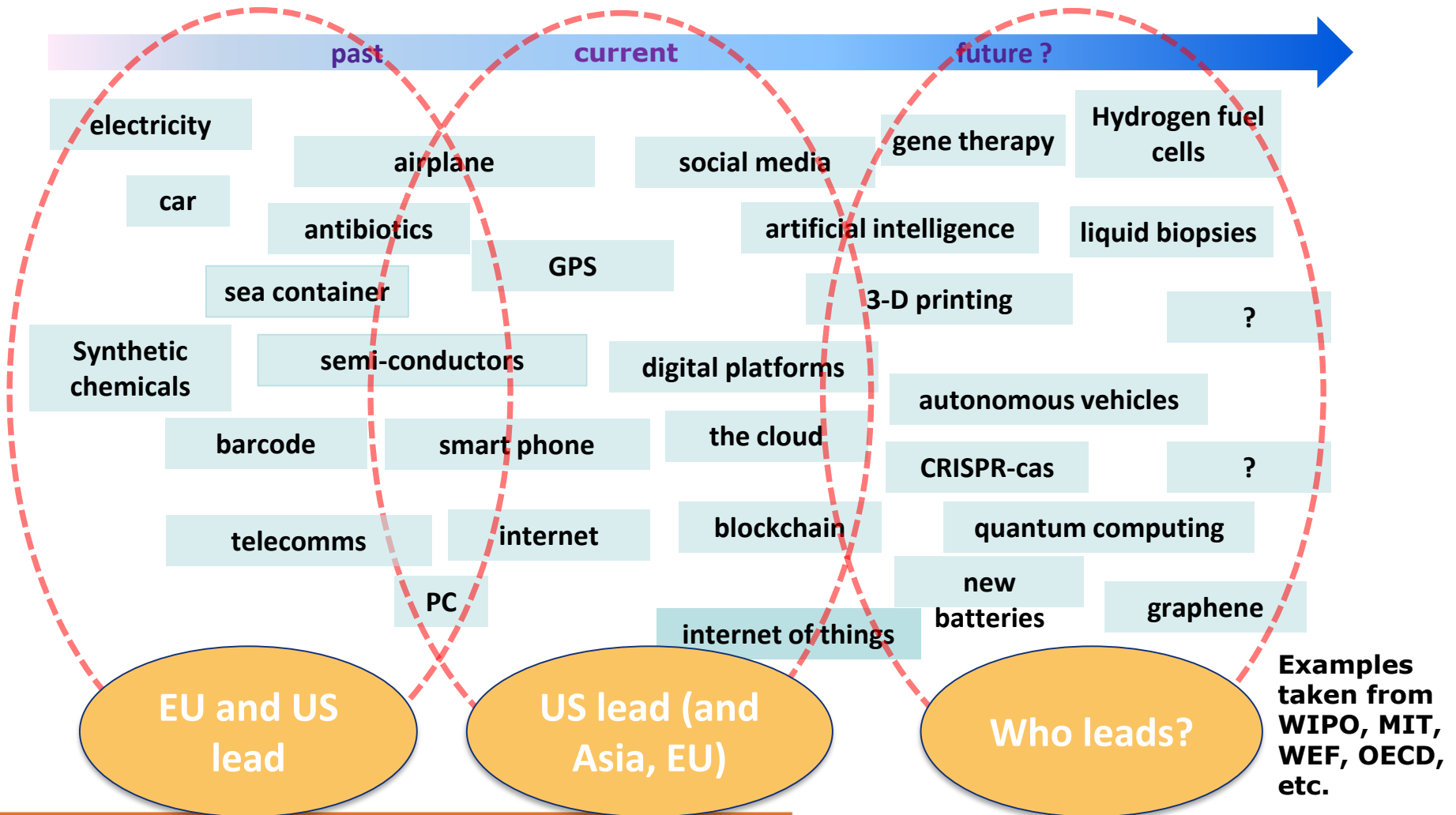
Innovation funding

Financing gap between R&D grants and private investment **for scaling up** innovative start-ups

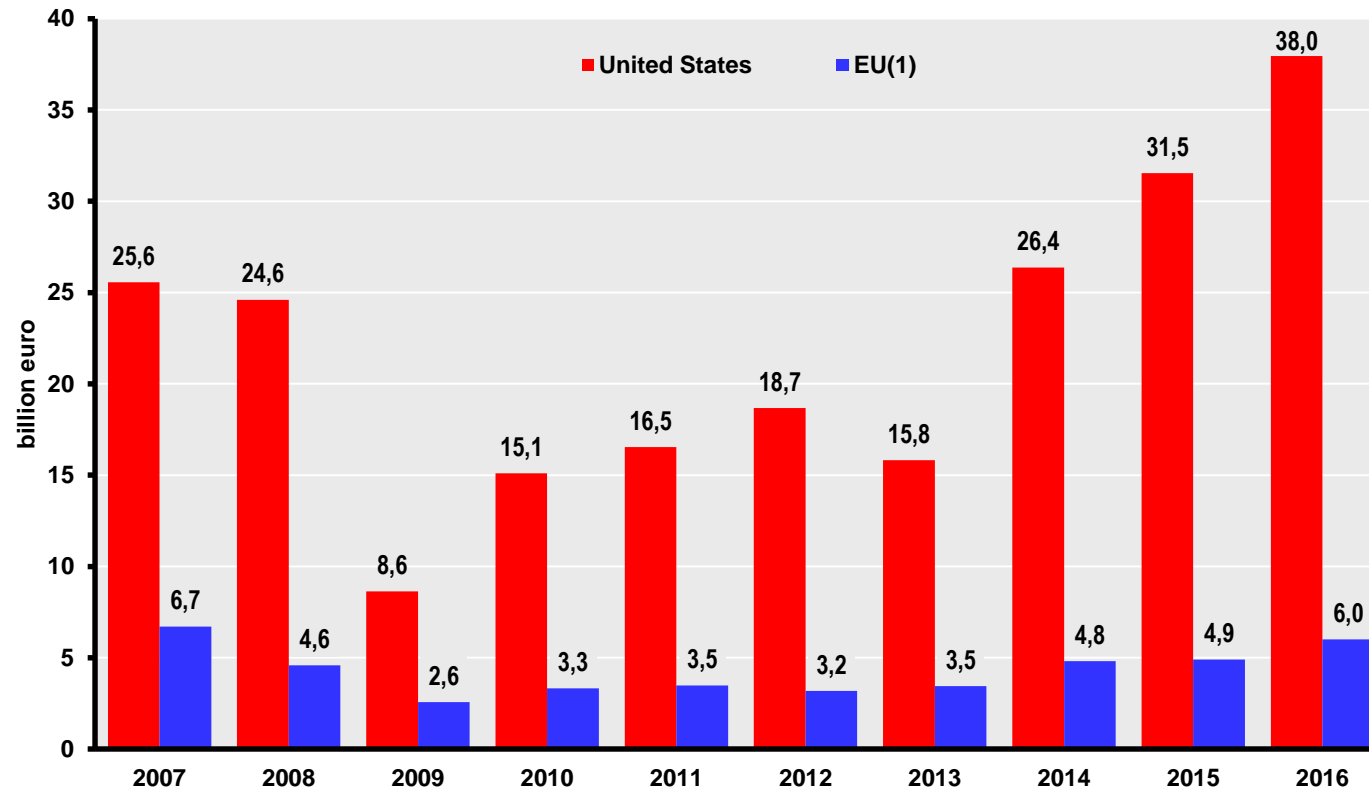
Innovation ecosystem

Many national & local ecosystems, but **fragmented at European level**

Who will lead the next wave of breakthrough and disruptive innovation?



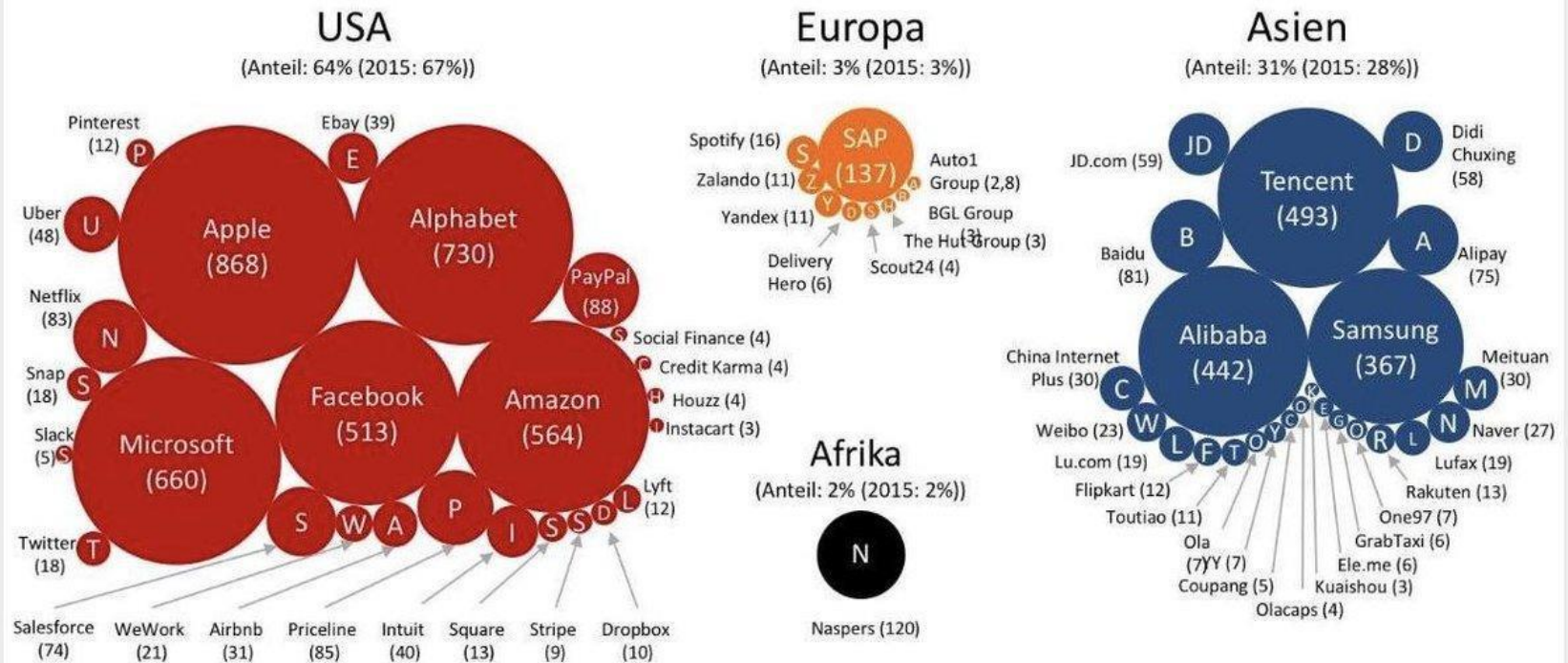
Financing gap: venture capital US vs EU



Venture capital raised. Data: Invest Europe, NVCA / Pitchbook. (1) EU does not include HR, CY, MT, SI, SK.

Global Fast-growing Innovative Companies

Die 60 wertvollsten Plattformen der Welt (Mrd. Dollar (Börsenwert; jüngste Finanzierung / Stand 31. Dezember 2017))

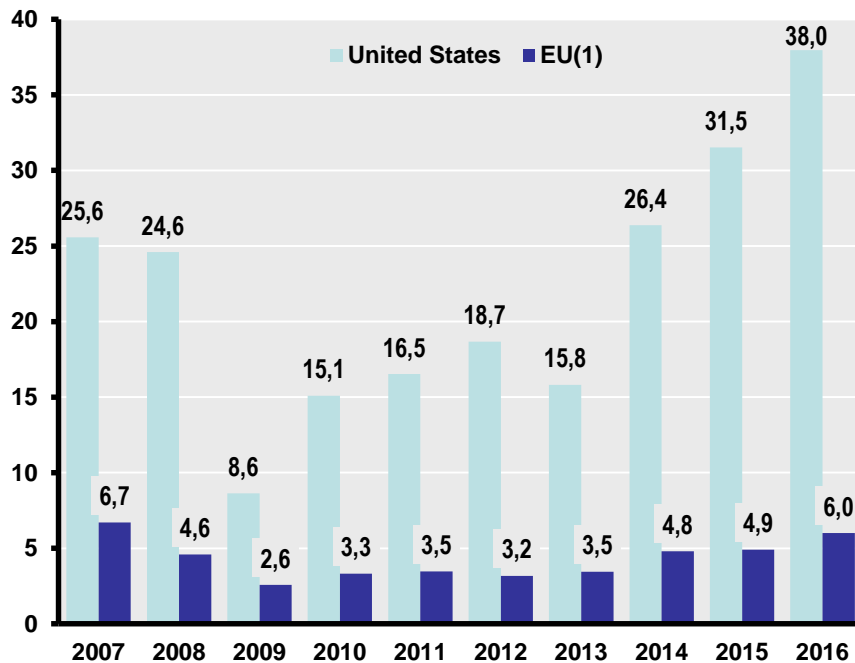


Quelle: Netzoekonom.de / Idee: Peter Evans

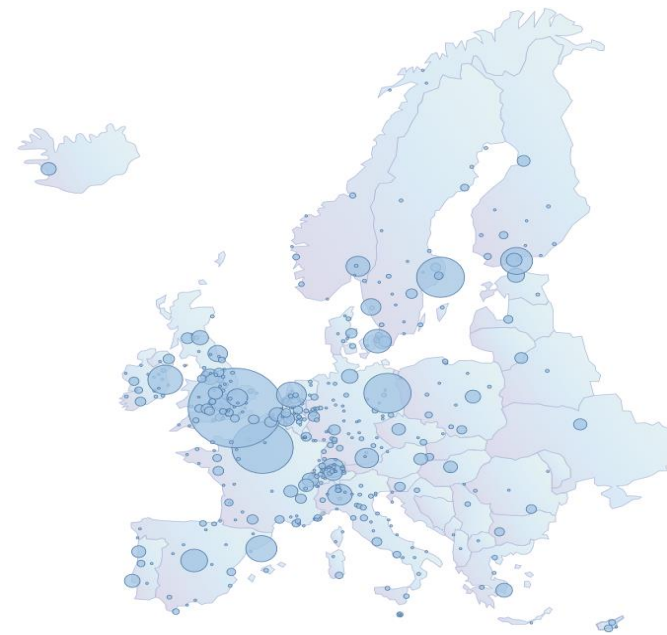
The challenge in Europe: a financing gap coupled with a fragmented innovation ecosystem

EU start-ups have a harder time raising funding from VCs than their US counterparts...

... and a truly connected European innovation ecosystem is only starting to form now



Venture capital raised



European start-up city hubs

1 EU does not include HR, CY, MT, SI, SK

Source: Invest Europe, NVCA / Pitchbook; "Startup City Hubs in Europe" 2018 report



eic **INNOVATION** Council

EMPOWERING EUROPEAN INNOVATORS

The EIC story

"Europe does not yet have a world class scheme to support the very best innovations in the way that the European Research Council is the global reference for supporting excellent science. So I would like us to take stock of the various schemes to support innovation and SMEs under Horizon 2020, to look at best practice internationally, and to design a new European Innovation Council."

Carlos Moedas, European Commissioner for Science & Innovation, June 2015.

Research and
Innovation



Designed together with leading innovators

Accelerating breakthrough innovation report, January 2018



Nicklas Bergman



Martin Bruncko



Paddy Cosgrave



Gráinne Dwyer



Hermann Hauser



Marjolein Helder



Taavet Hinrikus



Ingmar Hoerr



Bindi Karia



Jana Kolar



Carlos Oliveira



Jim Hagemann Snabe



Kinga Stanislawska



Constantijn
van Oranje



Roxanne Varza

Encouraged by EU leaders

"We will only succeed if we are the ones creating, developing and producing new technologies. That is why we need: a strong EU commitment to disruptive innovation within the framework of the European Innovation Council (EIC). The goal is to support very high risk deep tech projects at the European level"

A Franco-German Manifesto for a European industrial policy fit for the 21st Century, February 2019



The European Innovation Council

One stop shop for breakthrough & disruptive innovators

Open to all innovators, in any field, at any time

Highest potential innovators selected on basis of ideas and team

Agile funding from idea to investment

Pathfinder grants for advanced research on emerging technologies

Accelerator funding for innovative start-ups (<€2.5 million grant, <€15 million equity)

Crowding in private investment (VC, Invest EU)

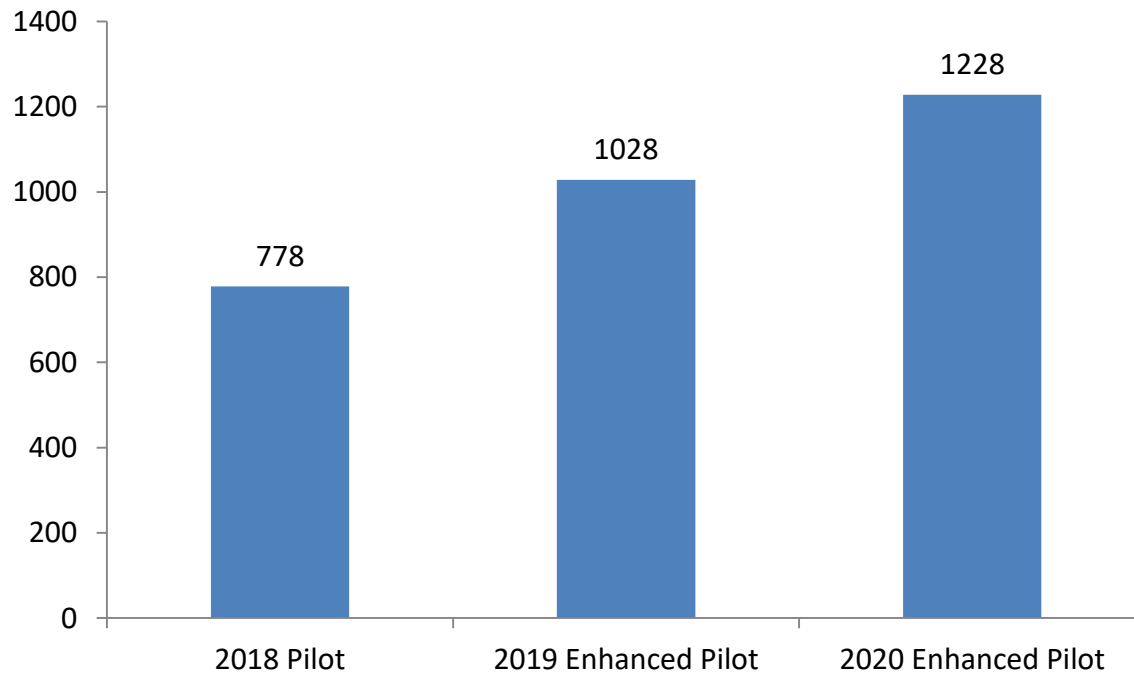
Building ecosystems and communities

Access to mentoring and advisory services and to knowledge partners (e.g EIT)

Expert Programme Managers to engage with projects and communities

Prizes for breakthrough technologies

Tested under Horizon 2020, fully incorporated in Horizon Europe



Total estimated budget, M€

First phase launched in 2018

- ✓ Bringing together relevant Horizon 2020 schemes in one place (*SME instrument, Fast Track to Innovation, FET Open, Prizes*)
 - ✓ Introduction of open support for Start-ups and SMEs (no predefined themes)
 - ✓ Introduction of interviews with experienced innovators to select SMEs for funding
 - ✓ Launch of major prizes for breakthrough innovations, e.g low cost space launcher (€10 million prize); artificial photosynthesis (€5 million prize)
-
- ⇒ 6000 applications received by start-ups or SMEs (*for SME phase 2 grants*)
 - ⇒ Majority combining different fields: *digital, energy, manufacturing, health, etc.*
 - ⇒ 520 interviewed & 250 awarded funding (*budget €450 million*)
 - ⇒ Fast process (*grant awarded in under 4 months*)
 - ⇒ Total budget in 2018 of €778 million *for all EIC pilot actions*

Second phase launched in 2019

- ✓ **Increased budget of €2.2 billion** (€1.0bn in 2019; €1.2bn in 2020)
- ✓ **Introduction of pilot pathfinder**, with 6 strategic emerging technologies targeted (human-centric AI, novel medical devices, zero-emission energy generation, etc)
- ✓ **Introduction of pilot accelerator** with option to apply for blended finance (combined grant and equity)
- ✓ **New EIC Advisory Board** to bring in leading innovators for ongoing design & implementation
- ✓ **First EIC programme managers** recruited to actively engage with pathfinder projects

Full EIC under Horizon Europe (2021-27)

- ✓ **Proposed budget of €10 billion**
- ✓ **Dedicated governance with EIC President and Advisory board**
- ✓ **More flexible rules for funding** (ability to stop or reorient, links to Invest EU) with increased role for expert **programme managers**
- ✓ **Full accelerator** funding with both grant and blended finance
- ✓ **Full pathfinder scheme** for grants in advanced research and transition activities
- ✓ **Fast track access** for Horizon grant holders (incl. European Research Council) and certified national schemes
- ✓ **Creation of EIC Forum** with Member States innovation agencies





European
Commission

Find out more

ec.europa.eu/research/eic

 #EU_EIC

"[The EIC alone will not create global champions. What it will do is create a European Champions' League]"

Research and
Innovation

