



The European Innovation Council (EIC)

Lucia Murgante

Europe's most ambitious innovation initiative

Budget

€ 10 billion

European
Innovation
Council



Unique

combines research & accelerator for SMEs, startups, scaleups

Largest deep-tech innovator in Europe

Over €3 billion

Enhances the European Innovation Ecosystems

Partnerships with ERC, EIT regions...

Annual Work Programmes (separate from Horizon Europe main WP)

- First WP (2021) adopted 18 March 2021, €1.5 billion
- Second WP (2022) adopted 7 February 2022, €1.7 billion
- Third Work Programme (2023) adopted 7 December 2022, € 1.7 billion



Pathfinder

- For **consortia**
- **TRL 1-4** (Early stage research on breakthrough technologies)
- Grants up to € 3 to 4 million

- For **consortia & single** researchers /companies
- **TRL 3-6** (Proof of concept to validation)
- Grants up to € **2.5 million**

Transition

- For **individual companies**
- TRL 6-9 (Development & scale up)
- **Blended** finance
 - grants up to € 2.5 million
 - equity up to €15 million

Accelerator



Overview of EIC Challenges for 2023

€163 million for **five** Pathfinder Challenges

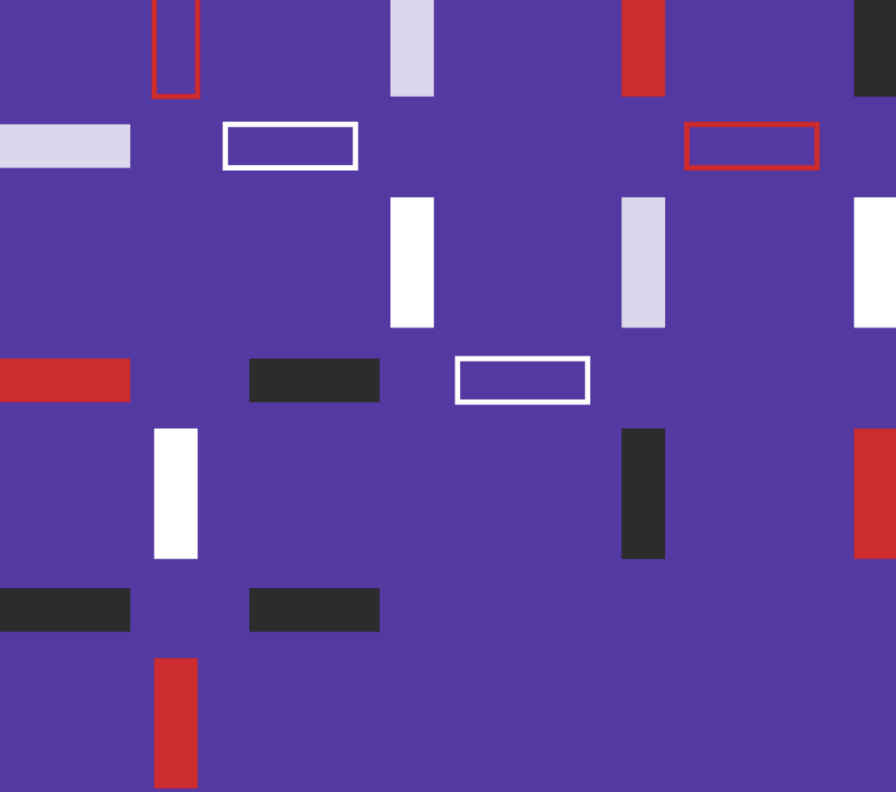
- Clean and efficient cooling
- Architecture, Engineering and Construction digitalisation for a novel triad of design, fabrication, and materials
- Precision nutrition
- Responsible electronics
- In-space solar energy harvesting for innovative space applications

€60.5 million for **three** Transition Challenges

- Full scale Micro-Nano-Bio devices for medical and medical research applications
- Environmental intelligence
- Chip-scale optical frequency combs

€523.5 million for **eight** Accelerator Challenges

- Novel biomarker-based assays to guide personalised cancer treatment
- Aerosol and surface decontamination for pandemic management
- Energy storage
- New European Bauhaus and Architecture, Engineering and Construction digitalisation for decarbonisation
- Emerging semiconductor and
- Quantum technology components
- Novel technologies for resilient agriculture
- Customer-driven, innovative space technologies and services



EIC Accelerator



What are we looking for?

Start-ups and SMEs seeking to **scale-up** high impact innovations with the **potential to create new markets** or disrupt existing one

Innovation building on **scientific discovery** or technological breakthroughs
(„**deep tech**“)

Innovations where **significant funding** is needed over a **long timeframe** and are **too risky** for private investors alone



EIC Accelerator – Who can apply?



- **Single company (i.e. no consortia, but subcontracting and affiliated entities are possible)**
- SME according to EU definition: < 250 employees, < 50 million EUR turnover or < 43 million EUR total balance sheet, data from linked or partner enterprises might need to be taken into account*
- Small mid-caps (up to 499 employees) – for rapid scale up only
- Natural person(s) or legal entity
 - from Member State (MS) or Associated Country (AC) intending to establish an SME or small mid-cap in MS or AC by the time of signing the EIC Accelerator contract.
 - From a non-associated third country intending to establish an SME or to relocate an existing SME to a MS or AC (establishment prior to full proposal!)

[* More details and self-assessment tool](#)

EIC Accelerator – funding options



Grant only

If you can prove that you have sufficient financial means for deployment and scale-up (TRL 9)

Grant first

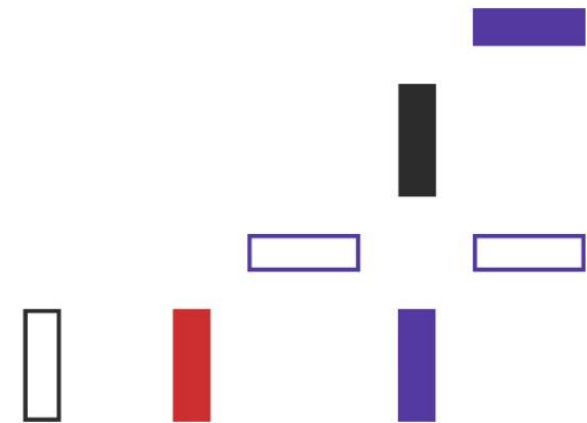
If your innovation still requires significant work to validate and demonstrate in relevant environments to assess its commercial potential

Grant & investment

If you need support for development (TRL 5/6 → 8), deployment and scale-up (TRL 9)

Investment only

If you are looking to fill the funding gap for rapid scale-up of your high-risk innovation and you don't need a grant



EIC Accelerator– Blended Finance



Grant component

- maximum of less than **€ 2.5 million**
- eligible costs are reimbursed up to a maximum of **70%**
- small mid-caps are not eligible for a grant only



Investment component

- € 0.5 million and **maximum € 15 million**
- usually in the form of direct **equity** or quasi-equity
- **minority ownership** (maximum 25% of the voting shares of the company)
- **“patient capital” principle** (7-10 years perspective on average, max 15 years)

The EIC Fund

- **Manages equity investments** in startups & SMEs selected by EIC Accelerator.
- The EIC Fund is a **venture capital fund** established in June 2020 by the European Commission.
- An **external fund manager** has been recently appointed as part of the **EIC Fund restructuring**, to make it sustainable for the number and amounts of investments expected in the period 2021-27.
 - The EIC **Fund Manager** makes **investment/divestment decisions** and portfolio management.
 - The **European Investment Bank (EIB)** is investment **advisor** to the EIC Fund performing the due diligence, preparing the investment proposal and supporting the portfolio management.
 - **EISMEA**
 - conducts the **evaluation and selection** of proposals;
 - implements the **grant** component;
 - ensures **coordination** between grant and equity components.



EIC Accelerator equity funding

- The EIC invests at **early stage** (seed, start-up, scale-up) from **€0.5 to 15.0 million*** in the form of equity or quasi-equity.
- Intended to finance **market deployment and scale up**.
- **Crowding in** of co-investments and follow-up investments in EIC funded companies of **3-5 times the level of EIC funding**
- The EIC may reserve **follow-on capital** to invest in subsequent series or grant-first.
- The EIC provides **patient capital** (investments will normally be made with a long average perspective (7-10 years) with a maximum of 15 years).
- The EIC usually targets **minority ownership** stakes (from 10 to 25%), and up to a blocking minority in cases identified by the EC as of strategic interest for the EU.

** More than € 15 million investment request is allowed in duly justified cases in 2023 on a pilot basis.*

Co-investment support hands-on venture building offered to every company

1 Venture Building

- **EIC** works with startups on building a solid narrative starting from content- and strategy-heavy topics including validated market size estimates, competitive landscapes, pricing explanations and go-to-market plans.
- We then support the companies with becoming investor ready by helping them create their **Investor Materials and preparing them for the Fundraising Process and Networking.**

2 Networking

- In addition to tailored support for every individual portfolio company, we are also hosting several events for startups, investors and corporates to exchange ideas and close deals.
- This includes **e-pitching events** with angels, venture capital investors and corporates.

3 Fundraising

- We help the EIC portfolio companies to develop and execute a **comprehensive fundraising strategy**
- Specifically, startups can tap into and access the **rich investor network** and benefit from **personal introductions** facilitated by our Investment Managers and the **EIC co-investment platform.**

- Support offered early in the process and when needed over the investment lifetime
- EIC co-investor portal aimed to facilitate investor introductions



Thank you !

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#Eueic

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