



European
eic INNOVATION
Council

EMPOWERING EUROPEAN INNOVATORS

Pilot phase 2019-20

**€2 billion funding for high
potential innovators &
start-ups**

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Head of Unit 'Financial Instruments', EIC Task Force
DG Research and Innovation
European Commission*

*Research and
Innovation*



The solution to bridge the gap: the European Innovation Council

Innovation stage

Dedicated EIC support

Advanced research & technology

Proof-of-concept & demonstration



PATHFINDER:
Researchers, technologists



~€600 million



~180 projects



Innovation development & scale-up

Bridging the gap to the market



ACCELERATOR:
Start-ups, SMEs and entrepreneurs

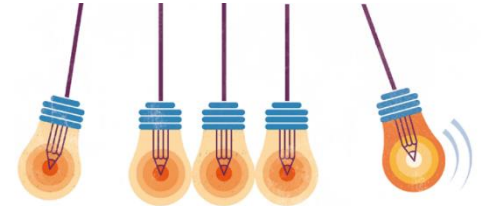


~€1,300 million¹



~600 projects¹

Coaching, mentoring and business acceleration services



¹ Excludes Phase 1 support

Major novelties

Accelerator blended finance

- **+€100 million in equity**
- Innovative SMEs with potential to **scale-up**
- Global **substantial support**: up to € 17.5 million (€2.5m in grant + €15m in equity)
- From early commercial to market deployment and scale-up (**TRL 6 or above**)

Major novelties

EIC Programme managers

- For more **flexible and pro-active** management and steering of tech or challenge-based **portfolios**
- **3 to 5** programme managers to follow projects in **EIC Pathfinder Pilot**
- **Professionals with visionary thinking**
- Hired as a **temporary Commission staff**

Major novelties

EIC Advisory Board

- To **advise** the Commission on the design of European Innovation Council (EIC) support for innovation
- **Group of 15 to 20** entrepreneurs, investors, individuals building start-up communities, innovative researchers and academics working on innovation policy
- Will support the Commission:
 - *Developing the pilot in 2019 and 2020*
 - *Enhancing innovation eco-systems and impact*
 - *With the overall strategy under Horizon Europe*

The Pathfinder Pilot

Pathfinder



> supports researchers, innovators and innovative companies with ideas relating to future and emerging breakthrough technologies with a **grant**

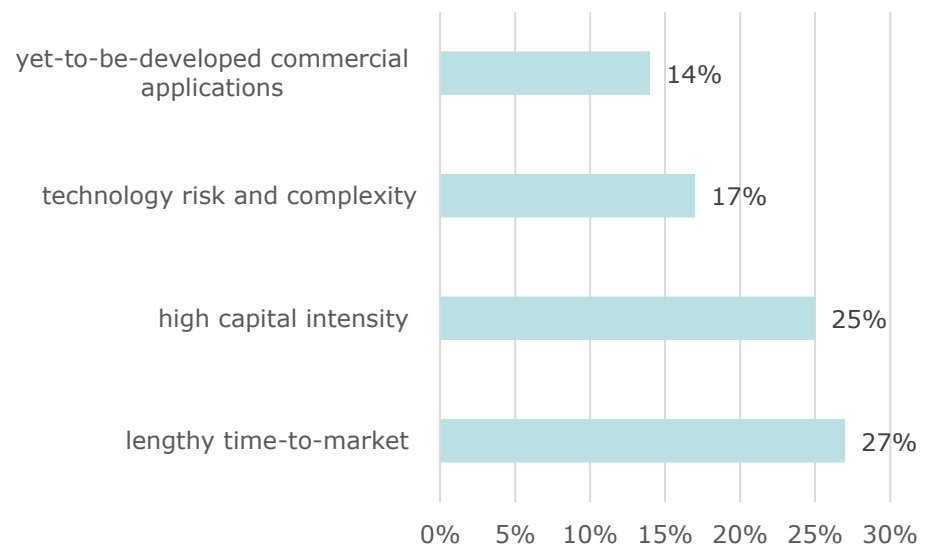


> Researcher, innovator or innovative company can apply for Accelerator funding **as it matures**

EIC Pathfinder Pilot Deep-tech 'made in Europe'

- **Needs a strong research base.**
- Deep-tech companies are **constantly pushing the technological frontier.**
- **Collaborations** are especially important since it lies at the crossroads of disciplines, fundamental research and industrial application.

Challenges for deep-tech startups



Source: BCG and Hello Tomorrow
Report: "From tech to deep tech"

EIC Pathfinder - FET Novelties

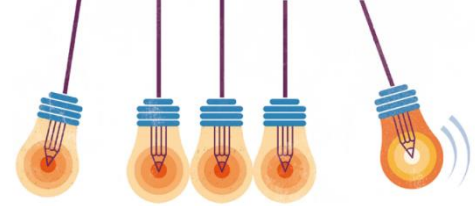
- From early stage proof-of-concept research, up to demonstration of commercial viability
- FET Proactive integrated in the Pathfinder Pilot
- Programme managers
- Business Acceleration Services
- FET Transition to Innovation Activities





EIC Pathfinder - FET Open Research and Innovation Actions

- Foundations for radically new future technologies, high-risk & high-impact interdisciplinary research:
 - *Radical vision*
 - *Breakthrough technological target*
 - *Ambitious interdisciplinary research*
- **Bottom-up and continuously open**
- **15-page proposal**, up to **€3 million** (indicative), consortium of minimum **3 partners** from 3 EU / associated countries



EIC Pathfinder - FET Proactive

Emerging paradigms and communities

- Stimulate the emergence of a **new technological paradigm**
- **Selected emerging paradigms**
 - *Human-Centric AI*
 - *Implantable autonomous devices and materials*
 - *Breakthrough zero-emissions energy generation for full decarbonisation*
 - *Future technologies for social experience*
 - *Measuring the unmeasurable -- Sub-nanoscale science for Nanometrology*
 - *Digital twins for the life-sciences*
- Up to **€4-5 million**, across up to **4 years**
- 30-page proposal, Minimum **3 partners** from 3 EU / AC

2019
€87.4M

2020
€50M

EIC Pathfinder - FET Open Research and Innovation projects

A typical Research and Innovation Action project



Average funding
per project:
3.4 million €

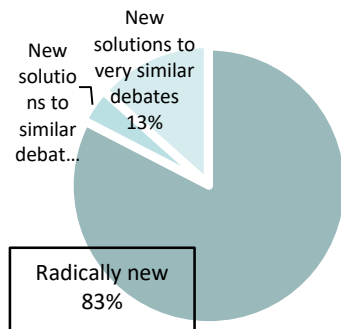


Average number of
partners per project:
6

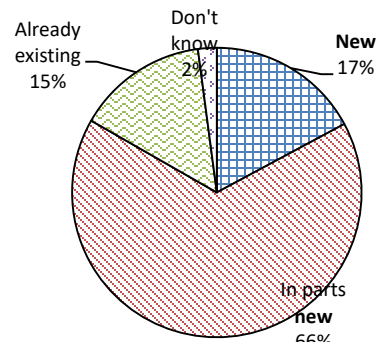


Average project
duration:
41 months

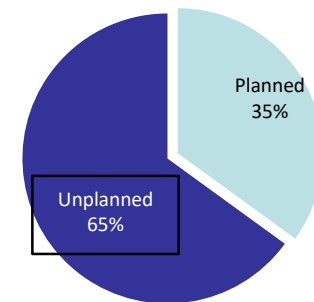
EIC Pathfinder - FET Open Research and Innovation projects



Novelty of results



Novelty of collaboration



Serendipity

EIC Pathfinder - FET Proactive Environmental Intelligence

- Stimulate the emergence in Europe around the emerging paradigm of **environmental intelligence**
- **Two complementary sub-topics:**
 - *new techniques for creating and using dynamic models of environmental evolution*
 - *radically novel approaches to resilient, reliable and environmentally responsible in-situ monitoring*
- Projects up to **€4 million**, up to **4 years**
- 30-pages proposal, Minimum **3 partners** from 3 EU / AC

2020
€18M

EIC Pathfinder - FET Open Innovation Launchpad

- **Turning results** from FET-funded projects **into genuine societal or economic innovations**
- Up to **€0.1 million** over 18 months
- Sole applicant or as part of a consortium
- Market analysis, business case, technology assessment, IPRs...

EIC Pathfinder - FET Proactive Transition to Innovation Activities

- Turn promising results into **breakthrough and disruptive innovations**
- At the end of a typical FET-Open or FET Proactive project (i.e., starting from **early-stage technologies**)
- **Targeted technologies:** *Micro- and Nano-technologies, Artificial Intelligence and advanced robotics, Technologies for the life sciences, health and treatment, Energy technologies, Interaction technologies*
- 24 months, €1-2 million

Pathfinder

Next cut-offs

- FET Open
 - 18 September 2019
 - 13 May 2020
- FET Proactive Emerging paradigms and communities
 - 3 Sep 2019
 - 22 Apr 2020
- FET Proactive Environmental Intelligence
 - 22 Apr 2020
- FET Innovation Launchpad
 - 8 October 2019
 - 14 October 2020
- FET Proactive Transition to Innovation Activities
 - 3 Sep 2019

EIC Pathfinder - FET Open and Proactive Evaluation Criteria

- **For FET Open and Proactive RIAs:**
 - *Three award criteria:*
 - 60% 'excellence'
 - 20% 'impact'
 - 20% 'quality and efficiency of implementation'
- **For Transition to innovation & ILP**
 - *Three award criteria:*
 - 40% 'excellence'
 - 40% 'impact'
 - 20% 'quality and efficiency of implementation'
- **Time-to-inform:** 5 months
- **Time-to-grant** 8 months

The Accelerator Pilot

Accelerator



> provides innovators and innovative companies with **blended finance** (grants / grants and equity) of up to € **17.5**



> **bridges the financing gap** between late-stage innovation activities and market take-up

Accelerator Pilot

Building on SME Instrument

- **Individual SMEs with high-risk, high-growth potential** aimed at creating new markets
- **Substantial funding** for the last stages of development
- **Bottom-up**: all sectors, products, services, new business models
- **Grant**
 - **€0.5 - 2.5 million** (funding rate 70% of total cost of project)
- **With equity option (blended finance)**
 - Plus **up to €15 million**

From grant to blended finance

- **Grant:** Early-stage innovation for **development**
- **Equity:** Early-stage and mature innovation for **scale up**

Note:

- *If the proposal includes mature innovation activities, and consent has been given by the applicant, it will be changed into blended finance*
- *There is flexibility to obtain equity even if not requested at the moment of submission*


Accelerator Pilot (grant and blended) Novelties

- Evaluation: **award criteria**
 - 33% 'impact'
 - 33% 'excellence'
 - 33% 'quality and efficiency of implementation'
- *if the company have requested an **equity component they will be subject to **due diligence*****
- **Time-to-inform**: 3 months from date of application
- **Time-to-grant**
 - **Grant**: 6 months from date of application
 - **Equity**: +6 months from date of application

Accelerator Pilot Step-by-step

Submission of Proposals



 Blended finance only

Remote Evaluation



Ranking of Proposals



Interview



Grant Agreement



In case of blended finance option

Due Diligence



In case of blended finance option

Equity Investment



Accelerator Pilot Novelties (grant and blended)

- Application
 - *Single template for the two options*
 - *Applicants positively evaluated **for blended finance** may be asked for **additional information on their equity request***
 - ***New application forms** with **additional financial elements***
 - ***Pitch deck** for the **interview***

Accelerator Pilot Novelties (grant and blended)

- Evaluation
 - *By experts in technology, business and finance*
 - *Two **steps**:*
 - **Step 1 (remote evaluation)**
 - **Step 2 (face-to-face interview)**
 - *Three possible **outcomes**:*
 - **'Go' decision**
 - **'No Go' decision**
 - **'Change into blended finance' decision**

Due Diligence for blended finance

- For **projects requesting blended finance only**
- By a “**Special Purpose Vehicle**” (SPV)
- Due diligence will **focus** mainly on evaluating compliance and risk level as well as:
 - *Confirming the **investment amount and structure***
 - *Estimation of the **total financial effort***
 - *Defining **equity “tranches” and key milestones***

Accelerator Pilot (blended finance) Equity investment

- Principle of **crowding-in** private investment
- Structured **via separate agreement** (next to grant agreement)
- **Passive role** in the daily management of the company
- **Exit strategy:** if consent of the company is received, the SPV will actively seek private investors to buy the EC shares

Accelerator Pilot

Next cut-offs

- Accelerator grant-only
 - *5 June 2019*
- Accelerator blended finance and grant only
 - *09 October 2019*
 - *08 January 2020*
 - *18 March 2020*
 - *19 May 2020*
 - *07 October 2020*

FTI

Fast Track to Innovation

- Fast go-to-market of an industry-driven, innovative concept to grow and scale-up
- **Grant-only, Bottom-up**
- **Consortia of 3-5** from 3 EU / AC — *mandatory industry involvement*, Up to **€3 million**
- Next cut-offs
 - *23 May 2019, 22 October 2019, 19 February 2020, 09 June 2020, 27 October 2020*

EIC Pilot

Business Acceleration Services

- For SMEs **EIC clients** (Pathfinder and Accelerator)
- **Coaching**: up to 12 days available
- **Mentoring** for individual founders, CEOs and leaders
- EIC **Community** Platform
- EIC **Networking** events, such as Corporate Days (companies meet large corporations as potential investors)



Jan Lichtenberg
CEO and Co-Founder
[InSphero](#)

Pathfinder Pilot

Success case

FET-Open 'Body-on-a-Chip' from research to commercialization

"Young companies must be focused on generating market interest for their products. **The FET Open programme allowed us to get the balance right and to work on the next wave of innovation for the company.** We are proud to have made this project a success from start to commercial launch. This technology platform will change the way **new drugs** are developed in the future: **without animal testing.**"

EIC Pilot – SME Instrument Phase 2 Success case

Virtual reality in human eye resolution



Varjo Technologies Oy (FI)

<https://varjo.com/>

Phase 2 in January 2018

€2.4 m

€27.3 m Series B in October 2018

Collaborating with Airbus, Audi, Volkswagen, and Volvo Cars



EIC Pilot – FTI Success case

Biodegradable water reservoir for landscape-scale ecosystem restoration



FASERGUSSWERK POLENZ



LAND LIFE COMPANY



VOLTERRA ECOSYSTEMS

FTI February 2016: €1.1 m

Land Life: €5.9 m Series A in 2017-2018

Collaborating with Airbus, Audi, Volkswagen, and Volvo Cars

EIC Horizon Prizes

Principles

Address difficult societal or technological challenges through game-changing innovation

Accelerate the development of effective solutions and promote market uptake

Apply out-of-the-box, innovative thinking

Open participation across sectors and disciplines – innovators, start-ups and scale-ups, entrepreneurs, etc

EIC Horizon Prizes 2019-2021

SIX CHALLENGE-DRIVEN PRIZES	VALUE	DEADLINE
AFFORDABLE HIGH-TECH FOR HUMANITARIAN AID	€5 million	2020
BLOCKCHAINS FOR SOCIAL GOOD	€5 million	2019
INNOVATIVE BATTERIES FOR EVEHICLES*	€10 million	2020
FUEL FROM THE SUN: ARTIFICIAL PHOTOSYNTHESIS	€5 million	2021
EARLY WARNING FOR EPIDEMICS	€5 million	2020
LOW-COST SPACE LAUNCH*	€10 million	2020

*Open to legal entities from Member States and Associated Countries only

EIC Pilot

Need help?

- [EIC Wizard](#) via [EIC website](#)
- [EIC Pilot Guide for Applicants](#)
- [EIC Questions and Answers](#)
- [National Contact Points \(NCPs\)](#)
- [European Enterprise Network \(EEN\)](#)

For further information

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The EIC: from idea to change

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