European Innovation Council

THE EUROPEAN INNOVATION COUNCIL

EIC Work Programme 2023

26 January 2023

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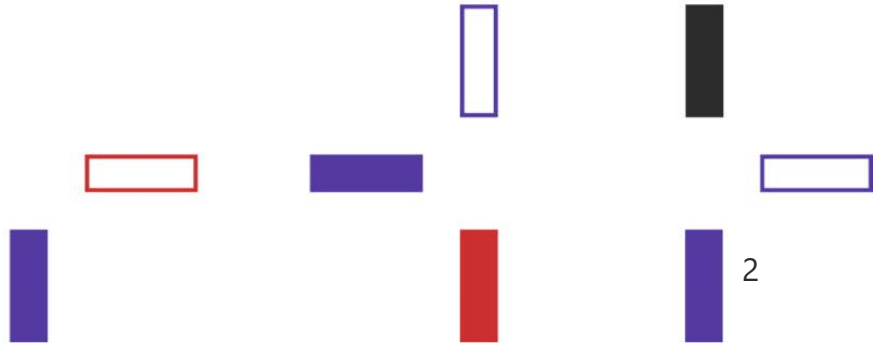
European Innovation Council

European Innovation Council (EIC) – Europe's most ambitious innovation initiative

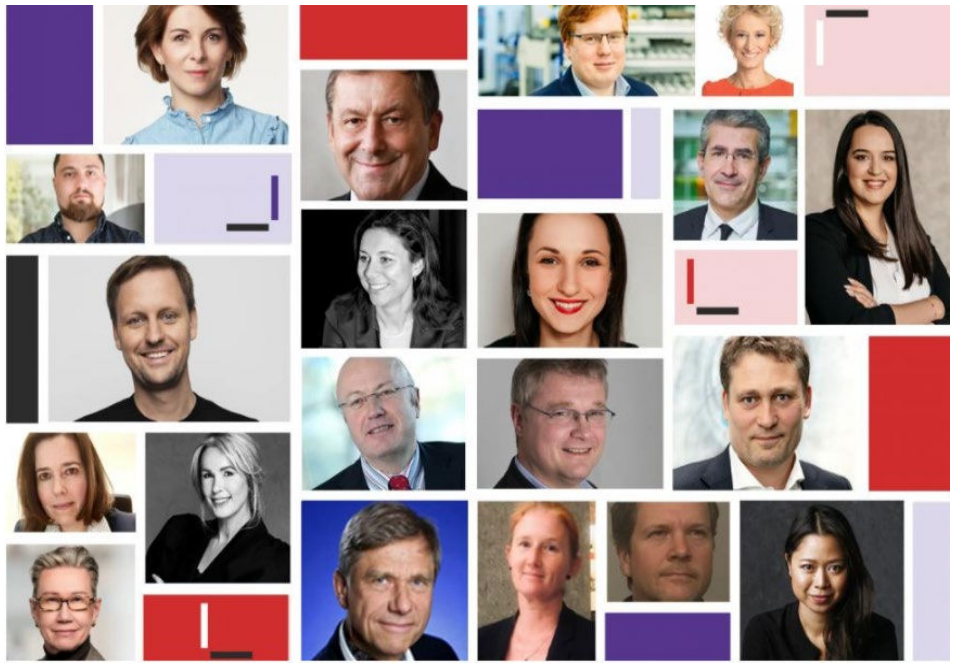
- **Largest early-stage deep tech public investor in Europe** with a budget of **€10 billion**;
- Combination of grants and equity investments that can crowd in 30 to 50 billion other private investments;
- Unique in the world to combine research on emerging technologies with Accelerator for startups, SMEs and scaleups;



European Innovation Council

European Innovation Council (EIC) – Europe's most ambitious innovation initiative

- Steered by **EIC Board** of leading innovators (entrepreneurs, investors, researchers, public) ;
- Accelerator: Several thousand applications per year, of which **only the top 2%** is selected for funding after a thorough due diligence process;
- **Business Acceleration Services**



EIC main instruments and characteristics

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Pathfinder (TRL1-4)

- **For consortia (2+ partners)**
- Early-stage research on breakthrough technologies
- **Grants up to €3/4 million**

Transition (TRL 4-6)

- **For consortia and individual SMEs (1-5 applicants)**
- Technology maturation from proof of concept to validation
- Business & market readiness
- **Grants up to €2.5 million**

Accelerator (TRL 6-9)

- **For individual SMEs**
- 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 or above**)

Open VS Challenges

EIC Pathfinder Open → to support projects in any field of science, technology or application without predefined thematic priorities ('bottom-up')

EIC Pathfinder Challenges → to support coherent portfolios of projects within predefined thematic areas with the aim to achieve specific objectives for each Challenge

Overview of EIC Challenges for 2023

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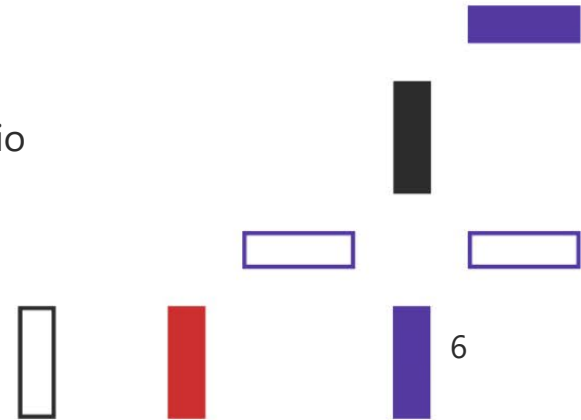
- **€163 million for five Pathfinder Challenges:**
  - Clean and efficient cooling
  - Architecture, Engineering and Construction digitalisation for a novel triad of design, fabrication, and materials
  - Precision nutrition
  - Responsible electronics
  - In-space solar energy harvesting for innovative 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 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 decarbonisatio
  - Emerging semiconductor and
  - Quantum technology components
  - Novel technologies for resilient agriculture
  - Customer-driven, innovative space technologies and services



Pathfinder Open 2023

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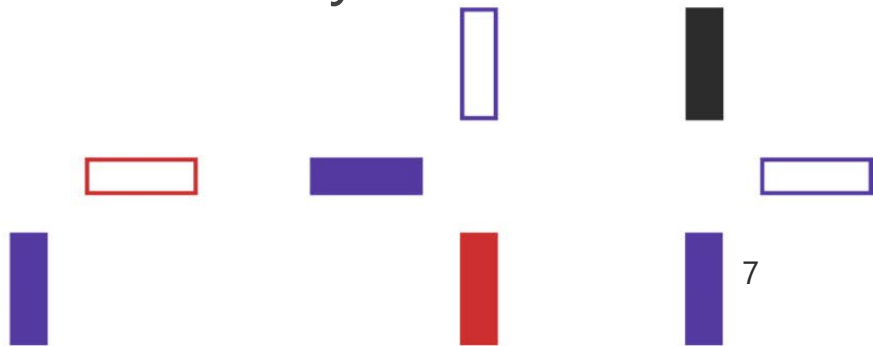
- For multi-disciplinary research teams to undertake visionary research with the potential to lead to technology breakthroughs
- **Budget:** €180 million in 2023 for open, bottom up calls in any field of technology and application
- **Technology Readiness Levels 1-4**
- **Grants** up to €3 million (or more if justified)
- **Eligible applicants:** consortia of at least three independent legal entities, each one established in a different Member State or Associated Country and with at least one of them established in a Member State.
- **Deadlines for applications:** 7 March 2023



Pathfinder Challenges 2023

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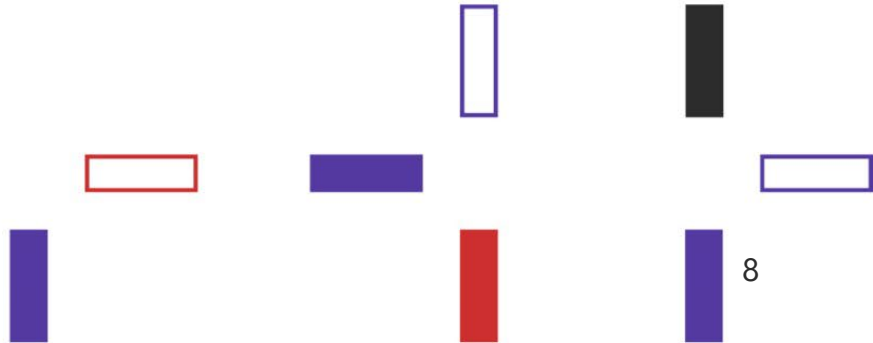
For multi-disciplinary research teams (including individual applicants for Challenges) to undertake visionary research with the potential to lead to technology breakthroughs

- **Budget: €163 million** for 'Challenges':
  - Clean and efficient cooling
  - Construction digitalisation
  - Precision nutrition
  - Responsible electronics
  - In-space solar energy

- **Technology Readiness Levels 2-4**
- **Grants** up to €4 million for 'Challenge' proposals
- **Eligible applicants:** Consortia (min 2 entities) or single legal entities
- **Deadline for applications:** 18 October 2023.



EIC Transition 2023

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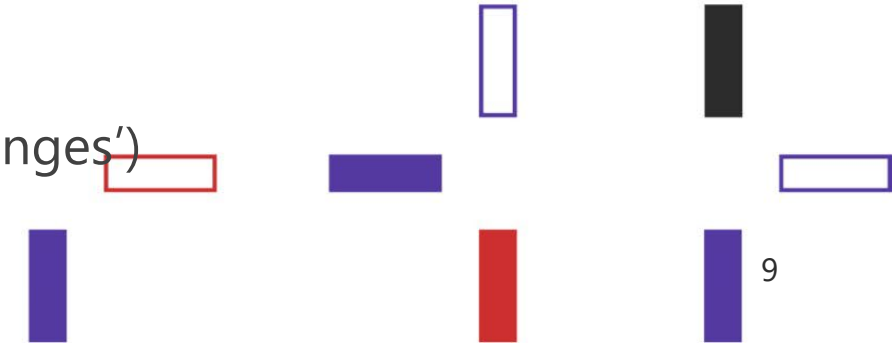
- **Budget: €128 million**
  - €68 million for 'Open', bottom up calls in any field of technology and application
  - €60 million is earmarked for Transition 'Challenges':
    - Micro-Nano-Bio devices
    - Environmental intelligence
    - Chip-scale optical frequency combs
- **Grants** up to €2.5 million (or more if justified)
- **Applications**
  - All year-round open application process
  - 12th April and 27th September 2023 (for both 'Open' and 'Challenges')



EIC Accelerator

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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 ones

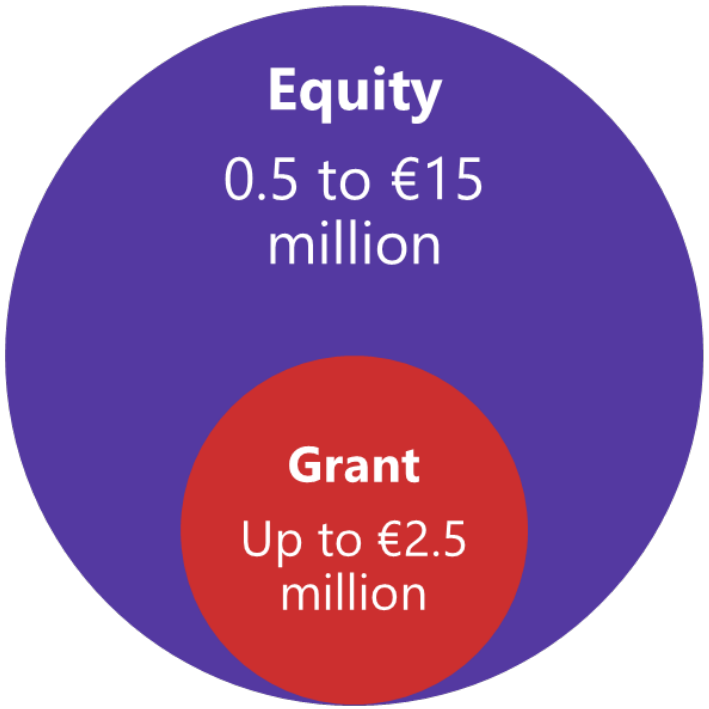
Innovations building on **scientific discovery** or technological breakthroughs (‘**deep tech**’)

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

EIC Accelerator 2023

What can you apply for?

EIC Blended Finance



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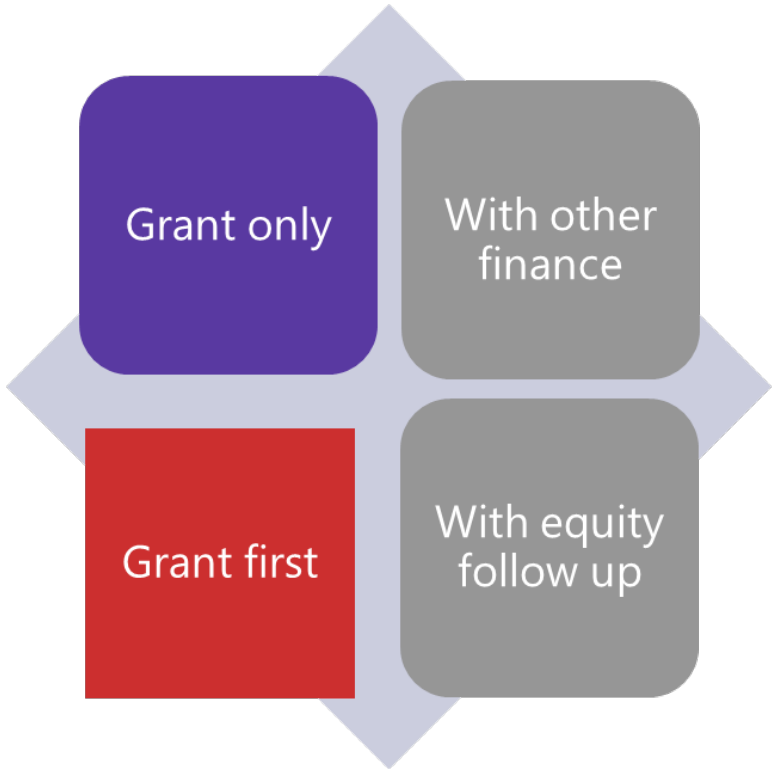

The EIC Fund

Manages equity investments in startups & SMEs selected by EIC Accelerator

The EIC Fund is a VC fund, established in June 2020, currently managed by an **external professional fund manager**

The **European Commission** is the shareholder

The **EIB** is the **Investment Adviser**

Ticket size between €0.5 to €15 million (current average €4.5 million)

141 deals approved (EUR 637 million) and **92 investment agreements signed** (direct equity investment or convertible loans)

Current leverage effect for equity investments is **2.6-2.8 times** the EIC money

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How we select investment opportunities

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Very competitive (2% success rate)

Selection process run by the Commission (EISMEA).

Market criteria: relevance of the problem and solution proposed, disruptiveness of technology, TAM, competitors, team, business model, commercialization strategy, etc.).

Expert review: each selected company has been reviewed by **10 Independent experts** (VCs, serial entrepreneurs and innovation specialists) + **EIC Programme Managers.**

Before investment agreement a more in depth **due diligence on technology, finances and legal aspects** is carried out by the **European Investment Bank** (EIB) and third party experts.

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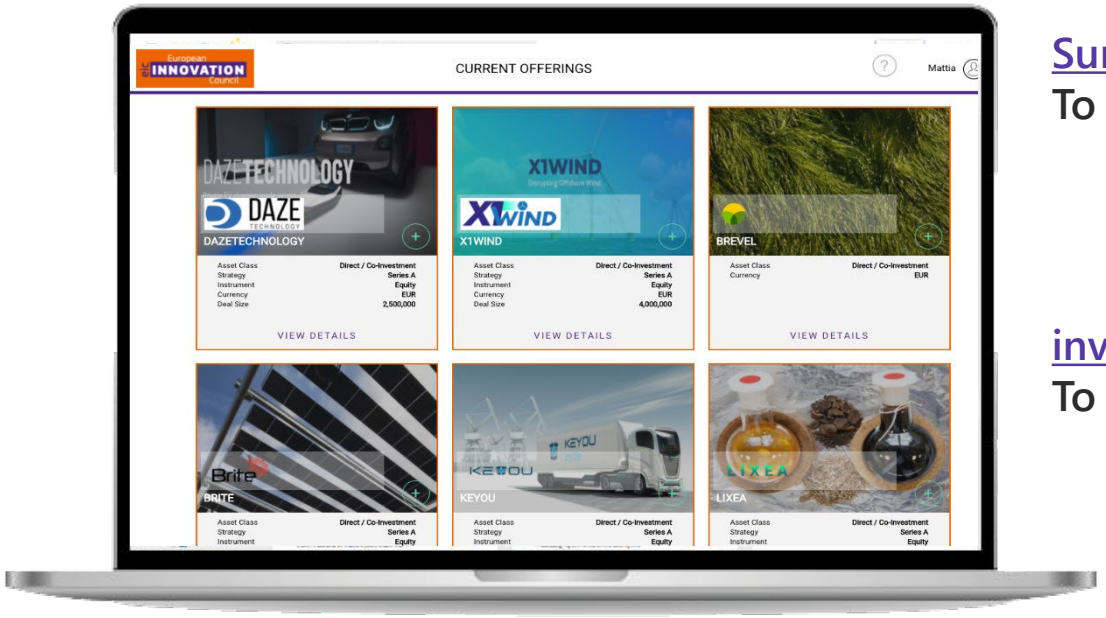
The EIC Co-investment portal

800+
Investors Registered

140+
Companies listed



Survey.eicfund.eu
To register as an Investor

invest.eicfund.eu
To the platform

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EIC Work Programme 2023 - overview

- **Budget: €1.66 billion**
  - EIC Pathfinder: €343 million
  - EIC Transition: €128 million
  - EIC Accelerator: €1.13 billion
- **Strong continuity** for main calls (Pathfinder, Transition, Accelerator)
- **More frequent cut-offs (4)** and **improved resubmissions** for Accelerator
- More targeted **EIC challenges, especially for Accelerator challenges**
- A new **internship scheme** and new support to **customise innovations** for prospective clients
- A new **Executives in Residence** action
- New ecosystem approach for **Business Acceleration Services**
- A new **Humanitarian Innovation Prize**

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Improvements for EIC Accelerator

- Four cutoffs
- Strengthened evaluations: 4th expert evaluator to decide if a full proposal at **resubmission** scores **8/9 GOs**:
- Clarification of resubmission rules
- Continuation of pilot for larger investments (above €15 million) in strategic areas

A new approach to EIC Challenges

- EIC Pathfinder: more targeted challenges to avoid oversubscription
- EIC Transition: opening eligibility for all Horizon 2020/Europe results for Transition challenges
- EIC Accelerator: targeting of eight strategic areas for European deep-tech start ups (to open from March cutoff) with more specialist juries, etc.

EIC main calls in 2023 - overview

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Accelerator - Open	Short applications - **Apply any time** Cut offs for full applications: • **11 January 2023 *(not Challenges)*** • **22 March 2023** • **7 June 2023** • **4 October 2023**	**~€613m** (~grant/equity)
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 or quantum technology component • Novel technologies for resilient agriculture • Customer-driven, innovative space technologies and services		**~€525m** (~grant/equity)
Pathfinder - Open	**Deadline 4 May 2023**	**~€179,50m**
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	**Deadline 18 October 2023**	**~€163.50m**
Transition – Open	Cut offs for full applications: • **12 April 2023** • **27 September 2023**	**~€67.86m**
Transition – Challenges • Green digital devices for the future • Process and system integration of clean energy technologies; • RNA-based therapies and diagnostics for complex or rare genetic diseases		**~€60.5m**

A new internship scheme

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- To allow eligible **researchers** (from Pathfinder, ERC, MSCA, RI) to carry out an innovation **internship** in a **hosting company** (EIC, EIT) for 3-6 months:
  - Deep tech research talents (3 months) dedicated to highly specialised work on specific project, requested by the hosting company. This component is expected to attract the interest mostly of ERC, EIC Pathfinder, MSCA fellows along with EIT supported postdocs/doctoral candidates;
  - Aspiring innovators (up to 6 months) dedicated to more generic work in the host organisation. This component is expected to attract the interest mostly of EIT students and graduates;

Pilot support to test EIC innovations for potential clients/ procurers

- Consortium to be selected to organise calls for EIC beneficiaries to test innovations with public or private procurers
  - Grants of 20-60K for EIC beneficiaries to test innovations
  - In-kind commitment of procurers for access to facilities, expertise, data etc and preparation of validation report

EIC Prizes

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- EU Prize for Women Innovators **run jointly with EIT**
- The European Capital of Innovation Awards (iCapital)
- The European Innovation Procurement Awards;
- The European Social Innovation Competition
  - Focus on *'fighting energy poverty'*
- **NEW! The European Prize for Humanitarian Innovation**

Further information on the EIC 2023 Work Programme

European Innovation Council

- **EIC Info Day on WP 2023, 13 December 2022**
  https://eic.ec.europa.eu/events/european-innovation-council-online-info-day-work-programme-2023-13-december-2022-2022-12-13_en

- **Your National Contact Points! (APRE)**

- **EIC Challenges Info Day:** EIC Challenges information days (europa.eu)

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Thank you!

www.eic.ec.europa.eu

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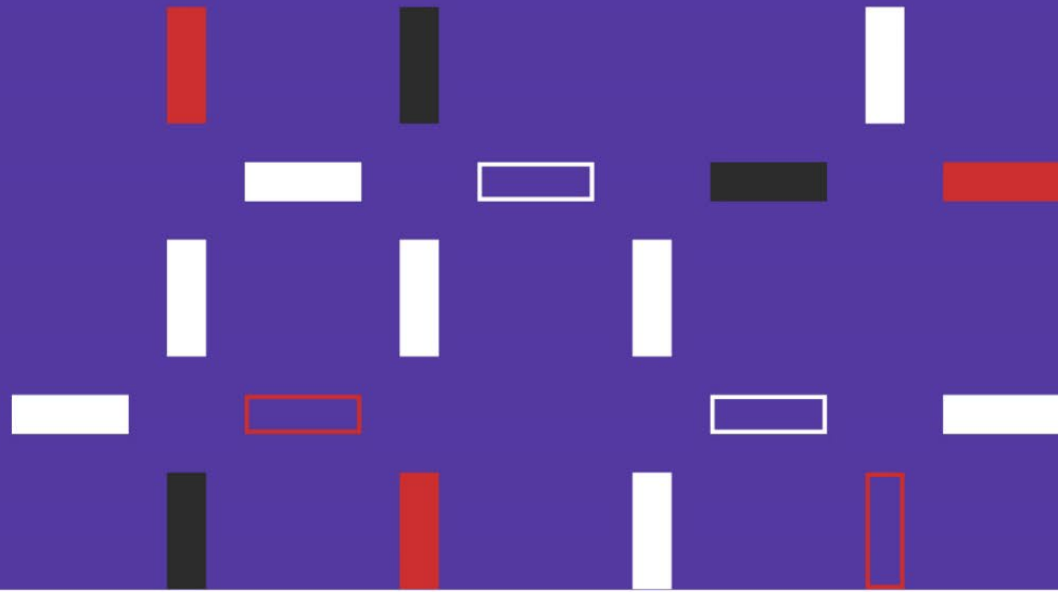

Implementation: EIC Pathfinder

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Open

2021

868 proposals submitted
59 projects selected
€174.4 mil in funding

2022

863 proposals submitted
57 projects selected
€183 mil in funding

Challenges

433 proposals submitted
42 proposals selected
€142.4 mil in funding

403 proposals submitted
39 projects selected
€145 mil in funding

Implementation: EIC Transition

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EIC Transition

2021

173 proposals submitted for Open
57 proposals for Challenges
(Medtech & devices; Energy harvesting & storage)

45 proposals selected
~ €100 million funding

2022

300 proposals submitted for Open
46 proposals for Challenges

54 proposals selected

~ €100 million budget

Implementation: EIC Accelerator

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EIC Accelerator

2021

>5000 short applications (apply anytime)
Open + Challenges (green deal, strategic technologies)

~1900 full applications
(June, October cut-offs)
335 selected for **interview**

164 companies selected
€ 350 million grant funding
€ 642 million investment (EIC Fund)

2022

~ 2500 short applications
Open + Challenges: (strategic autonomy, Fit for 55)

~3309 full applications
(March, June, October cut-offs)
538 selected for **interview**

149 companies selected
€ 330 million grant funding
€ 448 million investment (EIC Fund)