EIC Accelerator – Vision and Facts

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Head of Sector, Challenge-based EIC Accelerator
The **European Innovation Council** is a key novelty of **Horizon Europe** and represents the most ambitious innovation initiative that Europe has taken, with a budget of **EUR 10 billion** for the period **2021-2027**.
Pathfinder
• For consortia & single researchers/companies
• TRL 3-6 (Proof of concept to validation)
• Grants up to €2.5 million

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

Accelerator
• For individual companies
• TRL 6-9 (Development & scale up)
• Blended finance
  • grants up to €2.5 million
  • equity up to €15 million
EIC main calls in 2023 - overview

**Accelerator**
- Open
  - 11 January 2023
  - 22 March 2023
  - 7 June 2023
  - 4 October 2023
  - ~€612m (~grant/equity)

**Challenges**
- 22 March 2023
- 7 June 2023
- 4 October 2023
- ~€523.5m (~grant/equity)

**Pathfinder**
- Open
  - 7 March 2023
  - 18 October 2023
  - ~€179.50m
- Challenges
  - ~€163.50m

**Transition**
- Open
  - 12 April 2023
  - 27 September 2023
  - ~€67.86m
- Challenges
  - 12 April 2023
  - 27 September 2023
  - ~€60.5m
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 million for eight Accelerator Challenges
- Novel biomarker-based assays to guide personalised cancer treatment (Indicative budget: 65 M€)
- Aerosol and surface decontamination for pandemic management (65 M€)
- Energy storage (100 M€)
- New European Bauhaus and Architecture, Engineering and Construction digitalisation for decarbonisation (65 M€)
- Emerging semiconductor or quantum technology components (100 M€)
- Novel technologies for resilient agriculture (65 M€)
- Customer-driven, innovative space technologies and services (65 M€)
EIC Accelerator

Supports:

- **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 or technological breakthrough (**deep tech**);

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

- **Unique combination** of grant + investment + Business Acceleration Services (coaching, access to markets & partners)

**Budget for 2023:** €1.13 billion

**Apply any time** (short applications)

**Cut-offs** for full applications: 11 January, 22 March, 7 June, 4 October
Financial & Non-financial support

All the EIC Awardees receive both financial & non-financial support

Financial Support

• Financial support includes investing up to €2.5m in grants and €15m in equity

Coaching

• Independent business experts with entrepreneurial and fund-raising backgrounds to provide companies with crucial insights and guidance

Extensive package of Business Acceleration Services

Direct introduction to investors, partners (corporates, procurers etc), participation in overseas trade-fairs to connect with business partners
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.
   - We help the EIC portfolio companies to develop and execute a **comprehensive fundraising strategy**

3. **Fundraising**
   - 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
Co-investment portal & Monthly Newsletter
The public list of co-investment opportunities

EIC fund Platform
...to scout beneficiaries & access pitch decks

- 850+ Investors Registered
- 125+ Companies listed

survey.eicfund.eu to register as an Investor
invest.eicfund.eu to the platform

Monthly Newsletter
...all the latest co-investment opportunities in one place!

- 4+ Companies Promoted
- 6 Different Sectors

Keep you up to date with our initiatives
Interacting with our community
Share important key resources
Full set of EIC Programme Managers

Carina Faber
Renewable energy conversion and alternative resource exploitation

Samira Nik
Quantum tech and electronics

Isabel Obieta
Responsible electronics

Antonio Marco Pantaleo
Energy systems and green technologies

Francesco Matteucci
Advanced materials for energy and environmental sustainability

Stella Tkatchova
Space systems and technologies

Iordanis Arzimanoglou
Health and biotechnology

Enric Claverol-Tinturé
Medical technologies and medical devices

Ivan Stefanic
Food chain technologies, novel & sustainable food

Franc Mouwen
Architecture engineering construction technologies
2. Helping the existing medtech portfolio to succeed

**Hands-on support** (advisory role)

- Systematic rounds of 30min catch-up meetings
- Ad hoc discussions on specific topics

- Advising on technology & market trends  
  - e.g. high-field vs low-field MRI
- Product-Market fit  
  - e.g. matching drug discovery tech to market needs
- Technology-development risk  
  - e.g. scalability of LoC production
- Guidance on EIC’s funding/investment process & priorities  
  - e.g. readiness level for Transition Prog. (prj Lucidwave)
- Access to coaches / Booster grant / Bootcamp  
  - e.g. mix of tech and market/investor knowledge
- Regulatory issues / decisions  
  - e.g. CE marking technical file challenges
- Connection with VCs looking for dealflow  
  - e.g. CVCs
1. **New Challenge Calls.** Finding and funding opportunities for disruption in Medtech.

**Cure the electric brain** with XXI century electronics.

WP2021

WP2022

From **episodic to continuous healthcare**: Unobtrusive monitoring for life-long health

WP2023

**Pathfinder Topic:** Defeating blindness by retina reprogramming

**Transition Topic:** Transition previous lab-on-chip projects to market

**Accelerator Topic:** Low-field MRI for the developing world

**Stop pandemic social distancing** by smart aerosol/surface decontamination tech

**State of the art:** only 3 letters per minute

**SCI**
- Locked-in Syndrome/ALS
- Parkinson’s
- Depression
- Brain Surgery
- Essential tremor
- Epilepsy

**9 projects €34M Sept 2022**

**Other opportunities for future WorkProgrammes**

2024 and beyond

**Kitano, H. Nobel Turing Challenge:** creating the engine for scientific discovery. *npj Syst Biol Appl* 7, 29 (2021)

**Molecular robots for medtech**

**Folding prediction (AlphaFold Google)**

**Big-data diagnosis** (the end of single biomarkers)

**Teladoc (NYSE:TDOC) acquired Livongo in 2020 for $18.5B**
### 3. Examples from our Medtech portfolio

<table>
<thead>
<tr>
<th><strong>Startup DiabeLoop (France)</strong></th>
<th><strong>Startup Klaria (Sweden)</strong></th>
<th><strong>Startup FluoGuide (Denmark)</strong></th>
<th><strong>Startup Saphenus (Austria)</strong></th>
<th><strong>Startup Cutiss (Switzerland)</strong></th>
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<tbody>
<tr>
<td><strong>Offering diabetics a normal life</strong>&lt;br&gt;Autonomously dispense insulin. Closed-loop CE marked Machine-Learning system.</td>
<td><strong>Solving migraine</strong></td>
<td><strong>Trading on Nasdaq Stockholm. Sumatriptan patch (migraine) submitted for approval.</strong></td>
<td><strong>Phantom pain reduction for amputees</strong>&lt;br&gt;CE marked, revenue generating</td>
<td><strong>Burn treatment denovoSkin™. Personalised engineered skin grafts.</strong>&lt;br&gt;Orphan drug designation CE/FDA</td>
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<td><strong>Successful €70M round</strong> in June 2022, led by Venture arm of Private Equity LBO France</td>
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<td><strong>EC/EIC support €4.5M</strong></td>
<td><strong>EC/EIC support €1.9M</strong></td>
<td><strong>EC/EIC support €2.5M+</strong></td>
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<td><strong>Market entry in 2023</strong></td>
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<td><strong>EC/EIC support €2M</strong></td>
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<td><strong>Startup SiriusXT (Ireland)</strong></td>
<td><strong>Startup Orthox (UK)</strong></td>
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<td><strong>Startup Saphenus (Austria)</strong></td>
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<td><strong>Soft X-ray benchtop microscope revolution. New drugs.</strong></td>
<td><strong>Solving knee pain with new cartilage-regenerating material engineering</strong></td>
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<td><strong>Burn treatment denovoSkin™. Personalised engineered skin grafts.</strong>&lt;br&gt;Orphan drug designation CE/FDA</td>
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<td><strong>EC/EIC support €2.2M</strong></td>
<td><strong>Clinical trial FFLEX starting</strong> (July 2022)</td>
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<td><strong>EC/EIC support €2.5M</strong></td>
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Impacts of the pilot: EIC Pathfinder projects and Accelerator companies in all main fields of breakthrough technology

For Health

**Blood Testing & Biomarkers**
- 36 projects

**Cell Biology & Microbiology**
- 27 projects

**Clinical Medicine & Chronic Diseases**
- 6 projects

**Drugs and Pharma (Incl. Vaccines)**
- 15 projects

**Patient Care & Telemedicine**
- 58 projects

**Oncology**
- 28 projects

**Surgery: Orthopaedics, Cardiovascular, and Cardiac Issues**
- 33 projects
EIC Accelerator – funding options

**Blended finance**
Grant & investment

If company needs support for development (TRL 5/6-8), deployment and scale-up (TRL 9)

**Grant first**

If innovation still requires significant work to validate and demonstrate in relevant environments to assess its commercial potential. Milestones are included to enable the investment readiness eligibility

**Grant only**

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

**Investment only**

Provided that the company has previously received a grant and the funding is needed for further scaling up
Overview of the EIC Fund

EIC Fund invests in and supports early-stage companies to scale-up!

A €4 billion Agnostic VC fund, established in June 2020, with a "sweet spot" for Deep Tech

Competitive selection process, including a review by independent experts

695 companies selected for support (133 investment agreements signed - direct equity investment or convertible loans)

Ticket size between €0.5 to €15 million (current average €5.3 million)

Current multiplier effect for equity investments is 3.14x average of the EIC money

EIB - Investment Advisor acting in line with EIC Investment Guidelines

Tech due diligence - performed using high quality independent experts
Investment process after selection

1) Initial assessment (EIB): proposals selected by EISMEA (following the interview) go through initial assessment: possible investment scenarios ("buckets"*).

2) Due diligence (EIB, unless performed by co-investors) + KYC-compliance checks (EIC Fund) + tech due diligence

3) Investment proposal (EIB), potential draft financing terms discussed with the beneficiary and co-investors (if any).

4) Investment decision (external EIC Fund Manager), which will either approve (sometimes with conditions), including the amount and terms, propose grant-first or reject the operation.

5) Investment agreement and disbursement. The EIB will guide the preparatory work of legal documentation for signature by the EIC Fund Manager.

6) Portfolio monitoring and management (EIC Fund Manager supported by the EIB).

* Investment Guidelines
Investment scenarios*

**Bucket 0: No Go.** Substantial negative issues preventing any investment (fraud, misrepresentation, refusal or failure to submit requested information, manifest error of appreciation by the EC, substantial negative changes of circumstances)

**Bucket 1: companies non-investment ready,** remaining very high risk despite the awarded EIC Accelerator support. The EIC Fund will perform full due diligence; and may propose to revert to "grant first" or proceed in special conditions with quasi-equity

**Bucket 2: potential investors show immediate interest in co-investing** alongside the EIC Fund. **Equity investment is at least matched by these other potential qualified investors (i.e. which will cover at least 50% of the round), having an objective of 1:3 leverage for the full EIC investment cycle.**

**Bucket 3: potential investors show immediate interest in providing the full investment.**

*EIC Investment Guidelines*
Overview of Investments made

We strive to create success cases in the EU start-up ecosystem

1. 695 companies selected for support across all EU countries

2. 510 selected for Equity Investment & 185 Grant Only

3. 133 companies financed with Equity or quasi-equity ($681 million committed & $398 million disbursed to date)

EIC Fund companies are split across sectors

We have a Pan-European and Diversified Portfolio

Portfolio Split between sectors (total # of companies)

- Environment, Food & Energy
  - 20 companies (15% of the total)
  - €85 million committed (12% of the total)

- Space, Transport & Mobility
  - 12 companies (9% of the total)
  - €68 million committed (10% of the total)

- Software, Fintech, Security & Connectivity
  - 12 companies (9% of the total)
  - €52 million committed (8% of the total)

- Hardware, New Materials & Construction
  - 26 companies (20% of the total)
  - €156 million committed (23% of the total)

- Health – Pharma & Biotech
  - 59 companies (44% of the total)
  - €308 million committed (45% of the total)

- Others
  - 4 companies (3% of the total)
  - €12 million committed (2% of the total)

- Health - Pharma & Biotech
- Environment, Food & Energy
- Space, Transport & Mobility
- Hardware, New Materials
- Software, Fintech , Security
- Others
Implementation: 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)
Key impacts of EIC support on company growth
Within three years of receipt of EIC support, companies have experienced:

- 44% employment growth
- 109% increase in investment in intangible assets (e.g. R&D investment, Intellectual Property Rights and goodwill)
- 67% increase in tangible assets (e.g. equipment and buildings)
- 140% increase in liquidity (e.g. short-term bonds and other short-term debt instruments).

EIC portfolio companies have gone on to raise over €10 billion in follow-on investments in the period following initial funding, with a resulting portfolio valuation of over EUR 40 bn (see image below).
EIC Accelerator – Evaluation

1. You have a disruptive/deep tech idea with potential to scale up
   • **Tell us your story** and submit your short application to be assessed by remote evaluators

2. To submit a full proposal, we help you to prepare **your business plan** and draft a proposal with our AI tool and coaching
   • **You submit your proposal**

3. **Your full proposal** is assessed by remote evaluators

4. **You pitch your innovation** in front of the EIC Jury Members
   • If selected you sign the EIC contract (including the grant component and – if applicable – an indicative amount of the investment component)

5. **In case of investment component** you enter a due diligence process + compliance checks
   • At the end of the process, you sign the Investment Agreement and your EIC contract is updated accordingly
Evaluation criteria

**Excellence**
- Breakthrough and market creating nature
- Timing
- Technological feasibility
- Intellectual Property

**Impact**
- Scale up potential
- Broader impact
- Market fit and competitor analysis
- Commercialisation strategy
- Key partners

**Level of risk, implementation, and need for Union support**
- Team
- Milestones
- Risk level of the investment
- Risk mitigation
Impact Report

Target audience: investors, policy makers

- Covers 2014-21: 1600 start-ups/ SMEs (not 3500 SME Phase 1) & **500** Pathfinder/ FET
- **Pathfinder:** Over 1300 innovations identified
- **Portfolio analysis** on 7 areas

Crowding in investment: **€10bn of follow-on funding**

with trend towards larger deal sizes. Portfolio valuation ~ **€40bn.** Corporates and Corporate VC involved in 27% of deals (by number)
Open to your questions

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