

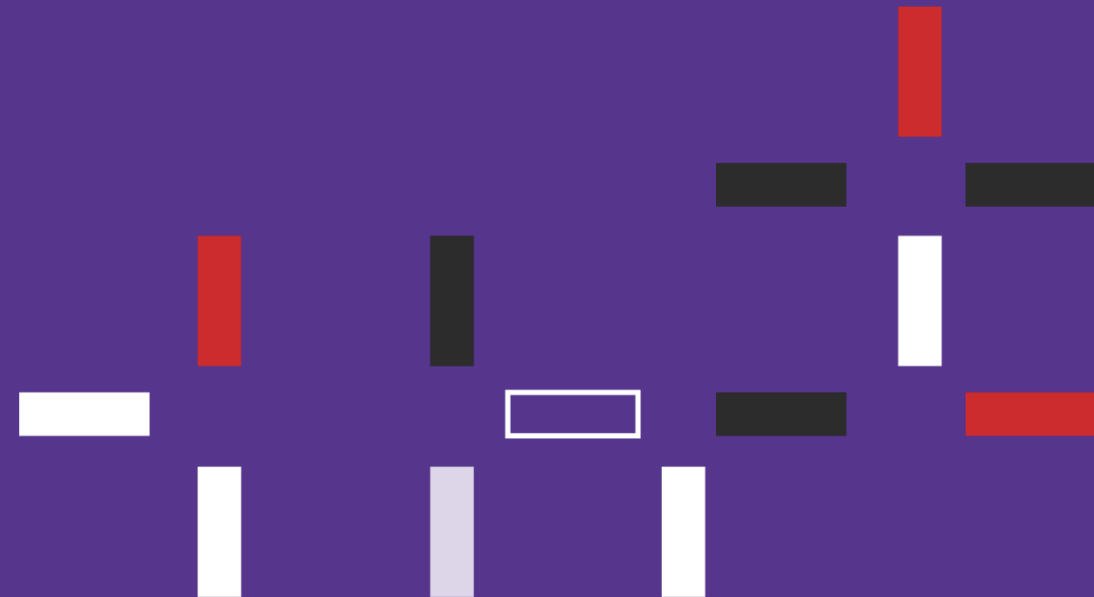
# THE EUROPEAN INNOVATION COUNCIL

European  
Innovation  
Council



## EIC Work Programme 2024

Novelties in processes and calls in 2024



# 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

# What can companies apply for?



## EIC Blended Finance

**Equity**  
0.5 to €15  
million

**Grant**  
Less than  
€ 2.5  
million

## Also

Grant only

With other  
finance

Equity only

If previous  
grant  
received



## 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)

# EIC Accelerator – funding options



## Grant only

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

## 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 (previous grant received)

# 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

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

# EIC Accelerator – Who can apply?



- 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 **Open**



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

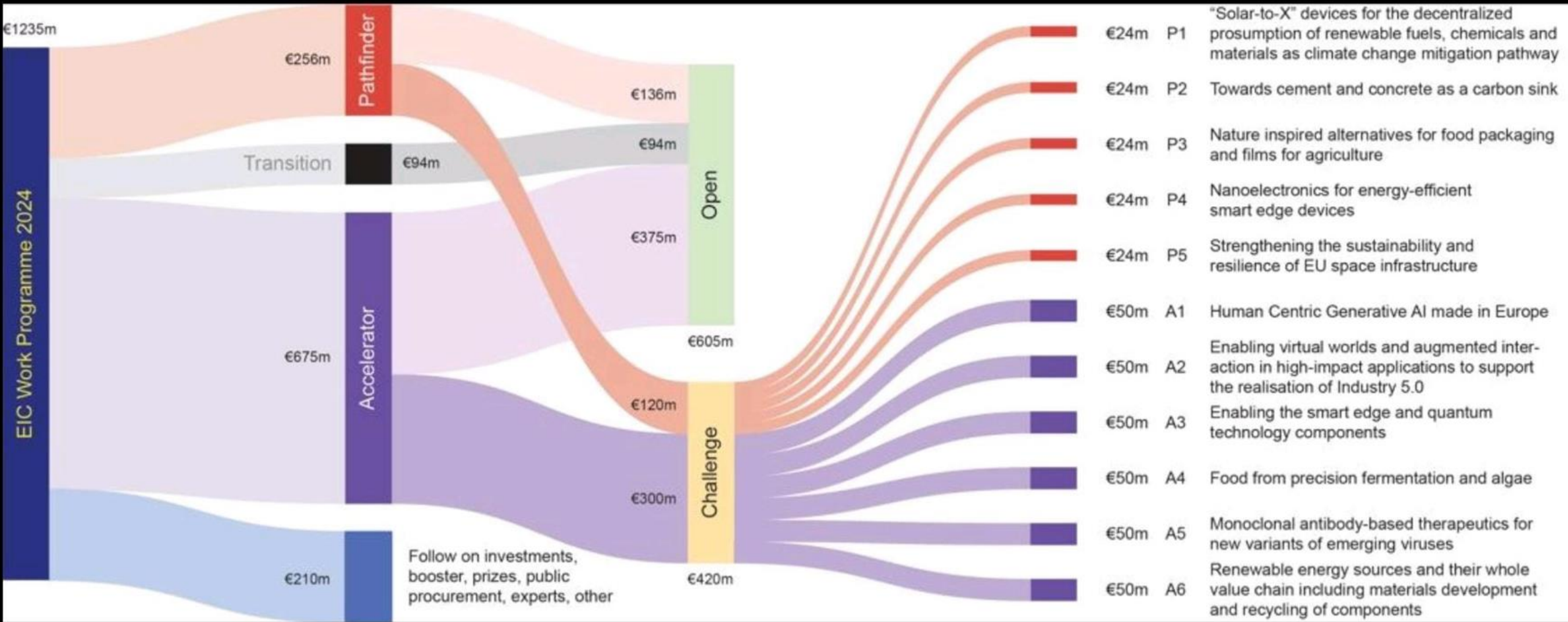
## EIC Accelerator **Challenges**



to support projects within **predefined thematic areas** with the aim to achieve specific objectives for each Challenge



# Budget Allocation



# The selection process in a nutshell



- The **Accelerator evaluation process** is composed of the **following phases**:
  - **Screening of short proposals**: performed by remote evaluators, which leads to a GO or NO-GO to the next evaluation stage,
  - **Evaluation of full proposals**, performed by remote evaluators, which leads to a GO or NO-GO to the next evaluation stage,
  - **Interviews with participation of Jury Members** which leads to establishing the list of GO (funded) and NO-GO (non-funded) proposals

# Accelerator implementation - numbers



## Horizon EUROPE

**427 contracts** with a grant component signed  
**€ 612 million** disbursed  
**186 investments** approved by the EIC Fund  
**85** companies with Investment Agreements signed and **€ 286.7 million** disbursed

## PILOT (H2020)

**97 running projects** from projects from H2020 EIC Accelerator Pilot  
**€ 522 million** disbursed  
**141 (88,7%) investments** approved by the EIC Fund  
**111** companies (78,7%) with Investment Agreements signed and **€ 355.2 million** disbursed

- Over **10 000** short applications submitted since 2021
- Almost **8 000** full applications submitted since 2021
- Over **1 500** projects have been invited to interview since 2021

# Accelerator implementation - impact



- **Incentivised over €10 billion** in follow-on investments in its portfolio companies
- **Combined valuation of €40 billion** including 12 Unicorns and 112 Centaurs
- **19%** of funding for **women-led** companies



# Novelties in the 2024 call



**What's  
new?**

# EIC Accelerator WP 2024 Novelty



- ★ **Budget reduction:** EUR 1136 million in 2023 vs EUR **675 million** total in 2024
- ★ There is **no longer the “grant first”** form of support, but beneficiaries of “blended finance” may start with grant only funding with the investment component (equity component) provided at a later stage.
- ★ **2 cut-offs:** 13 March and 3 October 2024
- ★ **Evaluation** of all steps in the **SEP**

# EIC Accelerator WP 2024 Novelty



- ✦ The criteria to pass the short application stage require 3 out of 4 GOs from the expert evaluators.
- ✦ Introduction of **consensus meetings** for the evaluation of full applications if there are divergent views among evaluators. If two of the three evaluators give a GO for all the evaluation elements, then there will be a consensus meeting to decide if you will be invited to an interview with an EIC Jury.
- ✦ The **evaluation criterion for excellence**, includes an evaluation element to assess excellence of the company.



- ★ The **jury will not be able to change the form of support** (e.g. between grant only, blended finance and equity only) or change the amount of equity requested, although they may make recommendations on the amount of equity finance which will be considered by the EIC Fund.
- ★ In case of a “No Go” at the jury interview phase, applicants will immediately receive a rejection letter and where eligible be awarded the Seal of Excellence





- ★ The introduction of **lump sum** cost model will remove financial reporting requirements for beneficiaries. The grant will take the form of a lump sum and the amount will be determined during the evaluation process in view of the budget estimated per work package. Applicants must therefore propose the amount of the lump sum based on their estimated project costs (a lump sum session in the pm)



- **Application submission limits**
- The EIC Accelerator applies limitations on the number of unsuccessful submissions of proposals by a single legal entity. These limitations apply equally to applicants submitted via the Fast Track or Plug In schemes.
- **After 3 unsuccessful submissions** to the EIC Accelerator, which can be at any stage of the process (Short Proposal, Full Proposal) and for any form of support (Challenge, Open, Grant only, Blended finance, Equity only), **an applicant may not apply again** to the EIC Accelerator under the Horizon Europe Framework Programme.



- This provision repeals the rules on '*on resubmission of applications to the EIC Accelerator*' laid down in previous EIC WP. The **number of applications** to the EIC Accelerator submitted in previous years by the same applicant will **not be taken into account** for the purpose of the application of this new rule.
- In all cases, applicants are expected to **take into account the feedback** on their previous submission and only reapply if they have made significant improvements.

# EIC Accelerator WP 2024 novelties

## New Challenges



1. Human Centric Generative AI
2. Virtual worlds and augmented interaction, including support to Industry 5.0
3. Enabling the smart edge & quantum technology components
4. Food from precision fermentation and algae
5. Monoclonal antibody-based therapeutics for emerging viruses
6. Renewable energy sources and their whole value chain



- **Reinforced measures to protect against economic security risks:** grant applicant companies in AI/quantum controlled by a non-associated third country will undergo an ownership and control assessment (OCA). Applicable to:
  - challenge 1 (Human Centric Generative AI made in Europe)
  - challenge 3b (Emerging quantum technologies)
  - open call but falling under the scope of the mentioned challenges
- In justified cases, a grant applicant company that is controlled by non-associated third countries can be assessed as ineligible. (*consistency with other parts of Horizon*)

# EIC Accelerator: 2024 cut-off dates



## Short proposal evaluation

Submit **any time** during the year  
Feedback within **4-6 weeks**

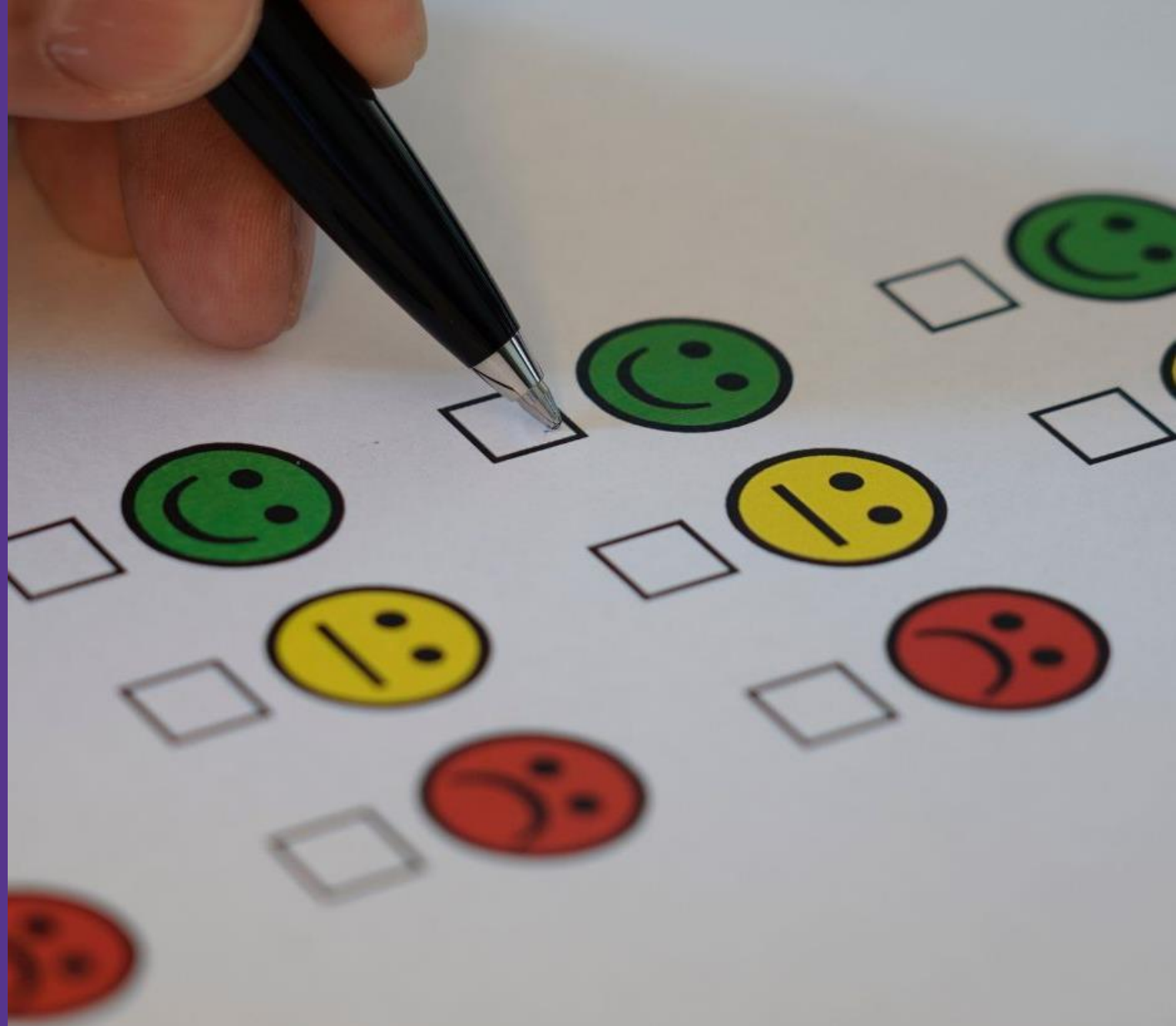
## Full proposal - cut off

Date when a round of evaluations  
of **full proposals** start

## Full proposal evaluation

Cut-off	Interview weeks (tentative)
<b>13 March 2024</b>	10-14 June 2024
<b>3 October 2024</b>	13-17 January 2025

# The evaluation process



# EIC Accelerator – Application process



## Prepare the proposal

We will help you to refine your business proposition with **coaching**

## You have an idea

You have a disruptive or deep tech **idea** with a potential to **scale up &** you need **financial support**

**Tell us your story in a short proposal**

2

3

1

4

## Submit

**You** submit your full **proposal** which will be **assessed** by Remote evaluators

## Pitch to jury

**Pitch** your innovation in front of EIC Jury Members. If selected, you will sign the **contract**



# Selection process for Accelerator projects



- The **evaluation process** is managed by the **EISMEA**.
- All proposals submitted in response to EIC Accelerator calls for proposals are first collected in the **SEP Platform** and checked against the admissibility and eligibility criteria, as set out in the Annex 2 and Annex 3 of the EIC Work Programme 2024.
- Only proposals, which meet the **admissibility and eligibility** criteria, will undergo evaluation.

# Short application: your idea



## Short Proposal

- Fill in the short proposal template of 12 pages max
- Submit a 10 slides presentation
- Submit a 3 minutes video pitch



## Short proposal template:

- No longer online form but a pdf/word form that can include graphs/visuals
- New mandatory maximum page length: 12 pages
- Changing order, starting with the question on the company vision and ambition to scaleup
- Video. Describe your company and your project in a 3-minute video with up to 3 team members.
- Pitch deck. Engage us with your story! (maximum 10 pages)

# Short application: evaluation process



## Short Proposal



You can submit at any time, results within approx. 4-6 weeks!



*\*refer to submission limits set out in the 2024 work programme*

# Full proposal: your business plan



If you received a GO on your short proposal in 2023 or 2024 you may submit a full proposal in 2024

- Prepare a business plan with the help of an EIC business coach (not mandatory)
- Submit your full proposal



## Full proposal template (1):

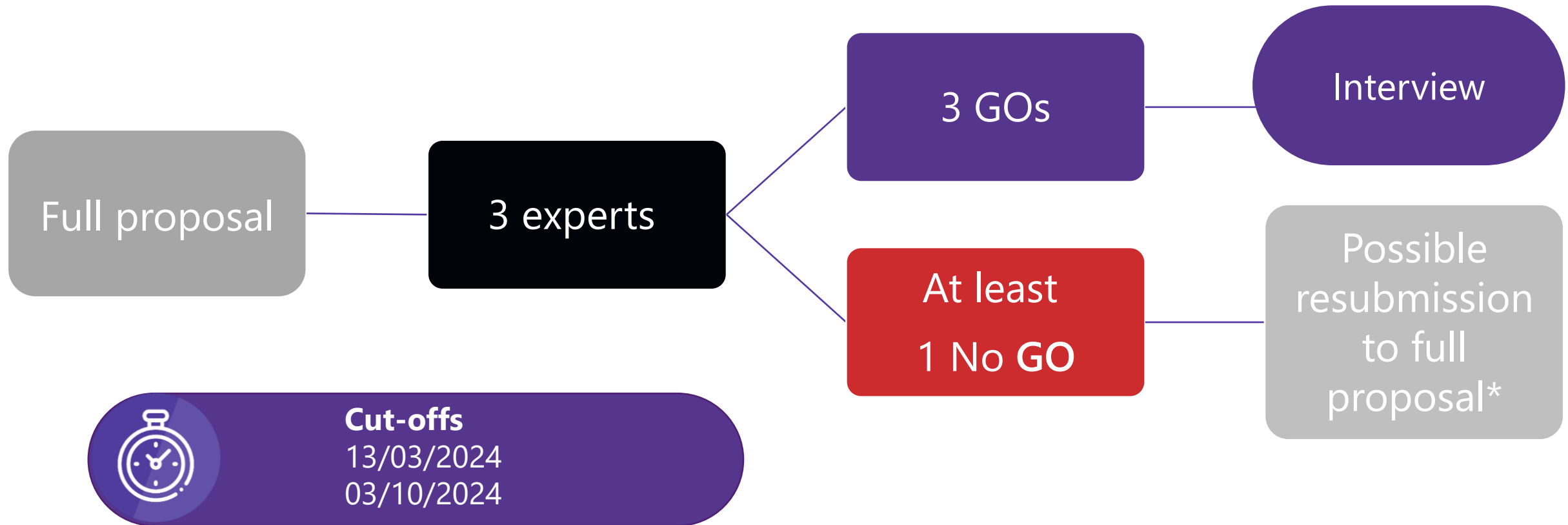
- New mandatory maximum page length: 50 pages (a pdf/word form that can include graphs/visuals)
- Video uploaded in full proposal. You may use the same video as in short proposal or a new 3-minute video with up to 3 team members.
- Adapted to 2024 WP: removal of grant first, new challenges, removal of rebuttal comments and access to previous proposals/evaluations by experts



## **Full proposal template (2):**

- Streamlined questions adjusted to new evaluation criteria to improve user experience
- Introduction of a capitalization table in the proposal narrative
- Introduction of lump sums and new mandatory annex
- Simplified annex “financial plan and equity needed”

# Full proposal: remote evaluation process



*\*refer to submission limits set out in the 2024 work programme*

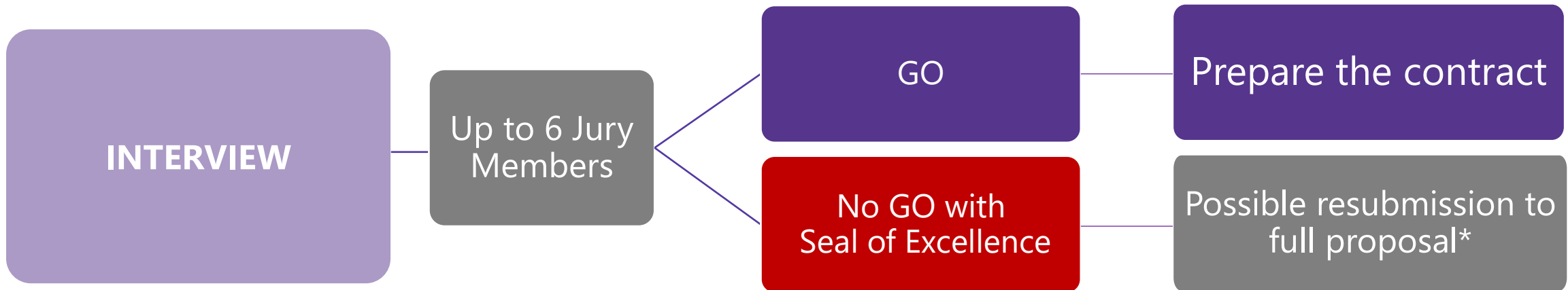


# Interview: pitch your innovation



- **Pitch your innovation** to the EIC Jury Members composed of serial entrepreneurs, innovation specialists and senior investors
- **Answer the questions** from the EIC Jury Members
- If selected, you will **sign** the contract

# Full proposal: interview evaluation process



Interviews sessions appr.  
12-13 weeks after the cut-off  
(depending on summer/Christmas break...)

*\*refer to submission limits set out in the 2024 work programme*

# Selection process for Accelerator projects



Experts evaluate the proposals against the **three award criteria**:

- **Excellence**
- **Impact**
- Level of **risk**, implementation, and need for Union support
  - **Risk level of the investment**: Does the nature and level of risk of the investment in your innovation mean that European market actors are unwilling to commit the full amount that is needed without an investment from the EIC Fund? Is there evidence that market actors would be willing to invest, either alongside the EIC or at a later stage?

More details in the [EIC Work Programme 2024](#)

# Short proposal stage : evaluation criteria



Excellence

Impact

Risk

# Full Proposal: Evaluation criterion Excellence



- 1 Excellence of the company**
- 2 Novelty and breakthrough character of the innovation**
- 3 Timing**
- 4 Technological feasibility**
- 5 Intellectual Property Strategy**

# Full Proposal: Evaluation criterion Impact



- 1 Competitiveness and demand**
- 2 Market development**
- 3 Commercialisation strategy**
- 4 Scale up potential**
- 5 Broader impact**

# Full Proposal: Evaluation criterion Risk



- 1 Team**
- 2 Risk level of the investment**
- 3 Risk mitigation**
- 4 Implementation plan**

# How to apply – useful links



[EIC Accelerator](#)

[EIC Work Programme 2024](#)

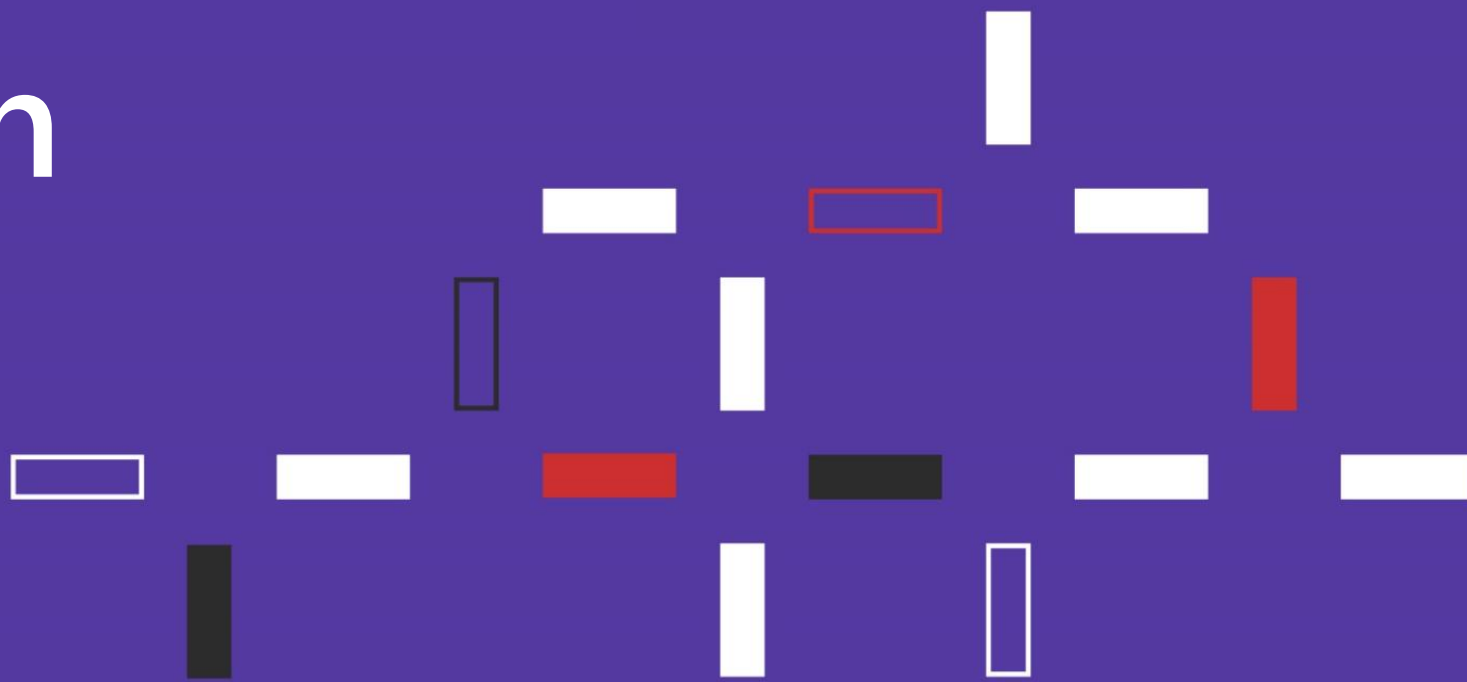
[Support for applicants](#)  
[\(FAQs, guidelines, contacts\)](#)

[Funding & tenders opportunities Portal](#)  
[\(legal & supporting documents\)](#)





# Hint & Tips for a successful application





- Take advise on other funding programmes from NCP, EEN or others
- Identify your fund raising strategy (public, private or both)
- Read carefully to assess if your project fits the objectives of the Call and the Work Program
- Assess if your project is eligible based on technological and financial aspects

# When applying



- Proposal has to covers each evaluation criteria
- Write as if you want to convince someone to invest in your innovation, considering that our funding scheme will also provide you support.
- Put updated realistic figures (market size, 3y projections of sales volumes, jobs created) to demonstrate your knowledge of the market and of the innovation journey.
- Use a catching title, a good abstract and the appropriate keywords
- Form matters, test your proposal, review the language

# Unsuccessful proposals



- Too much project focused, not on the opportunity
- No detailed information of the company or the Team
- Not enough information on competing solutions
- The proposal is too much driven by incremental innovation
- Too early and the technology is still at a low level of Technology Readiness Level (TRL)



- Pitch:

A short presentation (one-way audible conversation between you and your audience) that describes a company while narrating its story.

- Investor Pitch:

A short presentation to present a company to potential investors.

- Pitch deck:





- Customers do not care about your technology, they want to solve a problem
- Investors do not care about your technology, they want to increase the value of their investments and finite resources
  - How much does it cost me? To get what?
  - How will you spend my money? When and how much will I get it back ?
- Normally, you pitch to get money (fundraising) or at least to get advices to improve your company/increase your networking...



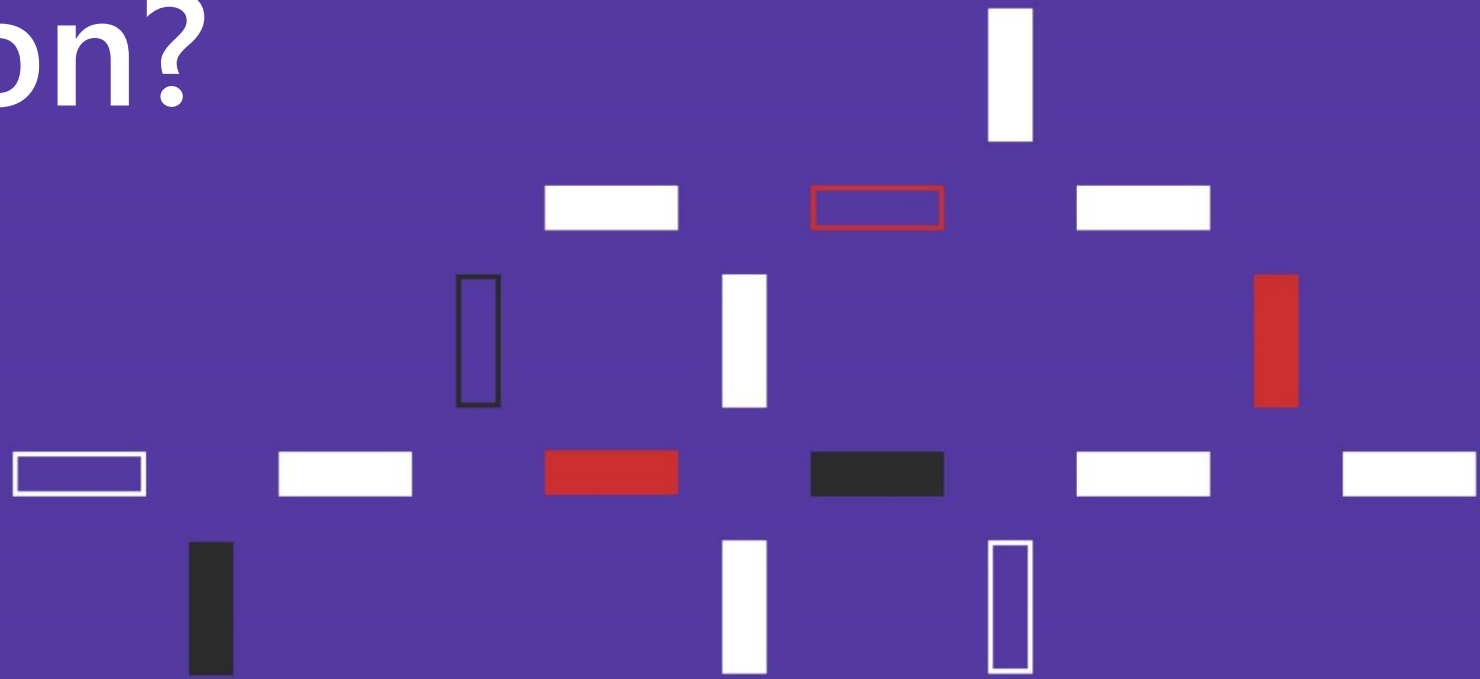
- Keep in mind the “why” you are pitching
- Keep in mind the “audience” (try to anticipate their questions) of your pitch (investors, business partners, friends, customers, ...)
- Good speaking (look at online examples, TED Talks, use infographics, etc..). Say “we will” not “we think, we believe”...positive attitude is important
- Train to make it work (communication is an “enabling” soft skills)
- Start from the «why»
- Keep it simple: one slides per minute and one idea per slide

# Good Luck for your application!!

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## Any Question?

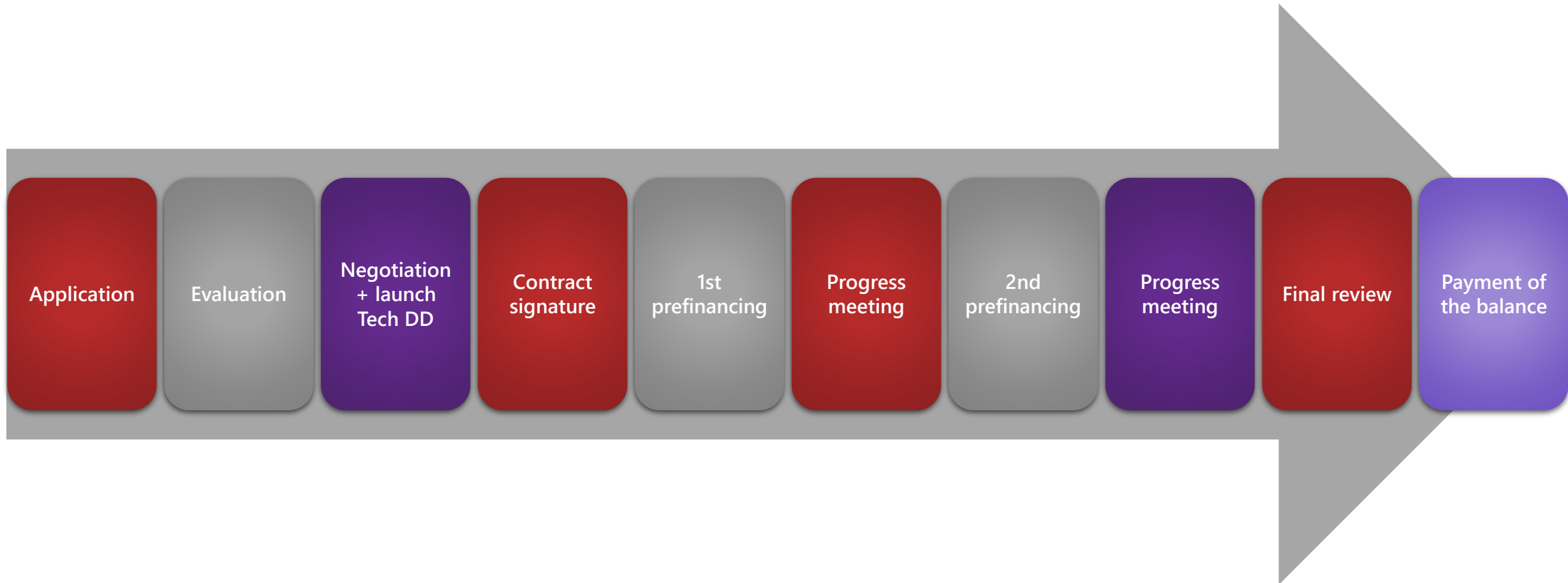




If you are  
selected for  
funding...



# Overview of project management and project lifecycle



# Overview of project management and project lifecycle



1. Grant Agreement preparation/Negotiation
2. Tech due diligence
3. Key provisions applicable during the life of the grant-Project Management

# 1. Contract preparation : Negotiation step



- **Objective:**
  - **Agree** on a Business Plan and **complement** the application information to the data needed to sign the Grant Agreement through the EC Corporate IT tools.
  - Negotiation details are built upon recommendations of the jury members
  - The successful applicant will need to perform some administrative steps via the Participant Portal and provide additional documents (see next slide – validations)

# 1a. Contract preparation: validations



- **Validation** of successful entities done by REA's validation services:

Legal entity / Bank account / LEAR (Legal Appointed Representative) - assignment of the roles to the project for access right to Funding and Tenders Portal / SME status full assessment (for blended projects) or SME self-assessment (for grant only projects) / Financial Capacity Assessment / Ownership and control assessment (for applications on generative AI and quantum)

- **Ethics screening** – can result in additional deliverables for the companies or an ethics check/review during the action implementation
- **Security review** (pre-screening/DG HOME)

# 1b. Contract preparation



- Start date
- Duration of the action
- Inconsistencies in the business plan
- Coherence of the budget of the action
- EIC PO sets the reporting periods and pre-financing rates

# 1c. Project management

## Milestone based approach



- Cornerstone of the monitoring of the project
- Having well defined milestones = proper assessment of the progress
- Linked to TRL achievement but also possibility to add different ones

# 1c. Grant agreement preparation



- **Deliverables = means of verification to monitor the progress of the action** towards the different milestones.
- Ensure deliverables have a **clear descriptive** title and an extensive description.
- Check **dissemination level** of deliverables and make sure that if they chose “public”, they are aware that the deliverables will become public after approval.
- Check a **sufficient number** of deliverables have been identified **for reporting and progress monitoring purposes.**



# 2a. Technology Due Diligence (TDD): Objectives



- Not a re-evaluation
- Independent
- Clear opinions / critical remarks
- Follow the format, short introduction, and clear conclusion
- Not all the elements are equally important
- Good overall conclusion to connect the dots

# 2b. Tech due diligence: Scope of work



## Focus on the technology

- **Attributes:** qualities, shortcomings, use and possible extensions
- **Protection:** patents, FTO, copyrights, trade secret, know-how
- **Validity:** development plan, tests, prototype, demo, scalability
- **Commercialisation:** time and costs to develop, barriers and risks
- **Milestones:** clear, complete, realistic, precise... or not?
- **Production:** internal / external, supply chain, suppliers
- **Compliance:** current / future regulations, industry standards
- **Feedback:** from tests, lab results, prototypes, customers

## 2c. Tech due diligence: scope of work proposed and selection of the experts



- 5-10 pages report
- 5 working days commitment
- To be completed in 6-8 weeks
- Independent expert with critical view, selected in EU expert database
- Company and potential customers can be contacted
- The report complements the evaluation, negotiation and DD but does not replace it
- Company and other third parties have no access to the report

# 3a. Key provisions applicable during the life of the grant – The progress meetings



- **Purpose:** Evaluate the progress of the project
- **Actors involved:** Possibility of assistance of external experts/monitors, Programme managers, Financial Officers and EIB officers
- **Timing:** Regularly and at least at mid-term and before the end of the project
- For **progress meetings linked to prefinancing:** no financial reports or cost declaration – only a statement on the use of the previous pre-financing

# 3b. Key provisions applicable during the life of the grant – the Final report



- 1 full report
- Within 60 days following the end of the reporting period.
- Assessed by the EU within 90 days
- The final report = technical report + financial report
  
- Final Payment

# 3.c Key provisions applicable after the completion of the grant



- **Keep records** and supporting documents at least until up to 5 years after final payment
- **Keep sensitive information confidential** up to 2 years after final payment.
- **Project reviews** up to 2 years after final payment.
- **Possible audits** up to 2 years after final payment.

Implementation of  
EIC Investment –  
the equity  
component of the  
EIC Blended  
Finance





- **Venture capital fund** established in June 2020 by the European Commission.
- **Manages equity** investments in startups & SMEs selected by EIC Accelerator.
- An **external fund manager** appointed as part of the **EIC Fund restructuring** (since October 2022), to make it sustainable for the number and amounts of investments expected in 2021-27, drawing on the lessons learned from the pilot phase and considering the legal base. This has **no impact on funding** offered by the EIC **or on the selection process**.





- **EIC Fund Manager**

investment/divestment **decisions** and portfolio management.

- **European Investment Bank (EIB)**

**investment advisor** to the EIC Fund performing the due diligence, preparing the investment proposal and supporting the portfolio management.

- **European Commission**

**award** decisions authorizing investments

- **EISMEA**

**evaluation and selection** of proposals, implementation of the **grant** component, **coordination** between grant and equity components.

# The EIC Fund

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**2 compartments:** Pilot and Horizon Europe

**469 proposals** selected for equity investment (€ 2.5 billion)

**338 deals approved** (€ 1.9 billion)

Total of **275 investments** (€ 725 million) concluded **in 205 EIC beneficiaries**

**140 investments** (€ 450 million) in **97 EIC beneficiaries** concluded in **2023**

**Leverage effect 3.23** – EIC Fund funding has catalysed additional private funding of € 2.34 billion to the EIC companies

# EIC Accelerator equity funding



- **Early stage investment** (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**


# EIC Accelerator equity funding



- Reserve **follow-on capital** to invest in subsequent series or grant-first.
- **Patient capital** (long average perspective (7-10 years) with a maximum of 15 years).
- 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.
- Provides **value added to companies** beyond financial support (“smart money”)

# The investment process after selection (EIC Investment Guidelines)



- 
- 1. Initial assessment (EIB)**
  - 2. Due diligence (EIB) + KYC-compliance checks (EIC Fund)**
  - 3. Investment proposal (EIB)**
  - 4. Investment decision (external EIC Fund Manager)**
  - 5. Investment agreement and disbursement (EIC Fund Manager & EIB)**
  - 6. Portfolio monitoring and management (EIC Fund Manager supported by the EIB)**



The **EIB** performs **due diligence** and prepares the investment proposal:

- ✓ Risk assessment, compliance and KYC
- ✓ Product and technology
- ✓ Market and competition
- ✓ Commercialization strategy
- ✓ Business plan and financial projections
- ✓ Management
- ✓ Board and governance
- ✓ Ownership and capital structure
- ✓ Optimal investment structure



## 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 proceed with the investment using **quasi-equity (or combined with equity), or propose company starts with grant component.**





## 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 at least 1:3** leverage for the full EIC investment cycle.
- The **EIC Fund may rely** on financial, commercial and technology **due-diligence performed by the qualified lead investor** and may seek alignment to their terms.



## Bucket 3

Potential investors show **immediate** interest in providing the **full investment**.

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

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- EIC beneficiaries receive **support and services for venture building, networking and fundraising**, including:
  - preparation of investor materials
  - support for development of company-specific fundraising strategy
  - access to interested investors through a bespoke co-investor platform
  - access to tailored events and investor gatherings (e.g. e-pitching events)
  - direct referrals and introductions for instance to the existing EIC Fund co-investors (>1,000)
- The EIC Fund aims to be an **investor of choice** to European deep tech entrepreneurs and start-ups providing **value add throughout the lifecycle** to portfolio companies beyond the financial support