



# HORIZON 2020

**Programme Committee  
for specific programme  
*in configuration***

**SMEs & Access to Risk Finance**

**15<sup>th</sup> meeting  
Brussels, 23 June 2017**

# W E L C O M E

# Towards an EIC

## **Recap of policy context: New focus on importance of innovative firms scaling up for growth and jobs**

"To improve innovation support, the Commission intends to make changes for the remaining period of Horizon 2020 to provide bottom-up support targeting breakthrough innovation projects with the potential for scaling up, and will consider reinforcing this approach in future through a European Innovation Council."

(Commission communication: Europe's next leaders: the Start-up and Scale-up Initiative, 2016)

# EIC: General Developments (1)

- The **Horizon2020 Interim Evaluation** found that, "while Horizon 2020 **demonstrates potential in terms of supporting breakthrough, market-creating** innovation, such support needs to be **strengthened substantially**"
- In May, the **High Level Group of Innovators** (see next slide) published a **statement of intent**, declaring its readiness to support the Commission in developing the EIC to help Europe lead the next wave of innovation
- During a lunch debate at the **May Competitiveness Council**, Member States **expressed broad support** for the creation of an EIC and emphasised the importance of **innovation-friendly regulation** to create an enabling ecosystem

# EIC High Level Group of Innovators



**Nicklas Bergman**



**Martin Bruncko**



**Paddy Cosgrave**



**Gráinne Dwyer**



**Hermann Hauser**



**Marjolein Helder**



**Taavet Hinrikus**



**Ingmar Hoerr**



**Bindi Karia**



**Jana Kolar**



**Carlos Oliveira**



**Jim  
Hagemann Snabe**



**Kinga  
Stanisławska**



**Constantijn  
van Oranje**



**Roxanne Varza**



## EIC: General Developments (2)

- On 06 June, **Commissioner Moedas met with 11 innovation agencies from across Europe** to share best practice in support for market-creating innovation
- On 15 June, Commissioner Moedas launched a special announcement **inviting experts in innovation to register as evaluators** for EIC Pilot.
- **HLG second meeting** took place in Copenhagen on 20 June. **Hermann Hauser was confirmed as Chair** at its second meeting held on **20 June**
- The report of the **High Level Group on maximising impact of EU Research and Innovation Programmes** ("Lamy Group") to be published on **3 July**. The Lamy Group is in contact with the EIC High-Level Group

# Scope of EIC pilot (WP 2018-20)

Package of 4 instruments with potential to support breakthrough, market-creating innovation:

- **SME Instrument:** *Close-to-market and scale-up projects of a single SME or a consortium of SMEs established in EU Member States or Horizon 2020 associated countries.*
- **Fast Track to Innovation (FTI):** *Close-to-market projects of consortia with three to five entities from at least three different EU Member States or Horizon 2020 associated countries. Industry must participate. Interdisciplinary approaches encouraged.*
- **FET Open:** *Early-stage, science and technology research by consortia exploring novel ideas for radically new future technologies that challenge current paradigms and venture into the unknown. Open to research into any area of technology. Aims to attract new, high-potential research and innovation players.*
- **Horizon Prizes:** *Prizes boost breakthrough innovation by fostering solutions to challenges which bring major benefits to society.*

**Cross-cutting:** coaching, mentoring (for SME beneficiaries), monitoring progress with innovation radar

# SME instrument: what's new

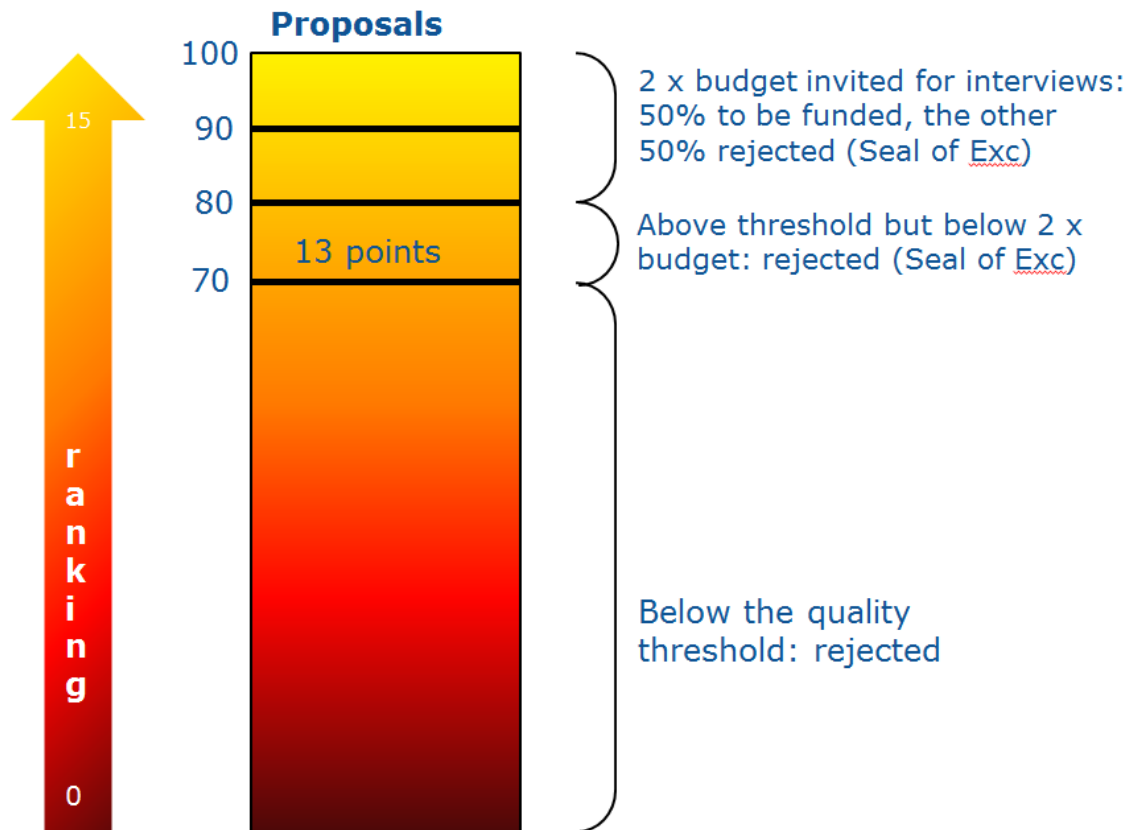
- **Fully bottom-up**, no predefined topics, so innovative projects that cut across sectors/technologies become eligible for support
- **Single budget line**, maintaining budgetary contributions from Societal challenge and LEIT
- **Larger pool of evaluators** with relevant technological/scientific expertise as well as financial/commercial backgrounds
- **Evaluation criteria phase 2 revised** to better target the scaling up of SMEs with the greatest potential for breakthrough, market-creating innovation (business capacity, international growth ambition)
- **Interviews** in phase 2
- **Coaching** for SMEs (available across SMEi, FTI and FET-open)  
**Mentoring** introduced
- **Monitoring** of thematic coverage



## SME instrument phase 2: evaluation criteria

- **Impact (50%):** demand? Users? Market? Scale up? Commercial strategy? International?
- **Excellence (25%)** high risk and potential? Steps to market? Beyond state-of-the-art? Feasibility?
- **Implementation (25%):** team? Resources? Implementation plan and time frame?
- Interview step will concentrate on commercial strategy, feasibility, quality of the team

# SME instrument phase 2: interviews for the best of the best



## Two-step evaluation

### 1. Remote evaluation:

- 4 evaluators per proposal
- threshold 13 points overall (4 per criterion)

### 2. Interviews for 2 x budget

- 30 mins
- Panel of experts
- To assess quality and ambition of the team
- Decide on to be funded/not funded

Expected TTG remains 27 weeks

# Fast Track to Innovation (FTI)

- Assessment 2016: "FTI is a useful addition to the portfolio of instruments available to Horizon 2020", recommends continued support. FTI...
  - demonstrates the high demand for a bottom-up approach (success rates < 5%)
  - is highly attractive to industry including SMEs (75% of the participants)
  - bridges the commercialisation valley of death
  - accelerates the expected scale-up of industry
- FTI's attractiveness to industry building on a bottom-up and market-driven approach makes the scheme a natural fit within the remit of a European Innovation Council.
- Evaluation criteria revised for sharper focus on scale-up potential, high novelty, high chance of success or failure

# FET-Open

- FET-Open supports high-risk/interdisciplinary collaborations to explore radically new technologies that may become future game-changers
- Offers an Innovation Launchpad (CSA) to propel promising results forward and explore their market potential
- Participants will get access to the assistance, networking and financing possibilities offered by EIC
- Corresponding texts in EIC and FET Open WP parts.
- Scope, orientation and governance of FET-Open remain unchanged (interdisciplinary, high-risk, radically new, future technologies, TRL 1-3 for FET-Open)
- Evaluation criteria revised: attention for the future market-creating potential

# Horizon Prizes

- New approach in this WP:
  - Opportunity to create greater impact, public awareness
  - Reach out to a variety of **new talents and innovators**
  - Incentivise breakthrough market creating innovation
- Topics identified through collaboration across the Commission using following criteria:
  - Response to some of our most pressing societal issues
  - Transformative in line with the EIC concept
  - Feasible yet ambitious targets/implementable within the timeframe
  - Easy to communicate
  - Leverage effect > increasing private investment
  - Expected result not achievable with other existing instruments
  - Reaching new innovators



# EIC Horizon Prizes

- 1. Innovative Batteries for eVehicles** (€10 million)
- 2. Fuel from the Sun: Artificial Photosynthesis** (€5 million)
- 3. Early Warning for Epidemics** (€5 million)
- 4. Blockchains for Social Good** (€5 million)
- 5. Low-Cost Space Launch** (€10 million)
- 6. Affordable High-Tech for Humanitarian Aid** (€5 million)



# Coaching and mentoring

## Coaching

- Covers business and organisational development, cooperation, financing
- Available to SMEs receiving grants from SMEi, FTI or FET-Open
- Max 3 days in phase 1, max 12 days in phase 2
- Facilitated by the Enterprise Europe Network (EEN)

## Mentoring

- Aims to develop leadership skills – resilience, tenacity and strategic insight
- Available to SMEs receiving grant from SMEi, FTI or FET-Open
- Individual founders, CEOs and leaders are eligible
- One-to-one meetings with mentors (CEOs of scale ups)
- Initially mentors to be drawn from pool of SMEi Phase 2 clients acting *pro bono*

# Blending public finance

- Studies into
  - blending grants with loans and/or equity
  - crowd-funding
  - both targeting breakthrough, market-creating innovation
- Exploring new financial instruments

# **Wanted: proposal evaluators from business and finance**

- About 500 new innovation evaluators needed, especially from business and finance, for the remote evaluation of FET Open, FTI and SMEi and for the interviews for SMEi phase 2 (now, about 1,500 in the database)
- Interview panel: seasoned entrepreneurs, innovators and investors. Names will be published.
- Wanted: experts to evaluate market-creating innovation (special announcement on the Participant Portal, proactive communication with business community, multipliers (e.g. NCPs, EEN, BusinessEurope, EBAN, EVCA etc)
- Experts registration (EMPP) will be simplified
- Special announcement launched on 15 June

# Monitoring progress and results

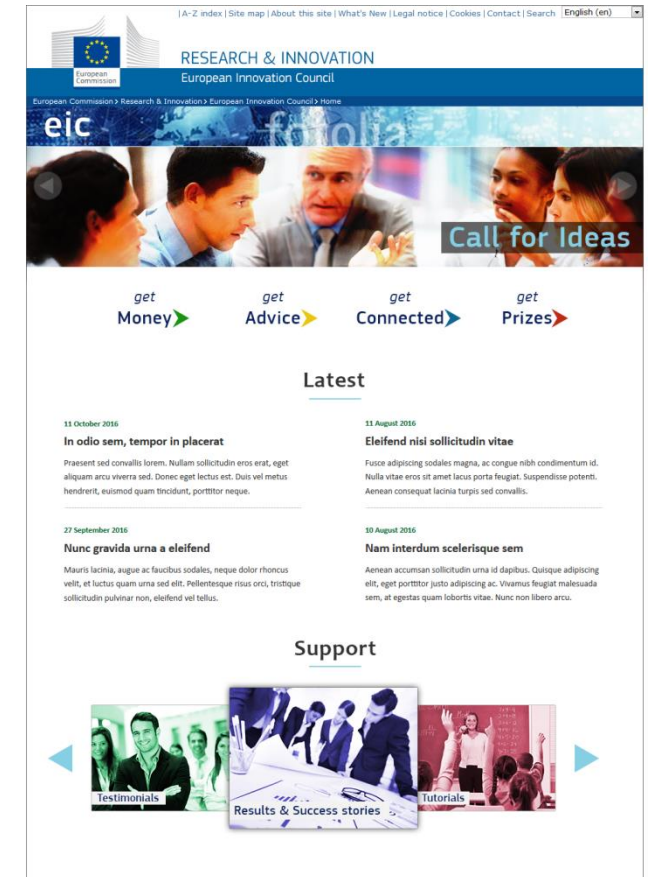
- Close monitoring of progress and results
  - Regular reporting by projects in the Participant Portal
  - Outside experts will assess projects' progress, using the Innovation Radar
- Focus on
  - Outcomes of the projects
  - Identifying early indications of breakthrough market-creating innovation
  - Level of private investment attracted, eg venture capital and loans
  - Companies' performance, eg jobs/turnover

# EIC in the Innovation Ecosystem

- Commission acknowledges importance of **interaction with other key players in the innovation landscape**, including **Eureka, EIT/KICs**, etc
- That is why EIC is being developed in an **open and inclusive** manner
- Important to identify **complementarities and synergies** and to avoid unnecessary overlaps/duplication (e.g. Eurostars and revamped SME instrument have different objectives and modalities)
- One possible approach would be a **Memorandum of Understanding** (or similar)
- Commission sees this as a start of a process, open to new ideas. Clear potential to engage **national innovation agencies and promotional banks in delivering scale up finance**.

# Improved navigation and outreach to new participants

- An IT tool (questions and answers) to guide users to the best fitting instrument
- Revamped website
- Intensive and targeted communication via social media, intermediaries and high-profile events





# Thank you!



# **Information on SME-Instrument Phase 3 Commercialisation and Support Services**

**SME Programme  
Committee  
23.06.2017, Brussels**

# Services for Market Success



Oversea Trade Fairs

Academy

Matching to corporates

Matching to investors

Access to procureres

Events

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Oversea Trade Fairs

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# The Overseas Trade Fairs Programme

225

## **SME Instrument companies**

Up to 15 Phase 1 and Phase 2 SME Instrument beneficiaries with a signed grant agreement will be selected for each fair

15

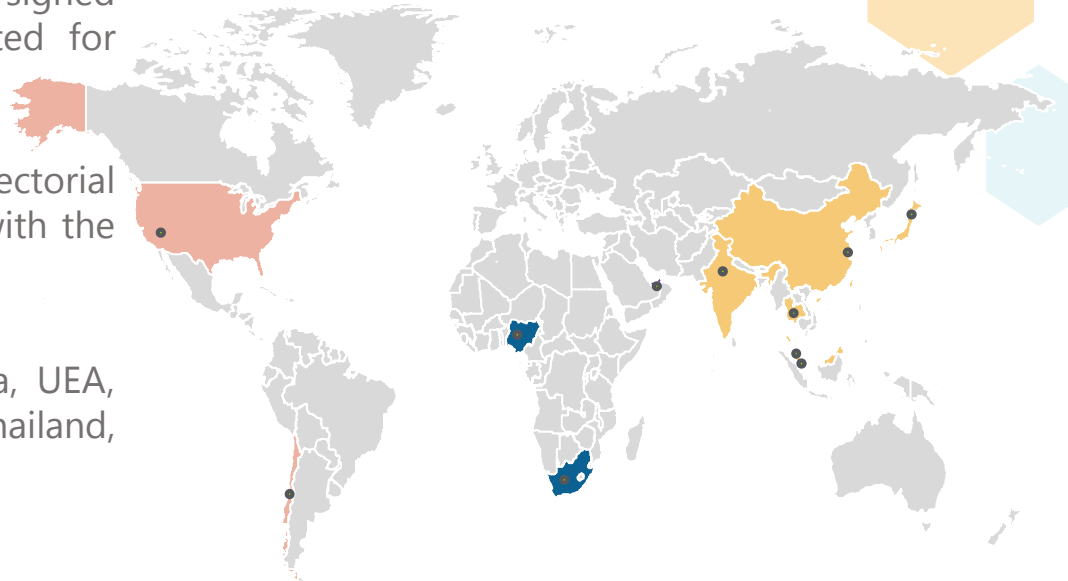
## **International Trade Fairs**

Major global exhibitions with a sectorial or cross-sectorial focus, in line with the SME Instrument topics.

11

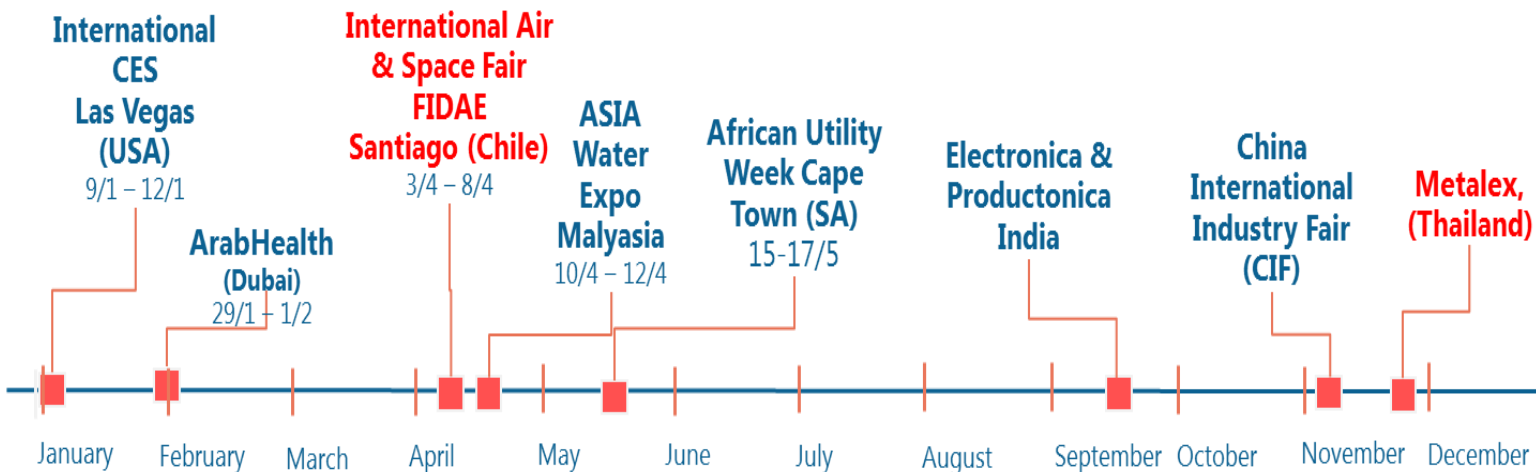
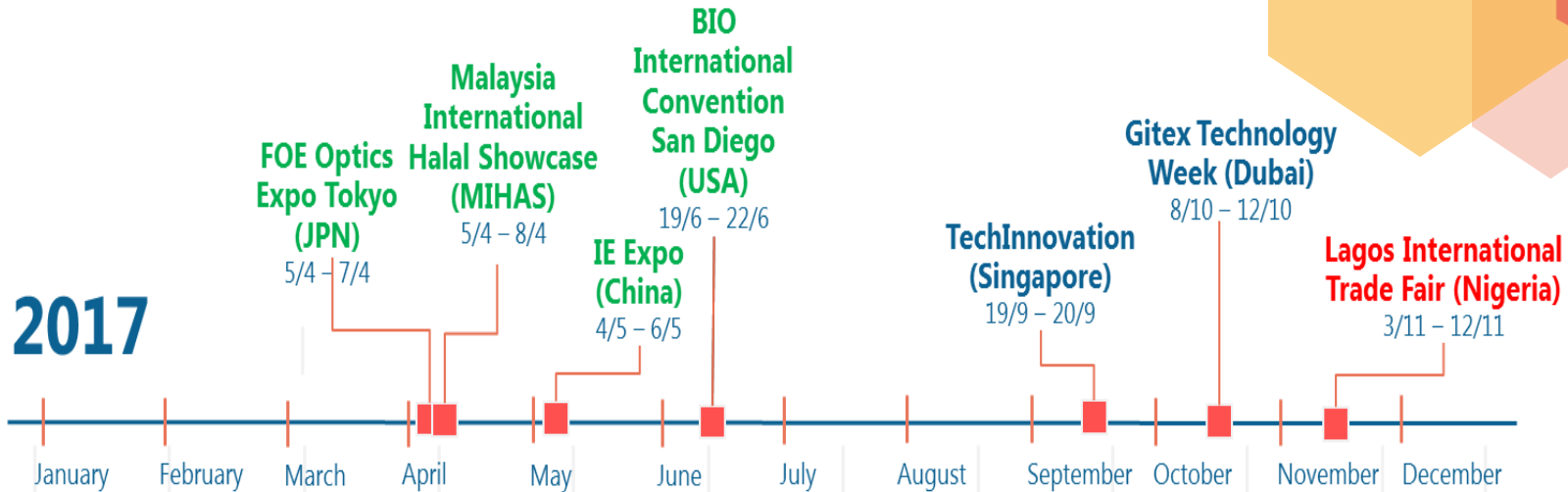
## **Extra-EU Markets**

USA, Chile, Nigeria, South Africa, UEA, India, Malaysia, Singapore, Thailand, Japan, China.



**Supported by Deloitte**

# OTF Trade Fairs Timeline





## Outcome of the first trade fairs:

- **FOE (Japan):** 9 SMEs ; 113 meetings
- **Mihas (Malaysia):** 9 SMEs; 164 meetings
- **IE Expo (China):** 15 SMEs; 1,188 meetings
- **BIO US (USA):** 15 SMEs



# Phase 3 Commercialisation Support Service Provider



- VC and M&A
- GLOBALSCOPE network of 500 investment professionals in 37 countries
- 250+ investment



- 200+ SME and start-up coaching
- SME Community Building
- Access to



- Brand Building
- Large Events
- Several EU Projects



- Managed 25+ collaborative SME-networks with corporates
- 800+ international SME customer

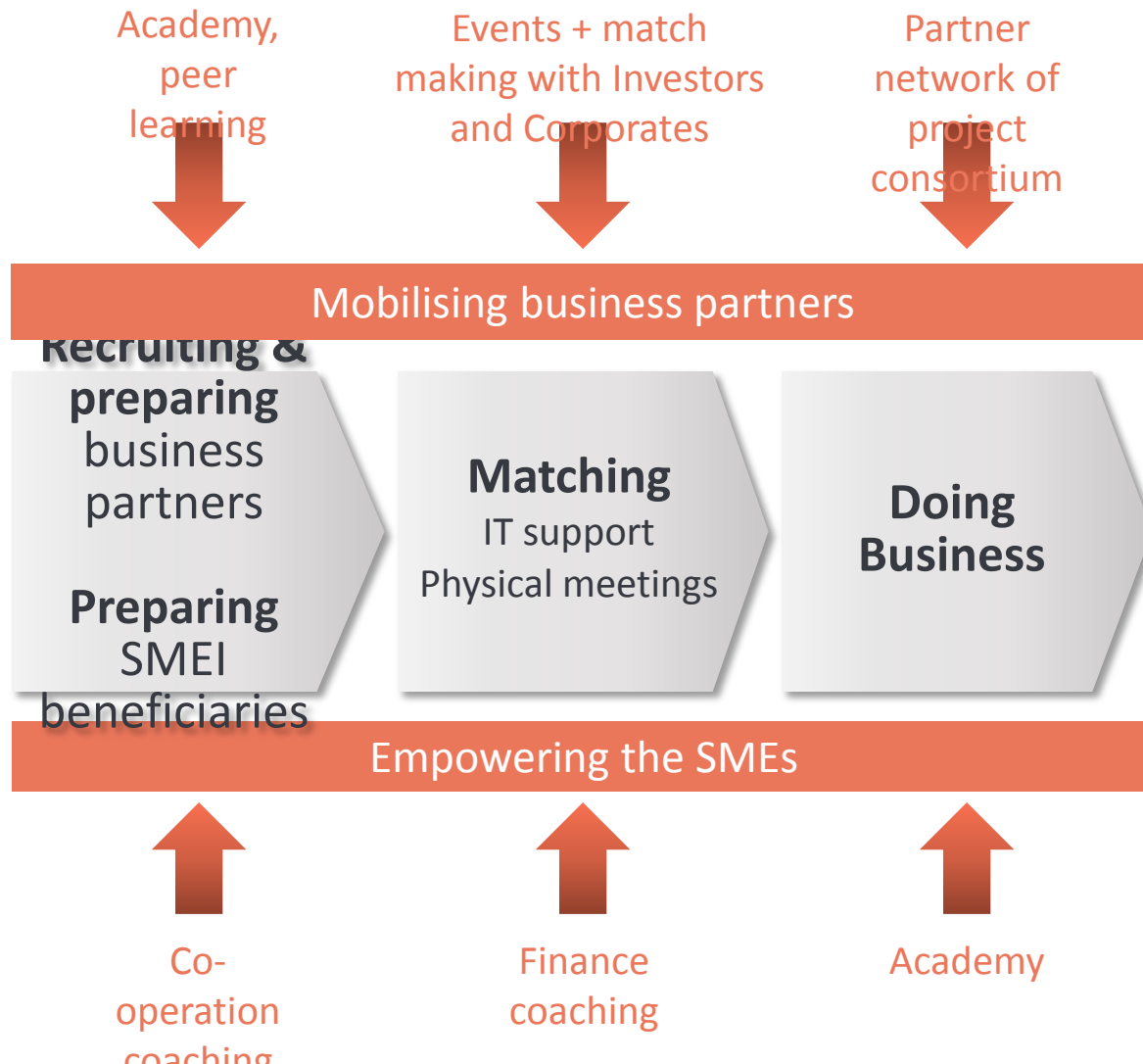


- 2000+ IT projects
- Development of Coach-Com and matchINVEST



- Business creation specialists
- Training 6.000+ companies

# Phase 3 Commercialisation Support



# Services for Market Success

Academy

Matching to corporates

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# Academy

Examples of early topics	Delivery Mode	
	Peer-Focussed	Online
<ul style="list-style-type: none"><li>• Business Architecture</li><li>• Market segmentation, sales planning and financial plans</li><li>• IP strategy &amp; cooperation building</li><li>• Organisation and resource planning for expansion stages</li><li>• Branding &amp; communication</li><li>• Distribution, contracts, negotiations (exclusivity issues)</li><li>• Make or buy decisions &amp; supply management</li><li>• Company valuation</li><li>• Investor search strategy (including certification)</li><li>• Management &amp; leadership</li></ul>		

# Academy – Action Learning

Contrary to training, “action learning” aims to develop competences based on a combination of actions and access to knowledge and know-how.

It enables a knowledge transfer through a blend of **learning activities**, such as:

- stored knowledge objects (case and / or reference knowledge)
- dedicated training-modules
- Classroom
- Web based
- Peer-to-peer interaction and knowledge exchange
- lessons-learnt workshops
- coaching, mentoring
- Web conferences etc.

Blended learning is an **on-going process**, with the action place





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# Structure of Matchmaking Events

## Ratio SME/Industry

High: 5-10 SME per large company

1 to 1 meeting of SME and industrial company

Low: 10-15 SMEs and 100-200 large companies

**Company Day:** technology oriented creativity workshop with one large, multi-national company and 5-10 selected SME.  
Total: 30-60 participants.

**1-to-1 Meeting:** combination of product sale and technology co-development bringing together one SME and one company. Total: 3-6 participants

**Symposium:** 10-30 SMEs networking with 10-20 corporates, debating challenges and opportunities of topic, with 1-to-1 business meetings

**Typical sales conference:** 10-15 SMEs presenting their products and technology to large number of potential customers. Total: 200-300 participants.

**Solutions creation workshop:** with typically 10 SMEs and several representatives of 5-15 companies. Total: 40-60 participants.

3 month

1 year

2 year

Short term

Low

Impact on participating SME

Innovative aspects of the collaboration SME-Industry

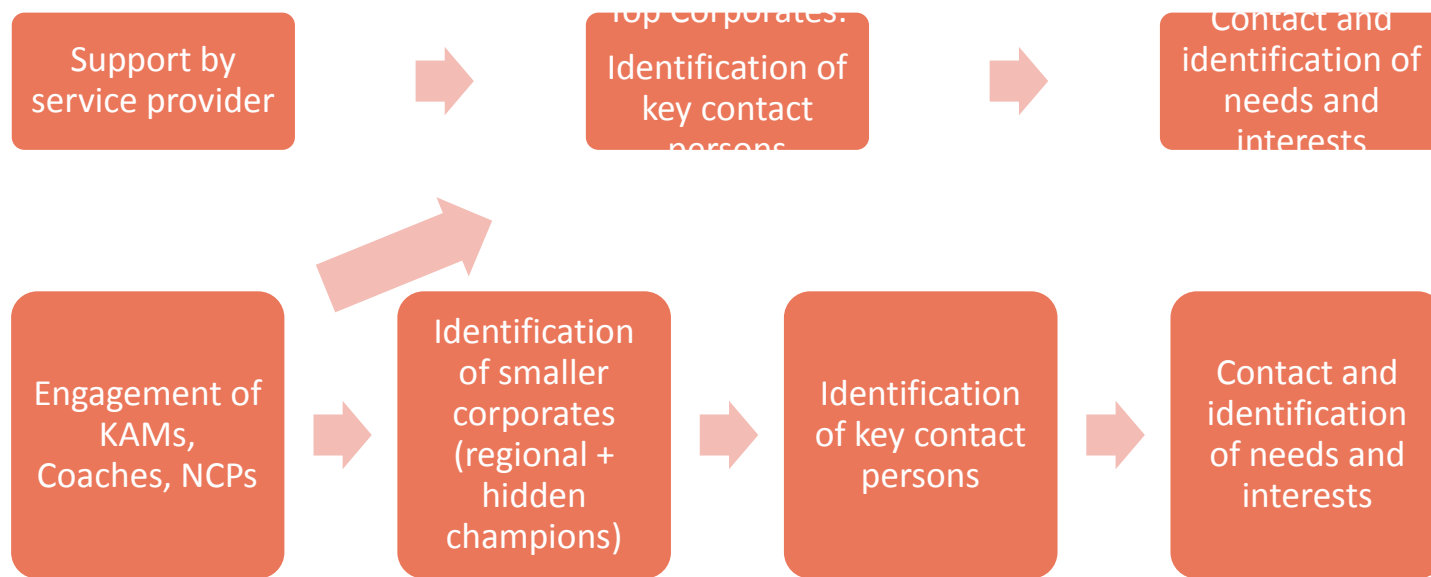
long term

high

# Example: Corporate Event

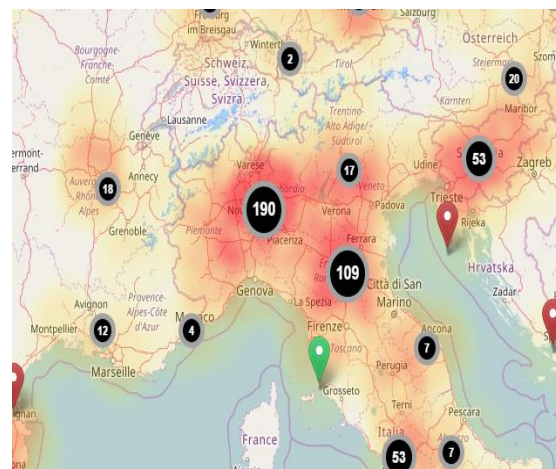
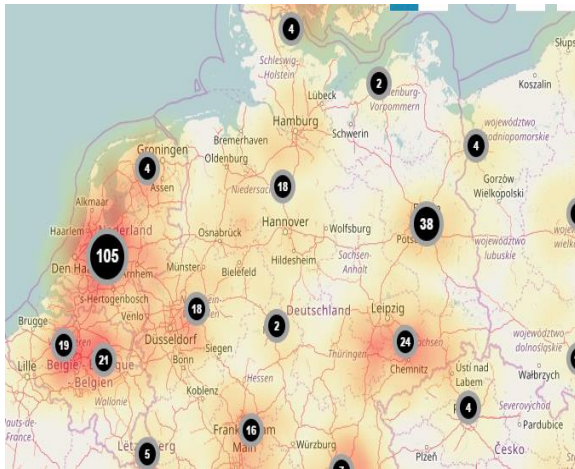
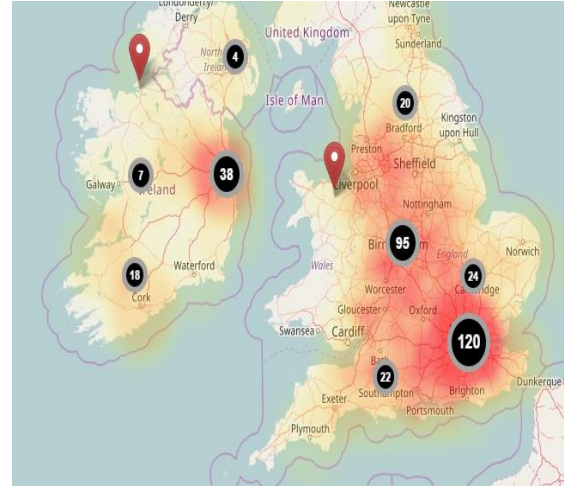
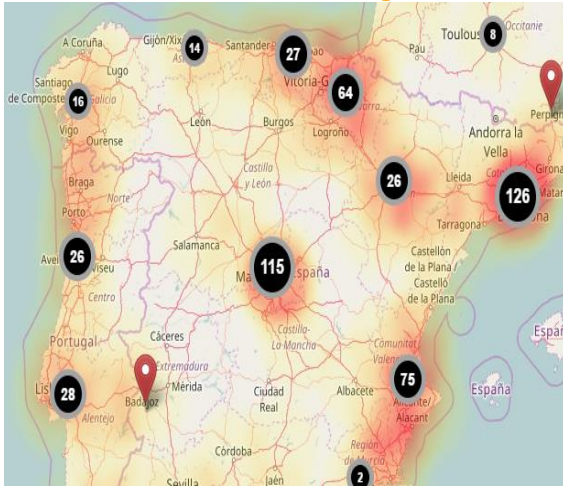
Type of action	Participation of SMEs	Participation of corporates/investors	Content and agenda of matching action	Expected Outcomes
“Solutions creating workshop”	- 8-12 SMEs that may provide a solution to industry challenges.	- 4-6 large companies.	- Identify future challenges that may be solved through cooperation with SMEs.	- Concrete pitching of challenges from the corporates
		- Companies should not be competing	- Selected SMEs to a 1-2 day workshop, to develop new solutions.	- Concrete solution proposals from 1 or a group of SMEs
Incentives for participation	- Connect with other SMEs and	- Group of focussed potential		

# Contact with Corporates



2-STEP PROCESS; THAT ENSURES THAT ALL SUITABLE CORPORATES ARE CONTACTED

# Matchmaking Events at SME-I Key Locations



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## Example: Investors event

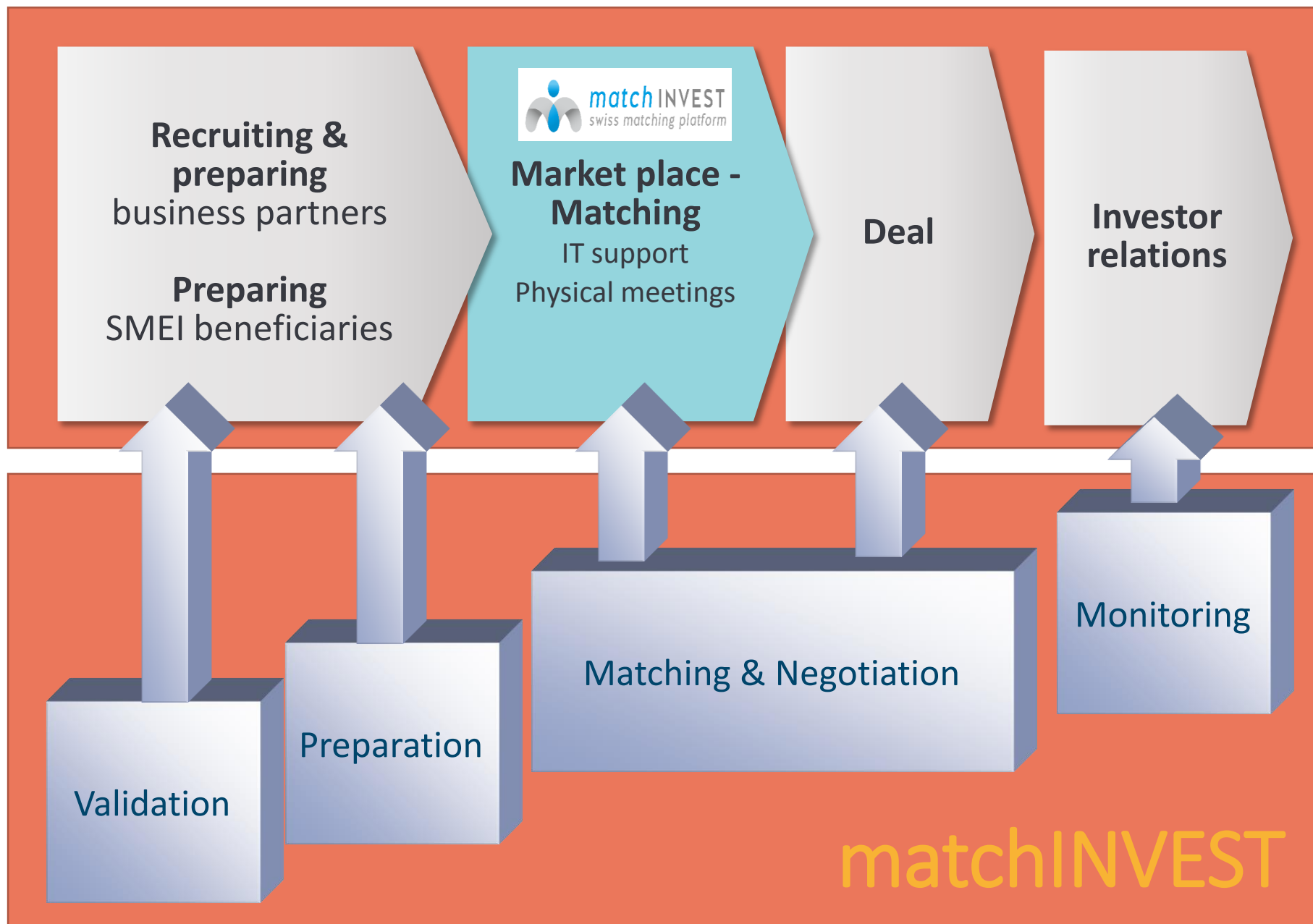
CATCAP Venture Lounge

- 50-120 participants
- SMEs present their business ideas in front of strategic investors, Venture Capital and Business Angels
- Companies receive input by experienced investors and meet possible investors for their companies
- First ideas on locations: Munich: Lifescience and Medtech, Berlin: Internet, Media and Games, Luxemburg: Biotech, Vienna: Hightech & Lifescience, London: Hightech & Internet

# Example Venture Lounge Merck

Title	Venture Lounge – Life Sciences
Date	18 October 2017
Location	Merck Innovation Centre, Darmstadt, Germany
Primary targets	SMEs from the Life Sciences sector
Event format	Pitching and networking event
Guests	SMEs, investors, corporates, sector experts, people of relevance in the Life Science sector
Goal	Give SMEs the chance to pitch in front of investors and to network with peers, corporates and investors
Approach	<p>At the Venture Lounge 4 SMEI beneficiaries will be selected to present their business case in front of a group of investors. 4 SMEs from the Merck Accelerator programme will also present their case. The best three will be selected by a Jury of investors and corporates, receive an award and be mentioned in a press release. After a panel discussion about sector relevant topics between selected investors (strategic and financial), there is time for networking with food and drinks. We will recommend SMEs not selected for the pitching session to join the event for networking reasons and industry knowledge.</p>





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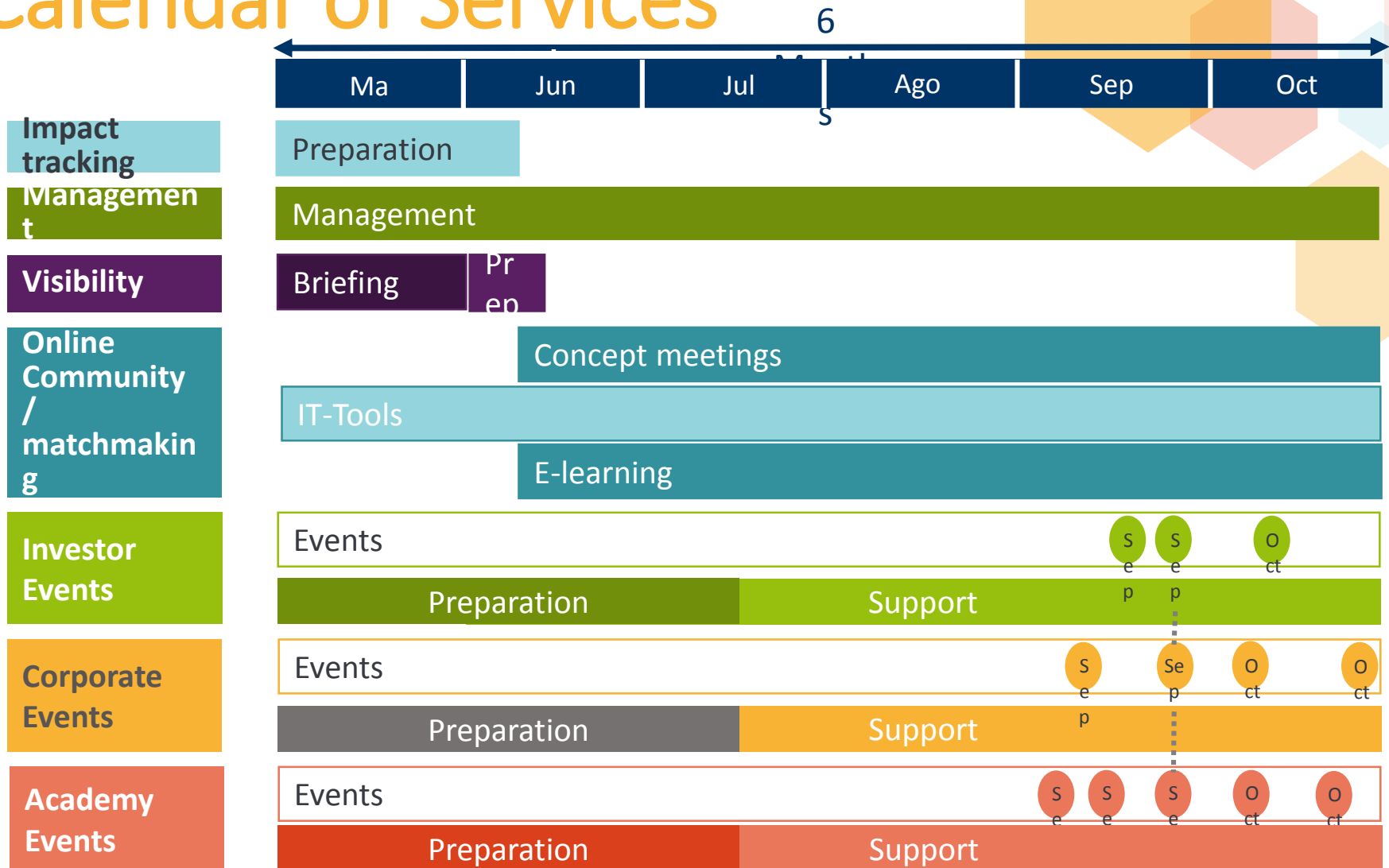
# Access to Procurers

**Plugin to existing innovative procurement initiatives\***, where the most innovative procurers in Europe are already identified:

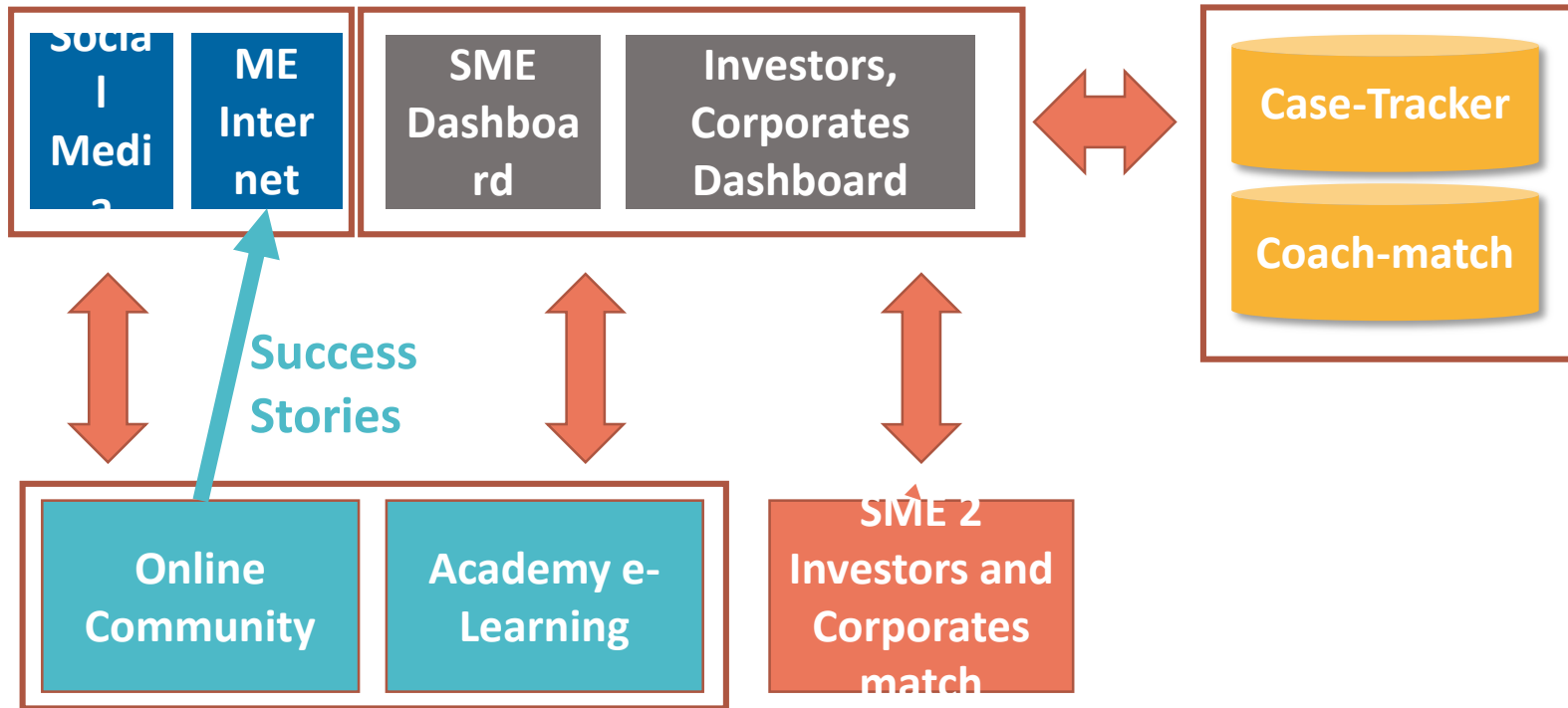
1. Realize active contact with the initiatives and identify relevant tenders based on the needs of the SMEIs.
2. Contact SMEIs that may be interested in specific procurement programs directly or respective KAM
3. Hold focused workshops on a case-by-case basis

*\* Currently identified procurement initiatives are: 5SC, InnProBio, FIRED-uP, smart@fire, INNOCAT, HAPPI, EcoQUIP, StopandGo, SILVER, Decipher PCP, Thalea, Nympha-MD, Unwired Health, inspire, Transform, C4BI, eafip, IMAILE, Cloud for Europe, PreForma, PICSE, PRACE, Syncro, P4ITS, TIDE, CHARM, V-Con, WaterPipp, PPIWaste*

# May-October 2017 | Calendar of Services



# IT Support



# Vision 2018

**THE international ecosystem enhancing  
commercialization of  
the champions league of innovative European SMEs**

**SMEI – Family and  
Friends**

**SMEI –  
Beneficiaries**

**4000 active ecosystem  
members** consisting of:  
SMEs, corporates,  
investors, procurers,  
intermediaries, coaches,  
KAMs

**Measureable positive  
business impact on  
ecosystem members  
(subjective and objective  
indicators)**

**Business acceleration  
impact**



**Thank you**