

Statement by the EIC Board on the EIC Work Programme for 2022 and future of the EIC Fund

We, the recently appointed members of the first EIC Board, enthusiastically welcome the publication of the EIC's work programme for 2022 with €1.7 billion for Europe's most promising innovators that we formally endorsed at our 27 January meeting. We welcome the reinforced budget for all of the EIC main schemes including the Pathfinder for advanced research, the Transition funding to follow up on Pathfinder and European Research Council results, and the Accelerator for start-ups and scale-ups. This comes at a time when breakthrough innovations are more important than ever to fuel the post COVID recovery, reinforce European autonomy in emerging technologies, and scale up solutions to the challenges of digitalisation and climate transitions.

Today's announcement signals the restart of the full EIC activities. We have been greatly impressed by the quality of the 164 start-ups and SMEs selected for funding under the EIC Accelerator in 2021 and urge the Commission and EIC and SMEs Executive Agency (EISMEA) to fast track the funding – both grants and investments – to companies whose very survival (in Europe) is at stake. Innovators and companies have been on hold for long enough by the transition from the pilot to the full EIC (under Horizon Europe). We therefore encourage the speedy completion of a minor restructuring of the EIC Fund while maintaining continuity from the successful pilot, so that it can recommence investments in the coming weeks.

We urge the Commission to capitalise on the expertise, teams and mindset that enabled the success of the EIC Fund in the pilot phase. During the last 18 months, the EIC Fund has made over 140 investment decisions with a total approved investment of €637 million, a larger investment than any other deep-tech fund. It has already been successful in attracting private investors to co-invest in early stage deep-tech start-ups - 2.7 euro of additional equity leveraged by every euro of EIC investment - and has also rapidly shortened the decision making time for investments to just a few weeks in some cases. It has provided early stage finance for start-ups where others

were unwilling to invest, and catalysed larger financing rounds in high potential companies that otherwise would go underfunded. It has succeeded in investing in excellent start-ups with female founders and across a wide range of geographies including under represented EU countries (such as Horizon widening countries).

The EIC Board met on 27 January to discuss the long-term future of the EIC Fund and we are aware of various media articles on this matter. We agree with the need for a well-informed assessment of the best way forward to build a long-term solution that meets the needs of the innovation community, both early stage start-ups and deep tech investors. To do so, it should build on the success of the pilot with fast decision making by a team independent of sectoral or political interests, and with clear responsibilities and a mandate for high-risk investments. It must be simple for innovators and investors to engage with (i.e. one stop shop approach), and be open to work with all VCs and investors on fair and equal terms and meet market timelines. Over the coming weeks, we will make our contribution to these important discussions to help bring them to a swift conclusion, and to make the EIC the investor of choice for European innovators with visionary ideas.

EIC Board, 9 February 2022