



EIC Board - 10th plenary Meeting

28 September 2023 – Brussels

1. Welcome

Michiel Scheffer, President of the EIC Board, welcomed Board members and representatives of the European Commission and the EISMEA, as well as Svetoslava GEORGIEVA, Chair of the EIC Fund Board, as an observer (agenda points 1-4).

The agenda of the meeting was approved. The minutes of the 9th EIC Board meeting were approved – with a minor change in the wording. No conflicts of interest were declared.

Follow up

Secretariat to revise the minutes of the 9th EIC Board meeting in Riga as agreed

2. Reflections on the role of the President and the EIC Board

The President of the EIC Board presented his experiences since his appointment and reflected on his role as President of the Board. He highlighted the need for operational excellence, stressed the importance of geographical balance in access to the EIC, and the need to balance the scope of EIC fund beyond medtech and life sciences. The President expressed his goal to visit all EU Member States during this appointment, and to be well connected with the national and regional innovation and venture capital ecosystem. He highlighted his double role as employee of the European Commission and voice of entrepreneurs interested in the EIC. He shared his ideas for his work plan as President of the EIC Board and thoughts regarding working groups, rapporteurs, and vice-chairs.

The Board thanked the President of the EIC Board for his presentation and acknowledged his work, reports and 'on-the-ground' outreach activities. The Board noted the importance to focus on

outputs from these meetings, and to reinforce interactions with industrial and corporate venture capital communities.

Follow up

EIC Board President to progress on the Work Plan and to diversify outreach activities and target different stakeholders.

3. Implementation and review of KPIs

Jean-David Malo, Director at the EISMEA, updated the Board on implementation, including the Ukraine Call, as well as monitoring against Key Performance Indicators (KPIs). Regarding Ukraine, he briefed that the evaluation has been completed, and that EISMEA received a complaint of an applying consortium which is currently being assessed. On country participation, he informed that the UK can currently participate for grant support but is not eligible to receive investment support. On the KPIs, he commented that the switch to the Corporate application platform may contribute, temporarily, to delays in time to grant.

The Board emphasised the urgency to launch the Ukraine support action. Regarding investments, the Board noted that the majority of support goes to health, medtech and biotech and further assessment is needed of what this categorisation contains.

Board rapporteur Vicky Kefalas provided suggestions for a revised KPI framework. She highlighted that such KPI framework will set the standards against which we want to measure the EIC performance. The Chair of the EIC Fund Board, Svetoslava Georgieva, informed that the operational part of the EICF restructuring is still ongoing, in particular on syndication and speed of disbursements.

The Board overall supported the continuation of the KPI framework with six strategic goals and highlighted the importance of learning from and acting on the results from KPIs. It was recalled that there is a differentiation between main KPIs (to be reported in Impact Report) and for indicators for internal monitoring. One approach is to have "North star" KPIs, as the most critical, distinguished from "standard" KPIs. The relevance of the KPIs for EU political priorities and economic security considerations was highlighted. KPIs are also important for communication purposes, and so should remain concise, and easy to understand.

Kat Borlongan described the relevance of ESG (environmental, social and governance) reporting for the EIC, both to help EIC supported companies meet reporting requirements and to engage with the investment community to simplify and converge towards market standards. An exercise could build on already existing indicators and follow a "community approach" involving Board Members and the RTD team. The Board highlighted that greenwashing risks to be avoided. Cristina Riesen and Spela Stres volunteered to contribute to this work stream.

Conclusions and follow up

The Board supported the continuation of the KPI framework with strategic goals, updated to include the target for participation of widening countries and a target for evaluators/ jury

members from widening countries.

Svetoslava Georgieva was requested to report to the next Board meeting with proposed KPIs on the operational excellence of the EIC Fund.

A potential indicator on cross-border investments would be subject to further analysis.

Kat Borlogan, with Cristina, Spela and support from Secretariat were requested to scope potential work on ESG for the next EIC Board meeting.

4. Developments on the EIC Fund

The Head of Unit of Innovation Policy & Access to Finance (RTD) updated the Board on the restructuring of the EIC Fund, highlighting that there would be no changes for EIC beneficiaries. The restructuring includes a contribution agreement between the EIB and the EC, the temporary transfer shares to the EIB with governance rights of the EC ensured, and updates to the PPM including the Investment Guidelines.

Board members questioned how the fee structure compared with market norms (which are measured differently) and highlighted the need for an EU equivalent of the Delaware holding corporation. It was agreed further discussion should take place within the EIC Fund Board.

Svetoslava Georgieva informed that the EIC Fund Board is focusing on three areas: Operational excellence, the facilitation of syndication, and on monitoring, reporting and portfolio management functions. The Chair stressed the importance of investor-specific out-reach activities and called on the EIC Board members to connect to the local ecosystem. She informed that the EIC Fund, together with the Commission, works on a call for experts to serve as board members on EIC portfolio companies.

Board members were update on the Strategic Technologies for Europe Platform (STEP) discussions.

Conclusions and follow up

The Board thanked Svetoslava Georgieva for the information and looked forward to further reporting.

5. EIC Work Programme 2024

The Head of Unit of the European Innovation Council (EIC) summarised the progress on preparing the EIC Work Programme for 2024, including the incorporation of advice from the Board on budgets, IP rules and simplification measures including for flexibility of decision making by the EIC Fund. Three outstanding issues were highlighted, concerning the finalisation of budget, the selection of EIC challenges, and Economic Security measures. On the selection of EIC challenges, the Board was informed that EIC challenges are strongly driven by Project managers but that Accelerator challenges in particular have a stronger policy steer. On economic security, various safeguards are proposed for investments in strategic areas and in case of entities controlled by third country governments. The Head of Unit informed that Board members would shortly receive a revised draft of the Work Programme text which is to be submitted for interservice consultation and then the opinion of the Programme Committee.

Board rapporteur, Carsten Dreher, highlighted points on the WP requiring Board discussion (selection of challenges, the revised budget proposal, the introduction of lump sum funding, economic security and the protection of tech sovereignty), and suggested items to be highlighted by the EIC Board in its opinion on the WP.

On the selection of challenges, the Board recommended improvements in future in particular for the Accelerator challenges while recognising the policy relevance of such challenges. While some Board members suggested a closer involvement of the Board in the selection of the challenges, others suggested that this should be the role of more specialised experts.

The Board agreed to prepare a statement for discussion at the next meeting after having read the full document, and to be published alongside the Work Programme.

Conclusions and follow up

Secretariat to circulate Work Programme text.

Secretariat and President to prepare a draft statement to be discussed at the next meeting.

6. Recommendations on the future of the EIC

The President of the EIC Board welcomed the Director-General of DG RTD, Marc Lemaître, to the meeting and Carsten Dreher briefed Board members on the finalisation of the Board statement. Mr Lemaître thanked the EIC Board Members for their work on the statement and stressed the importance of investments to ensure technological sovereignty and EU competitiveness recalling the relevance of the STEP proposal.

He welcomed the emphasis on operational excellence for the EIC and encouraged the Board to be as precise as possible on what constitutes operational excellence in line with market expectations. Regarding a potential benchmarking of operational excellence of the EIC, he noted that the restructuring of the EIC Fund is not yet completed, and this should be the basis of the benchmarking.

The Board agreed to focus work on operational excellence and benchmarking of the existing architecture, while noting that if a benchmarking shows that the EIC is underperforming then this would require an assessment of how improvements could be achieved.

7. Follow up work on the future of the EIC

The Board agreed that Benchmarking with other Funds is needed to define the 'gold standard' against which to measure EICF performance. The Board approved that the benchmarking exercise will be conducted.

Decision and follow-up

It was agreed that the President of the Board would submit the finalised statement to the Commissioner to discuss with her before publication.

The WG on the future was tasked to prepare the terms of reference for a benchmarking exercise with comparable initiatives and to engage on a more detailed consideration of the role of Programme Managers and the other recommendations.

8. EIC Emerging Tech Report

Jean-David Malo and Head of Sector of External Communication (EISMEA) presented the draft EIC Tech Report, a joint work between the Commission (DG RTD) and the EISMEA, which aims to identify trends in emerging technologies to inform EU policy and funding priorities. The report focuses on the EIC Pathfinder as “earliest” point of emergence of new technologies. The focus was on identifying novelties and was supported by JRC analysis.

Board members strongly welcomed the work conducted and recognized the importance in the context of European competitiveness. The Board suggested to compare the trends identified in the Emerging Tech Report with similar reports conducted elsewhere to identify overlapping/ diverging findings. Board members highlighted the potential for external communication in the context of strategic foresight, and forward-looking thinking as well as to target key stakeholders in the industry. The report was also considered relevant in providing a stronger evidence base for identifying challenges for EIC funding. The President of the EIC Board highlighted the importance of data-driven policy, and the linkages with investors and beneficiaries.

Conclusion and follow-up

For the Board to be informed about the publication of the report, and to consider improvements to future editions.

9. Wrap-up, next steps, arrangements for next meetings

The Head of Unit of the European Innovation Council (EIC) briefed members about the forthcoming rotation of Board members which is subject to a Commission decision and that members would be kept informed. He noted that the Working Groups, other than the WG on the future, have not been active but that further meetings of the joint groups with ERC and EIT are under consideration.

The following information was given on the next meetings:

- November 7th in Athens: preceded by the first Greek EIC Info day and a stakeholder dinner on the 6th
- The first meeting of the new Board is tentatively planned for January 10 (afternoon) & 11 (full day) in Leuven (BE) at IMEC
- Further meetings planned in 2024 are foreseen for: March (week of 18 March linked to the EIC Summit); June/ July, October and December and would be both in Brussels and other locations.

Board members were informed that the EIC will be present at the Web Summit and Slush and were asked to notify the Secretariat if they will attend these events.

List of participants

Members of the Board

Present:

- Michiel SCHEFFER – President of the EIC Board
- Ana BARJASIC
- Bart BECKS
- Carsten DREHER
- Mark FERGUSON
- Lars FRØLUND
- Radoslav GEORGIEV
- Hermann HAUSER
- Vicky KEFALAS
- Marja MAKAROW
- Francesco PROFUMO
- Cristina RIESEN
- Anita TRAASETH

Online:

- Taavi MADIBERK
- Liene BRIEDE
- Kat BORLONGAN
- Spela STRES

Absent

- Bruno SPORTISSE

European Commission

DG Research & Innovation (RTD)

- Marc LEMAÎTRE – *Director-General (Agenda point 6)*
- Anna PANAGOPOULOU – *Director – ERA & Innovation (except Agenda points 1-3)*
- HoU – European Innovation Council
- HoU – Innovation Policy & Access to Finance
- dHoU – European Innovation Council
- *Adviser – Access to Finance for Innovation (remote)*
- *Policy officer – European Innovation Council*
- *Policy officer – European Innovation Council*
- *Policy officer – European Innovation Council (remote)*

EIC & SME Executive Agency (EISMEA)

- Jean-David MALO – *Director*
- *Head of Department* European Innovation Council
- *Head of Unit* EIC Programme Managers' Office
- *Head of Unit* EIC Pathfinder
- *Head of Unit* EIC Transition and Business Acceleration Services
- *Head of Unit* EIC Accelerator (remote)
- *Head of Sector* External Communication
- *Policy Adviser – EIC Board*

EIC Programme managers (PMs) (for lunch only)

- *PM* in Programme Managers 'Office

- *PM* for Materials for Energy and Environment
- *PM* for Construction, AI and Optimization
- *PM* for Quantum Technologies and Electronics
- *PM* for Energy Systems and Technologies, Biosystems Engineering
- *PM* for Food & AgriTech
- *PM* for Space

Observer: Svetoslava Georgieva, *Chair* of the EIC Fund Board (points 1-4)