



STATEMENT OF THE EUROPEAN INNOVATION COUNCIL BOARD ON THE 2025 EIC WORK PROGRAMME

The European Innovation Council (EIC) Board has a central role to advise the European Commission on the strategy and implementation of the EIC through the annual Work Programmes. During 2024, the Board has dedicated a large part of its plenary meetings to discussing and advising on the Work Programme as well as more in-depth deliberations within the Board's working groups. Our focus has included the operational excellence of the EIC through a "visitation" exercise with Board members assessing the innovators journey within the main EIC funding and support schemes, advising on the "Challenge" selection process as well as on the design of the new call following the Strategic Technologies for Europe Platform (STEP) Regulation.

In this context, the Board welcomes the new STEP scale-up call to support ambitious deep tech companies to stay and grow in Europe by catalysing essential scale-up finance in the range of €50 to 150 million per company. We recognise that the budget available for this call is significantly below the market needs, which we would estimate to be in the order of at least €1 billion per year. However, we consider the €300m set aside in 2025 for these larger, strategic investments, will demonstrate the importance and impact of this type of funding, enable follow on financing for highly promising companies in the EIC Fund portfolio, and test the wider opportunities for companies outside the EIC portfolio to benefit. In our view, the STEP scale-up call as planned for WP 25 represents only a start in securing the necessary scale up support for European deep tech companies. A more ambitious action will be needed in future, i.e allowing for a thorough portfolio management.

Regarding the other elements of the Work Programme, the Board also welcomes:

- + The first application of the framework proposed by the Board for the selection of Challenges, with each potential Challenge assessed for focus on deep tech and on strategic priorities for Europe, and that the ecosystem is sufficiently advanced for EIC funding to have an impact depending on the stage of development. This framework should be progressively improved, including an effective role of EIC Programme Managers, to identify areas with breakthrough potential which can be activated with EIC support. In some Challenges, their ambitions are not fully in balance with the budget assigned, underlining the need for higher budgets or sponsors from other EU-programmes for the EIC funding lines. The EIC Board will continue to monitor these processes for the following Work Programmes.

- + The attention given to operational excellence and managing the very high demand for EIC funding (with only one in twenty applications funded). In particular we welcome that the budgets for the existing Pathfinder, Transition and Accelerator calls have been maintained, with some improvements in processes and transparency. However, we still see a high number of excellent companies and projects not funded, and so would strongly encourage Member States to make full use of the Seal of Excellence and the possibility to transfer budgets into additional EIC support to their countries. For this reason, we have advocated and welcome the extension of the Seal to Transition projects.

- + The new EIC Pre-Accelerator which follows the Board's recommendations and will provide Business Acceleration Services and grant funding (to be provided under the future Widening Work Programme), to early-stage companies from Widening Countries to develop their technology, business and investor readiness, and increase participation in the EIC Accelerator.

- The board emphasises the importance of EIC BAS, which helps EIC improve the return on its investments by providing beneficiaries with the essential resources they need to grow and commercialize their products: connections, contracts and skills.

- Elsewhere, we see the need for Pathfinder projects to focus more strongly on how breakthrough technologies can solve societal problems. This could be achieved through stronger guidance to evaluators and/or adjusting the evaluation criteria. Further attention is also needed to explore the role that consultants play in the application process building on the Code of Conduct for Consultants published by the EIC Board in 2023.

- Overall, we believe that the EIC Work Programme for 2025 brings important improvements and is good news for Europe's innovators. The EIC Board will continue its role to advise the Commission on future EIC Work Programmes, focusing on the innovators journey but also looking to strengthen the EIC's future role, following Commission President von der Leyen's commitment to expand the EIC in the 2024-29 mandate. As well as the pertinent recommendations in the Draghi report and from the high-level group chaired by Manuel Heitor.