



IPIFF Annual Congress 2024

EU financing for start-ups and SMEs

21 November 2024 in Brussels

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Agenda

- **European Innovation Council (EIC) Fund**
– backing visionary entrepreneurs
- **InvestEU Fund** – Commission's flagship investment programme 2021 – 2027 (repayable finance)

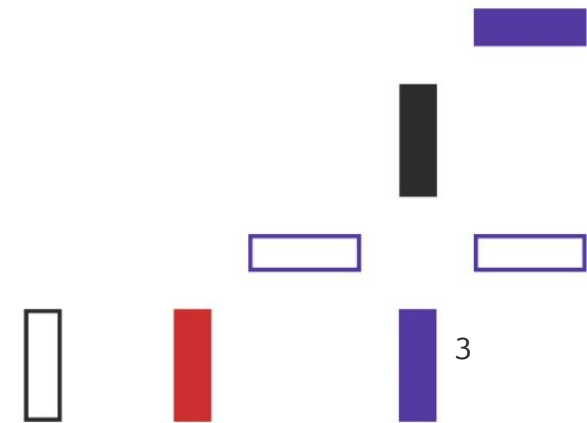
EIC Accelerator

European
Innovation
Council



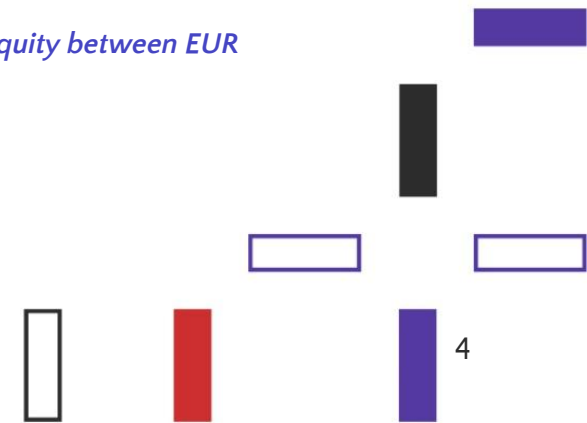
- Are you a start-up or a SME seeking to scale up **high impact innovation** with potential to create new markets or disrupt existing ones?
- Does your innovation build on a scientific discovery or technological breakthrough (**‘deep tech’**)?
- Is the investment **too risky** for private investors alone?
- Do you need **significant funding** over a long timeframe?

Are we the right investor for you?





What do we offer?





Who can apply?

- **Single companies**
- **SMEs 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
- **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](#)



What are the funding options?

Grant only

If you can prove that you have sufficient financial means for deployment and scale-up

Grant & Investment (Blended Finance)

If you need support for development (TRL 5/6 □ 8), deployment and scale-up (TRL 9)

Investment only (Equity 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

Technology riskiness

We help companies derisk their technologies until they become interesting for private investors

Blended finance combines Grant and Equity



Grant component

- Maximum **€2.5 million**
- eligible costs are reimbursed up to a maximum of **70%**
- Technology in TRL from 5/6 to 8



Investment component

- Between €0.5 million and **€ 10 million**
- Usually in the form of direct **equity** or **quasi-equity** (i.e. convertible loans)
- TRL 9

Starting 2025: Equity only available for amounts between **€ 10 and € 30 mio**

EIC Accelerator equity funding – general principles



- Intended to finance **market deployment and scale up**.
- **Crowd in** of private co-investments in EIC funded companies
- EIC Fund participates with **max 50%** of the funding round and **does not lead** the round
- The EIC may reserve **follow-on capital** to invest in subsequent series
- The EIC provides **patient capital**: investments are made with a long average perspective (7-10 years) with a maximum of 15 years.
- The EIC usually 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.
- Budget of the EIC Accelerator in 2025:
 - Open: **€384 million**
 - Challenges: **€250 million** (topics 2025: see next slide)
 - **STEP (new): € 300 million**



EIC Accelerator – Challenges 2025

- Acceleration of advanced materials development and upscaling along the value chain
- **Biotechnology driven low emission food and feed production systems (€50 mio)**
- GenAI4EU: Creating European Champions in Generative AI
- Innovative in-space servicing, operations, robotics and technologies for resilient EU space infrastructure
- Breakthrough innovations for future mobility





SELECTION PROCESS

INVESTMENT PROCESS

- The **EIC Accelerator evaluation process** is composed of the **following phases**:
 - **Screening of short proposals**: performed by four remote evaluators, which leads to a GO or NO-GO to the next evaluation stage (4-6 weeks),
 - **Evaluation of full proposals**, performed by three 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
 - GO (funded) project will go to the **European Investment Bank (EIB)** (advisor of the fund) for **Due Diligence**

Submission any
time

Submission by:
12/03/2025
01/10/2025



SELECTION PROCESS

INVESTMENT PROCESS

1. **Due diligence** (**EIB**, unless performed by co-investors) + **KYC-compliance** checks (EIC Fund).
2. **Investment Recommendation** (**EIB**), potential draft financing terms discussed with the beneficiary and co-investors (if any).
3. Investment Recommendation is assessed by the **Advisory Committee** for final check of company and alignment with EIC Fund Investment Guidelines*
4. **Investment decision** (external **EIC Fund Manager**), which will either approve (sometimes with conditions), including the amount and terms, propose grant-first or reject the operation.
5. **Investment agreement and disbursement**. The EIB will guide the preparatory work of legal documentation for signature by the **EIC Fund Manager**.
6. **Portfolio monitoring and management** (**EIC Fund Manager** supported by the EIB).

Two companies proposing insects related technologies have been supported by the EIC Fund



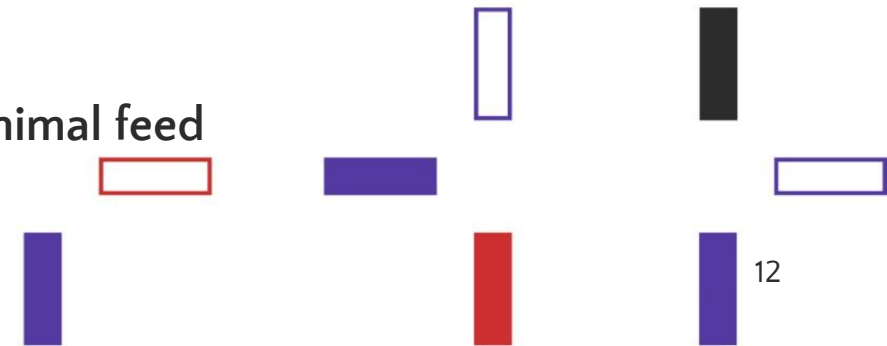
LIVIN forms

- Country: **Austria**
- EIC Fund Support: **€2.5m Grant**
- Total costs: €3.6m
- Program: EIC Fund Pilot (2021)
- Project: **How bugs can help alleviate food insecurity**



FARMINSECT

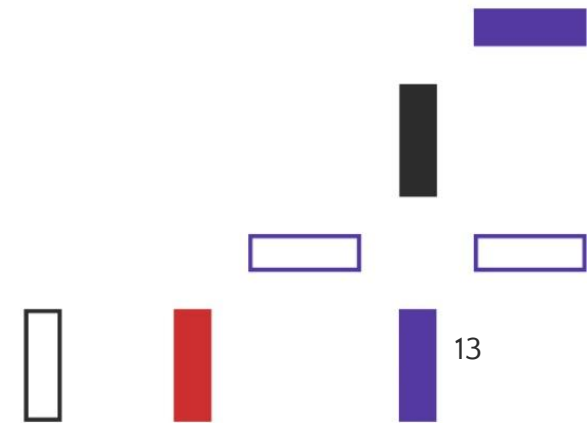
- Country: **Germany**
- EIC Fund Support: **€2.5m Grant + Equity**
- Program: EIC Fund Horizon Europe (2023)
- Technology: **Black soldier fly larvae as sustainable protein source for animal feed**



Useful sources



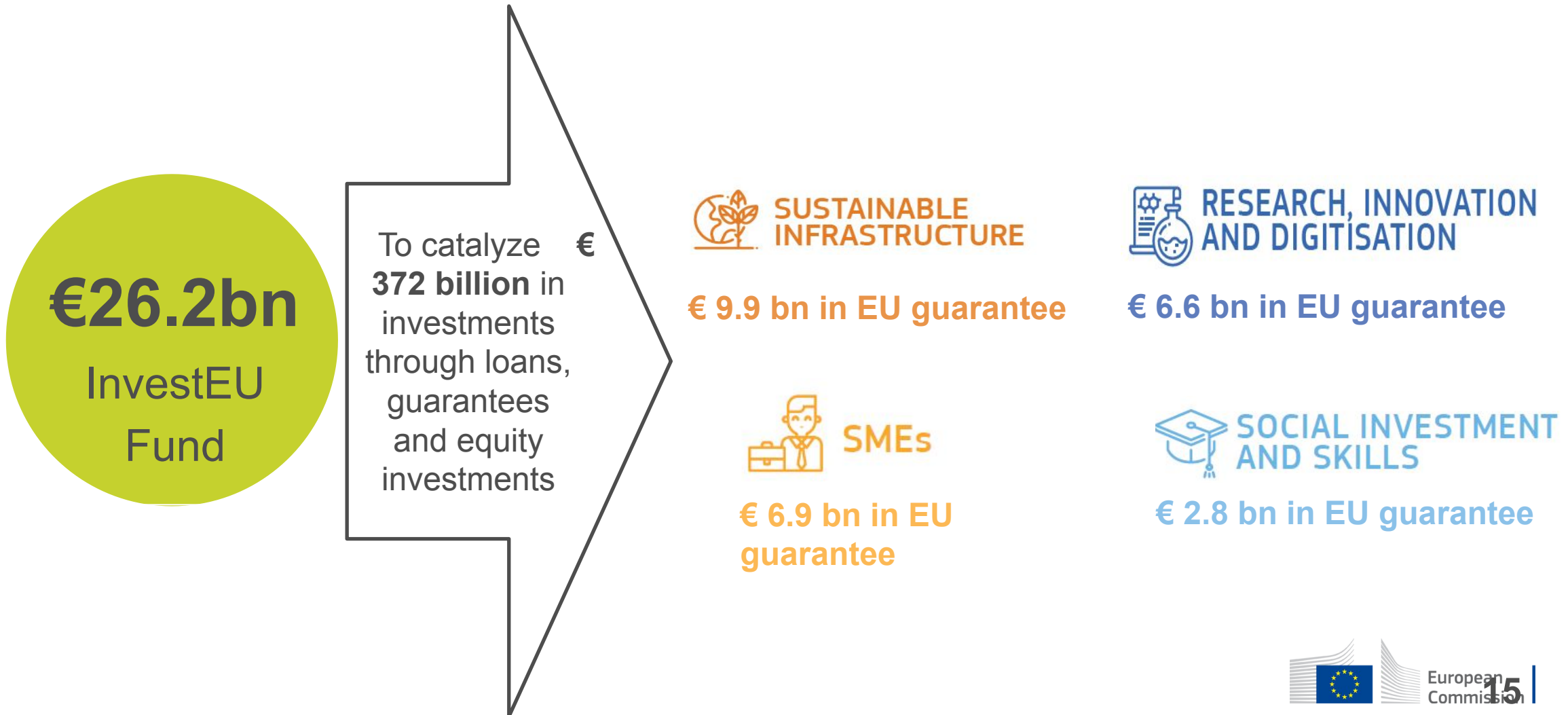
- [Tips for applicants – EIC Accelerator \(europa.eu\)](https://europa.eu/europa/en/eic-accelerator)
- [Guide for applicants \(europa.eu\)](https://europa.eu/europa/en/guide-for-applicants)
- [EIC Frequently asked questions \(europa.eu\)](https://europa.eu/europa/en/eic-frequently-asked-questions)



Agenda

- **European Innovation Council (EIC) Fund**
– backing visionary entrepreneurs
- **InvestEU** – Commission's flagship investment programme 2021 – 2027 (repayable finance)

InvestEU – the Commission’s flagship investment program 2021 - 2027

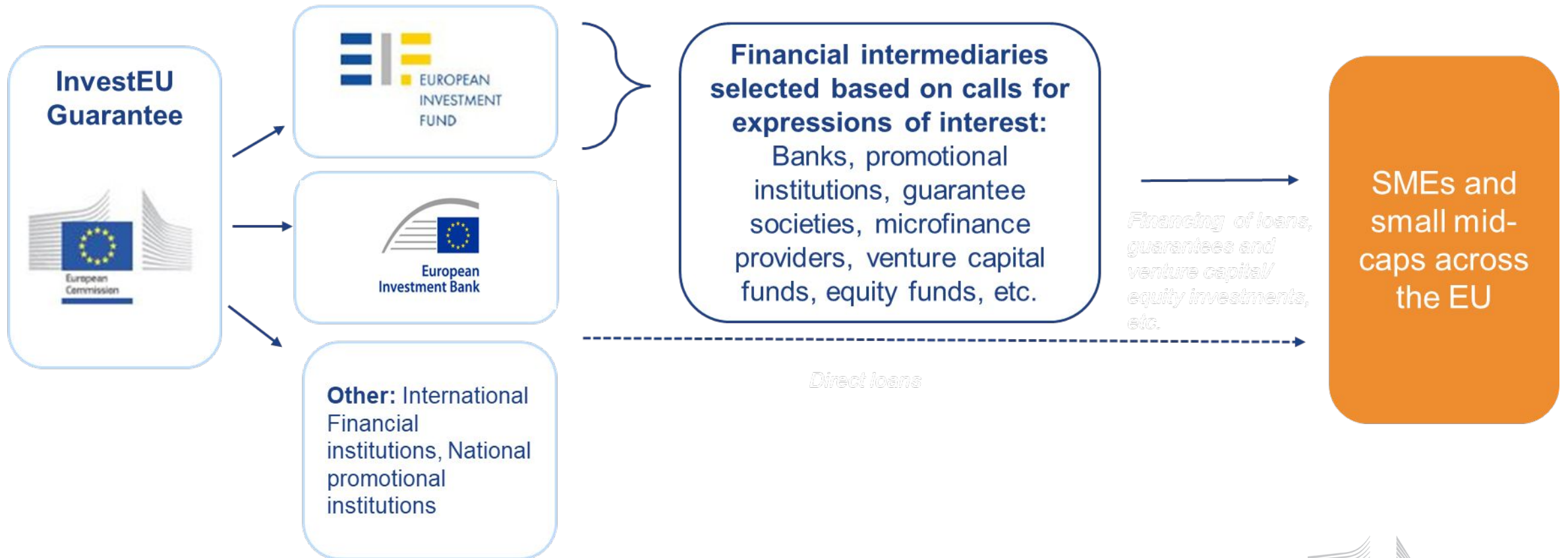


How to obtain financing?

The Commission does not provide the financing directly but works through implementing partners:

- **75% of resources: European Investment Bank Group (EIB and EIF)**
- **25% of resources: National Promotional Banks and Institutions (NPBIs) & multilateral development banks (e.g. EBRD)**

Start-ups and SMEs receive financing from financial institutions in their proximity



EIF portfolio guarantee products (SME window)

NEW



Enterprises perceived as high risk (or lacking collateral) to improve the competitiveness of European enterprises



Innovation and digitalization-driven enterprises to help drive Europe's economic growth and global competitiveness



Support to a thriving, agile and profitable European creative and cultural space, & one which is adaptable to change



Sustainable enterprises as well as sustainable investments contributing to the green and sustainable transformation of Europe

Equity products (supported investment strategies)*

*EIF joint products between SME and RID window, investment capacity of over € 6 billion

Capital Markets Union

Promote an integrated European capital market, provide diversification of sources of financing & strengthen solvency of enterprises (cross-border investing funds focused on growth; debt funds)

Enabling Sectors

Support crucial sectors which can sustain the EU as an independent and autonomous economy (space, defence, chips, critical raw materials value chain, health)

Climate and environmental solutions

Boost support for R&D upscaling & commercialisation of solutions that contribute to the EU Green Deal (mobility, decarbonization of industry, agriculture, etc.)

Digital and cultural and creative sector

Strengthen the EU's competitiveness, digital independence strategic autonomy (Cultural and creative sector including education tech; AI, quantum, cybersecurity, 5G, etc.)

How to find participating intermediaries?

www.access2finance.eu

www.access2finance.eu



Search Options

Region
MAGYARORSZÁG - Any -

Type of finance
- Any -

Investment focus
Select

Advanced filter

Search

PDF

82 result(s) found at this level for **MAGYARORSZÁG**

| Financial intermediaries | Type of finance | Investment focus | Additional information | Sources of finance |
|--|-----------------|----------------------|------------------------|--------------------|
| Agrar-Vallalkozasi | Loan/ Guarantee | All sectors/ general | | InvestEU |



Financing from EU financing programmes (2014-2020) still available to businesses

Case study

Agroloop (Hungary)



EUR 7.5m financing under the Sustainability Guarantee – SMEW (uncapped)

Description of the Final Recipient

Agroloop, founded in 2020, specializes in prepared pet foods by using black soldier fly larvae to transform organic feed into high-quality protein feed, oil, and fertilizer. This **environmentally sustainable process** uses significantly **less land and water** and produces much **lower carbon emissions** than traditional methods. Agroloop's feed enhances animal health and reduces mortality rates, while its organic fertilizer boosts soil microbiomes and aids in reversing degradation.

AGROLOOP



14 employees



Approx. EUR
13m total assets

<https://www.agroloop.eu>



Final Recipients Transaction supported

Unicredit Bank Hungary has provided Agroloop with a loan to enhance their **technology development** and **expand the production of sustainable and organic products**. By the end of the year, they aim to significantly increase the annual production of protein meal, oil, and fertilizer. This transaction will support Agroloop's goal of fostering sustainable technological innovation and nurturing talent in Hungary.

EIF's impact on the Intermediary's lending activities

Thanks to InvestEU, UniCredit was able to provide comprehensive support to the Final Recipient's environmental sustainability project. This support included a **higher financing amount** with lower level of collateral and **extended grace period**, terms that would otherwise be unavailable to recipients in this risk category.

Access to finance measures triggered by the Final Recipient Transaction

The enhanced access to finance is realized as:

- **Price reduction** A reduction of the risk spread for the Final Recipient.

EUR 7.5m
final recipient
transaction

50%
Guarantee
Rate

Thank you for your attention