

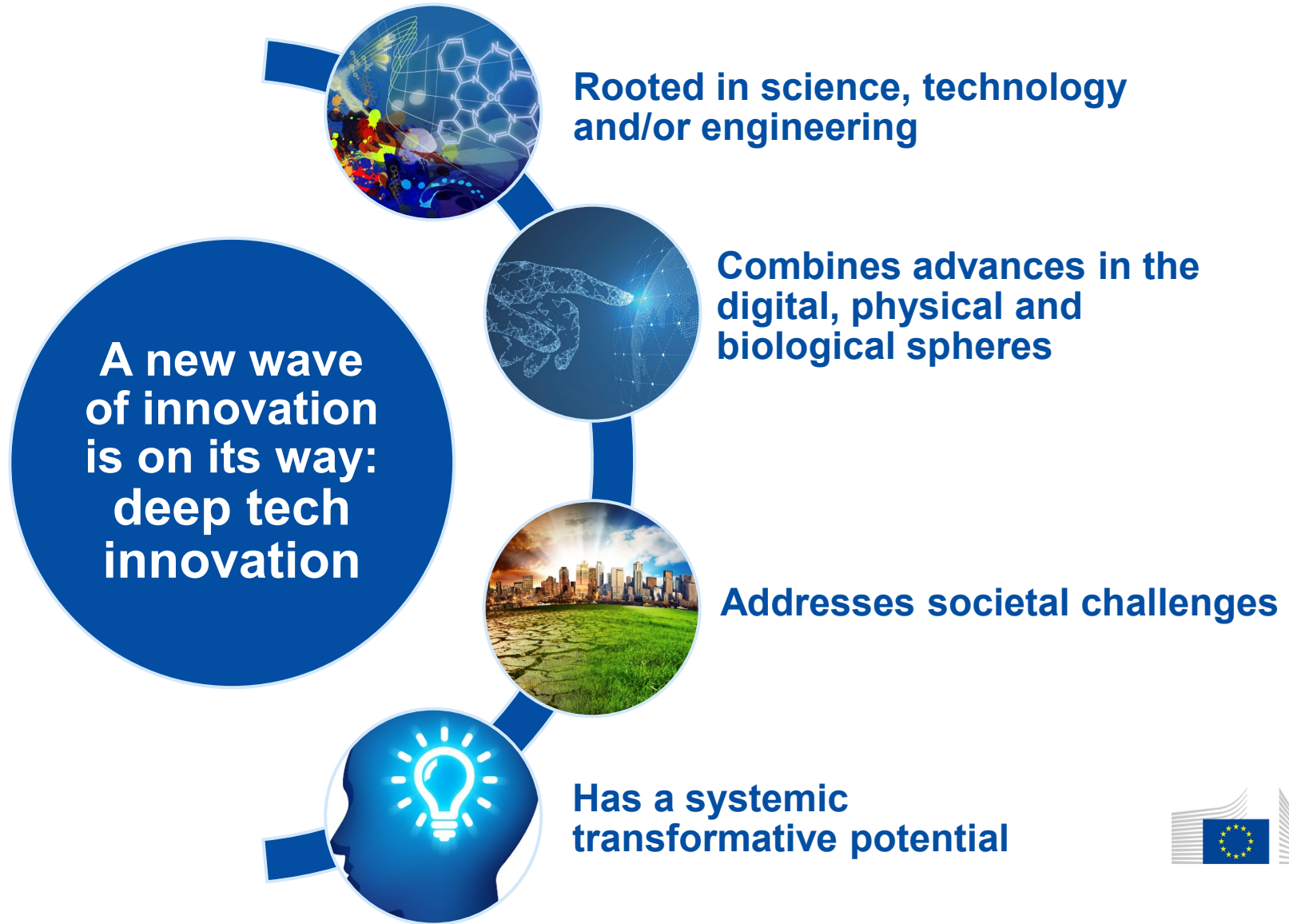


A new European Innovation Agenda

Athens, 11 July 2022

A new European Innovation Agenda - Context

New European Innovation Agenda - context



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Deep tech innovation can be Europe's answer to its challenges



Improve Europe's competitiveness



Contribute the green and digital transition



Narrow the innovation divide



Reinforce Europe's open strategic autonomy

New European Innovation Agenda - context

Europe can lead the new wave of deep tech innovation based on its assets

1. Leadership in science
2. Strong industrial base
3. Increasingly vibrant startup ecosystem
4. Ambitious framework conditions conducive to innovation in the internal market
5. Talent base
6. Stable institutions and democratic societies

A new European Innovation Agenda - Content

New European Innovation Agenda: five flagships



New European Innovation Agenda – Funding for deep tech scale-ups

Challenges

- Traditional bank products continue to be the main source of external finance for European enterprises
- Short-term character of traditional financing & fiscal disadvantage of equity compared with debt
- Lack of large venture capital (VC) funds who are willing to subscribe large ticket deal values
- Investment rounds driven by overseas investors (non-EU based VC funds) & Initial Public Offering (IPOs) play a minor role in financing in the EU
- Women and those from diverse backgrounds remain underrepresented in both deep tech startups and in investment funds

Actions

1. Directive on debt-equity bias reduction allowance (DEBRA) on corporate income tax, Commission proposal.
2. Listings Act, Commission proposal
3. Expansion of the European Scale-Up Action for Risk Capital (ESCALAR) mechanism
4. EIC WP 2022 Pilot European innovation gender and diversity index
5. EIT Women2Invest Programme

New European Innovation Agenda – Enabling deep tech innovation through experimentation spaces & public procurement

Challenges

- Need to remedy the current fragmentation of the internal market and adopt regulations that balance the need to protect with that to innovate
- Deep tech innovations and twin transition call for progress on responsible regulatory frameworks that facilitate experimentation & enable learning and adaptation by regulators in new domains
- Need to modernise public services and strengthening the EU's industrial competitiveness

Actions

1. Guidance document on Regulatory Sandboxes
2. Open innovation test bed in renewable Hydrogen
3. Launch Testing and Experimentation Facilities for testing AI innovation
4. Revised State Aid Framework for Research and Development and Innovation
5. Launch Innovation Procurement Specialist Advisory Service

New European Innovation Agenda

Accelerating & strengthening innovation in European Innovation Ecosystems & addressing the innovation divide

Challenges

- Innovation divide between regions has increased
- Diffusion of innovations and the uptake of breakthrough technologies including through inter-regional linkages remain sub-optimal
- Despite the existing structures and services there is a complex and fragmented European innovation ecosystem, hindering the ability of innovators to leverage the support and opportunities
- Unexploited potential in regional innovation ecosystems

Actions

1. Establish and connect regional deep tech innovation valleys
2. Commission notice on synergies between Horizon Europe and European Regional Development Fund programme
3. Double the number of Hydrogen Valleys
4. Establish Innospace – one stop shop for innovation ecosystems' players
5. Launch Scaleup 100

New European Innovation Agenda - Fostering, attracting & retaining talents

Challenges

- EU appears to be losing the global race for talent with skilled researchers moving to US
- EU's working age population is shrinking due to demographic change
- High concentrations of talents in main cities of EU MS leading to disparity between the needs of the economy and the availability of talent
- Entrepreneurial networks and training is not equally accessible
- Employee ownership remains at low levels across Europe

Actions

1. Launch EIT deep tech talent initiative
2. Launch innovation intern scheme
3. Launch an EU Talent Pool to help businesses, including startups, find non-EU talents
4. Establish Women Entrepreneurship and Leadership scheme
5. Best practice exchange on startup employees' stock options
6. Education and Innovation practice community
7. Launch Erasmus+ Alliances for Innovation
8. Launch Digital Europe call to train experts in future-oriented fields

New European Innovation Agenda - Improving policy making tools

Challenges

- Lack of common definitions and comparable data creates an information gap and inconsistencies across European innovation ecosystems
- MS need to enhance their technical & administrative capacity to design & implement pro-innovation policies
- Need to strengthen coordination & synergies between innovation initiatives at the EU and MS level

Actions

1. Report on definitions related to startups, scale-ups and deep tech innovation
2. Strengthen the role of the European Innovation Council Forum

Thank you



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