Statement on the European Innovation Council (EIC)

Aalto University responds to the call for ideas on the EIC closing on 29th April 2016 and provides input for the Senior Innovation Adviser of the European Commission.

Aalto University has identified many key opportunities in possible establishment of European Innovation Council (EIC) and stands in its favour.

The EIC could strengthen the role of the universities in regard to disruptive innovation by adopting novel approaches to supporting innovation eco-systems and to funding bottom-up science-, business-, technology- and design-driven innovation projects complementary to the existing European innovation funding instruments.

The EIC could learn from the European Research Council (ERC) about lean and quick procedures and decision-making, e.g. in using panel structure and interviews of the concept to evaluate the potential of person/team and idea/s, as well as offer long-term and sufficient funding.

The EIC should act as an independent entity with an executive function and mandate from the EC run by an executive council.

The EIC should offer a portfolio of instruments to support (TRL 4 and higher). The grant scheme should consist of support for innovation-ecosystems, a Proof-of-Concept (PoC) scheme and funding for high risk and high gain science-, business-, technology- and design-driven business ideas for product and services innovation. The EIC could also offer continuous funding opportunities without deadlines. EIC could offer funding opportunities with no thematic restrictions – innovative ideas often demand multidisciplinary mindset, great idea and excellent team. The EIC could provide additional support in creating European peer communities and networks of innovation which are important for growing companies – whole innovation ecosystems could also be funded and supported locally, regionally and/or within Europe.

The EIC should bridge between the ERC (TRL1 to 3) and venture capital and the European Investment Bank (EIB) (TRL7 and higher). The EIC should also finance startup companies (typically TRL7 and higher), and offer loans and/or equity. For the grant schemes, Tekes – the Finnish Funding Agency for Innovation “New knowledge and business from research ideas” and for financing startups “Tekes venture capital funds” (http://tekes.vc/en/) are inspiring examples which could be learnt from.

The EIC should set clear criteria for evaluating excellent innovation, as well as carefully monitor the outcome of the funded projects and highlight successes.

The innovation process’s different phases are to be funded. Ideas, coaching and incubation (within innovation ecosystems) to preliminary growth phase demanding risk capital (and understood as input) – as well as mentoring in scaling up and in offering commercial support for actual companies to grow bigger (seen as output) are essential phases to be funded. Tekes –
the Finnish Funding Agency for Innovation has a significant track record for funding both. Of course the legislative restrictions (state aid and competition regulations) need to be taken into account. A portfolio of instruments should include grants and loans to universities and similar institutions and loans as well as equity to startup companies. A funding agency will never choose the successful companies or ideas as effectively as the market. Thus, EIC should offer the loans or equity to those companies created in the EIC grant schemes which can or already have attracted private investments (e.g. doubling the private investment).

EIC should fill in gaps, focus on the identification of persons/teams and ideas and thus be complementary to the existing European innovation funding landscape. Moreover, the roles of the various European innovation initiatives - such as EIT, EUREKA, EIF, the European Fund for Strategic Investments (EFSI) and the ERC PoC - need to be further clarified and aligned in a common overarching European innovation strategy.

The EU should understand universities as important players in creating innovative game-changers and training entrepreneurial mindsets together with practical mentoring in innovative startup creation and hands-on support – through supporting innovative ecosystems created together with universities. This kind of co-operation of universities and innovation ecosystems together with both actors’ global co-operation networks could provide additional and crucial benefits in day-to-day value creation.

EIC as an independent body would be able to contribute to innovation issues on different levels – political decisions, economic support for multiple creators and fosterers of ideas and innovation as well as social impact through its actions. However, Horizon2020 as an EU funding instrument should not be cut down due to possible founding of EIC but should instead offer funding for different purpose, i.e. research.

In consequence, Aalto University states that founding of the EIC could improve the current situation in Europe in relation to innovation funding and Europe’s competitive position within global market.
Aalto University - a fresh partner in global research and education

Aalto University was founded in 2010 by merging three previously autonomous universities in technology, business, art and design. The new university was given a national mission to strengthen the innovative capacity and industrial renewal in Finland through first class research, art and education. The Finnish Government and other founders made significant investments to launch Aalto University as the spearhead initiative of the on-going university reform in Finland.

Aalto University today

The vision of Aalto University carries a strong commitment to building a sustainable society driven by innovation and entrepreneurship. The strategy of Aalto entails building cutting edge knowledge and technology that will enable solutions to the most pressing societal challenges. Innovative capacity is built by the convergence of first class science, art, technology and business as well as long-term partnerships with the best universities, industry and business. The ambition of Aalto University is to become one of the world’s leading academic institutions within its strategic focus areas by 2020.

Aalto University invests on long-term cutting edge research which forms the basis of educational leadership. Aalto University’s research is based on a science and engineering core with recognized excellence in ICT and digitalization as well as materials and sustainable use of natural resources. Excellence in art and design knowledge building as well as global dynamics complete the university’s research profile.

The academic core of Aalto University converges into three integrative multidisciplinary themes addressing major global and national challenges - advanced energy solutions, human-centered living environments, and health and wellbeing.

Mission
Shaping the Future: Science and Art together with Technology and Business.
We are building competitive edge by combining knowledge from different disciplines to identify and solve complex challenges, and to educate future visionaries and experts.

Vision
An Innovative Society
Breakthrough discoveries deeply integrated with design and business thinking enable systemic solutions and accelerate innovation.

28th in the world among young universities
Aalto University has recently been ranked as the 28th in the world among young universities. Times Higher Education has recently listed 150 rising stars of universities under 50 years of age. The ranking measured teaching, research, citations, international outlook and industry income. “This is great news and an international recognition of our hard work and results”, says Tuula Teeri, President of Aalto University.

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