

Taftie Presidency 2023

**RECONSIDERING THE
ROLE OF INNOVATION
AGENCIES AND
MUTUAL
LEARNING**



Taftie Insights report
Meeting 1 (15-16 February 2023):
Technology Transfer and cooperation between academia and businesses

Executive summary

- The first 2023 meeting of the Taftie network revolved around technology transfer.
- The meeting was preceded by a survey of the innovation agencies on their programmes and activity:
 - The survey showed that most respondent agencies (83%) are running some programme in tech transfer, at an average of 2-3 per agency.
 - An overwhelming majority of programmes (90%) offer financial support, often in combination with knowledge sharing (27%), matchmaking (24%), or infrastructure (12%) support.
 - Innovation agencies see a lack of expertise (51%) of the different stakeholders as the main barrier to technology transfer.
 - Measuring the impact and success of programmes is an important and challenging goal for agencies. Currently, the metrics captured focus on programme demand, outputs, outcomes, impact and satisfaction.
- The discussion of the first 2023 Taftie meeting revolved around language, commitment, filling the gap between academia and businesses and simplifying processes:
 - The language should shift towards “knowledge valorisation” to expand the scope of what is being transferred and its purpose.
 - Universities have to take steps to strategically include the Third Mission in their goals and incentive structures.
 - One way for agencies to advance this area of work at research institutions is by focusing on upskilling younger researcher generations.
 - Innovation agencies play a crucial role in filling the gap between research institutions and businesses; they can help by creating well-rounded intermediary structures that bring expertise and human resources into the process and allow researchers to focus on their areas of expertise.
 - Given the complexity of this area of work, all structures need to focus on simplicity and ease of access - to funding, information, and support.

Part 1: Introduction

The first 2023 meeting of the Taftie network revolved around **technology transfer**. Many names describe this area of work, depending on where the emphasis is placed: science commercialisation, university-business collaboration, knowledge valorisation, or the third mission of universities, among others. But the challenge of “conveying results stemming from scientific and technological research to the marketplace and to wider society, along with associated skills and procedures” ([European Commission 2020](#)) remains the same.

Many stakeholders in the technology transfer ecosystem have to work in sync to increase the impact of scientific discovery: researchers, companies, universities, entrepreneurs, venture capital, and governments, often represented by innovation agencies.

The latter have to avoid becoming blockers of the process and find ways to act as stimulators - by bringing people together, providing financial and technical support, and creating organisational structures that accelerate the transfer of knowledge and technology. And they need to measure and prove their impact, which often becomes a challenge in itself.

To frame the conversation on tech transfer and the role that innovation agencies can and ought to play in this ecosystem, the meeting was preceded by a survey on the activities of the innovation agencies, and innovation agencies, academic entrepreneurs, and tech transfer offices were invited to present and join in on a discussion panel about the main issues. The takeaways from the survey and the conversation are summarised below.

Part 2: Insights from survey data

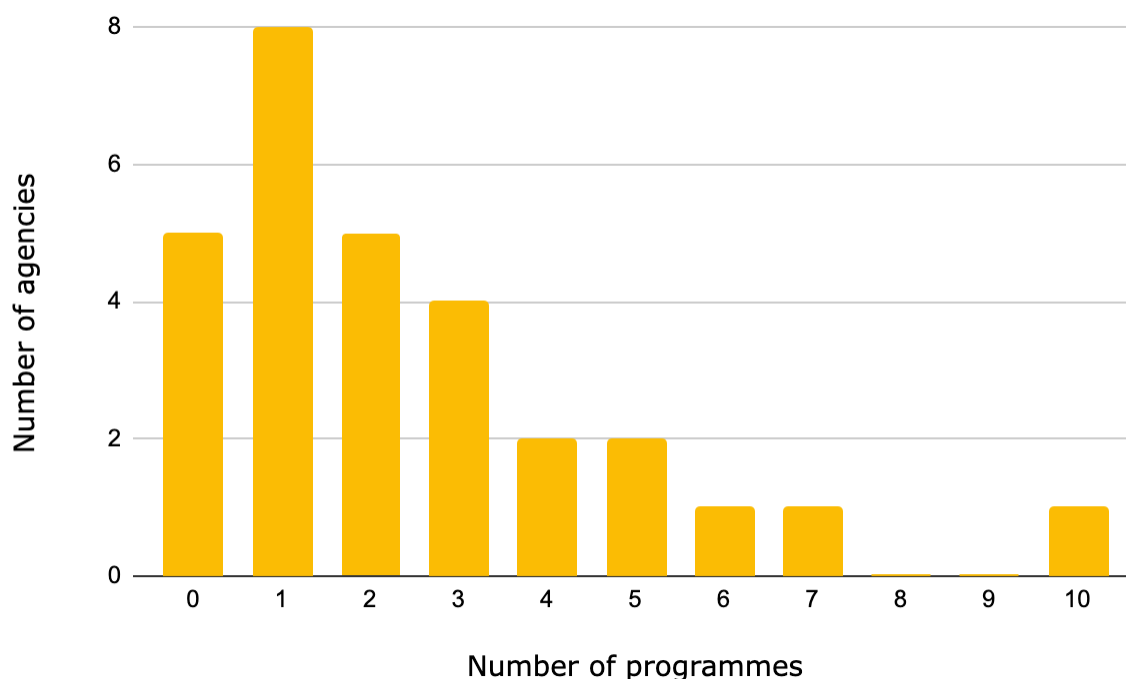
Ahead of the 2023 Taftie meeting on technology transfer, a survey was sent to all member agencies (34) inquiring about the programmes they were running or had recently run in their area of influence as well as the main barriers they were facing and the metrics they were using to measure impact.

For this survey, technology transfer was defined as “*the process of transforming discoveries at universities and research centres into market innovations through spinning out, licensing, joint research, contract research, consulting, knowledge transfer or people movement*”. The definition was chosen to maintain a broad understanding of the phenomenon and avoid bias in the responses, making sure that all possible channels of transfer were included - since certain channels (i.e. spin-outs) often received disproportionate attention.

The survey response rate was very high: 29 agencies responded and provided information on 67 different programmes. This provides a set of broad and reliable results from which to draw conclusions.

Programme prevalence

Figure 1: Distribution of programmes by agencies



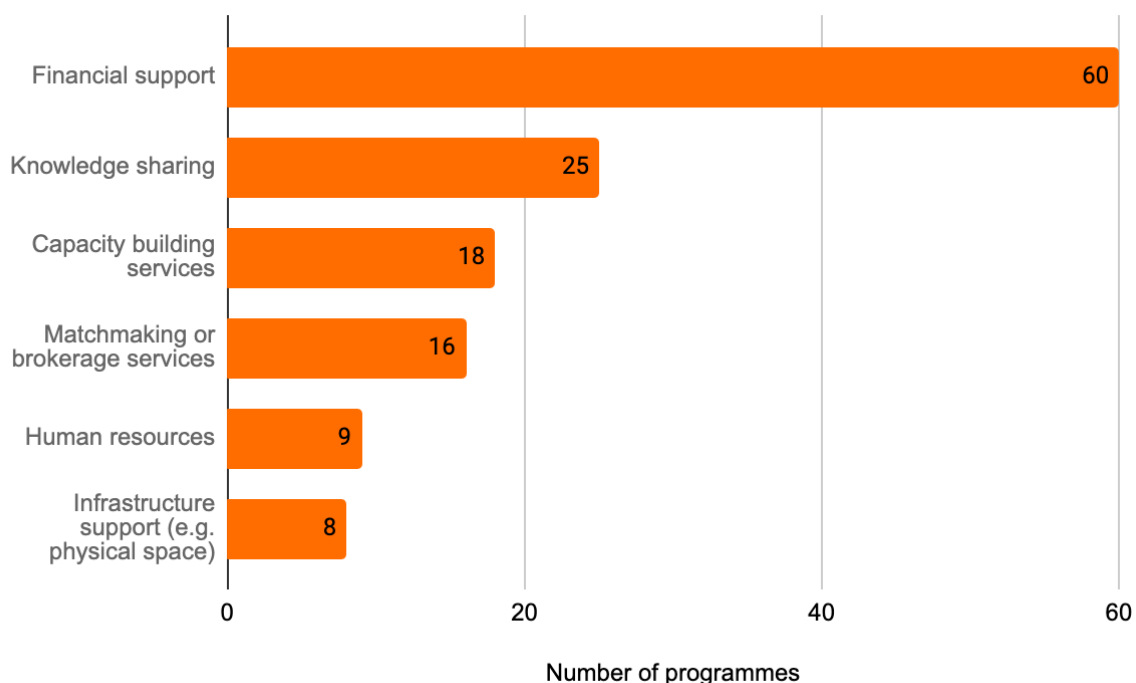
Programmes around technology transfer are widespread, as most respondent agencies (82.8%) are running some programme. Only five of the respondents said that they were not - because other organisations are responsible for it in their ecosystem.

Innovation agencies do not seem to run many programmes at the same time, however¹ (Figure 1). A majority of agencies (13 out of those with programmes) have 2 or fewer programmes, and the average number of programmes lies between 2 and 3, with some exceptions.

Types of support

Figure 2: Number of programmes by type of support

Note: There is a total of 67 programmes. Some programmes provide different types of support simultaneously and fit into different categories.



Financial support is a fundamental element of how innovation agencies are involved in technology transfer (Figure 2). An overwhelming majority of programmes (90%) offer financial support, 35% of the programmes offer financial support only, and 53% do so in combination with other types of support. Only 10% of programmes do not offer any financial support. These different types of support are often (55%) provided directly, and sometimes indirectly (25%) or in partnership (20%) with other actors in the ecosystem.

When the programmes are focused on providing financial support only, this support is often restricted to funding a specific aspect of the technology transfer process. Examples of this are tax rebates for the exploitation of patents, paying for infrastructure, or covering the cost associated with registering a patent or reformulating results to be more accessible to the broader public.

When the programmes offer financial support in combination with other types of support, this support also includes the provision of infrastructure, knowledge or support in match-making. Programmes that provide financial and infrastructure support (12%) often pursue the goals of creating whole new ecosystems and organisational structures. When programmes combine financial

¹ The amount of programmes might be underestimated here. During the conversation in Zagreb at the Insight Session, several agencies realised that they have further programmes that are acting towards technology transfer but were not included in the responses.

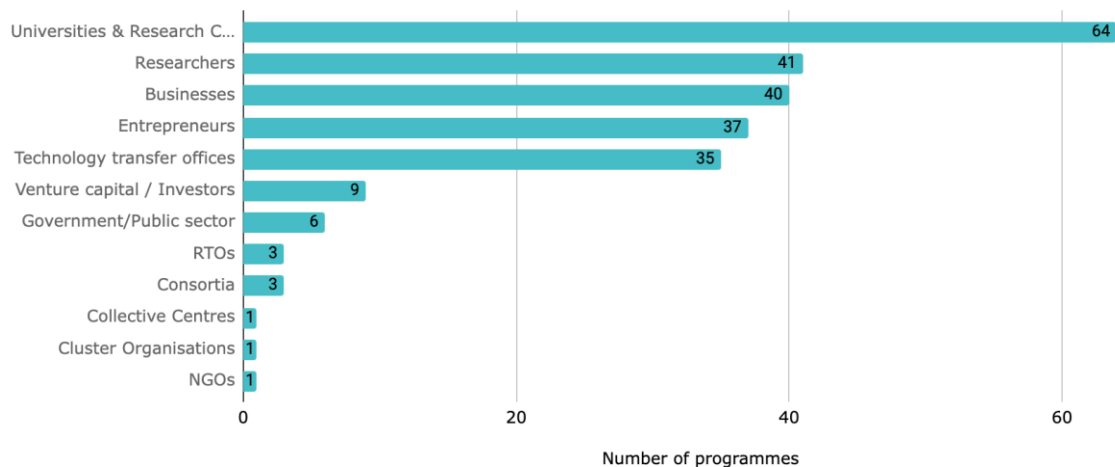
support and knowledge sharing (27%), they focus on developing instruments to foster the exchange of information, the transfer of ideas and generate feedback loops. The programmes that focus on financial support and matchmaking (24%) often centre around bringing researchers and companies together and covering the cost of having researchers join companies for a while or vice versa.

The 10% of programmes that do not offer financial support focus on coaching, knowledge sharing or match-making instead. They help to find and contact the right people for collaboration and help with negotiations and the creation of frameworks for collaboration.

Programme targets

Figure 3: Number of programmes by target

Note: There is a total of 67 programmes. Some programmes target different actors simultaneously and fit into different categories.



Most programmes focus on research institutions (Figure 3). The majority of them target universities and research centres (95%), often in combination with researchers (61%), technology transfer officers (52%) or businesses (56%). Only 10% of programmes target businesses or entrepreneurs alone.

Most programmes that target universities are also directed at different actors in the academic ecosystem, as researchers often cannot be directly connected. These programmes try to access the existing knowledge in universities and provide businesses with access to researchers, via consulting, networking or placement schemes.

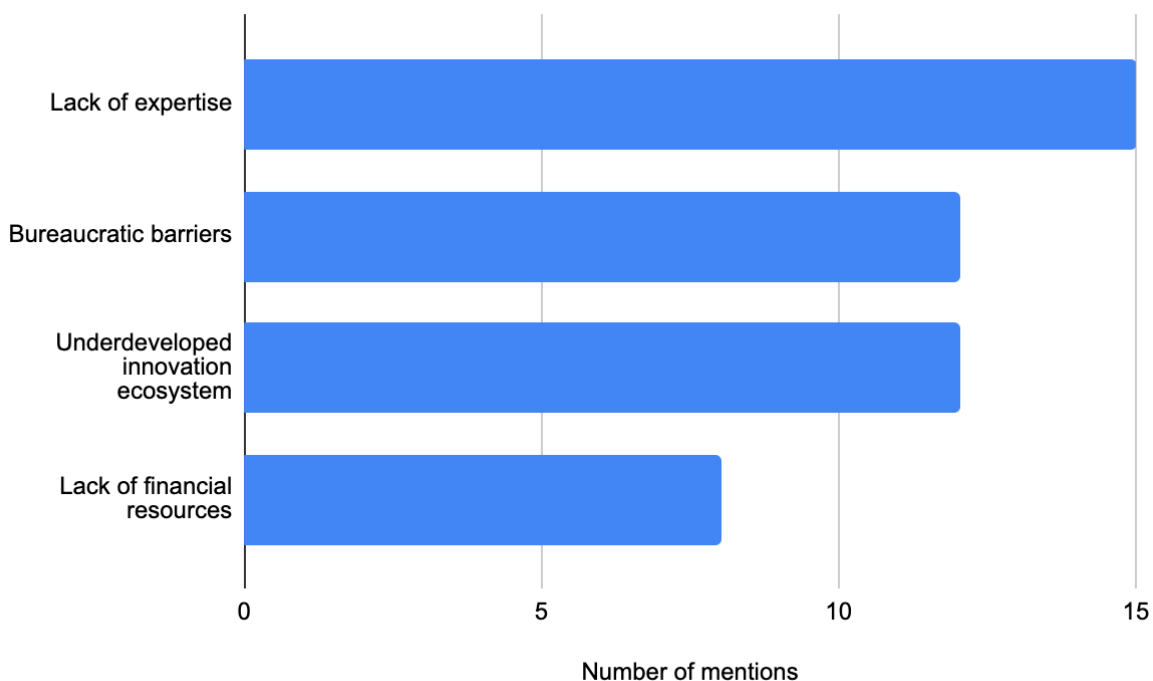
10% of programmes do not target universities and target businesses alone, helping them improve their processes to access knowledge or funding.

No programme claimed to target technology transfer offices (TTOs) alone and only a few focused on these actors specifically and not as a means to an end. However, the orientation of TTOs - towards impact, service or profit - and their ability to create connections, uncover opportunities and scale processes is fundamental for the technology transfer process.

Main barriers in technology transfer ecosystem

Figure 4: Main barriers by number of mentions

Note: The 29 respondents could choose multiple barriers. The graph orders the barriers by the amount of mentions.



Innovation agencies see lack of expertise (51%) as the main barrier to technology transfer, often referring to the lack of expertise of SMEs (due to their reduced size and inexperience) and technology transfer officers (Figure 4). This makes the finding that only a few programmes are targeting capacity building in TTOs even more remarkable.

Next to lack of expertise, bureaucratic barriers (41%) are seen as the next barrier in technology transfer, citing administrative hurdles and governance issues derived from multi-level decision-making.

Underdeveloped innovation ecosystems (41%) seem to be an equally significant problem, with respondents citing weak university-industry relationships, the low interest of industry in academic work and vice versa, and the lack of industry partners as the key issues.

Lack of financial resources also plays a role (28%) in the difficulties that innovation agencies identify in their ecosystem. Even though many programmes offer financial support, the innovation agencies' and other actors' access to government funding seems irregular, which makes it difficult to maintain successful programmes. Many ecosystems also have weak VC markets, so looking for sources of funding elsewhere is also further complicated.

Finally, cultural barriers were put forward as a barrier in technology transfer, citing well-known problems such as unrealistic expectations on the side of tech producers regarding the valuation of their discovery and the level of commitment they need to invest, as well as the different timescales at which for-profit enterprises and universities work.

Programme metrics

As much as developing successful technology transfer support programmes is a challenge for innovation agencies, *measuring* success is equally important and demanding. Thus, the survey also asked about how the impact of the different programmes was being measured and evaluated. The responses can be categorised as metrics of programme demand, outputs, outcomes, impact and satisfaction. Table 1 organises and captures the most common ones.

Table 1: Metrics used by innovation agencies to capture programme results and impact

Category	Metric
Programme demand	<ul style="list-style-type: none"> ○ Applications ○ Company participation ○ Research institution participation ○ Dissemination actions ○ New programme participants ○ Participant demographics/diversity
Outputs <i>The specific results derived from executing a programme</i>	<ul style="list-style-type: none"> ○ Money awarded ○ Projects supported ○ Services provided ○ Information collected ○ Annual reports ○ Evaluation reports
Outcomes <i>The immediate or first-order effects of a programme</i>	<ul style="list-style-type: none"> ○ Expressions of interest by industry ○ Partnership/Cooperation/Matches ○ Network creation/participation ○ Dissemination actions ○ Tax deductions ○ Paid services between researchers and companies ○ TTO activity (contracts, events, royalties) ○ Intellectual property protection (patents) ○ Prototypes
Impact² <i>The mid- to long-term or second-order effects of a programme</i>	<ul style="list-style-type: none"> ○ Money raised/Investment activated ○ Licence contracts ○ New products/Commercialised technology ○ Idea-to-company-ratio ○ Company/Spin-off creation

² Depending on the goal and timescale of a programme, the impact metrics might be best categorised as outcome metrics and vice versa.

	<ul style="list-style-type: none"> ○ Company valuation ○ Sales ○ Revenue ○ Job creation ○ Publications ○ Sustained cooperation
Satisfaction	<ul style="list-style-type: none"> ○ Satisfaction (with mentoring and consulting)

Part 3: Conclusions from insight session discussions

During the insight sessions, representatives of technology transfer offices, innovation agencies, and academic entrepreneurs presented and discussed the challenges and opportunities of technology transfer as they see them.

The first insight had to do with the **language used to describe this area of work**: it should be called (some variation of) knowledge valorisation. By highlighting the knowledge aspect, this wording captures the breadth of what can be transferred to society beyond specific technological assets and highlights the potential of mere information exchange to improve products, processes and discoveries. On the other hand, the term ‘valorisation’ allows for the efforts to increase the societal impact of scientific discovery not to be solely profit-oriented.

The second element of the discussion focused on **the need for increased commitment to knowledge valorisation**. For these processes and ecosystems to develop, universities need to make their Third Mission a strategic priority, which would result in resources being redirected to this area of work and incentives for researchers to be restructured to highlight the importance of sharing their knowledge with society. It is often difficult to influence universities, which have independent inner logics and working systems, but innovation agencies should look for ways to incentivize universities to participate in knowledge valorisation.

As part of the discussion, it was suggested that a productive approach might be to focus on providing the newest generations of researchers with the knowledge, tools and resources to consider participation in knowledge valorisation - or at least to be able to communicate their work clearly to non-expert audiences so someone else can take over.

The goal is to involve junior researchers in valorisation activities in a way that does not require a full commitment to a non-academic career from the beginning and does therefore not represent such a risky move. Some options include helping them consider valorisation measures within the safe environment of the university (e.g. through within-university incubators) and providing them with incentives (i.e. financial and technical support) and safety (e.g. insurance to cover inadvertent misuse of grant money).

Third, the discussion centred around **the role of innovation agencies in helping fill the gap between research institutions and businesses**. There was a consensus that the goal of knowledge valorisation

is not to turn academics into entrepreneurs, and that excellent research is needed for excellent discovery. Hence, helping academics bring their ideas to market without having to become entrepreneurs, project managers, marketers, and accountants is crucial. The goal is to create the structures to do what researchers cannot or will not do, through well-rounded intermediaries that can aid and advance the process, easing access to external expertise (e.g. legal, taxes) and bringing people in with a commercialisation lens and purpose into academia to take over the process as much as possible (example mentioned: [Sociétés d'Accélération du Transfert de Technologies \(SATT\)](#)).

Fourth, the discussion highlighted **simplicity**. Making access to information, expertise, funding, infrastructure, coaching, and services easy for all actors involved in the knowledge valorisation ecosystem is crucial. Reducing bureaucratic barriers to collaboration, and to access and use of funds can go a long way in increasing efficacy and efficiency. Models that centralise the TTO function across universities or one-point entry innovation agencies that redirect clients to the services as needed (example mentioned: [Wallonie Entreprendre](#)), were put forward as innovative institutions that innovation agencies can help co-create to simplify processes.

Part 4: Ideas to take forward

The discussion of the first 2023 Taftie meeting revolved around language, commitment, filling the gap between academia and businesses and simplifying processes in technology transfer/knowledge valorisation. Any of these conversations could and should be continued to maintain an exchange around best practices, what works, and challenges in implementation.

Another area of broad interest according to the survey responses and that came up in conversation at the insight session are metrics. There is increased interest in identifying metrics of programme performance that go beyond patents and that ideally allow for live monitoring of programme success - as opposed to an ex-post evaluation. This is a discussion that should be picked up again, especially since the potential here is not just the sharing of metrics but also the unification of metrics for increased comparability of programmes.

As was mentioned repeatedly in the discussion, however, the devil is in the details when it comes to fostering knowledge valorisation. So experimenting with specific programme details and developing the right metrics to measure the effect of these changes is necessary to learn and continue an exchange around what works in knowledge valorisation.

Taftie Insights report
Meeting 2 (19 April 2023)

The future of intellectual property

Executive summary

The second 2023 meeting of the Taftie network was focused on intellectual property (IP) and the role that innovation agencies can and should play in supporting its creation and/or exploitation.

The meeting was preceded by a survey of the innovation agencies on their programmes and activity, which indicated that:

- The majority of Taftie agencies are active in supporting businesses and entrepreneurs to create or exploit IP
- Increasing knowledge about IP among businesses is the most common objective of activities in this area, followed by helping businesses to identify and/or secure protectable IP
- Financial assistance is the most common form of support provided by agencies, while many also offer advisory and other support services as well as specific training programmes
- Although most agencies capture metrics and data about their own IP support programmes, few gather extensive information about IP activity in their region
- Not all innovation agencies collaborate with other actors in their IP system - of those that do, partnerships are primarily with national IP offices and consultancies, but some also coordinate with international bodies such as the World Intellectual property Organisation (WIPO) or the EU

Key insights from the discussion were that:

- The IP system (and the nature of intellectual property itself) is becoming increasingly complex and difficult to navigate for SMEs and entrepreneurs
- Innovation agencies have a valuable role to play in this system, especially since they often serve as the first point of contact for innovative businesses, but it is important to clarify the role they should play compared to other stakeholders
- Agencies can serve as advisors and referrers - signposting businesses that could benefit from the more targeted support offered by national and international IP bodies

Part 1: Introduction

The focus of the second Taftie Insight Meeting of 2023 was ‘intellectual property’, building on the discussion held in the first meeting about technology transfer. Here we were interested in how innovation agencies could best support entrepreneurs to develop and protect their IP, defined as *creations of the mind, such as inventions; literary and artistic works; designs; and symbols, names and images used in commerce.*

Innovation has traditionally been closely linked to intellectual property, given that many innovations are protected through patents, trademarks, copyright, industrial design and other mechanisms. While patents, trademarks and copyright protection are likely the more well-known mechanisms to protect IP, there are other ways innovators protect their unique products, processes or services, prior to, during and after they have been taken to market - through non-disclosure agreements, material transfer agreements and company secrets, among others.

Protected IP can generate revenues that finance further R&D, be a pull factor for investors and turn ideas into commercially tradable assets. However, in recent years some inventors have debated the relevance of traditional IP protections. For example, new technologies such as those enabled by blockchain technologies or based on artificial intelligence require new, better-fit mechanisms.

There are also various stakeholders involved in processes to protect IP, from national and international patent offices to innovation agencies that are advising entrepreneurs and businesses on IP matters. Ensuring complementarity and avoiding overlap among these activities is a key challenge for the different actors involved.

To frame the conversation on intellectual property and the role that innovation agencies can and ought to play in this ecosystem, the meeting was preceded by a survey on the activities of the Taftie agencies in this area. During the session, innovation agencies, as well as representatives of national and international IP offices and organisations, were invited to present and join in on a discussion panel about the main issues. The takeaways from the survey and the conversation are summarised below.

Part 2: Insights from survey data

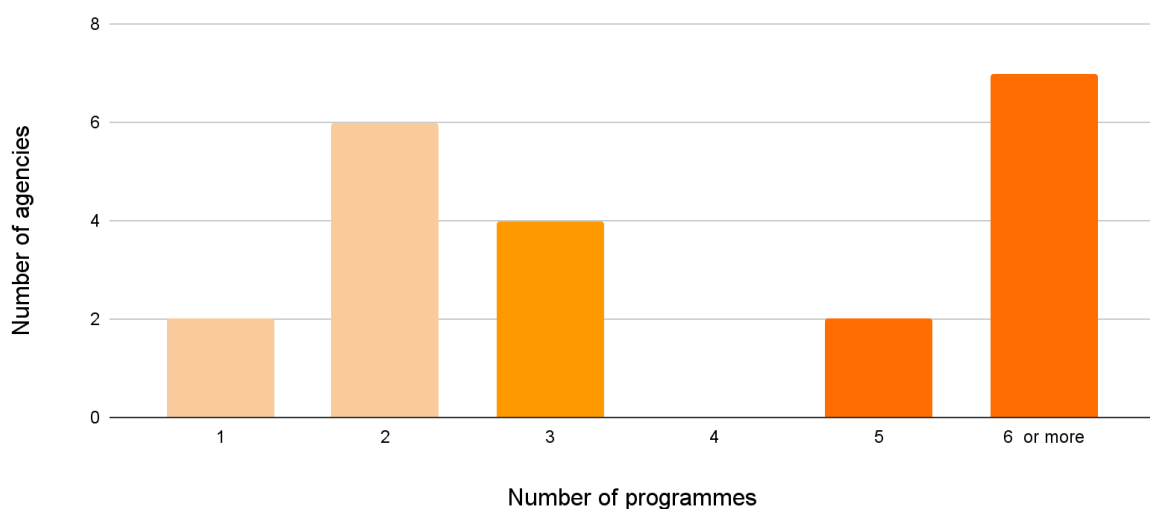
Ahead of the Taftie meeting on IP in April 2023, a survey was sent to all member agencies (34) inquiring about the programmes they were running or had recently run in their area of influence as well as the main barriers they were facing and the metrics they were using to measure impact.

23 agencies responded and provided information on specific programmes that they run, as well as some of the challenges they face in this area, representing a response rate of just over 68%. Around a third of Taftie agencies did not complete the survey, but these results are still a good indication of trends, and provide valuable insights into the practices and programmes of specific agencies.

Activity in relation to IP support

We found that the majority of respondent agencies (86%) are active in the area of providing IP support to the businesses and innovators they support. Of the small number who are not currently working on IP, there is still awareness of IP-related matters and some degree of involvement with it, e.g. liaison with IP offices, provision of funding that could be used on IP protection and/or tracking of indicators such as who files for patents.

Figure 1: Distribution of programmes by agencies



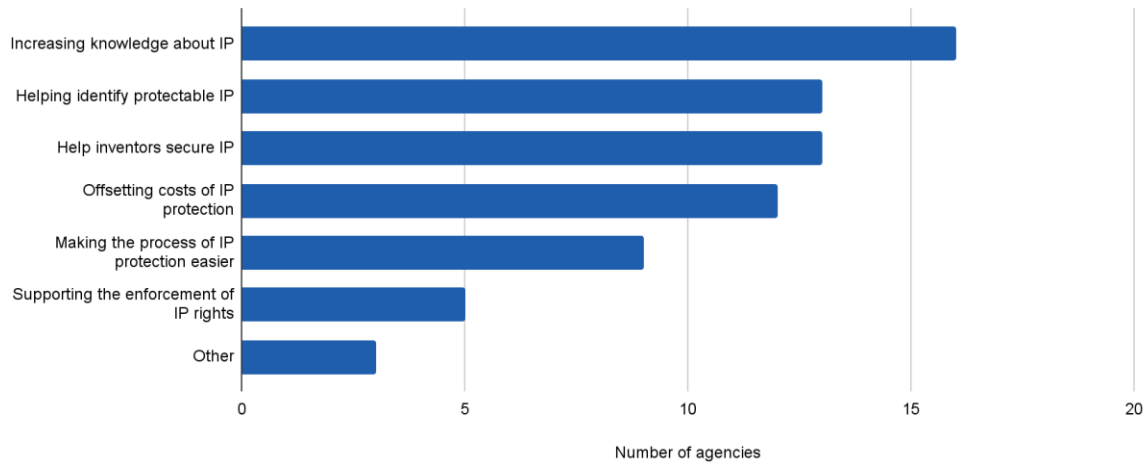
As Figure 1 shows, within Taftie there is a cluster of agencies that implement three or fewer programmes related to IP, and a group that are particularly active in this area and implement five or more programmes.

Objectives and types of IP support provided

Taftie agencies have a range of objectives in relation to supporting the creation and/or exploitation of IP (see Figure 2). Increasing knowledge about IP amongst target beneficiaries was the most

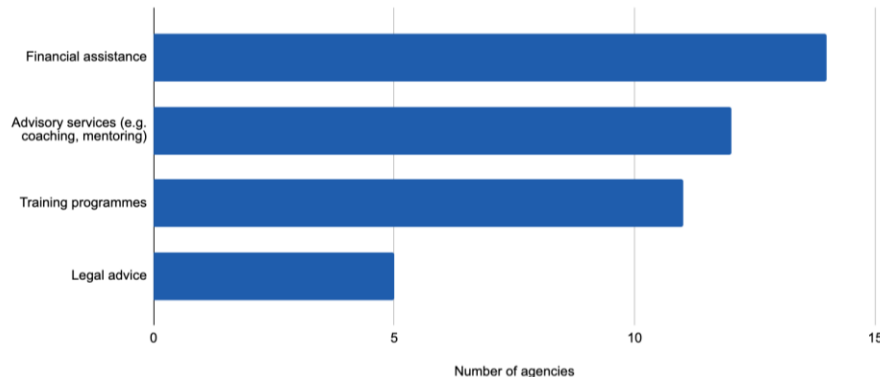
common objective mentioned, followed by helping inventors to identify and secure protectable IP. Many also aim to help to offset the costs of IP protection. Relatively few agencies are involved in supporting the enforcement of IP rights - presumably due to this being managed by national IP offices or other actors in the ecosystem.

Figure 2: Objectives of support offered by agencies



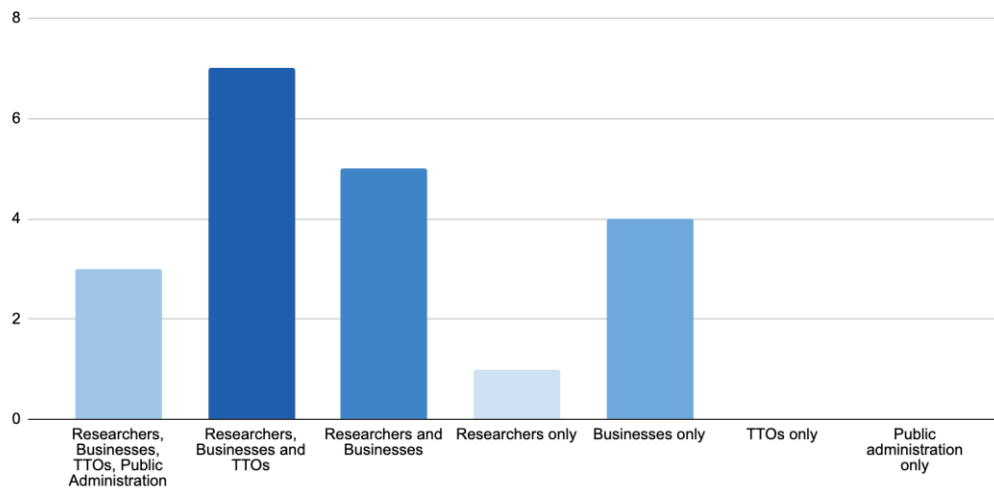
Taftie agencies provide different types of support with respect to the creation and/or exploitation of IP (see Figure 3). We found four general categories that these forms of support could be grouped within - financial assistance (e.g. offsetting the costs of IP protection) was the most common, followed by the provision of advisory services and training. Relatively few agencies offer legal advice, again perhaps because this function is typically performed by other actors within the ecosystem.

Figure 3: Types of support offered by agencies



The survey asked agencies to specify which kinds of stakeholders their IP support programmes or measures were targeting. As Figure 4 shows, relatively few agencies target the full range of ecosystem stakeholders (i.e. researchers, businesses, technology transfer offices [TTOs] and public administrations). At the other end of the spectrum, there are a few agencies which target businesses only, and just one that only targets researchers.

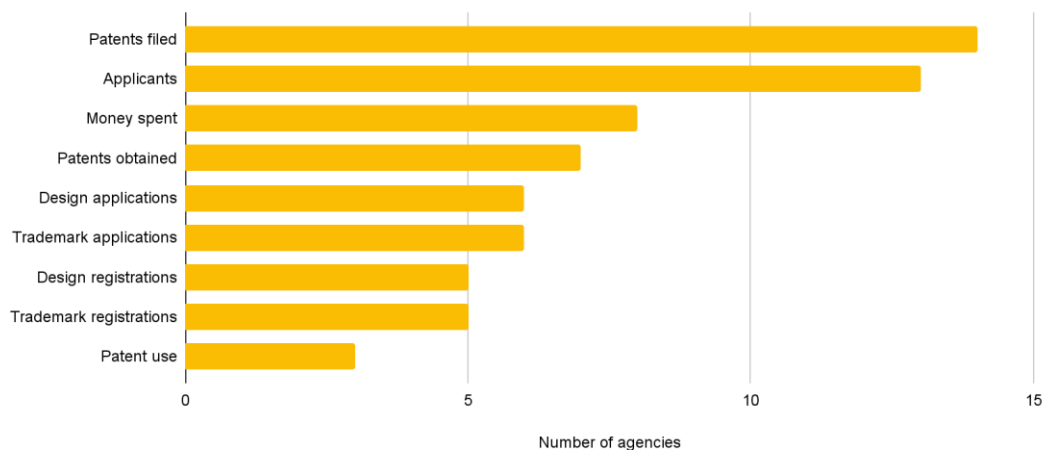
Figure 4: Types of stakeholders targeted by IP support



Metrics captured

Looking at what gets measured with respect to IP, the survey found that the majority of respondent agencies (80%) are capturing success metrics for the programmes that they run. As Figure 5 shows, the number of patents filed and the number of applicants are the most common metrics captured.

Figure 5: Metrics captured by agencies



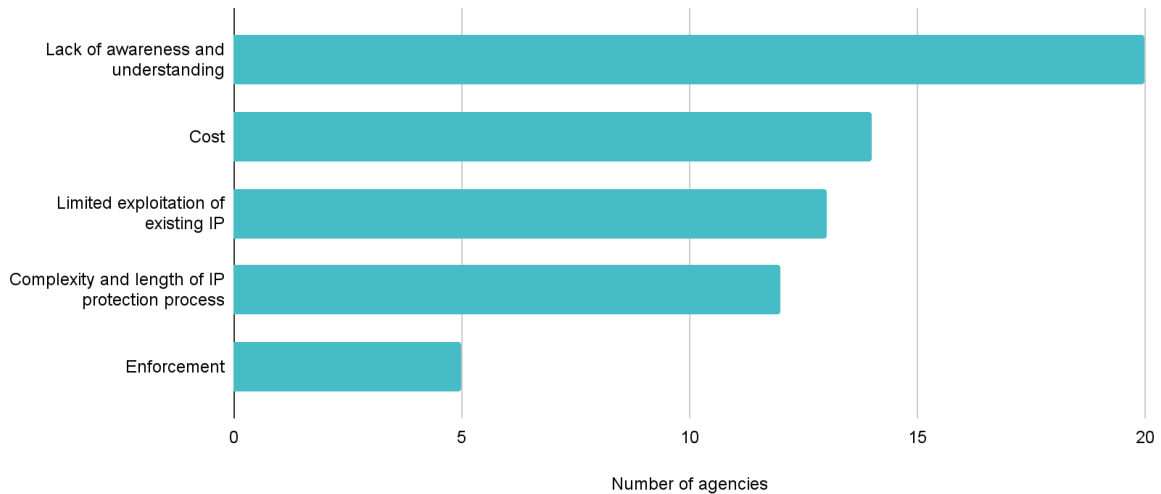
However, the survey also revealed that fewer than half of respondent agencies are tracking data about patenting, copyright or trademarking in their region.

Wider challenges and opportunities in the ecosystem

When asked about their perceptions of the main problems relating to intellectual property in their own ecosystems (see Figure 6), almost all respondent agencies mentioned a lack of understanding and awareness among the businesses and entrepreneurs they support. The cost of acquiring IP was

also cited as a major problem, as well as limited exploitation of IP and the complexity and length of IP processes.

Figure 6: IP challenges in the ecosystem



The survey also aimed to establish the extent and nature of collaboration between Taftie agencies and other key actors in their system with respect to IP. Around a third of respondent agencies indicated that they did not work closely with other organisations or bodies supporting intellectual property protection. Of those that did, the majority collaborated primarily with national IP offices and consultancies, but a few agencies also mentioned partnerships with regional or international organisations such as WIPO and EUIPO. A key question for a number of agencies was how to improve their cooperation with national IP offices - a theme which came up in the discussion at the Insight Session.

Part 3: Conclusions and recommendations from insight session discussions

The Insight Session featured keynote presentations from a number of expert speakers, including representatives of:

- The State Intellectual Property Office of Croatia;
- The World Intellectual Property Organisation (WIPO);
- The European Communities Trademark Association (ECTA); and
- The Austrian Research Promotion Agency (FFG)

In terms of the wider context, the presentations made it clear that IP systems at both the national and European levels are often difficult to navigate for SMEs and entrepreneurs, and that the nature of intellectual property itself is also becoming more complex, linked to the emergence of intangible assets and frontier technologies. Speakers emphasised the need to make IP regulations and services more agile, and responsive to the needs of innovative businesses and entrepreneurs in terms of their individual paths to growing and scaling.

Some of the practical challenges mentioned by innovation agencies in this area related to using new tools and technologies (such as machine learning) to support IP services, and evaluating the effectiveness of their patent activities - many lack a good picture of what is happening in their region, and there is a mismatch between the data held by innovation agencies and patent offices. At a more strategic level, Taftie agencies mentioned the twin challenges of anticipating what the future holds with respect to IP, and clarifying their roles vis-a-vis other actors in the system.

From the survey results and the discussions on the day, it is evident that there is no single model for the way that Taftie agencies support businesses and entrepreneurs to create or exploit IP, and a variety of approaches for the ways in which they collaborate with other relevant actors in their system, including national IP offices, regional bodies, or international organisations like WIPO.

It was highlighted that innovation agencies are often the first point of contact for innovative businesses and entrepreneurs, and there is great value in the direct interface and the deep relationships they have with them. They are well placed to understand the challenges and support needs of businesses with respect to IP, and can collect data and other information about their intentions and activities around creating and exploiting intellectual property.

It was suggested that innovation agencies could usefully develop 'basic IP literacy' among innovative businesses through training and other support services, and then signpost them on if needed to more intensive services from national or international IP bodies.

It was also noted that innovation agencies often have strong relationships with researchers, and that they could play a more active role in encouraging them to consider IP and technology transfer opportunities.

In terms of collaboration opportunities within Taftie and with external partners, it was suggested that there could be value in promoting mutual learning between individuals within agencies that have direct expertise in this area, and support for the idea of building more strategic partnerships with actors including WIPO and EUIPO.

Taftie Insights report
Meeting 3 (14 June 2023)

Horizon & EIC projects

Executive summary

The 2023 Annual Meeting of the Taftie network focused on the engagement of innovation agencies with Horizon Europe, paying particular attention to the European Innovation Council (EIC) and the agencies' roles in designing and implementing Horizon projects.

Preceding the meeting, a survey was conducted amongst the innovation agencies to assess their involvement and activities in Horizon Europe and EIC programmes. This survey provided critical insights:

- More than 80% of respondent agencies have delivered projects in partnership with, or funded by, Horizon Europe or Horizon 2020.
- Agencies have a varying degree of involvement in Horizon projects, with over half not leading any projects and a small number leading more than three. The areas covered by the programmes are wide-ranging, from SME Innovation to Climate Neutrality and Research Coordination.
- Similarly, there's an active participation of agencies in EIC and EIT programmes. This engagement includes promoting the participation of national stakeholders and direct involvement in programmes like the EIC Accelerator.
- Regarding collaborations, Horizon projects usually involve 10 to 25 partners on average, and a majority of the respondent agencies are already collaborating or are open to collaborating more with other Taftie agencies in Horizon projects.

Key insights from the discussion included:

- Consideration of the complementarities between Taftie agencies and the EIC, such as the ability of innovation agencies to identify and signpost promising companies to the EIC and other Horizon funding programmes, as well as themselves supporting companies that are deemed excellent but that miss out on European funding
- The need for more sharing of data and lessons learned about supporting disruptive innovation
- Initial ideas about the focus for future Taftie exchanges and learning on this topic, such as consolidating feedback on the EIC application process and exchanging lessons about the reality of supporting SMEs and other innovators through the application process.

Part 1: Introduction

The theme of the Annual Meeting of 2023 was 'Horizon programmes with a focus on EIC'. Here we were interested in how innovation agencies engage with Horizon Europe programmes.

Horizon Europe is the European Union's flagship research and innovation (R&I) funding programme, operating from 2021 to 2027. With a budget nearing €95.5 billion, it aims to bolster Europe's scientific and technological leadership, address pressing global challenges, and enhance citizens' daily lives. It builds upon the foundations laid by Horizon 2020, the EU's previous R&I funding programme that ran from 2014 to 2020. The European Innovation Council is Europe's premier innovation programme, dedicated to identifying, developing, and scaling breakthrough technologies and transformative innovations.

To contextualise the discussion on Horizon projects and define the current and potential roles of innovation agencies within this ecosystem, a pre-meeting survey was conducted, examining the activities of Taftie agencies in this domain. During the meeting, representatives from innovation agencies and various sectors were invited to present their insights and participate in a panel discussion exploring the key challenges and opportunities. The key takeaways from the survey and the discussion are synthesised and summarised in the following sections.

Part 2: Insights from survey data

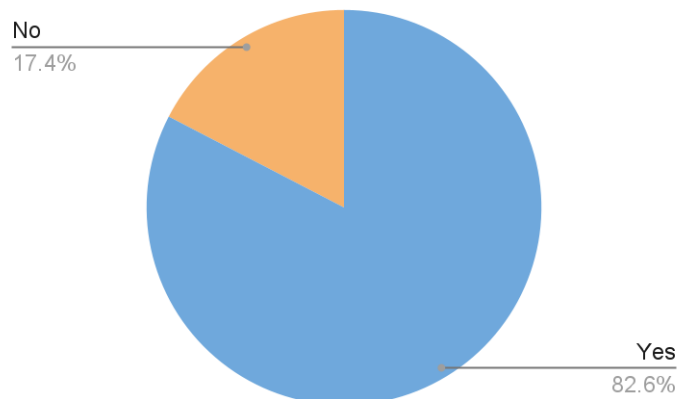
In anticipation of the Taftie Annual Meeting of June 2023, a survey was distributed to all 34 member agencies. The aim was to gain insights into the agencies' engagement with Horizon Europe programmes and the European Innovation Council (EIC). We sought to understand the nature of the projects they were involved in, the extent of their participation, and the challenges they encountered during the process. This survey was primarily completed by representatives from each agency who had a comprehensive knowledge of their institution's interaction with Horizon Europe and EIC.

A total of 22 agencies responded, detailing the specific programmes they were engaged in and shedding light on the potential hurdles they faced. This accounts for a response rate of slightly over 65%. An additional agency submitted their responses after the initial deadline, and their data has since been incorporated into this report, taking the total to 23 participating agencies. Although about a third of the Taftie agencies did not participate in the survey, the information gathered provides a substantial understanding of the trends within the innovation ecosystem and offers valuable insights into individual agency practices and programmes.

Participation of Taftie Agencies in Horizon Programmes

Nineteen respondent agencies (82.6%) have delivered projects in partnership with, or funded by, Horizon Europe or Horizon 2020. Another four agencies do not participate directly in Horizon programmes.

Figure 1: Distribution of Taftie agencies delivering Horizon projects



The primary reasons why these four agencies do not participate in Horizon programmes are varied. However, we have observed that most (particularly non-EU agencies) offer advice, mobilise, and communicate opportunities to businesses and industries to apply, but do not apply on their own behalf. These agencies often cite a lack of resources and other administrative reasons, whereas for other Taftie agencies, another institution in their country leads the work on Horizon funding. Only one of these agencies that do not participate in Horizon programmes has a specific team dedicated to Horizon initiatives.

There are significantly different levels of involvement amongst agencies that deliver Horizon programmes directly.

Figure 3: Distribution of agencies leading Horizon projects

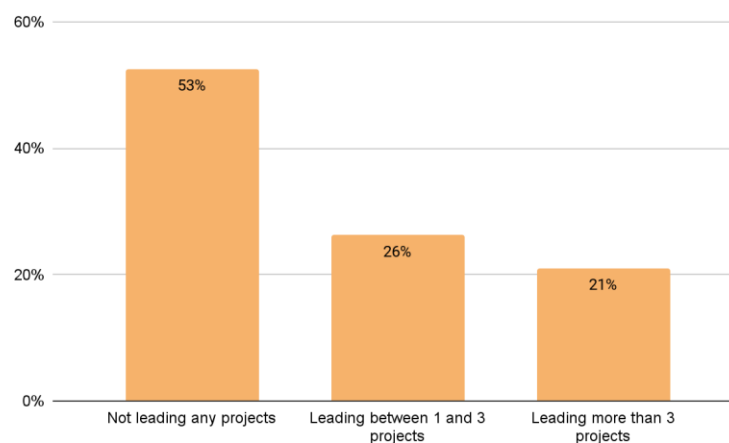
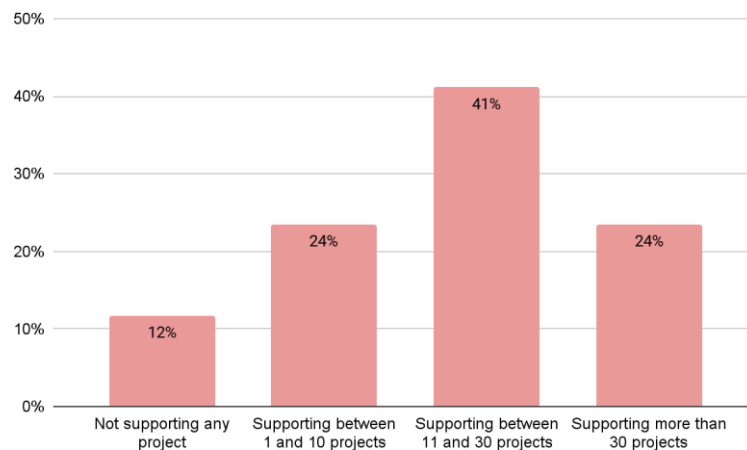


Figure 3 illustrates that most (53%) of agencies do not lead Horizon projects. 23% lead between 1 and 3 projects, and 21% lead more than 3 projects. This suggests that leading projects is challenging for many agencies, and when they do, they tend to oversee a low number of projects. On average, an agency leads between 2 and 3 projects. However, one agency is leading up to 6 projects.

The main areas covered by the programmes that agencies are leading can be separated into the following categories:

- SME Innovation
- Climate and Urban Transitions
- Health and Care Systems Transformation
- Sustainable Research and Development
- Mobility
- Ethics and Responsibility
- Climate Neutrality
- Research Coordination and Support

Figure 4: Distribution of Agencies Supporting Horizon Projects



Conversely, among agencies delivering Horizon programmes, we note that most support projects rather than lead them. Only 12% of agencies are not supporting any projects. 24% support between 1 and 10 projects, 41% support between 11 and 30 projects, and another 24% support more than 30 projects.

On average, agencies tend to support between 16 and 17 projects. However, there is one agency that supports up to 34 projects.

The main areas covered by the programmes that agencies support can be categorised as follows:

- SME Innovation and Support
- Sustainability and Environmental Concerns
- Health and Biotechnologies
- Digital Technologies and Cybersecurity
- Research and Industry Coordination
- Energy and Resource Management
- Gender Equality

Collaborations and partnerships in Horizon projects

The number of partners involved in these projects can vary greatly. On average, each project involves between 10 and 25 partners. Some agencies have significant experience collaborating with others, having worked with over a hundred partners.

These partnerships encompass a wide array of organisations, including governmental research agencies, technological and scientific institutions, universities, SMEs, and non-profit organisations.

The methods of developing these partnerships also differ. While other partners usually invite Taftie agencies, it is less common for consultants to extend such invitations. Although some Taftie agencies have developed consortiums themselves, they generally do not take on that role.

Creating partnerships for Horizon programmes doesn't pose significant difficulty for agencies. When asked to rate the difficulty of developing partnerships on a scale of 1 to 10, with 1 being extremely easy and 10 being extremely difficult, the average response from the agencies was 4.2. Hence, while it is not viewed as an extremely easy process, it doesn't appear to be one of the most significant challenges they encounter.

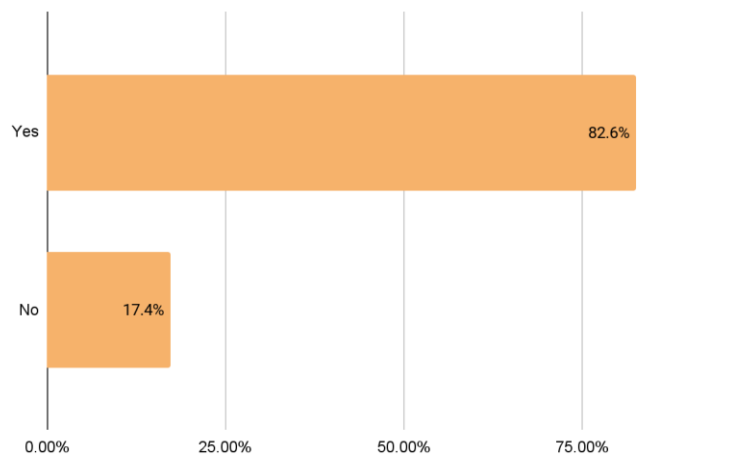
Generally, 70% of the respondent agencies are already collaborating or would be willing to collaborate more with other Taftie agencies on Horizon projects.

There are already examples of Horizon projects involving multiple Taftie members. For instance, TRAMI (the Transnational Cooperation on the Missions Approach) is an EU-funded project focused on making missions work by creating communities of practice, exchanging knowledge, and promoting mutual learning. Eleven Taftie agencies are participating in TRAMI.

EIC/EIT projects

Agencies are also engaged with the European Innovation Council (EIC) and/or the European Institute of Innovation and Technology (EIT) programmes. Interestingly, this involvement doesn't necessarily coincide with those delivering Horizon programmes, as some agencies that do not directly participate in Horizon programmes are still involved with EIC/EIT.

Figure 5: Distribution of agencies involved in EIC/EIT programmes



As depicted in Figure 5, up to 82% of agencies are actively engaged in EIC/EIT programmes.

Some respondent agencies advocate for the participation of national stakeholders. In contrast, others are actively involved in initiatives such as the EIC Accelerator, which offers support to startups and small to medium-sized enterprises (SMEs) with breakthrough innovations and high growth potential. National Contact Points (NCPs) are also present and provide information, guidance, technical assistance and feedback to potential or existing beneficiaries. Additionally, agencies are

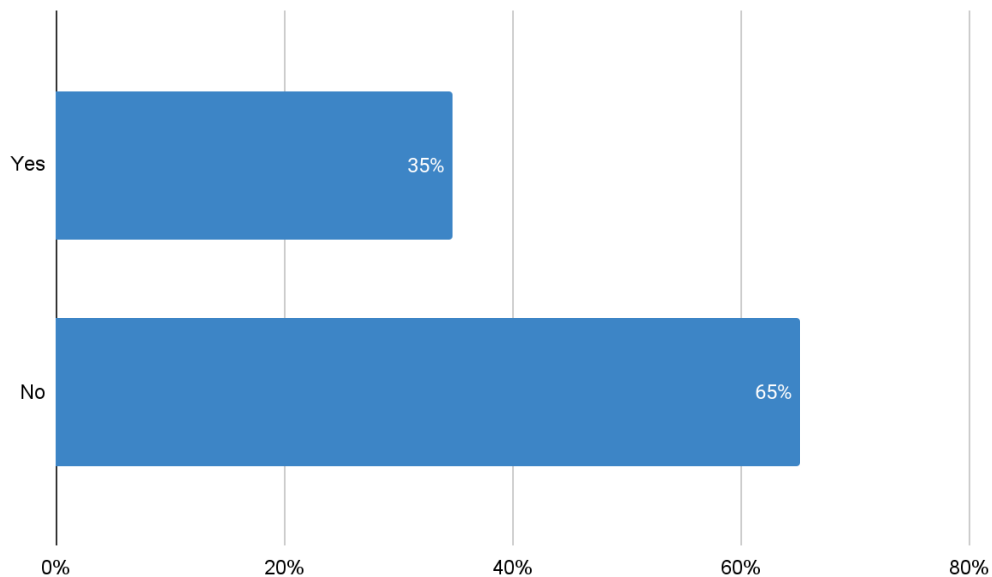
members of the Enterprise Europe Network (EEN) and Knowledge and Innovation Communities (KICs), focusing on specific societal challenges such as energy, health, digital technology or climate.

Ecosystem and incentives

In each country, an increasing number of public and private actors are involved in delivering Horizon projects. National research agencies are often the primary organisations responsible for managing and overseeing research efforts at a national level. Nevertheless, other participants contributing to Horizon programmes include ministries and government institutions, universities and academic institutions, Research and Technology Organisations (RTOs) and other research institutions, regional and local agencies, sector-specific agencies, other public institutions, as well as cluster organisations and associations.

According to respondents, some of these organisations possess a high level of expertise when working on Horizon programmes. Generally, agencies identify universities and higher education institutions as possessing the highest level of expertise. However, other research institutions, government or national innovation agencies, and certain specific companies are also mentioned.

Figure 6: Distribution of agencies providing financial incentives

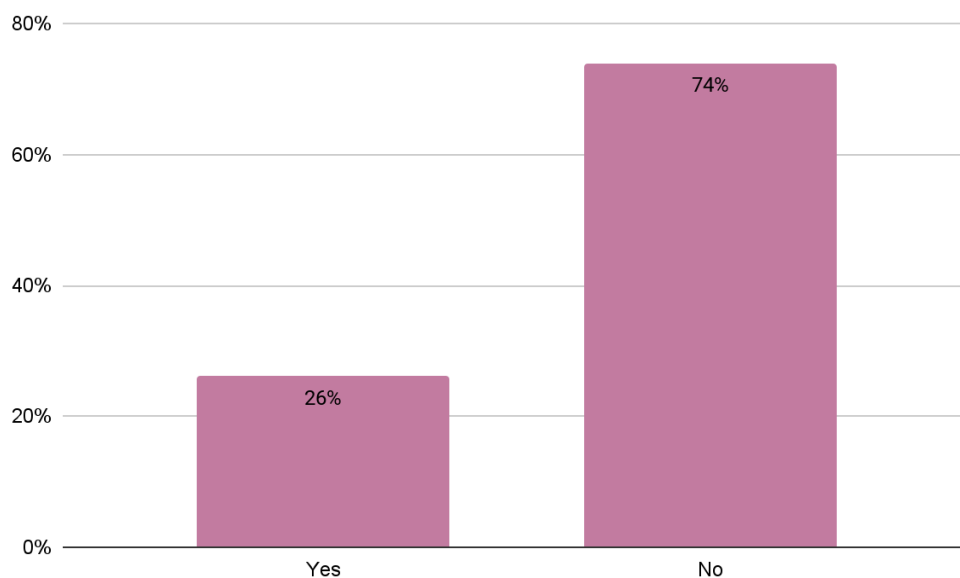


Some agencies provide financial incentives to encourage participation and active involvement in Horizon/EIT/EIC projects. However, this practice is not prevalent among the majority of agencies. As indicated in Figure 6, only 35% of Taftie agencies offer any sort of financial incentives.

The types of financial support these agencies provide vary but can broadly be categorised as follows:

- **Consulting services for proposal development:** Some agencies offer grants to cover the costs associated with preparing for Horizon Europe projects. Some plans cover the cost of a consultant to help draft an application and also include reviewer costs.
- **Cost coverage for project preparation:** Certain agencies offer grants to cover expenses linked with preparing for Horizon Europe projects. This could encompass personnel costs, travel expenses, and other preparatory costs.
- **Funding for project-associated costs:** A handful of agencies offer increased funding rates or funding that could cover costs like personnel, instruments and equipment, research contracts, and other operational expenses.

Figure 7: Distribution of agencies supporting unsuccessful applicants



Nevertheless, as depicted in Figure 7, 74% of agencies do not have funding schemes that provide financial incentives for unsuccessful applications or those with a Seal of Excellence.

There are some exceptions, but they only represent 26% of the sample. These agencies reference specific funding schemes or calls designed to provide financial incentives. The eligible costs mentioned vary but typically include personnel costs, direct costs, subsidies, and indirect costs

Key lessons learned from the agencies

The agencies have gleaned several valuable insights for executing successful Horizon projects throughout the process. The most frequently mentioned lessons include:

1. **Commitment and Readiness:** Having a dedicated team that is fully committed to the application process is essential. This often involves devoting a considerable amount of time and resources to ensure the application's success. The anticipation of administrative burdens and complex processes is advised.
2. **Partnerships and Networking:** Robust partnerships are crucial. Establishing the right consortium and locating the optimal partners can be pivotal to a successful proposal. Collaboration and effective communication, both within the organisation and with external stakeholders, can significantly enhance the chances of a successful application.
3. **Strategic Approach:** It's vital to align with the organisation's long-term and EU strategies. Agencies should be discerning, well-prepared, and fully committed to participating and should invest in absorbing and disseminating the benefits and results of the project.

Part 3: Conclusions and recommendations from insight session discussions

The Insight Session featured keynote talks from a number of expert speakers, including representatives of:

- The European Innovation Council (EIC);
- The European Court of Auditors (ECA);
- Spain's Centre for the Development of Technology and Innovation (CDTI); and
- The European Association of Innovation Consultants (EAIC)

The presentations and panel discussion revealed some useful areas for individual Taftie agencies and the network as a whole to consider as they reflect on how to strengthen partnerships with the major European funding programmes and innovation initiatives.

A key theme was the idea of 'synergies' - understanding where there might be opportunities to combine efforts in order to scale impact. For example, it was suggested that national innovation agencies could usefully complement and support the work of the EIC by identifying the companies and innovators in their own regions that might be good candidates for EIC investments and conducting targeted outreach to direct them towards applying.

Taftie agencies were also encouraged to do more to support companies given a 'Seal of Excellence' by the EIC, i.e. companies that miss out on EIC awards but are considered excellent candidates for investment. A few countries have already made significant investments in the Seal of Excellence recipients. However, this practice is not yet widespread among innovation agencies across Europe.

A final recommendation related to sharing lessons and best practices, with a suggestion that Taftie agencies, the EIC and other relevant bodies should share their experiences supporting disruptive innovation and the challenges and opportunities involved. Further, there was an emphasis on the need to share data and insights on impacts and emerging technology trends to prevent duplication of efforts

The survey of Taftie agencies revealed that there is a clear interest in deepening collaboration within the network on this topic - the next step is to identify areas where fruitful mutual learning could take place. Some suggestions here include:

- sharing lessons learned from supporting SMEs going through application processes for EIC / Horizon funding
- organising joint events
- consolidating feedback on Horizon & EIC instruments and funding schemes to make them easier for companies to understand

Taftie Insights report
Meeting 4 (3 October 2023)

Startups and scaleups

Executive summary

The October 2023 Insight Session of the Taftie network focused on the way in which innovation agencies across the network are supporting startups, as well as companies that are scaling and growing. Here we were interested in how innovation agencies define these entities, and the range of programmes and services they are currently offering to them, as well as those they are planning to develop in the future.

Before the meeting, a survey was conducted amongst the innovation agencies to map the nature of their support for startups and scaleups, and to ask about the challenges facing these entities in their ecosystems. Insights from the survey included:

- Grants and advisory services (such as coaching or mentoring) are the most common types of support currently provided by Taftie agencies to both startups and scaling companies.
- Lack of access to talent and financial resources were cited as the top challenges facing both startups and scaleups. Some of the ways in which agencies are trying to address these challenges include talent funding for company personnel, support for startup or other types of visas, and internationalisation or growth support.
- Almost all agencies support startups and scaling companies to access resources and funding from other sources, such as venture capital (VC) or angel investors. Some agencies operate their own VC funds, or collaborate with other investors to run them.

The meeting on 3 October provided an opportunity to dive deeper into some of these questions, supported by interventions from innovation agencies and other expert speakers representing the perspectives of startups and successful scaleups, as well as investors and analysts. Insights from the discussion included:

- There is a need to more effectively tailor support to the stage the business is at (scaling companies require something quite different than startups).
- Focusing on people - founders, core teams etc. - is where the most impact can be had. Talented, well-supported people can develop lots of ideas for different innovations, so it is more effective to invest in developing their potential than to only focus on the ideas themselves.

- Innovation agencies can and should be using AI and data to build more complete and up to date pictures of the emerging technology landscape, and to inform strategic decision making around where support, investment and collaboration should be targeted.
- Innovation agencies should focus on building supportive innovation ecosystems that bring together the different resources that startups and scaling companies require, and brokering key partnerships, such as with investors. In recognition of the fact that relatively few startups will break through and succeed or scale, a portfolio approach and the flexibility to adapt along the way is crucial.

Part 1: Insights from survey data

Prior to the October 2023 meeting, a survey was distributed to all 35 member agencies. The aim was to gain insights into how agencies support scaleups and startups, and the impact of these activities. This survey was primarily completed by representatives from each agency who had a comprehensive knowledge of their institution's support for startups and scaleups. A total of 28 agencies responded, detailing the specific programmes they were engaged in and shedding light on the potential hurdles they faced. This represents a response rate of 80%, which gives a good picture of trends and practices across the whole network.

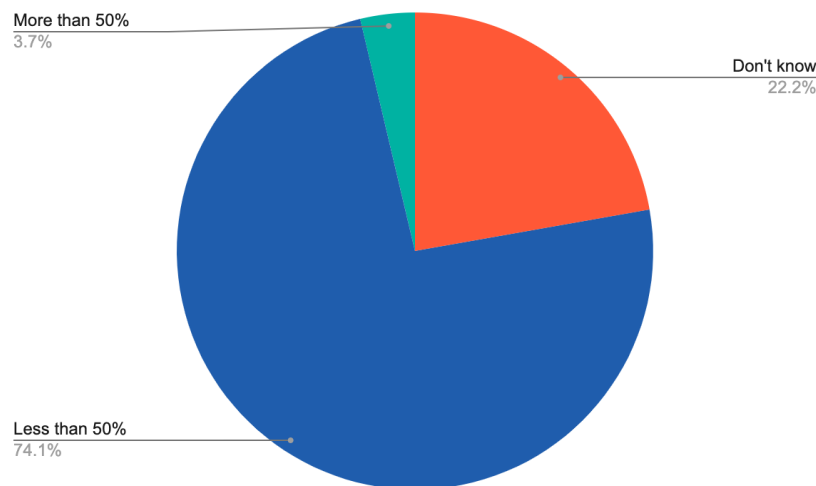
1.1 Support for startups

There is no single definition of a startup, but a number of common threads emerged from answers that Taftie agencies gave to the question of how they characterised them, legally or otherwise. Five themes dominated:

- **Age, size and scale:** Typically, startups are described as newly established or young companies, often with a specific time frame (e.g., less than 5 or 10 years old). Several definitions mention the size of startups, often categorising them as small or micro-enterprises.
- **Innovation:** Startups are associated with innovation, either in terms of products, services, or business models. They are often expected to bring something new to the market.
- **High growth potential:** Many definitions highlight the potential for rapid and substantial growth. This growth is often described as scalable and with global ambitions.
- **Business model:** The importance of a scalable and innovative business model is frequently mentioned. Startups are expected to have a business model that can sustain growth.
- **Technology or tech-based:** Some definitions emphasised that startups often operate in the tech sector or leverage technology for their products or services.

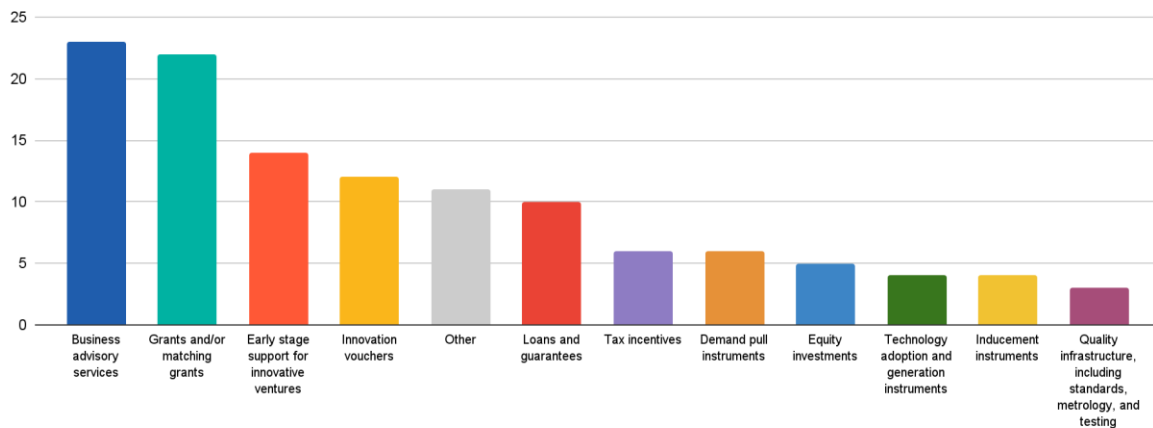
All Taftie agencies that responded to the survey support startups, using a variety of different instruments. The majority spend less than 50% of their total organisational budget on supporting startups - only one agency (Innovation Fund Serbia) spends more than this.

Figure 1: Proportion of agency budget committed to supporting startups



Looking in more detail into the specific services that agencies provide, there are a few forms of support that are offered by almost all respondent agencies, and a range of others that are only offered by a few agencies.

Figure 2: Types of support offered to startups



The most common forms of support provided to startups are business advisory services (such as coaching or mentoring) and grants. Between a third and a half of respondent agencies also offer loans, innovation vouchers and/or support for early stage ventures (such as incubation or acceleration support).

Other types of support mentioned include internationalisation or global growth programmes or start up missions (Innovate UK, Innovation Agency Lithuania, RVO Netherlands and the Slovak Innovation and Energy Agency) as well as some more specific tailored activities such as tender consultancy (NRDIO Hungary), and business development activities for market access (TTGV Türkiye).

A key issue for many startups and scaling companies is attracting and holding on to skilled individuals. From the survey, we found that around a quarter of respondent agencies provide support to startups **to try and attract and retain talent**. Specific tools and activities mentioned include talent funding for company personnel (Business Finland), outbound talent acquisition activities (Enterprise Estonia), employee stock ownership programmes (CDTI Spain) and salary payment support (Wallonie Entreprendre).

Around a third of respondent agencies also provide support to startups **to stay and grow in the country**, rather than primarily seeking growth opportunities internationally. For example, a number of countries operate specific startup visas or schemes (mentioned by Business Finland, Enterprise Estonia, FFG Austria, Innovation Agency Lithuania, Investment and Development Agency of Latvia, and RVO Netherlands).

Almost all respondent agencies provide support to startups **to attract funding from other sources** beyond the agency itself. Specific tools and activities mentioned include co-investment (bpiFrance), investor partnerships (Innovate UK, Innovation Fund Serbia), participation in 'funds of funds' (CDTI Spain, NCBR Poland) and support for accessing European funding (many agencies).

Almost all respondent agencies **measure or evaluate their programmes to support startups** in some way. Agencies described a range of activities in this area, including regular impact evaluations, annual surveys, and qualitative feedback. More than two thirds of respondent agencies follow up with startups after they have been supported, either on a formal or informal basis e.g. through surveys, an 'account manager' that stays in touch, alumni programmes etc.

We asked agencies whether they collaborated with other actors in the startup support ecosystem, with a particular focus on investors. Around a third of respondent agencies either **directly operate or collaborate in running an investment fund to support startups**. A number of others work closely with VC funds and business angel networks within the ecosystem, and/or support startups directly to engage with these actors.

1.2 Support for scaleups

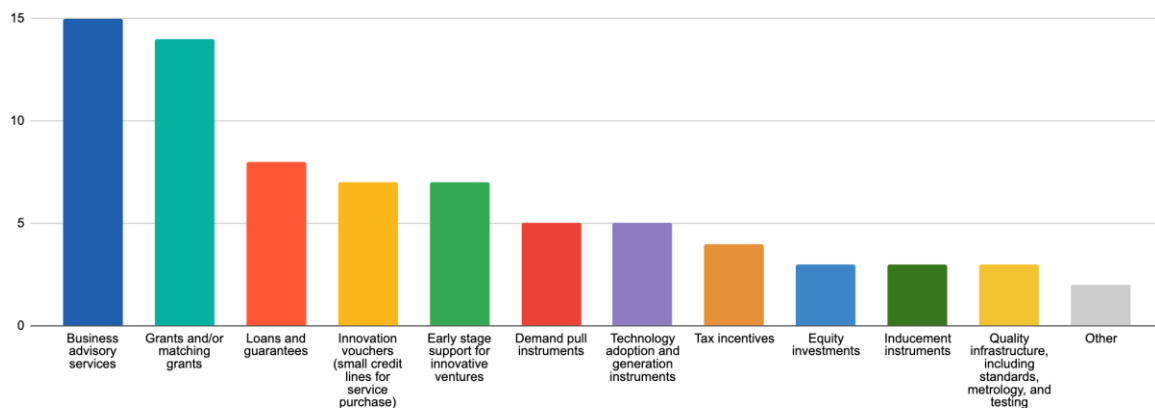
As with startups, there is no single definition of a scaleup - this is very much shaped by the agency perspective. Definitions are much more informal than for startups, but some of the ideas shared in response to this question related to:

- **Growth and expansion:** Almost all definitions emphasise the idea that a scaleup is a company experiencing significant growth, often expressed as a percentage increase in turnover or employment over a certain period. International growth and expansion into global markets are mentioned in a few definitions.
- **Maturity and time in operation:** Many definitions describe scaleups as mature start-ups that have progressed beyond the initial stages of development

- **Business model:** Several definitions mention the importance of having a well-established and scalable business model.
- **Product-market fit:** Achieving product-market fit is a common milestone for scaleups.
- **Size and scale:** Scaleups are often associated with generating substantial revenues, and some definitions considered the size of the team or number of employees in identifying a scaling business.

Just over half of Taftie agencies that responded to the survey support scaleups, using a variety of different instruments. The majority spend less than 50% of their total organisational budget on supporting scaleups - only one agency (Innovation Norway) spends more than this.

Figure 3: Types of support offered to scaleups



As with startups, the most common forms of support provided to scaleups are business advisory services (such as coaching and mentoring) and grants. Small numbers of agencies provide other types of service, including loans, innovation vouchers or early stage support. Other types of support mentioned include support for cluster programmes and exports (Innovation Norway)

A number of agencies have defined processes for identifying companies with scaleup potential, including company assessments, analysis of startup databases, reviews of applications for scaleup funding, segmentation based on company turnover, and research at the regional level.

Similar measures regarding support for startups are employed by agencies who support scaleups in terms of trying to **attract and retain talent and funding, and helping scaleups to grow in country** in addition to (or instead of) expanding and growing in other regions e.g. targeted visas, advisory services, co-investment with VC and other funders etc. Some agencies are developing pilots in this area to develop their scaleup offer, while others support them on a relatively informal basis.

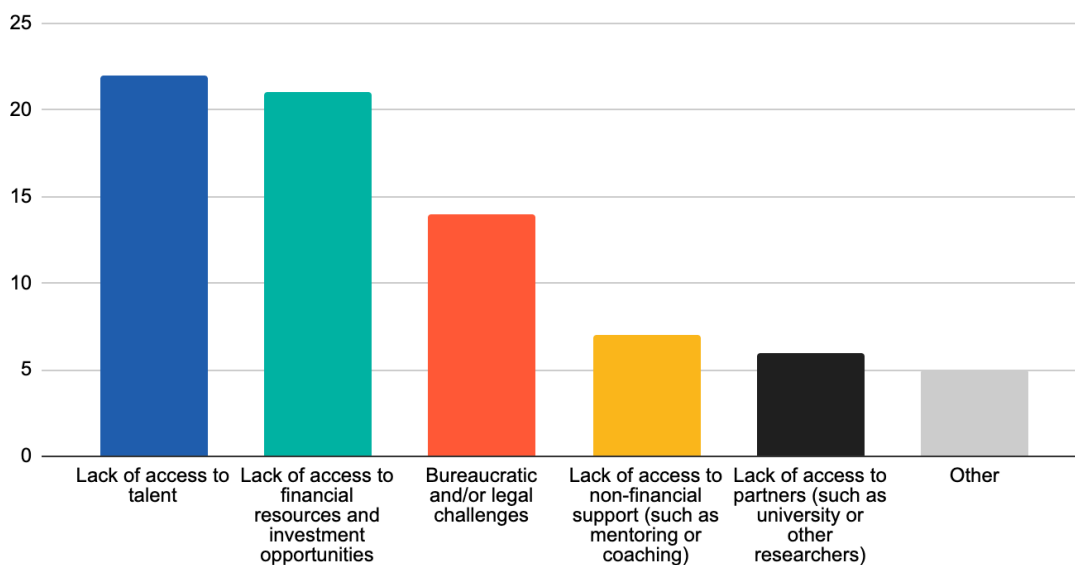
Around two thirds of the agencies that support scaleups evaluate the impact of this support. Similar measures are employed as in the evaluation of startup programmes, including impact evaluations

during and after programmes (bpiFrance), surveys (Innosuisse, SPIRIT Slovenia), and external evaluations (Innovate UK, Innovation Norway) etc.

1.3 Key challenges faced by startups and scaleups

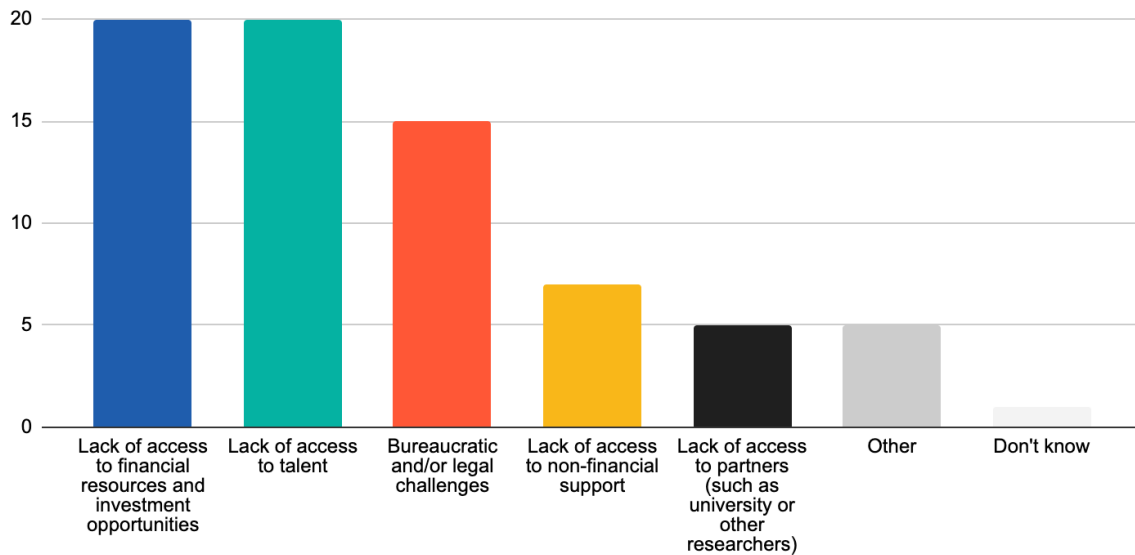
Lack of access to talented people and financial resources were cited as **the main challenges facing startups** by many agencies across the Taftie network. Nearly half of agencies also considered bureaucratic issues to be a significant challenge. Other types of resources - including the availability of non-financial support and access to partners - do not seem to be significant barriers for many agencies. Additional challenges mentioned included the lack of a developed investment ecosystem, and a lack of access to markets

Figure 4: Main challenges facing startups



Very similar findings were observed in relation to the challenges facing scaling businesses, with other challenges mentioned including the lack of access to domestic and international markets, few role models for ‘unicorns’, and limited investment for e.g. deeptech companies.

Figure 5: Main challenges facing scaleups



1.4 Future plans

Agencies were asked whether they were planning to introduce new services or offers for startups and scaleups and if so, what the priorities were. Just over half of Taftie agencies that responded to the survey are planning to introduce new services for startups in the future with specific mention of initiatives relating to support for deep tech startups, and support for internationalisation activities.

Just under half of Taftie agencies that responded to the survey are planning to introduce new services for scaleups in the future. Some of the themes of these initiatives relate to pitch training, new grant and innovation voucher schemes, giving access to non-executive directors, scaling programmes for breakthrough innovations, and creating task forces similar to the EIC approach.

Part 2: Conclusions and recommendations from insight session discussions

The Insight Session featured keynote presentations from a number of expert speakers and a panel discussion, which included representatives of innovation agencies, VC, researchers and companies:

- Infobip (Croatia)
- Investment and Development Agency of Latvia (LIAA)
- Vinnova (Sweden)
- Feelsgood Capital Partners
- L'Atelier BNP Paribas
- Invitalia (Italy)
- Ani Biome
- Robotiq

A number of key themes were raised across the presentations and the discussion¹, with implications for innovation agencies summarised below:

- **Support needs to be carefully tailored to specific growth stages:** Although 'scaleups' are routinely discussed as if they are a distinctive type of entity, in reality they are companies at a particular stage of development. However, they do require different and tailored forms of support for their growth than companies that are starting out. Both startups and scaling companies are prone to changing rapidly, and so the kind of support they are given also needs to be flexible and able to adapt along the way.
- **Focus on people more than ideas:** It is people that generate ideas, and that spark collaborations across an ecosystem. Presentations and discussions emphasised the importance of investing in the development of innovative people (founders, leadership teams), rather than prioritising the development of specific ideas. It was observed that individual companies can have a multiplier effect across a whole ecosystem if they are very successful, with key individuals spreading out and establishing more high-potential startups.
- **Use data and evidence to support strategic decision making:** AI and other data tools are making it possible for innovation agencies to develop more complete and current pictures of promising technologies and innovations. These should be deployed more widely to improve the targeting of support, investment and collaboration activities.
- **Support the development of strong and agile innovation ecosystems:** A number of ideas were put forward for how agencies could help to build more supportive environments for startups to emerge and promising companies to scale, such as: focusing on developing conducive regulations, business development activities, funding 'keystone' intermediaries such as incubators and accelerators to act as ecosystem drivers, incentivising business angels to invest in startups, or funding key sectors to procure innovative solutions from startups or scaling businesses. The key theme underlying all of these ideas was connected to agencies

¹ See slides for further detail of specific presentations

having a clear understanding of their own system and working in an agile way to identify strengths and competitive advantages, coordinate actions at a national level, and develop new infrastructure and functionalities where needed.

Taftie Insights report
Meeting 5 (21 November 2023)

EIC and Structural Funding

Executive summary

The theme for the fifth and final meeting of the Taftie 2023 presidency and the Policy Forum related to how agencies engage with European Innovation Council (EIC) funding schemes and EU Structural and Investment Funds (ESIF). This built on previous discussions at the Annual Conference in June 2023, developing further the idea of synergies and opportunities for collaboration between national agencies and European programmes.

Before the meeting, two surveys were shared with Taftie members for completion. The first gathered data from agencies regarding how they identify and support companies that could benefit from EIC funding, and the second focused on how they administer various aspects of ESIF funding. The topics were separated because there are a number of agencies that do not manage the absorption of Structural Funds. The survey on the EIC was answered by 18 agencies and the survey on Structural Funds by 10 agencies.

Insights from the survey data included:

- Many agencies are working to identify promising companies that are eligible for EIC funding, and provide information, training and support to encourage them to take up these opportunities. However, relatively few agencies provide funding to help companies prepare applications.
- A common challenge for many agencies is the complexity and perceived bureaucracy of the EIC Accelerator application process, indicating the need for more harmonisation and collaboration.
- Despite these challenges, there is a general trend of higher success rates for companies supported by agencies, though these rates vary. More evidence on the impact of agency support for companies to access and benefit from specific EIC and Horizon funding programmes would be valuable.
- A number of agencies are planning to introduce new services or forms of support for accessing EIC funding, such as focusing on cooperation with initiatives like EIT Manufacturing, and on creating pre-acceleration programmes for startups.
- For those agencies that administer ESIF, the main challenges include monitoring compliance with public procurement and state aid rules, coordinating with managing authorities and other bodies, and balancing regulatory constraints with the feasibility of administrative

procedures. These challenges highlight the need for continuous adaptation and improvement in fund management practices.

The meeting on 21 November provided an opportunity to dive deeper into some of these questions, supported by interventions from innovation agencies and other expert speakers representing the perspectives of European institutions and Directorate Generals (DGs). Insights from the discussion included:

- Interoperability is key to determining the best role for innovation agencies, and there is scope for identifying more clearly the complementarities between EIC activities and the services offered by national agencies in this area.
- Innovation agencies do not necessarily need to replicate services being offered by the EIC, but should think about what range of support services they can offer for promising companies that do not receive EIC funding, such as through greater use of the Seal of Excellence.
- There is scope for broadening the role of innovation agencies in creating effective innovation ecosystems, for example through collaborating with other actors and parts of government to develop regulatory frameworks that encourage and enhance innovation activities by companies.
- Innovation agencies can serve as a valuable one stop shop for managing the absorption of Structural Funds but there needs to be further harmonisation and simplification of bureaucratic procedures.

Part 1: EIC Funding

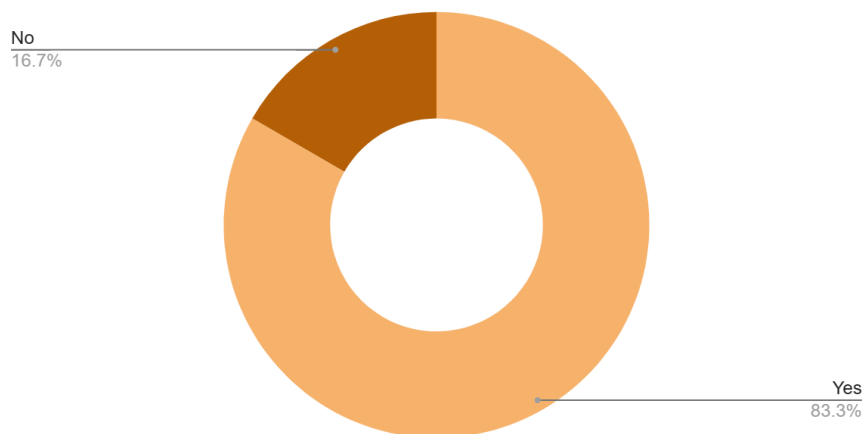
European agencies are actively engaging with a variety of EIC schemes, each playing a pivotal role in supporting innovation and research. While the levels of engagement and the impact of these schemes vary, there is a clear trend towards expanding and diversifying the support offered to businesses and research institutions.

1.1 EIC Accelerator

The EIC Accelerator program is an ambitious initiative for nurturing innovation and aiding high-potential startups and SMEs across Europe. As shown in Figure 1, a significant majority of respondent agencies¹ are actively engaged in promoting the EIC Accelerator, conducting general promotion and targeted information events. These activities play a crucial role in informing potential applicants about the opportunities available, guiding them through the application process, and increasing the overall visibility of the program.

Additionally, a substantial 87% of agencies identify promising companies, and 80% provide training or support for the evaluation process. However, it is noteworthy that only 27% of agencies provide funding to prepare applications, indicating a potential area for development.

Figure 1: Percentage of agencies providing services to their country's potential EIC Accelerator applicants



Further analysis of the results of the survey reveals a variety of support services provided by these agencies. Identification and prioritisation of companies for the EIC Accelerator is a key focus area. Agencies use a mix of methods for this purpose, including shortlisting applicants from other programmes, employing national plug-in schemes, and engaging in targeted screening. For instance, one agency utilises shortlisting from general programmes and the national Plug-in scheme, while the other agency employs CRM and data analysis. Another agency identifies potential companies through information sessions via the Enterprise Europe Network.

¹ N.B. The percentages in this report all refer to the proportion of agencies that responded to the surveys, rather than to the Taftie network as a whole.

Agencies often segment or prioritise companies based on innovation potential, growth prospects, and other relevant factors. This process typically involves data analysis, internal scouting, and individual consultations. For example, one agency focuses on potential candidates' innovation level and growth capacity, while another assesses companies based on their 'deep tech' focus and growth potential.

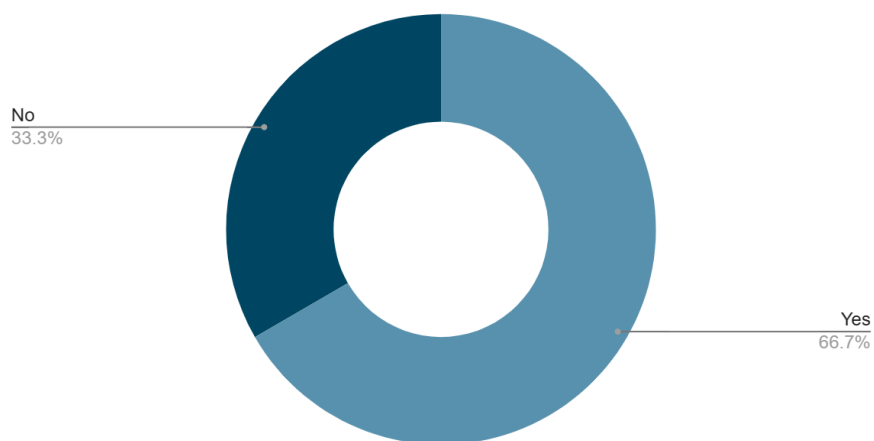
One of the common challenges faced by agencies includes the complexity and perceived bureaucracy of the EIC Accelerator application process, timing mismatches, and the high effort required for a successful application. Some agencies note difficulties in aligning company development stages with EIC Accelerator goals and challenges due to a lack of solid business models or sufficient innovation among companies.

Despite these challenges, there is a general trend of higher success rates for companies supported by agencies, though these rates vary. Some agencies report more than a 13% total success rate from Step 1 of the application process. This success rate highlights the positive impact of agency support in navigating the complexities of the EIC Accelerator application and securing funding.

1.2 EIC Plug-in Scheme and Other Fast-track Schemes

The EIC Plug-in scheme, along with other fast-track initiatives like the Eurostars programme, represents an emerging focus area for European agencies. These schemes are increasingly seen as vital tools to bolster the chances of successful applications for innovation funding.

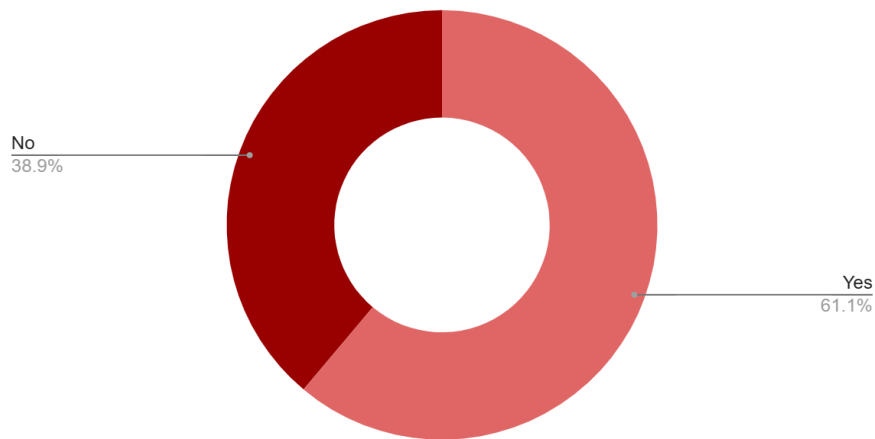
Figure 2: Percentage of agencies supporting companies to access the EIC plug-in scheme



The EIC Plug-in scheme has garnered growing interest among agencies as a means to enhance the success rate of applications. As presented in Figure 2, 66% of the agencies support companies to access it. Agencies engage in a variety of specific processes to identify companies that could benefit from the scheme. These processes include awarding companies from certified programmes, applying quantitative criteria, assessing progress and outcomes, and collaborating closely with programme account managers.

However, the impact of the Plug-in scheme is observed to be varied. While some agencies have noted positive outcomes, others perceive it as a minor shortcut in the application process with limited impact. Interestingly, 40% of the agencies not currently engaging with the Plug-in scheme indicate no intention to do so in the future.

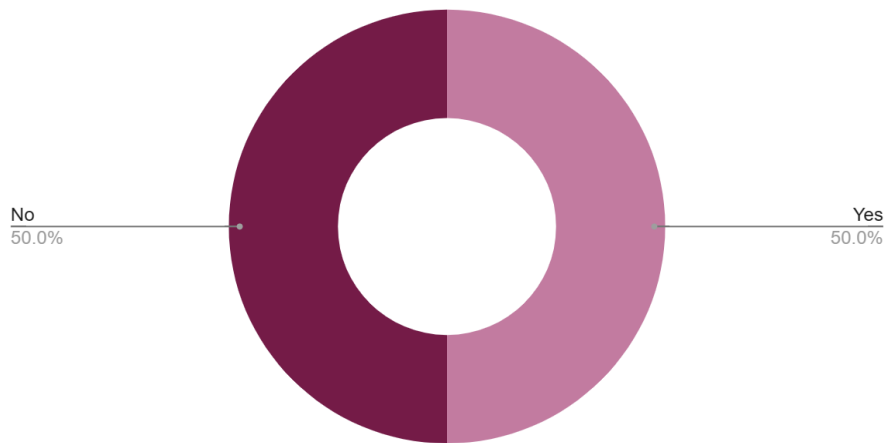
Figure 3: Percentage of agencies supporting companies to access other fast-track schemes, such as the Eurostars programme



As shown in Figure 3, a majority of agencies (61%) are also involved in supporting companies for the Eurostars programme, showcasing its importance in the European innovation ecosystem. These agencies adopt various methods to identify companies that would benefit from Eurostars and other fast-track schemes. These methods include organising information days, providing one-on-one support, and actively promoting the scheme among eligible companies.

The impact of these schemes on beneficiaries also varies, with some agencies reporting significant benefits in terms of international collaboration and market insights. Others, however, are still in the process of assessing the impact or report no substantial effect. Looking ahead, a third of the agencies not currently engaging with Eurostars intend to do so in the future, but 50% remain unsure.

Figure 4: Percentage of agencies supporting companies to access the EIC Pathfinder scheme



As presented in Figure 4, the EIC Pathfinder scheme is supported by half of the agencies, indicating a significant level of engagement with this initiative. Agencies supporting the Pathfinder scheme utilise diverse methods to identify eligible companies. These include networking with university liaison officers, organising informational and matchmaking events, and fostering close connections with research and academic institutions.

The impact of the Pathfinder scheme, similar to other initiatives, varies among agencies. Some have observed positive effects on the success of applicants and an increased interest among research and academic partners in the commercial aspects of their research. Yet, for those not currently engaging with the Pathfinder scheme, 20% plan to engage in the future, 30% do not, and 50% are undecided.

1.3 Other Activities and Future Plans

There are other EIC Accelerator-related activities that agencies provide. They offer a variety of support services, ranging from plug-in schemes to pitch training and strategic advisory services. For instance, one agency provides pitching training and strategic advisory services, while others offer support like proofreading and mock pitches.

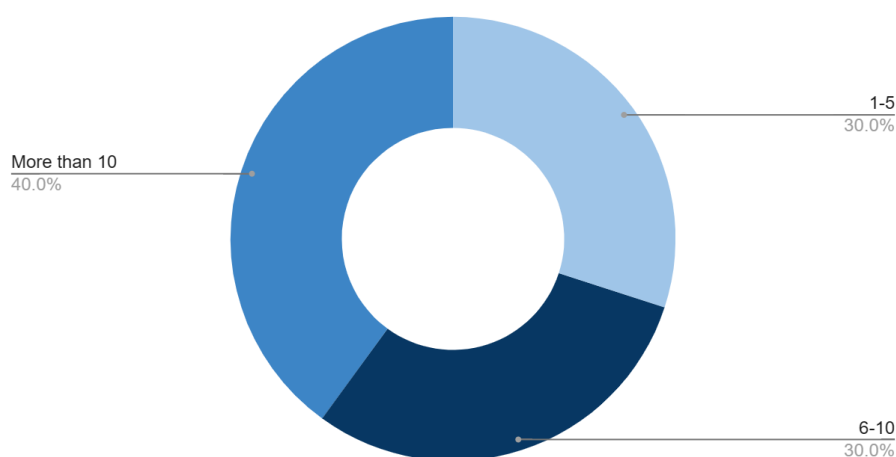
Looking to the future, 39% of agencies are planning to introduce new services or forms of support for accessing EIC funding. For instance, these new services are set to focus on cooperation with initiatives like EIT Manufacturing, and on creating pre-acceleration programmes for startups, which also intends to offer grants or vouchers for expert proposal writing support.

This evolving landscape presents opportunities for agencies to further enhance their support mechanisms, especially through the use of experimentation and rigorous testing. This would ensure that European innovators and entrepreneurs have the necessary resources and guidance to succeed in an increasingly competitive global market.

Part 2: European Structural and Investment Funds (ESIF) Funding

The ESIF represent a cornerstone of the European Union's investment in regional development and innovation. As presented in Figure 5, 40% of agencies manage more than ten ESIF-funded programmes, whereas 30% manage between one to five programmes and the remaining 30% manage between six and ten. A significant proportion of the respondent agencies, 60%, function as intermediary bodies, indicating a primary role in managing and dispensing ESIF funds.

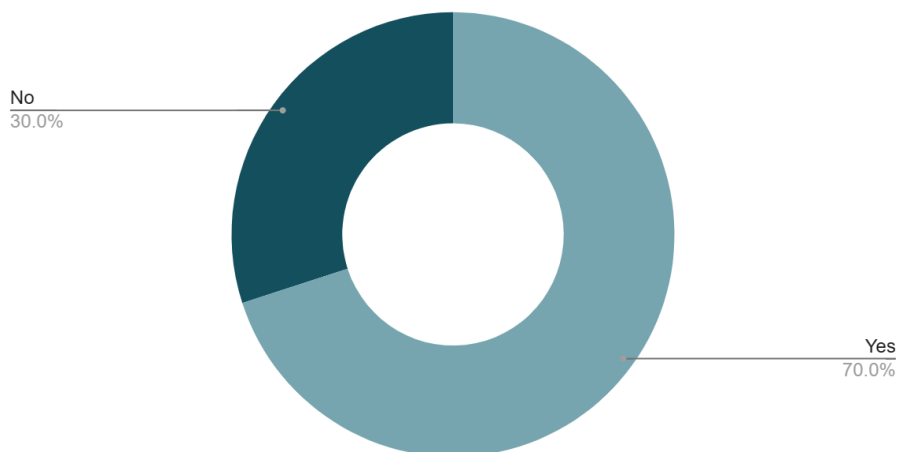
Figure 5: Percentage of ESIF-funded programmes managed by the agencies (including current programmes or completed programmes)



All participating agencies have a universal focus on supporting companies and universities/research institutes, underlining the broad scope of ESIF in fostering economic growth and innovation. Additionally, all agencies deal with the European Regional Development Fund (ERDF), reflecting the fund's central role in regional development across the EU. These agencies also place a strong emphasis on internal training for ESIF implementation, ensuring staff are well-equipped to handle the complexities of fund management.

Agencies are split in their involvement between national and regional programmes, with 40% engaged in each, showcasing a balanced approach to addressing both broader and more localised developmental needs. The widespread use of IT platforms for project implementation, evaluation, and monitoring underscores a drive towards efficiency and transparency. Agencies use data generated by these platforms for programming new operational programmes and evaluations, further enhancing the effectiveness of their work.

Figure 6: Percentage of agencies participating in international or EU networking and coordination initiatives on ESIF



When it comes to regulatory frameworks and funding mechanisms, we observe that there is a split among agencies on having a single detailed rulebook for ESIF funding implementation, reflecting diverse regulatory environments across the EU. The majority (70%) apply General Block Exemption Regulation (GBER) rules for state aid, indicating a preference for a standardised, EU-wide framework. The widespread use of Simplified Cost Options (80%), especially unit costs and flat rates, primarily focused on inputs like salaries and indirect costs, demonstrates an effort to streamline funding processes. Agencies predominantly rely on statistical and historical data for calculating these standard scales of unit costs.

Agencies encounter various challenges in implementing standard scales of unit costs, including issues related to market relevance, statistical calculations, and administrative burdens due to staff changes. The minimal use of financing not linked to costs (10%) and the majority (80%) conducting on-the-spot checks reveal a commitment to project monitoring and compliance.

Regarding procurement practices there is significant variation in practices among private sector beneficiaries, reflecting differing national regulations and the complexity of adhering to public procurement laws. Most agencies (67%) do not offer combined beneficiary packages of different funds or instruments, suggesting either a lack of demand or challenges in integrating different funding streams.

However, the main challenges in the implementation of ESIF-funded projects include monitoring compliance with public procurement and state aid rules, coordinating with managing authorities and other bodies, and balancing regulatory constraints with the feasibility of administrative procedures. These challenges highlight the need for continuous adaptation and improvement in fund management practices to ensure efficient and effective deployment of ESIF resources.

Part 3: Conclusions and recommendations from Policy Forum discussions

The workshop with DG RTD and the Policy Forum featured keynote presentations from a expert speakers and a panel discussion, which included representatives of innovation agencies, the European Commission officials and intermediary organisations:

- Enterprise Ireland
- ANI Portugal
- Invitalia
- DG RTD
- DR REGIO
- European Training Centre Paris

A number of key themes were raised across the presentations and the discussion², with implications for innovation agencies summarised below:

- **Interoperability is key to determining the best role for innovation agencies:** many speakers emphasised the importance of identifying complementarities and places where national activities by agencies can be more closely aligned with European initiatives, including the EIC and associated programmes. There is plenty of guidance available for this, but it would be helpful to have more tangible discussions about the practical challenges being experienced, as well as examples of where the synergies are working well.
- **Agencies need to think about where they can add specific value:** the examples shared by national agencies highlighted where there might be risks of duplicating or pre-empting work already being done, for example, if agencies are running accelerator programmes for companies that offer the same kinds of support that the EIC does. There was also discussion of how agencies could use the Seal of Excellence initiative to target their support for promising companies that miss out on EIC funding.
- **There is scope for broadening the role of innovation agencies in creating effective innovation ecosystems:** discussants reflected on what more agencies could be doing - beyond preparing individual companies to apply for EIC funding - that could have a wider impact on their national innovation systems. For example, it was suggested that there could be more focus on developing non-funding services, including in partnership with other parts of government, such as building regulatory sandboxes.
- **Innovation agencies can serve as a one stop shop for managing the absorption of Structural Funds:** panellists noted that red tape and unnecessary bureaucracy was making absorption difficult, and that agencies should be trusted as much as possible to manage these processes end to end.

² See slides for further detail of specific presentations