



**REGIONS
& CITIES**

European Week
Brussels 7-10 October 2019

Innova-FI: Collaboration for better Policy Design

Alexandre Almeida

National Innovation Agency - Portugal



**European Committee
of the Regions**

INNOVA FI: the topic

- FI's are important elements in the implementation of innovation policy and, especially, in promoting a new landscape of innovative businesses;
- Although popular, in developing regions we witness different issues:
 - Shallow equity market
 - Higher relative price
 - Overlapping of instruments coexisting with market failures



**REGIONS
& CITIES**

European Week
Brussels 7-10 October 2019

INNOVA FI: the goals

- Work together in better understanding the landscape and creating a harmonized conceptual architecture for the FI system;
- Improving the design and implementation of Financial Instruments as a delivery mode of Structural Funds;
- Establishing borderless partnerships for better policy design.





**REGIONS
& CITIES**

European Week
Brussels 7-10 October 2019

INNOVA-FI: the approach

1. **MAPPING TOOL:** Regional identification and analysis, 'Financing innovation in regions' using IVACE tool, allowing to know the state-of-play and starting point in the different partner regions, and will allow to make a consistent comparison between regions
2. **EXCHANGE OF EXPERIENCE:** Peer-learning through study visits and thematic workshops
3. Joint development of **ACTIONS PLANS**





**REGIONS
& CITIES**

European Week
Brussels 7-10 October 2019

INNOVA-FI: the partners

8 EU countries/regions

- | | |
|---|--------------------------------|
| 1. Portugal (represented by ANI) | 5. Lithuania (INVEGA) |
| 2. Spain (IVACE) | 6. Poland (ARRSA) |
| 3. Belgium (SERN) | 7. Slovenia (GODC) |
| 4. Italy (Friuli Innovazione) | 8. Greece (KEPA) |



**European Committee
of the Regions**



**REGIONS
& CITIES**

European Week
Brussels 7-10 October 2019

The setting of Portugal



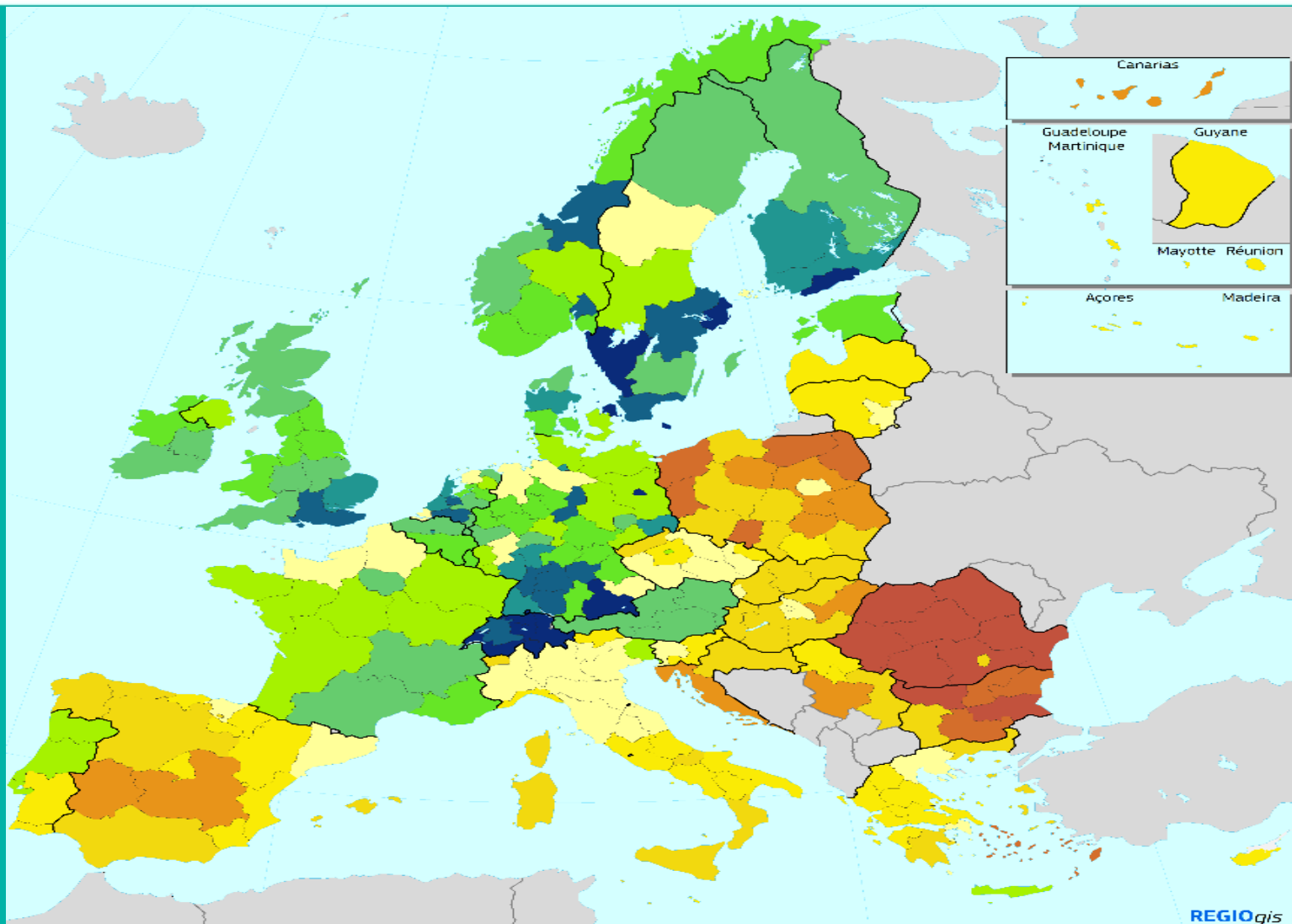
**European Committee
of the Regions**



**REGIONS
& CITIES**

European Week
Brussels 7-10 October 2019

The Portuguese miracle?



**European Committee
of the Regions**



**REGIONS
& CITIES**

European Week
Brussels 7-10 October 2019

The Portuguese miracle

- Portugal underwent a massive transformation on the economy and has progressed significantly in structuring its innovation system.
- In the process, the innovation system matured asymmetrically with human capital and research institutions adapting faster than the economy.
- A new breed of companies was necessary as well as an overhauling of the existing ones. Focus on pre-seed and seed.
- Next challenge: Scale-up and scale-out





**REGIONS
& CITIES**

European Week
Brussels 7-10 October 2019

The case study: Portugal Ventures



**European Committee
of the Regions**

Investment Strategy

- Target: creation of NTBFs – pre-seed and seed
- The underlying goal is to develop a new breed of firms
- Portugal ventures formed a network of more than 70 partners, allowing them to be connected to the main players of the Portuguese entrepreneurial ecosystem
- Portugal Ventures manages 7 funds in addition to private participants
 - In April 2018, Portugal Venture launched the Portugal Global Tech Competitiveness Venture Capital Fund



**REGIONS
& CITIES**

**European Week
Brussels 7-10 October 2019**

Portugal ventures



Tickets between 300k€ and 1.500€ depending on the sector and stage



We favour co-investment with Portuguese and international partners



Tranche payments made as each milestone is achieved



We hold a minority stake in the company's share capital



We have a seat on the company's Board of Directors



Digital

Enterprise, SaaS, Security, Networks, AI, VR/AR, Marketplaces, Blockchain, IoT



Engineering & Manufacturing

New Materials, Electronics, Robotics, Cleantech, Agrotech, Seatech



Life Sciences

Therapeutics, Digital Health, Diagnostics, Med Tech



Tourism

Innovative Accommodation, Tourist Entertainment Companies, Tour Operators, Wine, Nautical and Equestrian Tourism, Theme Parks, VR/AR, Mobile, IoT, AI, Marketplaces, Electronics, Clean Tech, Robotics

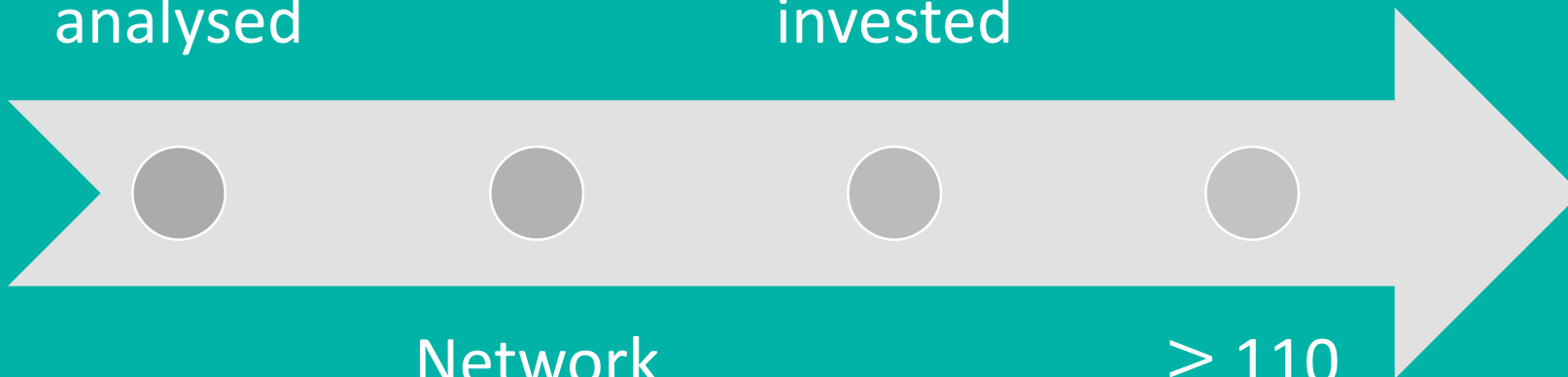
Operational approach



First level results

1811
projects
analysed

140M of
euros
invested



Network
+ 70
partners

≥ 110
start-ups
funded

Outlook

- The Regional Innovation Scoreboard demonstrates the relevant progresses made by Portugal, especially, in the recent upsurge in terms of firm-level innovation.
- In parallel, the Portuguese venture capital market is becoming structured and the market failure, although still existing, has been reduced. Nevertheless, it is still crucial to further promote economic transformation and the consolidation of these start-ups.
- The challenges are now moving from creating the recipient market (NTBFs) towards helping them to scale-up and scale-out. Through Portugal 2020 we have started to deploy other instruments to respond to this challenge (15 new venture capital funds were set up with around 200 million euros to invest - 60 contracts closed with a total amount of 43 million euros and an expected increase of around 724 jobs).



**REGIONS
& CITIES**

European Week
Brussels 7-10 October 2019

Thank you.

Alexandre Almeida

National Innovation Agency - Portugal



**European Committee
of the Regions**