

Empowering Women Innovators

Enhancing women's access to finance

4 April 2019, Brussels, Belgium

Background Information

We are surrounded by discouraging statistics:

- Only 29% of women in the EU are entrepreneurs;
- Only 6.3% of CEO positions in the EU are held by women;
- Only 10% of patents are made by women and
- Only 9% of partners in Venture Capital (VC) are women, *it is proven that investors invest in teams that look like them.*

There is no doubt that the gender investment gap is real in Europe and beyond. With all the efforts EASME is doing within the EIC, such as keeping a gender balance in the evaluation juries (over 60% of the jury members are women), we realize that the results that we yield are not enough as **less than 10% of EIC funded companies are led and/or owned by women.**

Objectives

This was the main trigger to organize a specific event targeting EIC women-led companies to showcase them as true role models for future women entrepreneurs and innovators and encourage them to apply to the EIC programme. The event was held in the heart of Europe, more precisely in the Berlaymont on **4th April, 2019** to raise awareness with **top-tier policy shapers, EIC companies and investors.**

The main objectives of the event were to:

- Highlight positive **role models** of successful women entrepreneurs and investors to inspire other women to follow their steps;
- Collect concrete ideas on **specific actions** the EIC could implement under its pilot that would increase the number of women in entrepreneurship and in the programme;
- Foster and facilitate the **building of business networks** in an exclusive setting through pitching sessions in front of investors and one-2-one meetings.

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With these points, **Mr Julien Guerrier**, Director of EASME opened the floor for an exciting and inspiring day full of fruitful discussions and ideas on concrete action points. **Mr Carlos Moedas**, Commissioner responsible for Research, Science and Innovation started with a motivational speech on the importance of mentoring women but also sharing successful and inspiring stories with them, followed by an announcement of the 13 short-listed candidates for the EU Prize for Women innovators 2019¹. Two of the nominated candidates are also EIC Phase 2 funded companies: Nuria Espallargas (Seram Coatings) and Cécile Real (Endodiag) showing the innovation and success of women-led EIC companies.

¹ https://ec.europa.eu/info/news/eu-prize-women-innovators-2019-thirteen-candidates-final-2019-apr-04_en

The event was followed by a speech by **Ms Luminita Odobescu**, Permanent Representative of Romania to the European Union. Romania has the highest number of women entrepreneurs in the EU and is also the second country in the EU with the highest number of women working in the ICT sector. She emphasized the importance of promoting and supporting female entrepreneurship by facilitating access to credit, cutting red tape and other obstacles faced by women, as well as mainstreaming a gender perspective in all EU policies. **Ms Shiva Dustar**, EIB Finance Advisor presented the preliminary results of the study on gender gap on research and innovation. While the statistics show a limited European pool of female-led companies and female entrepreneurs, there are some indications the glass is half full: women-led companies attract more investment in later stages and women-led companies outperform the market in terms of median revenues at later stages. She also indicated the geographical hot spots in Europe for investment in women-driven companies: UK, Sweden, Spain, Germany and France.

However, one might ask why are the statistics the way they are, why is it so challenging for women, especially in the very early stages of starting a business to access finance? This in a way presents a paradox as it has been proven that gender diverse companies are more likely to earn more. We explored the answers to these questions following the two panel discussions, one on *how to overcome financial barriers on the way to success* and one on *why investors should carefully look into investing in companies led by women*.

Panel 1 was moderated by **Ms Luisa Prista**, Head of Department A in EASME with four successful and passionate women, leading companies of their own which all received an EIC grant: **Ms Petra Wadström** (SE), CEO of Solvatten (also the winner of the EU Prize for Women Innovators 2017), **Ms Gitte Pedersen** (DK), CEO and founder of Genomic Expression, **Ms Sofie Quidenus-Wahlforss** (DE), CEO and founder of Omn:us and **Ms Corinne Versini** (FR), CEO of Genes'Ink. The underlying objectives of the panel were to understand the financial obstacles women face when starting businesses and accessing finance; what were their key drivers of success but also to collect concrete ideas on what the European Union can do to improve the current situation.

Unfortunately, it was clear from the very start of the discussion that women still face certain forms of discrimination when trying to raise money and are confronted with questions that men rarely receive, such as: "How are you going to raise your children?" It is also proven that when pitching, women receive *prevention questions* (what can go wrong?) while men receive *promotion questions* (how can it be successful?). However, things are slowly turning around as there is more awareness on these issues and VCs are also becoming mindful of the gender disparity in their portfolio. The panellists strongly encouraged women wanting to be entrepreneurs and innovators to go for it, as the investment ecosystem is starting to acknowledge the importance of investing in women-led companies and that the window of opportunity is opening.

When asked what were their key drivers to persist on building their businesses the response was unified - they want to change the World in a better way. They were all convinced that the return on investment is much more than money, it is also about the impact. Being proven that women have more empathy than men, living in a World where we are seeking more and more sustainable and impactful solutions and innovations, having women persistently in the decision-making positions is becoming of crucial importance. The panellists emphasized the significance of encouraging women's **self-esteem**, encouraging them to be **risk-takers** and giving them the right means of **support** when applying for funds and patents.

Panel 2 was moderated by **Mr Jean-David Malo**, Director of DG RTD and consisted of four venture capitalists: **Ms Kinga Stanislawska**, Founder of Experior Venture Fund, **Mr Ron Margalit**, Fouding Partner of Venture Kinetics, **Ms Victoria Hernandez**, Lead Investor at Rising Tide Europe and **Ms Rafaele Tordjman**, General Partner of Jeito and Founder of WITH. The underlying objectives of the panel were to explore why the investor ecosystem is heavily dominated by men, why it important to invest in women-led companies and finally collecting concrete ideas on actions that should be implemented to improve the current landscape.

Apart from the diversity of ideas and different perspectives, the main question of why it is important to invest in women-led companies and gender diverse teams was perfectly summarized by one panellist: *“The bottom line is that it’s good business”*. However, it was emphasized when a minority exists like in this case with the lack of women in entrepreneurship and investment, things will not drastically change unless there are follow-ups with concrete actions.

The afternoon programme consisted of two pitching sessions (6 companies per session) which were further on evaluated by a jury of experts. The sessions were moderated by **Mr Grzegorz Ambroziewicz**, Acting Head of Unit of SME Instrument and **Ms Ramona Samson**, Deputy Head of Unit of Investments & SMEs. All the pitching companies showcased convincing and innovative projects with high impact. The winners were: **Ms Corinne Versini** from Genes’Ink and **Ms Vivienne Williams** from Cellix. The event finished off with a closing speech Mr Julien Guerrier with an eye on the future followed by a networking cocktail.

Action points and conclusions

The dynamic and very interesting discussions resulted in a number of suggested action points:

- Fostering and supporting the creation of **networks and community**;
- **Early investment** in good ideas;
- Supporting **female-run capital funds** that invest specifically in women-driven companies;
- **Quotas** for approving funding (e.g. unless there is at least 40% women in the senior boards, the company cannot be funded);
- Creating a **specific fund and/or call** under the EIC pilot specifically aimed at women-driven companies;
- **Coaching and education** programmes (such as the “Emerging leaders programme” in the US, a programme aimed towards women leaders).

The reactions and follow-up from the event have been outstanding. The EIC hashtag with the keyword “women” gathered 1,23 million impressions on the day of the event (compared to the average 246 thousand the week before the event). The event showed how inspirational, hard-working and amazing women are highlighting them as true role-models. With all the objectives of the event being met, it is our duty now to encourage the implementation of the concrete action points collected through this event. As shown, this is not only a matter of fairness – it is an economic business case. In addition, women-led enterprises tend to operate in areas of higher societal impact.