Corporate Venturing Ecosystem

How Can Policymakers Better Support Corporate-Scaleup Collaborations in EU Deep-Tech?

Scaleup Series | Policy Report 1 out of 3

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Executive summary

A '**corporate venturing ecosystem**' is a group of agents (i.e., corporations, startups, and enablers) and their activities in the collaboration between established companies and innovative startups. Although 71% of the analyzed corporations plan to increase the share of deep-tech innovation firms in their portfolios, approximately 69% of these collaborations fail to achieve the expected results.

This report aims to shed some light on how policymakers can better support corporate-scaleup collaborations in deep-tech. Specifically, it explores how to improve the commercial and innovation collaboration with large corporations as well as medium-sized enterprises and midcaps (MEMs). The report is structured in four sections: an introduction to the topic, a stakeholder-policymaker comparison of priorities, a benchmark of EU and non-EU initiatives, and conclusions. It is based on a literature review, workshops, and surveys involving 49 experts, conducted to identify core challenges, benchmark initiatives, and explore potential mitigations.

Some of the main insights:

- **Evidence suggests Europe continues to face two persistent structural barriers** to these collaborations with scaleups, despite existing mechanisms. First, a corporate culture gap, characterized by misaligned KPIs, complex procurement processes, and slow pilot implementation. Second, a MEMs resource gap, reflected in short-term performance pressures, slower pilot execution due to limited resources, and the absence of dedicated innovation teams.
- **Mismatch in perspectives**: On challenges, policymakers place more weight on the absence of corporate innovation teams, while stakeholders emphasize MEMs resource constraints that delay pilots. On actions, the divergence continues: for corporates, stakeholders prioritize short-term operational tools such as co-financing and fast-pilot subsidies, whereas policymakers favor mid-term structural levers like tax incentives and the creation of innovation teams. For MEMs, stakeholders also assign higher value to micro-grants than policymakers do.
- **Benchmark lessons**: Structured collaboration frameworks (EIC Corporate Partnership Program) can support the bridging of corporate-startup gaps. Continuous public–private engagement (SGInnovate) can embed innovation leadership. Publicly-anchored venture client models (e.g., BIND 4.0) may de-risk corporate pilots while linking local industry to global talent. Cross-regional innovation platforms (EU-LAC Digital Accelerator) can mobilize organizations and funding as well as reduce fragmentation. Competitive global accelerators (K-Startup Grand Challenge) can streamline pilot execution, connecting innovative firms with conglomerates.
- **Converging priorities**: The analyzed experts align on three policy priorities: pilot acceleration, readiness funding, and micro-grants. While the EU Startup and Scaleup Strategy provides a solid foundation through initiatives such as the European Corporate Network, it may not yet fully address gaps in targeted fiscal or co-financing incentives for corporate engagement, tailored instruments for midcaps, and clear operational pathways linking corporate engagement with funding mechanisms.

Setting the scene

"We must enable Europe's startups and scaleups to grow, thrive in Europe, and compete globally."

Ekaterina Zaharieva

Commissioner for Startups, Research and Innovation
European Commission

"In Europe, we need to attract private investors in the later growth stage of companies for rapid scaling up, especially in deep tech. […] When we launched this initiative, the EIC Scaling Club, the objective was to create a community with the relevant stakeholders on the sides of technology, investment, and advising to provide additional means to the most promising innovative companies, […] the ambitious scaleups that will drive Europe's technological leadership."

Jean-David Malo

Acting Director of ERA and Innovation Directorate, Directorate-General for Research and Innovation
European Commission

Source: The first quotation is from *Science Business* (October 2024). The second quotation is from EIC Scaling Club's online interview (April 2024).
Note: The EIC Scaling Club is a curated community where more than a hundred EU deep-tech scaleups, with the potential to build world-class businesses and solve major global challenges, come together with investors, corporate innovators, and other industry stakeholders to spur growth.

1. Introduction

Corporate venturing ecosystem:
How can policymakers better support corporate-scaleup collaborations in EU deep-tech?

Relevance for the addressed readers

1. **Policymakers**
   Identifying challenges of deep-tech scaleups, possible policy interventions, and international examples.
2. **Deep-tech scaleups**
   Understanding the public authorities' approach through reference cases supporting corporate venturing.
3. **Deep-tech stakeholders**
   Contrasting policymaker and scaleup priorities, examples of practices, and possible gaps.

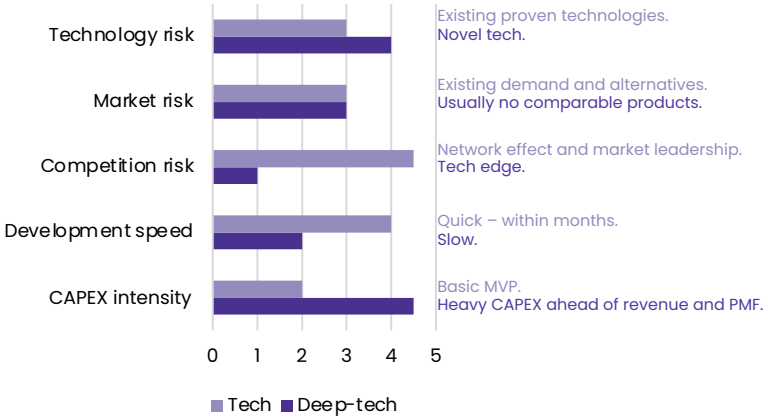
Note 1: 'Deep tech' is "a group of emerging technologies based on scientific discoveries or meaningful engineering innovations, seeking to tackle some of the world's fundamental challenges". For example: artificial intelligence, advanced materials, blockchain, photonics, etc. (IESE Business School, 2022).
Note 2: 'Scaleups' or 'scaling companies' refer to a subset of high-growth firms that have successfully navigated the early startup phase and entered a period of rapid growth (Journal of Business Venturing, 2003; OECD, 2021). They typically exhibit an average annual growth rate of more than 40% for at least two out of three years and have at least 10 employees at the beginning of this period. Moreover, they are 10 years old or younger. 'Scaling' is the organizational and strategic routines by which firms grow exponentially through the expansion, replication, and synchronization of resources and practices over time (Journal of Management Studies, 2023).

1. Introduction | Relevance of the topic

Deep-tech startups are different

They typically require longer time horizons, higher CAPEX, and greater technological and market risk.

Figure 1. Comparison of deep-tech vs. non-deep-tech startup characteristics



Source: IESE Business School (2021) and McKinsey (2022). Note: CAPEX is capital expenditure. MVP is a minimum viable product. PMF is product-market fit.

Increased adoption, high failure rate

Although 71% of the corporations analyzed plan to increase the share of deep-tech startups and scaleups in their portfolios, approximately 69% of their collaborations with innovative firms fail to achieve the expected results.

71%

Ongoing growth

69%

Failure rate

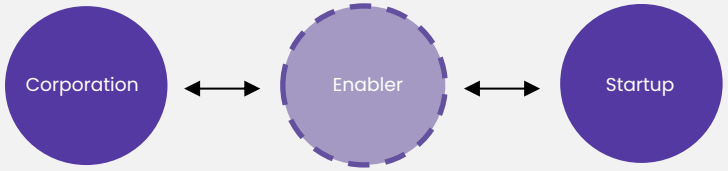
Source: MIT Sloan Management Review (2022) and IESE Business School (2018).

Definitions

Corporate venturing ecosystem: A group of agents (i.e., corporations, startups, and enablers) and their activities in the collaboration between established companies and innovative startups.

Corporate venturing enabler: An institution or individual within an innovation ecosystem that facilitates resources or activities enabling collaboration between an established company and a startup, allowing the corporation to attract and adopt innovation.

Figure 2. The Role of Enablers in Corporate Venturing Collaborations



Source: Siota, J., and Prats, M. J., IESE Business School (2021 and 2020). Note: A 'CV enabler' can be a government.

1. Introduction | Additional definitions and acronyms

Corporate Venturing (CV): It is the collaboration framework that acts as a bridge between innovative and disruptive startups and established corporations.

CVC: Corporate Venture Capital.

EIC: European Innovation Council.

EU-LAC: European Union–Latin America and Caribbean.

Fast-Pilot Subsidies: Financial support provided to accelerate pilot projects, enabling quicker testing and validation of innovations before full commercialization.

KPI: Key Performance Indicator.

MEMs: Medium-Sized Enterprises and Midcaps.

Midcaps: Companies that are larger than SMEs but smaller than large corporates, balancing growth potential and moderate risk.

Pilot: A small-scale, time-limited implementation of an innovation designed to test feasibility, gather evidence, and refine solutions before wider rollout.

Pilot-to-Commercial Voucher: A financial incentive or grant that supports the transition of a pilot project into full commercial production, often provided by government or industry bodies.

R&D: Research and Development.

SME: Small and Medium Enterprises.

Strategic Partnership: Within the corporate venturing framework, these are alliances between corporations and startups to develop and pilot innovative solutions together.

Tax Relief: Government incentives that reduce taxes to encourage a specific action.

Top-Ups: Additional funding or resources granted to ongoing projects or procurement schemes to extend their scope, increase scale, or accelerate impact without launching a new program.

Unicorn: A privately held startup valued at €1B or more, typically in tech, driven by venture capital and rapid growth.

Valley of Death: The funding gap startups face moving from R&D to commercialization due to high costs and risks.

Venture Client: A specific type of strategic partnership and a highly integrated tool that corporations can use to purchase the first unit of a startup's product, service, or technology when the startup is not yet mature enough to become a client. In this way, corporations can "lock" the collaboration at an early stage.

Vouchers: Targeted financial instruments that provide startups, SMEs, or public buyers with limited funding to access services, expertise, or technologies, lowering entry barriers to innovation.

Wet Bevordering Speur- en Ontwikkelingswerk (WBSO): It is a Dutch R&D tax credit scheme that reduces the wage tax and social security contributions associated with R&D activities.

Source: Prepared by the authors from multiple sources (see Annex 1: Methodology and Annex 4: References).

2. Focus

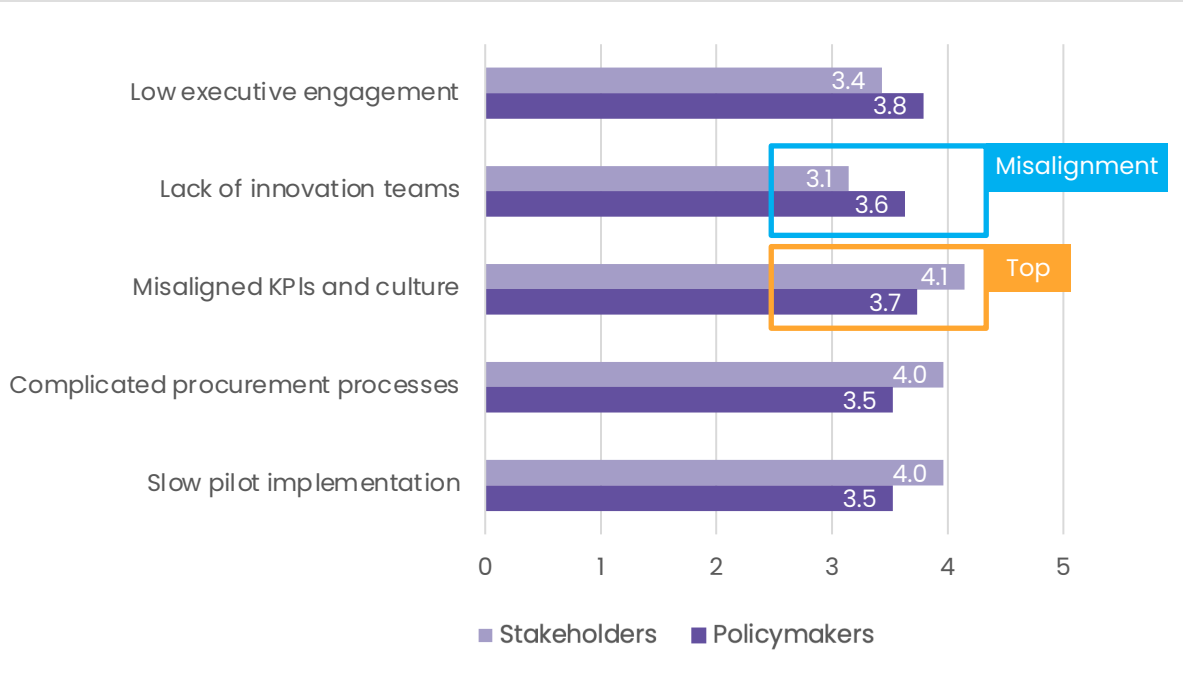
2. **Focus** | Core challenges and priority actions

Sub-question	Core challenges faced by EU deep-tech scaleups to be improved by policymakers	Description	Priority actions to be implemented by EU policymakers	Description	Policy lever type
How to better support the commercial and innovation collaboration with **large corporations?**	**Low executive engagement**	Limited involvement from top executives (i.e., CEO, board).	**Leadership-level incentives**	Innovation tax reward linked to C-level signed pilots that move to commercialization.	Direct financial support
	Lack of innovation teams	Dedicated to open innovation and corporate venturing.	**Dedicated innovation teams**	Support the creation of cross-functional open innovation teams.	Direct financial support
	Misaligned KPIs and culture	Performance metrics and organizational culture between corporate-scaleup.	**Tax reward tied to innovation impact**	Tax-reward corporates for meeting Innovation-focused KPIs.	Direct financial support
	Complicated procurement processes	Corporate procurement: complex, resource-intensive, with no clear financial or strategic benefit for startups.	**Conditional co-financing**	Funding only if pre-approved corporate onboarding guidelines/tools are used.	Direct financial support
	Slow pilot implementation	Delays in scaling pilots due to different project timelines and processes.	**Fast-pilot subsidies**	Subsidize quick-start pilots to reduce friction.	Direct financial support
How to better support the commercial and innovation collaboration with **medium-sized enterprises and midcaps (MEMs)?**	**Executive disengagement**	Limited focus from leadership on driving innovation due to operational pressures.	**Pilot-to-commercial vouchers**	Support MEMs test and adopt deep tech, with additional top-ups if adopted commercially.	Direct financial support
	No dedicated innovation teams	Absence of specialized teams to manage and implement innovation initiatives.	**Innovation coaching**	Provide hands-on support to MEMs via local hubs.	Infrastructure
	Short-term performance focus	Often prioritizing immediate business outcomes over long-term innovation and growth initiatives.	**Tax reward tied to innovation impact**	Tax-reward MEMs for meeting innovation-focused KPIs.	Direct financial support
	Lack of innovation incentives	Budget, incentives, and resource constraints to encourage innovation.	**Micro-grants for pilots**	Give MEMs vouchers to co-found innovation with deep-tech scaleups.	Direct financial support
	Resource lack causing pilot delays	Resource limitation.	**Scaleup-readiness top-ups**	Fund not only tech personal needs but also, pilots with bonus grants if they lead to procurement or full adoption.	Direct financial support

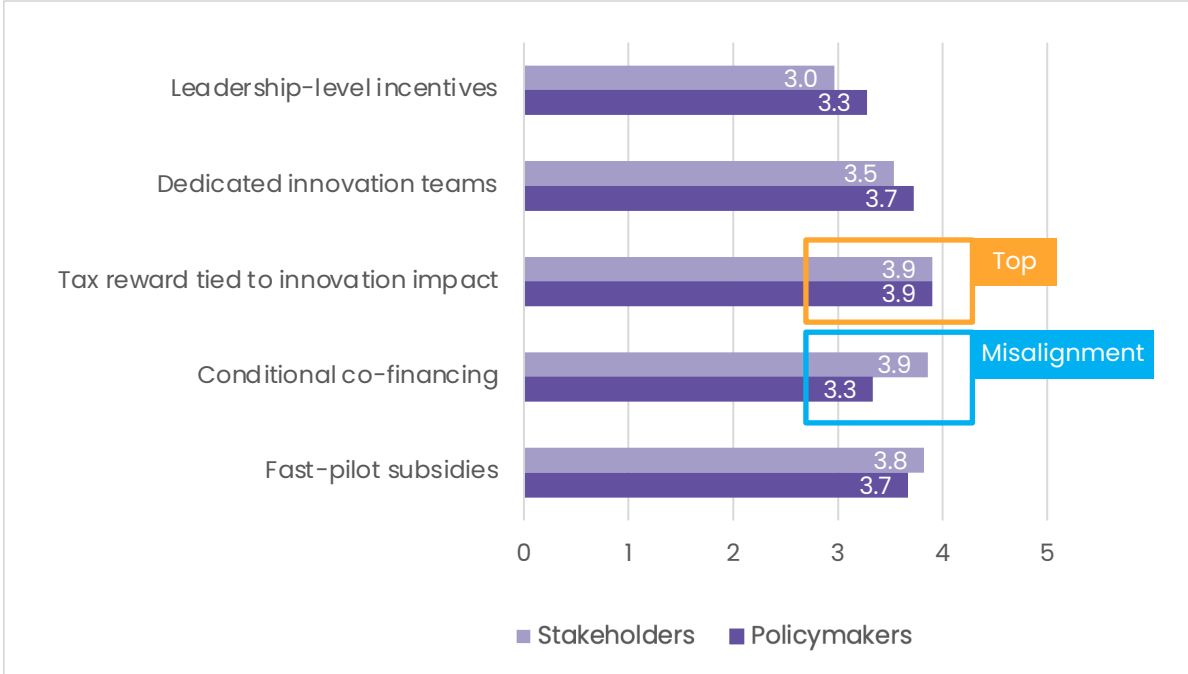
2. Focus | Core challenges and priority actions

With large corporations

Challenges



Actions

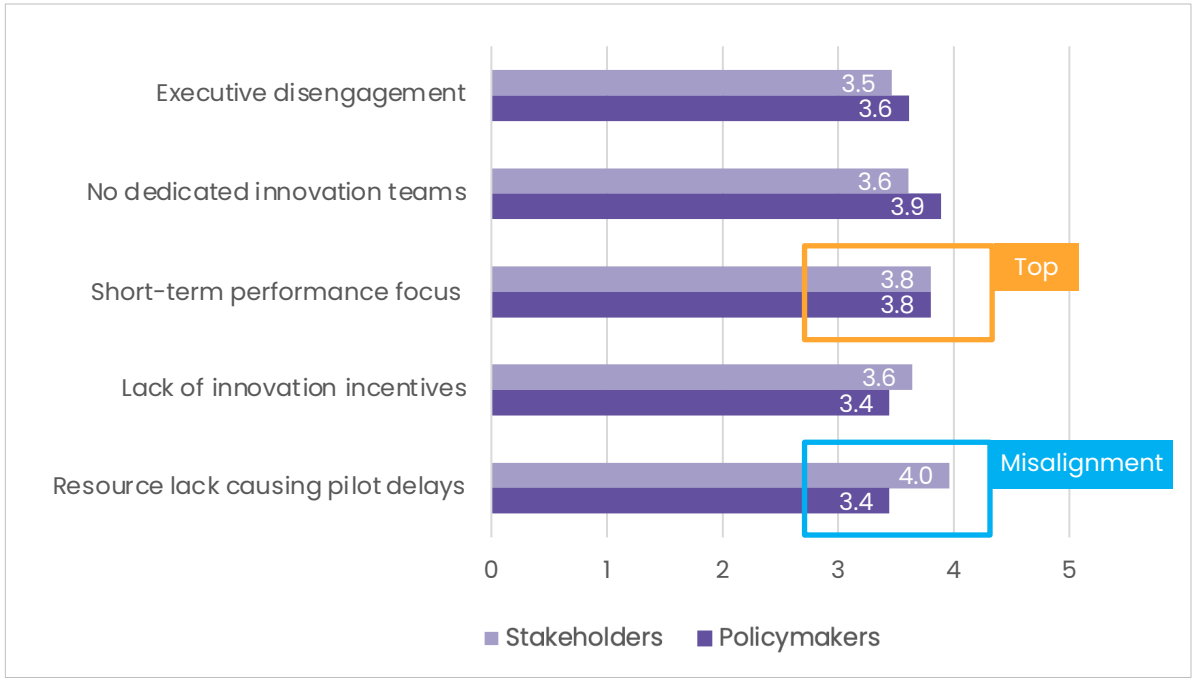


Source: Prepared by the authors (see Annex 1: Methodology). N = 49 (43% are policymakers and 57% are expert stakeholders, including investors, corporations, mentors, and companies).
Note: In the horizontal axis, 0 means "least important" and 5 refers to "most important". Data were reviewed at the date of publication. Misalignments are only highlighted when the difference is above 0.5/5.0. In the visualization, the numbers are rounded to one decimal place.

2. Focus | Core challenges and priority actions

With medium-sized enterprises and midcaps (MEMs)

Challenges



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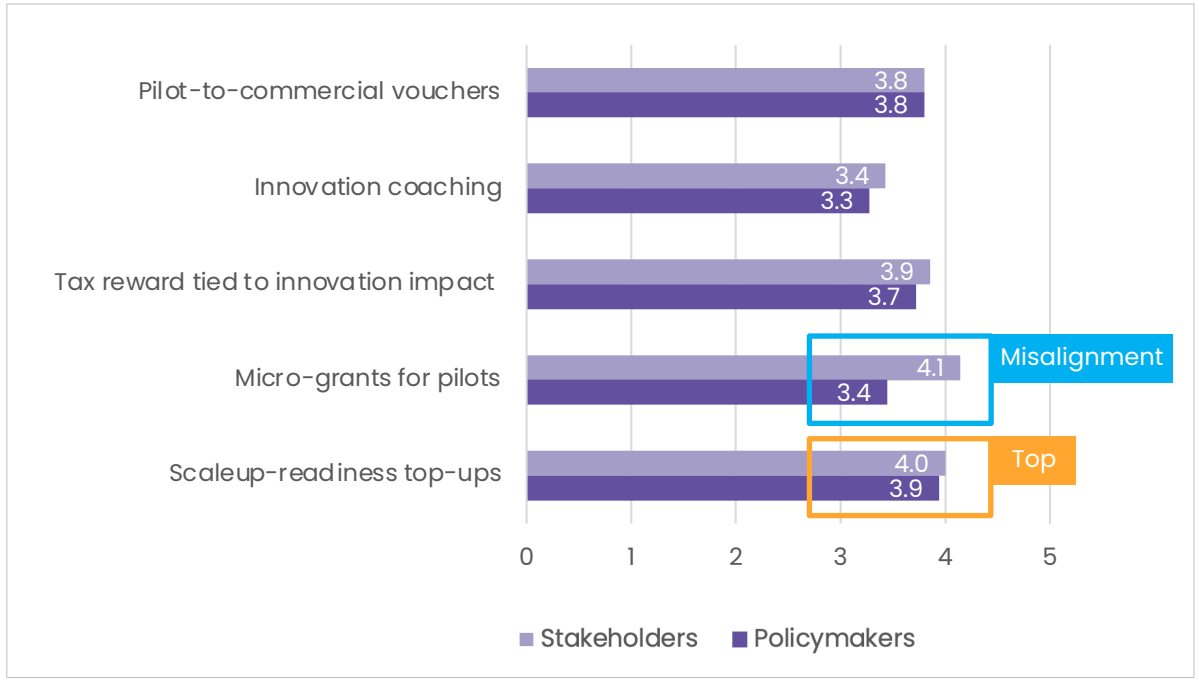

Source: Prepared by the authors (see Annex 1: Methodology). N = 49 (43% are policymakers and 57% are expert stakeholders, including investors, corporations, mentors, and companies).
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2. **Focus** | Learnings about the **challenges**

With large corporations

1. **Top shared pain point: Misaligned corporate-scaleup KPIs and culture:**
   - Data: Rated by policymakers 3.7/5.0 and stakeholders 4.1/5.0 (page 12).
   - Context: Corporate KPIs often prioritize short-term revenue and efficiency targets, while organizational cultures tend to resist the experimentation and calculated risk-taking required for innovation partnerships. This combination can hinder effective collaboration with deep-tech scaleups. For example, companies that have addressed this, such as Siemens and Unilever, have introduced innovation-oriented KPIs (e.g., sharing of revenue from products launched in the last three years) and complementary cultural initiatives like intrapreneurship programs to normalize collaboration with startups.

2. **Misalignment: Lack of corporate innovation teams for open innovation and corporate venturing:**
   - Data: Rated by policymakers 3.6/5.0 and stakeholders 3.1/5.0 (page 12).
   - Context: Policymakers recognize the need for corporate teams to manage open innovation and venturing. Stakeholders also see them as under-resourced or absent. This gap hinders startups from scaling through corporate partnerships. While firms like Enel and Bosch have strong units, there are many without, leaving deep-tech scaleups without clear entry points.

With medium-sized enterprises and midcaps

3. **Top: Short-term performance focus from MEMs:**
   - Data: Rated 3.8/5.0 by both policymakers and stakeholders (page 13).
   - Context: Many MEMs focus on short-term results over strategic innovation, limiting engagement with scaleups on high-risk, transformative projects. This short-termism might prevent deep-tech solutions from reaching maturity or market scale. However, some firms (e.g., advanced manufacturing) now adopt dual-track strategies, balancing short-term revenue targets with a fixed percentage of multi-year startup collaborations.

4. **Largest misalignment: Resource limitations, causing pilot delays in MEMs:**
   - Data: Rated by policymakers 3.4/5.0 and stakeholders 4.0/5.0 (page 13).
   - Context: Policymakers see resource constraints in MEMs as a barrier to the timely execution of innovation pilots, while stakeholders report that limited budgets, staff, and technical capacity often lead to delayed or scaled-down collaborations with startups. This mismatch may slow the path from prototype to market adoption. Some MEMs address this by leveraging co-funded pilot programs—such as regional innovation vouchers or EU cascade funding—which cover part of the costs and provide external expertise to accelerate pilot implementation.

2. **Focus** | Learnings about the **actions**

With large corporations

A **Top action: Tax reward tied to innovation impact:**

- Data: Rated 3.9/5.0 by both policymakers and stakeholders (page 12).
- Context: This action offers tax incentives for corporates that meet innovation KPIs, like the revenue share from new products or pilots scaled to market. Policymakers rate it highly for aligning with measurable outcomes, while stakeholders might worry about compliance cost and verification processes. For example, in the Netherlands, WBSO tax credits for R&D activities linked to performance metrics encourage long-term corporate innovation.

B **Largest misalignment: Conditional co-financing:**

- Data: Rated by policymakers 3.3/5.0 and stakeholders 3.9/5.0 (page 12).
- Context: Stakeholders might value it as a way to share early pilot costs and reduce adoption risk for corporates, while policymakers might rate it lower due to concerns over administrative complexity and monitoring requirements. Although co-financing can incentivize earlier engagement, its design would need to remain simple and compliant with existing state-aid and procurement rules to gain broader policymaker adoption.

With medium-sized enterprises and midcaps

C **Top action: Scaleup-readiness top-ups:**

- Data: Rated by policymakers 3.9/5.0 and stakeholders 4.0/5.0 (page 13).
- Context: The scaleup-readiness top-ups refer to expanding funding beyond technical and personnel costs to cover pilot implementation, with bonus grants awarded if pilots result in procurement contracts or full adoption. This approach rewards outcomes, reduces financial risk for MEMs, and accelerates the path from prototype to market entry.

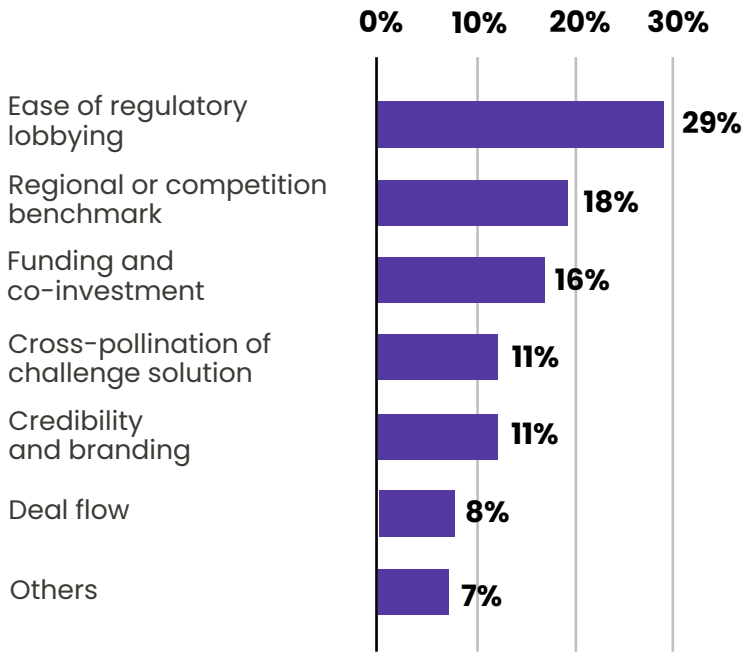
D **Largest misalignment: Micro-grants for pilots:**

- Data: Rated by policymakers 3.4/5.0 and stakeholders 4.1/5.0 (page 13).
- Context: The action proposes giving vouchers to MEMs for co-funding innovation pilots with deep-tech scaleups, lowering the entry barrier for collaboration. Policymakers rated it moderately, possibly due to concerns about administrative complexity and monitoring, while stakeholders value it highly for its ability to de-risk early engagement and speed up proof-of-concept stages. For example, the Eurostars program and several national voucher schemes (e.g., the Netherlands' MIT Innovation Vouchers) have successfully enabled SMEs to test and adopt cutting-edge solutions by covering part of the pilot costs, fostering faster scaleup-corporate partnerships.

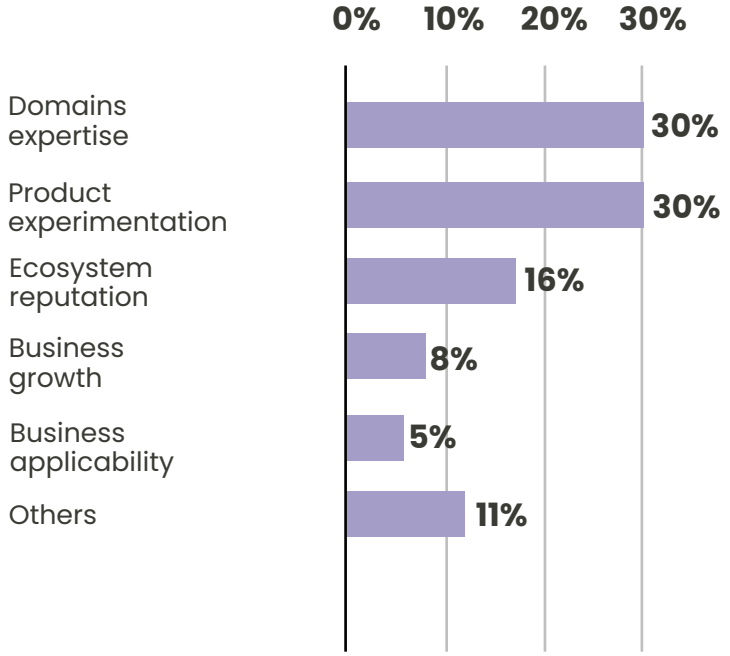
3. Benchmark

3. **Benchmark** | Context: Mutual benefits

What a corporation **wants** from a government *



What a corporation can **provide** to a government *



Source: Data and analysis from Siota, J. and Prats, M. J. (2021).
Note: The percentages reflect the relative importance of each aspect and have been rounded to the unit. A government is a type of corporate venturing enabler. 'Ease of regulatory lobbying' refers to the support that corporate venturing enablers provide to help improve the innovation environment by facilitating regulatory adjustments and offering instruments that support those changes.

3. **Benchmark** | Some examples

		EU					Non-EU		
		Continent	Continent	Cross-continent	Continent	Regional	Cross-continent	Country	Country
Intended corporate outcomes from initiatives	Corporate interest	EIC Corporate Partnership Program	EIC Corporate Matching	EU-LAC Digital Accelerator	Startup Europe Partnership	BIND 4.0	ESA Commercial. Gateway	K-Startup Grand Challenge	SGInnovate
Ease of regulatory lobbying	29%	✓			✓		✓		
Regional or competition benchmark	18%			✓	✓	✓			
Funding and co-investment	16%	✓	✓	✓	✓	✓	✓	✓	✓
Cross-pollination of challenge solution	11%	✓	✓	✓	✓	✓		✓	✓
Credibility and branding	11%	✓			✓	✓	✓	✓	✓
Deal flow	8%	✓	✓	✓	✓	✓	✓	✓	✓
Others	7%				N/A				

Source: Data and analysis from IESE Business School with internal and public data.
Note 1: The percentages reflect the relative importance of each aspect and have been rounded to the unit.
Note 2: The regulatory lobbying in the case of ESA CG is limited to technical standards.
Note 3: The checkmarks do not indicate the quality or intensity of its implementation but the presence of the objective.
Note 4: ESA, an intergovernmental organization independent from the EU, implements the European Launcher Challenge. ESA has 23 Member States, including non-EU countries.

3. **Benchmark** | EU examples: EIC Corporate Partnership Program

1 Challenge

- **Strategic collaboration between deep-tech startups and EU corporates is hindered** by cultural differences, lack of structured engagement frameworks, and misaligned KPIs.

2 Workshop voice

"It's important to incentivize corporations to support startups during their valley of death."

Benoît Samanos | Chief Operating Officer, Mecaware

3 Action

- The **EIC Corporate Partnership Program** acts as a corporate venturing enabler. It aims to provide structured intermediation between deep-tech startups and corporates through matchmaking, pilot projects, and co-investment facilitation to accelerate commercialization.
- In line with recent EIC findings on corporate-startup collaboration, the program supplies tools, onboarding pathways, and shared resources that lower coordination costs and align incentives between them.
- It bridges corporate innovation gaps by offering KPI-aligned collaboration frameworks, access to corporate infrastructure and customers, validation opportunities, and support for pilot scaling and follow-on investment.
- Participating corporates include Holcim, ABB, and L'Oréal.

4 Potential impact

- **Short-term**: Since its inception in 2017, the program has enabled more than 1,500 collaborative engagements between startups and corporates, involving over 120 major corporate partners and resulting in over 100 formal business agreements, and embedding structured innovation channels into the EU deep-tech ecosystem.
- **Long-term**: Fostering the growth of companies and channeling high-return investment into hardware and other deep-tech sectors. Over time, the program strengthens the maturity of the ecosystem through sustained corporate commitment and institutionalized innovation capabilities.

Source: EISMEA (2025) and EIC (2025b).

3. **Benchmark** | EU examples: EU-LAC Digital Accelerator

1 Challenge

- **Startups and scaleups in Europe, as well as Latin America and the Caribbean (LAC), face fragmentation** and limited cross-regional collaboration, restricting access to markets, partners, and investors needed for scaling deep-tech innovations.

2 Workshop voice

"Consider intermediate innovation centers that connect corporates with startups, helping firms publish challenges and match them with startup solutions."

Anya Eldan | Partner, Edge Medical Ventures

3 Action

- The **EU-LAC Digital Accelerator** is a five-year EU-funded program that connects corporations, startups, investors, and accelerators across Europe, Latin America, and the Caribbean.
- It fosters digital transformation and sustainability through cross-regional partnerships. It enables structured matchmaking as well as co-creation, and de-risks market entry with tailored acceleration services, while increasing visibility.
- Participants gain access to a network of more than 1,000 organizations as well as support for pilots. Since its inception, it has facilitated matchings, PoC and pilots, with growing involvement from major companies like Volvo Group, DHL, Essity, Henkel, L'Oréal, and Walmart Mexico, among many others.

4 Potential impact

- **Short-term**: Access to a network spanning 1,000+ organizations across regions, including startups, corporates, and investors. Tailored acceleration services valued up to €30K (€40K if Caribbean partners are involved) per selected partnership. Support pilot projects.
- **Long-term**: A sustainable EU–LAC innovation ecosystem embedded into corporate open-innovation strategies, reducing fragmentation between regions, and the possibility to replicate the model to other geographies, enhancing Europe's and LAC's role in global innovation networks.

Source: EU-LAC Digital Accelerator (2024).

3. **Benchmark** | EU examples: BIND 4.0

1 Challenge

- **Deep-tech firms struggle to access industrial clients** and convert pilots into commercial contracts, while corporations need structured, low-risk mechanisms to test and adopt external innovation.

2 Workshop voice

"There are many national-level initiatives to support corporations in these collaborations. However, these companies still lack a clear EU-level overview of innovation initiatives and startups they could work with."

Jasmina Popovska | Head of Investments, EIT Manufacturing

3 Action

- **BIND 4.0**, led by the Basque Government (Spain) through SPRI Group, is a public-private acceleration platform, connecting large industrial corporations under a venture-client model, where corporates pay for pilot projects with startups instead of taking equity.
- It engages more than 80 corporate partners across advanced manufacturing, energy, health tech, and food tech: e.g., Mercedes-Benz, Iberdrola, and Siemens Gamesa.
- In 2023, 777 startups from 76 countries applied (84% from outside Spain), demonstrating strong international reach.
- By integrating startups into local industrial supply chains, the program strengthens the Basque innovation ecosystem and offers corporates a structured, low-risk channel to test and adopt external innovation.

4 Potential impact

- **Short-term**: Since 2016, it has connected over 200 startups and 100 corporates, resulting in more than 300 pilot projects worth a combined €7.7M in startup revenues. Each edition generates roughly 25–30 new corporate-startup collaborations, with average contract values of about €40K.
- **Long-term**: The program aims to deepen collaboration among Basque industrial clusters, embedding startups as long-term suppliers and technology partners, and consolidating the region as a benchmark ecosystem for corporate-startup/scaleup innovation within Europe.

Source: BIND 4.0 (2023-2024).

3. **Benchmark** | Non-EU examples: SGInnovate

1 Challenge

- Singapore's deep-tech startups, largely emerging from academic research, faced **severe barriers scaling to market**.

2 Workshop voice

"Policymakers can enable and facilitate the conditions of market access for SMEs and scaleups."

Bernd Wacker | Principal Key Expert Digital Industries, Siemens
Mentor, EIC Scaling Club

3 Action

- The **Singapore Government Innovation Platform (SGInnovate)**, launched in 2016, is a government-owned platform with a mandate to bridge the commercial "valley of death" of startups. It acts as both a strategic investor and a public innovation intermediary, connecting startups to capital, talent, corporates, and global markets.
- It directly tackles key bottlenecks by combining investment, talent development, matchmaking, and global scaling opportunities within a single public platform. It orchestrates and coordinates resources across government and private stakeholders, enabling research-driven startups to mature into scaleups and become commercially viable.

4 Potential impact

- **Short-term**: Targeting over 500 startups by 2025, nearly tripling 2022 levels, and training/placing over 900 apprentices via programs like Summation, Infinity Series, PowerX, and Helix Immersion. Expected to generate more than 10,000 talent-to-company connections yearly, addressing manpower gaps, boosting R&D capabilities, and accelerating commercialization.
- **Long-term**: It has an integrated model by linking public funding, talent development, corporate matchmaking, and global networks. Builds a robust deep-tech ecosystem, scaling research-led ventures and deepening corporate–startup collaboration in Singapore.

Source: SGInnovate, (2023, 2025) and INESC-ID (2024).

3. **Benchmark** | Non-EU examples: K-Startup Grand Challenge

1 Challenge

- Korea, despite global industrial and R&D strength, **struggled to attract international deep-tech startups**.

2 Workshop voice

"If a scaleup cannot demonstrate real revenue from customers, it will struggle to attract venture capital investment."

Tero Sarkkinen | Founder and CEO, Basemark
Member, EIC Scaling Club

3 Action

- The **K-Startup Grand Challenge**, launched in 2016, is a government-led accelerator helping global deep-tech companies enter Korea through a three-phase program:
  - Market Exploration: 80 startups get virtual strategic mentoring.
  - Market Entry: 40 teams relocate to Korea for 3 months of intensive support and networking.
  - Market Growth: Top 20 teams receive grants and pilot opportunities with major conglomerates.
- It aims to de-risk international entry and connect startups with the Korean industry, investors, and innovation infrastructure.

4 Potential impact

- **Short-term**: It draws intense global competition: 2,626 applications in 2025 for just 80 slots. Selected startups receive up to ~€0.5M in equity-free support, immediate incorporation in Korea, and direct access to over 20 major conglomerates for pilots and co-development.
- **Long-term**: The program has supported 1,000+ global startups since 2016, embedding them in Korea's R&D and supply chains, fostering two-way tech transfer, and building a global alumni network that strengthens investment flows and talent mobility. With growing emphasis on deep-tech sectors like AI, robotics, health tech, and agritech, this initiative enhances Korea's role as a regional innovation hub for the Asia-Pacific.

Source: Ministry of SMEs and Startups (2025), KoreaTechDesk (2025), SME Peaks (2025), and K-Startup Grand Challenge (2025).

3. **Benchmark** | Learnings

Despite the diversity of existing EU programs, evidence suggests that two structural barriers persist in Europe's deep-tech collaboration between established companies and scaleups. First, a corporate culture gap, characterized by misaligned KPIs, complex procurement processes, and slow pilot implementation. Second, a MEMs resource gap, reflected in short-term performance pressures, slower pilot execution due to limited resources, and the absence of dedicated innovation teams. Below are the takeaways from some of the analyzed cases:

Cultural gap: Insights from mitigation efforts

1. **Structured collaboration frameworks may help bridge corporate-startup gaps:**
   The EIC Corporate Partnership Program has facilitated 1,500+ collaborations, 120+ corporates, and 100+ formal agreements, embedding innovation channels and accelerating commercialization within Europe's deep-tech ecosystem (page 19).
2. **Continuous public–private engagement appears to foster innovation leadership:**
   SGInnovate has supported 500+ startups and generated 10,000+ talent–company connections yearly, combining investment, training, and matchmaking to turn research-driven startups into commercially viable scaleups (page 22).
3. **Publicly-anchored venture client models may de-risk corporate pilots while linking local industry to global talent:**
   BIND 4.0 has run 300+ paid pilots (€7.7M), showing how public venture-client models support the de-risking of startup/scaleup collaborations with their 80+ corporate partners. Despite its regional scope, it has recently attracted 700+ startups from 70+ countries, linking local industry with global deep-tech talent. (page 21).

Resource gap: Insights from countermeasures

4. **Cross-regional innovation platforms may help unlock new resource pools:**
   Connecting 1,000+ organizations across Europe and Latin America, and offering up to €40K per pilot, the EU-LAC Digital Accelerator aims to mitigate resource constraints by leveraging multi-regional partnerships and shared infrastructure (page 20).
5. **Competitive global accelerators suggest potential to streamline pilot execution:**
   With 2,600+ applications for 80 slots in 2025, up to ~€0.5M per startup, and 1,000+ alumni startups, the K-Startup Grand Challenge in Korea provides access to 20+ conglomerates, embedding innovative firms into Korea's tech value chains, showing how corporate aggregators can streamline pilot deployments (page 23).

4. Conclusions

4. **Conclusions** | Takeaways

Addressing these challenges collaboratively at the EU and Member-State levels could strengthen the collaboration between companies and deep-tech scaleups.

1. **Evidence suggests Europe continues to face two persistent collaboration gaps between established companies and scaleups (pages 12-15, and 24):**
   - Corporate culture gap: Misaligned KPIs with deep-tech scaleups, complex procurement processes, and slow pilot implementation.
   - MEMs resource gap: Short-term performance pressures, slower pilot execution due to limited resources, and the absence of dedicated innovation teams.

2. **Misalignments between policymakers and stakeholders in priority challenges and countermeasures (pages 12-15):**
   - Challenges: Policymakers place more emphasis on the lack of corporate innovation teams (3.6 vs. 3.1/5.0), while stakeholders give greater weight to the MEMs resource constraints that delay pilots (4.0 vs. 3.4/5.0).
   - Actions: The two groups diverge in their preferred types of solutions: execution- vs. systemic-oriented. For corporates: Stakeholders prioritize short-term operational tools such as co-financing and fast-pilot subsidies (3.9 and 3.8/5.0), whereas policymakers favor mid-term structural levers like tax incentives (3.9/5.0) and the establishment of innovation teams (3.7/5.0). For MEMs: Stakeholders also value micro-grants more highly than policymakers (4.1 vs. 3.4/5.0).

3. **Lessons from benchmark initiatives highlight effective mitigations (page 24):**
   - Structured collaboration frameworks (e.g., EIC Corporate Partnership Program) may help bridge the corporate–startup gap.
   - Continuous public–private engagement (e.g., SGInnovate) appears to foster innovation leadership.
   - Publicly-anchored venture client models (e.g., BIND 4.0) may de-risk corporate pilots while linking local industries to global talent.
   - Cross-regional innovation platforms (e.g., EU–LAC Digital Accelerator) may help mobilize organizations and funding while reducing fragmentation.
   - Global accelerators (e.g., K-Startup Grand Challenge) suggest potential to streamline pilot execution, connecting innovative firms with conglomerates.

4. **Convergence emerges on three priority policy levers: Pilot acceleration, readiness funding, and micro-grants (page 29):**
   - Pilot-to-commercial vouchers: For bridging successful pilots into full market adoption (e.g., 71% stakeholders, 66% policymakers).
   - Scaleup-readiness top-ups: Additional funding for late-stage pilot implementation (e.g., 75% stakeholders, 57% policymakers).
   - Micro-grants for pilots: Supporting early-stage pilot co-funding and de-risking collaborations (e.g., 82% stakeholders, 47% policymakers).

5. **The EU Startup and Scaleup Strategy, while providing a promising foundation, appears to underaddress certain areas (page 29):**
   - Although it sets a constructive baseline through the recently introduced European Corporate Network, several gaps remain:
     - The Strategy does not specify targeted fiscal or co-financing incentives to stimulate corporate collaboration with deep-tech ventures.
     - Limited attention to tailored instruments for MEMs, such as pilot-to-commercial vouchers or small-scale grant schemes.
     - Links between corporate engagement initiatives and funding mechanisms remain broad, with limited clarity on how collaborations are operationalized.

Annex

Annex 1: Methodology

Academic partner

IESE Business School University of Navarra

Collaborating partners

TechTour | bpifrance

webrazzi | EurA

hello tomorrow

Methodology

This study was conducted to explore how policymakers can better support corporate-scaleup collaborations in EU deep-tech, specifically with large corporations as well as medium-sized enterprises and midcaps. The research team followed a multi-step approach combining literature review, exploratory interviews, expert workshops, surveys, reviews, and more.

- **Literature review:** A comprehensive review of academic research, institutional reports, policy papers, and EU documentation was conducted to identify challenges and possible policy actions. This helped develop a structured classification of challenges and actions by theme as well as potential gaps. Insights were systematically analyzed and triangulated, ensuring conceptual clarity and relevance.
- **Exploratory interviews:** Preliminary insights were gathered through unstructured interviews with experts during multiple international events. These insights informed the design of the subsequent stages.
- **Expert workshops and survey:** Three online and onsite workshops were moderated for further validation to gather qualitative and quantitative data from 49 experts, including scaleups, investors, corporates, policymakers, and mentors. Diversity in geography, industry, and gender was ensured. Responses were analyzed across several stages—categorizing by keyword repetition and frequency—to identify and validate key patterns. Four researchers conducted the analysis. Results were quantified and rounded to the nearest unit.
- **Review:** The draft report was revised by four additional experts: one academic, two practitioners, and one policymaker, strengthening the robustness of the findings. Moreover, although generative AI tools were used for language editing support, all analytical judgments, data interpretations, and conclusions were independently reviewed and validated by the authors.

The study's primary methodological challenges and mitigations were:

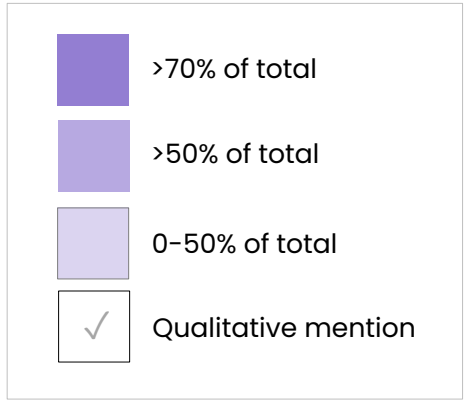
- Evolving policy landscape: The parallel development of the EU Startup and Scaleup Strategy created an overlap. To remain relevant, the research question was progressively refined to focus on under-addressed topics. The second stage of the literature review was updated in real time to reflect new releases.
- Avoiding popularity bias: While consensus among respondents can indicate importance, research is not a vote. To ensure evidence-based conclusions, we applied countermeasures such as expert selection, triangulation, multi-sourcing, and contrasting perspectives.
- Sectoral differentiation without redundancy: Disaggregating challenges by sector (e.g., biotech, mobility, space) while avoiding overlap required iterative refinement. For this reason, the study builds on a two-year prior effort involving over 381 additional experts and the development of 10 Challenge Roadmaps to understand the EU deep-tech scaleup perspective.

The research team recognizes the complexity of this topic and the opportunity for further testing of selected policy options in regional sandboxes to assess feasibility and impact. They also acknowledge the ongoing participation in the EIC Scaling Club and the EU-LAC Digital Accelerator.

Annex 2: Priority actions from cross-source triangulation

Insights from stakeholders, policymakers, workshops, literature, and EU strategy

Sub-question	Priority action	Sources				EU Startup and Scaleup Strategy	
		Stakeholders	Policymakers	Workshops	Literature		
Large corporations	Tax reward tied to innovation impact	71%	57%	✓	✓		No. It only mentions the European Corporate Network
	Conditional co-financing	64%	42%		✓		No
	Fast-pilot subsidies	68%	52%	✓	✓		Not explicitly. Only talks about fast market uptake
MEMs	Pilot-to-commercial vouchers	71%	66%		✓		No
	Micro-grants for pilots	82%	47%	✓	✓		It might, implicitly. Yet, it doesn't provide a concrete action
	Scaleup-readiness top-ups	75%	57%		✓		No



Note: Percentages are calculated based on the full sample (N = 49), comprising 21 policymakers and 28 stakeholders. Percentages (%) reflect the share of respondents within each group who rated the action as 4 or 5 on a 1–5 importance scale. Checkmarks (✓) indicate that the action is referenced in at least one source in the literature, in the EU Startup and Scaleup Strategy (where illustrative examples are provided), and in the workshop discussions.

Annex 3: Acknowledgments to contributing experts and organizations

Experts

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Ivo Locatelli, European Commission (former)
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Vassil Karaivanov, Sofia Tech Park

Note: Only those who have agreed to appear. The organizations are the ones at the time of the analysis.

Annex 3: Acknowledgments to contributing experts and organizations

Organizations

Source: Companies' website. Note: Only those who have allowed the use of the logo. Inclusion does not imply endorsement of the report's findings or policy recommendations.

Annex 4: References | Selection

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Corporate Venturing Enablers

Read more:

Source: IESE Business School (2021).

Open Innovation:
Corporate Venturing Squads

Read more:

Source: IESE Business School (2023).

Unlocking innovation through corporate-startup collaboration

Read more:

Source: EISMEA (2025).

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