

# EIT Health awards 5.5 million euros to alleviate economic impact of COVID-19 on European start-ups

- As part of the [EIT Crisis Response Initiative](#), the EIT Health Start-up Rescue Instrument directly contributes to the European Union's response to the COVID-19 pandemic
- 11 start-ups from nine countries to receive funds

EIT Health has awarded 5.5 million euros to start-ups in Europe to support with business continuity in response to the disruptions caused by the COVID-19 pandemic. The Start-up Rescue Instrument was initiated by EIT Health in May and called on highly innovative biotech, medtech and digital health start-ups to apply to receive up to €500,000 in co-investment from EIT Health, in return for options. The instrument was launched to alleviate the financial shock posed by COVID-19 and bridge the fundraising gap of start-ups in Series A, Series B and bridge-financing rounds.

In April, a report from 'European Startups', a two-year project backed by the European Commission and European Parliament, found that venture capital (VC) activity is expected to significantly slow during the pandemic, leading to cash flow concerns for start-ups. VC typically accounts for approximately 30-40% of funds raised by start-ups in Europe, which represents a significant proportion. With the report detailing that European start-ups employ two million people, the effects of failing to address the economic impact of COVID-19 on start-ups are far reaching.<sup>1</sup>

*"In the current climate, many start-ups are experiencing issues in raising funding rounds that are critical to their future. We have extremely promising start-ups here in Europe, and we cannot sit by and allow the existence of a generation of emerging companies to be threatened by COVID-19. We are doing everything within our power to support start-ups during this difficult economic time",* said Kurt Höller, Director of Business Creation, EIT Health. *"However, it is not all doom and gloom – health has never been so front of mind, and start-ups with the ability to be agile within the changing environment can find themselves on the precipice of a whole new wave of opportunity."*

Despite the warning signs, health-related start-ups are expected to be one of the least affected sectors by COVID-19, with the report from 'European Startups' outlining telemedicine as experiencing a 54% growth in share prices since January. Telemedicine is followed by pet care (52%), pharmacy (30%), and groceries (21%).<sup>1</sup>



The eleven start-ups selected will receive up to €500,000, and are developing solutions in cancer, infectious diseases, wound and joint care, medical imaging, and cardiovascular disease.

The Start-up Rescue Instrument marks another move from the healthcare innovation network to strengthen Europe's ability to overcome the challenges posed by the pandemic. In previous months, EIT Health has announced a call for start-ups specialising in COVID-19 to apply for accelerator programme, Headstart; COVID-19 campaigns via its crowdfunding platform, aescuvest; 15 new projects to develop COVID-19 solutions as part of its Rapid Response initiative, and a platform to connect innovators via its website to facilitate collaborative working and action in response to COVID-19.

To find out more about the EIT Health Start-up Rescue Instrument, please visit [eithealth.eu/project/start-up-rescue-instrument](https://eithealth.eu/project/start-up-rescue-instrument).

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#### Notes for Editors

#### The selected start-ups

- Allcyte GmbH, Austria - [www.allcyte.com](http://www.allcyte.com)
- hemotune AG, Switzerland - [www.hemotune.ch](http://www.hemotune.ch)
- HT BioImaging, Israel - [www.htbioimaging.com](http://www.htbioimaging.com)
- ILya Pharma AB, Sweden - [www.ilyapharma.se](http://www.ilyapharma.se)
- Mowoot, Spain - [www.mowoot.com](http://www.mowoot.com)
- MRIguidance B.V., The Netherlands - [mriguidance.com](http://mriguidance.com)
- Neurent Medical, Ireland - [www.neurentmedical.com](http://www.neurentmedical.com)
- Orthox Holdings Limited, United Kingdom - [www.orthox.co.uk](http://www.orthox.co.uk)
- Oxford Endovascular Ltd, United Kingdom - [www.oxfordendovascular.com](http://www.oxfordendovascular.com)
- Portables HealthCare Technologies, Germany - [www.portables-hct.de](http://www.portables-hct.de)
- Volumina Medical, Switzerland - [www.volumina-medical.ch](http://www.volumina-medical.ch)

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#### About EIT Health

EIT Health is a network of best-in-class health innovators including approximately 150 partners and is supported by the [European Institute of Innovation and Technology \(EIT\)](https://eit.europa.eu/), a body of the European Union. We collaborate across borders to deliver new solutions that can enable European citizens to live longer, healthier lives.



As Europeans tackle the challenge of increasing chronic diseases and multi-morbidity, and seek to realise the opportunities that technology offers to move beyond conventional approaches to treatment, prevention and healthy lifestyles, we need thought leaders, innovators and efficient ways to bring innovative healthcare solutions to market.

EIT Health addresses these needs. We connect all relevant healthcare players across European borders – making sure to include all sides of the “knowledge triangle”, so that innovation can happen at the intersection of research, education and business for the benefit of citizens.

*EIT Health: Together for healthy lives in Europe.*

For more information visit: [www.eithealth.eu](http://www.eithealth.eu).

#### References

1. European Startups. What does it take? Europe’s startup ecosystem navigating the COVID-19 crisis. Available at: [europeanstartups.co/uploaded/2020/06/European-Startups-Launch-Report.pdf](http://europeanstartups.co/uploaded/2020/06/European-Startups-Launch-Report.pdf).