

DECISION 04/2023
OF THE GOVERNING BOARD OF
THE EUROPEAN INSTITUTE OF INNOVATION AND TECHNOLOGY (EIT)

ON THE PRINCIPLES FOR THE DETERMINATION OF THE
ADDITIONAL EIT FINANCIAL ALLOCATION FOR 2024
TO THE KNOWLEDGE AND INNOVATION COMMUNITIES' (KICS') BUSINESS PLANS,
TO CROSS-KIC ACTIVITIES AND SHARED SERVICES,
AND TO THE HIGHER EDUCATION (HEI) INITIATIVE

THE GOVERNING BOARD OF THE EUROPEAN INSTITUTE OF INNOVATION AND TECHNOLOGY,

HAVING REGARD to Regulation 2021/819 of the European Parliament and of the Council of 20 May 2021 on the European Institute of Innovation and Technology (hereafter referred to as the "EIT Regulation (recast)")¹, in particular to Article 18(7), Section 2(1)(c) and Section 3(5) of the Statutes annexed thereto;

HAVING REGARD to Decision 2021/820 of the European Parliament and of the Council of 20 May 2021 on the Strategic Innovation Agenda of the European Institute of Innovation and Technology (EIT) 2021-2027: Boosting the Innovation Talent and Capacity of Europe (hereafter referred to as the "EIT Strategic Innovation Agenda 2021-2027")², in particular to Sections 3.6.2-3.6.3 and 5.2.1 thereof;

HAVING REGARD to Regulation 2021/695 of the European Parliament and of the Council of 28 April 2021 establishing Horizon Europe – the Framework Programme for Research and Innovation, laying down its rules for participation and dissemination, and repealing Regulations (EU) No 1290/2013 and (EU) No 1291/2013³;

HAVING REGARD to Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the Union, amending Regulations (EU) No 1296/2013, (EU) No 1301/2013, (EU) No 1303/2013, (EU) No 1304/2013, (EU) No 1309/2013, (EU) No 1316/2013, (EU) No 223/2014, (EU) No 283/2014, and Decision No 541/2014/EU and repealing Regulation (EU, Euratom) No 966/2012 (hereinafter referred to as the "EU Financial Regulation")⁴;

HAVING REGARD to Decision 21/2019 of the EIT Governing Board of the EIT of 25 September 2019 on the Financial Regulation of the European Institute of Innovation and Technology (hereinafter referred to as the "EIT Financial Regulation")⁵, in particular Article 1 thereof;

HAVING REGARD to the Decision of the Governing Board of the EIT of 16 December 2009 on the selection and designation of KIC InnoEnergy, Climate KIC and EIT ICT Labs⁶;

¹ OJ L 189, 28.5.2021, p. 61-90.

² OJ L 189, 28.5.2021, p. 91-118.

³ OJ L 170, 12.5.2021, p. 1–68.

⁴ OJ L 193, 30.7.2018, p. 1-222

⁵ Ref. Ares(2019)6810859

⁶ Ref. Ares(2010) 130286-11/03/2010

HAVING REGARD to the Decision of the Governing Board of the EIT of 9 December 2014 on the designation of the Knowledge and Innovation Communities (KICs) in the ‘Innovation for healthy living and active ageing’ theme and the: ‘Raw Materials sustainable exploration, extraction, processing, recycling and substitution’ thematic area⁷;

HAVING REGARD to Decision 29/2016 of the Governing Board of the EIT on the designation of the Knowledge and Innovation Communities (KICs) in the ‘Food for Future’ and ‘Added Value Manufacturing’ themes of 17 November 2016⁸;

HAVING REGARD to Decision 6/2018 of the Governing Board of the EIT of 2 March 2018 on the designation of the Knowledge and Innovation Community (KIC) in the ‘innovation for healthy living and active ageing’ theme and on the rejection of other applicants in the 2014 call for KICs’ proposals⁹;

HAVING REGARD to Decision 36/2018 of the Governing Board of the EIT of 4 December 2018 on the designation of the Knowledge and Innovation Community in the ‘Urban Mobility’ thematic area¹⁰;

HAVING REGARD to Decision 37/2018 of the Governing Board of the EIT of 5 December 2018 on the designation of the Knowledge and Innovation Community in the ‘Manufacturing’ thematic area¹¹;

HAVING REGARD to Decision 06/2022 of the Governing Board of the EIT on the on the amendment of the principles on the financial sustainability of Knowledge and Innovation Communities (KICs) and repealing decision 13/2021 of the Governing Board of the EIT¹²;

HAVING REGARD to Decision 14/2021 of the Governing Board of the EIT of 7 May 2021 on the principles for financing, monitoring and evaluating Knowledge and Innovation Community (KIC) activities¹³;

HAVING REGARD to Decision 21/2021 of the Governing Board of the EIT on the authorisation of the EIT Director to prepare, negotiate and conclude partnership agreements and grant agreements¹⁴;

HAVING REGARD to Decision 42/2021 of the Governing Board of the EIT of 23 November 2021 on the supervision framework of Knowledge and Innovation Communities (KICs)¹⁵;

HAVING REGARD to Decision 11/2022 of the Governing Board of the EIT of 16 March 2022 on the principles for the determination of the EIT financial allocation to the Knowledge and Innovation Communities’ (KICs’) Business Plans for 2023-2025 (Business Plans 2023-2024 for the first wave KICs), to Cross-KIC activities and shared services for 2023-2025, and to the Higher Education Institutions (HEI) Initiative for 2023¹⁶;

HAVIGN REGARD to Decision 35/2022 of the Governing Board of the EIT of 24 November 2022 on the initial allocation of the financial contribution to the Knowledge and Innovation Communities’ (KICs’) Business Plans for

⁷ 02008.EIT.2014.I.EIT.GB

⁸ 05940.EIT.2016.I.GB42

⁹ 01148.EIT.2018.I.E1

¹⁰ Ref. Ares(2018)6260797

¹¹ Ref. Ares(2018)6261053

¹² Ref. Ares(2022)2098580

¹³ Ref. Ares(2021)3111256

¹⁴ Ref. Ares(2021)3798804

¹⁵ Ref. Ares(2021)7384565

¹⁶ Ref. Ares(2022)

2023-2025 (Business Plans 2023-2024 for the first wave KICs), to Cross-KIC activities and shared services (including the Thematic Innovations) for 2023-2025, and to the pilot Higher Education Institutions (HEI) Initiative for 2023¹⁷;

HAVING REGARD to Decision 36/2022 of the Governing Board of the EIT of 14 December 2022 on the adoption of the Final Single Programming Document (2023-2025) of the EIT¹⁸;

WHEREAS

- (1) Decision 11/2022 of the EIT Governing Board laid down the funding allocation principles for KIC Business Plans for 2023-2025 (Business Plans 2023-2024 for the first wave KICs), to Cross-KIC activities and shared services for 2023-2025, and to the Higher Education institutions (HEI) Initiative for 2023.
- (2) Further to Decision 11/2022 of the EIT Governing Board, in April 2022 the EIT launched its Invitation for the submission of the proposals Business Plans for 2023-2025 (Business Plans 2023-2024 for the first wave KICs), to Cross-KIC activities and shared services for 2023-2025, and to the Higher Education Institutions (HEI) Initiative 2023, laying down the conditions and requirements for the EIT grants in the specific topics. The KICs submitted their proposals on 28 September 2022, which were then evaluated by external experts.
- (3) Following the hearings on 23-24 November 2022, by its Decision 35/2022, the EIT Governing Board decided on the initial maximum funding allocation to each Business Plan 2023-2025 (2023-2024 for the first wave KICs) and for the Cross-KIC 2023-2025 and HEI 2023 activities. In accordance with Article 2 of Decision 11/2022, the EIT budget available for the initial multiannual funding allocation decision was calculated as 100% of the 2023 and 75% of the 2024 and 2025 indicative annual EIT budgets available for grants.
- (4) In line with Article 3(2) of Decision 11/2022, the additional funding allocation decisions for 2024 and for 2025 shall take into account the available EIT budget, the ongoing multiannual legal commitments between the EIT and the KICs, the performance of the KICs and the estimated financial needs. The additional funding allocation decisions shall ensure that there is no double funding of KIC activities.
- (5) As regards the HEI Initiative, in accordance with the EIT Strategic Innovation Agenda 2021-2027, the pilot HEI Initiative has started in 2021 and shall last for three years. Therefore, before the end of 2023 the EIT Governing Board will decide on the continuation or discontinuation of the pilot HEI activities. A positive decision from the EIT Governing Board is a precondition for the additional funding allocation for HEI activities beyond the pilot phase.
- (6) The present Governing Board Decision shall lay down the distribution of the funds of the additional funding allocation for 2024. Then, the EIT Director should define the specific detailed criteria and modalities of the additional funding allocation process with regard to the assessment of the amendments and the performance in all the topics KIC Business Plans, Cross-KIC activities and HEI Initiative activities.
- (7) The funding allocation principles for the 2024-2025 Business Plan of EIT Culture & Creativity shall be laid down in a separate Decision of the Governing Board.

¹⁷ Ref. Ares(2022)8603359

¹⁸ Ref. Ares(2022)8699476



- (8) In line with point 5 of Section 3 of the Statutes annexed to the EIT Regulation (recast), the agreement of the European Commission, expressed by its Representative in the EIT Governing Board, is necessary for the adoption of the present decision. The Commission Representative's observations and opinion were shared before the voting by the EIT Governing Board at its meeting. Following the voting, the Commission, by way of its Representative, gave its agreement with the adoption of the present decision.

HAS DECIDED AS FOLLOWS:

Article 1

Application of the funding allocation principles in 2024

- (1) The provisions of Decision 11/2022, including the funding allocation principles and the main criteria, shall apply to the additional funding allocation for 2024.
- (2) In accordance with Article 3(2) of Decision 11/2022, the additional funding allocation for 2024 shall take into account the available EIT budget, the ongoing multiannual legal commitments between the EIT and the KICs, the performance of the KICs and the estimated financial needs. The additional funding allocation decisions shall ensure that there is no double funding of KIC activities.

Article 2

Distribution of the EIT budget in 2024 for the first, second, third and fourth wave of KICs

- (1) The EIT budget for the additional funding allocation for the first, second, third and fourth wave of KICs for 2024 is MEUR 118 (indicative), calculated as 25% of their 2024 annual EIT budget.
- (2) The funding shall be distributed by means of three separate 'funds', as follows:

Type of 'Fund'	Indicative budget (in MEUR)
Additional EIT KIC Fund 2024	80
Additional Cross-KIC Fund 2024	8
Additional HEI Fund 2024 (in case of a positive decision of the EIT Governing Board about the HEI pilot)	30
Total (without third country contributions)	118

- (3) After deducting the additional Cross-KIC Fund from the overall EIT budget available for KICs in 2024, and after deducting the additional HEI Fund from the overall EIT budget available for KICs in 2024, the remaining EIT budget (the additional 'KIC Fund') shall be distributed between the four waves of KICs in accordance with the split indicated in Article 3 below.

Article 3

Distribution of the 2024 EIT KIC Fund budget for the first, second, third and fourth wave of KICs

(1) For 2024, the additional EIT KIC Fund shall be split as follows:

KIC wave	Indicative split
First wave (EIT Climate-KIC, EIT Digital, EIT InnoEnergy) –2024	12%
Second and third waves (EIT Health, EIT Raw Materials, EIT Food) –2024	58%
Fourth wave (EIT Manufacturing, EIT Urban Mobility) –2024	30%

(2) For the additional funding allocation decision in 2025 the EIT Governing Board may decide on a different split.

Article 4

Definition of modalities

- (1) Based on the funding allocation principles laid down in this Decision, the EIT Director shall define the modalities of the amendment assessment processes, in particular:
- the requirements regarding the additional activities of the KICs and the amendments,
 - the detailed specific criteria and corresponding weightings for the evaluation of the amendments,
 - the timeline of the processes including when further communication to the KICs or feedback is foreseen,
 - the formal requirements for receiving the EIT financial contribution for the additional funding allocation,
 - the role and profiles of the independent external experts.
- (2) The EIT Director shall launch the Request for amended KIC Business Plan proposals, Cross-KIC proposals and the HEI proposal.
- (3) The additional funding allocation for 2024 shall be subject to compliance with the Governing Board recommendations (if any) and the adjustments to be made to the amendments after the EIT's assessment.

Article 5

Entry into force

This decision shall enter into force on the day of its adoption.

Done in Budapest, 14 March 2023

Nektarios Tavernarakis
Chairperson of the Governing Board