# DECISION 08/2024

## OF THE GOVERNING BOARD

## OF THE EUROPEAN INSTITUTE OF INNOVATION AND TECHNOLOGY

## ADOPTING THE REVISED EIT ANTI-FRAUD STRATEGY

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

Having regard to Regulation (EU) 2021/819 of the European Parliament and of the Council of 20 May 2021 on the European Institute of Innovation and Technology (recast)[1] (hereinafter referred to as the 'EIT Regulation'), and, in particular, Article 24;

Having regard to the Staff Regulations of Officials, laid down by Council Regulation (EEC, EURATOM, ECSC) No 259/68 (hereinafter referred to as "Staff Regulations") and to the Conditions of Employment of Other Servants of the European Union (hereinafter referred to as "CEOS"), both as latest amended by Regulation (EU, EURATOM) No 1023/2013 of the European Parliament and of the Council of 22 October 2013[2], and in particular, Articles 11a, 12a, 12b, 16 and 22a;

Having regard to the Regulation (EU, Euratom) 2020/2223 of the European Parliament and of the Council of 23 December 2020 amending Regulation (EU, Euratom) No 883/2013, as regards cooperation with the European Public Prosecutor's Office and the effectiveness of the European Anti-Fraud Office investigations[3];

Having regard to Decision No 14/2010 of 21 May 2010 on adopting the Ethical & Organizational Code of Conduct of the European Institute of Innovation and Technology (hereinafter referred to as the EIT)[4];

Having regard to Decision 21/2019 of the Governing Board of the EIT on the Financial Regulation of the European Institute of Innovation and Technology[5] ("EIT Financial Regulation"), in particular, Articles 5, 30, 32(1), 48 and 86;

Having regard Decision 1/ 2020 of the Governing Board of the EIT of 30 January 2020 on adoption of the minimum standards and the Internal Control Framework of EIT[6], and in particular Principle 8 set out in the Annex to this decision;

Having regard to Decision 15/2021 of the Governing Board of the EIT of 7 May 2021 on adopting the revised EIT Anti-fraud Strategy[7];

Having regard to the Common Anti-Fraud Strategy in the Research and Innovation Family (RAFS) (2023 Update);

Having regard to the Commission Anti-Fraud Strategy Action Plan – 2023 revision[8];

---

[1] OJ L 189, 28.5.2021, p. 61–90
[2] OJ L 287, 29.10.2013, p. 15–62
[3] OJ L 437, 28.12.2020, p. 49–73
[4] 00016.EIT.2010/I/Dir/CN/Ado
[5] Ref. Ares(2019)6810859 - 04/11/2019
[6] Ref. Ares(2020)616311 – 30/01/2020
[7] Ref.Ares(2021)3112428—10/05/2021
[8] COM(2023) 405 final, Brussels. 11. 7.2023

WHEREAS

(1) Pursuant to Article 30 of the EIT Financial Regulation, "[...] the budget of the Agency shall be implemented in compliance with effective and efficient internal control". It further provides that for the purposes of the implementation of the budget of the Union body, internal control shall be applied at all levels of management and shall be designed to provide reasonable assurance of achieving, inter alia, "the prevention, detection, correction and follow-up of fraud and irregularities". Effective internal control shall be based, inter alia, on "the implementation of an appropriate risk management and control strategy at recipient level". Efficient internal control shall be based, inter alia, on "the implementation of an appropriate risk management and control strategy coordinated among appropriate actors involved in the control chain".

(2) Pursuant to Article 32(1) of the EIT Financial Regulation, the Agency shall send by 31 January each year to the Commission, the European Parliament and the Council its draft single programming document, as endorsed by its Management Board, containing, inter alia, "the strategy for the organisational management and internal control systems including their anti-fraud strategy as last updated and an indication of measure to prevent recurrence of conflict of interest, irregularities and fraud [...]". It further provides that the strategies referred to in the first subparagraph [i.e. inter alia the anti-fraud strategy] shall be assessed annually and updated as necessary.

(3) Pursuant to Article 48 of the EIT Financial Regulation, the Authorising Officer shall report to the Governing Board on the performance of his duties in a form of a consolidated annual activity report containing, inter alia, "information on organisational management and on the efficiency and effectiveness of the internal control systems including the implementation of the body's Anti-Fraud Strategy".

(4) Pursuant to Article 86 of the EIT Financial Regulation, the EIT shall inform the Commission without delay on cases of presumed fraud and other financial irregularities. Moreover, it shall inform the Commission of any completed or ongoing investigations by the European Public Prosecutor's Office, the European Anti-Fraud Office ('OLAF'), and of any audits or controls by the Court of Auditors or the Internal Audit Service ('IAS'), without endangering the confidentiality of the investigations.

(5) Pursuant to Principle 8 set out in Annex 1 to EIT Governing Board decision No 1/2020, the "EIT sets up and implements measures to counter fraud and any illegal activities affecting the financial interests of the EU ... by putting in place a sound anti-fraud strategy to improve the prevention, detection and conditions for investigating fraud, and to set out reparation and deterrence measures, with proportionate and dissuasive sanctions".

(6) The EIT's current Anti-Fraud Strategy and its annex (Action Plan) for 2021-2023 is set to expire on 31 December 2023. As a result, the strategy must be updated and Decision 15/2021 of the EIT Governing Board of 7 May 2021 adopting the Revised EIT Anti-Fraud Strategy[9] needs to be replaced. The revised Anti-Fraud Strategy and annex (Action Plan) for 2024-2026 shall address the new challenges faced within the context of the changes related to the legal framework of the EIT and its new grant funding model.

HAS DECIDED AS FOLLOWS:

Article 1

The EIT Anti-Fraud Strategy for the period of 2024-2026, as annexed to this Decision, is hereby adopted.

---

[9] Ref. Ares(2021)3112428 – 07/05/2021

## Article 2

This decision repeals and replaces Decision 15/2021 of the EIT Governing Board of 7 May 2021 adopting the Revised EIT Anti-Fraud Strategy.

## Article 3

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

Done in Budapest on 26 March 2024

Nektarios Tavernarakis
Chair of the EIT Governing Board

Annex: EIT Anti-fraud Strategy 2024 - 2026

European Institute of
Innovation & Technology

A body of the European Union

# EIT Anti-Fraud Strategy
# 2024 - 2026

Budapest 26 March 2024

# Table of Contents

# 1. Key abbreviations

| | |
|---|---|
| AAR | Annual Activity Report |
| ABAC | Accrual Based Accounting |
| AF | Anti-Fraud |
| AFC | Anti-Fraud Coordinator |
| AFT | Anti-Fraud Team of the European Institute of Innovation and Technology |
| ADMIN | Administration Unit |
| CEO | Chief Executive Officer |
| CFO | Chief Financial Officer |
| CISO | Cyber Information Security Officer |
| CLC | Co-Location Centre |
| CoI | Conflict of Interest |
| COO | Chief Operations Officer |
| COMs | Communication Section |
| DoI | Declaration of Interests |
| ECA | European Court of Auditors |
| EDES | Early Detection and Exclusion System |
| EIT | European Institute of Innovation and Technology |
| EPPO | European Public Prosecutor's Office |

| FIN | Finance and Budget Section |
|-----|---------------------------|
| PA | Partnership Agreement |
| FRA | Fraud Risk Assessment |
| GA | Grant Assurance Section |
| GB | EIT Governing Board |
| GI | Grant Implementation Unit |
| HoU | Head of Unit |
| HR | Human Resources Section |
| IAC | Internal Audit Capability |
| IALN | Inter-Agencies' Legal Network |
| IAS | Internal Audit Service of the European Commission |
| ICC | Internal Control Coordinator |
| IC | Innovation Communities Unit |
| IT | IT Section |
| KIC | Knowledge and Innovation Community |
| KIC LEs | Knowledge and Innovation Community Legal Entities |
| KPI | Key Performance Indicator |
| LAM | Local Authorisations Managers |
| LCM | Legal Commitment Module |
| LISO | Local Information Security Officer |

| | |
|---|---|
| OLAF | European Anti-Fraud Office |
| OPS | Operations – Knowledge and Innovation Communities |
| PM | Programme Management Section |
| PPMT | Public Procurement Management Tool |
| PROC | Procurement and Logistics Section |
| RAO | Responsible Authorising Officer |
| RIS | Regional Innovation Scheme |
| SB | Supervisory Board of the EIT Knowledge and Innovation Communities |
| SC | Supervision Section |
| SM | Supervision and Monitoring Unit |
| SGA | Specific Grant Agreement |
| SIA | Strategic Innovation Agenda |
| SNE | Seconded National Expert |
| SOP | Standard Operating Procedure |
| SPOC | Single Point of Contact |
| TOR | Terms of Reference |

# 2. General background

## 2.1. EIT context

The European Institute of Innovation and Technology plays a significant role in contributing to Europe's sustainable growth and competitiveness by enhancing the Union's ability to innovate and as an integral part of Horizon Europe, the EU Framework Programme for Research and Innovation. It does so through the integration of higher education, research, and business of the highest standards.

Since its establishment in 2008, the EIT created an EIT community eco-system and changed the European innovation landscape via its Knowledge and Innovation Communities (KICs). The KICs are highly autonomous and integrated partnerships which bring together leading organisations for higher education, research, and businesses. The concept and model of the EIT and its KICs are designed in a way that facilitates and actively encourages synergies and complementarities with EU, national and regional research and innovation activities and programmes.

The EIT KICs bring the European dimension and integrated strategic cooperation approach to regional and international initiatives via their Co-location Centres and RIS hubs. These offer local players the opportunity to closely connect and interact with other partners within the EU and outside within the strategic and integrated framework of the EIT KICs aligned with the Horizon Europe and EU policy priorities.

The EIT is financed through a contribution from the general budget of the European Union within the financial envelope from Horizon Europe during the period from 01 January 2021 to 31 December 2027. In particular, the EIT's budget for the seven years will amount for 2.967 billion euro and is financed from contributions from Member States, third countries or public authorities within them and contributions from international bodies or institutions. The KICs also generate revenues from their own assets and activities and royalties from intellectual property rights. The EIT's financial contribution to the KICs' annual Business Plans may cover up to 100% of the total eligible costs of KIC added-value activities. By supporting its Community, EIT also contributes to strengthening their capacity and framework to prevent fraud and corruption.

The EIT implements its budget in line with the Financial Regulation applicable to EU Agencies[1] and related implementations, and in accordance with the principles of sound financial management (Article 317 TFEU) and with Article 325 TFEU, which stipulates that the EU and the Member States shall counter fraud and any other illegal activities affecting the financial interests of the Union. The above-mentioned

---

[1] Regulation (EU, Euratom) 2018/1046 of the European Parliament and the Council laying down the essential financial rules for bodies which are set up by the Union under the Treaty on the Functioning of the European Union and the Treaty establishing the European Atomic Energy Community and which have legal personality and receive contributions charged to the Union budget, OJ L 193, 30.07.2018, p.

articles provide an explicit legal basis for operations by the EU and its bodies and agencies to combat fraud and other unlawful activities. The EIT's funding Regulation, and in particular, its article 24, plays a crucial role in safeguarding these interests, ensuring that EU funds are used effectively and responsibly to achieve the objectives of EU policies and those of the EIT. In this light, the EIT is strongly committed to ensuring that the framework, the policies, the rules, and the procedures in place enable effective prevention and detection of fraud.

## 2.2. The EIT Anti-Fraud Strategy

The Governing Board of the EIT adopted its first Anti-Fraud Strategy and the related action plan in October 2015[2] that is further revised every 3 years[3]. In the same year, EIT appointed an Anti-Fraud Coordinator to coordinate the implementation of the Anti-Fraud Strategy and the related action plan by Decision 18/2015 of the EIT Interim Director. The current Anti-Fraud Coordinator was appointed by Decision 09/2022 of the EIT Director[4].

In March 2018, the EIT-KICs' Network on Fraud Prevention and Detection was established. Each KIC appointed an anti-fraud SPOC. The purpose of establishing the AF network was to ensure the proper implementation of the provisions on fraud foreseen under the PA and SGA, to prevent and detect fraud, to facilitate the exchange of best practices and to reinforce the cooperation between the EIT and KICs in the area of antifraud. By doing so, a fraud proof-environment between the KICs and the EIT and within the KICs should be guaranteed.

Following the establishment of the EIT-KICs' Network, it was identified that the KICs, as independent legal entities, did not have a standardized approach on how to prevent and detect fraud, considering their organizational structure, jurisdiction, and approach of the management; as a result, with the support of the EIT, the KICs started developing their own antifraud strategies as well as to adopt and implement different antifraud policies and procedures. Moreover, the EIT-KICs' Network has contributed actively since its establishment to building up an antifraud culture within the KICs while ensuring that they all adhered to antifraud standards.

The first EIT's Anti-Fraud Strategy was adopted in 2015. Its overall objective was to improve prevention, detection, and the conditions for investigations of fraud, and to pursue adequate deterrence and reparation, with proportionate and dissuasive sanctions. While the target of the first Anti-Fraud Strategy (2015-2017) was mainly detection and prevention of fraud and irregularities within the EIT, the following revised Anti-fraud Strategies (2018 – 2020) and (2021-2023) were mainly focused on enhancing cooperation with the KICs in the field of fraud prevention and detection considering the significant

---

[2] Decision 28/2015 of the EIT Governing Board adopting the EIT Anti-Fraud Strategy

[3] Decision 23/2018 of the EIT Governing Board adopting the revised EIT Anti-Fraud Strategy; Decision 15/2021 of the EIT Governing Board adopting the revised EIT Anti-Fraud Strategy (Ares(2021)3112428);

[4] Ares(2022)3461733

contribution received by the KICs from the EIT, which may cover up to 100% of the total eligible costs of KIC added-value activities.

As of 2021, the new EIT legal framework was adopted for the seven-year programme cycle of the European Union's Multi-Annual Financial Framework 2021-27, including the Horizon European framework programme, the EIT Regulation and the EIT Strategic Innovation Agenda (SIA) 2021-2027. Obligations and requirements posed to the EIT and the KICs are included in the new Partnership Agreement and Grant Agreements.

It should be noted that also as of 2021, the recast EIT Regulation allows that grant agreements have a duration up to three years. Based on this possibility, the EIT decided to shift to multiannual grants to replace the annual grant cycle applied until 2020. This new funding model builds on two-year and three-year multiannual grant cycles and allocates grants to KIC partners and other entities through a cascade funding system, by the extended use of financial support to third parties (sub-grants) awarded by the KIC Legal Entities (KIC LEs), Co-Location Centres (CLCs) and other beneficiaries/ affiliated entities.

Within this context, considering the changes in the EIT legal framework which enlarge the role and tasks of the EIT and the above mentioned new operational and funding model for the implementation of the EIT grants (I.e. cascading grants), which may increase the risk of fraud within the KICs, a continuous monitoring of the KIC's performance becomes critical to ensure their compliance with sound management, good governance, monitoring and evaluation principles set in the EIT Regulation, the principles, and criteria set for European Partnerships in the Horizon Europe Regulation and relevant requirements stemming from Horizon Europe priorities and indicators.

By implementing comprehensive monitoring, evaluation, and compliance mechanisms, the EIT will effectively safeguard the financial interests of the European Union and prevent the misuse of EU funds.

## 2.3.  Implementation of the EIT Anti-Fraud Strategy 2021-2023

The last revised EIT Antifraud Strategy was adopted on 7 May 2021 by the EIT Governing Board for the period 2021-2023. Within the context of the EIT Antifraud Strategy 2021-2023, the EIT has significantly increased the number of objectives and actions dedicated to reducing the risk of fraud related to the EIT financial contribution to the KICs considering the EIT monitoring and evaluation role in relation to the KICs.

Significant efforts have been dedicated by the EIT, and in particular, by the different actors involved in the implementation of the EIT Anti-Fraud strategy to prevent and detect fraud regarding the allocation of the EU grants to the KICs, especially considering the latest changes in the EIT legal framework and operational model under Horizon Europe.

**The Grant Implementation Unit** has reinforced the existing internal controls towards the KICs through:
- a Model Financial Support Agreement - a model agreement that may be used between the KIC legal entity and its partners – it covers all important provisions of the Horizon Europe grant agreement which are applicable to the sub-grantees. Checklists for the KICs to self-assess whether their Call for proposals or direct award requests are complete and correct.
- Establishment of working groups on Reporting & Payments and CFS audits.

**The EIT Directorate** has increased its efforts to ensure the transparency of the decision-making processes at the governance and management level through:
- The adoption of a policy on the prevention and management of conflict of interest and decision-making processes to avoid conflicts of interest of the EIT staff members which covers all the different administrative procedures within the EIT;
- The establishment of an advisory group on conflict of interests related to the members of the EIT Governing Board and staff on ethics matters;
- The adoption of a revised Code of Conduct of the EIT Governing Board which takes into account the responsibilities of the Governing Board under the new EIT Regulation and in the new operational and funding model for the implementation of the EIT grants (i.e. cascading grants).

**The Administration Unit** has devoted its efforts to the:
- Adoption of an IT security policy;
- Reinforcement of the budgetary control systems;
- Update of relevant SoP such as: SoP Lost Damaged Stolen Assets, SoP on Access Rights Management;
- In procurement, implementation of the EDES;
- Implementation of additional mitigation measures to strengthen the principle of transparency; EIT uses the ABAC LCM (Legal Commitment Module) on a mandatory basis to register the legal commitments to ensure that all contractual data are registered and verified before payments.
- PPMT has been introduced to mitigate any fraud-risks on a high standard.

**The EIT Antifraud Team** has continued:
- Raising awareness among the EIT staff by providing info sessions on ethics & integrity and antifraud to the newcomers and to the KICs through annual and bilateral meetings with the KICs antifraud contact points;
- To identify and address possible deficiencies or red flags related to antifraud within the KICs to ensure via the implementation of the antifraud policies and measures that the KICs are able to carry out their work in a transparent and accountable manner;
- To follow up with the KICs on their implementation of their antifraud strategies;
- To closely cooperate with OLAF. This cooperation has been essential to ensure that fraud in the EIT and the KICs is detected and investigated effectively;
- To cooperate with other EU agencies in the field of antifraud to share best practices and develop joint anti-fraud activities. The EIT is a member of the IALN (Inter Agencies' Legal Network) antifraud working group which plays an important role in developing best practices in the field on antifraud as well as enhances the EU agencies cooperation with OLAF.

The outcome of the objectives and actions implemented for the period 2021-2023 is as follows:

1. **Objective No. 1**. Maintain and enhance an anti-fraud culture underpinned by high level of awareness, integrity impartiality and transparency within the EIT community. The four actions covered under this objective were completed.
2. **Objective No. 2.** Enhance the EIT's controls over the financing, monitoring, and evaluation of KIC activities. The two actions that accompany this objective were also completed.
3. **Objective No. 3.** Strengthen measures and focus effort on fraud-risk mitigation in identified areas of the EIT as an organisation, i.e. IT security, procurement, and conflicts of interest ('CoI'). Out of the three actions, two of them were completed; the third one is a permanent action.

Among the key achievements of the revised antifraud strategy 2021-2023, to underline the progress made by the KICs within the adoption and implementation of their anti-fraud strategies. However, the progress made by each KIC within the field of antifraud differs depending on when the KIC was established. Older KICs have had more time to develop and implement antifraud measures, while newer KICs are still in the process of building their anti-fraud capabilities. Additionally, older KICs may have more experience with fraud and may be better equipped to identify and prevent it.

Having a comprehensive and up-to-date anti-fraud strategy in place is critical in order to protect the EU's financial interests; therefore, the new revised anti-fraud strategy should help to address the identified areas of improvement and make the EIT even more effective in fighting against fraud and advising the KICs in this regard.

## 2.3.1. Anti-Fraud related policies and procedures adopted by the EIT

Since the adoption of the first EIT Antifraud Strategy, the EIT has developed several procedures and policies designated to mitigate identified risks, including fraud risks, namely:
- Revised Code of Conduct of the EIT Governing Board[5] ;
- Declaration of interests for GB members, EIT staff and experts;
- Completed IAC consultancy on conflict of interest risk;
- A transparency policy, whereby the CVs and DoIs for GB members, EIT Director and management are published to enable public scrutiny;
- Policy on the prevention and management of conflict of interest and decision-making processes to avoid conflicts of interest of the EIT staff members which covers all the different administrative procedures within the EIT;
- A comprehensive auditing system: the EIT is subject to regular audits performed by different independent EU bodies: ECA, IAS, external auditors auditing the Agency's annual accounts; in addition to that, an Internal Control function, respectively an Internal Control Coordinator role, was established, as to provide for additional monitoring/control layer vis-a-vis compliance with the rules, as well as to oversee the follow up to all audit recommendations.
- Risk management policy;

---

[5] Decision 25/2023 of the EIT Governing Board of the EIT. Ref. Ares(2023)4915633

- A whistle blowing policy for staff;
- Regular assessment of sensitive functions.

In addition to the measures listed above, the EIT:

- Nominated an Anti-Fraud Coordinator and an Internal Control Coordinator;
- Established EIT Audit Committee Advisory Group and EIT Conflict of Interest Advisory Committee;
- Developed EIT – KICs AF Network;
- Developed AF intranet page for the EIT Staff and AF intranet group for KICs' AF SPOCs.

## 2.3.2. Preparation of the new revised Anti-Fraud strategy and action plan

Considering the changes in the EIT legal framework, the new operational and funding model for the implementation of the EIT grants (I.e. cascading grants), now is an appropriate time to take stock of the EIT's efforts to fight fraud and irregularities, and to provide fresh impetus to such efforts.

The new revised antifraud strategy and action plan is the result of an extensive internal consultation process, notably with OPS1 (at management and staff level),with the KICs antifraud contact points via the different bilateral meetings held with them during the past years, and with OLAF, through our cooperation with them and lessons learnt from OLAF cases.

In order to prepare the new revised antifraud strategy and action plan, the EIT has carried out an evaluation of the implementation report of the antifraud strategy 2021-2023 approved by the EIT management and submitted to the Governing Board of the EIT for information.

As is evident from the outcome of this assessment and from the consultation process referred to above, the most useful measures of the 2021-2023 action plan were:

- the awareness raising sessions on fraud-related matters;

- the strengthening of IT-based fraud prevention tools;

- the work performed with the KICs on how to strength their control mechanisms to detect, prevent fraud; for instance, the establishment of the reporting procedure related to complaints/potential irregularities and fraud cases.

The evaluation and consultation process also provided numerous ideas for new actions to be included in the revised plan, notably on:

- the adoption of a template for the annual Anti-Fraud report for the KICs

- or the establishment of minimum requirements in the KIC Anti-Fraud Strategy ensuring its alignment with the requirements specified in Annex 5 to the Grant Agreement

- as well as to enhance internal cooperation between the EIT Antifraud team and OPS1 (like for instance: regular meetings, analytical assessment of OLAF cases and relevant access granted to the EIT Antifraud team to AF documents through e-Grants).

It is also planned to develop a dedicated antifraud risk register which would allow the Antifraud Team to

identify the most common and significant fraud risks not only for the EIT but also as regards the KICs. Furthermore, it is intended to explore the possibility after the first year of being implemented the new revised antifraud strategy to conduct an assessment of the KICs policies and procedures related to antifraud. The final selection and formulation of actions has been guided by the ambition to have a targeted action plan. Priority has been given to actions that address important fraud risks.

Like its predecessor, the new revised antifraud strategy maintains the three main objectives while the action plan has been amended to reflect the latest changes: the revised legal framework and a new funding model. The aim is to have a targeted action plan addressing the increased risks in relation to the KICs due to the implementation of the new funding model while building on the work done under the 2021-2023 action plan.

# 3. Guiding principles and standards of the EIT Anti-Fraud Strategy

The following guiding principles and standards govern the EIT's Anti-Fraud Strategy:

1.  Ethics and transparency are key concerns for the EIT activities. The EIT is fully committed to ensure that these principles are applied at highest targeted standards, therefore EIT has zero tolerance to fraud, irregularities, impropriety or dishonesty, meaning that EIT staff, members of the EIT Governing Board, external experts and consultants working for the EIT, KICs staff and KICs partners benefiting from EIT grants, third parties, and contractors are not to engage in acts of fraud.

2.  The EIT will report, without delay, any instance of suspected fraud to OLAF. EIT is committed to preventing, identifying and addressing all acts of fraud against EIT, through raising awareness of fraud risks, implementing cost-effective controls aimed at preventing and detecting fraud, producing swift corrections (including recovery of defrauded funds and judicial/administrative sanctions) and enforcing the EIT's Anti-fraud Strategy.

3.  The EIT will ensure that it is fully transparent on the use of EU funds, has a timely exchange of information, and communicates effectively internally and externally on the fight against fraud.

In order to address possible conflicts between principles listed above, the following factors shall be taken into account:

-   It is not possible to prevent fraud, corruption or any other illegal activity entirely. However, the EIT continues working on the adoption and implementation of strong measures to reduce any existing risk. In this respect, where fraud indicators, including documentary evidence, are observed or there are allegations of fraud, a prompt action on the part of the EIT is required. As a result, OLAF should be informed without delay, precautionary measures may have to be taken in consultation with OLAF, and timely corrective action should be taken as soon as possible. In line with Article 45(2) of EIT's

Financial Regulation[6], "*In the event of any illegal activity, fraud or corruption which may harm the interests of the Union, a member of staff or other servant, including national experts seconded to the Union body, shall inform their immediate superior, the director or the management board of the Union body or the European Anti-Fraud Office or the European Public Prosecutor's Office directly.*"

- The reporting of a suspected case of fraud by a staff member should take place in accordance with Decision No.33/2018 of the EIT Governing Board of 30 November 2018[7] on laying down guidelines on whistleblowing and the EIT Director's Decision No.34/2018 of 18 July 2018[8] on adopting a fraud reporting procedure. Pursuant to article 1.4 of the GB Decision, "*Staff members who make a report in bad faith, particularly if it is based knowingly on false or misleading information…shall be subject to disciplinary measures.*"

- Finally, the EIT will ensure that OLAF's recommendations are implemented effectively. The EIT will ensure the implementation and proper follow-up of OLAF's recommendations so that they are translated into concrete actions. The EIT's role in supporting the implementation of OLAF recommendations will help to create a more transparent, accountable, and efficient EU administration while ensuring the protection of EU financial interests.

# 4. Definition of fraud for the purpose of EIT Anti-Fraud Strategy

There is no widely accepted definition of fraud and it varies among countries and jurisdictions. The term "fraud" is commonly used to describe a variety of dishonest practices. In line with the EU Directive 2017/1371[9] *fraud is a deliberate act of deception intended for personal gain or to cause a loss to another party*.

In December 2015 it was decided that for the purposes of the EIT Anti-Fraud Strategy, the concept of fraud encompasses both internal and external misbehavior (i.e. misbehavior committed by staff members or persons anyhow linked to the EIT or by external parties) and relies on the assumption that the reputational impact of a misbehavior might be equally important to, or even more important, than the financial damage itself.

The definition of fraud for the purpose of the Anti-Fraud Strategy covers in particular, but not only, any infringement of the financial interests of the EU as defined by the Convention on the protection of the European Communities' financial interests ('PIF Convention')[10]. It also covers misbehavior that may not have a direct effect on the EU's financial interests, but has anyhow a reputational impact, such as some

---

[6] ARES(2019)6810859 of 04/11/2019
[7] ARES(2018)6237464 of 05/12/2018
[8] Decision 34/2018 of 18/07/2018, reference 04515.EIT.2018.I.IA
[9] See more in Article 3(2) of Directive (EU) 2017/1371
[10] Council Act of 26 July 1995 drawing up the Convention for the protection of the European Communities' financial interests, OJ No C 316 of 27.11.95, p.48.

cases of forgery (in CVs for example), concealment of material facts, breaches of IT systems, cyber fraud, transmission of confidential information and conflicts of interests that have not been declared intentionally. Favoritism and collusion are also included in the definition of fraud for the purposes of this Anti- Fraud Strategy.

The EIT deems it appropriate to maintain this wide definition of fraud for the purpose of the application of this document. This wide definition is shared with the other EU Agencies and serves the purpose of preventing and detecting the highest possible number of illegal behaviors and keeping high the attention of staff members also on instances likely to create a reputational damage.

Examples of fraud and corruption include, but are not limited to, the following actions:

- Forging documents, preparing false entries in EIT systems or making false statements to obtain a financial or other benefit for oneself or another/others;

- Misuse of EIT funds by EIT staff, KICs, and third parties;

- Collusion or other anti-competitive schemes between suppliers during a procurement process;

- Forging the signature of an EIT staff member or forging a document purporting to be from EIT to induce a party outside EIT to act;

- Using another user's IT identity or password, or creating false identities/passwords, without consent or authority to manipulate EIT processes or cause the approval or denial of actions;

- Accepting hospitality such as meals or entertainment from a contractor, third party without declaring it;

- Misrepresenting the EIT employment status to obtain a benefit from a national government or private sector;

- Failing to disclose a financial or familial interest in a business or outside party while participating in the award/management of a contract/grant to the benefit of that business or outside party;

- Processing the cost of personal travel as part of an official travel;

- Making misrepresentations, including educational credentials or professional qualifications, on a personal history form in the context of a job application, and

- Falsifying documents, making false statements, preparing false entries in the EIT systems or other deceptive acts to the detriment or seeking to disfavor, or to discredit a person, a programme, a KIC or the EIT.

The EIT Anti-Fraud Strategy is part of the legal framework of the EIT and meets the requirements of Article 30 of the EIT Framework Financial Regulations of the European Commission which refer inter alia to the need for preventing and detecting irregularities and fraud.

This Anti-fraud Strategy shall apply to all EIT activities and operations, including its KICs and their partners, which are funded through the EIT budget:

    I.      Governing Board members
    II.     EIT staff members
    III.    EIT non-staff members: SNEs, trainees, experts, consultants
    IV.     EIT KICs' staff and implementing partners
    V.      Contractors and other third parties

# 5. Fraud risk assessment

The EIT performs periodically a risk review exercise, during which the major risks are identified and classified, and respective mitigating measures and risk owners are assigned in the EIT risk register. This exercise applies as well to the fraud-related risks.

As part of the efforts to further upgrade the system it is envisaged that a risk register dedicated to fraud-related risks will be established. This fraud risk assessment will standardize the approach of identification of the risks of fraud and will allow the agency to prioritise the most important risks and decide which will be the areas to focus further during the implementation of the new revised antifraud strategy.

The fraud risk assessment is conducted once a year as part of the overall office risk management exercise, and the established risk register is reviewed on a quarterly basis for possible updates. It combines fraud risks identified in the different processes in place within all Units and fraud risks in those functions categorised as sensitive.

The outcome of the overall risk assessment exercises conducted during the three years period covered by the Antifraud Strategy 2021-2023, indicated that despite strong control mechanisms are in place, and that any fraud risk identified has been sufficiently mitigated, there are nevertheless, some areas that would require additional measures which will be reflected in the revised antifraud strategy and related action plan.

In this regard, the fraud risk assessment is mainly focused on the following areas:

- Use of EIT funds by KICs (grants);

- Data security (IT tools/systems);

- Administrative procedures, such as public procurement and recruitment;

- Risks of non-reported fraud within the KICs and EIT.

# 6. Objectives and actions

The strategic objectives of the Anti-Fraud Strategy are driven by the EIT's priorities and values. EIT needs to set objectives to counter fraud at all levels within the EIT Community, i.e., the levels of KICs, the Governing Board, the EIT staff and external contractors and thus reinforce the public trust in its activities.

The EIT's operational budget is largely stable, KICs benefiting on an annual basis from grant allocations. The process has changed with the introduction of the cascade funding system. In this context, the EIT's Governing Board has significant decision-making power as part of the designation of KICs and grant allocation process.

These objectives aim at encompassing all stages of the anti-fraud cycle: prevention, detection, investigation, recovery and sanction. Whilst prevention should remain one of the most important objectives of the revised Anti-Fraud Strategy, it is deemed appropriate to focus the efforts also on detection, in particular by encouraging internal reporting of any possible case of fraud as well as proactive random verifications in some areas, whilst reinforcing the EIT monitoring practices in the EIT's operational activities.

In order to address the identified fraud risks in the preceding section, the following strategic objectives were agreed with the EIT Director.

## Objective No.1

*Maintain and enhance an anti-fraud culture underpinned by high level of awareness, integrity impartiality and transparency within the EIT community.*

There is a continued need to strengthen the knowledge and maintain a high level of awareness among the EIT staff regarding ethics and anti-fraud matters. The same applies to staff employed by the KICs. Antifraud and ethical considerations should be a natural reflex for all EIT staff and staff employed by the KICs, in particular, those whose tasks involve monitoring or managing EU funds, as well as for members of the EIT Governing Board. The EIT will gradually strengthen training and awareness raising on ethics and anti-fraud in a holistic manner, as the two topics go hand in hand.

Therefore, the EIT reiterates in its 2024-2026 AF Strategy the view that fraud deterrence is facilitated by wide- spread common understanding and sharing of the ethical values and relevant rules underlining any EIT Community activity.

This objective is inspired by the need to constantly communicate the rules and ethical values of the EU Public service from the highest level to each member staff, including staff employed by the KICs.

The EIT has already developed a compulsory "Ethics & integrity, and fraud prevention and detection" training course for all staff that serves the purpose of promoting the values of ethics and integrity amongst staff members. Trainings are also given to the EIT newly recruited staff and new GB members.

At the same time, the EIT developed an AF Network and intranet antifraud page for further developing EIT KICs' antifraud practices and awareness on fraud prevention and detection. Enhancing and maintaining KICs' employees and KICs' partner organisations awareness on antifraud measures continues to be of an utmost importance. KICs need to have in place not only good governance principles, but also anti-fraud strategies and policies including strong management commitment in implementation of those.

## Actions to reach objective nr.1[11]

- Maintain regular communication on anti-fraud related matters with EIT staff, GB members, EIT KICs Management, AF SPOCs, their staff and partners, OLAF representatives and EPPO.

- Further develop and enhance collaboration within the EIT KIC AF Network.

- Organise and update on regular basis AF trainings and workshops.

- Update the section dedicated to fraud on the EIT staff intranet, make relevant updates on the EIT website and ensure that the antifraud tools are visible on the EIT website and intranet page.

- Create a repository of Anti-Fraud related Policies of the KICs on the AF network intranet group to share best practices.

## Objective No.2

### Ensure EIT's control over the financing, monitoring and evaluation of KIC activities and enhance the EIT's control over the KIC anti-fraud activities.

The new funding model is built on multiannual grant cycles and allocating grants to KIC partners and other entities through a cascade funding system, by the extended use of financial support to third parties (sub-grants) awarded by the KIC Legal Entities (KIC LEs) and other beneficiaries.

In fact, this model significantly enhances the independence of all KICs in allocating grants to subgrantees and introduces new challenges to the EIT Monitoring activities. Consequently, the KICs are obligated to adhere to the stipulations outlined in Annex 5 of the Grant Agreement, in particular to have in place effective and reliable financial control and audit mechanisms.

The risk of improper implementation of EIT-KICs agreements given the complexity of the KIC concept in combination with the transition to the EC IT tools and multiannual grant cycle was identified at the EIT's

---

[11] For detailed actions, please refer to point 10 of this document "Action Plan"

annual risk assessment exercises 2022-2023. Such risk could lead to potential fraud cases. As a result, the EIT shall ensure that the financial controls and audit mechanisms are in place within the KICs and are sufficiently robust to prevent and/or limit the risk of fraud.

To address this risk, the EIT Grant Assurance Strategy and EIT Monitoring and Evaluation Strategy were updated as planned under the EIT Anti-Fraud Strategy 2021-2023.

OPS1 shall ensure the continuous monitoring of KIC activities for the period 2024-2027 as regards the following areas where fraud risks may exist:

- <u>Priority areas:</u> project selection, portfolio management, progress towards KIC's Financial Sustainability, Implementation of GB strategic recommendations.

- <u>Horizontal aspects:</u> Good governance principles, HR Policies, Procurement Policies, Financial Control and audit mechanisms.

- <u>Other</u>: KIC's anti-fraud strategies.

Relevant monitoring activities in the field of good governance, KIC procurement and KIC Anti-fraud strategies will be incorporated into the Monitoring and Evaluation Plans 2024-2027, 2025-2027, 2026-2027 and will be conducted within the period 2024-2027. These monitoring activities will allow for an assessment of the implementation of the relevant EIT guidance, incl. the KIC Code of Conduct, the EIT Procurement Guidelines for KICs.

Through close cooperation with OPS1, the results of the continuous monitoring of the KIC activities within the priority areas indicated above would allow the EIT Anti-Fraud team to assess where risks of incompliance have been identified and could lead to fraud or irregularities cases in the KICs. Should this be the case, the EIT Anti-Fraud team will put in place additional measures to mitigate the identified risks.

The EIT Anti-Fraud team will provide continuous support to OPS1 during the monitoring of the KIC activities in the areas identified in the Action Plan as well as advise on fraud related questions that may arise when conducting monitoring activities where AFT are not involved.

Monitoring of the implementation of the KICs' Anti-Fraud strategies was included in the Monitoring and Evaluation Plan 2022 and was focused on the adoption of the Anti-Fraud Strategy by each KIC and its publication on the KIC website. Moreover, the monitoring has also been conducted by the EIT Anti-Fraud team during the annual EIT-KICs Anti-Fraud Network meeting and bilateral meetings. Considering that not all the KICs have well-developed Anti-Fraud Strategies in place able to address the fraud risks, the EIT shall enhance the monitoring over the Anti-Fraud Strategies of the KICs within the framework of the EIT revised antifraud strategy (2024-2026).

- conduct continuous monitoring activities aligned with the EIT Monitoring and Evaluation Strategy, ensuring including all the necessary elements to the annual Monitoring and Evaluation Plan, in particular:

- monitor the selection of the KIC SB members and C-level management (incl. CLC directors), CoI Policy implementation, in order to identify weaknesses and set-up recommendations to improve KICs' performance where appropriate;

- monitor the implementation of the general principles and minimum requirements provided for in the KICs' Code of Conduct Model;

- review the KIC Procurement Policies as a follow-up of the recommendations from the previous review and the revised EIT Procurement Guidelines;

- monitor the adoption of financial control and audit mechanisms by the KICs, assess the need for the KICs to reinforce those/ issue recommendations to ensure that such mechanisms give sufficient assurance and cover all necessary elements and topics related to cost eligibility in line with grant provisions;

- establish the minimum requirements to the KIC Anti-Fraud Strategy ensuring its alignment with the requirements specified in Annex 5 to the Grant Agreement (in particular to have sufficient control and audit mechanisms), and other requirements established in EIT Policies;

- provide the KICs with a standard template for the annual Anti-Fraud report; conduct continuous monitoring of KIC Anti-Fraud Activities (assessment of KICs Anti-Fraud Strategies and Reports on the status of implementation of the AFS) involving external experts if needed.

- enhance cooperation between Anti-Fraud Team and OPS 1 by: organising regular meetings; preparing and sharing with OPS1 analytical assessment of the OLAF cases, particularly, in relation to OLAF final reports (issued as the outcome of an investigation) and when appropriate, to agree on the implementation of the appropriate measures to address any identified fraud risks with the related KIC.

- Streamline communication with KICs on Anti-Fraud matters to avoid double reporting, in particular by granting relevant access to the EIT Anti-Fraud Team to the eGrants.

- Ensure the conformity of the KICs with the principles of openness and transparency as well as obligation to make information available on the EIT Website and in common HE databases (e. g. Corda) as required by PA and EIT Policies.

---

[12] For detailed actions, please refer to point 10 of this document "Action Plan"

### Objective No.3

*Strengthen anti-fraud measures to limit the risk of fraud in the identified areas of the EIT as an organization including but not limited to: EU financial controls (such as delegations for approval), access rights to IT systems, data , and conflicts of interest ('CoI').*

Within the past 3 years, EIT has reinforced its fraud-risk mitigating measures. With this strategic objective, the EIT aims to substantiate the remaining level of risks. The EIT would like to focus its efforts on the area of:

(A) Enhancing procedures related to antifraud and raising awareness on declaration of CoIs amongst GB members, EIT management and staff.

(B) Reinforcing IT Security, in particular, by identifying any weaknesses in IT systems and networks, continuing implementing strong security policies and procedures, with special focus on the area of cybersecurity, access rights and data breaches.

(C) Ensuring the implementation of the practical tools related to document management and in particular, classification of documents, the lack of which can create data breaches, and misuse of information.

(D) Enhancing effectiveness of the procurement procedures to minimise potential fraud risks.

### Actions to reach objective nr.3[13]

- Continuous monitoring of the internal control effectiveness by ensuring a proper follow-up and update on financial delegations and the related SoPs, namely SoP User Account and Access Rights Managements, SoP Lost, Damaged, Stolen Assets; implementation of the EU Regulation on cybersecurity; procedure in place for detection of CoI; measures in place to deal with revolving doors situations and a corruption policy.

- Carry out annual fraud risk assessments in the identified areas as part of the annual risk assessment exercise and in particular, maintaining a dedicated fraud risk register for the EIT.

- Perform ad-hoc verification and checks when deemed necessary.

---

[13] For detailed actions, please refer to point 10 of this document "Action Plan"

# 7. Functions addressing and preventing fraud

The risk of fraud cannot be dealt with in isolation. Addressing and mitigating properly the risk of fraud is a key aspect of sound management. Whilst it is essential that all EIT staff members should have a clear understanding of the EIT's Anti-Fraud Strategy and of its action plan, the EIT has at its disposal the following functions engaged in addressing and preventing fraud:

| No. | Function | Unit/Section/External Stakeholder |
|---|---|---|
| 1 | Ethics and Integrity Officer | Directorate/Legal Section |
| 2 | Legal Officers | Directorate/Legal Section |
| 3 | Anti-fraud Coordinator | Directorate/Legal Section |
| 4 | Internal control Coordinator | Directorate/Director's Office |
| 5 | Ex-ante financial verification | Administration Unit/Budget and Finance Section; Grant Implementation Unit |
| 6 | Ex-ante procurement verification | SF/Procurement and logistics Section |
| 7 | EIT management: Heads of Operations, HoUs | EIT Units; Operations |
| 8 | EIT Director | EIT |
| 10 | EIT KICs' AF KICs SPOCs | All EIT KICs |
| 11 | EIT KICs' CEO, COO, CFO, SB | All EIT KICs |
| 12 | EIT Audit Committee | EIT Governing Board |
| 13 | External Auditors | European Court of Auditors |

# 8. Implementing the new revised anti-fraud strategy and action plan.

The EIT antifraud team and in particular, the Anti-Fraud Coordinator will coordinate and monitor the implementation of the new revised antifraud strategy and action plan and will regularly update the EIT management and EIT Governing Board on its progress. The EIT antifraud team along with the relevant players referred to in point 7, shall work together in a coordinated manner to ensure that the EIT's approach to managing the risk of fraud is kept up to date with developments in best practice and legislative requirements and to protect as far as possible the EU's financial interests. The Anti-Fraud Strategy and its action plan will be reviewed every 3 years.

Besides the implementation of the EIT's Anti-Fraud Strategy, policy and procedures related to antifraud will be subject to periodic review on the basis of an evaluation of the impact of the Strategy, measured using the key performance indicators developed, among which for example the number of cases notified to OLAF for investigation, number of notified cases dismissed by OLAF, number of internal reporting about suspicious behaviours received.

# 9. Action Plan
## Action Plan for 2024-2026

| AF Measure & Action | Responsible | Deliverable/description of actions | Due date |
|---|---|---|---|
| (O1$_1$) Maintain regular communication with staff, members of the EIT Governing Board and KICs on anti-fraud related matters through:<br>- Activity Report;<br>- Compulsory in-house trainings to EIT staff;<br>- Awareness session to the newly appointed members of the Governing board and EIT staff; | AFC, Ethics & Integrity Officer in cooperation with the EIT Directorate | (a) Coordination of the AR;<br><br>(b) Survey on anti-fraud & ethics and integrity;<br><br>(c) Ethics & AF trainings held;<br><br>(d) Awareness session to new GB members and EIT staff. | Permanent action, by end of each calendar year |
| (O1$_2$) Maintain regular communication and cooperation with OLAF/EPPO and report to the EIT Director/Governing Board and Audit Committee on ongoing and closed OLAF cases/investigations. | AFC and EIT Director | a) SoP/Administrative Arrangement between the EIT and OLAF;<br><br>b) Organisation of 2 sessions per year for EIT GB/Audit Committee on ongoing and closed cases and on the status on the implementation of the action plan of the AF Strategy.<br><br>c) Raise awareness about the mandate and role of EPPO. | Q2 2025<br><br>Permanent action, by end of each calendar year |
| (O1$_3$) Maintain and update the EIT intranet page on anti-fraud for the EIT staff | AFT | Updated AF intranet page at least 2 times per year. | As needed; at least at Q2 and Q4 each year |

| AF Measure & Action | Responsible | Deliverable/description of actions | Due date |
|---|---|---|---|
| (O1₄) Ensure proper implementation of the adopted policy on Conflict of Interest for the staff of the EIT. | Ethics & Integrity Officer | a) Decision of the EIT Director on implementation of the prevention and management of conflict of interest (adoption of templates and workflows);<br><br>b) Decision on the EIT criteria for assessing post-employment restrictions and prohibitions/post-employment guidance. | Q4 2024 |
| (O1₅) Publish on the EIT's website the DoIs of EIT's GB members and EIT management | EIT Director's Office in cooperation with the COMS Section | Published DoIs of EIT GB members and EIT management team on EIT's website. | Annual |
| (O1₆ and O2₁) Organise regular EIT & KICs Anti-fraud network meetings and bilateral meetings with the EIT KIC SPOCs to exchange AF best practices | AFT with EIT KICs SPOCs | a) Minutes of the EIT & KICs Anti- fraud network meetings<br><br>b) Highlights of the bilateral meetings with the KIC SPOC<br><br>c) Keeping up to date the list of EIT KICs SPOCs; communicate to OLAF the list. | Annually, at least one time per year<br>As required<br><br><br>As required |
| (O1₇ and O2₂) All EIT KICs adopt and publish on their website a revised Anti-Fraud Strategy ensuring compliance with the minimum requirements to the KIC Anti-Fraud Strategy provided by the EIT. | AFT in cooperation with Legal, OPS1<br><br><br>KICs<br><br><br>AFT with the support of external | a) The minimum requirements to the KIC Anti-Fraud Strategy are developed by the EIT and introduced to the KICs along with the obligation to submit the revised Anti-Fraud Strategy.<br><br>b) All the KICs submit the revised Anti-Fraud Strategies via eGrants tool.<br><br>c) An assessment of the KICs Anti-Fraud Strategies on compliance with established minimum requirements. | Q2 2024<br><br><br><br><br><br>Q4 2024- Q1 2025<br><br><br>Q1 2025 – Q3 2025 |

| AF Measure & Action | Responsible | Deliverable/description of actions | Due date |
|---|---|---|---|
| | experts when needed | | |
| (O2₃) All EIT KICs report on the status of the implementation of the Anti-Fraud Strategy filling out the template provided by the EIT | AFT | a) A template for KICs to report on the status of implementation of the Anti-Fraud Strategy is developed by the EIT and introduced to the KICs along with an obligation to submit the Report on the Anti-Fraud Strategy. | Q3-Q4 2024 |
| EIT ensures continuous monitoring of the implementation of the revised Anti-Fraud Strategies | KICs | b) All the KICs submit reports on the status of implementation of the Anti-Fraud Strategy via eGrants tool. | |
| | | c) An assessment of the KICs' reports on implementation of the Anti-Fraud Strategies (including assessment of internal fraud policies/procedures if needed). | Annually (starting from December 2024) |
| | AFT with the support of external experts when needed. | | Annually (starting from 2025) |
| (O2₄) All KICs revise their Codes of Conduct to align with the KIC Code of Conduct Model | Legal | a) KICs Code of Conduct Model is developed by the EIT and introduced to the KICs. | Q1 2024 |
| | OPS1 | b) Good governance principles assessment of the KICs in line with the Monitoring and Evaluation Plan 2024-2027, (report). | Q2-Q4 2024 |
| | KICs | c) KICs submit their revised Codes of Conduct. | Q4 2024 |
| | | d) Monitoring of the implementation of | |

| AF Measure & Action | Responsible | Deliverable/description of actions | Due date |
|---|---|---|---|
| | OPS1, AFT, Legal | the KIC Code of Conduct Model (with due regard to the outcome of the 2024 monitoring activity), resulting in report and follow-up actions with the KICs. | Q2-Q4 2025 |
| (O2$_5$) EIT monitors the selection of the KIC SB members and C-level management (incl. CLC directors). | OPS1, AFT | Continuous monitoring involving AFC if needed; report/follow-up actions with KICs. | As required |
| (O1$_8$ and O2$_6$) EIT enhances cooperation between the EIT Anti-Fraud Team and OPS1 | AFT, OPS1 | a) Organize regular and ad hoc meetings between EIT Anti-Fraud Team and OPS1 (Heads of Units/Sections)<br><br>b) Grant access to AFT to relevant eGrants modules.<br><br>Prepare and share with OPS1 an analytical assessment of the OLAF cases, particularly, in relation to the OLAF final reports issued as the outcome of an investigation (lessons learnt) | As required, at least 2 meetings per year<br><br><br>Q2 2024<br><br><br>Annual |
| (O2$_7$) All EIT KICs implement recommendations and update Procurement policies | OPS1 (GA), involving Legal, DIR when needed | Comprehensive review to follow-up the implementation of the 2022 recommendations and of the revised EIT Procurement Guidelines, both at CLC and KIC LE level; consolidated report on the KIC Procurement Policies, procurement organisation and governance and procurement practices; KIC-specific reports (comprehensive reports for 2-5$^{th}$ wave KICs, reports for 1st wave KICs). | Q4 2024, to be continued in 2025 |
| (O2$_8$) Enhancing KICs' financial control and audit mechanisms | OPS1 (GA) | a) Working Group on CFS Audits.<br><br>b) Monitoring reports on the KIC Control Strategies providing guidance/recommendations to KICs. | Established in Q3 2023 (to be continued)<br><br><br>Q4 2024 |

| AF Measure & Action | Responsible | Deliverable/description of actions | Due date |
|---|---|---|---|
| | | | |
| (O2$_9$) **All KICs make accessible information on their websites and/or in a HE common database (e.g. Corda) as required by the Partnership Agreement and/or EIT policies** | AFT in cooperation with Legal | a) Prepare a draft of the amendment to the Partnership Agreement including obligation to publish the KIC Anti-Fraud Strategy, whistleblowing channels and complaint procedures. (previously including such an obligation to the minimum requirements to the KIC AF Strategy). | Q4 2026 |
| | OPS1 | b) Reporting findings related to KICs' compliance with the Principles of Openness and Transparency under GGP monitoring (e.g. regarding information on sub-grantees available in Corda, publication of required documents on the website) /follow-up actions with KICs (if any). | Q4 2026 |
| (O2$_{10}$) **EIT ensures full integration of the EIT with the EC IT tools** | OPS1 | EIT staff access EU Learn trainings on different eGrant modules. | Recurrent |
| (O3$_1$) **Fraud Risk Assessment (FRA)** EIT has to continuously monitor, as part of its overall risk policy, the existing risks that could impact substantially the goals and objectives of EIT's programme and respective adopted KPIs. **EIT FRA** – measures to detect, analyse and address/mitigate the risks related to fraud and linked to the internal organization and | ICC, AFT ADMIN/HR | a) **Fraud risk register** – based on EIT risk-register, EIT will open and maintain a list of all risks established by EIT and related to fraud, following the format of the risk register. This register should also reflect any possible risk identified by the AFT in relation to the KICs. b) **Policy on Sensitive Posts** – sensitive posts are defined as ones whose job specifics and decision-making authority create the potential risk of fraud. EIT maintains a policy, which is reviewed annually in order to identify the recurrent list of sensitive posts and recommend respective mitigating measures. | Recurrent Annual, to be updated until October each year |

| AF Measure & Action | Responsible | Deliverable/description of actions | Due date |
|---|---|---|---|
| processes of EIT, including those linked to the KICs. | | c) Validation of user access rights granted in ABAC at the EIT | |
| | Head of FIN/LAM/EIT Accountant | d) **Periodical review of the financial circuits and delegation of authority** – establishes whether the DIR delegations were followed up thoroughly and exceptions were | Annual, to be finalised until September each year |
| | ADMIN/FIN | e) **Follow up to open tasks related to fraud risks, established through external audits and/or internal assessments** including – audit recommendations, non-compliance reports, exception reports etc. | Annual, to be finalised until September each year |
| | ICC, Risk business owners | f) **Periodical review of guidelines and SOPs**, to validate distribution of responsibilities and 2$^{nd}$ level of controls. | Within established deadlines approved by DIR in the audit plan or other as relevant. |
| | ICC - coordination | | Recurrent |
| | Process Business Owners - updates | | |

| AF Measure & Action | Responsible | Deliverable/description of actions | Due date |
|---|---|---|---|
| (O3$_2$) Annual assessments of the adequacy and effectiveness of the internal control system in place; where additional control needs have been identified to design and implement additional controls and tools. | ICC | Report on annual assessment of the EIT's internal control system. | Annually, by Q2 of year n+1 for year n |
| (O3$_3$) Maintain and enhance Cybersecurity | ADMIN/IT | a) Annual security review/Audits (CERT-EU, ENISA, ECA, External Partners).<br><br>b) Continuous End-point security protection on all EIT equipment.<br><br>c) Continuous patch management of servers and clients.<br><br>d) Surface scan testing of critical information systems (EIT website)<br><br>e) Phishing Exercise for all EIT staff.<br><br>f) Continuous capturing of logs from servers to carry out security data analytics, as per defined on the IT Monitoring Plan<br><br>g) Local backups and replication to Disaster Recovery Site, as per defined on the IT Backup Plan<br><br>h) Data Protection Impact Assessment according to IT Security Risk Management Methodology (ITSRM2) using EC GovSec Tool<br><br>i) IT Security Awareness Session to all EIT. | Recurrent<br><br><br>Recurrent<br><br><br>Recurrent<br><br><br><br>Quarterly<br><br>Annual<br><br><br>Recurrent<br><br><br><br>Recurrent |

| AF Measure & Action | Responsible | Deliverable/description of actions | Due date |
|---|---|---|---|
| | ADMIN/IT, DPO | j) Implementation of measures required by the new Cybersecurity Regulation. | Recurrent |
| | ADMIN/IT, DPO, LAM | k) Annual IT inventories (reports approved by RAO). | twice a year, by June'30 and Nov'30 |
| | ADMIN/IT, Legal, DPO | l) Regular ITSCs (minutes of the ITSCs meetings) | Q1 2026 |
| | ADMIN/IT | | Annually, by the end of Q4 |
| | | | Quarterly |
| (O3$_4$) Reinforcement of access rights system | LISO IT | **Annual review of access rights in line with the relevant SOP** A report on the existing user accounts and access rights shall be reviewed at least annually by the LISO/CISO and designated IT officer at the beginning of Q3 each year in order to detect dormant user accounts and user accounts with excessive access rights. Within fifteen days from the completion of the report, the LISO/CISO together with designated IT officer shall submit the above-mentioned report to EIT Management for approval. | Annual, Report to be submitted by end of Q3 of each year. |
| (O3$_5$) Document management – IT tool for classification of documents | LISO, IT, DIR, LEGAL | Establishment of an IT tool that ensures that EIT documents are classified in accordance to the GB Decision on access to document and classification of documents. | 2025 |

| AF Measure & Action | Responsible | Deliverable/description of actions | Due date |
|---|---|---|---|
| (O3$_6$) Update EIT procurement SOPs and raise awareness to EIT staff on public procurement rules via regular info sessions and trainings. | PROC | a) Updates procurement SOPs:<br>  - Negotiated procedure with 1 candidate;<br>  - Negotiated procedure with 3 and 5 candidates;<br>  - Open procurement Procedure<br>  - Contracting under framework contract<br>  - Contract management workflow<br><br>b) Procurement training / info sessions | By Q4 2024;<br><br><br><br><br><br><br><br><br><br>Continuous |
| (O3$_7$) Enhance effectiveness of the procurement procedures: ensuring that purchased goods and services are covering the needs of the EIT. | PROC | Proper Market Analysis to be conducted by the Business/Operational Units before the intended public procurement procedure is launched. | Recurrent |
| (O3$_8$) Anti-corruption policy | AFC | Anticorruption policy:<br>a) Coordinate with relevant parts of the EC and EUAN the recommended structure, content and focus of such a policy (currently in development by EUAN)<br>b) Based on the above-mentioned consultations – amend the AFS or develop a separate policy for adoption by GB | 2024 |
| (O3$_9$) Working arrangements with OLAF | AFC | a) Support OLAF as required on open cases.<br>b) Discuss with OLAF new EIT policies before adoption where appropriate.<br>c) Cooperate with OLAF in regard to raising EIT staff AF awareness through trainings as well as with the KICs. | As needed |

| AF Measure & Action | Responsible | Deliverable/description of actions | Due date |
|---|---|---|---|
| (O3$_{10}$) **Perform administrative inquiries where required or appropriate.** | Enquiries to be nominated on an ad hoc basis by the EIT Director or GB members | Report on administrative queries. | As needed |
| (All) **Prepare an Activity Report for implementation of the actions during 2024 – 2026 Anti-Fraud strategy.** | AFC, AFT | Activity Report 2024-2026 | Q4 2026 |