DECISION 34/2017

OF THE GOVERNING BOARD OF

THE EUROPEAN INSTITUTE OF INNOVATION AND TECHNOLOGY (EIT)

ON THE ADOPTION OF THE FINAL SINGLE PROGRAMMING DOCUMENT (2018-2020) OF THE EIT

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

Having regard to Regulation (EC) No 294/2008 of the European Parliament and of the Council of 11 March 2008 establishing the European Institute of Innovation and Technology[1] as amended by Regulation (EU) No 1292/2013 of the European Parliament and of the Council of 11 December 2013[2] (hereinafter the "EIT Regulation"), and in particular Article 15 and Section 2 (a) of the Statutes annexed to the EIT Regulation;

Having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002[3] (hereinafter the "Financial Regulation"), and in particular Articles 84, 128 and 138 thereof;

Having regard to the Decision of Governing Board of the EIT of 27 December 2013 adopting the Financial Regulation for the European Institute of Innovation and Technology,[4] as amended by Decision No 6/2015 of the Governing Board of the EIT of 5 March 2015[5] and by Decision 11/2016 of the Governing Board of the EIT of 20 April 2016[6] (hereinafter the "EIT Financial Regulation"), and in particular Article 32 (1), Article 33(8) and Article 68 (2) thereof;

Having regard to Commission Delegated Regulation (EU) No 1268/2012 of 29 October 2012 on the rules of application of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council on the financial rules applicable to the general budget of the Union[7] (hereinafter the "Rules of Application"), and in particular Article 94 and 111(4) thereof;

Having regard to Commission Delegated Regulation (EU) No 1271/2013[8] of 30 September 2013 on the framework financial regulation for the bodies referred to in Article 208 of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council (hereinafter the 'Framework Financial Regulation');

Having regard to Decision No 1312/2013/EU of the European Parliament and of the Council of 11 December 2013 on the Strategic Innovation Agenda of the European Institute of Innovation and Technology (EIT): the contribution of the EIT to a more innovative Europe[9] (hereinafter the "Strategic Innovation Agenda");

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[1] *OJ L97 of 09.04.2008, p. 1.*
[2] *OJ L347 of 20.12.2013, p. 174.*
[3] *OJ L 298, 26.10.2012, p. 1.*
[4] *01364.EIT.2014.I.*
[5] *00101.EIT.2015.I.GB34*
[6] *O4141.EIT.2016.I.GB.41*
[7] *OJ L 362, 31.12.2012, p. 1*
[8] *OJ L 328, 7.12.2013, p.42*
[9] *OJ L 347, 20.12.2013, p. 892.*

Having regard to the Commission Communication[10] on the guidelines for programming document for decentralised agencies and the template for the Consolidated Annual Activity Report for decentralised agencies;

Having regard to Decision 31/2016 of the Governing Board of the EIT of 8 December 2016 adopting the Draft Single Programming Document 2018-2020[11];

Having regard to the Commission opinion adopted on 15 December 2017[12];

WHEREAS

(1)   Article 32 (1) of the EIT Financial Regulation and of the Framework Financial Regulation provides that the EIT shall draw up a programming document containing multiannual and annual programming taking into account guidelines set by the Commission.

(2)   The guidelines for a Single Programming Document (SPD) have been issued by the Commission. It is stated in the Commission Communication that the SPD will *"form the multi-annual and annual work programmes referred to in the founding regulation of each agency"*.

(3)   The Single Programming Document shall contain a statement of the main priorities and planned initiatives of the EIT and the KICs, an estimate of financing needs and sources as well as appropriate indicators for monitoring.

(4)   Pursuant to Article 33 (5) of the EIT Financial Regulation, the draft SPD has to be submitted to the Commission, the European Parliament and the Council no later than 31 January in year N-1.

(5)   According to the Commission Communication, the European Commission shall deliver an opinion on the Draft Single Programming Document by 1 July year N-1.

(6)   The EIT shall take due account of the European Commission opinion and, in the event of disagreement, justify its position.

(7)   The final Single Programming Document shall be adopted by the EIT Governing Board and transmitted by the EIT to the European Parliament, the Council, the European Commission, the European Economic and Social Committee and the Committee for the Regions for information.

(8)   The 2018 work programme constitutes a financing decision for the activities it covers since the elements set out in Article 32(3) of the Framework Financial Regulation and in Article 84 of the Financial Regulation and in Article 94 of the Rules of Application are clearly identified.

(9)   In order to provide for some degree of flexibility while applying specific actions covered by this decision, it is necessary to foresee a possibility for the authorising officer to introduce non substantial changes on specific actions. Such changes should not, however, have a disproportionate impact on the budget line concerned and they should not significantly affect the nature and objectives of the action.

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[10] *Ref. Ares(2014)4305716 - 19/12/2014 Brussels, 16.12.2014 C(2014) 9641 final*
[11] *06240.EIT.2016.I.GB44*
[12] *ref: C(2016)7302*

(10)   The EIT Governing Board shall adopt the Final Single Programming Document of the EIT for 2018-2020 together with the budget of the EIT and the establishment plan for 2018.

HAS DECIDED AS FOLLOWS:

Article 1
Adoption

The Final Single Programming Document of the EIT for 2018-2020, as annexed to the present decision is hereby adopted.

Article 2
Entry into force

The present decision shall enter into force on the day of its signature. It will be published on the EIT website.

Done in Budapest on 18 December 2017[13]

Signed

Peter Olesen
Chairman of the EIT Governing Board

Annex: Final Single Programming Document of the EIT (2018-2020)

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[13] *Approved by written procedure on 18 December 2017*

EIT Programming Document

Making Innovation Happen

2018 - 2020

European Institute of Innovation and Technology (EIT)

Budapest | December 2017

The EIT is a body of the European Union

Contents

Foreword

The European Institute of Innovation and Technology (EIT) is a unique EU initiative to spur innovation and entrepreneurship across Europe. The idea is simple: in diversity is strength. It brings together leading universities, research labs and companies to form dynamic pan-European partnerships. Together, they develop innovative products and services, start new companies, and train a new generation of entrepreneurs. They bring ideas to market, turn students into entrepreneurs. They innovate.

Today, we face many societal challenges and the EIT aims to create favourable environments for creative thoughts, in order to enable world-class innovation and entrepreneurship to thrive in Europe and to tackle some of the major societal challenges. The EIT's Innovation Communities bring innovative solutions to those key challenges in the areas of development of sustainable energy sources, management of climate change, pioneering digitalisation, promotion of healthy living and active ageing and new opportunities from raw materials and fostering a sustainable food supply chain.

Each Innovation Community sets its own objectives, business plan and structure. Each uses the central EIT funding as seed money to leverage existing investments and to attract investors. They holistically build innovation systems through a portfolio of activities around the identified societal challenges. They knit together Europe's leading players in education, research and business.

The EIT has been on a steady growth path both in terms of its results achieved and the scale of its operations since it was created in 2008. By now, the EIT and its Innovation Communities have progressed from promise to impact, through innovations delivered by a powerful pan-European network. The EIT brings jobs to Europe and it is successfully turning ideas into products and services that address Europe's societal challenges. The EIT's unique innovation model not only works but it also generated the creation of Europe's largest innovation ecosystem.

Since 2010, the EIT Innovation Communities have supported more than 2,000 business ideas, supported and created hundreds of start-ups, and now these start-ups are increasingly becoming commercial successes. For example, in 2016 alone, EIT-supported start-ups attracted more than 150 million euro in external investment and created more than 6,000 highly qualified jobs. There are over 1,200 people who have graduated from EIT labelled education programmes and at this rate, by 2020, this number is projected to increase to 5,000.

This is a significant progress that shows the EIT's ecosystem works and the EIT Community delivers ground-breaking results. Moreover, it demonstrates that the EIT's mission, to contribute to the competiveness of Europe and its sustainable economic growth is being upheld.

During the period 2018-2020, the EIT will continue to contribute to Europe 2020, the 'Innovation Union', Horizon 2020 and the European Commission's objectives by continuing to integrate the Knowledge Triangle of higher education, research and business and by exploring synergies with other programmes, helping to overcome fragmentation in the innovation landscape. The EIT will further promote the widening of participation in the Innovation Communities in areas in Europe with lower innovation capacity through its dedicated programme, the EIT Regional Innovation Scheme.

Based on existing European excellence, the EIT Innovation Communities will continue to build upon and create new eco-systems tackling fragmentation and duplication of efforts across borders to generate critical mass, enhance and strengthen collaboration, optimise the use of human, financial and physical resources, and attract top talent from all over the world. This makes the EIT well placed to further widen its reach, impact and play an increasing role in the innovation landscape. Innovate with us.

List of acronyms

AAR	Annual Activity Report
ABAC	Accrual Based Accounting
AD	Administrator
AST	Assistant
BRIC	Brazil, Russia, India, China
CA	Contract Agent
CFS	Certificate on Financial Statements
CLC	Co-location Centre
COO	Chief Operation Officer
COST	European Cooperation in Science and Technology
DMS	Document Management System
EARTO	European Association of Research and Technology Organisations
EC	European Commission
EFSI	European Fund for Strategic Investment
EFTA	European Free Trade Association
EIT	European Institute of Innovation and Technology
EIT RIS	EIT Regional Innovation Scheme
ESIF	European Structural and Investment Funds
EU	European Union
EXCO	Executive Committee
FPA	Framework Partnership Agreement
FTE	Full Time Equivalents
GB	Governing Board
H2020	Horizon 2020
HR	Human Resources
ICT	Information and Communications Technology
IGO	Intergovernmental Organisation
IP	Intellectual Property
JRC	European Commission's Joint Research Centre
KAVA	KIC Added Value Activities
KCA	KIC complementary activities
KIC LE	KIC Legal Entity
KICs	Knowledge and Innovation Communities
KPIs	Key Performance Indicators
LE	Legal Entity
LSO	Local Security Officer
MOOCs	Massive Open Online Courses
MOOPs	Massive Open Online Programmes
OECD	Organisation for Economic Co-operation and Development
PMS	Performance Measurement System
R&D	Research and Development
SGA	Specific Grant Agreement
SIA	Strategic Innovation Agenda
SME	Small and Medium-sized Enterprise
SNE	Seconded National Expert
SPD	Single Programming Document

SUGA	Start-up Grant Agreement
TA	Temporary Agent
WEF	World Economic Forum
WP	Work Programme

Mission statement

The EIT is a body of the European Union established in March 2008.[1]

The EIT's mission is to contribute to sustainable European economic growth and competitiveness by reinforcing the innovation capacity of the Member States and the Union in order to address major challenges faced by European society by promoting synergies and co-operation among, and integrating, higher education institutions, research organisations and businesses of the highest standards. The EIT aims to create favourable environments for creative thoughts, in order to enable world-class innovation and entrepreneurship to thrive in Europe.

In 2010, the European Union launched a strategy for sustainable growth for the coming decade: the Europe 2020 Strategy. A flagship initiative part of Europe 2020 is the 'Innovation Union', which aims to create an innovation-friendly environment making it easier for great ideas to be turned into products and services contributing to economic growth and job creation and the financial instrument implementing these objectives is Horizon 2020[2]. By coupling research and innovation, Horizon 2020 is helping to achieve this with its emphasis on excellent science, industrial leadership and tackling societal challenges. A top priority of the Juncker Commission, which took office in 2014, is to strengthen Europe's competitiveness and to stimulate investment for the purpose of job creation. This should be done through smarter investment, less regulation and greater flexibility. A strong emphasis is put on education, research and innovation, promoting a climate of entrepreneurship and job creation.

It is against this backdrop that the European Institute of Innovation and Technology operates. The EIT will contribute to Europe 2020, Horizon 2020 and the European Commission's objectives by continuing to integrate the Knowledge Triangle of higher education, research and business. This integration takes place primarily via the EIT Innovation Communities, which bring together excellent organisations on a long-term basis around societal challenges. Based on existing European excellence, the EIT Innovation Communities will continue to build upon and create new eco-systems tackling fragmentation and duplication of efforts across borders to generate critical mass, enhance and strengthen collaboration, optimise the use of human, financial and physical resources, and attract top talent from all over the world.

To further enhance impact and to incentivise innovation in new areas of societal challenges, the EIT will, according to the EIT Strategic Innovation Agenda (SIA)[3], gradually expand its portfolio of EIT Innovation Communities. Building on the existing six EIT Innovation Communities, three designated in 2009, two in 2014 and one in 2016, two additional EIT Innovation Communities in the themes of Added-value Manufacturing and Urban Mobility, will lead to a total portfolio of eight. The estimated financial needs of the EIT in 2018-2020 are approximately EUR 1.34 billion.

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[1] The EIT founding regulation (Regulation (EC) 294/2008) was amended in 2013: http://eur-lex.europa.eu/legal-content/EN/ALL/?uri=OJ:L:2013:347:TOC

[2] http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32013R1291&qid=1415873358015&from=EN

[3] http://eit.europa.eu/interact/bookshelf/eit-strategic-innovation-agenda-sia-2014-2020

Section I – General context

In 2010, the European Union launched a strategy for sustainable growth for the coming decade: the Europe 2020 strategy. A flagship initiative part of Europe 2020 is the 'Innovation Union', which aims to create an innovation-friendly environment that makes it easier for great ideas to be turned into products and services that will bring our economy growth and jobs enhancing Europe's global competitiveness.

The financial instrument implementing the 'Innovation Union' is Horizon 2020, the largest EU Research and Innovation programme ever with nearly EUR 80 billion of funding available over seven years (2014 to 2020). By coupling research and innovation, Horizon 2020 is helping to achieve this with its emphasis on excellence in science, industrial leadership and by tackling societal challenges. The goal is to ensure Europe produces world-class science, removes barriers to innovation and makes it easier for the public and private sectors to work together in delivering innovation. It promises to deliver more breakthroughs, discoveries and world-firsts by taking great ideas from lab to market.

The EIT strongly contributes to the objectives set out in Horizon 2020, in particular by addressing societal challenges in a manner that is complementary to other initiatives in these areas. It was set up by Regulation (EC) 294/2008 with the objective of contributing to sustainable economic growth and competitiveness by reinforcing the innovation and entrepreneurial capacity of the EU and its Member States.

During the programming period 2018-2020, the EIT continues to contribute to Europe 2020, the 'Innovation Union', Horizon 2020 and the European Commission's objectives by continuing to integrate the Knowledge Triangle of higher education, research and business. This integration takes place primarily via the EIT Innovation Communities, which bring together excellent organisations on a long-term basis around societal challenges. Based on existing European excellence, the EIT Innovation Communities will continue to build upon and create new eco-systems tackling fragmentation and duplication of efforts across borders to generate critical mass, enhance and strengthen collaboration, optimise the use of human, financial and physical resources, and attract top talent from all over the world.

The EIT considers a top priority the promotion of strong bonds through synergies and complementarities with EU, national, regional and international initiatives.

Close alignment between the EIT's and the European Commission President Jean-Claude Juncker's priorities, namely strengthening Europe's growth, competitiveness and stimulating investment for the purpose of job creation, paved the way for future synergies[4]. This should be done through smarter investment, better regulation and greater flexibility. A strong emphasis is put on education, research and innovation, promoting a climate of entrepreneurship and job creation. Specifically, the EIT and its KICs will strive to participate in the agreed European Fund for Strategic Investments (EFSI), a major initiative launched by President Juncker. This new task and the increasing portfolio of KICs will require further human resources to enable the EIT to deliver on these important political priorities.

Furthermore, the EIT contributes to the political priority 'Digital Single Market' by fostering European innovation and entrepreneurship in the field of information and communication technologies. EIT Digital is designed to support the development of breakthrough ideas and facilitate their placing on the market by providing a place for students, entrepreneurs, SMEs, start-ups and business actors to meet, exchange ideas and turn them into marketable innovations. The EIT also contributes to the European Commission's priorities on Energy Union and Climate Action. Within EIT Climate-KIC, the EIT integrates research efforts focusing on climate change adaptation and mitigation. The EIT thus stimulates climate change entrepreneurship among students and professionals through education activities that seek to foster the development of innovation conducive to sustainable

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[4] http://ec.europa.eu/priorities/jobs-growth-investment/index_en.htm

development. The EIT also participates in the effort to develop sustainable energy through EIT InnoEnergy. EIT InnoEnergy's strategy to achieve sustainability entails reducing the cost of energy in the value chain, increasing energy security and reducing CO_2 and other greenhouse gas emissions. This benefits citizens directly by encouraging the supply of cheap, secure and sustainable energy. The work of this EIT Innovation Community is complementary to that of EIT Raw Materials, which aims to develop a cost-efficient, secure, sustainable supply and use of raw materials.

Moreover, the EIT will continuously seek consistency with and contribute to the EU priorities, as reflected in EU strategies and initiatives, such as those in the context of the European Research Area, the European Higher Education Area as well as the Innovation Union, and those related to the thematic areas of EIT Innovation Communities.

In line with the EIT's Strategic Innovation Agenda (EIT SIA), as a 'smart investor' in EIT Innovation Communities, the EIT considers simplification as a dynamic process, embedded in the EIT's strategy and operations. Simplification, implemented in a responsible and accountable manner, is a must for the EIT to achieve effective results, promote innovation breakthroughs and for the involvement of the academic, research and business communities. Furthermore, the EIT will strive to adapt, improve and streamline its monitoring, reporting and funding processes and constantly seek for new approaches by fully empowering the EIT Innovation Communities' legal entities considering the growing scale and scope of their partnerships' composition.

Throughout the period 2018-2020, an important task for the EIT will be to follow the negotiations on its next Strategic Innovation Agenda (SIA) containing the long-term strategic objectives, priorities and budget needs for the programming period 2021-2027. Starting already in 2016 and continued throughout 2017, 2018 and in 2019, the EIT will engage with stakeholders by means of targeted events, bilateral meetings as well as dedicated consultation mechanisms with a view to seeking input to and support of its long-term strategy. The EIT will submit the draft SIA to the European Commission by end of 2017.

Subsequent to the submission of the Draft EIT Strategic Innovation Agenda (SIA) 2021-2027, the European Commission is expected to publish a Commission Proposal for the EIT Strategic Innovation Agenda in 2018. In this context, to reflect and fully align the long-term strategic objectives with the EIT's legal base a revision of the amended EIT Regulation might be envisaged.

Section II – Multi-annual programming 2018-2020

1. Multi-annual objectives

While sustaining a strong European economy and innovative base is mainly the Member States responsibility, the innovation challenge is of such nature and scale that it also requires action at the Community level. The EIT was therefore created to complement existing Community and national policies by fostering innovation through the integration of the knowledge triangle between higher education, research and business.

Europe is facing a number of structural weaknesses when it comes to innovation capacity and the ability to deliver new services, products and processes, thereby hampering sustainable economic growth and job creation. Among the main issues at hand are Europe's relatively poor record in talent attraction and retention; the under-utilisation of existing research strengths in terms of creating economic or social value; the lack of research results brought to the market; low levels of entrepreneurial activity and mind-set; low leverage of private investment in R&D; a scale of resources, including human resources, in poles of excellence which is insufficient to compete globally; and an excessive number of barriers to collaboration within the knowledge triangle of higher education, research and innovation on a European level. The EIT will address these issues by promoting structural changes in the European innovation landscape. In doing so, the EIT will contribute fully to the objectives of the Europe 2020 strategy and the flagship initiatives "Innovation Union" and "Youth on the Move". In addition, the EIT will seek synergies and interaction across the priorities of H2020.

The **EIT's mission** is to contribute to sustainable European growth and competitiveness by reinforcing the innovation capacity of Member States and the Union in order to address major challenges faced by European society.

The EIT's **overall objective** is to contribute to the development of the Community's and the Member States' innovation capacity by involving higher education, research and innovation activities at the highest standards and in doing so facilitate and enhance networking and cooperation and create synergies between innovation communities in Europe.

The **specific objective** to be achieved to implement the objective is the integration of the knowledge triangle of higher education, research and innovation.

The EIT performance will be assessed based on the following indicators (from H2020 Regulation):

- Organisations from universities, business, research integrated in the KICs
- Collaboration inside the knowledge triangle leading to the development of innovative products, services and processes

In 2016, the EIT revised its core Key Performance Indicators (KPIs), and developed a set of eleven KPIs to capture main outputs and results/impacts. The improved KPIs became operational as of 2017, and are used to measure KICs' contribution towards impact, especially on the effects on competitiveness and growth in Europe.

The major challenges have been identified at European level and are defined in the EIT's Strategic Innovation Agenda with objectives to be achieved defined in the proposal submitted during KIC calls and strategic agenda of designated KICs:

- Mitigate and adapt to climate-change by building a zero-carbon economy and climate resilient society. [EIT Climate-KIC]
- Drive digital innovation, education and entrepreneurship for economic growth and quality of life in Europe. [EIT Digital]
- Secure adequate supply of energy produced in a sustainable and affordable manner and transitioning towards a zero-carbon economy. [EIT InnoEnergy]

- Promote healthy living and active ageing by increasing awareness of good habits and encouraging changes in behaviour, developing tools to help people to work more flexibly and live longer in their own homes and improve cost-effective healthcare, through innovations that empower patients. [EIT Health]
- Sustainably explore, extract, process, recycle and substitute raw materials in an efficient, secure, sustainable and circular way. [EIT Raw Materials]
- Secure an adequate supply of high quality food: Ensuring a sustainable value chain from "from farm to fork", from resources to consumers, improving nutrition and making the food system more resource efficient, secure, transparent and trusted. [EIT Food]
- Create an integrated manufacturing system spanning the entire value chain from production, distribution and end-of life treatment of goods, products, services based on a customer-driven innovation system. [EIT Manufacturing]
- Ensure a smart, greener, more inclusive, and safer integrated urban mobility system. [EIT Urban Mobility]

To implement its objectives and address the major challenges, the **EIT activities** as defined in the EIT's Single Programming Document (SPD) give priority to the transfer of higher education, research and innovation activities to the business context and their commercial application, supporting the creation of start-ups, spin-offs and SMEs. The EIT operates primarily through excellence-driven autonomous partnerships (the Knowledge and Innovation Communities) that foster innovation and entrepreneurship and consist of higher education institutions, research organisations, companies and other stakeholders.

2. Multi-annual programme

2.1. Incentivising Growth, Impact and Sustainability through the EIT

2.1.1. Consolidating, Fostering Growth and Impact of the KICs

During the period 2018 to 2020, KICs will achieve results and impact in tackling the societal challenges they address. The first three KICs, EIT Climate-KIC, EIT Digital and EIT InnoEnergy, set up in 2010, will run at full speed having reached the stage of maturity. They will implement a comprehensive portfolio of activities integrating the Knowledge Triangle and leading to breakthrough innovations across it. This is expected to deliver real economic and societal impact fostering competitiveness and growth across the European Union and beyond. The KICs operate in a dynamic environment of creativity and flexibility, which allows them to re-adjust their portfolio of activities to seize new market and societal opportunities in order to achieve the best possible results. The KICs will also implement strategies with concrete measures to ensure their long-term financial sustainability and comprehensive outreach to regions not yet involved in their activities. The EIT will monitor the results achieved to set the right incentives for KICs and, as appropriate, will take on board lessons learnt at individual KIC level and across KICs.

In this period, the two KICs in the areas of Healthy Living and Active Ageing (EIT Health) and Raw Materials - Sustainable Exploration, Extraction, Processing, Recycling and Substitution (EIT Raw Materials) designated in 2014 and launched in 2015 will progressively consolidate their strategies and their portfolio of activities, creating the eco-systems that will deliver the first tangible results fostered by the integration of higher education, innovative research and business.

By the end of the period, eight KICs will be fully operational, including the new KICs in the areas of Food4Future - Sustainable Supply Chain from Resources to Consumer, Added-value Manufacturing and Urban Mobility, allowing the EIT and its KICs to increasingly develop appropriate co-ordination, synergies and complementarities within Horizon 2020 with other EU programmes, initiatives and beyond.

2.1.1.1 Promoting Collaboration and Competition among KICs

From 2018 to 2020, the EIT will continue to pro-actively encourage collaboration among KICs while creating through its investment approach a competitive environment which will bring benefits to European citizens, maximising the impact of education, business creation and scale-up / start-up support, entrepreneurship, and innovation activities. The EIT will continue to allocate the annual EIT financial contributions to KICs based on a split into support and competitive funding to ensure both continuity for multiannual activities and reward successes and results. The EIT while taking into account the different levels of maturity and specific needs of the KICs will facilitate the exchange of experiences and good practices between KICs and foster open competition among them for EIT funding as an important element to stimulate continuous improvement, greater efficiencies and stronger impact. Smart funding strategies will be operationalised taking into account KICs' different stages of maturity. The share of competitive funding will continue to grow in line with the EIT`s principles of KICs' financial sustainability[5].

For the first three KICs designated in 2010, reaching cruising speed on their expansion curve, the current approach (based on a so-called two pillar review considering past performance on the one hand, future outlook and multiannual perspective on the other hand) will gradually shift into an impact-based model that will increasingly use the criteria of measurable results and steps towards KICs' financial sustainability in the EIT funding allocation. During 2018 to 2020, competitive funding will continue to be an important element on how the EIT allocates its financial contribution. The EIT will adapt its competitive review mechanisms as a major component of its financial allocation to KICs while taking into account that the different waves of KICs will grow at different speeds. Particular attention will be paid to the different levels of development between the three waves of KICs, the more mature ones and those set up in 2015 and 2017, defining an adequate tool which will ensure both fair competition and equal treatment amongst KICs.

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[5] Decision 4/2015 of the EIT Governing Board on Principles on KICs' Financial Sustainability

The EIT has reviewed existing Key Performance Indicators (KPIs), their usefulness as well as the EIT's and KIC's ability to meet the targets set and further develop a more fit-for-purpose scoreboard of KPIs which will progressively improve the analysis of KICs' performance in terms of results[6] and also allow the EIT to monitor its own performance. The improved KPIs will be used to measure KICs' contribution towards impact, especially on the effects on competitiveness and growth in Europe. The EIT Scoreboard will enhance the EIT's visibility by ensuring that the KICs, as large-scale systemic innovation initiatives, successfully support the strengthening of the European innovation landscape as part of Horizon 2020 and in support of the Innovation Union.

Additionally, the EIT will continue to encourage further collaboration and to support continuous exchanges of knowledge among all KICs through the implementation of cross-KIC activities in all areas of the Knowledge Triangle, i.e. education, entrepreneurship and research leading to innovation. This will be incentivised by allocating a specific budget earmarked for cross-KIC activities The EIT will strive to broaden its current cross-KIC agenda. KICs will be incentivised to develop joint activities on cross-cutting issues, share good and novel practices, contributing, over the long-term, to the establishment of European education, entrepreneurship and research global leadership. For example, in the field of education, the EIT will set incentives to modernise education and skill development using modern technologies and tools going beyond its current flagship initiative the 'EIT labelled degrees and diplomas'. The EIT sees its role as contributor to a more efficient use of technological developments in education, business and research facilitating Knowledge Triangle integration for the benefit of European citizens. To achieve its ambitions, the EIT will foster cross-fertilisation between all KICs allowing them to profit from lessons learnt and deliver results in a shorter timeframe. The working modalities between the EIT and its KICs will be adjusted to accommodate the need for improved co-ordination with a larger number of KICs, to advance the simplification agenda by focusing on results and to increase both the efficiency and effectiveness of decision-making at all levels.

2.1.1.2 Knowledge Triangle Integration

In the area of knowledge triangle integration, the EIT supports activities in three pillars of education, research driven innovation and entrepreneurship that are integrating the different sides of the knowledge triangle and thereby create value–added that strengthens innovation systems. With the completion of the Knowledge Triangle Integration review in 2017, it is expected that the EIT will refocus its knowledge triangle integration activities. Rather than maintaining separate education, entrepreneurship and innovation activities, the EIT will break down barriers and silos and develop a holistic agenda where the EIT model and its activities provide the maximum impact and value added. In order to succeed such a transformation will require close cooperation with the Knowledge Innovation Communities (KICs) and other stakeholders.

The EIT entrepreneurial education activities are expected to expand their range of activities from 2018 to 2020 towards better serving the education for the next generation of entrepreneurs and also towards better matching the needs of prospective employers regarding skill sets and competences.

Following the outcomes of the 2016 Review of the Education Activities, the EIT will focus on implementing recommendations, in close collaboration with the KICs, and contributing to the preparation of the new SIA. According to the key findings of the Review, most added value occurs when the education activities link as organically as possible with the Innovation and the Business Creation activities, creating new forms of learning experiences and opportunities for students and others types of learners and facilitating their transition to become entrepreneurs and innovators. It also derives from structural changes in the participating organisations such as universities by becoming more entrepreneurial and innovation minded.

In order to increase effectiveness and efficiency of the cooperation with key players in the field of entrepreneurial education, starting from 2019, the EIT will create a platform that will attract relevant key stakeholders from the knowledge triangle, present the value and impact of the EIT education activities, facilitate the cross-fertilisation of synergies with relevant actors and the KICs and discuss recent trends in education innovation. In particular, the EIT will, in close collaboration with the KICs, seek further cooperation with EC initiatives on entrepreneurship education and human capital development such as HEInnovate, University Business Cooperation, Knowledge

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[6] In order to harmonise the vocabulary used in performance assessment (output/results/outcomes/impact), the EIT has established a glossary of terms that is attached to the EIT Monitoring Strategy.

Alliances, or the Blueprint for Sectoral Cooperation on Skills. Internally, EIT will seek to increase its capacity to follow-up and further develop the education activities in order to assume a key role in the EU education innovation landscape, based on the EIT's unique knowledge triangle integration function.

A particular attention will be paid to the further development of cross-KIC cooperation regarding on-line education, professional/executive education, common branding, technologies and pedagogic approaches to enhance the integration of the Knowledge Triangle, certification of professional qualifications, post-doctoral courses adapted to bridge the gap between academia and business and lessons learnt in selected topics (recruitment, mobility of students etc.). Within these areas the EIT will identify those in which the EIT model can bring value added and achieve impact in terms of creating more entrepreneurial talent in Europe for the innovations of tomorrow. For example, in order to facilitate the process of high quality data collection, new learning analytics/intelligent database technology could be introduced by the end of 2019 that would result in the standardisation and quality assurance of information flow from the KIC activities.

The EIT Education flagship initiative, the EIT Label, started a second implementation phase in 2016 after the revision of the EIT Label Handbook and the independent assessment organised by the EIT for the KIC candidate programmes for the Label. After receiving a feedback from all relevant parties participating in the assessment exercises in 2016 and 2017 (independent experts, the applicants and wider KICs education teams) the EIT will continue monitoring the implementation of the EIT Label concept with a focus on strengthening the EIT label brand identity. However, the EIT will not only continuously review the EIT Labelling Framework to ensure that it incorporates the latest research and knowledge in related entrepreneurship education and entrepreneurial university standards, frameworks and processes, but also look how it can promote entrepreneurial education.

Currently, one of the main societal challenges in Europe is the integration of migrants. The EIT Community, as Europe's largest innovation community, has a significant potential to assist the EU with social integration and the inclusion of these groups. After introducing a pilot project in 2017, the EIT will further develop education activities for migrants. The long-term objective is to use the EIT's unique position to assist integration efforts via entrepreneurial education, thereby contributing to job creation, growth and the competitiveness of the EU. In the process, the EIT will also steer the formation of a migrant entrepreneurship network with the direct support of the Innovation Communities and external stakeholders.

The European landscape in terms of education and skills needs is extremely diverse and affected by disruptive changes in technology and science. The European Commission has responded to the trend of changing skills needs with its New Skills Agenda for Europe[7], which calls for urgent action in the face of high youth unemployment, lowered competitiveness and striking skills gaps.

In the Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions on a renewed EU agenda for higher education, the European Commission expressed the aim to "*launch an up-scaled EU STE(A)M coalition bringing together different education sectors, business and public sector employers to promote the uptake of relevant STE(A)M subjects and modernise STE(A)M and other curricula, including through more multidisciplinary programmes and cooperation between relevant faculties and HEIs.*"[8]

The EIT aims to support this action by introducing a new pilot initiative for boasting skills and competence needed in the future, which will bring together core strengths and expertise of three key actors: the EIT with its pan-European innovation communities of leading business and higher education institutions; JA (Junior Achievement) Europe with its 40-country network for entrepreneurship education from primary school to post-secondary level; and the EU STEM Coalition with its Europe-wide network of national STEM platforms. The overall objective of the pilot initiative is to boost the development of future multi-disciplinary skills needed in Europe on a large scale, and equip young people with a with a blend of entrepreneurial competences and STEAM skills that will open doors to employment, continuous development, personal fulfilment, social inclusion and active citizenship.

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[7] http://ec.europa.eu/social/main.jsp?catId=1223
[8] http://eur-lex.europa.eu/legal-content/EN/TXT/?qid=1496304694958&uri=COM:2017:247:FIN

From 2018 to 2020, the EIT will step up pro-active consultation and co-operation with all KICs to create and add value for three important target groups on entrepreneurship activities: start-up ventures, small and medium-sized enterprises (SMEs) and entrepreneurs emerging from KICs in order to involve them more deeply into the EIT knowledge triangle agenda. For transparency purposes, the EIT will continue to encourage KICs to clearly communicate their policies for involving new partners and also encourage that they disseminate their results, including in particular also SMEs. EIT will also encourage KICs to ensure a stronger involvement of the private sector actors beyond their SME partners, by targeting industry. The EIT will continue analysing and exchanging lessons learnt from KIC activities in entrepreneurship and business creation from the first and second waves of KICs and will disseminate those to the newly set-up KICs. The EIT together with its KICs will also disseminate novel practices to its stakeholders and conduct outreach activities through targeted events, workshops and seminars in locations and geographies where KIC start-ups, SMEs and partners can potentially benefit. The EIT will also continue to further expand its activities supporting women entrepreneurship and leadership based on the scale up mechanism developed in 2017. The aim of these activities will be to multiply positive results and innovations achieved in KICs through Knowledge Triangle integration and to extract successful models that can be transferred beyond the current KICs. These will be done through a two track approach: a structured dialogue with selected countries, and then targeted activities where most relevant and offering the best potential.

To fully exploit synergies and complementarities, the EIT will engage with all relevant stakeholders, including EU and global-level funding institutions (e.g. European Investment Fund, European Investment Bank, European Bank for Reconstruction and Development and the International Finance Institutions among others) as well as networks and multiplier organisations from the business angel, private equity and venture capital communities across Europe, with a view to facilitating and acting as a door opener for the KICs and its community members. In particular, synergies and complementarities will be sought with other EU initiatives in the areas of new business creation and entrepreneurship, such as inter alia Erasmus for Young Entrepreneurs, European Commission tools targeting SMEs and supporting the implementation of the Digital Agenda by maintaining productive stakeholder relationships through regular meetings, joint events and publications. All lessons learnt and good practices from these activities will be shared with new KICs so that they can be implemented in a timely and efficient manner. These business creation and entrepreneurship related activities will be strongly linked to the KICs' strategies on financial sustainability. In addition, the EIT will explore schemes to invest directly in the scaling up of existing innovative companies by attracting additional investments to them from public and private sector sources and from existing instruments. In this context, the exploration of the feasibility of setting up an EIT Growth and Impact Fund as a new funding mechanism for KICs and beyond is foreseen.

Following a preparation of the Innovation Agenda Action Plan, as a follow up of the Innovation and IPR Assessment finalised in 2017, the EIT will develop a cross-KIC innovative research driven innovation agenda aiming to foster a stronger focus on projects and approaches that can bring the best ideas from the labs to the market, creating new products, services and processes and expanding technological frontiers. The opportunities around open innovation, intellectual property rights and demand for innovation through public procurement and the overall business environment will be further explored. To achieve this goal, the EIT will identify and codify good practices on innovation delivery mechanisms and market take-up derived from the Knowledge Triangle integration implemented by KICs. The EIT will put an emphasis on acceleration of the dissemination of the innovation results and outputs developed by KICs. The third and fourth waves of KICs will build on lessons learnt from the first five KICs and will start to contribute to the cross-KIC learning in this area and also create strong synergies and complementarities with other Horizon 2020 initiatives.

To drive this agenda, the EIT will foster a structured dialogue between the EIT and all KICs. This panel is expected to seek synergies and complementarities with other Union and international research and innovation initiatives and bodies, including Horizon 2020, such as, Joint Programming, Joint Technology Initiatives (JTIs), European Research Council (ERC), the European Innovation Partnerships and the European Commission's Joint Research Centre (JRC), the European Parliament's Science and Technology Options Assessment (STOA) as well as umbrella organisations such as the League of European Research Universities (LERU) and the European Association of Research and Technology Organisations (EARTO).

2.1.1.3   Fostering Growth and Creating Impact

During 2018-2020, building on the activities undertaken in previous years, the EIT will continue to implement measures and incentives that will boost the impact of its investments through KICs on education, research, entrepreneurship, and new means of innovation governance. The EIT will continue to act as a catalyst, via its KICs, by accelerating the take-up and exploitation of technologies and research outcomes. This will help to align and leverage bottom-up research investments by KICs themselves and make, for example, education and training activities more responsive to business needs. The EIT will monitor the KICs' progress towards their financial sustainability, supporting and incentivising them to achieve this goal within the set timeframe of seven to fifteen years after their inception, as well as develop the conditions for the cooperation between the EIT and KICs thereafter.

In line with the EIT Monitoring Strategy and to measure achievement of its specific objectives, notably on impact, the EIT will continue to regularly track the fulfilment of the set of indicators included in the Amended EIT Regulation and its contribution to Horizon 2020 objectives. Following the guidelines issued in 2016 and business plan implementation in 2017, the KICs will report on the revised core KPIs for the first time in 2018.

Built on the experience of existing KICs, the EIT will ensure that knowledge and good practices will be shared among and beyond KICs, promoting a fruitful process of mutual learning and faster uptake of new innovation practices. This will be done, for example, via knowledge sharing, dissemination, outreach and international exposure during successful formats such as the INNOVEIT, including the annual EIT Stakeholder Forum and the EIT Awards and EIT Innovation Tour, EIT Awareness Days as well as the EIT Regional Innovation Scheme.

Action lines	Targets	Implementation year		
		2018	2019	2020
Promoting Collaboration and Competition among KICs	✓ Annual EIT financial contribution to EIT Innovation Communities	X	X	X
	✓ Smart funding strategies agreed and operationalised	X	X	X
	✓ Timely adaptation of EIT competitive review mechanisms	X	X	X
	✓ Gradually introduce a shift towards an impact model that rewards results and steps towards KICs' financial sustainability	X	X	X
		X	X	X
	✓ Improved EIT Scoreboard and KPIs	X	X	X
	✓ Incentivise collaboration and support continuous exchanges of knowledge among all KICs through the implementation of cross-KIC Knowledge Triangle integration activities	X	X	X

Strengthening the Knowledge Triangle and its Integration Principles and Practices	✓ Knowledge Triangle integration practices codified and presented to strategic stakeholders	X	X	X
	✓ Expand EIT portfolio of education activities by adopting and implementing Education Action Plan	X	X	X
	✓ Consolidated EIT Label as a quality label on Masters and Doctoral Programmes	X	X	X
	✓ Step up pro-active consultation and co-operation with all KICs and other stakeholders to create synergies and add value for KICs' entrepreneurship and innovation activities and promotion of women entrepreneurship and leadership, and education of migrants.	X	X	X
	✓ Further cross KIC initiatives developed in the area of knowledge triangle integration	X	X	X
Fostering Growth and Creating Impact	✓ Synergies with Horizon 2020 and other EU instruments including EU and global-level funding institutions actively fostered by EIT	X	X	X
	✓ Track the fulfilment of a set of impact indicators	X	X	X
	✓ Targeted identification and codification of good practices and learning, knowledge sharing and put in place result dissemination measures	X	X	X

Table 1

2.1.2. Creating new KICs

2.1.2.1 Designating new KICs in 2018 on Urban Mobility and Added-Value Manufacturing and supporting their set-up in 2019

To further enhance the EIT's impact and to incentivise the innovations needed to meet new societal challenges, the EIT will, as established in the EIT Regulation and Strategic Innovation Agenda (SIA), expand in 2018 its portfolio of Knowledge and Innovation Communities (KICs) by selecting and designating an additional KIC in the field of Urban Mobility[9] and support its setting up process in 2019. Furthermore, upon completion of the evaluation procedure as well as the hearing held with the applicant of the 2016 Call for KIC Proposals in the field of Added-value Manufacturing, the EIT Governing Board decided unanimously not to designate EIT Manufacturing[10]. Based on the subsequent analysis carried out by EIT, the EIT Governing Board decided to re-launch the Call for KIC proposals for the thematic area of Added-value Manufacturing in 2018[11]. Therefore, the 2018 Call for KIC Proposals will be launched in both thematic areas, Urban Mobility and Added-value Manufacturing, in January 2018. The two new KICs will be designated in Q4 2018.

Lessons learnt from the Calls for KICs in 2014 and 2016 have been appropriately taken into account as regards the preparation of the Call package and the evaluation, selection and designation processes. A partnership will be

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[9] Subject to the positive outcome of the external evaluation of the EIT in 2017 in line with Article 32 of Regulation (EU) No 1291/2013.
[10] EIT GB Decision 26/2016, available at: https://eit.europa.eu/sites/default/files/gb_decision_29_designation_of_new_kics_2016.pdf
[11] EIT GB Decision 8/2017, available at:
https://eit.europa.eu/sites/default/files/gb_decision_relaunching_call_for_proposal_added_value_manufacturing.pdf

selected against detailed criteria in line with the Amended EIT Regulation, based on the overarching principles of excellence and innovation potential. Further, the EIT will timely ensure that framework conditions for selecting a new KIC in 2018 and set-up processes will be conducive to an optimal outcome, notably by providing clear guidance and continuous support concerning requirements throughout the process and by allowing sufficient time for proposers to organise the partnership legally, including suitable governance and management structures to ensure future KICs' accountability to the EIT both operationally and financially. In 2019, the EIT will support the start-up phase of the partnerships designated as KICs in 2018.

Action lines	Targets	Implementation year		
		2018	2019	2020
Designating new KICs in 2018 and setting them up in 2019	✓ IT submission and evaluation system operational	X		
	✓ Call for KICs launched	X		
	✓ EIT Information Day organised	X		
	✓ High-level independent experts selected	X		
	✓ Evaluation process finalised	X		
	✓ Two new KICs designated	X		
	✓ Legal, operational and financial set-up of the new KICs successfully accomplished		X	
	✓ Signature of agreements between EIT and new KICs (Start-Up Grant and FPA)		X	
	✓ 2020 Business Plans submitted		X	

Table 2

2.2. Enhancing the EIT's Impact

2.2.1. The EIT's next Strategic Innovation Agenda (SIA) 2021-2027

The draft SIA was finalised and submitted to the European Commission at the end of 2017. It outlines the EIT's strategic objectives, priorities and budget for the period 2021-2027 and builds upon initial impacts of the EIT's and KICs' activities, lessons learnt, an analysis of potential synergies and complementarities with other EU initiatives, as well as the outcomes of the 2015 performance audit conducted by the European Court of Auditors, the European Commission's external evaluation of the EIT in 2016[12] as well as the results of the EIT's implementation of its own monitoring strategy and lessons learnt and recommendations drawn from it.

In 2018, the EIT will monitor and follow-up the negotiations on the SIA in the Commission, the Council and European Parliament with a view to preparing for its implementation as of 2021.

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[12] Article 16 (2) of the EIT Founding Regulation

Action lines	Targets	Implementation year		
		2018	2019	2020
The EIT's next Strategic Innovation Agenda (SIA) 2021-2027	✓ Monitoring and follow-up of negotiations and preparation for the implementation of the SIA	X	X	X

Table 3

2.2.2 Fostering Knowledge Exchange through Communications, Dissemination and Outreach

2.2.2.1   Fostering Knowledge Exchange through Communications and Dissemination

During 2018 to 2020, the EIT will concentrate on disseminating relevant information that focusses on the results of the Innovation Communities and lessons learnt and good innovation practices that are emerging from the substantial portfolio of EIT Community activities to the wider EU innovation community and beyond. The dissemination efforts will specifically aim to target stakeholders that are not aware of the EIT Community's activities and achievements and can benefit from its results, thereby leveraging further impact, existing talent and latent potential as well as EIT awareness.

During this period, the EIT will also continue to focus on actively engaging with the media, as media relations will enable the Institute to reach a wider range of stakeholders across the European innovation landscape as well as citizens. The achievement of the above objectives will be facilitated by implementing the EIT's updated Communications Strategy. This will include the development of a new and dynamic digital platform (including website), which will enable the Institute to engage more effectively with its stakeholders.

2.2.2.2   The EIT Regional Innovation Scheme (EIT RIS)

In the period 2018-2020, the EIT expects to see the results from the first years of the implementation of the individual Innovation Communities' EIT RIS strategies. This includes a comprehensive coverage of countries with moderate and modest innovation capacity, as well as the development of a network of EIT Hubs in targeted EIT RIS countries that will be focal points for the outreach effort and knowledge triangle integration dialogues with Member States and regions. Continuous monitoring of the EIT RIS implementation, efficient reporting and assessment of its impact will ensure that the overall strategic objectives are achieved. In this framework, based on lessons learned from the implementation of outreach and EIT RIS activities from 2014 to 2017 and in line with the EIT RIS Guidance Note 2018-2020 and EIT RIS Strategies 2018-2020, the EIT will further support EIT Innovation Communities in the implementation through targeted EIT RIS workshops and meetings on regular basis, thereby facilitating dissemination of good practices, exchange of information and joint activities.

Furthermore, the EIT will ensure a more centralised and coordinated dissemination of information and communication of EIT RIS activities in close cooperation with the EIT Innovation Communities and building upon cross-KIC activities. Further expansion of EIT RIS eligible countries should aim at building and/or increasing the innovation capacity in these areas and at increasingly connecting activities to regional smart specialisation strategies and EU Structural and Investment Fund Programmes. In this context and on the basis of the Memorandum of Understanding (MoU), close collaboration with the European Commission's Joint Research Centre (DG JRC) Smart Specialisation Platform (S3P) and respective units on Territorial Development will be pursued[13]. The EIT will further exploit synergies with other EU initiatives, focusing mainly on the EU programmes that have been identified as complementary to the EIT RIS. Reinforced co-operation will facilitate the EIT's guidance to its Innovation Communities on the operationalisation of the EIT RIS, for example with a view to targeted innovation partnerships encouraging greater co-ordination between different societal stakeholders and

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[13] Also highly relevant are the ongoing targeted support activities provided to regions and Member States by JRC Seville: the "Research and Innovation Strategies for Smart Specialisation (RIS3) in Lagging Regions" and the "Stairway to Excellence" (S2E) projects.

aligning strategies (and resources) between private and public actors of different governance levels. The EIT will help its Innovation Communities attract funds to their budgets through exploiting synergies with other programmes. The EIT will continue to raise awareness and understanding of the scheme among actors from research, higher education and business in countries and regions not yet directly working with the EIT through its Innovation Communities as well as with other relevant stakeholders such as national and regional managing authorities (MAs) and local authorities.

From 2018 to 2020, the EIT will continue to provide guidance and support to its Innovation Communities, in line with the guiding principle of voluntary and autonomous implementation by the EIT Innovation Communities. Newly established EIT Innovation Communities will be incentivised to implement the EIT RIS first on a pilot basis, followed by a full scale implementation.

Action lines	Targets	Implementation year		
		2018	2019	2020
Fostering Knowledge Exchange through Communications and Dissemination	✓ Launch of revised EIT Communications Strategy	X		
	✓ A web-based tool for enhanced knowledge sharing and networking around the EIT	X	X	X
	✓ Dissemination of lessons learnt and good innovation practices to the wider EU innovation community and beyond	X	X	X
EIT Regional Innovation Scheme (EIT RIS)	✓ Continuous support and close cooperation with the existing EIT Innovation Communities in the implementation of the EIT RIS	X	X	X
	✓ EIT RIS interim results assessed and used as a basis for further development and uptake of the scheme		X	
	✓ Raised awareness of the benefits of the EIT RIS among relevant stakeholders and to the wider innovation community	X	X	X
	✓ Synergies of EIT RIS with other EU programmes developed, in particular H2020 and ESIF	X	X	X

Table 4

2.2.3 Fostering and Attracting Talent

As talented people are at the heart of successful innovation, one of the EIT's most important roles is to nurture and attract talent. From 2018 to 2020, the EIT will continue to support and implement a variety of activities to give talented people the opportunity to use their potential to the fullest and to create environments where they can thrive and to develop the next generation of entrepreneurs, innovators and change agents. The EIT will implement its strategy to foster and attract talent across Europe and globally in close alignment with the Institute's consolidation strategies in the areas of education, entrepreneurship and innovation-driven research. Through entrepreneurial education, the EIT will continue to provide new career paths and mobility options between academia and the private sector, and innovative schemes for professional development. Throughout 2018-2020 the EIT label will continue to be developed into an internationally recognized brand of excellence attracting talent

from Europe and beyond. The EIT Awards, in its five categories, will continue to put start-ups, entrepreneurial graduates and innovation teams from the KICs into the spotlight, enhancing their development path as well as creating role-models for others to emulate, including in Woman Leadership & Entrepreneurship, and Public (citizen) award.

2.2.3.1   EIT Alumni Community

The EIT Alumni community brings together an interdisciplinary and multicultural community of change agents who share a common vision for tackling societal challenges and creating positive impact through innovation and entrepreneurship.

As such, the EIT Alumni Community will help unleash the potential of the talent pool of young entrepreneurs, innovators and change agents that KICs are educating and training and continue to contribute from 2018 to 2020 to achieving strategic EIT objectives, such as promoting an entrepreneurial mind-set and enhancing opportunities for innovation and business creation.

The Community is represented by the EIT Alumni Board. The role of the board is to drive the community's direction and to further develop it; to encourage an active exchange between members, to plan and implement added-value activities with and for its members; and to represent the EIT Alumni Community vis-à-vis the EIT, the KICs and relevant external stakeholders.

In the period 2018-2020, the EIT Alumni Community will consolidate its portfolio of added-value services to its members. It will provide opportunities for sharing knowledge, coaching, networking, mentoring and implementing joint projects and ventures, especially on cross-thematic areas. The EIT Alumni Community will focus on growing its community by including participants from KIC entrepreneurship and innovation activities, and on-boarding members from the younger Innovation Communities. The EIT Alumni Community will take an ambassador role in promoting an entrepreneurial mind-set in Europe and beyond and it will also explore opportunities for collaboration with partners around the world that share a common vision.

The EIT will continue to provide guidance and financial support for the EIT Alumni Community in the medium term. To ensure the long-term financial sustainability of the community, the EIT Alumni Board will continue to develop the business and financial model and reach out to internal and external partners and sponsors.

The table below summarises what the EIT aims to achieve in this area from 2018 to 2020.

Action lines	Targets	Implementation year		
		2018	2019	2020
EIT Alumni Community	✓ Consolidate EIT Alumni Community's implementation and sustainability strategy	X	X	
	✓ Facilitate communication flows and increase collaboration opportunities between the KIC alumni communities	X	X	X
	✓ EIT Alumni Community to offer added-value activities to its members and to deliver specific outreach activities	X	X	X
	✓ Continuous alignment of EIT Alumni Community vision and activities with overall EIT strategic objectives	X	X	X
	✓ Assessment of the activities of the EIT Alumni Community		X	

Table 5

2.2.4 Enhancing Stakeholder Engagement

Active engagement with relevant stakeholders in an open and transparent manner will remain a cornerstone of the EIT's efforts during 2018-2020. The EIT's strategic objectives in working as an Institute benefiting Europe and its citizens overall will be achieved through a systematic, coherent and integrated approach that involves all concerned stakeholders, which is based on dialogue, partnership and empowerment. The EIT will continue seeking reciprocal exchanges with other EU initiatives to foster appropriate coordination, synergies and complementarities within the 'Innovation Union' and Horizon 2020 initiatives, both bottom-up through EIT Innovation Community partners' own involvement and through actions co-ordinated by the EIT. Moreover, the EIT will continue to develop structured cooperation and participate in dedicated events from various initiatives (including Smart Specialisation Platforms and Horizon2020 projects) to increase awareness and understanding of EIT Community activities and achievements and to enhance complementary competences.

In the period 2018-2020, a task of high importance for the EIT will be to follow the negotiations on the EIT's next Strategic Innovation Agenda covering the period from 2021 to 2027. In this regard, the EIT will continue seeking support from relevant strategic stakeholders, with a view to ensuring political and financial backing for the EIT's positioning and activities beyond 2020. The newly established EIT House in Brussels will play an important role in enhancing visibility, awareness and understanding of as well as engagement with Brussels-based stakeholders.

2.2.4.1   Stakeholder engagement

From 2018 to 2020, the EIT will continue to work closely with relevant networks of national and regional authorities, as well as EU-level umbrella business associations, research and academic networks (including EARTO, LERU, COST, ERRIN and Business Europe). Engagement with both institutional decision-makers - including the European Parliament, the Council and the European Commission - involved in shaping and implementing innovation and entrepreneurship policies will take place in accordance with legislative requirements. Structured engagement with Knowledge Triangle stakeholders from academia, research and business communities (focusing in particular on Small and Medium-sized Enterprises, SMEs) will continuously be strengthened. This enhanced engagement will ensure stakeholders' involvement, as appropriate, in the EIT's programming cycle, as well as support for EIT Community activities. As the specific needs of, and demands from, stakeholder groups, as well as the motivations to engage with the EIT will differ substantially, a tailored approach including different formats and tools of engagement will be used.

From 2018 to 2020, besides conferences, workshops and bilateral meetings (formal and informal), one major mechanism for enhanced stakeholder interaction will be the annual EIT Stakeholder Forum, open to the wider EIT Community and being an integral part of EIT's annual INNOVEIT event. The Forum will further facilitate the dissemination of results emerging from EIT/KIC activities and will help explore synergies and complementarities with EU, national and regional initiatives as well as to align strategic objectives and funding.

In line with the EIT's amended Regulation, EU Member States' representatives will continue to meet within a special configuration of the EIT Stakeholders Forum with a view to ensuring timely communication, appropriate flow of information and synergies and complementarities with national programmes and initiatives. Based on the experiences of the Stakeholder Forum in 2015 - 2017, the concept of the event, in line with the EIT Amended Regulation and SIA, will be reviewed for preparation of the editions in 2018-2020. According to legal requirements and specific needs in 2018, 2019 and 2020 the scope of the annual EIT Stakeholder Forum (including the Member State Configuration), which might be focussed on specific topics, will be adapted taking into account current circumstances such as EIT reviews and evaluations, future EIT activities as well as the feedback provided to the EIT by stakeholders.

As part of EIT's stakeholder engagement plan, meetings with targeted groups of EU Member State representatives (e.g. Scientific Attachés) will be stepped up in 2018 in order to ensure relevant information on EIT Community activities and achievements are communicated in a targeted and timely manner.

2.2.4.2 EIT Awards

The EIT Awards promote innovation and entrepreneurship in Europe and contribute to the branding of the EIT in Europe and globally. The EIT Awards cover the three sides of the Knowledge Triangle and put on the spotlight: high-potential entrepreneurial start-ups brought to maturity by KICs; innovation teams encompassing different Knowledge Triangle actors that deliver outstanding innovations; and EIT Alumni that excel in putting into practice the skills and competences acquired in EIT labelled educational programmes as the next generation of entrepreneurs and change agents in European societies. The EIT Awards are an essential instrument to demonstrate the EIT's and KICs' achievements to stakeholders. Thus, the EIT Awards event will be organised as a standalone event with the EIT Innovation Tour and not as in the past as part of the EIT Innovation Forum, INNOVEIT, to increase opportunities for targeted communication opportunities and interaction and exchange of ideas with the broader innovation ecosystems in Europe and stakeholders. From 2018 to 2020, the EIT will focus on enhancing the recognition of the EIT Awards and, in close collaboration with KICs, the EIT will strive to continuously raise the quality of nominations. EIT Awards will also recognise diversity and achievement in closing the gender gap by introducing a new award for Woman entrepreneurship and leadership as of 2018.

2.2.4.3 Relations with Third Countries and International Organisations

Considering its education, entrepreneurship and innovation agendas as a means to provide added-value to Europe, the EIT and KICs strive to attract partners, organisations and students, from all over the world to contribute to the EU's competitiveness and reinforce its international attractiveness. In addition, the EIT will work closely with the KICs to position EIT's innovation model and KTI approach among other successful innovation initiatives and programmes at international level. In this way, the EIT will continue its ambition to create synergies beyond Europe on these agendas and to contribute to the efforts of the European Union's and Member States' international engagement to continuously enhance the success of their innovations on the global scene.

From 2018 to 2020, the EIT will continue to work closely with the KICs in forging strategic relations with key partners from around the globe. During this period, the EIT will continue to liaise with relevant interlocutors, and in the context of synergies and complementarities, taking full advantage of existing EU initiatives in this area such as Erasmus+ and Marie Skłodowska-Curie Actions. With the aim of building strategic partnerships in countries that have been identified as priorities, in particular the BRICs (Brazil, Russia, India, China), US, Japan and South Korea, the EIT will participate in targeted events. Furthermore, the EIT will engage in alliances with relevant international organisations, for instance the OECD and the World Economic Forum, for mutual benefit and concrete synergies. In 2018, the EIT will consider complementing its efforts in promoting talented people through co-operation with leading global partners.

Action lines	Targets	Implementation year		
		2018	2019	2020
Relations with Institutional and Knowledge Triangle Stakeholders	✓ Continuous dialogue with key institutional stakeholders including annual engagements with the European Commission, Council and European Parliament	X	X	
	✓ Structured dialogue with key Knowledge Triangle EU level networks of stakeholders	X	X	
	✓ Strategy for stakeholder engagement during the negotiations of the SIA 2021-2027	X		
	✓ Meetings with targeted groups of EU Member-States representatives	X	X	X
EIT Stakeholder Forum	✓ Annual EIT Stakeholder Forum and dedicated EU Member State Configuration	X	X	

EIT Awards	✓ Further strengthening the EIT Awards by enhancing its recognition in the CHANGE, VENTURE, INNOVATORS, Public award categories, and including with the introduction of an award for Woman entrepreneurship and entrepreneurship	X	X	X
Relations with Third Countries and International Organisations	✓ Enhanced engagement with international organisations (e.g. OECD and WEF) and key stakeholders in non-EU countries (focusing on priority countries)	X	X	X

Table 6

2.3. New Delivery Mechanisms and Results-oriented Monitoring

In line with its mandate, the EIT will continue to spur economic growth by generating inter alia innovative products and services using a novel approach through the implementation of the Knowledge Triangle integration. The EIT designs, in consultation with KICs, the requirements that they will have to fulfil and selects KICs through a robust and transparent process. With the designation of a KIC, a long-term partnership (from seven to fifteen years) between the EIT and the KIC is established. The EIT and KICs form one large innovation community that will have the greatest impact when strategies and activities of the different members of the community are well aligned, mutually reinforcing each other to achieve the strategic objectives of enhancing Europe's innovation potential and global competitiveness.

2.3.1 EIT-KIC Relations

2.3.1.1 The Role of the EIT as an Investor: KICs' Financial Sustainability Strategies (FS) & Growth & Impact Fund (GIF)

The EIT invests in the integration of the Knowledge Triangle, nurturing and enabling existing centres of excellence in research, business and higher education in Europe to come together and foster their long-term systematic collaborations through KICs. The EIT seeks a return through tangible societal impacts (e.g. new businesses and jobs, educate the future generation of entrepreneurs, attract and retain talent, new products and services, etc.). As an investor, the EIT will monitor the effectiveness of the investments made in KICs and take appropriate measures when necessary, for example through modification of the criteria based on which competitive funding is allocated. Therefore, a key priority for the EIT in the period 2018 to 2020 will be to find the proper balance between its role as an investor in KICs and the need to monitor its investments, while simultaneously designing, implementing and refining an efficient investment lifecycle and its systems and processes that will contribute to deliver meaningful results for Europe and beyond. As stated in the SIA, while KICs will not be fully financially independent from the EIT during the first years of operation, they will be encouraged to become sustainable in the medium-term; i.e. gradually reduce their dependency from EIT funding for their further consolidation and further expansion. In addition, the EIT Regulation indicates that KICs shall develop strategies for financial sustainability. Throughout this period, the EIT will refine and implement its investments in KICs, in particular its strategy for KICs' financial sustainability designed to ensure a smooth and predictable transition towards their gradual financial independence from the EIT.

Based on the recommendations of the European Court of Auditors[14], and in order to simplify the EIT-KIC funding model, the EIT will assess the possibility of removing the 25% funding condition from the EIT Regulation. Furthermore, the EIT Governing Board adopted the "Principles on KICs' Financial Sustainability" in 2015. This document sets a clear direction by providing definitions, funding principles and incentives for the KICs to work

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[14] Special Report 4/2016 of the European Court of Auditors

towards financial sustainability. According to this document, the main period of EIT funding to a KIC is up to fifteen years from its designation. KICs must develop and implement strategies for financial sustainability and report on progress to the EIT on annual basis. The EIT will monitor the proper implementation of the Principles and will continue to provide guidance to KICs on the structure, main contents and measures of their financial sustainability strategies (e.g. key financial milestones and indicators, etc.) and, taking into account the results of the 7-year review for the first wave of KICs with a particular focus on financial sustainability, continue to conduct periodic reviews of KICs' financial performance.

The EIT will explore the possibility to create a Growth & Impact Fund (GIF) as a new funding mechanism for KICs and beyond. The indicative objectives of the fund will be to source long-term reliable, scalable funding for high growth businesses emerging from the KICs and beyond; to leverage public and private sector capital; to fill gaps in early stage financing in the current marketplace due to higher perceived risk, market volatility and structural impediments. The EIT will consider engaging external experts to assist in further developing and implementing KICs' Financial Sustainability strategies and in exploring the feasibility of the GIF.

Action lines	Targets	Implementation year		
		2018	2019	2020
EIT-KIC Relations	✓ Optimise the processes and structures through which the EIT relates to KICs	X	X	X
	✓ Facilitate cross-KIC exchanges and learning	X	X	X
The role of the EIT as an Investor: KICs' Financial Sustainability Strategies (FS) & Growth & Impact Fund (GIF)	✓ Monitor the effectiveness of the investments made by the EIT in KICs	X	X	X
	✓ Design, implement and refine the EIT investment lifecycle in KICs and its systems and processes	X	X	X
	✓ Oversee the implementation of the Principles on KICs' Financial Sustainability and KICs' strategies for financial sustainability, take corrective measures if needed and issue guidance/support	X	X	X
	✓ Conduct periodic reviews of a KICs' financial performance	X	X	X
	✓ Explore the feasibility to launch an EIT's Growth & Impact Fund (GIF)	X	X	

Table 7

2.3.2 Simplification

In line with EIT SIA, as a 'smart investor' in its KICs, the EIT considers simplification as a dynamic process, embedded in the EIT's strategy and operations. Simplification, implemented in a responsible and accountable manner, is a must for the EIT to achieve effective results, promote innovation breakthroughs and for the involvement of the academic, research and business communities. While taking into account the principles and provisions of the EU Financial Regulation and Horizon 2020 regulations, there is room for the EIT to exploit its regulatory flexibility and push the simplification agenda further. In particular, the EIT will consider in its simplification strategy benchmarks to assess progress to ensure that the new models of simplification are disseminated across the Union and inform other Union initiatives. The main forum for driving the simplification agenda will be the Task Force Simplification that was created by the EIT and KICs in 2015. During the period 2018 to 2020, the EIT will continue to implement its simplification strategy aimed to:

- Align and optimise EIT/KIC business processes to reduce overheads and unnecessary administrative burden and controls, improve predictability and timeliness of decisions, coherence, clarity while increasing the focus on results;
- Improve EIT internal processes through a thorough review, clarification and simplification of financial circuits, actors and procedures underlying transactions and improved use of IT tools.

As part of Horizon 2020, the EIT has been consolidating and aligning its operating procedures with the new legal basis. The EIT will continuously review and explore opportunities in areas where its KICs may benefit from additional derogations. The EIT will further elaborate its simplification strategy and in alignment with Horizon 2020 the provision of clear and coherent guidance on the expectations, obligations and responsibilities throughout the entire life cycle of KICs. The EIT will further develop its approach on setting standards for KIC Management and Control Systems' whereby the EIT will optimise the KICs' management systems in view of an increasing number of KICs coupled with an increasing empowerment that will be gradually introduced in the EIT-KIC operational environment. In this context, and acting upon the findings and recommendations of the European Court of Auditors, a significant emphasis will be placed on the transparency of KICs' procedures for the selection of new Partners and for the selection of innovation projects to fund. In addition, the use of simplified costs will be further extended in order to converge towards a fully-fledged results-oriented approach. The EIT will also explore the potential benefits and practical implications of applying other financial instruments than grants either alone or in combination with grants. Although the EIT funding to the KICs is currently provided solely via grants, from 2018 to 2020, the EIT will assess how new financial mechanisms may be established via debt or equity instruments. Finally, in line with the recommendation of the European Court of Auditors and to further reduce complexity, the EIT will explore the possibility of introducing multi-annual grant agreements in the next multi-annual financial framework.

Action lines	Targets	Implementation year		
		2018	2019	2020
Simplification	✓ Align and optimise EIT/KIC business processes to reduce overheads	X	X	X
	✓ Enhancement of KIC governance, management and control systems in order to ensure transparency of internal procedures	X	X	X
	✓ Establishment of KIC specific simplified cost categories		X	X
	✓ Pilot introduction of alternative delivery mechanisms complementing the current model in line with EIT's concept on financial sustainability	X		
	✓ Exploring the feasibility of and preparation for multi-annual grant agreements	X	X	X

Table 8

2.3.3 Monitoring, Impact Analysis and Evaluation

The EIT will strive to adapt, improve and streamline its monitoring, reporting and funding processes and constantly seek for new approaches by fully empowering the KIC legal entities considering the growing scale and scope of their partnerships' composition. During the period 2018-2020, the EIT will continue to enhance the robustness of its result-oriented monitoring system and its focus on impact, which will also take into account, as appropriate, the Horizon 2020 Monitoring Strategy and recommendations from the European Court of Auditors. The EIT evaluation and monitoring strategy has two main objectives: 1) to support the EIT and its KICs to learn lessons from experience to maximise their impact; and 2) to account for the use of resources. To this end, the EIT evaluation and monitoring system aims at ensuring quality of deliverables, contribution to Horizon 2020 priorities, lessons learnt from the most successful KIC activities, and at the same time, allowing for sufficient flexibility in

KICs' operations and openness to new ideas and partners. This system is a fundamental tool to allow the EIT to develop a solid capacity for gathering and analysing data. It will also allow monitoring comprehensively relevance, efficiency, effectiveness, utility/sustainability and impact of EIT investments and activities, and demonstrating that these maximise outcomes and results and create impact. The ultimate goal is to measure the EIT performance against its own objectives and to benchmark EIT and its KICs against novel practices at European and global levels.

During 2018 to 2020, the EIT will continue to ensure excellence, quality of results and increasing impact, in particular by further enhancing and refining its framework for evaluation and monitoring, and reinforcing tools such as the continuous monitoring and thematic reviews and Performance Measurement System (PMS). This comprehensive system for continuous monitoring at all governance levels is a major component of the EIT's result-oriented monitoring. During the period 2018 to 2020, the EIT will place a strong emphasis on consolidating its monitoring-related activities towards its KICs, and the EIT itself, by refining its operational strategy for continuous monitoring, evaluation and impact assessment benefitting not only KICs but the EIT as an Institute for Europe. This system will encompass all related EIT activities ranging from annual Key Performance Indicators (KPIs) data collection, continuous monitoring, the contribution of EIT to Horizon 2020, its methodologies to assess impact and the EIT's monitoring of its own operational performance in terms of effectiveness, efficiency and impact. The EIT Monitoring Strategy adopted by the Governing Board in 2015 will be revised taking into account lessons learnt from the implementation of the monitoring activities in the last years, and recent development of the EIT-KIC model.

2.3.3.1   Implementation of the EIT monitoring strategy

Throughout 2018 to 2020, the EIT will provide continuous support to its KICs and closely accompany the implementation of their activities through a refined monitoring system geared towards results and impact. The on-going monitoring actions will be included in the annual Monitoring Plan and will serve as a sound basis to continue consolidation and improvement of grant management cycles in 2018, 2019 and 2020. From a monitoring standpoint, special attention will be placed on the potential to gradually introduce a flexible and tailor-made approach. These monitoring activities will be complemented with occasional reviews targeting some key processes of KICs to ensure that the development activities serve their original purpose. The outcomes of the monitoring activities will contribute to the multiannual dashboard, a new monitoring tool assessing the KICs' performance on their operational excellence and efficiency and effectiveness of the achievement of strategic objectives.

2.3.3.2   Evaluation and Impact Assessment

The EIT will continue refining and putting into practice its overall strategy and processes to analyse and assess results and impacts of all EIT's and KICs' activities. Throughout 2018 to 2020, the EIT will place particular emphasis on prioritising and implementing recommendations from the external and internal evaluations performed in 2016-2017, i.e. the EIT and Horizon 2020 interim evaluations, assessment of the socio-economic impact of the EIT and KICs (Impact study 2010-2016), 7-year review of the first wave of KICs 2010-2016, thematic assessments in education, innovation and knowledge triangle integration. The findings of the EIT interim evaluation and the assessment of the socio-economic impact of the EIT and its KICs from 2010 to 2016 will feed into the EIT's continuous improvement approach. Notably, the EIT will carefully refine and implement KPIs and impact indicators, including the EIT Scoreboard, periodically monitored via robust assessment and evaluation methodologies, as well as benchmarking against international good practices. In addition, in the light of the outcomes from the 7-year review of the first wave of KICs, the KIC model will be revisited and, if necessary, provisions for its improvement will be integrated in the next SIA.

The EIT will develop, pilot and finalise an Impact Framework taking on board particularly the impact data collected and evaluation methodologies adopted by the EIT interim evaluation and the impact study. This work will be performed in close collaboration with the KICs and all key EIT stakeholders (DG EAC, DG RTD, DG GROW, JRC, DG CLIMA, LERU and COST). It will complement effectively and feed into the preparation for the next SIA especially by indicating how the EIT can maximise impact and what further impact potential the EIT has if it maintains or expands its activities. The EIT will consider engaging external experts to assist in developing and deploying a coherent overall architecture on continuous monitoring, evaluation and impact assessment.

The table below summarises what the EIT aims to achieve in this area from 2018 to 2020.

Action lines	Targets	Implementation year		
		2018	2019	2020
Results-oriented monitoring of KICs	✓ Thematic assessments on pillar agendas and concrete KIC operations complementing continuous monitoring		X	X
	✓ Revision of the EIT Monitoring Strategy	X		
	✓ Assessment of implementation of Good Governance Principles by KICs	X		
	✓ Implementation of the annual monitoring plans	X	X	X
Evaluation and impact assessment	✓ Continuously improve strategic approach on monitoring and evaluation	X	X	X
	✓ Develop, pilot and finalise the EIT's Impact Framework	X	X	
	✓ Embed the Impact Framework in the EIT and KIC monitoring and evaluation system	X	X	
	✓ Implement the recommendations of the EIT evaluations and assessments: - EIT Mid-term Evaluation - H2020 Evaluation - Assessment of EIT's socio-economic impact (impact study 2010-2016) - Knowledge Triangle Integration Assessment - 7 year review of the first wave of KICs 2010-2016 - Innovation and IPR Assessment	X	X	X

Table 9

3. Human and financial resources outlook for the years 2018 – 2020[15]

3.1. Overview of the past and current situation

1. Staff population overview for 2017

The EIT has essentially achieved full staffing through a series of measures that were implemented in the last two years and substantially improved the staff management, recruitment process, reduced turnover and improved the work environment. During 2017, by the end of October 2017, the EIT has recruited 3 new staff members and one Seconded National Expert. The total number of staff is 59 as of 31 October 2017 (excluding trainees, interim staff and an external service provider). Moreover, two letters of offer has been accepted, which will increase the headcount to 61 by the end of the year. Finally, four selection procedures are ongoing as of November 2017.

Despite the positive trend, concerns still remain with the generally low grades at the EIT compared to other Agencies, the low correction coefficient (75%) for Hungary, which contributes to the difficulties in attracting the best possible candidates, and offering a less competitive salary package, including less favourable contract conditions compared to other Agencies due to the provisions set out in its Founding Regulation.

Information on the staff population are provided in Table 1 of Annex III. Based on the job screening exercise carried out in 2015, about 30% of the total EIT staff works on support and coordination activities (human resources management, information and communication technology, internal audit and control, logistics, legal advice, finance and budget, procurement, quality management, communication and administrative assistance). Further information on the planned resource allocation for operational activities for 2018-2020 is provided in Annex I.

Details concerning the recruitment policy, performance appraisal and reclassification, mobility policy, gender and geographical balance and schooling are described in Annex IV.

2. Expenditure for 2017

The evolution of expenditure for the action areas in 2017 is provided in Table 1 of Annex II.

3.2. Resource programming for the years 2018 - 2020

3.2.1 Financial resources 2018 - 2020

The required financial resources are detailed in the tables of Annex II. The launch of a new KIC in 2017, the growth of the existing five KICs and the new tasks described in section 3.2.2 below require a steady growth in both commitment and payment appropriations in the period 2018-2020 in line with the indicative budget figures set out in the Multiannual Financial Framework 2014-2020.

3.2.2 Human resources 2018 - 2020

A) and B) New tasks and Growth of existing tasks

Given the challenges the EIT has to face in the coming years, a request for a number of new posts was presented and the final situation is presented in Table 2 of Annex III. Highlighting the main expected trends, the following should be taken into account.

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[15] All financial and human resources indicated in this document for the years 2018, 2019 and 2020 are subject to the outcome of the budgetary procedures and the availability of appropriations in the general budget of the Union adopted by the budgetary authority for 2018, 2019 and 2020.

The EIT's mission to increase European sustainable growth and competitiveness, by reinforcing the innovation capacity of the EU and Member States, can strongly contribute to the top priority of European Commission President Jean-Claude Juncker, namely "to get Europe growing again", by strengthening Europe's growth, competitiveness and stimulating investment for the purpose of job creation. The EIT can make a major contribution to this objective through the acceleration of innovations by integrating business, research and education. The EIT also contributes directly to other priorities of the Commission through its innovation communities, which among others cover the digitalisation, sustainable energy and climate change. However, structural problems surrounding the EIT's human resources limit the EIT's potential to fully deliver on its mission. The EIT has reached full staffing by the end of 2017 and a normal turnover rate but without additional resources it cannot implement the new tasks allocated to it and exploit opportunities for new innovative activities that derive from new instruments such as the European Fund for Strategic Investments, which has just been extended and expanded.

The EIT's tasks have been growing significantly over the past years. While the EIT managed three Knowledge and Innovation Communities (KICs) from 2010 to 2014, two new KICs started their operations in 2014 and a further one has been designated in 2016. The amount of grant managed by the EIT has increased from 26 million euros (2010) to 324 million euros (2017), while the number of beneficiaries (KIC Partners) has increased from 73 (2010) to more than 900 (2016). Furthermore, the EIT's budget will increase to more than 400 million euros in 2018, which will naturally lead to additional work to ensure legality and regularity of transactions and compliance with the principles of sound financial management. In addition, the EIT has taken on board new activities to develop its strong innovation potential, to support the KICs' Financial Sustainability and attract funding for the EIT and its KICs under the European Fund for Strategic Investments (EFSI) and invest further into innovative companies, the EIT Regional Innovation Scheme for areas in Europe with lower innovation capacity and outreach and synergies with other programmes and bodies such as the EIT's cooperation with the Joint Research Centre and Copernicus programme. Following its education review, the EIT also has identified further potential for it to lead the transformation of human capital in Europe and contribute to the skills agenda in the areas of entrepreneurship and innovation. The EIT will not be able to take these new tasks, which were not foreseen in the initial establishment plan of the EIT, further without additional resources. This means that the potential for innovation and the contribution to growth and competitiveness that could be provided by the EIT across the EU will not be fully exploited. Considering the high priority provided by the Juncker Commission to these areas and relatively minor additional staff resources requested by the EIT, the EU institutions are requested to reconsider their staffing allocation for the EIT.

Despite efficiency gains being made and simplification, it will also not be able to manage its growing number of KICs and growing annual budget. One of the main driver of the workload increase has been the necessity but also opportunity in cross-KIC cooperation. On the one hand, with a growing number of KICs there is a need to ensure coordination and avoid overlaps, which is difficult to achieve in the current model, where KICs have large autonomy in defining their activities. On the other hand, the cooperation among KICs on different thematic areas can create new innovative activities. However, the decentralised nature of the EIT's KIC model did not foresee such cooperation mechanisms, which the EIT is now in the process of introducing. To unleash the impact potential which comes from cross-KIC cooperation, further resources will be required.

In addition to the above mentioned operational needs, the following structural problems have impeded the EIT from achieving its full potential since its inception.

1) Structural under-staffing of the EIT: As confirmed by the European Court of Auditors in Special Report 4/2016 on the EIT, published on 14 April 2016, the amount of grant managed per person at the EIT is significantly higher than for any other EU research grant programme. While the budget managed per staff member under FP7 is between 12.5 and 20.4 million euro, EIT project officers manage annual grants up to 90 million euros. This is without considering the monitoring of the complementary funding of the Knowledge and Innovation Communities, as the EIT finances a maximum of 25% of a KIC's budget. The resulting high workload and responsibility has a serious impact on staff turnover affecting the core business of the EIT and does not allow to fully exploit the opportunities for synergies and dissemination of best practices resulting from the KICs' activities.

2) Structural "under-grading" of posts at the EIT: As identified by the Internal Audit Capability of the EIT, the grades of staff at the EIT are systematically lower than the average grades in other EU agencies. For example, while the average grade of Heads of Administration is AD 12 in other EU agencies, the Head of Administration has an AD 9 grade at the EIT. In addition, the EIT has only one staff with a grade above AD 9 (the EIT Interim Director/Chief Operating Officer) and has only 3 posts allocated in its establishment plan above AD9, which still represents a unique and unsustainable situation for an EU body managing EUR 2.4 billion. The low grades at the EIT seriously hamper the recruitment and retention of talented staff and are a reputational risk for both the EIT and the EU as inadequate resource allocation hampers the achievement of operational results and assurance of sound financial management.

3) No possibility to offer permanent contracts: Pursuant to the provisions of the EIT Regulation, the EIT personnel shall be employed under fixed-term contracts. The lack of permanent contracts and resulting job insecurity add to the difficulties experienced in staff retention.

4) Low correction co-efficient applied to salaries: The correction co-efficient is still relatively low (75% in 2017), while the cost of living in Budapest, in particular as regards housing costs, has increased significantly over the last years. Staff departing have repeatedly quoted in exit interviews the unattractive salary package as one of the main reasons for leaving the EIT.

The European Court of Auditors pointed out in their most recent annual audit report[16] on EIT that, despite the increase in the budget from 309 million euro (2008-2013) to 2.4 billion euro (2014-2020) and in the number of KICs from three to six at the end of 2016, the Institute's authorised number of posts did not change significantly. According to the Court, **"this gives rise to a clear risk that the Institute will not have sufficient capacity to deal with the expanded workload"**. The report of the European Court of Auditors illustrates the risk as follows:

EIT KEY FIGURES EVOLUTION 2011 - 2016

	2011	2012	2013	2014	2015	2016
Budget (in million euro)	52	72	113	177	232	283
Staff (actual at the yearend)	40	47	41	48	50	59
Staff (established posts)	52	52	58	60	62	63
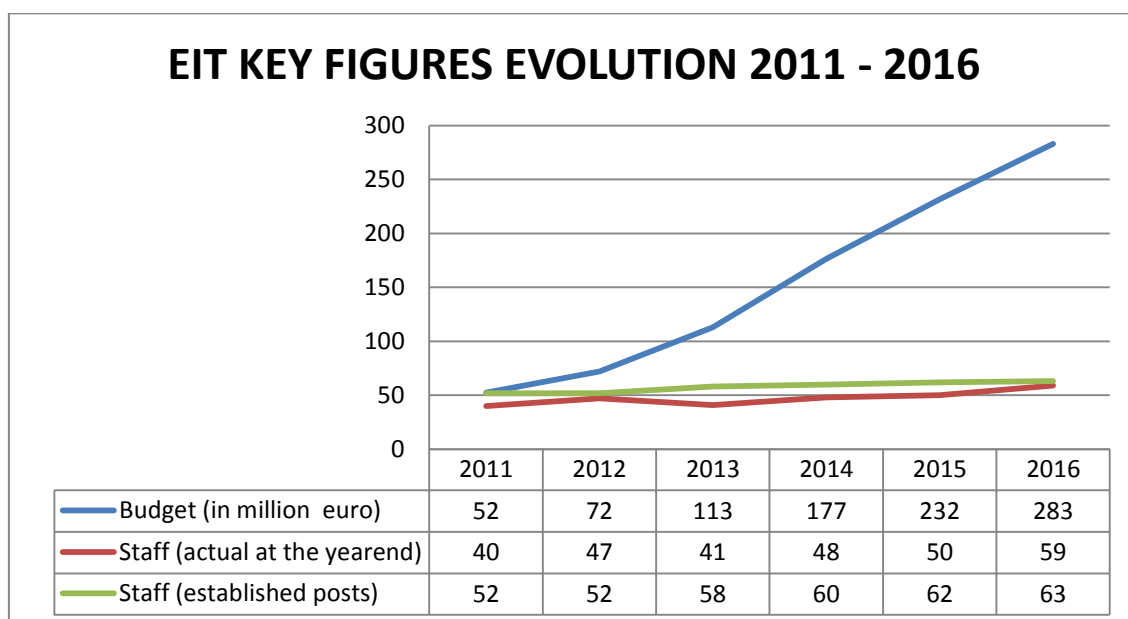
In order to address the structural problems identified above, and to be able to effectively carry out the new tasks and manage the growth of existing tasks, the EIT requested, in its Draft Single Programming Document submitted to the European Commission in December 2017, the approval of five additional posts as from 2018 and the replacement of three Contract Agent (FGIII) posts by AST 3 assistant posts.

Based on the 2018 budget of the European Union adopted by the European Parliament and the Council of the European Union, the EIT has been granted three additional posts as from 2018 and the replacement of three FGIII posts by FGIV posts. The replacement of the three posts do not affect the total number of staff envisaged for 2018 (see Table F below).

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[16] https://www.eca.europa.eu/Lists/ECADocuments/EIT_2016/EIT_2016_EN.pdf

Furthermore, in order to be able to achieve the strategic objective of increasing the visibility and awareness of the EIT Community among Brussels-based stakeholders and decision-makers, the EIT will place one staff permanently in the EIT House in Brussels as of 2018. This staff, as member of the Communications and Stakeholder Relations Unit, will be in charge of driving and implementing the EIT's stakeholder engagement activities in Brussels, in close collaboration with the EIT Innovation Communities.

In terms of profiles, it is foreseen that the three additional posts will be allocated to EIT operations as outlined below:

Year	Number of posts	Category	Grade	Function	Description
2018	1	TA	AD 8	Policy Officer	This additional post is necessary in order to develop and manage cooperation with European Fund for Strategic Investment (EFSI) projects for KICs as well as to monitor the KICs' development of own investment fund initiatives. Furthermore, this person will coordinate the implementation of the EIT Regional Innovation Scheme for areas in Europe with lower innovation capacity (EU-13 in particular) and will explore, and assist KICs to exploit the opportunities of cross-KIC cooperation and synergies with other EU programmes for higher impact. These tasks above are new and did not exist prior to 2016. Main tasks for this new profile: - Monitor the implementation of the KICs' financial sustainability strategies and actions and support the KICs in their endeavour to become financially sustainable. - Prepare periodic assessment reports on the progress of KICs towards financial sustainability. - Monitor and report on the effective implementation of the EIT RIS activities in line with the applicable EIT guidance; periodically review and update the EIT guidance. - Support the EIT communications team in the timely communication of EIT RIS activities including calls and events and support of cross-KIC communication actions. - Ensure coordinated awareness raising with potential EIT RIS cooperation organisations and related stakeholders.

2018	2	TA	AD 6	Programme Officer	The EIT has 5 Programme Officers at the end of 2016 and another post has already been granted for 2017 increasing the number of Innovation Community (IC) Programme Officers to six.
					The IC Officer team needs to be reinforced as from 2018 to be able to operationally manage the eight KICs, including the new KICs for Food, Manufacturing and Urban Mobility. The annual budget of these three additional KICs will grow to ca. 60-80 MEUR per KIC. This requires extensive operational and supervision work. One Officer per KIC is a strict minimum to monitor, assess and control the operations of a KIC (on average, each KIC has ca. 150 Partners, including a substantial number of SMEs).
					Therefore, the two new Officers requested for 2018 will increase the team to eight that is the absolute minimum to be able to manage eight KICs.
					Description of tasks:
					- Support the newly designated KICs during the start-up phase.
					- Assess the multi-annual strategy and annual business plans of KICs and support the process of allocation of annual grants to KICs (ca. EUR 60-80 million per KIC).
					- Carry out technical verification of the final reports on annual grants submitted by KICs in terms of operational performance.
					- Manage and carry out risk-based monitoring of KIC activities, including the preparation of input for the funding allocation decisions of the EIT Governing Board.
					- Contribute to the development of quality procedures, indicators and benchmarks for monitoring (and assessment) of the performance of KIC activities.

| | | | | | - Manage amendments of business plans, entry and exit of KIC Partners to and from the Framework Partnership Agreements.

- Ensure coordination among KICs and synergies with other programmes are explored.

- Develop further the widening of participation in KICs, for example, through the Regional Innovation Scheme targeting the EU-13.

- Liaise with the European Commission services and other stakeholders regarding thematic and innovation policy discussions and representing the EIT in meetings with relevant stakeholders.

- Support KICs in further developing innovative education activities for the transformation of human capital in Europe and contribute to the skills agenda in the areas of entrepreneurship and innovation. |

C) Efficiency gains

In order to streamline the organisational structure, the reporting lines have been reviewed and, in order to avoid a non-proportional growth of the PAM unit and also to have a counterweight for controls, starting from 2015, the Budget & Finance section within the Services and Finance (SAF) unit has been dealing with financial verification of grants and financial simplification (to support core business), along with budget, finance and procurements under the administrative budget. The EIT will introduce dedicated IT systems by end-2016 to improve the efficiency of budget planning and to introduce paperless finance workflows. This will translate into immediate efficiency gains. However, the EIT will be faced with an increasing complexity and workload as the Institute grows and as a consequence of the foreseen full financial autonomy. Furthermore, the Finance and Procurement sections within the Services and Finance Unit have been merged and a new "ticketing system" has been introduced for assistant support in order to ensure a more efficient and effective use of available resources.

The EIT set up a Task Force for Simplification in 2015, with the involvement of KICs, in order to reengineer the grant-related business processes to reduce unnecessary administrative burden while maintaining a high level of assurance. As a first result, the EIT introduced a revised, "first time right" system for the assessment of KIC reports as from 2016. This revised process is estimated to have led to an efficiency gain of 0.5 FTE on an annual basis, which was absolutely necessary in 2016 to be able to ensure an appropriate assessment of KIC reports and a high level of assurance despite the EIT's limited human resources. During 2018-2020, the EIT will continue to implement its simplification strategy aimed to align and optimise EIT/KIC business processes to reduce unnecessary administrative burden and controls, improve predictability and timeliness of decisions, coherence, clarity while increasing the focus on results; and to improve the internal processes through a thorough review, clarification and simplification of financial circuits, actors and procedures underlying transactions and improved use of IT tools. This has been accompanied by a streamlining of the EIT's organisational structure in 2017. Furthermore, the EIT initiated a structured cooperation with the Common Support Centre in November 2017 with the aim to rely more on the accumulated knowledge and experience of the European Commission in implementing Horizon 2020.

Furthermore, in order to reduce costs, improve efficiency and promote best practices in the area of public procurement, the EIT participates in a number of inter-institutional procurement procedures of the European Commission and of other agencies. The EIT uses several of the Commission's framework contracts for ordering services in order to achieve efficiency gains in its procurement activities. In addition, the EIT has a Memorandum of Understanding with CEPOL, also located in Budapest, covering several joint activities. In order to achieve efficiency gains, EIT and CEPOL regularly sets up common selection committees for the recruitment of new staff. This has improved the efficiency of recruitment procedures for both EIT and CEPOL. EIT and CEPOL also plan to set up a joint staff committee in the beginning of 2018. Furthermore, the EIT and CEPOL will launch a joint public procurement procedure for IT services. The EIT will continue to work with CEPOL to explore further synergies such as conducting common procurement procedures or sharing services in the future. Finally, the EIT introduced a budget management IT system (Bluebell) and a paperless workflow system (Speedwell), developed by ERC, that has further increased the efficiency of operations.

As a result of the above efficiency gains, the EIT has gained the equivalent of an estimated 1.5 FTE assistant positions. However, these efficiency gains have been immediately absorbed by an increasing workload related to the growing number of KICs, budget and tasks at the EIT.

D) Negative priorities/Decrease of existing tasks

The structural understaffing of the EIT has already been reflected, to the extent possible, in the cancellation and postponement of the implementation of its non-core tasks. The EIT has further focused on core business, for example via the closure of the EIT Foundation in 2015, which has led to some decrease of existing tasks. The EIT has abandoned the organisation of various roundtables and certain working groups have been wound up, as they have achieved their purpose. Furthermore, the EIT has reduced the number of appointed Governing Board members to 12 and has not organised any extraordinary Executive Committee meetings as from 2015.

However, additional tasks allocated to the EIT such as the EIT Regional Innovation Scheme, increased synergies with other programmes, in particular the preparation of a pipeline of projects for the European Fund for Strategic Investments cannot be compensated by these decrease. The EIT will only be able to deliver its impact on the European competitiveness through enhanced innovation capacity if adequate resources are provided. During the reference period, the Institute will continue to focus on the main priorities laid down in the SIA and in the EIT Regulation and will also ensure its contribution to the objectives and priorities set up under Horizon 2020.

E) Redeployment of resources in view of budgetary constraints

The EIT, via internal redeployment of staff, has already concentrated as much as possible the available resources to operational tasks rather than support activities. As outlined in Annex X, the organisational structure has been modified to reflect the efforts to make the organisation leaner, clarify reporting lines and strengthen the focus on the core activities. The EIT has been applying short-term internal redeployment of staff in order to address temporary high workload in certain areas and will continue to use and expand this concept applying a modern staff management tool to increase efficiency and balance out temporary workload differences among different parts of the EIT.

F) Conclusion on evolution of resources compared to the Commission Communication 2014-2020

Year		2014		2015		2016		2017		2018		2019		2020	
EC initial proposal[17]/Granted to the EIT in the Adopted Budget		EC	EIT	EC	EIT	EC	EIT	EC	EIT	EC	EIT	EC	EIT	EC	EIT
Establishment plan posts															
Temporary staff	AD	27	34	27	34	28	34	29	36	32	39	32	39	32	39
	AST	11	5	11	5	11	5	12	5	12	5	12	5	12	5
TOTAL establishment plan posts		**38**	**39**	**38**	**39**	**39**	**39**	**41**	**41**	**44**	**44**	**44**	**44**	**44**	**44**
Other staff (in FTE)															
Contract staff (CA)		20	20	20	20	20	22	20	22	20	22	20	22	20	22
Seconded National Experts (SNE)		5	1	5	1	6	2	6	2	6	2	6	2	6	2
Total other staff		**25**	**21**	**25**	**21**	**26**	**24**	**26**	**24**	**26**	**24**	**26**	**24**	**26**	**24**
TOTAL EIT STAFF		**63**	**60**	**63**	**60**	**65**	**63**	**67**	**65**	**68**	**68**	**70**	**68**	**70**	**68**

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[17] As per Legislative Financial Statement attached to COM(2011)817: Proposal for a regulation of the European Parliament and of the Council amending Regulation (EC) No 294/2008 establishing the European Institute of Innovation and Technology (i.e. 7-year plan).

Section III – Work programme 2018

1. Executive summary

The workload in various specific areas of the EIT will remain considerable in 2018, with remarkable number of outputs scheduled for completion and outlined in this work programme. In its ninth year of operation, the EIT will enter into a phase of greater stability compared to previous years with the aim to further consolidate its investments into the Knowledge and Innovation Communities (KICs). In 2018, six KICs will be operational addressing challenges in the fields of climate change mitigation and adaptation; sustainable energy; digital society; raw materials (sustainable exploration, extraction, processing, recycling and substitution); healthy living and active ageing; and food for future (Sustainable Supply Chain from Resources to Consumers). The EIT will further contribute to the overarching objectives of the Europe 2020 strategy on fostering growth and creating jobs by improving results, breakthrough technologies, services and sustainability of the operations of the KICs through synergies and multiplication of successful cross-KIC activities.

To further enhance impact and to incentivise innovation in new areas of societal challenges the EIT will launch the Call for KIC Proposals in the thematic area of Urban Mobility. Additionally, the Call for KIC Proposals in the thematic area of Added Value Manufacturing will be re-launched.

The EIT will further promote collaboration and competition among the existing KICs through implementing a set of targeted actions across the KICs such as the EIT label and development of a common Entrepreneurship and Innovation Agendas.

To further increase awareness of the EIT Community, the EIT will focus its communications activities in 2018 on one overarching objective, namely increasing the level of awareness and understanding of the EIT Community's activities and achievements among its external stakeholders. The EIT will continue to implement the EIT's Communications Strategy, in particular by increasing its media activities. In 2018, the EIT will continue to provide strategic guidance and support to all KICs in the implementation of individual EIT RIS strategies for 2018-2020, with the aim to further strengthen the EIT Regional Innovation Scheme (EIT RIS) and with a view to achieving the overall strategic objective of enhancing the innovation capacity in countries and regions not participating in KICs.

Through the EIT Alumni Community, the EIT will help to unleash the potential of the talent pool of young entrepreneurs, innovators and change agents KICs are educating. In 2018, the EIT will continue to support the development of the EIT Alumni Community by organising the fifth edition of the EIT Alumni Connect event. The 2018 EIT Awards will be organised as a standalone event with the EIT Innovation Tour by the end of the first part of the year (2018), and not as in the past as part of the EIT Innovation Forum, INNOVEIT, to increase opportunities for targeted communication opportunities and interaction and exchange of ideas with the broader innovation ecosystems in Europe and stakeholders, and will showcase EIT success stories and will further enhance awareness about the EIT.

In 2018, the EIT will continue its engagement with institutional stakeholders, EU multiplier organisations as well as with key stakeholders from academia, research and business in a systematic, structured, focused and tailored manner to multiply Knowledge Triangle Integration activities beyond the KICs. In addition, the EIT will continue to seek synergies with other EU initiatives, for instance the European Investment Bank (EIB) Group, including the European Investment Fund (EIF) and the European Fund for Strategic Investments (EFSI). To further increase the awareness of the EIT's and KICs' activities and their standing among the innovation community, the EIT will engage with targeted Third Countries and international organisations and will develop strategic alliances and intelligence.

The EIT will continue to enhance its role as an Investor in Innovation and will refine and implement its strategy for KICs' financial sustainability designed to ensure a smooth and predictable transition towards their gradual financial independence from the EIT. At the same time, the EIT will further exploit regulatory flexibility, with a view to enabling further simplification in its processes to increase the EIT's internal efficiency and to achieve results effectively while maintaining a high level of assurance to address the challenges of a relatively young EU body with limited resources entrusted to manage EUR 2.4 billion of EU funds in the 2014-2020 period. In addition, the EIT will explore the feasibility of launching its Growth & Impact Fund (GIF) in close cooperation with KICs, European Commission and the EIB Group, with a view to providing growth capital to European start-ups and scale-ups.

2018 will be the third year of implementing the EIT Monitoring Strategy which involves an integrated approach for an information and evidence base enabling the control and improvement of strategies and management processes and providing insight in outcomes and impacts. Following lessons learnt from its implementation the EIT will propose a revision of the EIT Monitoring Strategy to take into account latest developments of the EIT model.

In 2018, the EIT will continue refining and putting into practice its overall strategy and processes to analyse and assess results and impacts of all EIT Community activities. In particular, emphasis will be put on prioritising and implementing recommendations from the external and internal evaluations performed in 2016-2017, i.e. the EIT and Horizon 2020 interim evaluations, assessment of the socio-economic impact of the EIT Community (EIT Impact Study 2010-2016), 7-year review of the first wave of KICs 2010-2016, thematic assessments in education, innovation and knowledge triangle integration. Moreover, the EIT will develop and pilot an EIT Impact Framework taking on board particularly the impact data collected and evaluation methodologies adopted by the EIT mid-term evaluation and the EIT Impact Study. This work will be performed in close collaboration with the KICs and all key EIT stakeholders (DG EAC, DG RTD, DG GROW, JRC, LERU and COST).

The agenda of the Strategy Working Group, created in 2015 with the aim to review and strengthen strategic components of the EIT and to assemble these into a comprehensive strategy, will be based on the new Strategic Innovation Agenda. This provides the potential for the EIT to take an ever stronger role in Europe to contribute to economic growth through innovation and to help to overcome the fragmentation of the current innovation landscape. Once the strategic directions are streamlined, the EIT in collaboration with the Commission services will start to work on the details of the future legal and operational framework. This will require laying down the foundations of different measures which are expected to lead to simplified business processes in order to serve the achievement of strategic objectives.

Through the planned outputs for 2018, outlined in this work programme, the EIT Governing Board and EIT management will ensure efficient and effective strategy definition and coordination of the EIT and will ensure that the EIT delivers its objectives by contributing to its overall strategy in an effective, timely, efficient, coherent and accountable manner. The Internal Audit Capability Work Plan for 2018 will provide the EIT additional assurance to accomplish its objectives by bringing a systematic, disciplined approach in order to evaluate and improve the effectiveness of risk management, control and governance processes.

Several planned HR and communication activities in 2018 will aim at improved internal communication and teamwork to efficiently manage the challenges set out in this Work Programme and to achieve a high level of staff satisfaction.

The EIT will aim at increasingly internalising development tools required for the maintenance of the main processes. In the context of creating and transferring knowledge across the EIT and to its stakeholders, in particular KICs, appropriate Extranet and Intranet platforms will be further developed to help the interchange of documents and support communication within and among the teams of the EIT.

2. Activities

2.1 Operational activities

2.1.1 Incentivising Growth, Impact and Sustainability through the EIT

The EIT fosters dynamic and open partnerships, its Knowledge and Innovation Communities (KICs), ready to take the lead in their respective thematic fields and turn the emerging needs of Europe's economy and society into opportunities for entrepreneurs. Based on existing European excellence, KICs are a new paradigm of cross-border interconnected eco-systems tackling the fragmentation in the innovation field and accelerating market uptake. A KIC is designed to generate a critical mass of excellent innovators and entrepreneurs, strengthens collaboration across sectors, optimises the use of human, financial and physical resources, and attracts top talent. In essence, a KIC carries out a whole range of activities covering the entire innovation value chain including, amongst others, education and training programmes, research and innovation projects, incubation and scaling up of start-ups; all of these activities integrated and focused on addressing a societal challenge. The KICs will offer thus the collaboration platform for their contribution to the objectives of Horizon 2020.

2.1.1.1 Consolidating, Fostering Growth and Impact of the Existing KICs

The EIT will focus in this field on three types of activities:

- Promoting the Collaboration and Competition among KICs through its investments in the six KICs via the grant management
- Fostering knowledge triangle integration in the KICs as a cross-cutting activity
- Foster further growth of the KICs by promoting synergies

The combination of the above three activities is expected to strengthen and grow the innovation systems created by the KICs to deliver tangible results and impact.

Promoting Collaboration and Competition among KICs

Objective: The EIT aims to consolidate its investments into KICs through operating the grant management cycle and aligning procedures and methodologies for six KICs in view of the increasing annual budget allocated to the KICs and in full alignment with H2020 provisions. In particular, the EIT will carry out the following main sets of actions:

1. Efficiently prepare and manage the programming and grant allocation for 2019 through further streamlined processes. Further develop and streamline the funding allocation mechanisms for cross-KIC collaboration and EIT RIS implementation. Following the 2018 grant allocation, a certain part of the annual budget available for grants may be earmarked for cross-KIC activities that have the largest potential for exploiting synergies and/or EIT RIS.
2. Timely contract and amend the annual Specific Grant Agreements (SGAs) and Framework Partnership Agreements (FPAs):
   a. Complete on time the signature of SGAs 2018 with six KICs under the FPAs and subsequently make pre-financing payments.
   b. Ensure the new FPA with EIT Food is in place, and existing FPAs are up to date with regard to the KICs multi-annual strategies (KIC's strategic agendas), if relevant.
   c. Complete on time the assessment and signature of the SGA 2018 amendments (of six KICs).
3. Efficiently manage six KIC partnerships by processing the changes requested by the KICs, e.g. entry and exit of KIC Partners and linked third parties.
4. Increase grant assurance through adequate support, guidance and control of KICs during the grant implementation, with special focus on KICs' internal control systems and ensuring compliance with the H2020 legal framework.

5. Increase the efficiency of grant management with the support of appropriate grant management tools and regular lessons learnt exercises.
6. Efficient assessment of the KICs' annual reports from performance and financial (cost) perspective, and timely payment of the 2017 final grant balance, while reaching a high level of grant assurance demonstrated by decreasing financial error rates and improving absorption of EIT funds by the KICs.
7. Complete ex-post audits in order to recover any grant unduly paid and therefore close the 2016 grant cycle. Launch the ex-post audits in relation to the 2017 grants.

Actions	Indicator	Target	Main outputs
Grant allocation process / programming	Effectiveness and timeliness of funding allocation to six KICs under grant allocation process 2019	Full allocation of available funds to six KICs by Q4 2018 and implementation of the simplified rules to improve the Business Plans 2019	Invitation to submit Business Plans Business plans submitted by all six KICs Business Plan evaluation reports completed by the EIT Cross-KIC and EIT RIS activities identified and included in the Business Plans EIT Governing Board decision on 2019 financial allocation to KICs. Lessons learnt report GA 2018 completed
Contracting, pre-financing, and amending FPAs and SGAs	Timely signature of Specific Grant Agreement(s) and the amendment(s)	Signature of Specific Grant Agreements 2018 by end February 2018 Signature of amendments of the Specific Grant Agreements 2018 by end of 2018 (if applicable).	Six signed Specific Grant Agreements 2018 Six pre-financing payments made Six amendments 2018 signed (if applicable)
	Timely signature of FPA(s) and the amendment(s) (excluding KIC Partnership entry/exit)	FPA with EIT Food and eventual FPA amendments with other KICs having effect as of 1 January 2018.	New FPA with EIT Food in place FPA amendments signed with KICs (if applicable)
Partnership Management and continuous support	Timely processing of changes in the KICs partnership requested by the six KICs.	Confirmation communicated to the KICs within 30 days of the request	Amendments to FPAs

Actions	Indicator	Target	Main outputs
Improving the grant assurance framework through support, guidance and control of KICs	Timely issuance of guidance documents and replies to KIC queries	Formal guidance documents issued to KICs and all KIC queries followed up	Business Plan guidelines, Business Plan/SGA Amendment guidelines, KIC reporting guidelines, KIC Partners entry and exit guidelines, supplementary guidance documents

Regular update of FAQ |
| | Improved internal control systems of KICs | Full implementation of action plans as regards KIC procurement | Existence of improved and well documented KIC procurement procedures |
| | Alignment with H2020 legal framework | Adaption of H2020 changes in EIT legal framework and model agreements

Smooth collaboration with H2020 Common Support Centre on IT, audit, legal and monitoring (CSC) ongoing | Updated FPA and SGA templates based on H2020 models

Joint cooperation priorities implemented with H2020 CSC |
| Grant Management Platform (IT) | Timely revision and comprehensiveness of the Reporting, Business Planning and Partnership Management modules of the EIT's grant management platform

Reliable business intelligence available | Reporting 2017 (Q1) and Business Planning 2019 (Q3) and Partnership Management (Q2) IT tools are effective and fully in use, users at EIT and KICs adequately supported and trained

Integration between the tools and data structure of the modules

Update of Business Intelligence platform is operational | Improved integrated platform modules operational for reporting, BP planning, PIO and BI

Reports on consolidated data availability and functionality of the systems |
| KIC reporting, EIT ex-ante verification (including performance and costs | Timely processing and finalisation of ex-ante verifications of 2017 KIC | KIC Reports on implementation of 2017 Business Plans | KIC Reports submitted by all KICs |

Actions	Indicator	Target	Main outputs
assessments), final balance payments	Reports for five KICs as well as Start-Up Report in case of EIT Food	(Start-up plan in case of EIT Food) verified by end-July 2018 and final balance payments made by end-August 2018	Ex-ante verification completed for five SGA 2017 KIC Reports and one Start-Up Report Letters to KICs concluding on ex-ante verification and final balance payments Final balance transferred to six KICs Lessons learnt report for reporting 2017 completed
	Timely contracting of the CFS audits for the 2018 KIC Report assessment	For the 2018 cost verification specific contract(s) with CFS auditors signed by Q4 2018	CFS auditors contracted to carry out approximately 175 audits
Ex-post audits	Timely processing and finalisation of ex-post audits	In relation to SGA 2016, audits completed by end April 2018 In relation to SGA 2017, auditors selected by Q4 2018	Final ex-post audit reports on SGA 2016 Unduly paid grants recovered (if applicable) Signed contract for ex-post audit on SGA 2017

Knowledge Triangle Integration

Objective: Implement a set of targeted cross-KIC actions that promote knowledge triangle integration, including the EIT label as flagship initiative.

To achieve this, the EIT will carry out the following main actions:

- Implementation of the improved EIT Label Framework
- Further develop the Knowledge Triangle Integration agenda

Actions	Indicator	Target	Main outputs
Implementation of the EIT Label	Harmonised approach implemented to EIT Labelled masters, doctoral programmes and modules ensuring learning outcomes are achieved, including revision of the Label provisions	All new EIT labelled masters and doctoral programmes aligned with revised EIT Label handbook by end 2018	Revised EIT Label framework and handbook EIT approval decisions for EIT labelled courses

Further develop the EIT education agenda based on the Education review	Enhanced common education agenda to increase impact from EIT and KIC education activities	Concept note on widening of education agenda by Q1 2018	Concept note for widened education agenda approved
Enhance women entrepreneurship	Enhanced promotion of women entrepreneurship and leadership multiplying EIT pilot initiatives	Women entrepreneurship and leadership activities delivered by Q4 2018: Enhanced digital, entrepreneurship and leadership skills of 1000 women aged 12-18 in EIT RIS countries; EIT women investors network operational; KICs engaged and national stakeholders and committed partners leveraged for activities in all target countries.	Concept Note for detailed 2018 activities produced by end of February 2018. Report from 2018 pilot activities on women entrepreneurship and leadership by end of 2018. Action plan for 2018 produced by end of Q1 2018 with external expert from EIGE and WG with KICs
Further develop the EIT migrants initiative	Common agenda with KICs on innovation and entrepreneurship education for migrants implemented	Project launched by Q2 2018 ensuring entrepreneurship and innovation education of at least 100 migrants	Project activities completed and final report issued, including lessons learnt and proposal for a scaling up
Implementation of initiative to develop skills and competences for the future	Common joint initiative between EIT, JA Europe and EU STEM coalition on enhancing STEM and entrepreneurship education at schools level under implementation	Activities supporting the agreed objectives implemented by Q4 2018 in up to 3 EU Member States	Jointly agreed commitment between MS and joint initiative to implement a set of activities per EU Member State based on agreed list.

Fostering Growth and Creating Impact

Objective: The objective in 2018 is to contribute to the overarching objectives of Europe 2020 strategy on fostering growth and creating jobs by improving results, breakthrough technologies and services and sustainability of the operations of the KICs through synergies and multiplication of successful activities across KICs.

The EIT will:

- Promote and facilitate synergies with EC Policy DGs and other EU programmes and bodies (notably but not exclusively Horizon 2020 thematic challenges, DGs RTD, EAC, GROW, EASME and the Enterprise Europe Network, the European Structural and Investment Funds, the Joint Research Centre and the Copernicus Programme) for the integration of Knowledge Triangle.

- In addition, the EIT will identify, codify and disseminate good practices and learnings.

Actions	Indicator	Target	Main outputs
Promotion of synergies with other EU initiatives	Synergies of EIT with other EU policies, programmes and bodies, in particular with DG REGIO (S3 and ESIF), COST and LERU (joint work on impact measurement), DG GROW and EASME/ EIC (SME and start-up support and policies)	At least three joint project/ activity under way by Q4 2018	Structured dialogue/ cooperation agreement with key partners in place and joint projects/ activities defined
Implementation of the EIT-JRC MoU	Joint activities carried out successfully	At least two joint activities with JRC within the identified priority areas of smart specialisation/ regional development, education and skills, external communications, intellectual property, technology transfer and access to finance	Workshops/ trainings implemented, reports prepared
Identification, codification, exploitation/dissemination of results, good practices and learning	Development of concept and methodology for the identification, codification and exploitation/ dissemination of results, good practices and learning First set of results, good practices and learning prepared and disseminated	Concept and methodology developed and action plan approved First set of good practices and learnings prepared and disseminated	Concept, methodology and first set of good practices and learning Report on dissemination

2.1.1.2   Creating new KICs

Objective: To further enhance the EIT's impact and to incentivise the innovations needed to meet new societal challenges, the EIT will, as established in the EIT Regulation and Strategic Innovation Agenda (SIA), expand in 2018 its portfolio of Knowledge and Innovation Communities (KICs) by selecting and designating an additional KIC in the field of Urban Mobility and an additional KIC in the field of Added Value Manufacturing.

The EIT will complete the following actions to achieve this objective:

- Publishing the Call for Proposals in the area of urban mobility and added value manufacturing in Q1 2018.
- Implementation of the communications activities related to the Call, in particular the Information Day.

- Preparing and implementing the efficient and effective evaluation and selection process, including selection of high level qualified expert evaluators.
- Designation of new KICs in Q4 2018.

Actions	Indicator	Target	Main outputs
Preparation and Launch of the Call for KIC Proposals	Call launched timely and the Call package published on the EIT website	Call launched on 12 January 2018	Call text and package published on the EIT website
Communications activities linked to the EIT's 2018 Call for Proposals	Documents prepared in a timely manner Information provided to stakeholders useful and relevant	80% of participants in the 2018 Call for Proposals' Info Day have increased knowledge and understanding of EIT and KICs	Information disseminated to stakeholders in a timely manner EIT Information Day successfully run on 13 February
Designation of two new KICs in the themes of Urban Mobility and Added Value Manufacturing	Effectiveness and timeliness of designation of new KICs KICs are timely and efficiently informed about the designation and upcoming start-up year	Designation of the new KICs completed by Q4 2018	Proposals submitted by applicants Evaluation reports completed by the EIT Hearings conducted GB decision designating new KICs Designation package issued

2.1.2 Enhancing the EIT's Impact

In 2018, the EIT will follow up with the European Commission regarding the preparation of the European Commission's proposal of the SIA and subsequently monitor and follow up the negotiations on the SIA in the Council and European Parliament with a view to preparing for its implementation as of 2021.

The EIT will focus its communications activities on one overarching objective during 2018, namely increasing the level of awareness and understanding of the EIT Community's activities and achievements among its external stakeholder community. The EIT will launch the implementation of the new EIT Communications Strategy and launch a new online web-based tool for enhanced knowledge sharing and networking around the EIT platform. The Institute will also continue to implement an annual integrated communications campaign, ensuring the application of consistent brand messaging across all of its communications channels.

2018 communications and dissemination activities will focus on producing and disseminating all relevant information relating to activities, achievements and lessons learnt emerging from the wide range of EIT Community activities. The EIT will also continue to actively engage with the media, as media relations will enable the EIT to reach a wide range of stakeholders and citizens that may not be directly aware of the EIT's Community activities, thereby leveraging interest, existing talent and latent potential.

The EIT will continue to provide strategic guidance and support all KICs to further strengthen the EIT Regional Innovation Scheme, with a view to ensuring that the overall strategic objective of enhancing the innovation capacity in regions not participating in KICs can be achieved. To this end, the EIT will collaborate closely with KICs to ensure the successful implementation of the individual EIT RIS strategies for 2018-2020. The EIT will organise EIT RIS workshops and hold information sessions to raise awareness of the scheme among relevant stakeholders at national and regional level.

The EIT will continue to support the EIT Alumni Community and ensure continuous alignment of EIT Alumni Community vision and activities with overall EIT strategic objectives. The EIT Alumni Board will continue to consolidate the EIT Alumni Community's implementation and sustainability strategy, offer added-value activities to its members and to deliver specific outreach activities. The EIT will support the Board in organising the fifth edition of the EIT Alumni Connect event, which will further enlarge and grow the community by providing a platform for students and alumni from across KICs to meet, share knowledge, experiences and develop concrete ideas for joint implementation.

The EIT will continue its engagement with institutional stakeholders, EU multiplier organisations as well as with key stakeholders from academia, research and business in a systematic, structured, focused and tailored manner with a view to further strengthening collaboration and dialogue resulting in higher visibility in the European innovation landscape. To facilitate interaction with key stakeholders at EU, national and regional levels, the EIT will finalise the development of a CRM/stakeholder management tool based on the business analysis and identified requirements.

The EIT will organise the fourth edition of the EIT Stakeholder Forum – INNOV*EIT* in a different format in two parts. INNOVEIT Part 1 will be organised as an external forum to showcase and celebrate EIT Community achievements to external audience: representatives of national, regional and local authorities, umbrella organisations and individual entities from higher education, research, business, civil society and cluster organisations. This part will present the EIT Awards nominees and will announce the winners. The second part of INNOVEIT will be designed as an EIT Community internal forum targeting EIT Community participants, and will be potentially organised by one of the EIT Innovation Communities as a cross-KIC project. Based on the successful editions of previous years, the 2018 EIT Awards will comprise five main categories: EIT Venture, EIT CHANGE, EIT Innovators, EIT Woman Leadership & Entrepreneurship, and EIT Public Award.

2.1.2.1 The EIT's next Strategic Innovation Agenda (SIA) 2021-2027

Objective: Preparation of the EIT's next Strategic Innovation Agenda covering the period from 2021-2027.

Actions	Indicator	Target	Main outputs
Monitoring and follow-up of the European Commission's proposal for the SIA	Implementation of the EIT's stakeholder engagement plan	Stakeholder engagement plan fully implemented based on identified priorities in cooperation with the European Commission and Innovation Communities	Weekly update of the stakeholder engagement plan
Preparation for the implementation of the SIA as of 2021	Development of detailed sub-strategies and draft implementation plans for the different areas/parts of the SIA developed.	Detailed sub-strategies and draft implementation plans for new themes, enhanced innovation model, regional excellence, widened	Sub-strategies and implementation plans drafted and first actions piloted

		education agenda, simplification, EIT institutional development drafted.	

2.1.2.2   Fostering Knowledge Exchange through Communications, Dissemination and Outreach

Fostering Knowledge Exchange through Communications and Dissemination

Objective: Increase visibility, awareness and understanding of EIT Community activities and achievements through the active promotion of targeted information to external stakeholders.

Actions	Indicator	Target	Main outputs
EIT Corporate Communications	Quantitative increase in visits to the EIT website	3% increase in unique visitors to the EIT website in 2018 compared to 2017 unique visitor statistics	Dissemination of information and dialogue with external stakeholders through the EIT website: longer visits to EIT website and more informed stakeholders
		Project plan for launch of a new website in Q2 2019 developed and first phases implemented by Q4 2018	Launching the development of a web based tool to provide a platform for knowledge sharing and networking around the EIT
	Timely internal and external communication of EIT Community news, events and calls through the EIT Newsletter and media monitoring	Monthly newsletter and management report issued	12 monthly newsletters and management reports
	Preparation of EIT activity report	EIT activity reports for key stakeholders prepared per quarter	4 EIT activity reports
	Meetings of EIT Community communications network	At least 3 meetings with proposed actions to enhance EIT Community visibility, awareness and understanding presented to EIT Forum	Minutes of EIT Community Communications network
Implementation of EIT 2018 Integrated Communications Campaign	Increase in production of EIT Community success stories demonstrating result and impact	Based on results and achievements from EIT Community, create 10 engaging stories about innovators and entrepreneurs.	Inspiring success stories delivered in different formats through all EIT external communications channels.

| | Quantitative and qualitative increase in EIT media coverage | 2% increase in positive or neutral EIT press (print and online) coverage in 2018 compared to 2017 statistics | Increased engagement with the press: EIT mentions in media publications and articles |
| | Quantitative increase in visits to the EIT website and likes/followers on Facebook, Twitter and LinkedIn accounts | 2% increase in the number of users liking or following EIT social media channels: Facebook, Instagram, LinkedIn, and Twitter in 2018 compared to 2017 statistics. | EIT social media posts with a focus on achievements and results as well as activities to join EIT Community activities for external stakeholders through EIT social media channels: wider social media reach and engagement |

EIT Regional Innovation Scheme (EIT RIS)

The objective of the EIT RIS is to contribute to boosting the ability to innovate of countries and regions in Europe that belong to the groups of so-called 'modest and moderate' innovators (according to the European Innovation Scoreboard[18]). The EIT RIS opens up the activities of the EIT's Innovation Communities to innovators that are not partners in the Innovation Communities, by providing targeted support to individuals and organisations to take part in and benefit from its Innovation Communities' activities, services, programmes and know-how. Countries, regions, local organisations and individuals taking part in the EIT RIS benefit from the transfer of knowledge, know-how and cooperation that is achieved with the EIT's Innovation Communities. The EIT will carry out targeted RIS communication activities such as EIT Community events held in EIT RIS eligible countries, EIT RIS information sessions jointly with other EC Services, as a result of the EIT's work on synergies and complementarities with other EU programmes and initiatives, and work on appropriate online visibility of the Scheme. A common approach of the EIT RIS among KICs will be encouraged with the aim of increasing the impact of the scheme.

Actions	Indicator	Target	Main outputs
Ensure effective implementation of EIT RIS activities by KICs in line with the Guidance	Increased efficiency and effectiveness of RIS activities by participating KICs	Report on results and outputs of activities implemented by participating KICs by Q4 2018 based on bi-annual EIT RIS reports	Summary report of EIT RIS implementation in 2018 (internally prepared EIT document)

EIT RIS strategies approved and implemented |
| | Widening of participation by EIT RIS eligible countries in EIT activities and deepening collaboration with local networks | At least five new EIT Hubs designated demonstrating the involvement of local actors previously not involved in EIT activities | Allocation of EIT funding to KICs to cover EIT RIS activities |
| | EIT hubs with EIT community wide mandate are operational | Concept finalised for EIT community hub (coordinator) in RIS countries and pilot | Common EIT community hubs (coordinators) operating in 3 countries |

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[18] http://ec.europa.eu/growth/industry/innovation/facts-figures/scoreboards_en

		implemented in 3 countries	
Coordinated dissemination of information and communication of EIT RIS activities together with the KICs	Timely communication of EIT RIS activities including calls and events and support of cross-KIC communication actions	Publication of EIT RIS calls of KICs on EIT website and dissemination of EIT RIS information and good practices via other relevant channels	Website posts, publications
	Coordinated awareness raising with potential EIT RIS cooperation organisations and related stakeholders	Joint KIC initiatives launched under the cross-KIC collaboration umbrella	Reports/communications on the joint initiatives (incl. bi-annual reports)
Development of synergies	Identification of potential synergies and complementarities with other EU initiatives	Two joint activities initiated/furthered by Q4 2018	Reports on joint activities

2.1.2.3   Fostering and Attracting Talent

EIT Alumni Community 2018

Objective: To support the work of the EIT Alumni Board in refining their strategy and providing added-value activities to the EIT Alumni Community.

Actions	Indicator	Target	Main outputs
Provide strategic advice and guidance to the EIT Alumni Board to further develop the community and ensure alignment with EIT's strategy and activities	Approval of EIT Alumni Annual Work Programme	Approve EIT Alumni 2019 work programme by Q4 2018	EIT Alumni work programme 2019 in place 2018 EIT Alumni year book produced.
Support the EIT Alumni Board in implementing its and activities	Provide strategic guidance and support to the organisation of the 2018 EIT Alumni Connect Event	Guidance and support to EIT Alumni Connect event provided by Q3 2018 and active participation of 120 alumni from EIT labelled educational programmes (>75% positive feedback in review	EIT Alumni Connect event organised and report issued

Stakeholder engagement

Objective: Continuous EIT stakeholder engagement, fostering structured dialogues that multiply Knowledge Triangle Integration activities beyond the KICs. The EIT Stakeholder Forum aims to engage with key stakeholders such as EU Member States and organisations from the Knowledge Triangle on the EIT's activities in a structured and comprehensive manner. In addition, as of 2018 the EIT will step up meetings with targeted groups of EU Member States representatives (e.g. Scientific Attachés), including at the EIT House in Brussels as appropriate, aiming to ensure that information on EIT Community activities are provided in a timely and targeted manner. In order to be able to achieve this objective, the EIT will place one staff permanently in the EIT House in Brussels as of 2018.

In addition, the EIT will continue to seek reciprocal exchanges with EU Policy DGs and other EU initiatives in order to foster synergies and complementarities within Horizon 2020 and Innovation Union initiatives (e.g. DG RTD, DG EAC, EASME, ERC, DG GROW, European Cluster Policy). Well established channels, such as annual meetings with European Commission services as well as the wider EIT Stakeholder Forum, will be instrumental to continue exploring potential synergies and to facilitating their implementation.

Actions	Indicator	Target	Main outputs
Engagement with institutional and knowledge triangle stakeholders	Structured dialogue with institutional and knowledge triangle stakeholders established	Stakeholder engagement and priority event plan 2018 approved by January 2018 and implemented throughout 2018	Increased stakeholder engagement and priority event plan approved and implemented Stock-taking report on past and ongoing collaboration with Commission initiatives
		At least two awareness days organised in EIT RIS eligible countries in cooperation with KICs	EIT Awareness Days and reports
	Increased EIT visibility through participation in events and related communication coverage	Participation of EIT representatives (including EIT Governing Board members) in at least 20 European/ International events of key stakeholders	Assessment of events, speeches, presentations, mission reports and media articles on events
Organisation of EIT Stakeholder Forum 2018	Targeted information provided and dialogue with key stakeholders	Participation by at least five knowledge triangle representatives of all three sides and 75% of EU Member States	EIT Stakeholder Forum 2018
	Positive, above-average feedback received from participants (as measured by a dedicated survey)	> 75 % of feedback received above average	

Preparation of the EIT Stakeholder Forum 2019	Draft concept for the 2019 edition of the EIT Stakeholder Forum based on lessons learnt from previous editions	Evaluation review of the 2018 EIT Stakeholder Forum available by Q4 2018	Draft concept note of the EIT Stakeholder Forum in 2019 considering the specific stakeholders' needs
Contribution to common activities of the "EIT House" in Brussels	EIT visibility and stakeholder engagement in Brussels increased	EIT participation in agreed Work plan of EIT House agreed by EIT KIC Forum based on the input of the Policy Working Group	Quarterly reports on the Activity plan of the EIT House to the Forum
Launch of the CRM/ stakeholder management tool for the EIT	Stakeholder management tool operational	Testing completed and launch of a tool to support stakeholder mapping and contact management by Q2 2018	A supporting module in order to ensure consistent and coherent delivery of information to stakeholders
Meetings with targeted groups of EU Member State representatives (e.g. meeting with EIT Member States Configuration, participation in Research Working Party, meeting of Scientific Attachés in Brussels)	Targeted information provided and structured dialogue established with key stakeholders from EU Member States	At least 5 meetings with Member States organised by Q4 2018, including meetings with EIT Member States Configuration	Report from meetings including feedback requested from Member State representatives

Relations with Third Countries and International Organisations

Objective: Enhance the standing of the EIT among the innovation community through a structured dialogue with third countries and international organisations.

The EIT will engage with targeted Third Countries and international organisations to increase awareness of the EIT's and KICs' activities and to develop strategic alliances and intelligence. This will be done primarily by way of sharing good practices as well as exploring collaboration mechanisms, synergies, complementarities and future plans.

Actions	Indicator	Target	Main outputs
Engagement with selected third countries and	Establish structured dialogues in targeted Third Countries (US, China, Israel)	Structured dialogue and EIT community focal point set up in at least two of the targeted	EIT focus point identified

international organisations	on knowledge triangle integration issues	countries and/ or international organisations by Q4 2018	Completed feasibility study of the cross-KIC project

EIT Awards

Objective: To implement the EIT Awards which reward successful EIT innovations, entrepreneurial start-ups and graduates from EIT labelled education programmes, to showcase EIT success stories and to enhance awareness about the EIT.

The 2018 EIT Awards will be organised as a standalone event with the EIT Innovation Tour by the end of the first half of the year (2018), and not as in the past as part of the EIT Innovation Forum, INNOVEIT, to increase opportunities for targeted communication opportunities and interaction and exchange of ideas with the broader innovation ecosystems in Europe and stakeholders, and will showcase EIT success stories and will further enhance awareness about the EIT. The 2018 EIT Awards will comprise five main categories: EIT Venture, EIT CHANGE, EIT Innovators, EIT Woman Leadership & Entrepreneurship, and EIT Public (Citizen) Award. The objectives of each of the EIT Awards are the following:

- The EIT Venture Award puts the spotlight on successful entrepreneurial start-ups that have been supported by the innovation communities through dedicated business creation or business development processes. The EIT CHANGE Award celebrates graduates of EIT-labelled education programmes who spur innovation and entrepreneurship and bring about a change in the areas of climate change, digitalisation, energy, health, food and raw materials addressed by the EIT and its innovation communities. The EIT Innovators Award recognises innovation teams composed of individuals from our innovation communities that have developed a product, service or process with a high potential for societal and economic impact. The EIT Woman Leadership & Entrepreneurship Award recognize the outstanding work and achievements by a woman from our innovation communities.
- The EIT Public Award recognizes the public (citizen) recognition of the overall excellence, and innovativeness of one of the Nominees for the other four Award categories listed above.

The implementation of the 2018 EIT Awards will comprise a promotional campaign, the preparation of nominees for the pitching sessions, the set-up of a high-level jury for each Award category, the organisation of the Award Ceremony and the implementation of a monetary prize for one winner per category. The prizes for the EIT Award winners will be as follows:

PRIZES				
EIT Venture Award	EIT CHANGE Award	EIT Innovators Award	EIT Woman Leadership & Entrepreneurship	EIT Public (Citizen) Award
An European-wide promotion of their businesses and the prerogative to use the label "EIT Venture/ CHANGE/ Innovators/Woman Leadership & Entrepreneurship/Public Award Winner 20xx" in their profiling and marketing activities				
EIT Financial contribution of EUR 50,000	EIT Financial contribution of EUR 20,000	EIT Financial contribution of EUR 50,000	EIT Financial contribution of EUR 20,000	No EIT Financial contribution

Also during 2018, the preparations for the 2019 EIT Awards will start, including the launch of the competition in the aforementioned categories.

Actions	Indicator	Target	Main outputs
Organisation of the 2018 EIT Awards	Timely implementation of the 2018 EIT Awards	2018 winners of all five categories awarded in 2018	Five 2018 EIT Awards winners
Preparation of the 2019 EIT Awards	Timely launch of the preparation for the 2019 EIT Awards competition	Preparations for 2019 EIT Awards competition started	Preparations for 2019 EIT Awards competition started

Information about the criteria for participation, the appointment and composition of the juries and the timetable is provided in Annex XII.

The EIT awards will also contribute to collecting information about synergies with other EU programmes, in particular the European Structural and Investment Funds. The application forms will therefore include a section asking for any support previously received from EU programmes. This information will not be used for the eligibility or award decisions, but only for the communication on the EIT Awards and for sharing it with the relevant Commission services.

2.1.3 New Delivery Mechanisms and Results-oriented Monitoring

The EIT will implement and refine as appropriate its strategy for KICs' financial sustainability designed to ensure a smooth and predictable transition towards their gradual financial independence from the EIT and it will continue to design new initiatives and in particular refine the design and explore the feasibility of launching its Growth & Impact Fund (GIF).

As an integrated part of the Horizon 2020 - Framework Programme for Research and Innovation, there is still room for the EIT to exploit regulatory flexibility, with a view to enabling further simplification in its processes. To this end, in 2018, the EIT will further examine options to:

1. Align and optimise EIT/KIC business processes to reduce unnecessary administrative burden and controls, improve predictability and timeliness of decisions, coherence, clarity while increasing the focus on results

2. Improve EIT internal processes through a thorough review, clarification and simplification of financial circuits, actors and procedures underlying transactions and improved use of IT tools

In line with the relevant provisions with Framework Partnership Agreements, the EIT will develop its approach 'Setting EIT Standards for KIC Management and Control Systems' whereby the EIT intends to optimise its management system in view of an increasing number of KICs coupled with increasing empowerment. Emphasis will be placed on the transparency of the KICs' internal procedures for the selection of new Partners and innovation projects. Furthermore, the use of simplified costs shall be further explored to facilitate financial management and focus more resources on result oriented monitoring. The use will be extended in 2018 and should be gradually widened in subsequent years. The EIT will also further explore the potential benefits and practical implications of applying financial instruments either alone or in combination with grants. Finally, the EIT will finalise the implementation of any remaining actions stemming from the recommendations of Special Report 4/2016 of the European Court of Auditors.

In 2018 an Impact Framework will be developed and piloted that will strengthen and further enhance the EIT impact focused approach to delivering world-class solutions to targeted societal challenges.

2018 will be the third year of implementing the EIT Monitoring Strategy which involves an integrated approach for an information and evidence base enabling the control and improvement of strategies and management processes and providing insight in outcomes and impacts. In a systematic manner data will be collected, on-site visits will be carried out to understand the context of the monitoring data and reviews will be conducted to evaluate programmes of activities with a view to improving the underlying processes and obtain good practices.

2.1.3.1   EIT-KIC Relations

The Role of the EIT as an Investor: KICs' Financial Sustainability Strategies (FS) and Growth & Impact Fund (GIF)

Objective: The EIT will implement and refine as appropriate its strategy for KICs' financial sustainability designed to ensure a smooth and predictable transition towards their gradual financial independence from the EIT.

Actions:

- Monitor implementation of the Principles on KICs' Financial Sustainability adopted by the EIT and strategies of KICs and issue guidance to KICs as appropriate

- The EIT will explore the possibility to create a Growth & Impact Fund (GIF) as a new funding mechanism for KICs and beyond.

Actions	Indicator	Target	Main outputs
Monitor implementation of the Principles on KICs' Financial Sustainability	Periodic monitoring on the implementation of the Principles on KICs' Financial Sustainability is carried out	Assessment reports of KICs' financial sustainability strategies by Q2-Q3 2018	Assessment reports of KICs' financial sustainability strategies; specific guidance issued (as appropriate)
Refine design/concept of the GIF	Timely development of the GIF's concept and coordination of KIC impact fund	Market survey and feasibility study of GIF completed, including review of KIC impact fund initiatives	Report on GIF feasibility study and coordination of KIC initiatives

2.1.3.2   Simplification

Simplification roadmap

Objective: The objective of simplification for the EIT is to increase its internal efficiency and to achieve results effectively within the current legal framework while maintaining a high level of assurance to address the challenges of a relatively young EU body with limited resources entrusted to manage EUR 2.4 billion of EU funds in the 2014-2020 period.

In addition, the EIT together with the Commission will start to explore the feasibility of different measures with the aim of incorporating them in the post-2020 legal and operational framework. These will cover, among others the following topics: multi-annuality of grants, investments based on results, KIC governance model, compatibility of equity stakes with the financial model, shared services and facilities across KICs and further incentivising cross-KIC cooperation. The overall objective is to lay down the foundations of simplified business processes and remove obstacles in achieving the strategic objectives of the EIT.

Actions	Indicator	Target	Main outputs
Improvement measures implemented within current framework	High impact measures for simplification identified and implemented to reduce complexity and increase efficiency	Simplification measures selected by the EIT-KIC Forum and implemented by the Task Force for Simplification by Q4 2018	Simplified processes

Minutes of the Task Force Simplification and EIT-KIC Forum |
| Designing of post-2020 legal and operational framework | Laying down the foundations of the post-H2020 legal and operational framework | Assessing the feasibility of some measures identified which are expected to bring simplified business processes | Feasibility studies on selected measures

Identifying potential needs of derogation under the next programming period |

2.1.3.3   Monitoring, Impact Analysis and Evaluation

Implementation of the EIT monitoring strategy

Objective: Revision and implementation of the EIT's monitoring strategy and monitoring plan for 2018.

This will entail the following actions:
- Revision of the EIT Monitoring Strategy, following lessons learnt from its implementation and recommendations of the Internal Audit Service of the Commission.
- Continuous and systematic monitoring of KIC activities to produce recommendations and lessons learnt.
- Assessment of the implementation of Good Governance Principles by KICs following recommendations of the Internal Audit Service.

Actions	Indicator	Target	Main outputs
Revision of the Monitoring Strategy	Strategy better reflecting last developments of the KIC model	The new strategy adopted by the GB by Q4 2018	New Monitoring Strategy

Assessment of the implementation of Good Governance Principles by KICs	Detailed assessment methodology developed

All 6 KICs assessed according to the methodology

Lessons learnt and revised Good Governance Principles developed | Assessment of implementation of good governance principles by KICs by Q4

New, revised Good Governance Principles developed by Q4 | Assessment of implementation of good governance principles by KICs

New Good Governance Principles adopted |
| Implementation of the 2018 monitoring plan in line with the approved EIT monitoring strategy | Contribution of monitoring activities to improving KIC the grant management | Monitoring plan implemented by Q4 2018 (target: 18 visits) | Reports and recommendations from monitoring activities |

Evaluation and impact assessment

Objective: Implementation of the EIT's evaluation strategy for 2018.

This will entail the following actions:
- Continue implementation of the recommendations from the interim evaluations of the EIT and Horizon 2020, 7- year Review 2010-2016 of first wave KICs, and Impact Study 2010-2016
- Develop an EIT Impact Framework in the light of the Impact Assessment results, EIT mid-term evaluation (completed in 2017) and in close consultation with the KICs and other stakeholders.
- Design, develop and pilot a methodology and a toolkit for implementing the Impact Framework. These will include designing of tools for collecting data against the indicators included in the Framework and piloting the methodology by selected innovation communities.

Actions	Indicator	Target	Main outputs
Implement recommendations from the EIT and H2020 interim evaluations; 7-year Review of first wave KICs and Impact Study	Roadmap and Action plan for addressing the recommendations implemented	Recommendations from evaluations systemically addressed	Improved evaluation and monitoring system, incl. KPIs and indicators
Development of an Impact Framework	Impact framework developed in close collaboration with all KICs Impacts and impact indicators agreed by KICs	Robust impact framework outlining systemic impacts and impact indicators designed by Q3 2018	EIT Impact framework
Development of a methodology and a toolkit for implementing the Impact Framework	A methodology developed consisting of guidelines for impact planning and assessment, as well as templates of surveys, bank of interview questions and other tools for collecting	Comprehensive methodology devised for planning, collecting data, evaluation and reporting of impact by Q4 2018	Methodology and impact data collection tools

	data against agreed impact indicators		

2.2 Horizontal activities

2.2.1 Strategy: Co-ordination and Implementation

2.2.1.1   Strategy definition and coordination

In 2015, a Strategy Working Group has been established. The Working Group has a task to review and strengthen strategic components formulated in the EIT Regulation and Strategic Innovation Agenda and to assemble these into a comprehensive strategy. The working group coordinates EIT activities with a strategic nature, ensuring alignment with the overall strategy and assuring the quality of process and results. This Working Group reports to EIT Management. The work plan is devised with and accorded by the EIT Director, outputs of the Working Group are submitted to the EIT Director for approval. If relevant, the EIT Director forwards these outputs for further discussion and final approval to the EIT Governing Board. In 2018, the agenda of the Strategy WG will be largely determined by the needs for the new Strategic Innovation Agenda.

EIT Governing Board meetings and EIT management

Objective: Efficient and effective strategy definition and coordination of the EIT.

- Determine the general EIT strategy and give the necessary impulse, direction and co-ordination to policy definition, preparation and implementation in accordance with the EIT strategic objectives and provisions set out in the Amended EIT Regulation, EIT Strategic Innovation Agenda (SIA), EIT Programming Document (SPD) and guidance provided by the EIT Governing Board with a view to coherently and consistently implementing the EIT mission.

- Ensure effective and efficient representation of the EIT's interests and strong involvement in internal deliberations, including Commission services as well as other external fora with a view to reinforcing the overall EIT strategy and activities hence benefitting EIT stakeholders at large.

- Provide support services (Secretariat) to the EIT Governing Board (GB) including the smooth running of, and follow up to Governing Board and Executive Committee meetings as well as GB Working Group meetings and advisory activities to the GB Chairman, GB Members and the Director.

This activity includes all logistical preparations (travel, catering, meeting services), administrative file handling and preparation of supporting documents.

Actions	Indicator	Target	Main outputs
EIT internal strategic co-ordination and implementation	Quality of collaboration between the members of senior and middle management measured by the number of meetings in 2018 Number of and participation in meetings of the EIT Strategy Working Group Preparation of Strategy Notes on key elements of the EIT/KIC model	Ongoing feedback collection among senior and middle management to assess quality of collaboration and to identify areas of improvement	Minutes of regular management meetings, regular meetings of the Director with the units, meetings of Strategy Working Group, ad-hoc project oriented cross-unit meetings as needed, quarterly workshops

Strategic co-ordination and implementation between the EIT HQ and the EIT GB and support services to the latter	Effective preparation and implementation of Governing Board (GB) and Executive Committee meetings, GB Working Groups meetings, Panel, GB Rapporteur and other meetings with GB Members participation including the meeting(s) with the KIC Chairmen	Effective and timely preparation and implementation of at least 5 regular GB meetings, 5 regular Executive Committee (ExCo) Meetings, Annual KIC Hearing and Designation of new KICs in compliance with all applicable rules and procedures	GB, ExCo, Hearing and new KIC Designation agenda, minutes and decisions.

Planning, programming and reporting

Objective: Ensure and enhance planning, monitoring and reporting

To achieve the above objective, the EIT implements its annual cycle of planning, monitoring and reporting processes in order the EIT delivers its objectives by contributing to its overall strategy in an effective, timely, efficient, coherent and accountable manner.

Actions	Indicator	Target	Main outputs
Planning, Programming and Reporting	Timeliness (preparation and submission) of the documents foreseen in the SPP (Strategic Planning and Programming) cycle, namely Budget, Annual Activity Report, Budget implementation report, Report on budgetary and financial management and Single Programming Document	Budget 2019, Draft budget 2020, AAR 2017, Budget implementation report 2017, Report on budgetary and financial management 2017 produced and transmitted on time EIT Governing Board adopts the Single Programming Document 2020-2022, Budget 2019 and Draft Budget 2020 by mid-Dec 2018	AAR 2017, SPD 2020-2022, Budget 2019, Draft budget 2020, Report on budgetary and financial management 2017
	Timeliness (preparation and submission) of internal quality reporting	On time delivery of accurate internal reports (ad-hoc, monthly or quarterly) and bi-monthly summary reports for the Commission and GB	Monthly budget execution reports mentioning the deviation to the forecast Monthly procurement reports with comparison to the forecast Bi-monthly summary reports for Commission and GB

			DPO action plan implemented
Implementation of the Annual Work Programme	Timely implementation of the Annual Work Programme part of the SPD 2018	95% of activities implemented by Q4 2018	Consolidated Annual Activity Report 2018 (in 2019)

Internal control and risk management

Objective: The objective of internal control and risk management activities is to ensure the effectiveness, efficiency, legality and regularity of operations of the EIT.

According to the EIT Financial Regulation, the EIT budget shall be implemented in compliance with effective and efficient internal control. To achieve this, the EIT implements the internal control standards. These processes are applicable to all levels of management and designed to provide reasonable assurance in order to maintain effectiveness, efficiency and economy of operations, achieve reliability of reporting, safeguard assets and information and prevent, detect, correct and follow up fraud and irregularities.

The risk management of the EIT is related to the legality and regularity of underlying transactions, taking into account the multiannual character of programmes as well as the nature of payments concerned.

Actions	Indicator	Target	Main outputs
Internal Control Standards	Achieves a high level of implementation of Internal Control Standards	100% of internal control standards are implemented by Q4 2018	Annual review of implementation of ICS
Risk Assessment/Risk Management	Critical risks are identified and addressed	Critical risks are identified in the Annual Work Programme and action plans to address them are in place 80% of recommendations from the audit follow up register are closed	Report on critical risks in the Annual Work Programme Updated risk register Updated audit follow up register
Implementation of the EIT Anti-Fraud Strategy	Timely implementation of the actions foreseen in the EIT Anti-Fraud Strategy	100% actions planned for 2018 implemented by Q4 2018	Improved procedures for prevention and detection of fraud

2.2.1.2 Internal communications and work environment

Objective: This activity aims at improved internal communication and teamwork to efficiently manage the challenges set out in the AWP and to achieve a high level of staff satisfaction.

The EIT recognises that its staff members are its most valuable resource and are entitled to quality internal communications. Therefore, it is the EIT policy to keep its staff members informed and up to date so they are fully engaged with a high performing organisation.

This should contribute to achievement of the following results:
- To raise common understanding about the importance of internal communications;
- To strengthen staff motivation and staff commitment together with enhanced team spirit through improved internal communications;
- To maximise efficiency and effectiveness of day-to-day activities by supporting the delivery of objectives and by enabling the EIT units to cooperate more effectively;
- To encourage all EIT staff for an enhanced communication towards EIT stakeholders and beneficiaries and by this to strengthen the EIT's corporate image.

Actions	Indicator	Target	Main outputs
Internal Communication	Efficient internal communication structures are in place and the internal communication and work environment action plan is implemented.	> 95% of staff is fully aware of the EIT and their own objectives and priorities (survey) All EIT decisions are communicated to staff Regular management and unit meetings take place Internal communication and work environment action plan is implemented	Agenda and minutes of weekly management and unit meetings Complete and updated job descriptions and objectives of staff Report on implementation of the internal communication and work environment action plan

2.2.2 Administrative support

2.2.2.1   Human Resources

Objective: The objective of human resource management is to ensure the efficient support for staff in administrative matters, the timely recruitment of highly skilled new staff, the efficient running of the appraisal and reclassification system and the implementation of a learning and development policy for staff.

This includes the following activities:

- Recruit, develop and retain highly qualified staff and provide comprehensive human resource management services to ensure the effective and efficient functioning of the EIT, as well as the promotion of transparency and equal opportunities within the Institute;
- Provide reliable human resources planning, procedures, implement an appraisal and reclassification system and continue to ensure the availability of highly qualified staff to meet the EIT's objectives;
- Support the professional development of staff and further strengthen their competency and skills base, as well as their efficiency;
- Ensure a high quality working environment and promote equal opportunities;
- Ensure a sound framework for the management and administration of the EIT's staff.

Actions	Indicator	Target	Main outputs
HR Management - Recruitment	Timely and compliant completion of selection procedures	Publication of the vacancy notice within 6 weeks of a vacant post and completion of reserve lists within 3 months from the deadline for applications	Posts filled according to the adopted staffing plan
HR Management - Training	Identification of in-house training courses in the learning and development plan	90% of training sessions provided according to plan	In-house training sessions completed
Implementation of the EIT Traineeships programme	Trainees support EIT activities and increase knowledge of EIT	Subject to budgetary constraints and needs of the Institute, at least 12 traineeships successfully completed in 2018	Traineeship reports
Ensure full use of available human resources	Reduction of the vacancy rate	Not more than 3 vacant posts on average	Posts filled according to the adopted establishment plan
Implement obligations in the EIT staff Regulation	Effective and efficient implementation of provisions under the Staff Regulation	Adopt implementing rules of the Staff Regulation Compliance with all provisions of staff rules and regulations in place Timely completion of appraisal (by Q2) and reclassification (by Q3)	Overview table on implementing rules Finalised appraisal reports and reclassification exercise
Ensure the effectiveness of human resources policies	Staff engagement	At least 65% staff satisfaction based on the result of the staff engagement survey	Staff engagement survey
Joint staff committee with CEPOL	Establishment of the staff committee and number of meetings	At least three meetings between EIT management and joint staff committee	Decision on establishment, minutes of meetings, improvement measures/actions agreed
Introduction of SYSPER2	System introduced and functional	SYSPER2 introduced and up and running by Q4 2018	Comprehensive HR management IT system (SYPER2) in place

2.2.2.2   Finance, Procurement and Accounting

Finance and Procurement management

The objective is to ensure sound financial management and legality and regularity of the budget implementation of the EIT.

This will be achieved through the following activities:
- Ensure accurate budget planning and that budgetary implementation follows forecasts and makes effective use of resources;
- Provide compliant, effective and efficient financial framework and procedures;
- Provide compliant, effective and efficient procurement system and procedures;
- Provide reasonably assured a true and fair view of the financial position of EIT in all material aspects

Activity	Indicator	Target	Main outputs
Implement annual budget	High level of absorption of EIT funds Legality and regularity of Commitments and payments	> 95% of non-grant commitment and payment appropriations absorbed by Q4 For <2 % of commitments and payments errors are detected ex post	AAR 2017, Final Accounts Commitments, payments, exception and error reports Quarterly budget review reports, Amended Budget 2018 No. 1 and 2 Budget 2019
Procurement	Efficient and effective procurement procedures completed	85% procurement procedures completed in line with the 2018 procurement plan by Q4 (subject to the initiation of the operational units) including 100% of the prioritised procurement procedures Less than 3% of procurement procedures trigger complaints / court cases	Concluded contracts Monitoring of updated procurement plan Internal report on number of complaints / court cases and their outcome.
Management of the financial position of EIT	Timely and correct delivery, compliance and comprehensiveness of the EIT accounts	Submission of final accounts for 2017 by Q2 All payments carried out <20 calendar days after receipt and registration of the invoice.	Final Accounts for 2017 Payments made from EIT account

2.2.2.3   ICT, Document Management and Infrastructure

Management of Information and Communication Technologies (ICT)

Objective: Define, plan, set up, maintain and develop high quality Information and Communication Technology (ICT) infrastructures, tools and services so that the staff is adequately supported in their operation.

Actions	Indicator	Target	Main outputs
IT projects mentioned in the IT Master Plan 2018-2020	Number of projects mentioned in the IT Master Plan implemented on time	Full implementation	Projects implemented, new infrastructure and software in place
Actions mentioned in the IT Security Strategy 2018-2020	Number of projects mentioned in the IT Security Strategy for 2018 implemented on time	Full implementation	Remote access security improved Protection against threats and vulnerability increased Improved security reporting
Awareness and trainings in the field of ICT	Number of trainings and awareness events	5	ICT facilities and services used in an appropriate and responsible manner
Risk assessment in the field of ICT	Contract concluded and risk assessment exercise completed	2018	Report on risk assessment performed by an independent IT expert/service. Risk register established.
Servers' availability ensured	Servers' availability (average over one year)	> 99%	Business continuity
Provide adequate ICT systems and infrastructure	Adequate IT and infrastructure tools available to staff made available and backup solutions in place	Make general and individualised IT systems permanently available to all staff as required	Available IT systems to all staff and external users
	Hours of continuous downtime of systems minimised and timely response to user requests provided	Maximum one hour downtime of system per incident , <10% of normal user requests require more than two days to resolve and <10% of critical tickets are solved within 4h	ICT systems operational and business continuity ensured. Reports on incidents and user requests
Provide high availability for the DUNA Core Business web site	Minimum downtime of the EIT core business web site for Grant Management	Fully operation of the replica site located at CEPOL and Maximum web site unavailability of 1.5 %	Improving Duna user satisfaction for the provided services
IT equipment inventory	Quality of IT equipment inventory	Ratio of lost IT equipment < 1.5%	IT equipment available

Document Management

Objective: The EIT will review the document management policies and practices which will lead to a further consolidated single Document Management tool for physical and electronic files. By introducing ARES, EIT will revise its mail distribution and delivery system.

Actions	Indicator	Target	Main outputs
Document Management System	Reliable and comprehensive implementation of DMS Timely revision of Policies and Practices in line with the action plan following the IAC recommendations (DMO, LSO, LISO and DPO related tasks) Introduction of ARES	Comprehensive DMS fully operational (ongoing) 100% of actions implemented by Q4 2018 Q2 2018	Filing plan in place DMS available on SharePoint Upgrade of filing register Updated decisions, procedures and policies Efficient document management system
Provision of mailing services	Mails expedited timely Incoming mail registered and distributed timely	Within two working days Incoming mail delivered within one working day following its receipt	Mails sent Mails registered

Logistics and Building Management

Objective: The objective is to provide all staff with a functional and safe and healthy working environment, an adequate level of logistics support, sufficient office supply stocks management, and proper level of building security.

Real estate activities include the followings:
1. EIT will extend its office space in order to be able to accommodate the increasing number of staff and of external parties (interim agents, SNEs, trainees) and increased needs for in-house meetings.
2. The good quality of offices is ensured through the multiannual preventive maintenance. In 2018, re-painting of offices will take place on both floors.
3. In 2018, the optimisation of terrace aims to develop collaborative working and social areas.

Prevention and protection at work: In order to build up the staff awareness on health and safety measures, several trainings, informative brochures and publications as well evacuations exercises will continue in the course of the year.

Actions	Indicator	Target	Main outputs
Real estate activities 1) Extension of office space	Office modernisation completed	1) Completed by Q1 2018 2) Completed by Q3 2018	1) Extended office space 2) Repainted and redecorated EIT premises

2) Renovation and redecoration of office 3) Optimisation the use of terrace and ensured EIT visibility 4) Installation of a reception function including services		3) Completed by Q2 May 2018 4) Completed by Q3 2018	3) Furnished terrace and EIT visibility on building ensured 4) Reception area established. Service contracted.
Awareness and training on safety and prevention	Delivered as planned	Training delivered by Q4 2018	First aid training Training on work safety Updated intranet Annual fire inspections completed
Inventory management 1) Conduct an inventory cycle 2) Retirement of a tangible long-lived asset	1) Tracking rate 2) To be performed within 3 months after completion of inventory exercise	1) Up-to-date ABAC ASSET Inventory with >98% accuracy 2) Complete retirement of a tangible long-lived asset end of Q2 2018	1) All assets are labelled and registered in ABAC Assets 2) Virtual write off of items
Provision of adequate infrastructure	Delivered as planned	In the course of the year	Completion of incidents and repairs of damages Incidents register IT application of organisation of in-house meetings

2.2.2.4 Internal Audit

Internal Audit Capability

The Internal Audit Capability helps the EIT accomplish its objectives by bringing a systematic, disciplined approach in order to evaluate and improve the effectiveness of risk management, control, and governance processes.

Internal Auditing is an independent, objective assurance and consulting activity designed to add value and improve the EIT's operations. The internal audit capability will draw up a work plan for 2018 agreed with management and to result in a number of audit and consultancy assignments.

Activity	Indicator	Target	Main outputs
Provision of Internal Audit services	Timely preparation of the IAC audit plan	Audit plan adopted by the EIT GB by March 2018	Audit plan for 2018-2020

Provision of Internal Audit services	Timely production and transmission of IAC audit reports	Submission of the reports to the Director and to the Governing Board by end 2018	Reports on audit findings and recommendations in line with the audit plan.

Annexes

Annex I: Resource allocation per activity 2018 – 2020

Activity	Operational HR 2018	Operational HR 2019	Operational HR 2020	Total cost – Draft Budget (operational and administrative expenditure), EUR 2018	Total estimated cost (operational and administrative expenditure), EUR 2019	Total estimated cost (operational and administrative expenditure), EUR 2020
Consolidating, fostering growth and impact of the KICs	16	16	16	420,129,816.6	452,888,118.5	513,650,830.6
Creating new KICs	2	2	2	34,000	36,651	41,568.4
Fostering knowledge exchange trough dissemination and outreach	4	4	4	1,486,000	1,601,866.2	1,816,784
Fostering and attracting talent	1	1	1	218,000	234,997.9	266,526.9
Enhancing stakeholder engagement	5	5	5	940,000	1,013,293.6	1,149,244.3
Simplification	1	1	1	30,000	32,339.2	36,678
Monitoring, impact analysis and evaluation	12	12	12	259,045	279,243.2	316,708.5
Strategy: Coordination and implementation	10	10	10	495,980	534,652.4	606,385.3
Administrative support and coordination	17	17	17	6,000,550	6,468,424	7,336,274
TOTAL	68	68	68	429,593,391.6	463,089,586	525,221,000

Annex II: Financial resources 2018 – 2020

Table 1 - Expenditure

Expenditure	2017		2018	
	Commitment appropriations	Payment appropriations	Commitment appropriations	Payment appropriations
Title 1 - Staff expenditure	4,606,480.00	4,606,480.00	5,107,500.00	5,107,500.00
Title 2 - Infrastructure and operating expenditure	847,470.00	847,470.00	1,266,530.00	1,266,530.00
Title 3 - Operational expenditure	332,179,344.12	301,881,908.00	423,219,361.56	392,897,661.85
Title 4 – Cancelled appropriations	1,459,123.92	3,181,974.21	1,459,123.92	1,617,794.42
TOTAL EXPENDITURE	339,092,418.04	310,517,832.21	431,052,515.48	400,889,486.27

EXPENDITURE	Commitment appropriations				
	Executed budget 2016	Budget 2017	Budget 2018	Envisaged in 2019	Envisaged in 2020
Title 1 Staff Expenditure	4,164,316.62	4,606,480.00	5,107,500.00	6,235,600.00	6,336,000.00
11 Staff in active employment	3,345,204.93	3,762,000.00	4,213,000.00	5,200,000	5,200,000
12 Recruitment expenses	37,960.50	30,000.00	36,000.00	31,000	31,000
13 Mission	198,000.00	245,000.00	220,000.00	250,000	280,000
14 Socio-medical infrastructure	83,249.26	95,280.00	133,600.00	137,700	150,000
15 Training	31,033.39	73,000.00	55,000.00	65,000	70,000
16 External staff and linguistic support	468,491.29	397,300.00	446,000.00	548,000	600,000
17 Representation	377.25	3,900.00	3,900.00	3,900	5,000
Title 2 Infrastructure and operating expenditure	939,932.79	847,470.00	1,266,530.00	1,076,650.00	1,035,000.00
20 Buildings and associated costs	44,919.49	96,640.00	125,300.00	128,300	130,000
21 Information and communication technology	360,717.89	233,530.00	387,100.00	325,050	200,000
22 Movable property and associated costs	25,451.48	22,500.00	39,800.00	19,300	25,000

23 Current administrative expenditure	241,838.57	302,300.00	359,350.00	325,000	350,000
24 Publications, Information, studies and surveys	10,071.03	2,500.00	4,000.00	4,000	30,000
25 Meeting expenses	256,934.33	190,000.00	350,980.00	275,000	300,000
Title 3 Operational expenditure	266,118,759.10	332,179,344.12	423,219,361.56	455,777,336.00	517,850,000.00
30 Grants	263,244,044	327,478,506.12	417,817,413.56	450,000,000	512,000,000
31 Knowledge and Innovation Communities	1,200,981	2,542,088.00	2,664,903.00	2,880,586	2,950,000
32 EIT's Impact	1,551,451	1,915,750.00	2,328,000.00	2,636,750	2,500,000
33 Simplification, Monitoring and Evaluation	122,282	243,000.00	409,045.00	260,000	400,000
Title 4 Cancelled appropriations	9,012,879.42	1,459,123.92	1,459,123.92	p.m.	p.m.
40 Cancelled appropriations not used in year N	9,012,879.42	1,459,123.92	1,459,123.92	p.m.	p.m.
TOTAL EXPENDITURE	280,235,887.93	339,092,418.04	431,052,515.48	463,089,586.00	525,221,000.00

EXPENDITURE	Payment appropriations				
	Executed budget 2016	Budget 2017	Budget 2018	Envisaged in 2019	Envisaged in 2020
Title 1	3,634,394.83	4,606,480.00	5,107,500.00	6,235,600.00	6,336,000.00

Staff Expenditure					
11 Staff in active employment	3,088,082.06	3,762,000.00	4,213,000.00	5,200,000.00	5,200,000.00
12 Recruitment expenses	50,000.00	30,000.00	36,000.00	31,000.00	31,000.00
13 Mission	190,871.45	245,000.00	220,000.00	250,000.00	280,000.00
14 Socio-medical infrastructure	39,533.08	95,280.00	133,600.00	137,700.00	150,000.00
15 Training	27,435.13	73,000.00	55,000.00	65,000.00	70,000.00
16 External staff and linguistic support	237,798.61	397,300.00	446,000.00	548,000.00	600,000.00
17 Representation	674.50	3,900.00	3,900.00	3,900.00	5,000.00
Title 2 Infrastructure and operating expenditure	453,778.62	847,470.00	1,266,530.00	1,076,650.00	1,035,000.00
20 Buildings and associated costs	9,508.31	96,640.00	125,300.00	128,300.00	130,000.00
21 Information and communication technology	125,476.71	233,530.00	387,100.00	325,050.00	200,000.00
22 Movable property and associated costs	106.10	22,500.00	39,800.00	19,300.00	25,000.00
23 Current administrative expenditure	203,475.26	302,300.00	359,350.00	325,000.00	350,000.00
24 Publications, Information, studies and surveys	2,326.79	2,500.00	4,000.00	4,000.00	30,000.00
25 Meeting expenses	112,885.45	190,000.00	350,980.00	275,000.00	300,000.00
Title 3 Operational expenditure	259,155,501.04	301,881,908.00	392,897,661.85	426,022,174.00	490,500,000.00
30 Grants	256,954,186	298,187,070.00	387,209,516.85	420,000,000	485,000,000
31 Knowledge and Innovation Communities	1,221,151	2,148,588.00	2,814,760.00	2,947,174	2,600,000

32 EIT's Impact	921,350	1,122,750.00	2,411,910.00	2,615,000	2,500,000
33 Simplification, Monitoring and Evaluation	58,814	423,500.00	461,475.00	460,000	400,000
Title 4 Cancelled appropriations	4,520,339.39	3,181,974.21	1,617,794.42	p.m.	p.m.
40 Cancelled appropriations not used in year N	4,520,339.39	3,181,974.21	1,617,794.42	p.m.	p.m.
TOTAL EXPENDITURE	267,764,013.88	310,517,832.21	400,889,486.27	433,334,424.00	497,871,000.00

Table 2 – Revenue

REVENUES	2016	2017	2018
	Executed Budget	Revenues estimated by the agency	Revenues estimated by the agency
1 REVENUE FROM FEES AND CHARGES	0.00	0.00	0
2 EU SUBSIDY	252,158,953.03	288,715,509.28	366,717,896
3 THIRD COUNTRIES CONTRIBUTION (incl. EFTA and candidate countries)	11,395,129.93	14,595,983.70	33,544,526.79
- Of which EFTA/EEA (excl. Switzerland)	6,875,046.93	7,024,662.70	8,544,527
- Of which third countries	4,520,083.00	7,571,321.00	25,000,000
4 OTHER CONTRIBUTIONS	0	0	0
5 ADMINISTRATIVE OPERATIONS	4,584	173	0
6 SURPLUS, BALANCES	7,065,708	6,147,276	p.m.

7 CONTRIBUTIONS AND REFUNDS IN CONNECTION WITH THE OPERAIONAL ACTIVITIES	695,066.58	1,058,890.90	627,063
9 CANCELLED APPROPRIATIONS	0	0	p.m.
TOTAL REVENUES	271,319,441.55	310,517,832.21	400,889,486.27

Table 3 – Budget outturn and cancellation of appropriations

Budget outturn	2011	2012	2013	2014	2015	2016
Revenue actually received (+)	9,794,873.69	76,723,092.08	97,196,578.66	167,154,095.48	228,848,153.12	263,990,494.08
Payments made (-)	6,725,176.21	71,010,665.46	96,181,067.34	164,874,352.73	223,016,442.62	261,615,261.00
Carry-over of appropriations (-)	3,069,697.48	6,078,654.00	1,015,511.48	1,886,888.06	759,478.94	1,020,678.00
Cancellation of appropriations carried over (+)	-	2,240,031.65	1,635.00	531,028.99	635,963.98	54,223.16
Adjustment for carry over of assigned revenue appropriations from previous year (+)	-	366,227.38	-	1,015,511.48	725,281.44	263,239.16
Exchange rate differences (+/-)	- 45,425.71	- 32,714.76	32,628.66	156,156.81	- 18,369.75	- 10,274.12
Adjustment for negative balance from previous year (-)[1]	-	- 45,425.71	2,161,891.18	2,196,154.68	1,564,522.66	5,434,261.00
Total	- 45,425.71	2,161,891.18	2,196,154.68	4,291,706.65	7,979,629.89	7,096,004.28

Annex III: Human resources – quantitative information for 2018 – 2020

Table 1 - Staff population and its evolution; overview of all categories of staff

Staff population		Actually filled in 31.12.2014 [19]	Authorised under EU Budget 2015	Actually filled at 31.12.2015 [20]	Authorised under EU budget for 2016	Actually filled as of 15.11.2016	Authorised under EU budget for 2016	Actually filled as of 01/12/2017 [21]	Draft budget for 2018	Envisaged in 2019	Envisaged in 2020
Officials	AD										
	AST										
	AST/SC										
TA	AD	28	34	26	34	32	36	34	39	39	39
	AST	5	5	4	5	4	5	4	5	5	5
	AST/SC										
Total		33	39	30	39	36	41	38	44	44	44
CA FG IV		4	6	4	8	3		4	9	9	9
CA FG III		6	8	9	8	13		11	7	7	7
CA FG II		6	6	6	6	5		5	6	6	6
CA FG I								0			
Total CA		16	20	19	22	21		20	22	22	22
SNE		1	1	1	2	2		2	2	2	2

[19] Including two AD posts where an offer letter had been sent and accepted, but the staff member only started in 2014.
[20] Including 1 AD and 1 FGIII post where an offer letter had been sent and accepted, but the staff member only started in 2015.
21 Including 1 AST post where offer has been sent and accepted, but the staff member will start in 2018.

Structural service providers[22]			1		1		1	1	1	1
TOTAL (excluding external service providers)	50	60	50	63	59		60	68	68	68
External staff[23] for occasional replacement[24]							1.5	1.5	1.5	1.5

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[22] Service providers are contracted by a private company and carry out specialised outsourced tasks of horizontal/support nature, for instance in the area of information technology. At the Commission the following general criteria should be fulfilled: 1) no individual contract with the Commission; 2) on the Commission premises, usually with a PC and desk; 3) administratively followed by the Commission (badge, etc.) and 4) contributing to the value added of the Commission. FTE

[23] FTE

[24] For instance replacement due to maternity leave or long sick leave.

Table 2 - Multi-annual staff policy plan year 2018 - 2020

Category and grade	Establishment plan in EU Budget 2015		Modifications in 2015 in application of flexibility rule		Establishment plan in voted EU Budget 2016		Modifications in 2016 in application of flexibility rule		Establishment plan in Draft EU Budget 2017		Establishment plan 2018		Establishment plan 2019		Establishment plan 2020	
	officials	TA	officials	TA	officials	TA	officials	TA	officials	TA	officials	TA	officials	TA	officials	TA
AD 16																
AD 15																
AD 14		1				1				1		1		1		1
AD 13																
AD 12												1		1		1
AD 11		1				1				1						
AD 10										1		3		7		7
AD 9		5				7				8		9		7		7
AD 8		8				6				5		9		9		9
AD 7		5				9				13		9		9		9
AD 6		14				10				7		7		5		5
AD 5																
Total AD		**34**				**34**				**36**		**39**		**39**		**39**
AST 11																
AST 10																
AST 9																
AST 8																
AST 7																
AST 6																
AST 5		1				1				1		1		2		2
AST 4		2				3				3		3		1		1
AST 3		2				1				1		1		2		2
AST 2																
AST 1																
Total AST		**5**				**5**				**5**		**5**		**5**		**5**
AST/SC 6																
AST/SC5																
AST/SC4																
AST/SC3																
AST/SC2																
AST/SC1																

Total AST/SC														
TOTAL		39				39				41		44		44		44

Annex IV: Human resources – qualitative information for 2018-2020

A – Recruitment policy

The EIT employs temporary agents, contract agents and seconded national experts. The EIT strives to recruit the most suitable professionals with the right mix of competencies to advance the organisational objectives. The selection procedures at the EIT follow the standards and principles in place in EU Institutions, including the EIT general implementing provisions of the Staff Regulations for Temporary Agents, Contract Agents and Seconded National Experts. As part of continuous improvement initiatives, a new recruitment guide has been drafted to incorporate lessons learnt and align to HR best practices adapted to an EU institutional context.

Selection procedures at the EIT are carried out according to the following **principles in line with the EU Staff Regulations**:

Equal Treatment and non-discrimination

All candidates are offered the same opportunity to perform under the best conditions (e.g. the same scoring and assessment methodology is applied in the same way to all candidates; the same questions are asked to each candidate).

Objectivity and Independence

The Selection Committee assesses the merits of the candidates dispassionately, without pressure from any source whatsoever, in order to guarantee a high calibre of staff recruited. In exercising its independence, the Selection Committee has regard to the principles of equal treatment of candidates and the duty of care and sound administration.

The Selection Committee is nevertheless subject to the applicable vacancy notice, the Staff Regulations and the Conditions of employment of other servants of the European Communities, its Implementing Rules and the general principles of Community law as interpreted by the Court of Justice (legal compliance).

Impartiality (management of Conflict of interests)

The EIT has measures in place to ensure that any conflicts of interest issues are addressed and managed as swiftly as possible. This includes a declaration with reference to conflict of interest which Selection Committee members are required to sign following the disclosure of applicant's names. In addition, the selection procedure at the EIT foresees that all assessment and scoring tools and methodologies, as well as interview and written questions are finalised before the names of candidates are revealed to the Selection Committee.

Gender and geographical balance

The EIT aims to have gender balance at all levels of the organisation. Furthermore, it endeavours to maintain a geographical balance among staff recruited at the Institute, although this is difficult to fully achieve this due to the small size of the Institute and due to the adverse effects of the low (74.5%) correction coefficient applied to the salaries in Budapest, which hampers recruitment from Member States where higher salaries can be attained. As specific measures to counter-balance these negative effects, the EIT uses the EIT Awareness Days and events in other Member States to encourage participants to apply for open positions at the EIT and strives to disseminate vacancy notices in different EU sources and social

media channels. Furthermore, the EIT has signed cooperation agreements with international schools and kindergartens in Budapest to ensure that EIT remains an attractive employer for expatriates.

Transparency in the selection procedures by the EIT is ensured by the following measures:

Documentation of procedure: A recruitment guide, describing the principles and stages of the selection process, is handed out to each appointed member of a Selection Committee.

Clarity of procedure: the steps of the selection process are explained to candidates in the vacancy notice. The eligibility and selection criteria are also defined in advance and made known to applicants in the vacancy notice published for each selection procedure. In addition, a Guide for applicants is published on the EIT website.

Written track of decision-making: minutes of Selection Committee meetings are drawn up by the HR section, and every decision is documented.

Confidentiality and Protection of Personal Data

The EIT ensures that candidates' personal data are treated according to Regulation (EC) No 45/2001 of the European Parliament and Council of 18 December 2000, and gives pertinent instructions to Selection Committee members to ensure respect with data protection rules. On their appointment, Selection Committee members are required to sign a declaration with reference to confidentiality, ensuring that all discussions, assessments, information and material collected and candidate's personal data are kept strictly confidential at all times.

Recruitment of temporary agents and contract agents

The Recruitment procedures for temporary agents and contract agents include the following main steps:

a) Publication of a vacancy notice managed via the EU CV online tool which is disseminated in various EU sources and social media channels.

b) After the deadline for submission of applications, the Selection Committee checks the applications against the eligibility criteria and then screens all eligible applications against the selection criteria specified in the vacancy notice, based on the qualifications and training, professional experience and motivation of the candidate in relation to the profile concerned. As per the EU Staff Regulations, the Staff Committee is always represented in the Selection Committees.

c) The most suitable candidates for the position are then invited to an interview with the Selection Committee as well as a written test, who will then carry out the assessment of the candidates covering the specific competencies in the area of expertise, general aptitudes and language skills, where applicable.

d) The Selection Committee will propose the most suitable eligible candidates to be placed on a reserve list, which is submitted to the Appointing Authority of the EIT for approval. Reserve lists may be extended by decision of the EIT.

e) Prior to being offered a post, candidates on a reserve list may be required to undergo further evaluation by the EIT (e.g. including a further interview).

Recruitment of Seconded National Experts

Regarding the recruitment of **SNE**s, the selection is carried out according to an open and transparent procedure, following the stages as described above for TA and CA. An additional element is that applications can be forwarded by the Permanent Representations and where provided for in the vacancy notice, by the EFTA Secretariat, the diplomatic missions of the non-member countries whose nationals are eligible for the

secondment and the administrations of the IGO. Any secondment shall be authorised by the EIT Director and the SNE's employer by an exchange of letters.

External service providers

Regarding the tender procedure in case of **external service providers**, in case of justified need for external staff for the EIT, the EIT may rely on the following options:
External IT staff: The provision of services for external staff with IT expertise is carried out under an ongoing EIT framework contract, concluded for 4 years with an IT service provider following an open procurement procedure. After the careful estimation of the IT staffing needs, in accordance with the IT profiles laid down in the framework contract, specific contracts are concluded by the EIT.
Interim staff: Following the open procurement procedure in 2016, the EIT is now able to request interim staff in four staff profiles (categories I-IV). Should the need arise for interim staff, the EIT will sign order forms to ensure the continuity of staff in the following situations:
- to replace staff member(s) in the event of maternity leave, long-term illness, parental or family leave, other long-term absences;
- to cope with peak periods of heavy workload, which require an additional workforce for a fixed period of time;
- to carry out, on a temporary basis, specific projects and/or tasks which require specific competencies which are not available within the EIT.

Duration of employment

With regard to the **duration of contracts**, the EIT Regulation stipulates that: "*the staff of the EIT shall consist of personnel employed directly by the EIT under fixed term contracts. The conditions of employment of other servants of the European Union shall apply to the Director and the staff of the EIT*". In order to ensure more competitive employment conditions, the EIT is committed to pursuing the objective of introducing the possibility for contracts of indefinite duration.

Recruitment grades

In order to recruit highly qualified and motivated staff, conditions at entry into service need to be attractive. **Entry grades**, as a general rule, are adapted to the type of function and tasks related to the profile in question. Depending on the function and the level of tasks, the EIT offers posts in line with the Implementing Rules on the engagement and use of Temporary Agents: "*temporary agents shall be engaged in principle at the following entry grades: AST 1 to AST 4 for the function group AST, AD 5 to AD 8 for the function group AD*".

In terms of **key functions**, the EIT has an AD14 Director post and recruits Heads of Unit in grade AD9, while the Chief Operating Officer is placed in grade AD11. Officers with coordination functions are in grade AD6-AD9 and other project officers are recruited as AD6. The accountant, legal officer, budget officer and internal auditor are in grades AD 6-AD 9.

B – Appraisal of performance and reclassification/promotions

There was no reclassification system in place at the EIT between 2010 and 2014, as the first reclassification exercise was conducted in 2015. Therefore, the career progression at the EIT has been slower and the

average durations in grade are typically longer than indicated by the multiplication rates set out in Annex I B of the Staff Regulations. In order to align the average career progression in the EIT with the multiplication rates of the Staff Regulation, the EIT plans to reclassify a higher percentage of temporary agents in 2017 and 2018 than foreseen in Annex I B of the Staff Regulations.

Table 1 - Reclassification of temporary staff/promotion of officials

Category and grade	Staff in activity at 1.01.2015	How many staff members were promoted / reclassified in 2015		How many staff members were promoted / reclassified in 2016		How many staff members were promoted / reclassified in 2017		Average number of years in grade of reclassified/promoted staff members
		officials	TA	officials	TA	officials	TA	
AD 16								
AD 15								
AD 14	1							
AD 13								
AD 12								
AD 11	1							
AD 10								
AD 9	2							
AD 8	8		1		2		3	4.0
AD 7	1				1		4	2.0
AD 6	13		4		4		4	3.7
AD 5	1		1					4.7
Total AD	27		6		7		11	
AST 11								
AST 10								
AST 9								
AST 8								
AST 7								
AST 6								
AST 5								
AST 4	2		1					4.6
AST 3	3				2			3.7
AST 2								
AST 1								
Total AST	5		1		2			
AST/SC6								
AST/SC5								

AST/SC4								
AST/SC3								
AST/SC2								
AST/SC1								
Total AST/SC	0		0		0			
Total	32		7		9		11	

Table 2 - Reclassification of contract staff

Function Group	Grade	Staff in activity at 1.01.2014	Staff in activity at 1.01.2015	How many staff members were reclassified in 2015	How many staff members were reclassified in 2016	How many staff members were reclassified in 2017	Average number of years in grade of reclassified staff members
CA IV	18						
	17						
	16		1				
	15						
	14	1	2	1			3.6
	13	2	1				
CA III	12						
	11						
	10	1	3				
	9	1	2			1	3.63
	8	2	1				
CA II	7						
	6						
	5	2	3		2		3.1
	4	3	3	3			3.8
CA I	3						
	2						
	1						
Total		12	16	4	2	1	

C – Mobility policy

Regarding internal mobility, 1 staff member has changed the category from CA to TA in 2017 and 1 staff member changed function group from FGIII to FGIV, after applying successfully for open calls for filling vacant positions and being selected and included on reserve lists established by the EIT

The EIT is currently developing its rules on the management of sensitive functions. In this context the internal mobility will be considered on a case-by-case basis, as a potential mitigation measure depending on the risk involved in certain functions.

D – Gender and geographical balance

Gender balance - breakdown by contract type and category (as of 01/12/2017):

Gender	Category				TOTAL
	TA		CA	SNE	
	AST	AD	FG		
male	0	20	6	1	27
female	4	14	14	1	34
TOTAL	4	34	20	2	60

Geographical balance - breakdown by contract type and category (as of 01/12/2017):

Nationality	Category						TOTAL
	TA		CA			SNE	
	AST	AD	FG II	FG III	FG IV		
AT		1					1
BE				1			1
BG		2					2
CZ		1					1
DE		4					4
ES		2					2
FR		1					1
GR		1				1	2
HR		1		1			2
HU	4	8	4	7	2		25
IT		3					3
LT				1			1
LV		1					1
MT						1	1
PL		3		1			4
PT		2					2
RO					2		2
SK		2	1				3
SV		1					1
IE		1					1
TOTAL	4	34	5	11	4	2	60

E – Schooling

The EIT has signed cooperation agreements with international schools and kindergartens in Budapest. In order to enhance working conditions and benefits, and acknowledging the importance of social policy and well-being of staff, the EIT is extending the kindergarten and school policy to further international schools and kindergartens by signing new cooperation agreements. This will significantly increase the educational options for those staff members with children and make more attractive the working and living conditions for newcomers and EIT staff members. Tuition fees are paid directly to the schools/kindergartens, for children enrolled in international kindergartens/schools where an agreement between the EIT and the international school/kindergarten has been signed. Where there is no agreement between the EIT and the international school/kindergarten, the staff member pays directly to the international kindergarten/school up to a ceiling subject to annual revision

Annex V: Buildings

	Name, location and type of building Infopark "E" office building, H-1117 Budapest, Neumann Janos u. 1/E
Surface area (in square meters): - of which office space - of which non-office space	3304.52 sqm - 2.807.03 sqm - 497.49 sqm
Annual rent (in EUR) Host country support	547.524,48 EUR (net) rent + 97.684,68 EUR (net) service charge (prices 2010, indexed every year). The Hungarian Government covers the rental costs and service charges for 20 years starting from 2009, i.e. EIT has no rental costs.
Type and duration of rental contract	Fixed term contract, 1.12.2009 until 31.12.2028

Annex VI: Privileges and immunities

EIT's privileges	Privileges granted to staff	
	Protocol of privileges and immunities / diplomatic status	Education / day care
	The tax authorities shall refund the value added tax and excise duty included in the price of articles and services acquired by the Director and the statutory staff in the Hungarian market within two years from taking up their post in Hungary, in accordance with the relevant rules foreseen for the reimbursement of the value added tax and excise duty to resident officials of international organizations in Hungary, provided they are not nationals of or permanent residents in Hungary.	The EIT covers the tuition fee for children enrolled to international schools and kindergartens having signed a cooperation agreement with the EIT.
Hungarian Government pays the rental fee of the premises of the EIT for 20 years starting from 2010	The Director and the statutory staff shall be exempt from paying motor vehicle registration duty provided the motor vehicle is placed into service with a DT or CK registration plate and they are not nationals of or permanent residents in Hungary.	
The EIT is exempt from all customs duties, prohibitions and restrictions on imports and exports in respect of articles intended for its official use	The Director and the members of his/her family forming part of his household, provided they are not Hungarian nationals or have held permanent residence status before being employed by the EIT, shall be accorded, in Hungary, the privileges and immunities, exemptions and	

	facilities accorded to the heads of diplomatic missions and the members of their family in accordance with the Vienna Convention on Diplomatic Relations of 18 April 1961.	

Annex VII: Evaluations

Monitoring

The EIT monitors its own and the work of its KICs using four sets of indicators, each corresponding to a level of operations: KICs, cross-KICs, EIT and Horizon 2020. In the course of 2016, the EIT revised the EIT core KPIs that will be applicable to KICs as of 2017. The following new set of eleven KPIs comprise output and result/impact indicators:

- graduates from EIT labelled MSc and PhD programmes,
- start-ups created by students enrolled and graduates from EIT labelled MSc and PhD programmes,
- products (goods or services) or processes launched on the market,
- start-ups created as a result of innovation projects
- start-ups supported by KICs,
- investment attracted by start-ups supported by KICs,
- success stories submitted to and accepted by EIT,
- external participants in EIT RIS programmes,
- budget consumption of KICs,
- error rate of KICs,
- financial Sustainability (FS): revenue of KIC Legal Entity and FS coefficient.

By end-2017, the EIT conducted a qualitative review of KIC business creation, education and innovation activities, as well as of monitoring tools such as key performance indicators (KPI review).

Moreover, since 2015 the EIT has been implementing annual monitoring plans. In 2018 the EIT Monitoring Strategy will be revised following lessons learnt from its implementation and recent developments of the KIC model

Evaluations and Assessments

EIT assessments

The EIT will continue performing thematic assessments on pillar agendas every 4 years. A 4-year period allows implementing recommendations and lessons from previous assessments and accumulating a sufficient body of new data on implementation of the pillar agendas. Thus, in 2019 the EIT will conduct Business Creation assessment and in the following year – Education assessment and in 2021 innovation & IPR assessment. In addition, in 2018 Implementation of the Good Governance principles by KICs will be assessed and in 2019 the activities of the EIT Alumni Community will be evaluated as well as the interim results of the Regional Innovation Scheme.

Follow-up of evaluations and assessments

In 2018 particularly a priority will be assigned to implement recommendations from the EIT and H2020 evaluations led by the European Commission as well as the assessments led by the EIT in the previous two years (assessment of the socio-economic impact created by the EIT and KICs, the 7-year review of the first wave of KICs, thematic assessments in education, business creation, innovation and knowledge triangle

integration). Where needed, the EIT evaluation and monitoring system will be refined and respective process and indicators strengthened.

<u>Impact Framework</u>

In 2018-2020, the EIT will develop and pilot an Impact Framework and fine-tune it on the basis of the outcomes of the pilot. It will also design a model for rolling out the Impact Framework including tools for impact data collection and embedment of impact reporting in the KICs monitoring system. The pilot will serve several purposes: test the impact outcomes and impact indicators incorporated in the Impact Framework, test the feasibility and relevance of the developed tools for impact data collection and, at the same time, assess the socio-economic impacts created by the EIT and KICs. The Impact Framework will be agreed and validated by all key EIT stakeholders such as the KICs, DG EAC incl. the H2020 team, DG RTD, DG Growth, JRC, LERU and COST. The work on the Impact Framework and the outcomes of its pilot will complement the preparations for the next SIA and will inform areas in which EIT can maximise impact and add strong and tangible value.

Annex VIII: Risks 2018

Generic risk (1)	Key risk (title and description, including cause and potential consequence) (2)	Risk type (3)	Policy/ Area/ Activity/ Objective (4)	Impact (Low 1-2 Medium 3 High 4-5) (5)	Likeli hood (Low 1-2 Medi um 3 High 4-5) (6)	Existing key control(s)/ mitigating factor(s) (7)	Effectiveness (8) Launched(1-2) Partially Implemented (3-4) Implemented (5	Residual risk level (Low 1-2 Medium 3 High 4-5) (9)		Risk response (10)	Action plan Summary		
								I	L		Description (11)	Owner (12)	Deadline (13)
Political decisions	**Title: Budget cuts or legal changes beyond the EIT's control** Causes: changes in political priorities by the Council, EP or Commission Consequences: insufficient budget available for the EIT to implement its objectives or adverse legal changes jeopardising the operations	1.2 Political decisions and priorities outside of the EIT	All activities	4	3	Continuous dialogue with key political decision makers (Council, EP, Commission) to have timely information about potential changes in the legal basis or in the multi-annual budget	3	4	2	Reduce	Continued stakeholder management to influence decisions potentially affecting the EIT.	EIT Director & Communic ations and Stakeholde r Relations Unit	31/12/2018
HR	**Title: Non-implementation of core elements of EIT Annual Work Programme 2018 due to insufficient human resources or high turnover of staff** <u>Causes:</u> lack of resources <u>Consequences:</u> reputational loss, potential legal/financial implications	3.1 Human resources	All activities	4	4	Conservative planning for 2018 based on current staff situation	2	4	3	Reduce	The current staff attempts to ensure mutual back-up of all strategically important tasks. Recruitment in the HR plan for 2018 to ensure reserve lists are available. Use of interim staff and trainees.	Services and Finance Unit/HR Team	31/12/2018

Legality and regularity	**Title: Improper implementation of EIT-KICs agreements given the complexity of the KIC concept** Causes: new Framework Partnership Agreements, complex KIC governance, activities and evolving partnerships Consequences: irregularities, recovery of EIT funds; delays in implementing KICs' activities; negative reactions from EC, ECA, OLAF, KICs; damage reputation/credibility of the EIT	4.1 Legality and regularity	3.1.1 Consolidating, Fostering Growth and Impact of the Existing KICs	4	3	Clear procedures for ex-ante and ex-post verification of KIC Reports in place.	3	3	2	Reduce	Improve the procedures (SOPs) on KIC grant management. Implement revised grant assurance strategy and EIT anti-fraud strategy. Review of implementation of good governance principles. Internal detailed assessments of Performance and Cost reports for the GA 2017. Assessment of certificates on the Financial Statements that are required by the EIT. Risk based ex-post audits to be performed on GA 2016.	Innovation Communities Unit	31/12/2018
2018 KIC Call	**Legal and procedural aspects delaying successful completion of the 2018 KIC call** Causes: unexpected formal or legal obstacles may arise Consequences: delay of call preparation, launch and implementation; damage to the EIT's credibility	4.1 Legality and regularity	3.1.2 Creating new KICs	4	4	Governing Board and EIT Management monitors the progress of the preparation of the call.	3	3	3	Reduce	Lessons learnt and IAS audit recommendations concerning 2014 and 2016 KIC calls have been addressed. Planning of the process assuming two weeks contingency in case of some unexpected legal and procurement problems. Adequate operational and legal resources and external expertise allocated to the KIC call, including an independent observer.	Strategy and Impact Unit	31/12/2018

2018 KIC Call	**Title: Insufficient interest from potential bidders to participate in the 2018 KIC call** Causes: too tough requirements presented in the call, no understanding of the KIC concept among potential participants, economic crisis in the EU - reduced R&D expenditures/industrial participation Consequences: delay/cancellation of the call - need to re-publish a call, damage to the EIT's credibility	5.1. Communication methods and channels	3.1.2 Creating new KICs	5	3	Eligibility criteria refined based on the lessons learnt from the 2014 and 2016 calls.	3	5	2	Reduce	Further refinement of the Call including the eligibility criteria based on the lessons learnt from the 2016 Call. To prepare and carry out a dissemination plan together with the EIT Communications Team. Preparation of dissemination package (including guidance) well in advance, use of multiplier organisations.	Innovation Communities Unit	31/12/2018
IT	**Title: IT hardware or software failure** Causes: Hardware devices or software failure Consequences: Systems and services could be stopped for different periods of time, adequate document management cannot be ensured.	2.4. IT and other support systems	4.2.3.1 Management of ICT and Document Management	5	3	Following maintenance subscriptions and renewing them on a timely basis.	2	3	1	Reduce	Off-site back-up system in co-operation with CEPOL. IT software security review. External support for IT section. Address relevant audit recommendations.	Services and Finance Unit	31/12/2018
Planning	**Title: Revise planning and organisation of the administrative and operational processes** Causes: inappropriate time management, insufficient and inefficient processes Consequences: non-achievement of objectives or delay in the achievement, waste of time and resources	2.1 Strategy, Planning and Policy 2.3 Financial processes and budget allocation	4.1.1.2 Planning, programming and reporting	5	3	Analyse and revise financial and operative procedures and processes.	3	4	2	Reduce	Start the 2019-2021 budgetary planning in September 2017, monthly monitoring of the budget and procurement implementation, review of the budget and procurement implementation twice per year.	Director's Office & Services and Finance Unit	31/12/2018

Procurement	Title: Staff involved in procurement process may not be properly qualified or familiar with relevant regulations, rules and procedures and may not be properly and consistently apply the rules Causes: staff involved in procurement process have no financial training and expertise, no follow-up of the changes in the rules, guidance Consequences: non-compliance with the legal and regulatory requirements, waste of time and resources	3.1 Human resources 3.3 Internal organisation	4.2.2.1 Finance and procurement management	4	4	Regular trainings.	3	3	3	Reduce	Expenditure Life Cycle training for newcomers and staff, training on procurement, regular workshop and guidance on financial and procurement practicalities	Services and Finance Unit	31/12/2018

Annex IX: Procurement plan 2018

Procurement is used to implement both administrative appropriations (Title 2 and part of Title 1) and operational appropriations (from Title 3).

The overall budgetary allocation reserved for procurement contracts in 2018 amounts to EUR 6,789,850.

Administrative appropriations

The **administrative appropriations** concern the implementation of EIT operations under its administrative autonomy. According to Article 68(4) of EIT Financial Regulation, administrative appropriations may be implemented without prior financing decision.

The planned procurement procedures will cover the following main areas / subjects within the administrative budget in 2018, for an indicative amount of EUR 3,079,100.

Areas / subjects	Indicative type of contract(s)[25]	Indicative number of contract(s)	Indicative timeframe for launching the procurement procedures
Trainings for EIT staff	SLA/OF	8	Q1-Q4
Language courses	OF	4	Q1-Q4
Translation	SLA	1	Q1-Q4
Medical services (annual check-up, pre-recruitment medical checks)	FWC/OF/SLA	21	Q1-Q4
Interim staff	OF	8	Q1-Q4
Organization of social event	SER	2	Q2-Q3
Studies and surveys	SC	2	Q2-Q4
Publications (including in the Official Journal)	SLA	1	Q1-Q4
Organisation of meetings, events (catering, travel and technical services), e.g. EIT Governing Board and Executive Committee meetings, other meetings	SC/OF/SER	15	Q1-Q4
Provision of IT services (1st and 2nd level support; software development)	SC/FWC/OF	4	Q1-Q4
Administrative assistance	SLA/SC	5	Q1-Q3
Acquisition and renting of IT and telecommunications equipment and software	SC/OF	15	Q1-Q4
Acquisition of mobiles and landline	OF	4	Q1
Logistics and building management	SC/OF/SER/SUP	8	Q1-Q4
Insurance policy for fixed assets	SER	1	Q2
External legal advice	SER	2	Q1-Q4

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25 SER: Direct service contract, SUP: Direct supply contract; New FWC (new framework contract), SC: Specific contract based on a framework contract; OF: Order form based on a framework contract; SLA: Service Level Agreement

Operational appropriations

The **operational appropriations** cover the implementation of actions contributing to the achievement of the objectives of the EIT referred to under the EIT 2018 Annual Work Programme.

According to Article 68(3) of EIT Financial Regulation, the Annual Work Programme of the EIT shall be equivalent to a financing decision for the activities it covers.

The indicative amount of procurement procedures linked to operational activities amounts to EUR 3,710,750.

Furthermore, the EIT will use external experts in the implementation of the 2018 Annual Work Programme selected in accordance with Article 89 of the EIT Financial Regulation, implemented by EIT Decision 20/2017 on the Policy on the selection of independent external experts to assist the EIT.
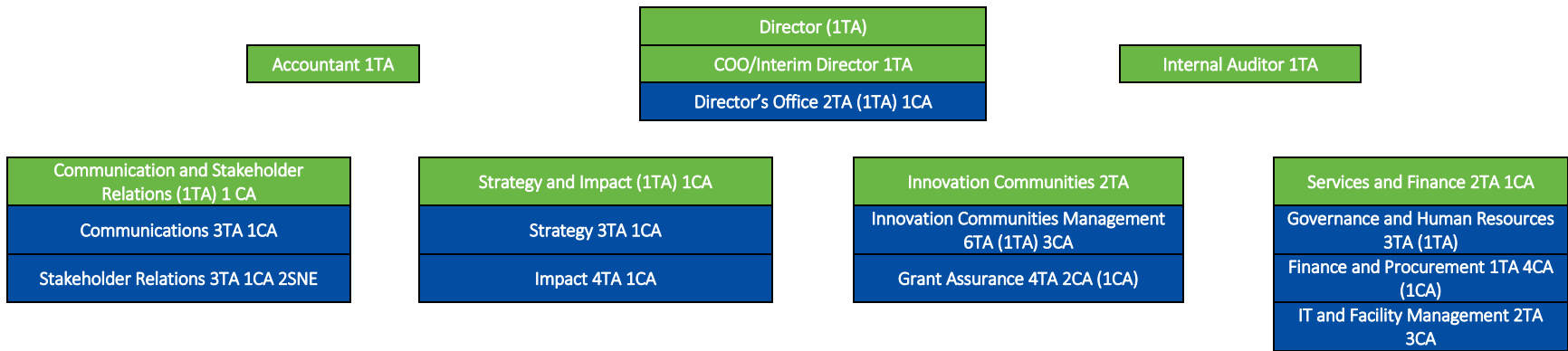
The detailed table, as set out below, provides the subject of the planned procurement procedures, estimation of the amount, the number and type of contracts envisaged, as well as the procedural timeframe:

Subject matter of the contract envisaged (Legal basis: EIT Regulation, H2020 Regulation)	Budget line	Estimated amount (EUR)	Indicative type of contract[26]	Indicative number of contract(s)	Indicative timeframe for launching the procurement procedures
2.1.1 Incentivising Growth, Impact and Sustainability through the EIT					
2.1.1.1 Promoting collaboration and competition among existing KICs					
SGA 2016, 2017 ex-post audits SGA 2018 CFS audits	3111	1,055,000	SC	4	Q3-Q4
GM platform upgrade support	3111	135,000	SC	2	Q1
2.1.1.1 Knowledge Triangle Integration:					
Further develop the EIT knowledge triangle integration agenda Pilot project to support refugee integration Pilot project to support implementation of the EU Skills for future initiative	3112	120,000	SER	6	Q2-Q4
2.1.2 Enhancing EIT's impact					
2.1.2.2 Fostering knowledge exchange through dissemination					
Communications Campaign website hosting, migration, technical support enhancement of a web based tool	3202	1,145,000	SC/OF/SLA	11	Q1-Q4
2.1.2.3 Fostering and Attracting Talent					
Alumni Board Meeting Logistics	3203	213,000	SC	14	Q1-Q4

26 SER: Direct service contract, SUP: Direct supply contract; New FWC (new framework contract), SC: Specific contract based on a framework contract; OF: Order form based on a framework contract; SLA: Service Level Agreement

Develop and host external Alumni website Alumni Promotion Alumni Event organization Alumni Support services					
2.1.2.4 Enhancing Stakeholder Engagement					
Organisation of events Preparation and organisation of event incl. targeted information provided and dialogue with key stakeholders conducted	3205	550,000	SC	2	Q2
Implementation of a CRM tool	3204	63,750	SUP	1	Q2
2.1.3. New Delivery Mechanism and Results-oriented Monitoring					
2.1.3.1 EIT KIC Relations					
Legal support and advice for the establishment of an Impact Fund	3301	130,000	SER	2	Q1-Q2
2.1.3.2 Simplification: no procurements are foreseen					
2.1.3.3 Monitoring, Impact Analysis and Evaluation					
Develop the EIT Impact Framework and impact data collection tools	3303	200,000	SER	1	Q1-2

Annex X: Organisation chart 2018

Director (1TA)
COO/Interim Director 1TA
Director's Office 2TA (1TA) 1CA

Accountant 1TA

Internal Auditor 1TA

Communication and Stakeholder Relations (1TA) 1 CA
Communications 3TA 1CA
Stakeholder Relations 3TA 1CA 2SNE

Strategy and Impact (1TA) 1CA
Strategy 3TA 1CA
Impact 4TA 1CA

Innovation Communities 2TA
Innovation Communities Management 6TA (1TA) 3CA
Grant Assurance 4TA 2CA (1CA)

Services and Finance 2TA 1CA
Governance and Human Resources 3TA (1TA)
Finance and Procurement 1TA 4CA (1CA)
IT and Facility Management 2TA 3CA

Organisational structure planned for 2018, including the precise number of each category of staff for each entity as at 1/12/2017. The numbers in brackets represent vacant posts.

Annex XI: Grants 2018

Basic act:

Regulation (EC) No 294/2008 establishing the European Institute of Innovation and Technology, as amended by Regulation (EU) No 1292/2013 of the European Parliament and of the Council of 11 December 2013.

Legal basis:

Article 90 of the EIT Financial Regulation of 27 December 2013, as amended by Decisions 6/2015 and 11/2016 of the EIT Governing Board.

Budget line: 3000 KIC grants

Priorities of the year, objectives to be fulfilled and expected results:

The Business Plans for 2018 grants must include initiatives that specifically contribute to the implementation of the KICs multiannual strategy. More specifically they should lay down:

- The links between the implementation of multiannual strategy and the individual KIC activities for 2018
- Expected achievements (outputs, outcomes/results)
- Partnership, governance and management, incl. co-location centres and cross-KIC cooperation
- Financial sustainability strategy
- EIT Regional Innovation Scheme (RIS)
- Contribution to the EIT Community brand identity, communication, dissemination and outreach

In line with Article 6 (1) of the EIT Regulation, KICs will undertake in particular:

- innovation activities and investments with European added value, fully integrating the higher education and research dimensions to attain a critical mass and stimulating the dissemination and exploitation of results;
- education and training activities at masters and doctoral level, as well as professional training courses, in disciplines with the potential to meet future European socio-economic needs and which expand the Union's talent base, promote the development of innovation-related skills, the improvement of managerial and entrepreneurial skills and the mobility of researchers and students, and foster knowledge-sharing, mentoring and networking among the recipients of EIT-labelled degrees and training;
- outreach activities and the dissemination of best practices in the innovation sector with a focus on the development of cooperation between higher education, research and business, including the service and financial sectors; and
- seek synergies and complementarities between KIC activities and existing European, national and regional programmes.

Detailed operational objectives, deliverables, indicators and expected results to be achieved by the KICs are established and set out by the KICs in their annual business plans for 2018 in accordance with Article 6 (2) (d) of the EIT Regulation.

Award criteria:

The 2018 EIT financial contribution to the KICs is determined as the sum of support and competitive funding, grant amounts earmarked for EIT RIS activities and for cross-KIC activities based on the decision of the EIT Governing Board on the principles for the determination of the 2018 EIT financial contribution to KICs of March 2017.

The support funding is divided equally among the KICs of the particular wave.

The competitive part of the financial allocation for the 2018 annual grants is based on the following criteria:

Pillar I - 2016 past performance (except third wave of KICs)	max 100 points
➤ 2016 KIC reports assessment by the EIT	100 %
• Implementation of the KIC portfolio of activities (for 2016) – 40 %	
• Results of the EIT Core KPIs (for 2016) – 30 %	
• Use of the EIT financial contribution and level of co-funding (for 2016) – 30 %	

Pillar II - 2018 KIC Business Plan, strategy and multi-annual progress	max 100 points
➤ 2018 Business Plan by the external experts	50 %
➤ Strategy and multi-annual progress assessment by the GB	50 %
• Strategy and Impact incl. KTI in the KIC portfolio of activities – 60 %	
• Partnership, Governance & Management – 20 %	
• Financial sustainability – 20 %	

The grant amounts earmarked for EIT RIS activities and for cross-KIC activities are awarded based on the criteria of added value, effectiveness and efficiency/economy.

The EIT Governing Board takes a decision on the maximum EIT financial contribution. The decision is subject to the final adoption of the EIT budget and the adoption of the EU budget. The Director will take the award decisions of the grants.

Indicative amount of award:

EIT may award up to EUR 400 million to the six KICs in 2018 – subject to the amount of available commitment appropriations in the EIT Budget 2018.

Maximum possible rate of co-financing:

Up to 100% of KIC Added Value expenditure may be financed for each KIC.

Specific grant agreements:

The actions are implemented through specific grants in accordance with Article 90 of the EIT Financial Regulation, awarded under framework partnerships. The following six Framework Partnership Agreements provide the basis for the conclusion of the yearly Specific Grant Agreements:

1. Framework Partnership Agreement with the Knowledge and Innovation Community Climate-KIC, represented by Climate-KIC Holding B.V., signed on 2 March 2016.

2. Framework Partnership Agreement with the Knowledge and Innovation Community EIT Digital, represented by EIT Digital IVZW, signed on 26 January 2016.

3. Framework Partnership Agreement with the Knowledge and Innovation Community EIT InnoEnergy, represented by KIC InnoEnergy SE, signed on 7 March 2016.

4. Framework Partnership Agreement with the Knowledge and Innovation Community EIT Health, represented by EIT Health e.V., signed on 25 February 2016.

5. Framework Partnership Agreement with the Knowledge and Innovation Community EIT Raw Materials, represented by EIT Raw Materials GmbH, signed on 8 February 2016.

6. Framework Partnership Agreement with the Knowledge and innovation Community EIT Food will be signed in 2018.

Indicative timetable

Activity	Indicative deadline
GB decision on the determination of the EIT financial allocation for year N	March of year N-1
Invitation to submit the Business Plans	April of year N-1
Submission of the Business Plans	September of year N-1
GB decision on the allocation of the financial contribution of year N to the KICs	November of year N-1
SGA award decision	December of year N-1

A - Eligible costs for equipment, infrastructure and other assets

According to the Horizon 2020 model specific agreement, as a default option in terms cost eligibility, the depreciation costs of equipment, infrastructure or other assets (new or second-hand) as recorded in the beneficiary's accounts are eligible. The H2020 model specific agreement allows for an alternative option to declare the cost of purchasing equipment, infrastructure or other assets (new or second-hand) as recorded in the beneficiary's accounts. The alternative option is to be used as an exception, only if justified by the

nature of the action and the context of the use of the equipment or assets, if provided for in the work programme.

The KIC Legal Entity (LE) and the Co-location Centres (CLC) are established specifically for the purpose of facilitating the coordination and operation of a KIC. In order to achieve its objectives, the KIC LE and CLCs must have appropriate infrastructure in place, including office space, office equipment, IT equipment, etc. Such infrastructure is established uniquely for the EIT programme and used only for the purposes of the KIC. Setting up the necessary infrastructure requires upfront investment, and KIC LEs and CLCs have limited financial means to support it.

Based on the above justification, in order to bring KICs closer to their objectives while limiting costs to the minimum necessary and respecting the purpose of the relevant provisions of the H2020 framework, the EIT introduces the following:

- **Specific Grant Agreement 2018 (SGA 2018)**, in particular article 5.2.D.2: provide for a combined use of the default option (cost of depreciation) and of the alternative option (cost of purchase). In the case of the SGA 2018, the alternative option (cost of purchase) would only be allowed subject to the following limitations:
    o   Purchase costs could only be claimed by the KIC LE and CLCs for the area "management and coordination of the KIC", for KIC added value activities identified in the KIC Business Plans;
    o   The purpose of incurring the relevant costs would be limited to the set-up and development of KIC LE and CLCs;
    o   The relevant costs could only be claimed up to EUR 750,000 per KIC Business Plan.

B – Financial support to third parties

The Horizon 2020 Rules for participation foresee, as an optional scheme, that the action may involve financial support to third parties. In this case, the relevant provisions of the H2020 model agreements on financial support to third parties are to be introduced. Financial support to third parties involves funding provided by the beneficiary (i.e. a KIC partner) to one or more recipients that are not party to the grant agreement. The scheme is also called 'cascade funding'.

In order to realise the objectives laid down in the EIT Regulation and the Strategic Innovation Agenda of the EIT, KIC Partners shall be allowed to provide financial support to third parties. The rules governing the provision of financial support to third parties are laid down in the **Specific Grant Agreement 2018 (SGA 2018)**, article 13, in line with the H2020 specific agreement template.

Financial support to third parties includes sub-grants (financial support to third parties, Article 13.1 SGA 2018) and financial support in the form of prizes (Article 13.2 SGA 2018).

Sub-grants may be provided by the KICs in particular in the following areas:

- Education programmes (e.g. EIT labelled master schools and doctoral schools),
- Participation of entities from EIT RIS countries in EIT RIS activities,
- Business creation services (e.g. venture, start-up and scale-up support),
- Innovation projects.

In the case of sub-grants, the maximum amount of financial support may only exceed EUR 60.000 in exceptional cases, where the EIT has approved that it is necessary to achieve the objectives of the specific action, as described in Annex 1 to the SGA 2018.

Annex XII: Implementation of the 2018 EIT Awards

Basic act: Regulation (EC) No 294/2008 establishing the European Institute of Innovation and Technology, as amended by Regulation (EU) No 1292/2013 of the European Parliament and of the Council of 11 December 2013

Legal basis: Article 91 of the EIT Financial Regulation of 27 December 2013, as amended by Decision 6/2015 and 11/2016 of the EIT Governing Board, and Article 50 of Regulation (EU) No 1290/2013 of the European Parliament and of the Council of 11 December 2013 on the H2020 Rules for participation

Budget line: 3205

Indicative amount: EUR 50.000 for the EIT Venture Award, EUR 50.000 for the EIT Innovators Award, EUR 20.000 for the EIT CHANGE Award and EUR 20.000 for the EIT Woman Leadership & Entrepreneurship Award. No financial prize is foreseen to be awarded for the EIT Public (Citizen) Award.

A) CRITERIA FOR THE EIT AWARDS:

The criteria for participation are as follows:

1. **EIT Venture Award**: in order to participate in this Award competition, ventures need to fulfil the **admissibility, eligibility and exclusion criteria** as follows:

   Admissibility criteria:

   - The application has been submitted no later than the deadline specified in the call for nominations;

   - The applicant venture has submitted the duly completed template for the EIT Venture Award Competition.

   Evidence to be provided:

   Applicants must submit the duly completed template for the EIT Venture Award Competition.

   Eligibility criteria:

   The applicant venture:

   – Is incorporated or registered (if mandatory in accordance with the applicable national law);
   – Has received business creation support by a KIC, i.e. the venture has gone through a structured business support process offered by a KIC.

   Evidence to be provided:

   - Registration or incorporation certificate;

   - Description in the template or proof of the receipt of business creation support by a KIC.

   Exclusion criteria:

Applicants will be excluded from participating in the call for nominations if they are in any of the situations of exclusion defined in Article 106 of the EU Financial Regulation.[27]

Applicants will be excluded from award if, in the course of the award procedure, they fall under any of the situations defined in Article 107 of the EU Financial Regulation.

Evidence to be provided by supporting documents:

Applicants must sign a declaration on their honour certifying that they are not in one of the situations referred to in articles 106 and 107 of the EU Financial Regulation, filling in the relevant form attached to the application form accompanying the call for nominations and available at http://eit.europa.eu/activities/entrepreneurship/2018-awards.

Selection criteria: The applicant venture:

– Offers a product or service which is innovative and marketable, with a European perspective and the potential to expand globally;
– Has already at least one customer or investor;
– Comprises a team of a minimum three Full Time Equivalents (FTEs) that convincingly demonstrates that it has the competences to successfully develop the product or service and bring it to the market.

The evidence to be provided by the venture as part of the application package consists of the following documents:

– A description of how the above selection criteria are met (e.g. on the product or service, on the applicant venture's team, on the customer or investor) including the business plan of the venture and relevant accompanying information.

Award Criteria: an international jury composed of experts will evaluate the applications and the nominees pitches based on the following criteria:

Criteria (equal weighting)	Explanation
1. Commercial characteristics / potential	✓ Need for (or prospect of) product or service and its competitive advantage over potential competitors ✓ Target customers and customer engagement and addressable market size and its potential ✓ Description of the competition
2. Technical characteristics / potential	✓ Description of the technical uniqueness and features of product or service ✓ Technology validation ✓ Product development risk ✓ Intellectual property position

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[27] Regulation (EU, EURATOM) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002, as amended by Regulation (EU, Euratom) No 547/2014 of the European Parliament and of the Council of 15 May 2014 and by Regulation (EU, Euratom 2015/1929 of the European Parliament and of the Council of 28 October 2015

3. Business characteristics / potential	✓ Quality and relevance of the description of the business model (pricing, downstream value, scalability, funding strategy) ✓ Profit potential
4. Societal impact	✓ Degree of the societal impact in line with the scope of the KIC
5. Team characteristics	✓ Role of the team members ✓ If applicable: identification of short-term talent gaps and a strategy to fill them
6. Pitch/Presentation	✓ Professionalism: the clarity, demeanour and professional delivery of the team and quality and persuasiveness of the oral presentation ✓ Quality of answers during the Q&A portion of the presentation

Evidence to be provided:

For award criteria 1-5: A description on how the above award criteria are met, included in the application package. It is imperative that the information provided enables a proper assessment of the Award criteria. To this end, as a minimum the business plan and accompanying documents should provide the following information:

– The market need, or customer pain point the venture addresses and the reason to solve this particular issue;
– The product/service developed and discerning (technical) features;
– Customers and market opportunity;
– The unique value proposition relative to the competition, a competitor analysis and an explanation how the venture will stay ahead of the competition;
– Domestic and foreign patents and patent applications;
– Important technical know-how;
– The venture's organisational chart with the management team, the background of its members, and plans to fill any positions that are (yet) not covered;
– The venture's list of shareholders and number of shares held by each;
– Any projections, capital budgets and strategic plans.

For award criterion 6: The applicant ventures will have to present their application with respect to award criteria 1-5. Under this criterion the quality of the presentation will be assessed.

The award decision will be made by the EIT Authorising Officer based on the recommendation made by the jury. The EIT Award winner will be announced at the 2018 EIT Innovation Forum - INNOVEIT 2018.

2. **EIT CHANGE Award**: in order to participate in the EIT CHANGE Award competition, applicants need to fulfil the following **admissibility, eligibility and exclusion criteria**:

Admissibility criteria:

- The application has been submitted no later than the deadline specified in the call for nominations;

- The applicant has submitted the template for the EIT CHANGE Award Competition duly completed.

Evidence to be provided:

Applicants must submit the duly completed template for the EIT CHANGE Award Competition.

<u>Eligibility criteria:</u>

The applicant:

    – has graduated from an EIT labelled education programme.

Evidence to be provided:

The applicant shall submit a copy of her/his University diploma and the EIT labelled degree, or confirmation (declaration of honour) from the KIC Education Director. If not yet handed out: a confirmation by the University that the nominee will receive a diploma and the EIT labelled degree prior to the Award event.

<u>Exclusion criteria:</u>

Applicants will be excluded from participating in the call for nominations if they are in any of the situations of exclusion defined in Article 106 of the EU Financial Regulation.[28]

Applicants will be excluded from award if, in the course of the award procedure, they fall under any of the situations defined in Article 107 of the EU Financial Regulation.

Evidence to be provided by supporting documents:

Applicants must sign a declaration on their honour certifying that they are not in one of the situations referred to in articles 106 and 107 of the EU Financial Regulation, filling in the relevant form attached to the application form accompanying the call for nominations and available at http://eit.europa.eu/activities/entrepreneurship/2018-awards.

Selection criteria: The applicant:

    – has demonstrated innovation and entrepreneurship capacity, facilitated by the EIT labelled education programme.

    Evidence to be provided:

- CV of the applicant (EU CV format);

- copy of the EIT labelled degree of the applicant or confirmation (declaration of honour) from the KIC Education Director. If not yet handed out, the degree can be replaced by a confirmation by the university that the applicant will receive a diploma and the EIT labelled degree prior to the Award event.

Award Criteria: an international jury composed of experts will evaluate the applications and the nominees pitches based on the following criteria:

Criteria (equal weighting)	Explanation

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[28] Regulation (EU, EURATOM) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002, as amended by Regulation (EU, Euratom) No 547/2014 of the European Parliament and of the Council of 15 May 2014 and by Regulation (EU, Euratom 2015/1929 of the European Parliament and of the Council of 28 October 2015

1. Pro-active attitude and entrepreneurial drive	✓ Display of pro-active attitude and initiative ✓ Degree of thinking outside boundaries and (systematic) exploration and generation of new ideas
2. Quality of innovative achievement	✓ Degree to which the achievement is innovative and entrepreneurial
3. Link to EIT labelled education programmes	✓ Quality of the description of how EIT labelled education programmes have supported and facilitated the nominee in obtaining and implementing the initiative
4. Pitch/ Presentation	✓ Quality, creativity and persuasiveness of the innovation story presented

Evidence to be provided:

For award criteria 1-3: the template for the EIT CHANGE Award Competition completed by the nominees, which includes a description on how the award criteria are met. It is imperative that the "innovation story" provides information on all criteria so as to enable a proper assessment. As a minimum, the innovation story should describe:

− The innovativeness and entrepreneurial/intrapreneurial nature of the nominee's achievement: ("How do you spur innovation and entrepreneurship?")

− The (potential) societal and economic impact of the achievement: ("How does your achievement/activity create societal and economic impact?")

− How the achievement has been facilitated by the EIT labelled education programme: ("How has the EIT labelled education programme of the KIC concerned facilitated your achievement/enhanced your ability to spur innovation and entrepreneurship?")

For award criterion 4: The applicants will have to present their application illustrating how award criteria 1-3 are met. Under this criterion the quality of the presentation will be assessed.

The award decision will be made by the EIT Authorising Officer based on the recommendation made by the jury. The EIT Award winner will be announced at the 2018 EIT Innovation Forum – INNOVEIT 2018.

3. **EIT Innovators Award**: in order to qualify for the EIT Innovators Award, the applicant teams have to satisfy the following **admissibility, eligibility and exclusion criteria**:

Admissibility criteria:

− The application has been submitted no later than the deadline specified in the call for nominations;

− The applicant team has provided a duly completed template for Nomination for the EIT Innovators Award.

Evidence to be provided:

The applicant team must submit the duly completed template for the EIT Innovators Award Competition.

Eligibility criteria:

- The team shall involve individuals from at least three KIC partners representing at least two sides of the Knowledge Triangle (A core team may be defined if the teams are very large);

– KIC partners shall come from at least two different countries;

– The team has received funding for their project by a KIC between 01/01/2015 and 31/05/2018.

Evidence to be provided:

The evidence to be provided by the applicant teams as part of the application package consists of a description of the (core) team (this is included in the template for the EIT Innovators Award Competition).

<u>Exclusion criteria:</u>

Applicants will be excluded from participating in the call for nominations procedure if they are in any of the situations of exclusion defined in Article 106 of the EU Financial Regulation[29].

Applicants will be excluded from award if, in the course of the award procedure, they fall under any of the situations defined in Article 107 of the EU Financial Regulation.

Evidence to be provided by supporting documents:

Each member of the applicant (core) team must sign a declaration on their honour certifying that they are not in one of the situations referred to in articles 106 and 107 of the EU Financial Regulation, filling in the relevant form attached to the application form accompanying the call for nominations and available at http://eit.europa.eu/activities/entrepreneurship/2018-awards

Selection Criteria: Applications will be assessed by each KIC based on the following criterion:

– Team must have successfully achieved the pre-commercialization stage

The evidence to be provided by the Innovators team as part of the application package consists of a document proving that the team has successfully achieved the pre-commercialisation stage.

Based on the above criteria, each KIC nominates two teams to participate in the EIT Innovators Award six months prior to the 2018 EIT Innovation Forum – INNOVEIT 2018, during which the nominees will present their achievements to the EIT Awards Jury.

Award Criteria: an international jury composed of experts will evaluate the applications and the nominees pitches based on the following criteria:

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[29] Regulation (EU, EURATOM) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002, as amended by Regulation (EU, Euratom) No 547/2014 of the European Parliament and of the Council of 15 May 2014 and by Regulation (EU, Euratom 2015/1929 of the European Parliament and of the Council of 28 October 2015

Criteria[30] (equal weighting)	Explanation
1. Originality of the new product, process or service	✓ Uniqueness and features of product/process/service ✓ Degree to which product/process/service is disruptive
2. The efficiency and effectiveness of the conversion of the idea into the outcome	✓ Resources (time and finances) used to transform the idea (i.e. starting point) into a product/process/service ✓ The degree to which the intended innovation has been achieved ✓ Innovation process – planning, goals, milestones, team
3. Social and potential and real economic impact of the outcome	✓ Prospects to address a societal challenge tackled by the EIT and KICs ✓ Profit potential ✓ Plan/arrangements for commercialisation
4. Pitch/ Presentation	✓ Quality and persuasiveness of the presentation ✓ The clarity, demeanour, and professionalism of the presentation of the team and the business case

Evidence:

1. For award criteria 1-3: Description on how the above award criteria are met are to be presented in the Template for candidate teams and clarified during the presentation.

2. For award criterion 4: The applicants will have to present their application with respect to award criteria 1-3. Under this criterion the quality of the presentation will be assessed.

4. **EIT Woman Leadership & Entrepreneurship Award**: in order to participate in the EIT Woman Leadership & Entrepreneurship Award competition, applicants need to fulfil the following **admissibility, eligibility and exclusion criteria**:

Admissibility criteria:

- The application has been submitted no later than the deadline specified in the call for nominations;

- The applicant has submitted the template for the EIT Woman Leadership & Entrepreneurship Award Competition duly completed.

Evidence to be provided:

Applicants must submit the duly completed template for the EIT Woman Leadership & Entrepreneurship Award Competition.

Eligibility criteria:

The applicant:

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[30] An international jury composed of three experts with a diverse background in innovation and entrepreneurship will evaluate the supporting documents and presentations/pitches based on the criteria described below

- shall be a woman belonging to the EIT Community (e.g. participation in the KICs, in the KIC educational or business creation activities, in the KIC activities).

Evidence to be provided:

Description or proof of belonging to the EIT Community.

Exclusion criteria:

Applicants will be excluded from participating in the call for nominations if they are in any of the situations of exclusion defined in Article 106 of the EU Financial Regulation.[31]

Applicants will be excluded from award if, in the course of the award procedure, they fall under any of the situations defined in Article 107 of the EU Financial Regulation.

Evidence to be provided by supporting documents:

Applicants must sign a declaration on their honour certifying that they are not in one of the situations referred to in articles 106 and 107 of the EU Financial Regulation, filling in the relevant form attached to the application form accompanying the call for nominations and available at http://eit.europa.eu/activities/entrepreneurship/2018-awards.

Selection criteria: The applicant:

– Holds a significant position within the EIT Community as a Woman Leader or Entrepreneur;

– Has demonstrated innovation and entrepreneurship capacity with an impact on the EIT Community and the broader European Innovation eco-systems.

Evidence to be provided:

The "Woman Leadership & Entrepreneurship story" submitted as part of the template for the EIT Woman Leadership & Entrepreneurship Award shall demonstrate the required capacity.

Award Criteria: an international jury composed of experts will evaluate the applications and the nominees pitches based on the following criteria:

Criteria (equal weighting)	Explanation
1. Pro-active attitude and entrepreneurial drive	✓ Display of pro-active attitude and initiative ✓ Degree of thinking outside boundaries and (systematic) exploration and generation of new ideas
2. Quality of Leadership & Entrepreneurial achievements	✓ Degree to which the achievements are significant for the EIT Community and the broader European Innovation eco-systems

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[31] Regulation (EU, EURATOM) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002, as amended by Regulation (EU, Euratom) No 547/2014 of the European Parliament and of the Council of 15 May 2014 and by Regulation (EU, Euratom 2015/1929 of the European Parliament and of the Council of 28 October 2015

3. Link to EIT Community	✓ Quality of the description of how the nominee is linked and has been active with the EIT Community
4. Pitch/ Presentation	✓ Quality, creativity and persuasiveness of the Woman Leadership & Entrepreneurship story presented

Evidence to be provided:

For award criteria 1-3: the template for the EIT Woman Leadership & Entrepreneurship Award Competition completed by the nominees, which includes a description on how the award criteria are met. It is imperative that the "Woman Leadership & Entrepreneurship story" provides information on all criteria so as to enable a proper assessment. As a minimum, the Woman Leadership & Entrepreneurship story should describe:

– The innovativeness and entrepreneurial/intrapreneurial nature of the nominee's achievement: ("How do you spur innovation and entrepreneurship?")

– The (potential) societal and economic impact of the achievement: ("How does your achievement/activity create societal and economic impact?")

– The achievement that has been made by the Nominee, and the impact on the EIT Community and the broader European Innovation eco-systems: ("How has the nominee impacted the EIT Community and the broader European Innovation ecosystem?")

For award criterion 4: The applicants will have to present their application illustrating how award criteria 1-3 are met. Under this criterion the quality of the presentation will be assessed.

The award decision will be made by the EIT Authorising Officer based on the recommendation made by the jury. The EIT Award winner will be announced at the 2018 EIT Innovation Forum – INNOVEIT 2018.

5. **EIT Public (Citizen) Award -** recognizes the public (citizen) recognition of the overall excellence, and innovativeness of one of the Nominees for the other four Award categories listed above.

EIT Public Award will be awarded to one of the Nominees of EIT Venture Award, EIT CHANGE Award, EIT Woman Leadership & Entrepreneurship Award, EIT Innovators Award, based on the public voting (as defined in the call) which will take place before the Award Ceremony.

B) EIT EVALUATION COMMITTEE

An EIT Evaluation Committee will be appointed by the responsible Authorising Officer in order to give an advisory opinion on the admissibility, eligibility, exclusion and selection criteria. Each member shall sign a declaration of absence of conflict of interest and confidentiality before starting the evaluation. If needed, the EIT Evaluation Committee may request clarifications or additional information with due respect to the equal treatment principle.

C) APPOINTMENT AND COMPOSITION OF THE JURIES

Each award category (excluding 5. EIT Public (Citizen) Award) will have a jury for the evaluation of the applicants against the award criteria.

Each jury will consist of 3 members: external high-level experts (with possible participation of EIT Governing Board Members). The composition of the jury shall include in a balanced manner representatives of higher

education, business (creation), innovation and the investor community. Each Jury should also strive to have gender equality as much as possible in their composition. All members shall be experienced specialists with prominence in their field and will be competent to evaluate the nominations given the scope of the different awards. Jury members will be appointed by the responsible Authorising Officer of the EIT.

The selection and appointment procedure shall comply with the equal treatment and no conflict of interest principles. The jury members shall declare that they are not in a situation of conflict at the time of appointment and that they undertake to inform the Authorising Officer if any conflict of interests should arise in the course of the evaluation procedure.

D) INDICATIVE TIMETABLE

Activity	Deadline	Comment
Publication of the call for Nominations	31 March 2018	On EIT website
Deadline for submitting applications to the KICs	31 May 2018	Applicants to send application and documentation to KICs (SPOCs)
Deadline for submitting applications to the EIT	Mid June 2018	KIC SPOCs to submit nominations to the EIT
Evaluation by EIT	From mid-June to mid-July 2018	Check on completeness documentation and whether the candidates meet the admissibility, eligibility, exclusion and selection criteria.
Formal publication of nominees	End of second week of July 2018	On EIT website
Communication campaign	Beginning of third week of July 2018 – 31 December 2018	
Evaluation by the Jury	Before INNOVEIT 2018 – Fall 2018	
Award decision	During INNOVEIT 2018 – Fall 2018	During EIT Awards event, prior to announcing the winner of the Award
EIT Awards 2017 ceremony	During INNOVEIT 2018 – Fall 2018	

Provision of prize	Within one month after the EIT Awards 2018 winners ceremony during INNOVEIT 2018 – Fall 2018	