DECISION 4/2017

OF THE GOVERNING BOARD OF

THE EUROPEAN INSTITUTE OF INNOVATION AND TECHNOLOGY (EIT)

ON THE FINAL SINGLE PROGRAMMING DOCUMENT (2017-2019) 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 37/2015 of the Governing Board of the EIT of 3 December 2015 adopting the Draft Single Programming Document 2017-2019[11];

Having regard to Commission opinion adopted on 21 November 2016[12];

Having regard to Decision 30/2017 of the Governing Board of the EIT of 8 December 2016 adopting the Final Single Programming Document 2017-2019[13];

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"*. According to the Commission Communication, decentralised agencies have to use the referred template for the first time in the 2017 programming.

(3)   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.

(4)   Annex XII to the EIT 2017-2019 SPD related to the Call for Nominees for the 2017 EIT Awards (CHANGE, VENTURE, INNOVATORS) has been replaced by a new Annex XII, which includes simplified exclusion eligibility, exclusion, selection and award criteria, for the purpose of improving the overall quality of Award Nominees to be received by the EIT from the Knowledge Innovation Communities (KICs) for each Award category, as well as for the purpose of improving the overall Award process itself.

(5)   Since this Decision provides a new Annex to the EIT 2017-2019 SPD related to the Call for Nominees for the 2017 EIT Awards, for the sake of clarify it is appropriate to repeal Decision 30/2016 of the EIT Governing Board.

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[10] *Ref. Ares(2014)4305716 - 19/12/2014 Brussels, 16.12.2014 C(2014) 9641 final*
[11] *02732.EIT.2015.I.GB38*
[12] *ref: C(2016)7302*
[13] *06167.EIT.2016.I.GB44*

HAS DECIDED AS FOLLOWS:

Article 1
Adoption

The Final Single Programming Document of the EIT for 2017-2019, including the amended Annex XII on the implementation of the 2017 EIT Awards, as annexed to the present decision is hereby adopted.

Article 2
Repeal

Decision 30/2016 of the EIT Governing Board is hereby repealed and replaced by the present decision.

Article 3
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 22 March 2017[14]

signed

Peter Olesen
Chairman of the EIT Governing Board

Annex: Final Single Programming Document of the EIT (2017-2019)

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[14] *Approved by the EIT Governing Board via written procedure on 22 March 2017*

Single Programming Document

The EIT – Making Innovation Happen

2017 – 2019

European Institute of Innovation and Technology (EIT)

Budapest | 8 December 2016

www.eit.europa.eu

The EIT is a body of the European Union

Contents

Foreword

Today, we face many societal challenges – global warming, youth unemployment, an ageing population, and more. But we can find solutions and opportunities in them. Europe has great universities, strong companies, stable and democratic institutions. It has a pool of highly educated talents: clever scientists and engineers, ambitious students and entrepreneurs but often lacking the right skills for the marketplace. The trick is to find a better way to get them to inspire each other, work closely together, learn, innovate and prosper. That's where the EIT comes in.

Our mission is to contribute to the competiveness of Europe and its sustainable economic growth by promoting and strengthening synergies and cooperation among businesses, education institutions and research organisations.

We aim 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 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.

Each partnership focuses on a different challenge – to start with, developing sustainable energy sources, managing climate change, and pioneering information and communications technologies, and recently complemented by healthy living and active ageing and new opportunities from raw materials. Each 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. These are the KICs, the Knowledge and Innovation Communities. 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. This is no longer just a concept but it is working: the existing KICs have attracted over 900 partners and deliver results and impact through innovations delivered by this powerful pan-European network.

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. During the period 2017-2019, 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. Most recently the EIT has widened its participation in KICs increasingly in areas in Europe with lower innovation capacity through a dedicated programme, the EIT Regional Innovation Scheme.

Based on existing European excellence, the KICs 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
BRICS	Brazil, Russia, India, China and South Africa
CA	Contract Agent
CFO	Chief Finance Officer
CFS	Certificate on Financial Statements
CLC	Co-location Centre
COO	Chief Operation Officer
COST	European Cooperation in Science and Technology
CP	Certified Professional Diploma
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
GA	Grant Agreement
GB	Governing Board
H2020	Horizon 2020
HR	Human Resources
ICT	Information and Communications Technology
IGO	Intergovernmental Organisation
IP	Intellectual Property
IT	Information Technology
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
MSPP	Multi Annual Staff Policy Plan
OECD	Organisation for Economic Co-operation and Development
PAM	Partnerships Management unit
PMS	Performance Measurement System

R&D	Research and Development
SAF	Services and Finance unit
SC	Assistant Secretaries
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
TWP	Triennial Work Programme
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. The financial instrument implementing the 'Innovation Union' 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 new 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 (EIT) operates. The EIT will 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 Knowledge and Innovation Communities (KICs), which bring together excellent organisations on a long-term basis around societal challenges. Based on existing European excellence, the KICs 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 KICs. Building on the existing five KICs, three designated in 2009 and two in 2014, in the period 2016 to 2018, three new KICs will be set up in the thematic areas of Added-value Manufacturing, Food4Future and Urban Mobility, which will lead to a total portfolio of eight KICs. The estimated financial needs of the EIT in 2017-2019 are approximately EUR 1.15 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 €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 2017-2019, 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 Knowledge and Innovation Communities, which bring together excellent organisations on a long-term basis around societal challenges. Based on existing European excellence, the KICs 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.

Recently, 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 recently agreed European Fund for Strategic Investments (EFSI), a major initiative launched by President Juncker. This new task will require further human resources to enable the EIT to deliver on this important political priority.

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 its 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 development. The EIT also participates in the effort to develop sustainable energy through EIT InnoEnergy. EIT

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

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 KIC 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 Knowledge and Innovation Communities.

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. 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 KIC legal entities considering the growing scale and scope of their partnerships' composition.

Throughout the period 2017-2018, an important task for the EIT will be the preparation of 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, 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 its long-term strategy. The EIT will submit the draft SIA to the European Commission by 30 June 2018.

Subsequent to 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 late 2018. In this context, to reflect and fully align the long-term strategic objectives with the EIT's legal base, and depending on the outcome of the EIT evaluation, a revision of the Amended EIT Regulation might be envisaged.

Section II – Multi-annual programming 2017-2019

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 has developed a set of eleven KPIs to capture main outputs and results/impacts. The improved KPIs will become operational as of 2017, and this means that the EIT will now measure even more rigorously the KICs' contribution towards impact, especially their 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:

- Climate Change
- Sustainable Energy
- Next Generation of Information and Communication Technologies
- Raw Materials - Sustainable Exploration, Extraction, Processing, Recycling and Substitution
- Healthy Living and Active Ageing

- Food4Future - Sustainable Supply Chain from Resources to Consumers
- Added-value Manufacturing
- 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 2017 to 2019, KICs will achieve results and impact in tackling the societal challenges they address. The first three KICs, Climate-KIC, EIT Digital and KIC 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 new KICs in the areas of Healthy Living and Active Ageing (EIT Health) and Raw Materials (EIT Raw Materials) 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, six KICs will be fully operational, including EIT Food, which will have completed their start-up period at the end of 2017, 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 2017 to 2019, 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, 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 three pillar review considering past performance, future outlook, and multiannual perspective) will gradually shift into an impact model that will increasingly use the criteria of measurable results and steps towards KICs' financial sustainability in the EIT funding allocation. During 2017 to 2019, 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 first three KICs and the second and third 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.

In 2016, the EIT revised its core Key Performance Indicators (KPIs), and has developed a set of eleven KPIs to capture main outputs and results/impacts. The improved KPIs will become operational as of 2017, and will be used

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

to measure KICs' contribution towards impact, especially on the effects on competitiveness and growth in Europe. In addition, the EIT will adopt Horizon 2020 indicators to the EIT and KICs context in order to capture KICs' contributions to attaining objectives set out in Horizon 2020, in particular in addressing societal challenges and contributing to cross-cutting issues. 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. 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 the first three and new 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 and entrepreneurship that are integrating the different sides of the knowledge triangle and thereby create value–added that strengthens innovation systems.

Education

The EIT education agenda will expand its range of activities from 2017 to 2019 providing education which aims to allow graduates to become entrepreneurs and also to satisfy the needs of prospective employers regarding skill sets and competences and reaching an increasing range of the target group of students, using modern technologies to enhance the integration of the Knowledge Triangle. While exploiting synergies and ensuring complementarity with other EU and international programmes, new Initiatives may include executive education, post-doctoral courses adapted to bridge the gap between academia and business, lifelong learning courses adapted to the needs of the evolving businesses and new research trends, as well as Massive Open Online Courses (MOOCs) and Programmes (MOOPs). Furthermore, in the period 2017-2019, the first wave of KICs launched in 2010 will continue collaborating with the second wave KICs launched in 2015, bringing innovative proposals and solutions to serve their respective thematic areas. The consolidation of a number of cross-KIC initiatives supported by the EIT, such as the EIT label, MOOCs and MOOPs will take place during this period. KICs launched in 2015 and 2017 will be progressively involved in these activities.

Moreover, the five KICs established in 2010 and 2015 respectively will expand further the range of activities reaching an increasing range of the target group with their entrepreneurial teaching methods and learning outcomes for students. In this period, efforts will continue to foster further cooperation across the KICs in order to gather the experience and expertise of the education initiatives of each KIC that proved successful and improving them with the cooperation across the KICs. The education initiatives concerned cover a diversity of areas such as combining the most modern technologies and pedagogic approaches to enhance the integration of the Knowledge Triangle, certification of professional qualifications that demand a recognition, executive education activities adapted to target a big variety of trainers, post-doctoral courses adapted to bridge the gap between academia and business, and lifelong learning courses adapted to the needs of the evolving businesses and new research trends.

The EIT's flagship initiative, the EIT Label, will start a second implementation phase in 2016 after the revision of the EIT Label concept based on the lessons learned since it was launched in 2012. After the approval by the EIT of the new EIT Label framework as well as a revised version of the EIT Label handbook in cooperation with the KICs, the EIT Label results in an increasingly robust quality assurance and learning model which will strengthen the EIT label brand identity and will attract more talent from Europe and abroad to EIT labelled courses. The implementation of the revised EIT Label concept will start already in 2016, including the possibility to extend the EIT Label to other courses than full master and doctoral programmes: the EIT Label framework has been adapted for the first time to shorter courses including online and professional ones. Starting in 2016 and taking place mainly during 2017, the second phase of the EIT Label implementation will be done in conjunction with the plans to promote innovative and entrepreneurial mind-sets into other levels of education beyond post-graduate education to a greater variety of study modes. The EIT will continue to promote strong bonds through synergies with EU, national, regional and international initiatives in the area of education.

Other cross-KIC initiatives are currently under preparation such as the development of an online platform for MOOCs or an EIT Certified Professional Diploma (CP) for Innovators & Entrepreneurs, which aims at developing a professional certification framework to build a professional community of change agents who develop and apply innovation, leadership and entrepreneurship in an ethical way in order to create and implement solutions. KICs will work together to make a reality an encompassing competency-based certification framework, where the common thread is the focus on innovation and entrepreneurship education working across the different challenge agendas: energy, digital, climate, raw material and health.

Entrepreneurship & Business Creation

From 2017 to 2019, the EIT will step up pro-active consultation and co-operation with all KICs through the EIT KICs Entrepreneurship Panel 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. For transparency purposes, the EIT will continue to encourage KICs to clearly communicate their policies for involving new partners, including in particular also SMEs. EIT will also encourage KICs to involve private sector actors beyond their SME partners, through targeted industry specific events. 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 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 further promote and develop activities supporting women leadership and entrepreneurship, as well as diversity leadership and entrepreneurship. Finally, EIT will pilot the women leadership and entrepreneurship educational activities towards the pre-university student population in partnership with other EU, public and private organisations. The aim of these activities will also 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.

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.

Innovation-driven Research

The EIT will develop a cross-KIC innovative research agenda aiming to foster a stronger focus on projects that can bring the best ideas from the labs to the market, creating new products, services and processes and expanding technological frontiers. The EIT liaise closely with the European level research stakeholders to ensure complementarities and exploit synergies with EU bodies and in consultation with research-related umbrella organisations building on existing cooperation. 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 second and third waves of KICs will build on lessons learnt from the first three 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 create an EIT-KIC innovation panel to 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, 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 Smart Specialisation Platform and related initiatives, including thematic smart specialisation platforms, the Stairway to Excellence Pilot, support for lagging regions, 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). The innovation review to be completed in 2017 will deliver the future agenda for the innovation panel.

2.1.1.3 Fostering Growth and Creating Impact

During 2017-2019, 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.

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, the EIT Awareness Days, the annual EIT Stakeholder Forum, the EIT Awards, as well as the EIT Regional Innovation Scheme.

Action lines	Targets	Implementation year		
		2017	2018	2019
Promoting Collaboration and Competition among KICs	✓ Annual EIT financial contribution to KICs	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
	✓ 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
	✓ Incentivise KICs to develop joint activities on cross-cutting issues, share good and novel practices	X	X	X
Strengthening the Knowledge Triangle and its Integration Principles and Practices	✓ Knowledge Triangle integration practices presented to strategic stakeholders	X	X	X
	✓ Expand EIT portfolio of education activities (including MOOCs and MOOPs)	X	X	X
	✓ Consolidated EIT Label as a quality label on Masters and Doctoral Programmes	X	X	X
	✓ Expand the EIT approach into other levels of education	X	X	X
	✓ Step up pro-active consultation and co-operation with all KICs to create and add value for KICs' entrepreneurship activities and promotion of women entrepreneurship	X	X	X
	✓ Develop a cross-KIC innovative research agenda	X	X	X
	✓ Identify and codify good practices on innovation delivery mechanisms and market take-up derived from the Knowledge Triangle integration	X	X	X
Fostering Growth and Creating Impact	✓ Accelerating the take-up and exploitation of technologies and research outcomes	X	X	X
	✓ 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
	✓ Targeted knowledge sharing and put in place dissemination measures	X	X	X

2.1.2. Creating new KICs

2.1.2.1 Supporting the set-up of EIT Food in 2017

Experience from the first five KICs has shown that a significant effort is needed from KIC partners to transform the designated partnership into an integrated KIC. Therefore, the initial set-up phase is critical to getting organised as a KIC and has a substantial impact on the future KIC functioning and operations. It is also during this set-up phase that some defining features outlined at proposal stage are fleshed out and operationalised (e.g. legal set-up).

In 2017, the EIT will support the start-up phase of EIT Food by providing Start-up Grant and facilitating cooperation among the new and already operating KICs. There are significant lessons learnt from the start-up period of the second wave KICs and with the new Framework Partnership Agreement being in place and aligned with Horizon 2020 as well as EIT concepts such as financial sustainability, monitoring and governance having been clarified, new KICs are well placed to have a successful start-up phase.

Starting in 2016, and concluding early 2017, the EIT will carry out a detailed analysis leading to the non-designation of EIT Manufacturing in 2016 with a view to potentially re-launching the call for KIC proposals in the theme Added-value Manufacturing at a later stage.

2.1.2.2 Designating a new KIC in 2018 on Urban Mobility and supporting its 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[6] and support its setting up process in 2019. Lessons learnt from the Calls for KICs in 2014 and 2016 will be appropriately taken into account as regards the preparation of the Call package and the evaluation, selection and designation processes. A partnership will be selected against detailed criteria in line with the Amended EIT Regulation, based on the overarching principles of excellence and innovation potential. Pending a positive outcome of the EIT evaluation, the 2018 Call for one KIC on Urban Mobility will be launched in Q1 2018 and a new KIC will be designated in Q4 2018. 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 partnership designated as KIC in 2018.

Action lines	Targets	Implementation year		
		2017	2018	2019
Setting up the KIC designated in 2016	✓ Successful legal, operational and financial set-up of the new KIC ✓ Signature of agreements between EIT and new KIC (Start-Up Grant and FPA) ✓ 2018 KIC business plan submitted ✓ Signature of 2018 Grant Agreement	X X X	 X	
Preparation of the Package for the 2018 KIC Call	✓ Approval of the Call's package ✓ Approval of the evaluation and selection process	X X		

Designating a new KIC in 2018 and setting up in 2019	✓ IT submission and evaluation system operational ✓ Launch of the Call for KICs ✓ Organisation of the Information Day ✓ Selection of high-level independent experts completed ✓ Evaluation process finalised ✓ EIT Urban Mobility, designated ✓ Successful legal, operational and financial set-up of the new KIC ✓ Signature of agreements between EIT and new KIC (Start-Up Grant and FPA) ✓ 2020 KIC business plan submitted		X X X X X X	 X X X

2.2. Enhancing the EIT's Impact

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

As set out in the Amended EIT Regulation, the EIT will prepare a draft seven-year SIA and submit it to the European Commission at the latest by 30 June 2018. In 2017, the EIT will take into account inputs from external experts and, as appropriate, consult relevant stakeholders through various fora, including the EIT Stakeholder Forum. The next Draft SIA will be built upon initial impacts of the EIT's and KICs' activities, lessons learnt and 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[7] and the European Commission's review of the EIT in 2017[8]. In addition, the EIT will further analyse potential synergies and complementarities between its activities and other EU initiatives in preparation for the submission of the Draft SIA 2021-2027. The next SIA is expected to focus on additional elements where innovation systems in Europe need to be strengthened to contribute to growth and competitiveness. These may concern additional societal challenges or a broadening of EIT activities beyond the KICs where value added can be provided, building on the existence of the powerful pan-European innovation partnerships already in place by then.

Action lines	Targets	Implementation year		
		2017	2018	2019
The EIT's next Strategic Innovation Agenda (SIA) 2021-2027	✓ Finalisation of the EIT's long-term strategic objectives, priorities and budget for the period 2021-2027, including consultation with KICs and relevant stakeholders and based on input from external experts ✓ Submission of the Draft SIA 2021-2027 to the European Commission ✓ Monitoring and follow-up of negotiations and preparation for the implementation of the SIA	X	X X X	 X

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[7] Article 16 (2) of the EIT Founding Regulation
[8] Article 32 (2) of the Regulation establishing the Horizon 2020 – Framework Programme for Research and Innovation

2.2.2 Fostering Knowledge Exchange through Dissemination and Outreach

2.2.2.1 Fostering Knowledge Exchange through Dissemination

During the 2017 and 2019 period, the EIT will concentrate on producing and disseminating relevant information focusing on lessons learnt and good innovation practices that are emerging from the substantial portfolio of activities managed by the EIT and KICs to the wider EU innovation community and beyond. The dissemination efforts will specifically aim to target stakeholders that may not be aware of the EIT Community's activities, thereby leveraging interest, existing talent and latent potential.

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 reviewing and updating the EIT's Communications Strategy. This review will also contribute to 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 2017-2019, the EIT will continue to monitor the implementation of the EIT RIS carried out by participating KICs and assess its impact and main results to ensure that the overall strategic objectives are achieved. Following the review and redesign of the EIT RIS completed in 2015, the EIT expects to see a comprehensive coverage of areas in Europe previously not involved in EIT activities. This expansion will allow to build innovation capacity in these areas, which can be increasingly connected to regional smart specialisation strategies and EU Structural and Investment Fund Programmes. Based on progress made, the EIT will review the list of targeted countries. The EIT will raise awareness of the scheme among excellent higher education institutions, research institutions and companies in regions not yet directly working with the EIT through its KICs as well as to other relevant stakeholders such as national and regional authorities. This will also include information sessions and the development of information material such as brochures. The EIT will further coordinate and exploit synergies and complementarities with other EU initiatives. The EIT RIS is conceptualised in a way that will allow for efficiency gains for practitioners, innovation policy makers in regions that are committed for a better integration of the Knowledge Triangle and who are following other regional initiatives of the European Commission, for instance the Research and Innovation for Smart Specialisation Strategies (RIS³) scheme. In this context, the EIT will continue to engage with the JRC Directorate for Growth & Innovation which is hosting the RIS³ platform assisting Member States and regions to develop, implement and review their strategies. Reinforced co-operation will facilitate the EIT's guidance to KICs on the implementation of the EIT RIS scheme, for example with a view to targeted innovation partnerships encouraging greater co-ordination between different societal stakeholders and aligning strategies (and resources) between private and public actors of different governance levels.

From 2017 to 2019, the EIT will continue to provide guidance and support to KICs, in line with the guiding principle of voluntary and autonomous implementation by KICs. Newly established KICs will be incentivised to implement the EIT RIS first on a pilot basis, followed by a full scale implementation.

Action lines	Targets	Implementation year		
		2017	2018	2019
Fostering Knowledge Exchange through 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	X	X	X

	wider EU innovation community and beyond			
EIT Regional Innovation Scheme (EIT RIS)	✓ Continuous support to the existing KICs in the implementation of the EIT RIS	X	X	X
	✓ Analysis of outputs resulting from the implementation of activities by participating KICs	X		
	✓ An outline of the EIT RIS for each newly designated KIC defined, effective support delivered	X	X	X
	✓ EIT RIS refined, reviewed and implemented by KICs	X	X	X
	✓ Awareness of the benefits of the EIT RIS among relevant stakeholders and to the wider public	X	X	X
	✓ Synergies of EIT RIS with other EU programmes developed, in particular H2020 and ESIF, in particular related to the thematic smart specialisation platforms	X	X	X

2.2.3 Fostering and Attracting Talent

As talented people are at the heart of successful innovation, one of the EIT's most important role is to nurture and attract talent. From 2017 to 2019, 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 2017-2019 the EIT label will continue to be developed into an internationally recognized brand of excellence attracting talent from Europe and beyond. The EIT Awards, which are given in three 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.

2.2.3.1 EIT Alumni Community

The EIT Alumni Community will continue to contribute from 2017 to 2019 to achieving strategic EIT objectives, such as promoting an entrepreneurial mind-set and enhancing opportunities for innovation and business creation. Through the EIT Alumni Community, the EIT will help unleash the potential of the talent pool of young entrepreneurs, innovators and change agents that KICs are educating and training. As an effective and sustainable community, it is driven by its members, ensuring continued ownership and responsibility for the direction of the community, whilst the EIT (and its KICs) will play a strategic partnering role.

In the period 2017-2019, the EIT Alumni Community will fine-tune its implementation strategy and deliver its portfolio of added-value services to members. It will provide opportunities for sharing knowledge, networking, mentoring and implementing joint projects and ventures, especially on cross-thematic areas. The EIT Alumni Community will take an ambassador role in promoting an entrepreneurial mind-set in Europe and beyond and it will also engage in specific outreach activities to promote innovation. The EIT Alumni Community will focus on growing its community by including participants from KIC entrepreneurship and innovation activities.

Achievements in this respect and progress on strategy implementation will be assessed to enable further improvements of the EIT Alumni strategy and operation. The EIT will continue to provide guidance and financial support for the EIT Alumni Community. In the long-run, the Community will be encouraged and incentivised to become financially sustainable.

The table below summarises what the EIT aims to achieve in this area from 2017 to 2019.

Action lines	Targets	Implementation year		
		2017	2018	2019
EIT Alumni Community	✓ Consolidate EIT Alumni Community governance structure and refine its implementation strategy	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
	✓ Effectiveness and operation of the EIT Alumni Community assessed			X

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 2017-2019. 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 KIC 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 European Innovation Partnerships, Joint Technology Initiatives and Joint Programming Initiatives, EARTO, COST) to increase awareness of EIT/KIC activities and enhance complementary competences. In the period 2017-2019, a task of high importance for the EIT will be the finalisation of the EIT's next Strategic Innovation Agenda covering the period from 2021 to 2027. In this regard, the EIT will implement, based on the roadmap prepared, all actions in 2017 and 2018 notably seeking input from external experts and all relevant stakeholders, including KICs, with a view to having a coherent proposal on the future of the EIT.

2.2.4.1 Stakeholder engagement

From 2017 to 2019, 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. 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, including consultation in the preparation of the EIT's next SIA, as well as support for EIT/KIC 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. In 2017, based on identified requirements, the EIT will develop a web-based tool for supporting knowledge sharing and networking with a view to enhance the EIT's impact and foster interaction.

From 2017 to 2019, 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 enhance mutual learnings on good practices benefiting KICs' partnerships, the EIT and Europe as a whole. It 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 particular in 2017, the Forum will be consulted for the preparation of the EIT's next SIA (2021-2027).

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 and 2016, the concept of the event, in line with the EIT Amended Regulation and SIA, will be reviewed for preparation of the editions in 2017-2019. According to legal requirements and specific needs in 2017, 2018 and 2019 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 the launch of a new KIC Call, EIT reviews and evaluations as well as the feedback provided to the EIT by stakeholders.

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 KIC's achievements to stakeholders. Thus, the EIT Awards event will be organised as part of the EIT Innovation Forum INNOVEIT to increase opportunities for interaction and exchanges of ideas. From 2017-2019, the EIT will focus on enhancing the impact 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 make a further contribution to recognise diversity and achievement in closing the gender cap.

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 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 2017 to 2019, based on its refined global outreach strategy, 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. Moreover, in the pilot phase which runs until 2017, the EIT will participate in targeted events in the following priority partner countries: EU candidates in the Western Balkans, BRICs (Brazil, Russia, India, China), US, Japan, South Korea, Ukraine, Moldova. 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		
		2017	2018	2019
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	X
	✓ Structured dialogue with key Knowledge Triangle EU level networks of stakeholders	X	X	X
	✓ Strategy for stakeholder engagement in the preparation of the SIA 2021-2027 and its implementation	X	X	
EIT Stakeholder Forum	✓ Annual EIT Stakeholder Forum and dedicated EU Member State Configuration	X	X	X
	✓ Development of a new EIT digital platform for stakeholder management	X	X	X
EIT Awards	✓ Further strengthening the EIT Awards by enhancing its impact	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

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 and KICs' Financial Sustainability Strategies

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 2017 to 2019 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[9], and in order to simplify the EIT-KIC funding model, the EIT will, together with DG EAC, examine the possibility of submitting a proposal in 2017 for a change in the EIT Regulation concerning the 25% funding condition, while maintaining the focus on the need to leverage funds beyond the EIT grant. 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 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 conduct periodic reviews of KICs' financial performance. In particular, the EIT will undertake an in-depth review of KICs in the seventh year of their operation with a particular focus on the implementation of their financial sustainability strategies. This 7-year review will be due in 2017 for the first wave of KICs.

The EIT will explore the possibility to create an Impact Fund 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 be the sponsor of the fund, but not its main investor. The initial main investor will, depending on future negotiations, potentially be the European Investment Fund (EIF) / European Investment Bank (EIB). The EIT will initiate the fund and design its investment strategies in cooperation with the KICs. The EIT will oversee adherence to the fund's principles and strategies, but it will not manage the fund on a daily basis. This task will be carried out by an external professional management company, which the EIT will appoint via a procurement procedure.

Action lines	Targets	Implementation year		
		2017	2018	2019
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 and KICs' Financial Sustainability Strategies	✓ 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	X	X	X

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

	corrective measures if needed and issue guidance/support	X	X	X
	✓ Conduct periodic reviews of a KICs' financial performance	X		
	✓ 7-year review of the first-wave KICs focussing on financial sustainability	X		
	✓ Prepare for and set the foundations for the EIT Impact Fund, including the legal framework, fund documentation, and design of the EIT's investment strategies		X	X
	✓ Procure Professional Investment Company to manage the EIT Impact Fund	X		
	✓ Operational readiness and market launch of the EIT Impact Fund		X	X

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 966/2012 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 2017 to 2019, 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 develop its approach 'Setting EIT 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 2015 EIT Performance Audit, 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 2017 to 2019, the EIT will assess how new financial mechanisms may be established via debt or equity instruments.

Action lines	Targets	Implementation year		
		2017	2018	2019
Simplification	✓ Align and optimise EIT/KIC business processes to reduce overheads ✓ Enhancement of KIC governance, management and control systems in order to ensure transparency of internal procedures ✓ Establishment of KIC specific simplified cost categories ✓ Pilot introduction of alternative delivery mechanisms complementing the current model in line with EIT's concept on financial sustainability	X X X	 X X X	 X

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 2017-2019, the EIT will continue to enhance the robustness of its result-oriented monitoring system, which will also take into account, as appropriate, recommendations from audits conducted by 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; 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 learned 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. This evaluation and monitoring system covers the four different dimensions of the EIT context: Horizon 2020, EIT, cross-KIC and individual KIC level.

During 2017 to 2019, 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 2017 to 2019, 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.

Designed in 2012, the EIT's PMS pioneered a system to track performance, which proved to be successful to such an extent that Horizon 2020 has adopted some of its innovation indicators. The overall objective of PMS is to support a results-oriented monitoring on the implementation of the EIT's strategy. It consists of four levels, reflecting the multi-layered governance of the EIT. It is based on common strategic objectives resulting from a

shared vision and values of the EIT and KICs. From 2017 to 2019, performance measurement will be carried out at the following four levels:

- **Horizon 2020 level**: to monitor the EIT and KICs' contribution to achieving the objectives of Horizon 2020.

- **EIT level:** to assess the performance of the EIT as an efficient and effective Union body; this will be measured in terms of support provided to the KICs, the intensity and coverage of its outreach, dissemination and international activities and its ability to deliver simplified procedures.

- **Cross-KIC level:** to monitor the contribution of all KICs to achieving the EIT strategic objectives, as identified in a dedicated instrument such as an EIT Scoreboard.

- **Individual KIC level:** to monitor individual KIC performance based on individual targets and key performance indicators (KPIs) as laid down in the individual KIC business plans. KICs have different business models and markets and thus different industrial KPIs that are central for the successful management of the individual KIC.

In addition, the EIT will develop a business intelligence tool to help synthesise and analyse statistical data related to KICs' financial and operational performance as well as attainment of KPIs. This tool will further reinforce the quality of monitoring and evaluations as it will provide sound data for analysis and evaluations.

2.3.3.1   Implementation of the EIT monitoring strategy

Throughout 2017 to 2019, 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. As part of the EIT's enhanced monitoring of KICs, particular attention will be given to their contribution to the 'Innovation Union' priorities, specifically: skills through the promotion of the EIT labelled degrees and diplomas, innovative procurement, IP policies, access to finance for KICs' start-ups and innovative companies, knowledge transfer involving all players in the Knowledge Triangle, and promoting co-operation with top-class innovation players outside the EU benefiting Europe, the EIT and KICs. The pilot monitoring actions performed in 2015 will serve as a sound basis to consolidate and improve grant management cycles in 2017, 2018 and 2019. From a monitoring standpoint, special attention will be placed on the potential to gradually introduce an increasingly 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.

In line with the periodic revision required for the EIT framework on evaluation and monitoring, and in consultation with KICs, the EIT will periodically refine and implement the cross-KICs methodology for monitoring research and innovation projects, including their impact and consistency with the EIT's strategic objectives. Such system will cater for quantitative and qualitative assessment as well as identification of results and novel practices complementing the quantitative monitoring via KPIs.

2.3.3.2   Evaluation and Impact Assessment

As set out in the EIT Regulation, an independent external evaluation of the EIT and the KICs will be carried out by the European Commission, with support from external independent experts, by the end of March 2017. The evaluation of all EIT and KIC activities will look at the added-value of the EIT, the impact, effectiveness, sustainability, efficiency and relevance of the activities as well as complementarity and coherence with other national and EU initiatives, in line with the Better Regulation Agenda[10]. In addition, by the end of 2017, Horizon 2020's interim evaluation will also include EIT's activities. The outcomes of these evaluations will directly influence the launch of the 2018 Call for a KIC on Urban Mobility.

Hence, building on initiatives started in previous years, the EIT will timely prepare for these evaluations. Throughout 2017 to 2019, the EIT will place particular emphasis on refining and putting into practice its overall

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[10] http://ec.europa.eu/info/strategy/better-regulation-why-and-how_en

strategy and processes to analyse and assess results and impacts of all EIT's and KICs' activities. Particularly important will be the results of the global and European external impact analysis of the EIT and its KICs from 2010 to 2016, which will be available by mid-2017. These results will feed into the EIT's continuous improvement approach. Notably, the EIT will carefully refine and implement KPIs and impact indicators, periodically monitored via robust assessment and evaluation methodologies, as well as benchmarking against international good practices. The EIT will develop this work in collaboration with the KICs and will consider engaging external experts to assist in developing and deploying a coherent overall architecture on continuous monitoring, evaluation and impact assessment. In particular from 2016 to 2018, the EIT will develop an Impact Framework, which will consider the EIT's and KICs' impact data and methodologies and identify benchmarks, whilst taking into account the revised KPIs. The EIT will closely accompany the implementation of these evaluations and will scope, adapt and adopt proven successful measures already undertaken by the European Commission, including EU Agencies. Moreover, as set out in the EIT Regulation the EIT will start preparing in 2016 an assessment of its socio-economic impact to be included in the SIA 2021-2027. The EIT will also take into account the results of its monitoring and evaluation activities. The table below summarises what the EIT aims to achieve in this area from 2017 to 2019.

Action lines	Targets	Implementation year		
		2017	2018	2019
Results-oriented monitoring of KICs	✓ Thematic reviews on pillar agendas and concrete KIC operations complementing continuous monitoring	X	X	X
Evaluation and impact assessment	✓ Continuously improve strategic approach on monitoring and evaluation	X	X	X
	✓ Development and piloting of the EIT's Impact Framework	X	X	X
	✓ Results of the assessment of EIT's socio-economic impact to be included in the EIT SIA 2021-2027	X	X	

3. Human and financial resources outlook for the years 2017 – 2019

3.1. Overview of the past and current situation

1. *Staff population update for 2016*

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 2016, by the end of October 2016, the EIT has recruited 16 new staff members, 9 among them to reinforce the core operational unit (PAM), 3 to the other operational unit (PAC) and an additional 4 to support Procurement, Finance, IT and Director's office. The total number of staff is 59 as of 31 October 2016 (excluding trainees, interim staff and one structural service provider). Moreover, two letters of offer have been sent to fill vacant posts, which will increase the headcount to 61, i.e. only 2 vacant positions will remain. This is a very significant improvement compared to the situation as of year-end 2015 when the EIT employed 50 staff.

Despite this positive trend, concerns remain with the generally low grades in the EIT compared to other Agencies, the low correction coefficient (69%) for Hungary, which does not always allow to attract the best possible candidates and negatively affects staff satisfaction, as well as with the fact that the EIT can only offer less favourable contract conditions compared to other Agencies due to the provisions 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 2017-2019 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 2015*

The evolution of expenditure for the action areas in 2015 is provided in Table 1 of Annex II.

3.2. Resource programming for the years 2017 - 2019

3.2.1 Financial resources 2017 - 2019

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 2017-2019 in line with the indicative budget figures set out in the Multiannual Financial Framework 2014-2020.

3.2.2 Human resources 2017 - 2019

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 is presented in Table 2 of Annex III. Highlighting the main expected trends, the following should be taken into account.

In 2017-2019, the EIT will, according to the EIT's Strategic Innovation Agenda (SIA), gradually expand its portfolio of KICs. Building on the existing five KICs, three new KICs will become operational in two waves (subject to the positive outcome of the EIT review in 2017), leading up to a total portfolio of eight KICs.

Consequently, to manage this portfolio operationally and financially and to explore cooperation and synergies, the workload and staffing needs of operational staff in both Partnership Management and Policy & Communications units will significantly rise. In particular, to maintain the proper level of assurance for the significant budget increase and also considering the enhanced legal framework with the amended Framework Partnership Agreement, the EIT will have to enhance its capacity on checks and controls of both transactions and systems, while there will be a more significant workload on monitoring the implementation of activities and achievement of results as well. Added to this, as the first three KICs continue to step up and widen their portfolio of results and impact, the result-oriented monitoring will have to be enforced, especially as opportunities for communication, outreach and dissemination of results will also rise. Efforts to move towards financial sustainability and to better monitor the complementary funding provided to KICs will increase the challenges ahead. Also, the EIT will be faced with an increasing complexity and workload as the Institute grows and as a consequence of the full financial autonomy, which is planned to achieved in 2017. In addition, the EIT has identified new tasks such as the Impact Fund, which can substantially enhance its impact but require additional resources to be launched.

In this context, it is foreseen in 2017 to set up a fourth unit responsible for Strategy, Impact and Monitoring and request two additional staff for 2017. One of the additional staff, a KIC Finance Officer (AD6) will be responsible for dealing with the increase of workload due to the creation of 2 new KICs in 2016 and additional reporting from 2 KICs created in 2014 (i.e. increase from 3 to 7 KICs). The second additional new staff, a KIC Project Officer (AD6) will be responsible to operationally manage the new KIC (EIT Food) that will be set up in 2016 based on the KIC call in 2016 and is expected to receive a start-up grant of 4 MEUR. The establishment of a fourth unit will also increase the number of management positions by one new Head of Unit (see planned organigramme in Annex X). The establishment of the fourth unit will not lead to changes at the level of sections but it will ensure that units have clear roles and profiles and are also balanced in terms of workload and responsibility. There are significant synergies and efficiency gains to be exploited by centralising certain functions and from a closer collaboration of the "Strategy and Impact" and "Monitoring" sections, as the Strategy and Impact section is responsible for evaluations as well. The monitoring activities and reviews carried out by the Monitoring section will feed into the strategy development as well as into the impact assessment and evaluation functions. Furthermore, it is important to ensure an appropriate segregation of functions: the function of monitoring of grant activities will have more operational independence if it is not supervised directly by the same person who is responsible for grant management as well. Finally, the continuous growth of the portfolio of KICs and budget managed, which leads to an increase in human resources managing grants as well, needs to be addressed in the organisational structure of the EIT. By detaching the Monitoring section, the Partnerships Management unit will become more efficient in their core tasks (i.e. grant management) and will remain scalable for the future growth in the number of KIC Partners and budget managed. Moreover, the new unit will also allow the EIT to ensure that it develops capacity beyond the management of grants by steering a number of horizontal activities that add value to the management of KICs, be they synergies with other programmes, cross-KIC activities, the EIT Regional Innovation Scheme, Impact Fund, EIT label management, EIT education programme alumni management among others.

As a result, the expected growth of the Institute's human resources needs reflects the development of activities already taking place and foreseen to take place in the next years.

In terms of profiles, the additional staff will be recruited as outlined below:

Year	Number of posts	Category	Grade	Function	Description
2017	1	TA	AD 6	KIC Finance Officer	Justification : Substantial increase of workload due to the creation of 2 new KICs in 2016 and additional reporting from 2 KICs created in 2014 (i.e. EIT increase from 3 to 7 KICs). For example, the number of cost reports and financial statements to be verified by

					the EIT on an annual basis will grow from the current 500 to more than 1000. A single KIC may present in average ca. 150 cost reports and financial statements to be included in the checks.

Description of tasks:

- To manage audits, controls and checks on reports of the 3 current and 4 new KICs. Based on audit recommendations from IAS, revise the grant assurance strategy and obtain Certificates on Financial Statements for about 100-120 beneficiaries directly (including procurement of audit services, management of the specific contract, supervision of the adversarial procedures, establishment residual error rates and recovery of amounts unduly paid.

- Reinforce EIT capacity to supervise KICs activities, management and control systems and budgets. Assess KICs' Business Plans, prepare grant agreements, pre-financing payments and final balance payments. Act as financial initiator and/or verifier on grant-related commitment and payment transactions.

- Carry out desk-based ex-ante verifications of reports and payments. Without additional staff, there is no possibility to ensure a proper ex ante verification on the new KICs.

- Verification of KIC Governance in line with the new Framework Partnership Agreement under Horizon 2020. In line with IAS audit recommendations, assess the codes of conduct of KICs', ensure that procedures exist in KICs to avoid conflict of interest when selecting activities for inclusion in the Business Plans for potential EIT funding.

- Implement the recommendations of the recent ECA performance audit on the EIT, e.g. establish the legal and operational framework of multiannual grant agreements and develop specific rules tailored to the needs of KICs. These are additional tasks stemming from the recommendations of the ECA performance audit carried out in 2015, |

					which cannot be implemented without additional human resources.
2017	1	TA	AD 6	KIC Project Officer	Justification: The KIC officer team needs to be reinforced to operationally manage the new KIC EIT Food that will be set up in 2017 based on the KIC call in 2016 and is expected to receive a start-up grant of 4 MEUR. In later years their budget will grow to ca.60-80 MEUR annually per KIC. This requires extensive operational and supervision work. One Project 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). Description of tasks: - Assess the multi-annual strategy and business plans and carry out technical verification of performance reports of the new KIC. - Manage and carry out risk-based monitoring of new KIC activities, including the preparation of input for the funding allocation decisions of the EIT Governing Board. - Amendments of business plans, entry and exit of 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. - Implement the recommendations of the recent ECA performance audit on the EIT, e.g. develop an impact-based analysis and streamline monitoring and reporting processes.
2018	1	TA	AD 8	KIC Officer	To ensure the operational management of the EIT grants to the KICs, in particular to monitor the activities and development of KICs including the tracking of KICs through an agreed set of indicators, approval of KIC reports and business plans; to contribute to the continuous improvement and

2018	2	TA	AD 6	KIC Officer	To ensure the operational management of the EIT grants to the KICs, in particular to monitor the activities and development of KICs including the tracking of KICs through an agreed set of indicators, approval of KIC reports and business plans; to contribute to the continuous improvement and deployment of the EIT's Performance Measurement System; contribute to cross cutting actions, including networking within and across the KICs and support the dissemination of best practice and results of KICs activities.

No additional human resources are foreseen to be required in 2019.

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. Also, the EIT will be faced with an increasing budget, complexity and workload as the Institute grows and as a consequence of the potential full financial autonomy.

Moreover, during the reporting period, the EIT will continue to implement its simplification strategy aimed to align and optimize 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 will be accompanied by a streamlining of the EIT's organisation structure, centralising functions, merging closely related operations into teams, for example in the area of IT support.

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 focussed on core business, for example via the closure of the EIT Foundation in 2015, which has led to some decrease of existing tasks. 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 or the creation of an Impact Fund 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 enlarged 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 slightly modified to reflect the efforts to make the organisation leaner, clarify reporting lines and strengthen the focus on the core activities. These efforts will be intensified in 2017-2019 to react to the increasing budget, workload and complexity.

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

Year		2014		2015		2016		2017		2018		2019		2020	
EC initial proposal[11]/Granted to the EIT in the Adopted Budget [12]		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**	**70**	**68**	**70**	**68**	**70**	**68**

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[11] 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).

[12] The figures for 2014-2016 are based on the Budget and Establishment Plan adopted. The figures for 2017-2019 contain further staff requested in Table B above (i.e. AD 8 Project Officer, 4 AD 6 Finance/Project Officers) in accordance with the LFS accompanying the EIT Amended Regulation.

Section III – Work programme 2017

1. Executive summary

The workload in various specific areas of the EIT will remain considerable in 2017, with remarkable number of outputs scheduled for completion and outlined in this work programme. In its eight 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 2017, 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, and pending a positive outcome of the EIT evaluation, the EIT will prepare the Call package for one additional KIC in 2017 in the field of Urban mobility while it will support the set-up process of the partnership selected as new KIC in 2016 in the field of Food4Future.

The EIT will further promote collaboration and competition among the existing five KICs through implementing a set of targeted cross-KIC actions such as the EIT label and development of a common Entrepreneurship Agenda.

To further increase awareness of the EIT Community, the EIT will focus its communications activities in 2017 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, and will develop a new Communications Strategy by the end of 2017. In 2017, the EIT will continue to provide guidance and support to all KICs to further strengthen the EIT Regional Innovation Scheme (EIT RIS) with a view to achieving the overall strategic objective of enhancing the innovation capacity in 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 2017, the EIT will continue to support the development of the EIT Alumni Community by organising the fourth edition of the EIT Alumni Connect event and setting up the EIT Alumni Community Secretariat. The 2017 EIT Awards will be an integral part of the EIT Stakeholder Forum - INNOVEIT 2017, and will showcase EIT success stories and will further enhance awareness about the EIT.

In 2017, 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 European Fund for Strategic Investments (EFSI). This includes assisting the KICs to maintain and manage a pipeline of investment projects that will deliver real leverage from the investments made into KICs. 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 2.3 billion of EU funds in the 2014-2020 period.

2017 will be the second 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 this respect, the EIT will also assist the European Commission in the mid-term review of Horizon 2020 and of the EIT. In 2017, the EIT will reinforce the development of a robust impact framework in close consultation with KICs.

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 largely determined by the needs for the new Strategic Innovation Agenda, that the EIT will continue preparing in 2017, based on the roadmap developed in 2016 and based on lessons learnt from its operations. 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.

Through the planned outputs for 2017, 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 2017 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 2017 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 type of activities:

- Promoting the Collaboration and Competition among KICs through its investments in the five 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 the grant management cycle and align procedures and methodologies for 7 KICs and 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 manage the programming and grant allocation process 2018 through enhanced guidance issued in 2017 and including further streamlined processes.

2. Complete on time the signature of Specific Grant Agreements (SGA) with five KICs, and Start-up Grant Agreements (SUGA) with the new KIC designated at the end of 2016, enhancing sound financial management and steadily consolidating the governance of KICs.

3. Increased grant assurance through adequate support, guidance and control of KICs during the grant implementation through sound financial management, the development of cross-KIC activities, the efficient processing of amendments, the management of KIC partner entry and exit and incorporation of lessons learnt.

4. Efficient reporting, performance assessment and timely payment processes leading to a high level of grant assurance, decrease of the financial error rates and efficient absorption of EIT funds by the KICs.

5. Efficient and effective IT tools, to support grant management, are in place.

Actions	Indicator	Target	Main outputs
Grant allocation process / programming	Effectiveness and timeliness of funding allocation process to six KICs under grant allocation process 2018	Full allocation of available funds to six KICs by Q4 2017 and implementation of the simplified rules to improve the Business Plan 2018 issued	Business Plan guidelines for KICs including assessment on feasibility of multiannual grants Business plans submitted timely by all six KICs Business Plan, Dashboard and multiannual assessment reports completed by the EIT EIT Governing Board decision on competitive funding under the annual grant allocation
		Dedicated system to support cross-KIC cooperation designed and launched	Dedicated allocation of funds for cross KIC cooperation in place
Contracting and pre-financing payment of KICs	Timely signature of Grant Agreements	Signature of Specific Grant Agreements 2017 and Start-up Grant Agreements by end February 2017	Five signed Grant Agreements 2017 and one signed Start-up Grant Agreement Six pre-financing payments made
Improving the grant assurance framework and support and guidance for KICs to ensure sound financial management	Error rate of the KIC financial transactions Improvement in the absorption capacity of KICs	Final error rate remains below 2% for Specific Grant Agreements 2016 95% of the grants awarded to KICs are actually spent (GA 2016)	Calculation of error rate Grant absorption rate measured
	Effective coordination and collaboration with KICs Timely issuance of guidance documents and replies to KIC queries	At least 4 EIT-KIC Forum meetings successfully completed by Q4 Additional guidance and FAQ tool in use for KICs on programming, implementation, reporting and fostering EIT identity, including EIT label by the deadlines fixed in the grant cycle calendar	Agenda and action points of meetings Additional guidance documents issued by the EIT to KICs FAQ tool for KICs

Reporting, performance assessments payments and audits	Timely processing and finalisation of performance assessment and ex-ante verifications of 2016 KIC Reports	Specific Grant Agreements 2016 assessed by end July 2017 and payments made by August 2017	Ex-ante verification (including performance/ KPI and cost assessment) completed for five 2016 KIC Reports
	Improved efficiency of the ex-ante verification of KIC reports ('first time right reporting' implemented)	Compliance with good governance principles ensured for 5 KICs by Q4 2017	Past Performance reports approved Approved final balance payment to five KICs
		20% reduced number of appeals by KICs on EIT verification findings compared to 2016	Letters to KICs issued responding to EIT verification report
	Centralisation and timely contracting and delivery of the CFS audits	Contract(s) with CFS auditors signed by Q4 2017	CFS auditors contracted to carry out approximately 140 audits
	Timely processing and finalisation of ex-post audits	Audits completed by end April 2017 (reports for SGA 2015)	Final ex-post audit reports on SGA 2015
		Auditors selected by Q4 2017 (selection for SGA 2016)	Signed contract for ex-post audit on SGA 2016
Grant IT tools	Timely revision and upgrade to ensure comprehensiveness of the Reporting and Business Planning modules of the EIT's grant management tool	Reporting 2016 (Q1) and Business Planning 2018 (Q3) IT tools are effective and fully in use, users at EIT and in KICs adequately supported and trained	Report on consolidated data availability and functionality of the systems User guidelines and training report

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:

- Further develop the EIT entrepreneurial education agenda, including the implementation of the improved EIT Label Framework and the extension of the pilot on women entrepreneurship.
- Provide funding to a pilot project supporting the integration of refugees.

Actions	Indicator	Target	Main outputs
Further develop the EIT knowledge	Harmonised approach implemented to EIT	All new and existing EIT labelled masters	EIT approval decisions for EIT labelled courses

triangle integration agenda based on education review	Labelled masters, doctoral programmes and modules	and doctoral programmes aligned with revised EIT Label handbook by end 2017	
	Entrepreneurial education activities are expanded beyond the current EIT Label approach	Based on the cross-KIC education activities, education review and education panel discussion a common agenda for entrepreneurial education activities is defined	Action plan set up to implement the recommendations of the education review
	Effective promotion of women entrepreneurship, digital skills and leadership increasing the innovation talent base	Women entrepreneurship, digital and leadership skills enhanced among 12-18 year olds, covering 5 EIT RIS eligible countries and reaching 500 participants	Activities on women and entrepreneurship, digital and leadership skills completed and mechanism for further scaling up in 2018 designed
Pilot project to support refugee integration	Pilot project launched to educate refugees on entrepreneurship and innovation	One pilot project launched by Q2 2017 ensuring entrepreneurship and innovation education of at least 100 refugees	Pilot completed and final report issued, including lessons learnt and proposal for a scaling up

Fostering Growth and Creating Impact

Objective: The objective in 2017 is to create synergies and expand structured cooperation with other programmes 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 synergies between KICs and other EU programmes (notably but not exclusively Horizon 2020 thematic challenges, Joint Programming Initiatives and Joint Undertakings, the Competitiveness and SMEs Framework Programme, the European Structural and Investment Funds, including via related smart specialisation strategies) for the integration of Knowledge Triangle.

- Implement joint activities with the Joint Research Centre under the Memorandum of Understanding concluded in 2016.

Actions	Indicator	Target	Main outputs
Promotion of synergies with other EU initiatives	Synergies of EIT activities with other EU programmes (e.g. other H2020 programmes, ESIF, IPA, Copernicus, EFSI), funding bodies (e.g. EIB, EIF) and policies (e.g. Digital Agenda, SET Plan etc.) and structured dialogue in place, including joint initiatives[13]	At least two new joint projects creating positive synergies for the EIT and establishing a structured cooperation with other programmes under way by Q4 2017	Synergy projects approved and launched
Implementation of the EIT-JRC MoU	Joint activities with JRC based on the MoU carried out successfully	At least two joint activities with JRC (e.g. foresight study, education, IPR or research infrastructure) Coordination mechanism operates as designed in the MoU	Report on the completed pilot actions Reports from the coordination mechanism and meetings

2.1.1.2   Creating new KICs

Objective: The EIT will support the efficient and effective setting up of EIT Food. It will also ensure that framework conditions for selecting a new KIC in the area of Urban Mobility in 2018 are in place and will set up processes that ensure competition and a fair and transparent selection process. Furthermore, the EIT will carry out a detailed analysis leading to the non-designation of EIT Manufacturing in 2016 with a view to potentially re-launching the call for KIC proposals in the theme Added-value Manufacturing.

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

- Prepare the 2018 KIC call package
- Support the start-up process of EIT Food
- Raise awareness to the 2018 KIC call

Actions	Indicator	Target	Main outputs
Preparation of the Call package for the 2018 call	Lessons learned from the 2016 KIC call The call package approved by the EIT Governing Board	Lessons learned document approved by the EIT GB by Q2 2017 Call package approved by Q4 2017	Lessons learned document The Call package approved and ready for publication
Support in the setting up process of the EIT Food	Start-up Plan implemented, incl. KIC Legal Entity set up,	Start Up plan implemented by Q4	EIT report to the GB on the start up plan

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[13] EIT Awards will highlight if the award winner received funding from EISF, H2020, or other EU programmes.

	management team in place and FPA signed Business Plan 2018 timely submitted	2017, KIC designated and FPA awarded Business Plan submission by Q3 2017	GB decision on designation FPA award Business Plan submitted
Communications activities linked to the EIT's 2018 Call for KIC proposals	Effective awareness and information campaign for the 2018 Call for KIC proposals, targeting relevant stakeholders and potential applicants to maximise participation	Awareness and information activities implemented by the end of 2017, including a joint event with DG MOVE Efficient and effective preparation for 2018 Information Day completed by Q4	Awareness and information campaign plan 2017 implemented Event with DG MOVE in March 2017 Report from the information dissemination campaign 2017

2.1.2 Enhancing the EIT's Impact

In 2017, and based on the roadmap developed in 2016, the EIT will continue preparing its draft seven-year Strategic Innovation Agenda (SIA) for submission to the European Commission at the latest by 30 June 2018. The EIT will closely co-operate with KICs, it will take into account inputs from external experts and, as appropriate, consult relevant stakeholders through various fora, including the Stakeholder Forum. The next SIA will be built upon initial impacts of the EIT's and KICs' activities, lessons learnt as well as results available of EIT reviews and evaluations. In addition, the EIT will further analyse potential synergies and complementarities between its activities and other EU initiatives in preparation for the submission of the SIA 2021-2027.

The EIT will also focus its communications activities on one overarching objective during 2017, namely increasing the level of awareness and understanding of the EIT Community's activities and achievements among its external stakeholder community. The EIT will continue to implement the EIT's Communications Strategy, in particular by continuing to increase its media activities. 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.

The EIT's Regional Innovation Scheme, EIT Alumni Community and EIT Awards are dedicated tools that enhance the impact of the EIT through targeted action at the level of the EIT, complementing the activities of KICs. In addition, the EIT supports activities to enhance its stakeholder engagement and outreach to selected third countries.

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
Preparation of the EIT Draft Strategic Innovation Agenda 2021-2027	Timely implementation of the SIA roadmap Efficient and effective stakeholder consultation	Approved building blocks by Q2 2017 Approved scope of content to be covered by Q3 2017 Draft outline document by Q4 2017 Relevant studies completed, collected and main recommendations compiled SIA working group operational Stakeholder consultation completed by Q4 2017	First draft outline of SIA for consultation Minutes of SIA working group Summary document of completed studies and main strategic recommendation Report on stakeholder consultations

2.1.2.2 Fostering Knowledge Exchange through Communication and Dissemination

Fostering Knowledge Exchange through Dissemination

Objective: Increase awareness of EIT Community activities and achievements through the active promotion and dissemination of information to external stakeholders.

The following actions will be carried out to achieve this objective:

- EIT Corporate Communications to disseminate information about results and activities
- Further enhancement of targeted dissemination of results via a web-based tool
- Implementation of 2017 integrated communications campaign
- Development of new EIT communications strategy

Actions	Indicator	Target	Main outputs
EIT Corporate Communications	Up to date and high quality website leading to an increase in visits	5% increase in unique visitors to the EIT website in 2017 compared to 2016	Website statistics

		based on unique visitor statistics	Newsletters
	Timely and targeted communication of EIT Community news, events and calls through the EIT Newsletter	Monthly newsletter issued and positive feedback received	
	Effective coordination mechanism with KIC communications	At least 3 meetings of the communications network and structured coordination mechanisms in place	Minutes of EIT-KIC communications network meetings
Exploration of further enhancement of a web based tool to provide a platform for knowledge sharing and networking around the EIT	Feasibility study for the use of a web-based tool completed	Feasibility study completed by Q4 and cooperation with existing tools tested (e.g. Commission, Agency or EP tools such as CORDA)	Feasibility study for a web-based tool, including outcome of pilots
Implementation of EIT 2017 Integrated Communications Campaign	Quantitative and qualitative increase in EIT media coverage, with focus on EIT level highlights such as INNOVEIT and KIC call and results achieved by KICs	5% increase in EIT press (print and online) coverage in 2017 compared to 2016 statistics	Media monitoring report Accepted success stories from KICs EIT mentions in media publications and articles
	Quantitative increase in likes/followers on social media channels	10% increase in the number of unique users, including "like" the EIT Facebook and "following" the EIT Twitter in 2017 compared to 2016 statistics	Dissemination / postings of information and results to external stakeholders through EIT social media channels: wider social media reach and engagement.
Development of new EIT Communications Strategy	Successful development of the new EIT Communications Strategy	New EIT Communications Strategy adopted by EIT Director in Q42017	New EIT Communications Strategy

EIT Regional Innovation Scheme (EIT RIS)

Objective: The EIT Regional Innovation Scheme (EIT RIS) aims to provide opportunities to partnerships of higher education institutions, research organisations, companies and other relevant stakeholder organisations to benefit from closer linkages with the KICs, thereby creating an increased innovation capacity based on the integration of

the knowledge triangle. Moreover, an enhanced EIT RIS aims for a common approach on EIT RIS among KICs with the aim of increasing the impact and efficiency 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 2017 based on bi-annual EIT RIS reports	Monitoring summary report of EIT RIS Allocation of EIT funding to KICs to cover EIT RIS activities
	Widening of participation by EIT RIS eligible countries in EIT activities and deepening collaboration with local networks	At least 50 new partner organisations engaged with KICs implementing the EIT RIS and demonstrating the involvement of local actors previously not involved in EIT activities	New partner organisations from EIT RIS countries actively engaged with KICs
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
	Timely revision of and agreement on the EIT RIS guidance	Revised EIT RIS guidance by Q1 2017	Revised EIT RIS guidance communicated to the KICs
	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)
		At least two awareness days organised in EIT RIS eligible countries in cooperation with KICs	Awareness days and reports

2.1.2.3 Fostering and Attracting Talent

EIT Alumni Community 2017

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
EIT Alumni Work Plan supported	Efficient and effective management of the EIT alumni community	Effective support for the implementation of the EIT Alumni 2017 work programme provided	Report on 2017 work programme implementation
		Approve EIT Alumni 2018 work programme	EIT Alumni work programme 2018
		Successful EIT Alumni Connect event as part of INNOVEIT	Alumni CONNECT event held as part of INNOVEIT

2.1.2.4   Enhancing Stakeholder Engagement

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.

Actions to achieve this objective:

- Engagement with institutional and knowledge triangle stakeholders
- Organisation of INNOVEIT 2017
- Preparation of the Stakeholder Forum 2018
- Establishment of the EIT House in Brussels
- Pilot of the stakeholder engagement tool

Actions	Indicator	Target	Main outputs
Engagement with institutional and knowledge triangle stakeholders	Structured dialogue and joint projects with selected institutional and knowledge triangle stakeholders	Mapping and prioritisation of key stakeholders and topics of common interest in place by Q2 2017	Stakeholder mapping adopted
	Active participation in key events with maximum relevance in terms of participants, content awareness raising and media multipliers for the EIT	3 concrete joint projects under implementation with key stakeholders	Reports from joint projects
		Following assessment, targeted participation of EIT representatives (including EIT Governing Board members) in at least 20 international events of key stakeholders	Speeches, presentations, mission reports and media articles on events
Organisation of EIT Stakeholder Forum INNOVEIT 2017	Targeted information provided and dialogue with key stakeholders	Participation by at least five knowledge triangle representatives of all	EIT Stakeholder Forum 2017 conducted

	Positive, above-average feedback received from participants (as measured by a dedicated survey)	three sides and 75% of EU Member States > 75 % of feedback received above average	
Preparation of the EIT Stakeholder Forum 2018	Concept for the 2018 edition of the EIT Stakeholder Forum based on lessons learnt from previous editions	Evaluation review of the 2017 EIT Stakeholder Forum available by Q4 2017	Draft concept note of the EIT Stakeholder in 2018 considering the specific stakeholders' needs
Establishment of an "EIT House" in Brussels	Effective strategy and programme for the EIT House agreed with KICs	EIT House in Brussels established including overarching strategy and programme agreed with KICs to maximise impact on stakeholder engagement and EIT visibility awareness raising	Strategy and work programme of the EIT house
Pilot of the stakeholder management tool for the EIT	Stakeholder management tool piloted	Piloting of a tool to support stakeholder mapping and contact management by Q2 2017	Report on the pilot phase of the stakeholder management tool

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 international organisations	Establish structured dialogues in targeted Third Countries on knowledge triangle integration issues	Structured dialogue set up in at least two of the targeted countries and international organisations by Q4 2017	Report on engagement

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 2017 EIT Awards will be an integral part of the EIT Stakeholder Forum - INNOVEIT 2017, which will be held in Budapest. The 2017 EIT Awards will comprise three main categories: EIT Venture, EIT CHANGE and EIT Innovators. The objectives of each of the EIT Awards are the following:

- The EIT Venture Award will put in the spotlight successful entrepreneurial start-ups which have been supported by KICs through a dedicated business creation or business development process;
- The EIT CHANGE Award will celebrate graduates from EIT labelled education programmes who spur innovation and entrepreneurship and bring about a change in the thematic areas addressed by the EIT and KICs;
- The EIT Innovators Award will acknowledge KIC innovation teams composed of individuals from across the Knowledge Triangle who have developed a product, service or process with a high potential for societal and economic impact.

The implementation of the 2017 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
An European-wide promotion of their businesses and the prerogative to use the label "EIT Venture/ CHANGE/ Innovators Award Winner 20xx" in their profiling and marketing activities		
EIT Financial contribution of EUR 50,000	EIT Financial contribution of EUR 15,000	EIT Financial contribution of EUR 50,000

Also during 2017, the preparations for the 2018 EIT Awards will start, including the launch of the competition in the three aforementioned categories.

Actions	Indicator	Target	Main outputs
Organisation of the 2017 EIT Awards	Timely implementation of the 2017 EIT Awards	2017 winners of all three categories awarded in October 2017	Three 2017 EIT Awards winners (with appreciation for the best woman entrepreneur)
Preparation of the 2018 EIT Awards	Timely launch of the preparation for the 2018 EIT Awards competition	EIT CHANGE and EIT Innovators Awards preparations launched by end December 2017	Preparations for 2018 EIT Awards competition launched

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 prepare for the launch of an Impact Fund.

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 2017, the EIT will continues its drive for simplification and 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

As part of its efforts to reduce complexity, the EIT will implement throughout 2017 the actions stemming from the recommendations of Special Report 4/2016 of the European Court of Auditors.

In 2017, a second waves of KPIs emanating from the 2015 KPI review will be introduced. 2017 will be the second 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 improve the underlying processes and obtain good practices.

2.1.3.1   EIT-KIC Relations

The Role of the EIT as an Investor and KICs' Financial Sustainability Strategies

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.

-   Conduct a 7-year review of KICs in 2017 with a focus on financial sustainability, impact, governance and business processes.

-   The EIT will explore the possibility to create an Impact Fund as a new funding mechanism for KICs and beyond. This Fund would establish a consistent and scalable approach to the funding needs of start-up companies, filling the gap in early stages of their development. Its launch is conditional on a positive outcome of the ongoing consultations with all relevant stakeholders.

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 Q3 2017	Assessment reports of KICs' financial sustainability strategies; specific guidance issued (as appropriate)
7-year review of KICs	7-year review of KICs carried out assessing their impact, governance, processes and progress towards financial sustainability and developing tools to determine their level of support in the future	7-year review including recommendations finalised and submitted to the GB by Q4 2017	Report on the 7-year review
Set-up the EIT Impact Fund	Completed the preparation of the impact fund, including the funding conditions, legal framework and investment strategies	Consultation completed, legal framework, fund documentation and investment strategies prepared by Q4 2017	Reports on funding conditions, legal framework, fund documentation and Investment strategies
	Procurement procedure is carried out to select investment company	Launch call in Q3 2017, investment company selected in Q4 2017	Professional Investment Company is selected

2.1.3.2 Simplification

The EIT will implement throughout 2017 the actions stemming from the recommendations of Special Report 4/2016 of the European Court of Auditors.

Simplification roadmap

The objective of simplification for the EIT is to increase its internal efficiency and to achieve results effectively while maintaining a high level of assurance for the EUR 2.3 billion of EU funds managed in the 2014-2020 period.

Actions to be completed to achieve this objective:
- Implementation of high impact simplification ideas.

Actions	Indicator	Target	Main outputs
Identification and implementation of high impact simplification ideas	Implementation of the most promising ideas for simplification	At least three agreed high impact measures on simplification adopted by the EIT-KIC Forum and implemented by the TF simplification by Q4 2017	Reports by the TF simplification Simplified processes

		Feasibility study(ies) of selected 'out of the box' ideas for simplification completed by Q4 2017	Feasibility study(ies)
		At EIT level, at least three additional efficiency gains implemented by sharing services with other Agencies/ EU bodies	EU Agency services catalogue
	Implementation of the ECA action plan to reduce complexity	At least 90% of ECA action plan implemented by end 2017	ECA action plan progress reports

2.1.3.3   Monitoring, Impact Analysis and Evaluation

Implementation of the EIT monitoring strategy

Objective: Implementation of the EIT's monitoring strategy and monitoring plan for 2017.

This will entail the following actions:
- Innovation review
- Finalise the assessment of the Knowledge Triangle Integration launched in 2016
- Continuous and systematic monitoring of KIC activities
- Development of a fully-fledged Business Intelligence tool

Actions	Indicator	Target	Main outputs
Innovation review including the review of IPR	Evaluation of KIC innovation actions and identification of good practices in the thematic area	Timely finalisation of the review in Q3 2017	Final report
Knowledge Triangle Integration (KTI) assessment	Timely completion of the KTI assessment	KTI assessment completed by Q2 2017	KTI assessment report
Implementation of the 2017 monitoring plan in line with the approved EIT monitoring strategy	Conduct of risk based monitoring activities by EIT staff	Monitoring plan implemented by Q4 2017 (target: 17 visits)	Reports and recommendations from monitoring activities
Development of the Business Intelligence tool	Timely development of the EIT-KIC Business Intelligence Tool	Fully-fledged and reliable Business Intelligence tool in place by Q4 2017	Inputs provided to EIT GB, EIT-KIC Forum, Member State configuration

Evaluation and impact assessment

Objective: Implementation of the EIT's evaluation strategy for 2017.

This will entail the following action:
- Contribute to the mid-term review of Horizon 2020 and the interim evaluation of the EIT
- Finalise the global and European impact analysis of the EIT and KICs from 2010 to 2016 launched in 2016Implement where appropriate the recommendations and outcomes from the above evaluations, assessments and studies
- Develop the EIT's Impact Framework

Actions	Indicator	Target	Main outputs
Contributing to the two mid-term reviews/evaluation	Timely contribution to the two mid-term reviews/evaluation	The EIT contributions to the mid-term reviews/evaluation completed by Q4 2017	Contribution to the mid-term review report and the EIT evaluation Staff Working Document issued by the Commission
Finalise the EIT-KICs impact analysis	Timely provision of guidance and assistance to the consultancy firm to finalise the impact analysis	EIT-KICs impact analysis completed by Q2 2017	Final report and presentation on the EIT-KICs impact analysis
Follow up on the recommendations and outcomes from the above evaluations	Roadmap developed to address systematically the recommendations and outcomes from the evaluations	Roadmap approved and monitoring tool in place by Q4 2017	Roadmap and specific action plan to implement recommendations Monitoring tool in place
Development of the EIT Impact Framework	Developing the EIT Impact Framework in accordance with the respective ToRs in close collaboration with KICs	Draft socio-economic impacts and impact indicators developed by Q4 2017	Draft set of impacts and indicators developed

2.2 Horizontal activities

2.2.1 Strategy: Co-ordination and Implementation

2.2.1.1   Strategy definition and coordination

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 Single 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) as well as administrative file handling.

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 2017 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 and other meetings with GB Members participation including the meeting(s) with the KIC Chairmen	Effective and timely preparation and implementation of at least 4 regular GB meetings, 4 regular Executive Committee (ExCo) Meetings and annual KIC Hearing in compliance with all applicable rules and procedures	GB, ExCo and KIC Hearing agendas, minutes and decisions
		Selection of 4 new GB members by Q4 2017	Call and selection of 4 new GB members

Planning, programming and reporting

Objective: Enhanced planning and procedures of the EIT increasing efficiency and ensuring sound financial management.

To achieve the above objective, the EIT implements its annual cycle of planning, programming 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 2018, Draft budget 2019, AAR 2016, Budget implementation report 2016, Report on budgetary and financial management 2016 produced and transmitted on time EIT Governing Board adopts the Single Programming Document 2019-2021, Budget 2018 and Draft Budget 2019 by mid-Dec 2017	AAR 2016, SPD 2019-2021, Budget 2018, Draft budget 2019, Report on budgetary and financial management 2016
	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
Implementation of the Annual Work Programme	Timely implementation of the Annual Work Programme part of the SPD 2017	95% of activities implemented by Q4 2017	Consolidated Annual Activity Report 2017 (in 2018)

Internal control and risk management

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 Q2 2017	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 2017 implemented by Q4 2017	Improved anti-fraud procedures

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.	> 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	Agenda and minutes of weekly management and unit meetings Complete and updated job descriptions and objectives of staff
	Action Plan for Internal Communication and Work Environment is implemented	90% of action plan is implemented by Q4 2017	Review of action plan by management
Conduct staff survey including internal communication	Level of staff satisfaction with internal communications	Increased staff satisfaction by end 2017 compared to previous year	Regular annual staff survey

2.2.2 Administrative support

2.2.2.1 Human Resources

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 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
Introduction of SYSPER HR management system	Adoption of the SYSPER system after the analysis and customisation phases	SYSPER in production use by end of 2017	Current systems (LeaMa, eHR, manual appraisal exercise) replaced by SYSPER
Implementation of the EIT Traineeships programme	Trainees support EIT activities and increase knowledge of EIT	At least 10 traineeships successfully completed in 2017	Traineeship reports
Ensure full use of available human resources	Reduction of the vacancy rate	Not more than 5 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 60% staff satisfaction based on the result of the staff engagement survey	Staff engagement survey
	Completion of the actions in the IAC action plan	Implementation of the action plan resulting from the IAC report	Improved procedures

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	> 95% of non-grant commitment and payment appropriations absorbed by Q4	AAR 2016, Final Accounts Commitments, payments, exception and error reports
	Legality and regularity of Commitments and payments	For <2 % of commitments and payments errors are detected ex post	
Procurement	Efficient and effective procurement procedures completed	85% procurement procedures completed in line with the 2017 procurement plan by Q4 (subject to the initiation of the operational units) including 100% of the prioritised procurement procedures	Concluded contracts

Monitoring of updated procurement plan |
| | | Less than 3% of procurement procedures trigger complaints / court cases | 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 2016 by Q2

All payments carried out <20 calendar days after receipt and registration of the invoice. | Final Accounts for 2016

Payments made from EIT account. |

2.2.2.3   ICT, Document Management and Infrastructure

Management of Information and Communication Technologies (ICT)

The objective is to provide support for IT core business processes and ensure effective and efficient work of EIT staff.

The EIT provides a wide range of ICT services to provide staff and external stakeholders with a secure and reliable ICT environment allowing for effective and efficient work and information.

General ICT services include inter alia: data network operations, help desk, PC/Client support, software support, Systems administration and programming, voice communications, web publishing, Internet access, and printing. These services are the minimum required to provide the Institute with basic ICT support.

Individualised ICT services for staff members include inter alia: desktop/thin client and mobile computers, Intranet (SharePoint based) access, remote data access, mobile phones and e-mail management.

In 2017 the EIT will further follow-up on the continuous review of relevant IT policies, procedures, documentation and tools in order to enforce better control and reduce work load.

Actions	Indicator	Target	Main outputs
Provide adequate ICT systems and infrastructure	Adequate IT and infrastructure tools available to staff and backup solutions in place	Make general and individualised IT systems permanently available to all staff as required. First and second level support functions effectively New off-site backup system installed at CEPOL Conference facility set up for the EIT Governing Board meetings End-of-life printers, beamers and other IT equipment replaced	Available IT systems to all staff and external users Backup stored Facility in place ICT systems operational and business continuity ensured. Reports on incidents and user requests
	Open call for development and maintenance of IT services concluded	New Framework Contract in place by Q4 2017	
	Hours of continuous downtime of systems minimised and timely response to individual user requests provided	Maximum one hour downtime of system per incident and <5% of user requests require more than one day to resolve	

ICT Governance	Improved IT governance through implementation of existing policies the IT action and audit plan	100% of actions from the IT action plan implemented by Q4	Improved IT Governance and procedures
		At least 5 meetings of the IT Steering Committee	IT Steering Committee agenda and minutes.
		Business owners of IT tools ensure IT tools remain effective	Reports by business owners on IT tools at the IT SC
		Server and client infrastructure fully operational. 99.5 % operability of the systems.	
		Access management policy implemented	
		EIT IT infrastructure based on thin clients for easier administration and security management.	
		Comprehensive security monitoring in place by installed software packages	
Security	Improved IT security through implementation of the IT action and audit plan	Security weaknesses identified in CERT-EU reports remedied within two weeks and discussed at the IT SC.	Reports by CERT-EU and software packages Periodical reports by the EIT LISO

Document Management

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.

Actions	Indicator	Target	Main outputs
Document Management System	Reliable and comprehensive implementation of DMS	Comprehensive DMS remains fully operational and updated filing plan and document management related decisions by Q1 2017	Updated filing plan DMS available on SharePoint Upgrade of filing register

	Timely revision of Policies and Practices in line with the action plan following the IAC recommendations (DMO, LSO, LISO and DPO related tasks)	At least 90% of actions implemented in line with the DMO action plan by Q4 2017	Updated decisions, procedures and policies
	Introduction of the ARES document management IT system	ARES IT system introduced and operational by Q4 2017	Transition plan to ARES adopted by the IT SC ARES IT system in operation
Provision of mailing services	Mails expedited timely	Mails sent on the same day	Mails sent
	Incoming mail registered and processed timely in line with policy	Mails received are registered and distributed on the same day	Mails registered

Logistics and Building Management

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.

The EIT provides an asset register, mail and courier services, stock management for office supplies and furniture, catering for small meetings, general meeting support services, liaison with the facility manager of the EIT landlord, cleaning services, repairs and support, also in security related matters in collaboration with the EIT Security Officer (LSO).

Actions	Indicator	Target	Main outputs
Asset management	Accurate assets register in line with physical use/storage	Up-to-date ABAC ASSET Inventory with >98% accuracy	All assets are labelled and registered in ABAC Assets Insurance policy for EIT assets introduced
Rationalisation and maintenance of adequate infrastructure	Response time to building and security-related issues	>98 % of building and security related incidents are reported to the external building management within one working day	Completion of incidents and repairs of damages Incidents register Annual fire inspections completed
	Reorganisation, upgrade and optimisation of the office space	Office space upgraded and optimised by Q4 2017	Updated floor plan, new offices created and adequate furniture installed

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 2017 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 2017	Audit plan for 2017-2019
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 2017	Reports on audit findings and recommendations in line with the audit plan.

Annexes

Annex I: Resource allocation per activity 2017 - 2019

Activity	Operational HR 2017	Operational HR 2018	Operational HR 2019	Total cost –Budget (operational and administrative expenditure), EUR 2017	Total estimated cost (operational and administrative expenditure), EUR 2018	Total estimated cost (operational and administrative expenditure), EUR 2019
Consolidating, fostering growth and impact of the KICs	14,0	16,0	17,0	328,070,969	397,842,541	452 718 000
Creating new KICs	3,0	3,0	1,0	555,187	410,247	200 000
Fostering knowledge exchange trough dissemination and outreach	4,0	5,0	5,0	1,383,583	1,492,078	1 200 000
Fostering and attracting talent	2,0	2,0	2,0	461,791	456,831	1 000 000
Enhancing stakeholder engagement	7,0	7,0	7,0	1,462,520	1,558,910	1 300 000
Simplification	0,5	0,5	0,5	69,198	71,708	200 000
Monitoring, impact analysis and evaluation	6,0	6,0	7,0	2,377,874	3,045,994	1 300 000
Strategy: Coordination and implementation	8,0	8,0	8,0	787,166	827,325	1 000 000
Administrative support and coordination	20,5	20,5	20,5	2,017,112	2,120,021	2 700 000
TOTAL	65,0	68,0	68,0	337,185,399	407,825,655	461,618,000

Annex II: Financial resources 2017 – 2019

Table 1 - Expenditure

Expenditure	2016		2017	
	Commitment appropriations	Payment appropriations	Commitment appropriations	Payment appropriations
Title 1 - Staff expenditure	4,707,662.00	4,707,662.00	5,367,180.00	5,367,180.00
Title 2 - Infrastructure and operating expenditure	1,234,530.00	1,234,530.00	1,028,540.00	1,028,540.00
Title 3 - Operational expenditure	278,405,050.00	262,821,951.00	330,789,678.84	324,440,672.42
Title 4 – Cancelled appropriations	9,012,879.42	4,520,339.39	p.m.	4,520,339.39
TOTAL EXPENDITURE	293,360,121.42	273,284,482.39	337,185,398.84	335,356,731.81

EXPENDITURE COMMITMENT APPROPRIATIONS	Executed Budget 2015[14]	Budget 2016	Budget 2017	Envisaged in 2018	Envisaged in 2019
Title 1 Staff Expenditure	3,776,915.96	4,707,662.00	5,367,180.00	6,081,455.00	5,883,000
11 Staff in active employment	3,088,082.06	3,082,060.00	4,457,000.00	5,110,000.00	4,498,000
12 Recruitment expenses	50,000.00	45,000	35,000.00	36,645.00	35,000
13 Mission	200,000.00	198,000.00	220,000.00	250,000.00	285,000
14 Socio-medical infrastructure	51,500.00	97,800.00	150,280.00	155,500.00	130,000
15 Training	60,552.94	70,000.00	80,000.00	85,000.00	105,000
16 External staff and linguistic support	326,106.46	492,802.00	421,000.00	440,310.00	825,000
17 Representation	674.50	2,000.00	3,900.00	4,000	5,000
Title 2	807,497.27	1,234,530.00	1,028,,540	950,810.00	1,505,000

[14] It shows execution on all fund sources (C1, C2, C3, C4, C5, C8, R0)

Infrastructure and operating expenditure					
20 Building and associated costs	38,330.31	47,400.00	112,850.00	51,060.00	140,000
21 Information and communication technology	360,717.89	397,550.00	217,600.00	171,850.00	460,000
22 Movable property and associated costs	106.10	101,550.00	83,500.00	16,000.00	50,000
23 Current administrative expenditure	234,273.53	342,250.00	280,400.00	312,800.00	380,000
24 Publications, Information, studies and surveys	2,826.79	27,000.00	7,000.00	27,600.00	35,000
25 Meeting expenses	171,242.65	318,780.00	327,190.00	371,500.00	440,000
Title 3 **Operational expenditure**	**246,045,775.21**	**278,405,050.00**	**330,789,678.84**	**400,793,389.88**	**454,230,000**
30 Grants	243,171,060.54	275,000,000	324,203,428.84	393,707,889.88	450,000,000
31 Knowledge and Innovation Communities	1,200,981.43	1,808,010.00	2,690,000.00	2,520,000.00	1,800,000
32 EIT's Impact	1,551,451.24	1,161,440.00	2,088,750.00	2,120,000.00	1,950,000
33 Simplification, Monitoring and Evaluation	122,282.00	435,600.00	1,807,500.00	2,445,500.00	480,000

Title 4 Cancelled appropriations	30,114,704.26	9,012,879.42	p.m.	p.m.	p.m.
40 Cancelled appropriations not used in year N	30,114,704.26	9,012,879.42	p.m.	p.m.	p.m.
TOTAL EXPENDITURE	280,744,892.70	293,360,121.42	337,185,398.84	407,825,654.88	461,618,000

EXPENDITURE PAYMENT APPROPRIATIONS	Executed Budget 2015[15]	Budget 2016	Budget 2017	Envisaged in 2018	Envisaged in 2019
Title 1 Staff Expenditure	3,634,394.83	4,707,662.00	5,367,180.00	6,081,455.00	5,883,000
11 Staff in active employment	3,088,082.06	3,082,060.00	4,457,000.00	5,110,000.00	4,498,000
12 Recruitment expenses	50,000.00	45,000	35,000.00	36,645.00	35,000
13 Mission	190,871.45	198,000.00	220,000.00	250,000.00	285,000

[15] It shows execution on all fund sources (C1, C2, C3, C4, C5, C8, R0)

14 Socio-medical infrastructure	39,533.08	97,800.00	150,000.00	155,500.00	130,000
15 Training	27,435.13	70,000.00	80,000.00	85,000.00	105,000
16 External staff and linguistic support	237,798.61	492,802.00	421,000.00	440,310.00	825,000
17 Representation	674.50	2,000.00	3,900.00	4,000	5,000
Title 2 Infrastructure and operating expenditure	453,778.62	1,234,530.00	1,028,540.00	950,810.00	1,505,000
20 Building and associated costs	9,508.31	47,400.00	112,850.00	51,060.00	140,000
21 Information and communication technology	125,476.71	397,550.00	217,600.00	171,850.00	460,000
22 Movable property and associated costs	106.10	101,550.00	83,500.00	16,000.00	50,000
23 Current administrative expenditure	203,475.26	342,250.00	280,400.00	312,800.00	380,000
24 Publications, Information, studies and surveys	2,326.79	27,000.00	7,000.00	27,600.00	35,000
25 Meeting expenses	112,885.45	318,780.00	327,190.00	371,500.00	440,000
Title 3	218,928,268.67	262,821,951.00	324,440,672.42	380,779,430.92	441,100,000

Operational expenditure					
30 Grants	216,726,953.33	258,828,351.00	319,078,922.42	373,688,930.92	435,000,000
31 Knowledge and Innovation Communities	1,221,150.89	1,479,500.00	2,938,500.00	2,500,000.00	2,200,000
32 EIT's Impact	921,350.37	2,176,500.00	1,822,750.00	2,145,000.00	3,300,000
33 Simplification, Monitoring and Evaluation	58,814.08	337,600.00	600,500.00	2,445,500.00	600,000
Title 4 Cancelled appropriations	7,065,708.31	4,520,339.39	4,520,339.39	p.m.	
40 Cancelled appropriations not used in year N	7,065,708.31	4,520,339.39	4,520,339.39	p.m.	
TOTAL EXPENDITURE	230,082,150.43	273,284,482.39	335,356,731.81	387,811,695.92	448,488,000

Table 2 – Revenue

REVENUES	2015	2016	2017		
	Executed Budget	Budget	Revenues estimated by the agency		
1 REVENUE FROM FEES AND CHARGES	0.00	0.00	0.00		
2 EU SUBSIDY	215,030,200.53	254,560,404.99	315,165,464.00		
3 THIRD COUNTRIES CONTRIBUTION (incl. EFTA and candidate countries)	11,987,380.47	11,395,129.93	15,239,101.00		
- Of which EFTA/EEA (excl. Switzerland)	6,321,887.47	6,875,046.93	7,667,780.00		
- Of which third countries	5,665,493.00	4,520,083.00	7,571,321.00		
4 OTHER CONTRIBUTIONS	1,560,000.00	0.00	p.m.		
5 ADMINISTRATIVE OPERATIONS	12,798.38	0.00	p.m.		

6 SURPLUS, BALANCES	1,564,522.98	7,065,708.31	p.m.		
7 CONTRIBUTIONS AND REFUNDS IN CONNECTION WITH THE OPERAIONAL ACTIVITIES	263,239.16	263,239.16	431,827.42		
9 CANCELLED APPROPRIOATIONS			4,520,339.39		
TOTAL REVENUES	230,418,141.52	273,284,482.39	335,356,731.81		

Table 3 – Budget outturn and cancellation of appropriations

Budget outturn	2011	2012	2013	2014	2015
Revenue actually received (+)	9.794.873,69	76.723.092,08	97.196.578,66	167.154.095,48	228,848,153.12
Payments made (-)	6.725.176,21	71.010.665,46	96.181.067,34	164.874.352,73	223,016,442.62
Carry-over of appropriations (-)	3.069.697,48	6.078.654,00	1.015.511,48	1.886.888,06	759,478.94
Cancellation of appropriations carried over (+)	0,00	2.240.031,65	1.635,00	531.028,99	635,963.98

Adjustment for carry over of assigned revenue appropriations from previous year (+)	0,00	366.227,38	0,00	1.015.511,48	725,281.44
Exchange rate differences (+/-)	-45.425,71	-32.714,76	32.628,66	156.156,81	-18,369.75
Adjustment for negative balance from previous year (-)[16]	0,00	-45.425,71	2.161.891,18	2.196.154,68	1,564,522.66
Total	-45.425,71	2.161.891,18	2.196.154,68	4.291.706,65	7,979,629.89

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[16] Balance year N-1 excluded balance(s) reimbursed in year N to the Commission corresponding to carry over appropriations (C5) and other amounts that can still re-entered according with the EIT Financial Rules (Art.14)

Annex III: Human resources – quantitative information for 2017 – 2019

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

Staff population		Actually filled in 31.12.2013 [17]	Authorised under EU Budget 2014	Actually filled at 31.12.2014 [18]	Authorised under EU budget for 2015	Actually filled as of 31.12.2015	Authorised under EU budget for 2016	Authorised under EU budget for 2017	Envisaged in 2018	Envisaged in 2019
Officials	AD									
	AST									
	AST/SC									
TA	AD	24	34	28	34	26	34	36	39	39
	AST	5	5	5	5	4	5	5	5	5
	AST/SC									
Total		29	39	33	39	30	39	41	44	44
CA FG IV		2	6	4	6	4	8	6	6	6
CA FG III		6	8	6	8	9	8	10	10	10
CA FG II		5	6	6	6	6	6	6	6	6
CA FG I										
Total CA		13	20	16	20	19	22	22	22	22
SNE		1	1	1	1	1	2	2	2	2
Structural service providers[19]						1	1	1	1	1

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[17] Including two AD posts where an offer letter had been sent and accepted, but the staff member only started in 2014.

[18] Including 1 AD and 1 FGIII post where an offer letter has been sent and accepted, but the staff member will only start in 2015.

[19] 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

TOTAL (excluding external service providers)	43	60	50	60	50	63	65	68	68
External staff[20] for occasional replacement[21]						1.5	1.5	1.5	1.5

Table 2 - Multi-annual staff policy plan year 2017 - 2019

Category and grade	Establishment plan in EU Budget 2014		Modifications in 2014 in application of flexibility rule		Establishment plan in voted EU Budget 2015		Modifications in 2015 in application of flexibility rule		Establishment plan in Draft EU Budget 2016		Establishment plan 2017		Establishment plan 2018		Establishment plan 2019	
	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
AD 11		1				1				1		1				
AD 10												1		2		2
AD 9		4				5				7		8		9		9
AD 8		9				8				6		5		7		7
AD 7		3				5				9		13		14		14
AD 6		15				14				10		7		5		5
AD 5		1														
Total AD		**34**				**34**				**34**		**36**		**39**		**39**
AST 11																

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[20] FTE

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

AST 10											
AST 9											
AST 8											
AST 7											
AST 6											
AST 5						1			1	1	2	2
AST 4		3				2			3	3	3	3
AST 3		2				2			1	1		
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**			**39**	**41**	**44**	**44**

Annex IV: Human resources – qualitative information for 2017-2019

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 skills and competencies to advance the organisational objectives. The selection procedures at the EIT follow the standards in place in EU Institutions, in terms of process and in terms of candidates' eligibility, while respecting the decision-making process relevant to the EIT. Details on the recruitment procedure are included in the corresponding implementing rules of the Staff Regulations for the EIT, for Temporary and Contract Agents (General implementing provisions on the procedure governing the engagement and the use of Temporary agents; General implementing provisions on the procedure governing the engagement and the use of Contract agents; General implementing provisions on the procedure governing the middle management staff). Regarding the selection process of Seconded Experts, in 2011 the EIT put in place the relevant general implementing provisions (Rules on the secondment of National Experts and National Experts in professional training).

Recruitment of temporary agents and contract agents

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

a) The selection procedure starts with the application phase, which is managed via the EU CV Online tool. The calls for expression of interest fix eligibility and selection criteria and indicate type and duration of contract and recruitment grade.
b) After the deadline for online registration, the Selection Committee checks the submitted applications against the general and specific conditions of eligibility. Applications satisfying these conditions are then assessed against the selection criteria specified in the vacancy notice, based on the qualifications and training, professional experience and motivation of the candidate with respect to the profile concerned. The Staff Committee is always represented in the Selection Committees.
c) Upon completion of the profiles' evaluation, the most suitable candidates for the post are invited to an interview with the Selection Committee, who will then carry out the assessment of the candidates covering the specific competences in the area of expertise, general aptitudes and language skills. Candidates may also be required to sit a written test on the day of the interview.
d) The Selection Committee will place the most suitable eligible candidates on a draft reserve list, to be 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).
f) The offer of the post is signed by the Appointing Authority.

The recruitment policy of the EIT is based on the following **principles**:

Equal Treatment

In the framework of diversity, the EIT pursues a policy of equality not only because it enhances the effectiveness and efficiency of the organisation, by identifying and encouraging abilities that could

otherwise be neglected, but also because it is crucial for fairness, justice and democracy. This is in line with Article 1d (1) of the Staff Regulations.

Objectivity and Independence

Selection Committee members are not subject either to the Appointing Authority or to any body of the institutions, but only 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)

Members of Selection Committees are obliged to inform the Appointing Authority at any time, and as swiftly as possible, of the existence of any links with candidates which might lead to their being suspected of bias.

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 due to the relatively small size of the Institute and due to the adverse effects of the low (69%) correction coefficient applied to the salaries in Budapest, which hampers recruitment from Member States where higher salaries can be attained. As a specific measure 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. 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 Committee meetings are drawn up by the HR team, 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.

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.

<u>External service providers</u>

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 2015 and in case of the successful conclusion of the framework contract for interim staff services, the EIT will be 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

<u>Duration of employment</u>

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 pursue the objective of introducing the possibility for contracts of indefinite duration.

<u>Recruitment grades</u>

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 11. Officers with coordination functions are in grade AD6-AD8 and other project officers are recruited as AD6. The accountant, legal officer, budget officer and internal auditor are in AD 6-AD 8.

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 2016 and 2017 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 1.01.2013		Staff in activity at 1.01.2014	How many staff members were promoted / reclassified in 2014		How many staff members were promoted / reclassified in 2015		Average number of years in grade of reclassified/promoted staff members
	officials	TA		officials	TA	officials	TA	
AD 16								
AD 15								
AD 14		1	1					
AD 13								
AD 12								
AD 11		2						
AD 10								
AD 9		3	2					
AD 8		5	6				1	4.2
AD 7								
AD 6		9	12				4	3.6
AD 5		1	1				1	4.7
Total AD		21	22		0		6	
AST 11								
AST 10								
AST 9								
AST 8								
AST 7								
AST 6								
AST 5								
AST 4		2	2				1	4.6
AST 3		3	3				1	4.1
AST 2								
AST 1								
Total AST		5	5		0		2	
AST/SC6								
AST/SC5								
AST/SC4								

AST/SC3							
AST/SC2							
AST/SC1							
Total AST/SC		0	0		0		0	
Total		26	27		0		8	

Table 2 - Reclassification of contract staff

Function Group	Grade	Staff in activity at 1.01.2013	Staff in activity at 1.01.2014	How many staff members were reclassified in 2014	How many staff members were reclassified in 2015	Average number of years in grade of reclassified staff members
CA IV	18					
	17					
	16					
	15					
	14	3	1		1	3.6
	13	2	2			
CA III	12					
	11					
	10	1	1			
	9	3	1			
	8	3	2			
CA II	7					
	6					
	5	1	2			
	4	5	3		3	3.8
CA I	3					
	2					
	1					
Total		18	12	0	4	

C– Mobility policy

Regarding internal mobility, 5 staff members have changed their assignment in 2015. Out of the 8 staff members who left the EIT during 2015, 3 have started a new career at another EU agency and 2 joined one of the Institutions.

The EIT has adopted new rules for the management of sensitive functions. In this context the internal mobility will be encouraged and will be considered as mandatory on a case-by-case basis for staff with sensitive functions, 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 31/12/2015):

Gender	Category			SNE	TOTAL
	TA		CA		
	AST	AD	FG		
male	0	15	6	1	22
female	4	11	13		28
TOTAL	4	26	19	1	50

Geographical balance - breakdown by contract type and category (as of 31/12/2015):

Nationality	Category					SNE	TOTAL
	TA		CA				
	AST	AD	FG II	FG III	FG IV		
AT		1					1
BE				1			1
CZ		1					1
DE		4			1		5
ES		1					1
FI		1					1
FR		1					1
GR		1			1		2
HR				1			1
HU	4	7	5	5			21
IT		4					4
LT				1			1
NL						1	1
PL		2					2
PT		1					1
RO		1		1	1		3
SK			1		1		2
SV		1					1
TOTAL	4	25	6	9	5	1	50

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, further cooperation agreements are planned to put in place by launching a call for expression of interest. For children enrolled in the above institutions, tuition fees are paid directly to the schools/kindergartens by the EIT up to a ceiling revised on an annual basis.

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.

Additionally, by end-2016, the EIT will have conducted a qualitative review of KIC business creation and education activities, as well as of monitoring tools such as key performance indicators (KPI review). The results of these reviews were used in the evaluation and the KPI review on which basis the new set of KPIs was developed. The KICs' business plans, annual implementation reports and the EIT assessments will be used as qualitative sources in the evaluation.

Moreover, since 2015, the EIT conducts pilot monitoring for which reports are available and will be used in the evaluation. In December 2014 the EIT launched a monitoring plan to update the internal logic of intervention to the latest developments learned by the experience of the KICs.

Evaluation

The EIT will continue adopting a strategic and streamlined approach to evaluations and assessments. In the light of this an indicative plan for evaluations and assessments to be conducted in the period 2017 – 2020 was established which brings a number of benefits:

- Informs in advance resources needed for performing evaluations/assessments
- Allows combining assessments when using the same data sources
- Helps KICs designate resources and plan their input to evaluations and assessments well in advance.

The EIT evaluations and assessments proposed for the period 2017 – 2019 include:
  - 2017
    - Knowledge Triangle Integration Assessment (started in 2016, results available in Q2 2017)

- Assessment of socio-economic of the EIT and KICs (Impact Study) (started in 2016, results available in Q2 2017)
- Innovation Review
- 7-year review of the first wave KICs

➤ 2018
- No evaluations/assessments are planned. The focus of the evaluation activities in 2018 will be on implementing recommendations and lessons from previous evaluations/assessments and integrating the data collected in the implementation of the pillar agendas.
➤ 2019
- Assessment of the activities of the EIT Alumni Community
- Business Creation Assessment
- EIT RIS Assessment

EIT interim evaluation conducted by the European Commission

In addition to the above plan, by the end of Q1 of 2017, the European Commission will complete the independent external evaluation of the EIT. The evaluation will

- assess the EIT's work as identified in the EIT Regulation and Horizon 2020 Regulation, and in particular examine how the EIT fulfils its mission,
- contribute to improving the work of the EIT and its Knowledge and Innovation Communities (KICs) and
- provide an evidence base for designing the EIT's future activities and initiatives, including the next EIT Strategic Innovation Agenda (SIA) and for assessing the need for a possible amendment of the EIT Regulation.

The evaluation will cover the entire geographical scope of the EIT and its KICs' activities, including:

- **systemic level impact**, exploring how the EIT has affected innovation and knowledge triangle integration in the EU;
- **effectiveness,** exploring how successful the EIT has been in progressing towards its objectives;
- **sustainability,** exploring how likely the EIT and KIC model is likely to last after the end of the grants period;
- **efficiency,** exploring the relationship between the resources used and the changes generated by the EIT and the KICs' work;
- **relevance,** exploring the relationship between the wider EU innovation needs and problems and the objectives of EIT's work;
- **EU added value,** exploring the EIT's added value compared to innovation interventions at level of member states;
- **coherence,** exploring the relation of the EIT's work with the other initiatives in the field of innovation and specific KIC societal challenges.

Subsequently, the outcomes of the EIT interim evaluation, the H2020 interim evaluation and the above listed EIT-led evaluations and assessments will be thoroughly analysed and a respective strategy agreed to address and implement the recommendations. The EIT and the KIC monitoring system, if needed, will be refined to incorporate monitoring progress on the implementation of the recommendations. In 2017-2020, the EIT will develop and pilot an Impact Framework that will further define the socio-economic impacts it

aims to create and improve the respective impact indicators. This will strengthen the EIT's impact-driven approach, will improve the KICs focus on impact and help them plan for and assess impact. The Impact Framework will be developed in close consultation and collaboration with KICs and all key EIT stakeholders such as DG EAC, DG RTD, DG Grow and JRC. 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 2017

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 & Policy and Communic ation Unit	31/12/2017
HR	**Title: Non-implementation of core elements of EIT Annual Work Programme 2017 due to insufficient human resources or high turnover of staff** Causes: lack of resources Consequences: reputational loss, potential legal/financial implications	3.1 Human resources	All activities	4	4	Conservative planning for 2017 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 2017 to ensure reserve lists are available. Use of interim staff and trainees.	Services and Finance Unit/HR Team	31/12/2017

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 2016. Assessment of certificates on the Financial Statements that are required by the EIT. Risk based ex-post audits to be performed on GA 2015.	Partnerships Management Unit	31/12/2017
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	31/12/2017
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 2018-2020 budgetary planning in September 2016, monthly monitoring of the budget and procurement implementation, review of the budget and procurement implementation twice per year.	Directorate & Services and Finance Unit	31/12/2017

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	31/12/2017

Annex IX: Procurement plan 2017

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 to be implemented through procurement contracts in 2017 amounts to EUR 9,958,750.

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 2017, for an indicative amount of EUR 1,700,000.

Areas / subjects	Indicative type of contract(s)[22]	Indicative number of contract(s)	Indicative timeframe for launching the procurement procedures
Trainings for EIT staff	SLA	1	Q1-Q4
Language courses	SER	1	Q1-Q4
Translation	SLA	1	Q1-Q4
Medical services (annual check-up, pre-recruitment medical checks)	NEW FWC/OF / SLA	21	Q1-Q3
Interim staff	OF	8	Q2-Q4
Studies and surveys (including a staff engagement survey	SC	2	Q2-Q4
Publications (including in the Official Journal)	SLA / SER	2	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 (low value negotiated procedure)	15	Q1-Q4
Provision of IT services (1st and 2nd level support; software development including the Grant Management Platform)	SLA/NEW FWC/SC	5	Q1-Q4
Administrative assistance	SLA	5	Q1-Q3
Acquisition and renting of IT and telecommunications equipment and software	OF	18	Q1-Q4
Acquisition of mobiles and landline	OF	4	Q1
Logistics and building management	SC / OF / SER and SUP (low value negotiated procedures)	7	Q1-Q4

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22 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

External legal advice	SER (exceptional negotiated procedure)	In an exceptional need	Q1-Q4

Operational appropriations

The **operational appropriations** cover the implementation of actions contributing to the achievement of the objectives of the EIT referred to under Chapter 3 of the EIT 2017 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 8,258,750.

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:
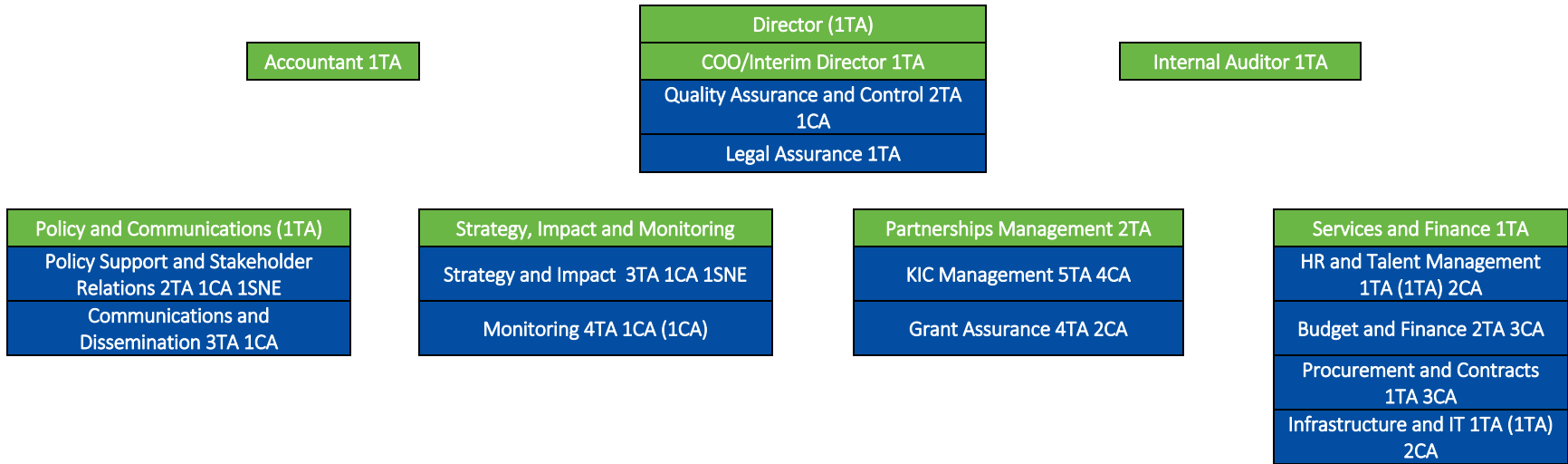
Subject matter of the contract envisaged (Legal basis: EIT Regulation, H2020 Regulation)	Budget line	Estimated amount (EUR)	Indicative type of contract[23]	Indicative number of contract(s)	Indicative timeframe for launching the procurement procedures
2.1.1 Incentivising Growth, Impact and Sustainability thro ugh the EIT					
2.1.1.1 Consolidating, fostering growth and impact of the existing KICs					
SGA 2016 ex-post audits	3111	180,000	SC	1-2	Q3
SGA 2017-2020 CFS audits	3111	3,960,000	NEW FWC	1	Q1
GM platform upgrade + LS2 support	3111	175,000	SC	1	Q1
Further develop the EIT knowledge triangle integration agenda based on education review	3112	65,000	SC	2	Q1
2.1.1.2 Creating new KICs					
Preparation of the call package for the 2018 call	3114	10,000	SLA	1	Q1-Q4
Communications activities linked to the EIT's 2018 Call for KICs proposals	3114	250,000	SC	1	Q2
2.1.2 Enhancing EIT's impact					
2.1.2.1 The EIT's next Strategic Innovation Agenda (SIA) 2021-2027: no procurements are foreseen					
2.1.2.2 Fostering Knowledge Exchange through Dissemination					
Coordination of communications and dissemination activities	3202	60,000	SC	2	Q1-Q3
Coordination of communications and dissemination activities	3202	20,000	SLA	1	Q1-Q4

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23 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

EIT brand support	3202	10,000	SER	4	Q1-Q4
Implementation of EIT 2017 Integrated Communications Campaign and preparation of the EIT 2018 Integrated Communications Campaign	3202	900,000	SC	5	Q1-Q3
2.1.2.3 Fostering and Attracting Talent					
Attendance of EIT Alumni Board meetings and meeting with external stakeholders to represent the EIT Alumni Community by Board members	3203	200,000	SC	2	Q1
Support for hosting of the current EIT Alumni external website Concept development for and piloting of the new EIT Alumni platform, including internal members area	3203	50,000	SC	1	Q2
Support for the promotion of the EIT Alumni community	3203	15,000	SC	1	Q3
2.1.2.4 Enhancing Stakeholder Engagement					
Organisation of the 2017 EIT awards	3205	150,000	SC	1	Q1
Raise awareness and facilitate synergies and complementarities with relevant stakeholders and structured engagement with stakeholders	3204	445,000	SC	2	Q1
Trial of two different tools and launch of a CRM management tool at the EIT	3204	63,750	SER	1	Q2
2.1.3. New Delivery Mechanism and Results-oriented Monitoring					
2.1.3.1 EIT KIC Relations:					

Procure and select professional investment firm; set-up costs of the fund including management fee of investment firm	3301	500,000	SER	2	Q2
Legal support for the establishment of an Impact Fund (i.e. preparing all relevant legal fund documentation)	3301	130,000	SER	1	Q1
2.1.3.2 Simplification: no procurements are foreseen					
2.1.3.3 Monitoring, Impact Analysis and Evaluation:					
Development of the Business Intelligence tool	3111	75,000	SC	1	Q1

Annex X: Organisation chart 2017

Director (1TA)
COO/Interim Director 1TA
Quality Assurance and Control 2TA 1CA
Legal Assurance 1TA

Accountant 1TA

Internal Auditor 1TA

Policy and Communications (1TA)
Policy Support and Stakeholder Relations 2TA 1CA 1SNE
Communications and Dissemination 3TA 1CA

Strategy, Impact and Monitoring
Strategy and Impact 3TA 1CA 1SNE
Monitoring 4TA 1CA (1CA)

Partnerships Management 2TA
KIC Management 5TA 4CA
Grant Assurance 4TA 2CA

Services and Finance 1TA
HR and Talent Management 1TA (1TA) 2CA
Budget and Finance 2TA 3CA
Procurement and Contracts 1TA 3CA
Infrastructure and IT 1TA (1TA) 2CA

Organisational structure planned for 2017, including the precise number of each category of staff for each entity as at 15/11/2016. The numbers in brackets represent vacant posts.

Annex XI: Grants 2017

A - Grants to be awarded following the Calls for proposals of 2009 and 2014

Basic act:

Regulation (EC) No 294/2008 establishing the European Institute of Innovation and Technology 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, and Article 178 of the Rules of Application for the award of specific grants

Budget line: 3000 KIC grants

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

The Business Plans for 2017 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 2017
- Expected outcomes and impact
- Partnership, governance and management, incl. co-location centres and cross-KIC cooperation
- Financial sustainability strategy and co-funding of the activities
- EIT Regional Innovation Scheme (RIS)
- Contribution to the EIT Community brand identity and dissemination

Award criteria:

The 2017 EIT financial contribution to the KICs will be determined as the sum of two differently established streams of EIT funding:

1. "EIT Support funding" is set at 40% of the amount earmarked for the first wave of KICs designated in 2009, to be equally divided among the three KICs, and 75% of the amount earmarked for the second wave of KICs designated in 2014, to be equally divided among the two KICs.
2. "EIT Competitive funding" 60% of the amount earmarked for the first wave of KICs designated in 2009 and 25% of the amount earmarked for the second wave of KICs designated in 2014, to be calculated for each KIC based on the results of the EIT assessment of the KIC's individual performance and a competitive review between the KICs. 10% of the competitive funding will be earmarked for the implementation of the EIT Regional Innovation scheme (EIT RIS).

The Financial allocation for the 2017 annual grants by the EIT Governing Board will be based on the following criteria:

I.   <u>2015 KIC Past Performance</u>
1. <u>Implementation of the KIC portfolio of activities</u> with special regard to the achievements and quality of implementation in the following areas:
2. <u>Results of the core EIT KPIs</u>
3. <u>The "use of the EIT financial contribution"</u> taking into consideration the level of consumption and error rate in costs declaration 2015

II.   <u>2017 KIC Business Plan and indicative Budget</u>

The 2017 KIC Business Plans are assessed with regard to the portfolio of activities for 2017 together with the estimated budget for 2017. The assessment is done in respect to the quality, novelty and relevance of the design, selection and management of the portfolio of activities, as well as the degree of the integration of the knowledge triangle in the following areas:

- Education
- Research
- Business
- Governance, organization and management
- KAVA co-funding

III.   <u>Outcome of the Hearing with the EIT Governing Board</u>

The EIT Governing Board will take a decision on the level of maximum EIT financial contribution. The decision will be subject to the final adoption of the EIT budget pending 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 320 million to the five KICs in 2017 – subject to the amount of available commitment appropriations in the EIT Budget 2017.

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 grant agreements within the meaning of Article 90, the EIT Financial Regulation. Five Framework Partnership Agreements providing the umbrella for the Specific Grant Agreement were concluded as follows:

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.

KIC objectives to be achieved in 2017

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 in accordance with Article 6 (2) (d) of the EIT Regulation. The following sections contain the high-level strategic objectives planned to be achieved by KICs in 2017.

EIT Climate-KIC:

EIT Climate-KIC's main objectives as specified in the BP 2017 are as follows.

1. Global leadership

- Achieve unprecedented European coverage through the EIT RIS programme and creating a new 'Central and Eastern European' Geography;
- Build on the very positive profile their suite of Flagships has in Europe and globally;
- Significantly increase the visibility and impact of EIT Climate-KIC's work, already the leading KIC, through investment in marketing and communications;
- Use the self-funded Climate-KIC Australia model to kick-start a European-led global climate innovation network;
- Use the hugely successful, and award winning, education and Accelerator programmes as the spearhead in new areas.

2. Trusted partnerships (with other stakeholders)

- Use the solid foundation created in 2016 in implementing Climate-KIC 2.0 (new structures, systems and people) to provide transparency and build trust;
- Establish two-three strategic relationships with organisations that deliver a step-change in connecting with the best demand-side and supply-side organisations;
- Continue to be a leader in cross-KIC activity to ensure the EIT and KICs are seen as trusted and respected innovation vehicles.

3. Centre of Excellence

- Build a strong EIT Climate-KIC culture to support the on-boarding of new, high profile hires and to empower the team and Partners to deliver more;
- Develop the business education programme in collaboration with core themes to further integration and competency expertise;
- Collect data to support their impact-driven approach, in line with the revised KPIs.

4. Financial Sustainability:

- More than double the 2016 non-EIT revenues;
- Create a sustainable business model for each of the core activities and ensure working together as a cohesive whole;
- Build a transparent evidence base of demonstrable impact and progress.

EIT Digital:

The main strategic objectives of EIT Digital for 2017 are as follows.

1. Education

- More agile Education, including blended programmes (MOOCs) and blended courses including online;
- (Mobile) formats for master, doctoral and professional schools;
- Practical measures to further strengthen ERB integration, e.g. through strong industrial engagement in our master and doctoral education programs.

2. Innovation

- Sharpening the Innovation & Research Area, with 4 market-oriented Innovation Action Lines (Digital Cities, Industry, Infrastructure, and Wellbeing) as well as a smaller Exploration Area (Digital Finance).

3. Entrepreneurship

- Increasing the impact of the Entrepreneurship Area with the EIT Digital Accelerator focus on growing scale-ups, securing larger access to finance deals, and implementing a business model which significantly contributes to EIT Digital sustainability.

4. Outreach

- Expansion of the popular EIT Digital ARISE Europe outreach programme in RIS countries.

5. Governance and Management

- Broad execution on sustainability in all areas;
- Full implementation of the EIT governance principles;
- Leaner and more efficient operations as the result of all of the above.

<u>EIT InnoEnergy:</u>

EIT InnoEnergy's vision is to become the leading engine for innovation and entrepreneurship in the field of sustainable energy by leveraging the potential of the knowledge triangle: higher education, research, and industry. For EIT InnoEnergy, sustainability in energy will be achieved by fulfilling three objectives, totally aligned with the Energy Union package: decrease the cost of energy (€/kWh), Increase the security of the supply and reduce the greenhouse gases emissions.

The key strategic objectives for 2017 are:

- Revenue generation;
- Portfolio Management;
- Account Management; and
- Excellence in operations.

Operationally, the activities in all business lines continue to be very ambitious, so in order to prioritise, the KIC partnership has conducted several iterations to consolidate the proposed 2017 business plan, applying the following internal criteria: excellence, potential measurable impact (ROI or others); highest contribution to the EIT; alignment with KIC InnoEnergy scoreboard and strategy; manageability and the recommendations of the EIT from the GA2015/BP2016.

Through that process, the retained activities for the 2017 business plan can be grouped in the following three clusters:

- (1) Honouring the on-going commitments;

- (2) Growing the backbone of existing business lines/product lines; and

- (3) Addressing the EIT recommendations and shareholder's directions in terms of operational excellence.

<u>EIT Raw Materials:</u>

As EIT Raw Materials will enter into its growth phase (2017-2019), the focus in 2017 will be to:

- Develop and launch first Lighthouse Programmes
- Develop and launch new innovation activities strengthening all strategic themes
- RM Academy: Develop and launch new labelled higher education programmes and recruit students for already labelled programmes
- RM Academy: Strengthen efforts in Lifelong Learning and Wider Society Learning activities by aligning methodologies and strategy
- Develop the partnership and attract new partners, especially industry partners
- Attract SMEs to the partnership, include them in KIC activities and start offering targeted services
- Develop the financial sustainability strategy of the KIC
- Continue efforts towards meeting KPI targets.

The following are focus areas of activity for learning & education in 2017:

- Implementing and disseminating the 27 KAVA projects from call 1 and 2 that are already running and develop the more than 25 new ones.
- EIT labelling: Following the successful award of the EIT label for 5 programmes in 2016, EIT Raw Materials aims at obtaining the label for 3 additional programmes in 2017.
- Implementing streamlining measures in all four areas of education.

Major expected achievements in the growth phase of EIT Raw Materials supported by the BP 2017:

- Educational excellence provided through RM Academy
- Lighthouse Programmes initiated and fully integrated in thematic programming
- Innovation funnel implemented and fully operational, including funding from private sources
- Growth of KIC partnership and networking accelerated through increase of the number of industry partners, geographical scope, and implementation of cross-KIC activities
- Roadmap for sustainability initiated.

EIT Health:

Following its Strategic Agenda, the focus of EIT Health in 2017 will be on three major health challenges: promoting healthy living (i.e. through self-management and prevention), supporting active ageing (through workplace interventions and overcoming functional loss) and improving health care systems' performance (integrated and chronic care and removing barriers to implementation). These focus areas have been at the core of the calls for activities and projects for 2017 across all three pillars.

Innovation: Bringing more disruptive ideas into the portfolio. The Innovation by Design and Innovation by Ideas projects are multi-disciplinary and operate across CLCs. They address one or more focus areas that represent concrete. The "wild card" instrument will be launched to incubate teams in co-creation environment for projects with a high disruptive potential.

Campus: Bringing health theory and practice together. The programmes include EIT labelled degree programmes with modular, inter-disciplinary set-up or innovation skill courses for students and professionals, and executive training such as CARE Campus, challenged-based activities such as Innovation Fellowships, and programmes aimed at citizens, such as CityNet.

Accelerator: From Incubation to Scaling via Validation. The Accelerator is focusing on creating visibility for start-up ideas and providing access to experts and mentors. It also offers support to SMEs, in particular through the Headstart/Proof of Concept funding, the Business Plan aggregator and GoGlobal programme. EIT Health MAPS is a course co-developed by Campus and Accelerator as part of the Validate package, that will contribute to the adoption and diffusion of innovations into healthcare systems.

By orchestrating access to crowdfunding, EIT Health will enable companies to raise growth capital for entrepreneurial projects from their Accelerator, Campus (Summer schools) and Innovation projects. All of these actions contribute to the generation and implementation of innovation throughout the healthcare

system. Additionally, the Think Tank and Strategic Advisory Board will help define specific needs and secure the link between demand and supply side.

In 2017, EIT Health will execute a portfolio of more than 100 activities. The composition of the portfolio has been strategically driven with the strong engagement of the partners. It is the outcome of a competitive and quality driven process that involved over 115 external evaluators. A joint call with EIT Digital marked also the launch of the first cross-KIC collaborations.

B - Grants to be awarded following the Call for proposals of 2016

Basic act:

Regulation (EC) No 294/2008 establishing the European Institute of Innovation and Technology 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, and Article 190(1)(c) of the Rules of Application for the authorisation of award grants without a call for proposals to bodies with a de jure or de facto monopoly.

Budget line: 3000 KIC grants

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

As set out in in the 2016 KIC call text and the Call Framework of Guidance, the EIT will provide the newly designated KIC with EIT Start-up Grant, up to EUR 4 million, during the set-up phase. The objectives are:

- **Legal readiness**
  - Set up of KIC Legal structures
  - Conclusion of KIC Partnership agreements
- **Operational readiness**
  - Recruitment & appointment of CEO
  - Recruitment & appointment of KIC Core staff (CFO, COO, Thematic Directors, CLC managers)
  - Set up of operational functions at the KIC LE level
  - Development and submission of First Business Plan
- **Fostering EIT Identity**
  - KIC's communication policy
- **Other activities**

Award criteria:

The 2017 EIT Start-up Grant to the newly designated KIC will be determined based on the assessment of the Start-up Plan and estimated budget, including a breakdown of costs for each subcategory of activities, including costs that can be considered as KIC Added Value Activities.

The assessment will be based on the following criteria:

1. Relevance –   The proposed Start-up Plan is adequate and covers the whole scope of start-up activities (e.g. the legal set-up; the operational set-up including the recruitment and appointment of the CEO and core KIC staff and the set-up of operational functions at KIC LE level;
the signature of KIC partnership agreements; the preparation of the first Business Plan, the preparation of the KIC's Communication Plan);

2. Efficiency –   The proposed Start-up Plan (including the proposed budget) ensures good value for money

3. Effectiveness –   The proposed Start-up Plan is realistic and ensures that the goals of the Start-up Grant are achievable

Indicative amount of award:

EUR 4 000 000.

Maximum possible rate of co-financing:

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

Grant agreement:

The action is implemented through the start-up grant agreement (SUGA) signed with the newly designated KIC.

The duration and nature of the start-up activities and the context of the start-up agreement and fact that the objective is to sign a Framework Partnership Agreement, justify that the beneficiaries do not need to sign a consortium agreement.

The objective "Set up of operational functions at the KIC LE level" of the start-up grant justifies the need that newly designated KIC may declare the costs of purchasing equipment, infrastructure or other assets as eligible under the SUGA.

Framework Partnership Agreement:

In case of appropriate implementation of the SUGA, a Framework Partnership Agreement may be signed between the EIT and the newly designated KIC.

C - Eligible costs for equipment, infrastructure and other assets

According to the Horizon 2020 legal framework, 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. Nevertheless, the H2020 legal framework 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, as of 2017 the following:

- **Start-up Grant Agreement (SUGA)**, in particular article 6.2.D.2: provide for the alternative option (cost of purchase). In line with the SUGA provisions, the beneficiaries would only be able to claim these costs to the extent that they are necessary for supporting the setting up of the KIC in the start-up phase that is limited to one year. This would be consistent with the requirements in the H2020 MGA, as it is an exceptional situation, and the use of the purchase cost option is justified by the nature and the context of the action.
- **Specific Grant Agreement 2017 (SGA 2017)**, 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 2017, 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 upfront;
    - 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.

Annex XII: Implementation of the 2017 EIT Awards

Basic act: Regulation (EC) No 294/2008 establishing the European Institute of Innovation and Technology amended by the 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, and Article 138 of Financial Regulation No 966/2012 of the European Parliament and of the Council of 25 October 2012

Budget line: 3203

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 **eligibility and exclusion criteria** as follows:

   The applicant venture:

   - Has submitted the template for the EIT Venture Award Competition duly completed by the Nominated venture;

   - Is incorporated or registered (if mandatory in accordance with the applicable national law);

   - Is not in an exclusion situation described in Article 106 of the Regulation (EU, EURATOM) No 966/2012 of the European Parliament and of the Council;

   - Is not in an exclusion situation of Article 107 of the Regulation (EU, EURATOM) No 966/2012 of the European Parliament and of the Council;

   - Has provided a duly completed and signed Declaration of Honour.

   Evidence: Registration Certificate, Statues, Declaration of Honour

   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;
   - Has received business creation support by a KIC, i.e. the venture has gone through a structured business support process offered by a KIC.

Based on the Eligibility, Exclusion and Selection Criteria listed above, each KIC organises its own specific internal selection process and nominates two candidate ventures to participate in the EIT Venture Award, six months prior to the EIT Awards Event taking place during the 2017 EIT Innovation Forum – INNOVEIT 2017, during which the candidate ventures will present their elevator pitch to the EIT Awards Jury.

Award Criteria: an international jury composed of three members with a diverse background in e.g. business creation and development, education, and coaching will evaluate the applications and the elevator 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
3. Financial 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:

-   For award criterion 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, 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;

- 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;

- 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 2017 EIT Innovation Forum - INNOVEIT 2017.

2. **EIT CHANGE Award**: in order to participate in the EIT CHANGE Award competition, applicants need to fulfil the following **Eligibility and Exclusion Criteria**:

The applicant:

- Has submitted the template for the EIT CHANGE Award Competition duly completed by the Nominee;

- Is not in an exclusion situation described in Article 106 of the Regulation (EU, EURATOM) No 966/2012 of the European Parliament and of the Council;

- Is not in an exclusion situation of Article 107 of the Regulation (EU, EURATOM) No 966/2012 of the European Parliament and of the Council.

The evidence to be provided as part of the application package consists of a 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 stating that the applicant will receive a diploma and the EIT labelled degree prior to the Award event.

Selection criteria: The applicant

- Has graduated from an EIT labelled education programme.

Evidence:

- A document proving that the applicant graduated from the EIT labelled programme

- Submission of the 'Innovation Story' demonstrating the innovation and entrepreneurship capacity and how this was facilitated by the EIT labelled education programme as follows:

- Innovativeness and entrepreneurial/entrepreneurial nature of the nominee's achievement;

- The (potential) societal and economic impact of the achievement;

- How the achievement has been facilitated by the EIT labelled education programme.

Based on the above Eligibility, Exclusion and Selection Criteria, each KIC nominates two graduates who will participate in the EIT CHANGE Award and pitch their 'Innovation Story' at the 2017 EIT Innovation Forum - INNOVEIT 2017.

Award Criteria: An international jury composed of three members with a diverse background in e.g. business creation and development, education, and coaching will evaluate the EIT CHANGE Award nominees' innovation stories and their presentations/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 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:

- For award criterion 1-3: Description on how the above award criteria are met.

- 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.

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 2017 EIT Innovation Forum – INNOVEIT 2017.

3. **EIT Innovators Award**: in order to qualify for the EIT Innovators Award, the applicant teams have to satisfy the following **Eligibility and Exclusion Criteria**:
   - The nominated Innovation Team has provided a duly completed template for Nomination for the EIT Innovators Award;
   - The team shall involve individuals from at least three KIC partners representing at least two sides of the Knowledge Triangle;
   - KIC partners shall come from at least two different countries;
   - The team has received funding for their project by a KIC between 01/01/2014 and 31/05/2017.
   - Each member of the nominated Innovation Team (or the core team) has provided a duly completed and signed Declaration of Honour;
   - None of the team members is in an exclusion situation as described in Article 106 of the Regulation (EU, EURATOM) No 966/2012 of the European Parliament and of the Council.

- None of the team members is in an exclusion situation as described in Article 107 of the Regulation (EU, EURATOM) No 966/2012 of the European Parliament and of the Council.

Evidence: Description of the team, Declaration of Honour of the team members

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

– Team must have successfully achieved the pre-commercialization stage

Evidence:

- Document proving the successfully achieved the pre-commercialization stage.

Based on the above criteria, each KIC nominates two teams to participate in the EIT Innovators Award six months prior to the 2017 EIT Innovation Forum – INNOVEIT 2017, during which the nominees will present their achievements to the EIT Awards Jury.

Award Criteria: An international jury composed of three experts with a diverse background in innovation and entrepreneurship will evaluate the supporting documents (innovation journeys) and presentations/pitches based on the criteria described below. The basis for the assessment will be the innovation and the way that it has been achieved using the project plans, narratives and presentations.

Criteria (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 the KICs ✓ Profit potential ✓ Plan/arrangements for commercialisation
	✓
4. 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 criterion 1-3: Description on how the above award criteria are met - project plan, description of the outcome achieved, a narrative of the "innovation journey". It is imperative that the

innovation story provides information on all criteria so as to enable a proper assessment.

- 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.

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 2017 EIT Innovation Forum – INNOVEIT 2017.

B) APPOINTMENT AND COMPOSITION OF THE JURIES

Each award category will have a jury.

Each jury will consist of 3 members: one EIT Governing Board Members and two external high-level experts. The composition of the jury shall include in a balanced manner representatives of higher education, business (creation), innovation and the investor community. 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 EIT Director.

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.

C) INDICATIVE TIMETABLE FOR EIT AWARDS 2017

Timing	Action
31 March 2017	Publication of the EIT Awards competition (EIT Venture, EIT CHANGE and Innovators Awards)
31 May 2017	Close of applications for EIT Venture, EIT CHANGE Award and Innovators Award competitions
17 July 2017	Publication of nominations
17 July – 31 December 2017	Promotion of nominees via different media channels
15-16 October 2017	EIT Awards presentations/pitches and Award Ceremony during the EIT Innovation Forum – INNOVEIT 2017
Mid-November 2017	Complete transfer of financial contribution to the EIT Awards winners