



European Institute of
Innovation & Technology

The EIT is a body of the European Union



Report on budgetary and financial management

Financial year: 2020

EIT report pursuant to Article 103 of the Framework Financial Regulation

European Institute of Innovation and Technology (EIT)

Budapest | 31 March 2020

www.eit.europa.eu



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Introduction

Legal basis

The EIT is a body of the European Union established in March 2008¹.

The European Institute of Innovation and Technology (EIT) is a unique EU initiative to enhance innovation and entrepreneurship across Europe. The encompassing idea is simple: strength is in diversity. EIT 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.

Article 103(1) of the Framework Financial Regulation (hereinafter FFR)² stipulates that the “Each union body shall prepare a report on budgetary and financial management for the financial year.”

The present report analyses the appropriations managed by the EIT in 2020. These appropriations consist of Title 1 – Staff expenditure, Title 2 – Infrastructure and operating expenditure, Title 3 – Operational expenditures and Title 4 – Cancelled appropriations not used in year n.

The analysis follows the Accounting Rule 16³ on the presentation of budget information in annual accounts. According to this rule, the comparison of budget and actual amounts shall present separately, for each area of activity, the original and final budget amounts explaining all changes approved by the EIT Governing Board to revise the original budget and the actual implemented amounts on a comparable basis.

EIT has a special derogation allowing to re-enter cancelled commitment and payment appropriations up to the following three financial year. It means that EIT can re-enter the budget result for year n up to the following three financial year, namely until n+3, as well as the unused commitment appropriations.

Content of the report

Part A of the report analyses the year, including:

- a summary of the various stages of the budgetary procedure for 2020, explaining how the appropriations for the 2020 financial year were arrived at during the process of budgetary negotiation and the establishment of the budget;

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 COMMISSION DELEGATED REGULATION (EU) 2019/715 of 18 December 2018 on the framework financial regulation for the bodies set up under the TFEU and Euratom Treaty and referred to in Article 70 of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council, OJ L122, 10.05.2019

³ Accounting Rule 16 adopted by the Accounting Officer of the Commission to be applied by all the institutions and Agencies.

- a description of the main adjustments to the budget during the financial year (carry-overs, re-entry, budget amendments, transfers) and the reasons for these adjustments, leading to the final appropriations of the year;
- an overview of the implementation of revenue and expenditure;
- an assessment of the unused amounts carried forward/re-entered and the evolution of the outstanding commitments⁴.

Part B of the report is a detailed analysis of budget implementation by chapter, including tables and text, setting out the appropriations made available and their implementation.

Definitions of terms used in this report

Total appropriations of the year:

- **Initial budget:** appropriations voted by the Budget Authority (BA) and adopted by the EIT Governing Board (GB).
- **Amending budgets (AB):** an increase or a decrease in the EIT's initial adopted budget.
- **EIT transfers:** transfers decided by the EIT Director on his own authority in accordance with Article 26(1) of the FFR
- **GB transfers:** transfers decided by the EIT Governing Board in accordance with Article 26(2) of the FFR
- **Carry-over from 2019:** budgetary appropriations carried over automatically or by a decision of the EIT Governing Board in accordance with Article 12 of the FFR.
- **Re-entry from 2017, 2018 and 2019:** budgetary appropriations re-entered by a decision of the EIT Governing Board in accordance with Article 12 and 13 of the FFR.
- **Assigned revenue:** appropriations mainly come from the result related to ex-post audit of grants to Knowledge and Innovation Communities (KICs).

The terminology is explained in the table on types of appropriation here below:

Fund source code	Found source description	Presentation in this report
C1	Initial budget + Amending budget + Transfers	Voted budget
C2	Carry-over/re-entry of commitment and payment appropriations on decision to be used before 31/12	Re-entry from 2017, 2018 and 2019
C4	Refunds	Belongs to assigned revenue
C5	Carry-over of appropriations arising from assigned revenue	Belongs to assigned revenue

⁴ RAL - reste à liquider

C8	Automatic carry-over of payment appropriations corresponding to commitments of non-differentiated appropriations	Carry-over from 2019 to 2020
IC1	Income voted in the budget	Income voted in the budget
IC4	Internal assigned revenue	Belongs to assigned revenue

Date of extraction

The implementation data is based on the preliminary data serving as a basis for the provisional accounts on 1 March 2021. Unless otherwise stated, amounts are provided in Euro.

Management information system

The EIT used the following software during the financial year:

- BLUEBELL for budgetary planning and monitoring
- ABAC Workflow for budget management, budgetary accounting and contract management
- SAP for financial accounting (general accounting)
- SPEEDWELL for electronic payment workflow
- Datawarehouse for financial reporting
- ABAC Assets for fixed asset management
- MIPS for mission management
- EMI for expert contract and payment management
- EIT collaboration platform "DUNA" for submission of KICs business plans and reports

Budget and financial management

In 2020, the EIT continued to enhance its role as a smart investor in innovation by refining and implementing its strategy for Knowledge and Innovation Communities (KIC) financial sustainability to ensure a smooth and predictable transition towards their gradual financial independence from the EIT. The EIT further promoted collaboration and competition among the existing KIC by implementing targeted cross-KIC actions such as the EIT label and the development of a common Entrepreneurship and Innovation Agenda.

The COVID-19 pandemic has significantly affected the EIT Community and, in particular, the unique support it provides across Europe to students, entrepreneurs and innovators dedicated to developing innovative solutions to global challenges.

The EIT Community has responded with concrete activities and resources to support the global response to the pandemic and with solutions powered by innovators and organisations within its ecosystem. The EIT therefore launched the EIT Crisis Response Initiative as part of the EU's collective efforts to tackle the COVID-19 crisis.

The EIT Governing Board mobilised EUR 60 million of additional funding to innovators powering high-impact solutions that tackle this unprecedented social and economic challenge.

Due to the COVID-19 crisis, the major annual events, such as the EIT Stakeholder Forum and EIT Awards, as well as EIT Governing Board meetings were organised in the virtual space and certain administrative budgets were not used and transferred to other purposes contributing to the remote work of staff.

NOTE: The information contained in this report is without prejudice to the content of the official EIT documents on the closure of the accounts. Readers should refer in particular to the final revenue and expenditure account for the official figures on the 2020 budget outturn.

Part A – Overview of the budget 2020

This Section explain how the EIT budget is defined from the voted to the final, including short description of the reason behind main amendments and transfers.

Title, Chapter	Heading	VOTED BUDGET		AMENDMENTS/TRANSFERS		RE-ENTRY		ASSIGNED REVENUE		FINAL BUDGET	
		Commitment appropriations (EUR)	Payment appropriations (EUR)	Commitment appropriations (EUR)	Payment appropriations (EUR)	Commitment appropriations (EUR)	Payment appropriations (EUR)	Commitment appropriations (EUR)	Payment appropriations (EUR)	Commitment appropriations (EUR)	Payment appropriations (EUR)
1	STAFF EXPENDITURE	6,360,800.00	6,360,800.00	225,750.00	225,750.00	0.00	0.00	17,452.66	17,452.66	6,604,002.66	6,604,002.66
	Staff in active employment	5,106,000.00	5,106,000.00	324,200.00	324,200.00	0.00	0.00	16,430.96	16,430.96	5,446,630.96	5,446,630.96
12	Recruitment expenses	24,000.00	24,000.00	-18,900.00	-18,900.00	0.00	0.00	0.00	0.00	5,100.00	5,100.00
13	Mission	220,000.00	220,000.00	-170,000.00	-170,000.00	0.00	0.00	1,021.70	1,021.70	51,021.70	51,021.70
	Socio-medical infrastructure	136,800.00	136,800.00	-59,900.00	-59,900.00	0.00	0.00	0.00	0.00	76,900.00	76,900.00
15	Training	60,000.00	60,000.00	-19,500.00	-19,500.00	0.00	0.00	0.00	0.00	40,500.00	40,500.00
16	External staff and linguistic support	812,000.00	812,000.00	169,850.00	169,850.00	0.00	0.00	0.00	0.00	981,850.00	981,850.00
17	Representation	2,000.00	2,000.00	0.00	0.00	0.00	0.00	0.00	0.00	2,000.00	2,000.00
2	INFRASTRUCTURE AND OPERATING EXPENDITURE	1,004,820.00	1,004,820.00	-123,550.00	-123,550.00	0.00	0.00	2.42	2.42	881,272.42	881,272.42
20	Building and associated costs	183,100.00	183,100.00	-28,300.00	-28,300.00	0.00	0.00	2.42	2.42	154,802.42	154,802.42
21	Information and communication technology	354,920.00	354,920.00	38,000.00	38,000.00	0.00	0.00	0.00	0.00	392,920.00	392,920.00
22	Moveable property and associated costs	78,800.00	78,800.00	-62,300.00	-62,300.00	0.00	0.00	0.00	0.00	16,500.00	16,500.00
23	Current administrative expenditure	211,000.00	211,000.00	-2,500.00	-2,500.00	0.00	0.00	0.00	0.00	208,500.00	208,500.00
24	Publications, information, studies and surveys	2,000.00	2,000.00	15,050.00	15,050.00	0.00	0.00	0.00	0.00	17,050.00	17,050.00
25	Meeting expenses	175,000.00	175,000.00	-83,500.00	-83,500.00	0.00	0.00	0.00	0.00	91,500.00	91,500.00
3	OPERATIONAL EXPENDITURE	538,984,847.77	515,263,562.77	-102,200.03	23,897,799.97	66,074,440.55	9,636,514.85	3,419,216.05	3,385,178.34	608,376,304.34	552,183,055.93
30	Grants	532,757,347.77	508,237,062.77	1,204,299.97	26,662,299.97	66,074,440.55	9,636,514.85	3,419,216.05	3,385,178.34	603,455,304.34	547,921,055.93
31	Knowledge and Innovation Communities	3,061,000.00	3,144,000.00	-799,000.00	-557,000.00	0.00	0.00	0.00	0.00	2,262,000.00	2,587,000.00
32	EIT's impact	2,825,000.00	3,490,000.00	-514,000.00	-1,955,000.00	0.00	0.00	0.00	0.00	2,311,000.00	1,535,000.00
33	Simplification, monitoring and evaluation	341,500.00	392,500.00	6,500.00	-252,500.00	0.00	0.00	0.00	0.00	348,000.00	140,000.00
4	CANCELLED APPROPRIATIONS	33,682,290.87	0.00	-29,755,847.72	0.00	5,300,000.00	0.00	0.00	0.00	9,226,443.15	0.00
40	Cancelled appropriations not used in year n	33,682,290.87	0.00	-29,755,847.72	0.00	5,300,000.00	0.00	0.00	0.00	9,226,443.15	0.00
	TOTAL	580,032,758.64	522,629,182.77	-29,755,847.75	23,999,999.97	71,374,440.55	9,636,514.85	3,436,671.13	3,402,633.42	625,088,022.57	559,668,331.01

A.1 Budget amendments

Three budget amendments were adopted during the 2020 financial year.

AB No	Date of adoption	Main subject Description	Official Journal reference	Impact on commitment and payment appropriations (in EUR)
1 ⁵	17 February 2020	It contains the budget result of 2019, and the decision on re-entry of appropriations. In addition, this amendment reflects the actual and foreseen implementation of the budget and the Annual Work Programme.	OJ C 165/05, 13.05.2020, p. 24-28	CA: 14,111,681.44 PA: 9,631,981.53
2 ⁶	29 June 2020	It comprises the correction of income and payment appropriations due to the COVID-19 pandemic, as well as the review of the implementation of both the budget and Annual Work Programme.	OJ C 407/19, 26.11.2020, p. 85-90	CA: 1,021.70 PA: 24,001,021.70
3 ⁷	30 October 2020	It comprises the final review of the implementation of both the budget and Annual Work Programme.	OJ C 999/53 31.3.2021 p. 295-299	CA: 2,656,940.35 PA: 2,656,940.35

A.2 Transfers made during the financial year

There are two types of transfers:

- EIT transfers: transfers decided upon by the EIT Director on his own authority in accordance with Article 26(1) of the FFR (transfers from one chapter to another without limit and transfers from one title to another below 10% of the adopted budget)

⁵ Decision 04/2020, Ares(2020)1762894

⁶ Decision 17/2020, Ares(2020)3403836

⁷ Decision 21/2020, Ares(2020)6152986

- EIT Governing Board transfers: transfers decided upon by the Governing Board (GB) in accordance with Article 26(2) of the FFR (transfer from one title to another above 10% of the adopted budget)

In 2020, the EIT Director approved three transfers, which is below the limit established by the EIT Financial Regulation.

Transfer No	Date of adoption	Main subject Description	Impact on commitment appropriations (EUR)	Impact on payment appropriations (EUR)
1 ⁸	22 July 2020	The commitment and payment appropriations on the following budget lines were not enough to cover the needs of the rest of the year: 1602 'Trainees', 3301 'EIT-KIC relations'	Title 1: 30,500 Title 3: 40,700	Title 1: 30,500
2 ⁹	13 November 2020	The commitment and payment appropriations on the following budget lines were not enough to cover the needs of the rest of the year: 1102 'Employers' charges', 1130 'Schooling', 1200 'Recruitment expenses', 2400 'Official Journal', 3203 'Alumni'.	Title 1: 16,400 Title 2: 50	Title 1: 16,400 Title 2: 50 Title 3: 15,000
3 ¹⁰	8 December 2020	The commitment and payment appropriations on the following budget lines were not enough to cover the needs of the rest of the year: 1130 'Schooling', 1500 'Training', 1604 'Administrative Assistance', 2009 'Other expenditure related to the buildings', 2100 'Acquisition renting of ICT equipment and software', 2306 'Honoraria for Governing Board members', 3202. 'Communications and Dissemination'. In addition, the appropriation available on budget line 3000 'KIC grants' re-entered the financial year was not fully consumed, therefore returned to the reservation line on Title 4.	Title 1: 30,500 Title 2: 14,300 Title 3: 160,000 Title 4: 5,300,000	Title 1: 30,500 Title 2: 14,300

⁸ Ares(2020)3857570 - 22/07/2020

⁹ Ares(2020)6709776 - 13/11/2020

¹⁰ Ares(2020)7430136 - 8/12/2020

A.3 Implementation overview

A.3.1 Implementation of revenue

Implementation of entitlements established in 2020 (IC1, IC4)

Almost all entitlements established in 2020 were collected. There is an outstanding amount of EUR 1,941.47 at 31/12/2019.

The revenue increased by 31% compared to 2019 since EIT's expenditure increased as well. In addition, the recoveries related to administrative operations and KICs grants as well as other administrative revenues are significant for which Section 1 of Part B provides further explanation by revenue items.

EIT revenue, in EUR

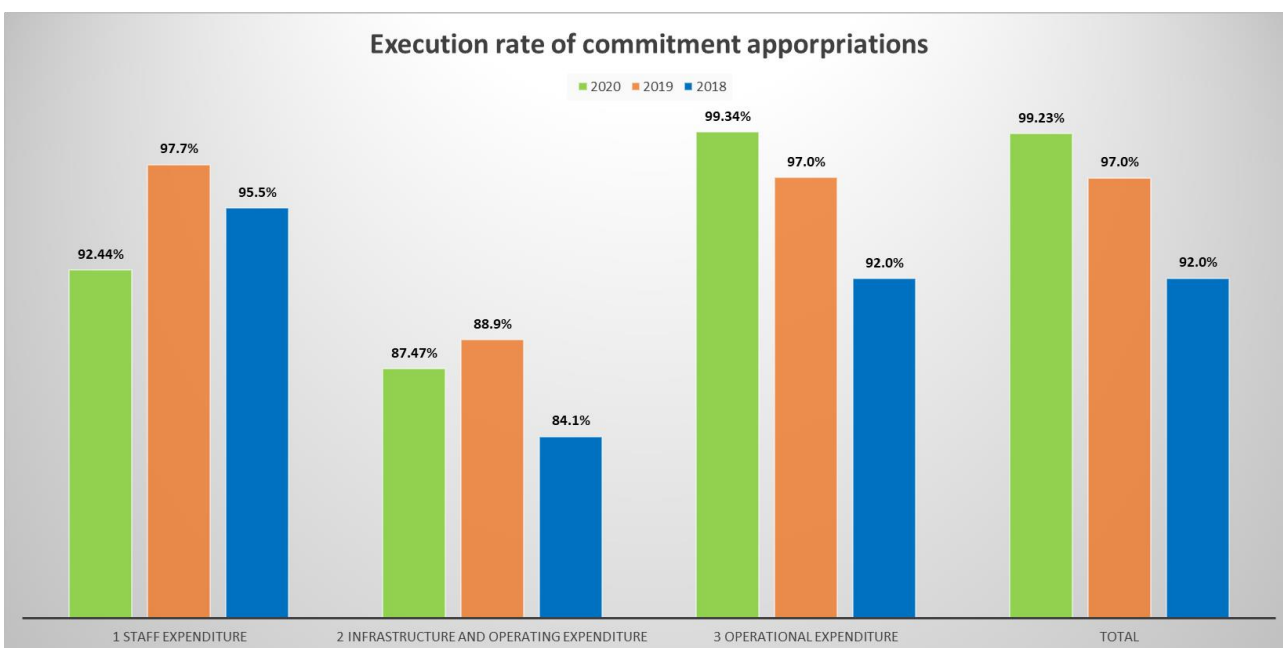
Income line header	2020	2019	2018	Var. 2020/2019, %
European Union subsidy, EFTA and third party contribution	546,629,182.74	415,988,884.00	345,176,976.00	31%
Other revenue from administrative operations	16,820.14	8,001.64	21,338.77	110%
Repayment of KICs grants incurred as a result of an ex-post audit	3,385,178.34	34,038.51	95,455.31	9845%
TOTAL	550,031,181.22	416,030,924.15	345,293,770.08	32%

Carryover of revenue appropriations from 2019 to 2020 (IC5)

Payment appropriation from assigned revenue amounting to EUR 1,338.76 was carried over to 2020. The budget outturn 2019 of EUR 9,636,514.85 was re-entered in 2020.

A.3.2 Implementation of authorised appropriations (C1, C4)

The budget of the EIT amounted to 549,752 kEUR in 2020. For commitments, the EIT reached an implementation rate of 99%, which was improved compared to 2019 (2019: 97%, 2018: 92%, 2017: 91%). On Title 1, the execution rate decreased from 98% to 92% that comes from the nature of certain costs as well as the unforeseen length of COVID-19 crisis. On Title 2, the appropriations were implemented at a bit lower rate than in 2019, namely at 87% (2019: 89%) due to the nature of the costs. The implementation rate of commitment appropriations on Title 3 (99%) is higher than in 2019 (97%) mainly owing to the quick and timely response to COVID-19 crisis by transferring funds to the KICs.

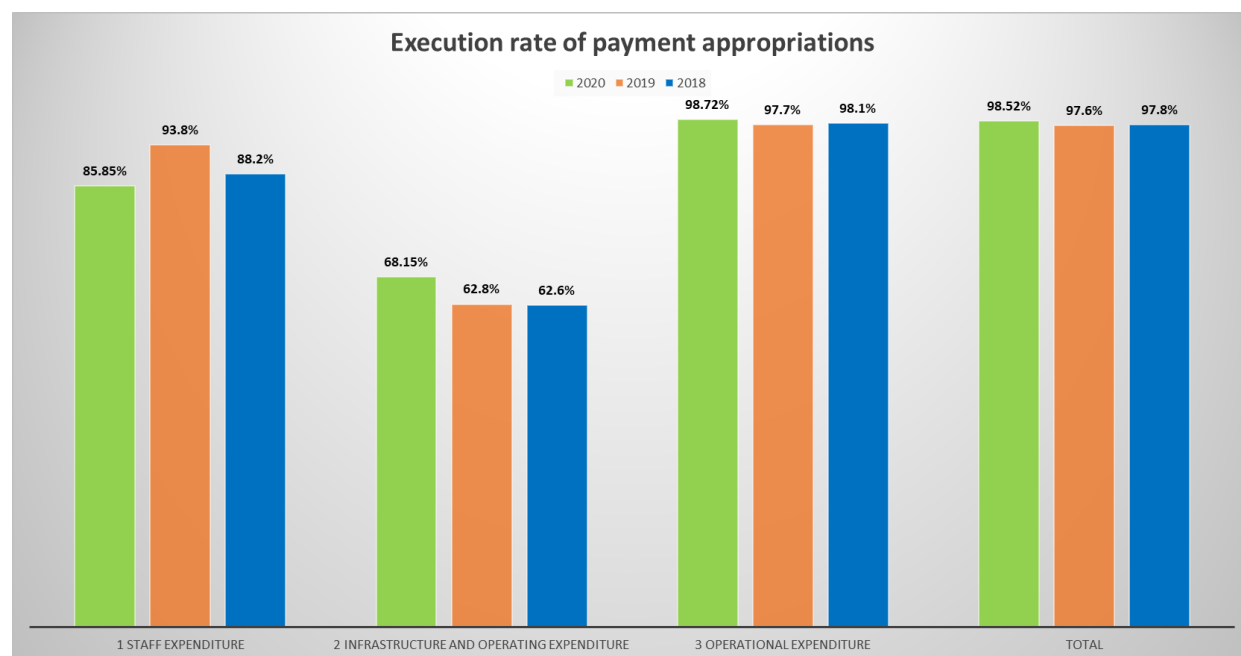


Comparison of budget execution for commitments, EUR

Budget Title	2020	2019	2018
1 Staff expenditure	6,103,236.43	5,829,058.23	5,722,137.70
2 Infrastructure and operating expenditure	770,867.69	968,885.01	1,155,731.95
3 Operational expenditure	538,667,009.59	473,625,141.71	387,940,476.19
TOTAL	545,541,113.71	480,423,084.95	394,818,345.84

The implementation rate of payment appropriations, representing 99%, was very high. There was a slight increase compared to 2019 (98%) like in the case of commitment execution. On title 1 the execution rate decreased significantly compared to 2019 (from 94% to 86%) owing to the duration of contracts like interim agents, IT assistance, etc. going beyond the financial year. The execution rate of payments on Title 2

infrastructure and operating expenditure increased to 68% from 63%. The low implementation rate is explained by the fact that there are certain expense types that typically incur during the final months of a year therefore must be paid in the following year, such as cleaning services, telecommunications. In addition, EIT ordered several products/services (IT, furniture) where there was non-delivery before the year-end mostly due to the COVID-19 situation, or the contractor did not succeed to issue any invoice before the year-end.



Comparison of budget execution for payments in EUR

Budget Title	2020	2019	2018
1 Staff expenditure	5,668,068.56	5,595,843.55	5,283,629.67
2 Infrastructure and operating expenditure	600,572.63	684,743.93	860,552.31
3 Operational expenditure	535,622,276.24	399,610,922.02	331,443,181.04
TOTAL	541,890,917.43	405,891,509.50	337,587,363.02

A.3.4 Carry-over/re-entry from previous financial year(s)

Automatic carryover of appropriations corresponding to obligations duly contracted in 2019 (C8)

Pursuant to Article 12(6) of the FFR, non-differentiated appropriations, corresponding to obligations duly contracted at the close of the financial year, are carried over automatically to the following year.

63% of the non-differentiated appropriations, namely the administrative appropriations carried over from 2019 to 2020 were paid, which represents a low level of execution, considering the nature of these expenses. However, the estimation of amounts to be carried over must be further improved.

Title 1

On Title 1 budget lines, 73% of appropriations carried over were paid. The low implementation rate on Title 1 appropriations derives from training, mission, agency staff and administrative assistance expense, mostly for activities that were put on hold due to COVID-19, and to some extent due to some over-estimation.

Budget line	Budget Item Description	Commitment appropriations, EUR (1)	Commitments made, EUR (2)	% Committed (2/1)	Payment appropriations, EUR (3)	Payments made, EUR (4)	% Paid (4/3)	R A L (2-4)
1200	Recruitment expenses	1,819.64	1,819.64	100%	1,819.64	1,819.64	100%	-
	Total	1,819.64	1,819.64	100%	1,819.64	1,819.64	100%	-
1300	Mission expenses	17,400.66	8,058.07	46%	17,400.66	8,058.07	46%	-
	Total	17,400.66	8,058.07	46%	17,400.66	8,058.07	46%	-
1401	Medical expenses	2,413.20	2,413.20	100%	2,413.20	2,413.20	100%	-
1403	Social contacts among staff members	370.00	357.00	96%	370.00	357.00	96%	-
	Total	2,783.20	2,770.20	100%	2,783.20	2,770.20	100%	-
1500	Training	20,640.50	5,500.00	27%	20,640.50	5,500.00	27%	-
	Total	20,640.50	5,500.00	27%	20,640.50	5,500.00	27%	-
1600	Agency staff	107,959.51	74,680.74	69%	107,959.51	74,680.74	69%	-
1602	Trainees	5,163.17	5,163.17	100%	5,163.17	5,163.17	100%	-
1603	IT support	60,270.00	60,270.00	100%	60,270.00	60,270.00	100%	-
1604	Administrative assistance	16,120.00	11,555.59	72%	16,120.00	11,555.59	72%	-
1611	Translation	1,058.00	1,058.00	100%	1,058.00	1,058.00	100%	-
	Total	190,570.68	152,727.50	80%	190,570.68	152,727.50	80%	-
	TOTAL - Title 1	233,214.68	170,875.41	73%	233,214.68	170,875.41	73%	-

Title 2

On Title 2 budget lines, 55% of appropriations carried over were paid. The low implementation rate on Title 2 appropriations derives from expenses related to fitting out works, furniture acquisition, postage, telecommunication, legal, meeting and travel cost of GB meetings, which by nature are difficult to forecast, especially under the COVID-19 conditions, or as a result of exchange rate difference.

Budget line	Budget Item Description	Commitment appropriations, EUR (1)	Commitments made, EUR (2)	% Committed (2/1)	Payment appropriations, EUR (3)	Payments made, EUR (4)	% Paid (4/3)	R A L (2-4)
2000	Renting	310.36	309.98	100%	310.36	309.98	100%	-
2003	WaterGasElectricityHeating	16,410.76	15,932.37	97%	16,410.76	15,932.37	97%	-
2004	Cleaning Maintenance	27,791.76	23,739.60	85%	27,791.76	23,739.60	85%	-
2006	Fitting out of premises	660.00	165.00	25%	660.00	165.00	25%	-
2009	Other building related expenditure	1,276.81	1,276.81	100%	1,276.81	1,276.81	100%	-
	Total	46,449.69	41,423.76	89%	46,449.69	41,423.76	89%	-
2100	Acquisition renting of equipments and software	26,485.02	26,003.97	98%	26,485.02	26,003.97	98%	-
2101	Maintenance and repair of equipments	56,683.59	52,254.96	92%	56,683.59	52,254.96	92%	-
	Total	83,168.61	78,258.93	94%	83,168.61	78,258.93	94%	-
2200	Furniture acquisition	619.43	490.30	79%	619.43	490.30	79%	-
2212	Transport cost	87.24	80.16	92%	87.24	80.16	92%	-
	Total	706.67	570.46	81%	706.67	570.46	81%	-
2300	Stationery	2,776.36	2,644.78	95%	2,776.36	2,644.78	95%	-
2301	Postage and delivery	553.65	216.06	39%	553.65	216.06	39%	-
2302	Telecommunication	9,075.40	7,347.33	81%	9,075.40	7,347.33	81%	-
2303	Legal expenses and damages	116,452.00	8,814.75	8%	116,452.00	8,814.75	8%	-
2306	GB members honoraria	2,300.00	1,800.00	78%	2,300.00	1,800.00	78%	-
	Total	131,157.41	20,822.92	16%	131,157.41	20,822.92	65%	-
2400	Official Journal	400.00	400.00	100%	400.00	400.00	100%	-
2403	Survey	13,500.00	13,500.00	100%	13,500.00	13,500.00	100%	-
	Total	13,900.00	13,900.00	100%	13,900.00	13,900.00	100%	-
2500	Organisation of Governing Board meetings	9,870.84	1,713.97	17%	9,870.84	1,713.97	17%	-
	Total	9,870.84	1,713.97	17%	9,870.84	1,713.97	17%	-
	Total - Title 2	285,253.22	156,690.04	55%	285,253.22	156,690.04	55%	-

Title 3

Budgetary commitments on Title 3 budget lines corresponding to obligations duly contracted and not or only partially paid at the closure of the financial year were carried forward from 2019 to 2020. The execution rate of 87% for operational expenses was mainly due to the following: KICs could not fully absorb the 2019 grants and certain contracts were extended beyond the financial year. 0.4% of the budgetary commitment has not been paid in 2020 too, thus carried forward to 2021.

Budget line	Budget Item Description	Commitment appropriations, EUR (1)	Commitments made, EUR (2)	% Committed (2/1)	Payment appropriations, EUR (3)	Payments made, EUR (4)	% Paid (4/2)	R A L (2-4)
3000	KIC Grants	141,018,349.13	122,525,667.62	87%		122,525,667.62	100%	-
	Total	141,018,349.13	122,525,667.62	87%	-	122,525,667.62	100%	-
3111	Planning, reporting and audits	1,865,781.94	1,801,557.22	97%		1,801,557.22	100%	-
3112	Knowledge Triangle Integration	232,621.16	218,962.72	94%		169,962.72	78%	49,000.00
3114	New KICs	4,220.00	4,050.00	96%		4,050.00	100%	-
	Total	2,102,623.10	2,024,569.94	96%		1,975,569.94	98%	49,000.00
3202	Communications and dissemination	1,832,682.00	1,721,324.41	94%		821,551.70	48%	899,772.71
3203	Alumni	155,654.22	126,236.71	81%		126,236.71	100%	-
3204	Stakeholder relations	510,118.03	429,807.39	84%		429,807.39	100%	-
3205	Awards	5,000.00	5,000.00	100%		5,000.00	100%	-
	Total	2,503,454.25	1,847,561.12	74%		1,382,595.80	75%	464,965.32
3301	EIT-KIC relations	26,261.14	22,275.00	85%		22,275.00	100%	-
3303	Monitoring and evaluation	24,979.28	23,160.79	93%	-	23,160.79		-
	Total	51,240.42	45,435.79	89%	-	45,435.79	100%	-
TOTAL		145,675,666.90	126,443,234.47	87%	-	125,929,269.15	100%	513,965.32

* The outstanding commitments on operational budget lines, namely on Title 3 budget lines are paid from payment appropriations adopted by the EIT Governing Board for the financial year in line with Article 12 of the FFR. (C1)

Carry-over of unused appropriations from 2019 to 2020 (C2, C5)

Automatic carry over of unused appropriations (C5)

Commitment appropriations coming from assigned revenue received in 2019 and carried over to 2020 have been partially committed, at the execution rate of 97%. The pandemic situation started in March explains the no use of commitment and payment appropriations on missions and common charges.

Budget line	Budget Item Description	Commitment appropriations, EUR (1)	Commitments made, EUR (2)	% Committed (2/1)	Payment appropriations, EUR (3)	Payments made, EUR (4)	% Paid (4/3)
1130	Schooling	314.64	314.64	100%	314.64	314.64	100%
1300	Mission	1,021.70		0%	1,021.70		0%
	Total	1,336.34	314.64	24%	1,336.34	314.64	24%
2003	Common charges	2.42		0%	2.42		0%
	Total	2.42	-	0%	2.42	-	0%
300	KIC grants	34,037.71	34,037.71	100%			
	Total	34,037.71	34,037.71	100%	-	-	
	GRAND TOTAL	35,376.47	34,352.35	97%	1,338.76	314.64	24%

Re-entry of appropriations unused in 2017, 2018 and 2019 on decision (C2, C3)

In its decisions on budget amendment No 1 and 2, the EIT Governing Board decided to re-enter commitment appropriations cancelled in 2017, 2018 and 2019 and payment appropriations cancelled in 2018 and 2019, on budget line 3000 KICs grants for the financial year 2020. The re-entered appropriations were almost fully utilized. The KICs has been revised their business plan for 2020 owing to the pandemic situation in 2020 that affected the utilisation of commitment appropriations.

Budget line	Budget Item Description	Commitment appropriations, EUR (1)	Commitments made, EUR (2)	% Committed (2/1)	Payment appropriations, EUR (3)	Payments made, EUR (4)	% Paid (4/3)
3000	KIC grants	66,074,440.55	66,026,180.09	100%	9,636,514.85	8,941,680.01	93%
	GRAND TOTAL	66,074,440.55	66,026,180.09	100%	9,636,514.85	8,941,680.01	93%

Budget line	Budget Item Description	Commitment appropriations, EUR			
		from 2017	from 2018	from 2019	total
3000	KIC grants	27,514,196.51	33,682,290.87	5,179,803.68	66,376,291.06
	Total	27,514,196.51	33,682,290.87	5,179,803.68	66,376,291.06

Budget line	Budget Item Description	Payment appropriations, EUR			
		from 2017	from 2018	from 2019	total
3000	KIC grants		40,506.78	9,596,008.07	9,636,514.85

The remaining cancelled appropriations are booked on Title 4, where EIT collects cancelled appropriations not needed in the financial year. Title 4 allows to monitor the use of cancelled appropriation and be in line with the derogation for following the three-year rule¹¹ that will come to an end in 2021. The tables below demonstrate the overview of cancelled appropriations.

Budget line	Budget Item Description	Commitment appropriations, EUR			
		from 2017	from 2018	from 2019	total
4001	Cancelled appropriations for year n-1 not used in year n			9,226,443.15	9,226,443.15
	Total	-	-	9,226,443.15	9,226,443.15

A.3.6 Carry-over/re-entry from 2020 to 2021

Automatic carryover of appropriations corresponding to obligations duly contracted in 2020 (RAL)

RAL volumes vary considerably. This is a consequence of the time lag between commitment and payment rather than a problem specifically related to a particular EIT activity. The amount of outstanding commitments as of 31 December 2020 was EUR 187.6 million, which represents an increase of 28% compared to 2019. A breakdown elaborating on the outstanding commitments is provided in the table here-below.

Evolution of RAL, EUR

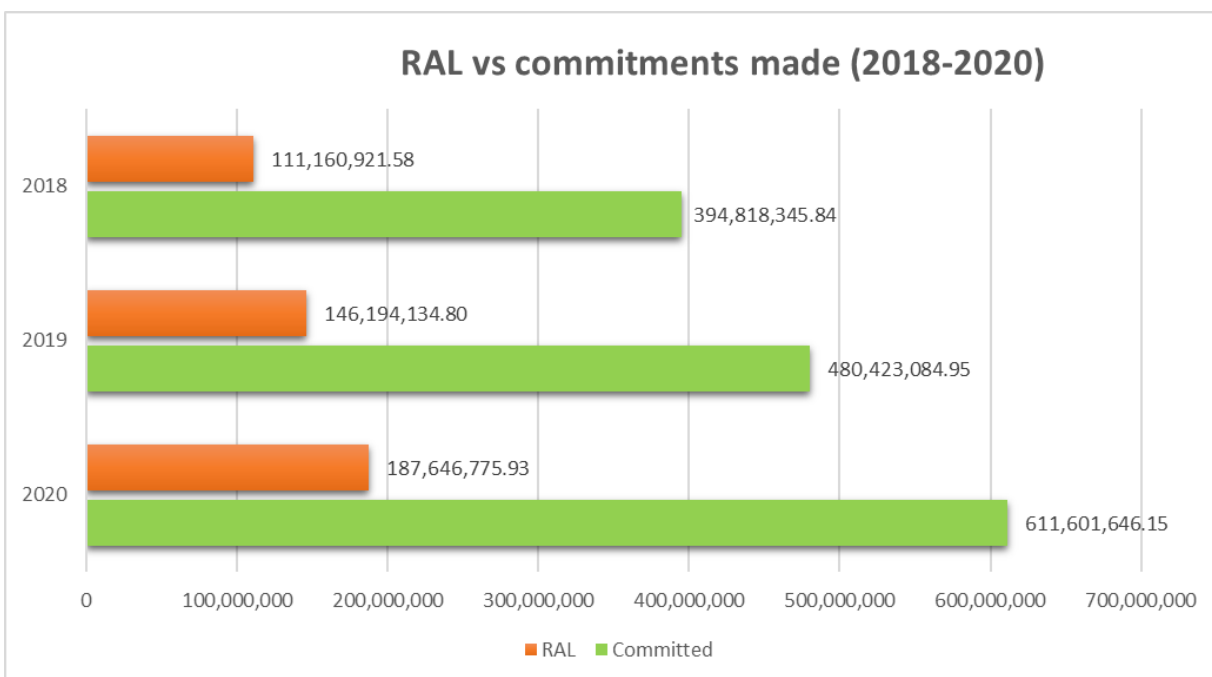
Budget Title	2020	2019	2018	Change from 2019 to 2020, EUR	Change from 2019 to 2020, %
1 Staff expenditure	435,167.87	233,214.68	438,508.03	201,953.19	87%
2 Infrastructure and operating expenditure	170,295.06	285,253.22	295,179.64	(114,958.16)	-40%
3 Operational expenditure	187,041,313.00	145,675,666.90	110,427,233.91	41,365,646.10	28%
TOTAL	187,646,775.93	146,194,134.80	111,160,921.58	41,452,641.13	28%

**Outstanding commitment of EUR 523,965.32 out of EUR 187,041,313.00 relates to commitments made before 2020 and not paid fully in 2020.*

¹¹ According to Art 12 of EIT FR

The high amount of RAL for Title 1 staff expenditure comes from extension of several interim agents' contract to 2021 as well as from trainee and IT support contracts that are started in the second half of the year and will end in 2021.

The high amount of RAL for operational expenditure is the result of the budget increase for KIC grants. Due to the nature of these grants, and the fact that payment of final balance (an average of 30% of the grant amount) is executed in year N+1, the amount of RAL is, and will always remain, very high.



Details of RAL on all Titles

Pursuant to Article 12(6) of the FFR, non-differentiated appropriations, corresponding to obligations duly contracted at the close of the financial year, are carried over automatically to the following year. The level of amounts of staff related commitments (Title 1) carried over to 2021 is very low, although it's higher compared to 2019 (2020: 7%, 2019: 4%). On Title 2 the relatively high rate of 22% is lower than in 2019 (29%). 35% of differentiated appropriations (operational expenses) carried over from 2020 to 2021 owing to particularly 2020 KIC grants to be paid in 2021. The rate is slightly increased compared to 2019. (2020: 35%, 2019:31%)

Budget Title	commitments made in 2020	outstanding related to commitments made in 2020	% of outstanding commitment and commitments made
1 Staff expenditure	6,103,236.43	435,167.87	7%
2 Infrastructure and operating expenditure	770,867.69	170,295.06	22%
3 Operational expenditure	538,667,009.59	186,517,347.68	35%
TOTAL	545,541,113.71	187,122,810.61	34%

RAL on Title 1 Staff expenditure

In 2020, the highest share of outstanding commitments for Title 1 concerned agency staff and on-site IT support like in 2019 (81%, EUR 353,718.16). Due to shortages in staff, EIT decided to extend interim contracts to 2021 that affected the high number of RAL on Title 1. The contract for on-site IT support will last until the end of June 2021.

Budget line	Budget Item Description	RAL, EUR	RAL, % of the total
1130	Schooling	8,489.78	
	Total	8,489.78	2%
1200	Recruitment	211.00	
	Total	211.00	0%
1401	Medical expense	225.00	
1402	Kindergarten	12,477.40	
1404	Sport	68.82	
	Total	12,771.22	3%
1500	Training	14,521.00	
	Total	14,521.00	3%
1600	Agency staff	285,468.16	
1601	Seconded National Expert	6,954.56	
1602	Trainees	20,407.15	
1603	IT support	68,250.00	
1604	Administrative Assistance	16,095.00	
	Total	397,174.87	91%
1700	Representation	2,000.00	
	Total	2,000.00	0%
	TOTAL - Title 1	435,167.87	

RAL on Title 2 Administrative expenditure

The building related expenditure (39%, EUR 66,460.55) and the Information and communication technology expenditure (49%, EUR 83,768.43) represents the highest share of outstanding commitments on Title 2 budget lines.

The rental of EIT Liaison office in Brussels starts in October that was not invoiced in 2020. Like the rental the final common charges cost as well as cleaning services go beyond the financial year and are invoiced in year n+1 only. The EIT is connected through a secured line to the European Commission IT tools where the services also go beyond the financial year and the invoice have not been issued by the contractor in the financial year. The same applies to the IT support that are contracted until end of June.

Budget line	Budget Item Description	RAL, EUR	RAL, % of the total
2000	Renting	25,376.84	
2003	WaterGasElectricityHeating	11,794.04	
2004	Cleaning Maintenance	29,187.67	
2005	Security	102.00	
	Total	66,460.55	39%
2100	ICT equipment acquisition	35,759.68	
2101	Maintenance ICT	48,008.75	
	Total	83,768.43	49%
2220	Furniture acquisition	4,896.40	
	Total	4,896.40	3%
2301	Postage and delivery	150.39	
2302	Telecommunication	12,144.29	
2306	GB members honoraria	2,875.00	
	Total	15,169.68	9%
	TOTAL - Title 2	170,295.06	

RAL on Title 3 Operational expenditure

The outstanding commitments under Title 3 budget lines are equal to EUR 187 million, out of which EUR 186 million comes from commitments made in 2020 and EUR 0.9 million from commitments made previous year(s). the KIC grants represent 98% of the RAL on Title 3. Due to the nature of the grants, namely - the payment of

the final balance (an average of 30% of the grant amount) is executed in year N+1, the amount of RAL is and will be always very high.

The outstanding amounts for Planning, reporting and audits concern mainly the cost of ex-post audit of cost reports related to 2019 KIC grant agreement (EUR 0.2 million) and the cost of certificate of financial statements (EUR 1 million) as well as the fees of experts for 2021 KIC business plan assessment (EUR 0.5 million)

The high rate of RAL for communication and dissemination concerns a contract concluded for the EIT Integrated communication services 2020-2021 (EUR 0.8 million) as well as the provision of EIT community information coordination services in EIT RIS countries) EUR 0.5 million).

EIT AWARDS ceremony took place in December, thus the organisational cost as well as the prizes will be paid in 2021 which explains the RAL on budget line 3204 and 3205.

A major part of the RAL on Alumni budget line concerns EIT Alumni CONNECT event and the INOVA+ project on services for development and support of the EIT alumni community between 2020-2022.

Expert contracts for financial sustainability, monitoring and a contract for development a methodology for implementation of EIT Impact Framework 2021-2027 justifies mainly the amount of RAL on Chapter 33.

Budget line	Budget Item Description	RAL, EUR	RAL, % of the total
3000	KIC Grants	181,862,790.41	
	Total	181,862,790.41	98%
3111	Planning, reporting and audits	1,693,154.92	
3112	Knowledge Triangle Integration	60,500.00	
3113	Fostering growth	49,904.00	
	Total	1,803,558.92	1%
3202	Communications and dissemination	1,398,079.89	
3203	Alumni	206,543.67	
3204	Stakeholder relations	204,834.40	
3205	Awards	320,000.00	
	Total	2,129,457.96	1%
3301	EIT-KIC relations	85,680.00	
3302	Simplification	26,692.00	
3303	Monitoring and evaluation	184,361.00	
	Total	296,733.00	0%
	TOTAL - Title 3	186,092,540.29	

Carry over of unused appropriations from 2020 to 2021

Appropriations from assigned revenue carried over from 2020 to 2021 (automatic carry over of C4)

Pursuant to Article 12(4) of the FFR, unused appropriations from assigned revenue must be carried over for one year only. At the end of 2020, an amount of EUR 3,386,104.62 for appropriations from assigned revenue related to recoveries from KICs and other administrative expense had not been fully consumed; therefore, the unused amount was automatically carried over to 2021.

Budget line	Budget Item Description	carried over of commitment appropriations, EUR	carried over of payment appropriations, EUR
1130	Schooling	0.00	926.28
3000	KIC grants	3,385,178.34	3,385,178.34
TOTAL		3,385,178.34	3,386,104.62

Cancelled appropriations carried over from 2020 to 2021 on decision

Not applicable.

Re-entry of appropriations unused in 2020 until 2021

Commitment appropriations amounting to EUR 215,638.15 have not been committed at the end of the financial year. All are re-entered in 2021 to cover KIC grants.

At the end of the year 2020 the cancelled payment appropriations amounted to EUR 4,753,455.35, out of which EUR 1,659,693.58 is re-entered in 2021.

Part B – Detailed overview of the implementation of the budget 2020

B.1 Revenue

The EIT budget is financed by an EU subsidy and other revenue.

In 2020, the EU subsidy to the EIT including the EFTA and third party (H2020) contribution amounted to EUR 546.6 million (97.8%), and EUR 12,3 million (2.2%) corresponded to other revenue.

In 2020, other revenue comprised

- repayments of KIC grants following ex-post audits,
- surplus for 2019 and
- other revenue from administrative operations.

Surplus of EUR 9,6 million out of EUR 9,8 million was re-entered in 2020, which was partially consumed.

Revenue collected in 2020

Income line	Income line header	Income appropriation, EUR	Entitlements established in previous years, EUR (1)	Entitlements established in 2020, EUR (2)	Revenue carried over from 2019, EUR (3)	Revenue received in 2020, EUR (4)	Outstanding amounts, EUR (1+2-3-4)
200	European Union subsidy	497,631,001.96		497,631,001.96		497,631,001.96	0.00
300	Contributions by the EFTA member states	11,411,725.00		11,411,725.00		11,411,725.00	0.00
310	Contributions by third countries	37,586,455.78		37,586,455.78		37,586,455.78	0.00
570	Revenue arising from repayment of amounts wrongly paid	16,116.32	1,336.34	18,057.79		16,116.32	3,277.81
590	Other revenue from administrative operations	0.00	2.42	703.82	2.42	703.82	0.00
600	Surplus, balances	9,636,514.85	9,636,514.85		9,636,514.85		0.00
700	Repayment of unused KICs grants	2,648,109.18		3,359,610.44		3,359,610.44	
701	Repayment of KICs grants incurred as a result of an ex-post audit (assigned revenue)	0.00		25,567.90		25,567.90	0.00
	TOTAL	558,929,923.09	9,637,853.61	550,033,122.69	9,636,517.27	550,031,181.22	3,277.81

Implementation of internal assigned revenue (IC4)

In 2020, EIT received EUR 3,385,178.34 arising from the repayment of grants as a result of an ex-post audit of final cost reports related to the 2017 grant agreements as well as unused grants. In addition, an amount of EUR 16,116.32 was recovered related to administrative expense.

Internal assigned revenue collected in 2020

Budget line	Budget Item Description	Commitment appropriations, EUR (1)	Commitments made, EUR (2)	% Committed (2/1)	Payment appropriations, EUR (3)	Payments made, EUR (4)	% Paid (4/3)	R A L (2-4)
1130	Schooling	16,116.32	16,116.32	100%	16,116.32	15,190.04	94%	926.28
3000	KIC Grants	3,385,178.34		0%	3,385,178.34		0%	

Repayment of grants following ex-post audits, EUR

Name of the KIC	Recovered amount, EUR
EIT HEALTH	20,165.42
EIT RAW MATERIALS	5,402.48
TOTAL	25,567.90

Returned amounts from Guarantee Fund due to unused grants, EUR

Name of the KIC	Outstanding amounts, EUR
EIT FOOD	704,880.05
EIT RAW MATERIALS	753,737.52
EIT CLIMATE	1,189,491.61
EIT INNO ENERGY	711,501.26
TOTAL	3,359,610.44

Outstanding debit notes

At the end of the financial year there was two outstanding debit notes. Debit note was issued to EIT travel agency (AMEX) amounting to EUR 1,941.47 which was challenged. Another one was issued to recover the financial impact of salary adjustment related to ex-staff member. It amounts to EUR 704.87.

B.2 Expenditure

B.2.1 Title 1 — Staff expenditure

Chapter 11 - Staff in active employment

Appropriations on salary budget lines were adjusted to reflect the actual financial need of the filled and to be filled posts until the end of the financial year. Execution on this chapter is considered high taking into account the difficulty in estimating the final needs.

Official Budget Item	Heading	Fund Source	Commitment appropriation, EUR	Commitments made EUR	% Committed	Payment appropriation, EUR	Payments made, EUR	% Paid
1100	Basic salaries including weightings	C1	2,700,000.00	2,565,858.37	95 %	2,700,000.00	2,565,858.37	95 %
1101	Allowances	C1	1,113,200.00	946,238.37	85 %	1,113,200.00	946,238.37	85 %
1102	Employers charges	C1	151,000.00	148,781.39	99 %	151,000.00	148,781.39	99 %
1110	Remuneration and allowances of contract agents	C1	1,010,000.00	967,943.19	96 %	1,010,000.00	967,943.19	96 %
1121	Entitlements related to entering the service	C1	120,000.00	66,938.76	56 %	120,000.00	66,938.76	56 %
1130	Schooling	C1	336,000.00	336,000.00	100 %	336,000.00	328,436.50	98 %
		C4	16,116.32	16,116.32	100 %	16,116.32	15,190.04	94 %
		C5	314.64	314.64	100 %	314.64	314.64	100 %
TOTAL			5,446,630.96	5,048,191.04	93 %	5,446,630.96	5,039,701.26	93 %

Chapter 12 - Recruitment expenses

The payment implementation rate of the recruitment budget is satisfactory considering the nature of expenses under this budget.

Official Budget Item	Heading	Fund Source	Commitment appropriation, EUR	Commitments made EUR	% Committed	Payment appropriation, EUR	Payments made, EUR	% Paid
1200	Recruitment expenses	C1	5,100.00	4,175.60	82 %	5,100.00	3,964.60	78 %

Chapter 13 – Mission expenses

The mission plan, respectively mission budget was significantly affected by COVID-19 crisis, which also explains the low implementation of appropriations.

Official Budget Item	Heading	Fund Source	Commitment appropriation, EUR	Commitments made EUR	% Committed	Payment appropriation, EUR	Payments made, EUR	% Paid
1300	Mission expenses	C1	50,000.00	40,190.83	80 %	50,000.00	40,190.83	80 %
		C5	1,021.70		0 %	1,021.70		0 %
TOTAL			51,021.70	40,190.83	79 %	51,021.70	40,190.83	79 %

Chapter 14 - Socio-medical infrastructure

Due to the pandemic crisis, less staff member participated in the annual medical check-up, furthermore only one sport activity was continued, namely online yoga, in the course of the year. Due to its nature, kindergarten expense is hard to pre-estimate, moreover it was additionally affected by the COVID-19 situation, where kindergartens subsequently reduced the initially planned amounts, which also contributed to the lower implementation of the related budget.

Official Budget Item	Heading	Fund Source	Commitment appropriation, EUR	Commitments made EUR	% Committed	Payment appropriation, EUR	Payments made, EUR	% Paid
1400	Restaurants and canteens	C1	200.00	95.58	48 %	200.00	95.58	48 %
1401	Medical expenses	C1	24,000.00	15,781.00	66 %	24,000.00	15,556.00	65 %
1402	Early childhood centre and approved day nurseries	C1	50,000.00	50,000.00	100 %	50,000.00	37,522.60	75 %
1404	Other social expenses	C1	2,700.00	1,241.18	46 %	2,700.00	1,172.36	43 %
TOTAL			76,900.00	67,117.76	87 %	76,900.00	54,346.54	71 %

Chapter 15 - Training

The low execution rate of payments against commitment is owing to the payment method set out in the Service Level Agreements (SLA) concluded with the European Commission for trainings. According to the SLA, the request for final payment must be submitted to the EIT in N+1.

Official Budget Item	Heading	Fund Source	Commitment appropriation, EUR	Commitments made EUR	% Committed	Payment appropriation, EUR	Payments made, EUR	% Paid
1500	Training	C1	40,500.00	37,848.32	93 %	40,500.00	23,327.32	58 %

Chapter 16 - External staff and linguistic support

Contract with interim agents, seconded national expert, trainees, as well as for on-site IT support went beyond the financial year, which effected the execution rate of payments.

The execution rate of payments against commitments for budget item 1604 'administrative assistance' arises from the fact that the audit of accounts is completed in 2020.

By nature, the cost of translation services is hard to estimate.

Official Budget Item	Heading	Fund Source	Commitment appropriation, EUR	Commitments made EUR	% Committed	Payment appropriation, EUR	Payments made, EUR	% Paid
1600	Agency staff	C1	585,000.00	536,025.07	92 %	585,000.00	250,556.91	43 %
1601	Seconded National Expert	C1	12,800.00	10,500.00	82 %	12,800.00	3,545.44	28 %
1602	Trainees	C1	110,500.00	94,450.45	85 %	110,500.00	74,043.30	67 %
1603	IT support	C1	117,000.00	117,000.00	100 %	117,000.00	48,750.00	42 %
1604	Administrative assistance	C1	144,550.00	138,532.00	96 %	144,550.00	122,437.00	85 %
1611	Translation	C1	12,000.00	7,520.00	63 %	12,000.00	7,520.00	63 %
TOTAL			981,850.00	904,027.52	92 %	981,850.00	506,852.65	52 %

Chapter 17 - Representation

Due to the nature of representation expense, it is difficult to estimate the final funds required.

Official Budget Item	Heading	Fund Source	Commitment appropriation, EUR	Commitments made EUR	% Committed	Payment appropriation, EUR	Payments made, EUR	% Paid
1700	Representation expenses	C1	2,000.00	2,000.00	100 %	2,000.00		0 %

B.2.2 Title 2 —Infrastructure and operating expenditure

Chapter 20 - Building and associated costs

The rental period of EIT Liaison office in Brussels starts in October. The landlord has not submitted the invoice for the rental fee before the year-end that explains the low implementation rate of payments.

In accordance with the Host Agreement concluded between EIT and Hungary, the Hungarian Government rents the office space and covers the associated utility costs except for water and electricity. The landlord submits its final invoice for utilities to the Hungarian Government a year after the actual expense has been incurred, and only then it is invoiced to the EIT. For that reason, the whole committed amount needs to be carried over to the following financial year.

Contract with the new cleaning company was concluded in the second half of the year, for which expenses must be paid in the following year too that resulted in a low implementation rate of payments.

Due to the pandemic situation EIT increased its security budget to cover purchase of face masks, disinfection of offices, etc. Due to the uncertainty related to the timeframe of the pandemic situation, the final consumption on this budget line (2005) was lower than expected.

The cost of fitting out works of the Budapest office was less than foreseen. One of the reasons was again the COVID-19 situation and lack of clarity in regard to it horizon, since some amounts were reserved for potential utilisation towards Q4, which unfortunately could not materialise.

Official Budget Item	Heading	Fund Source	Commitment appropriation, EUR	Commitments made EUR	% Committed	Payment appropriation, EUR	Payments made, EUR	% Paid
2000	Renting	C1	65,000.00	64,865.90	99.79 %	65,000.00	39,489.06	60.75 %
2003	Water gas electricity and heating	C1	26,000.00	26,000.00	100.00 %	26,000.00	14,205.96	54.64 %
		C5	2.42		0.00 %	2.42		0.00 %
2004	Cleaning and maintenance	C1	33,000.00	32,117.88	97.33 %	33,000.00	2,930.21	8.88 %
2005	Security and surveillance	C1	19,500.00	13,448.61	68.97 %	19,500.00	13,346.61	68.44 %
2006	Fitting out of premises	C1	3,000.00	2,274.34	75.81 %	3,000.00	2,274.34	75.81 %
2009	Other building expenditure	C1	8,300.00	8,267.06	99.60 %	8,300.00	8,267.06	99.60 %
TOTAL			154,802.42	146,973.79	94.94%	154,802.42	80,513.24	52.01%

Chapter 21 - Information and communication technology

The EIT concluded contract for leasing of printers, where the execution of the contracts expands beyond the end of the financial year. In addition, the contractor for Testa-NG (for secured line that connect EIT with European Commission tools) did not sent the invoice before the year end. The EIT also concluded for Testa-NG for the period 2021 for guaranteeing the secured connection to European Commission services, where the implementation of the contract starts on 1st January 2021 thus affecting the execution of the payment appropriations (2100).

The execution of the contract for L2 IT support services expands beyond the end of the financial year that resulted a low implementation rate of payment on budget line 2101.

Official Budget Item	Heading	Fund Source	Commitment appropriation, EUR	Commitments made EUR	% Committed	Payment appropriation, EUR	Payments made, EUR	% Paid
2100	Acquisition renting of equipments and software	C1	151,000.00	150,517.89	99.68 %	151,000.00	114,758.21	76.00 %
2101	Maintenance and repair of equipments	C1	241,920.00	237,268.83	98.08 %	241,920.00	189,260.08	78.23 %
TOTAL			392,920.00	387,786.72	98.69%	392,920.00	304,018.29	77.37%

Chapter 22 - Movable property and associated costs

Due to the COVID-19 EIT changed its working modality to partial home office that resulted in low implementation rate of transport expenses that covered requests from staff for public transport cost reimbursement).

The EIT ordered lifting desks that were not delivered in the financial year.

Official Budget Item	Heading	Fund Source	Commitment appropriation, EUR	Commitments made EUR	% Committed	Payment appropriation, EUR	Payments made, EUR	% Paid
2212	Transport cost	C1	11,000.00	4,798.91	43.63 %	11,000.00	4,798.91	43.63 %
2220	Acquisition of furniture	C1	5,500.00	4,896.40	89.03 %	5,500.00	0.00	0.00 %
TOTAL			16,500.00	9,695.31	58.76%	16,500.00	4,798.91	29.08%

Chapter 23 - Current administrative expenditure

Home office affected the implementation of the stationary budget.

In case of telecommunication and postage services, the invoice for December is issued by the contractors in January following the financial year that resulted in lower payment implementation rate.

Official Budget Item	Heading	Fund Source	Commitment appropriation, EUR	Commitments made EUR	% Committed	Payment appropriation, EUR	Payments made, EUR	% Paid
2300	Stationery and office supplies	C1	1,500.00	133.70	8.91 %	1,500.00	133.70	8.91 %
2301	Postage and delivery charges	C1	1,000.00	1,000.00	100.00 %	1,000.00	849.61	84.96 %
2302	Telecommunication charges	C1	46,000.00	41,674.39	90.60 %	46,000.00	29,530.10	64.20 %
2306	Honoraria for Governing Board Members	C1	159,500.00	159,500.00	100.00 %	159,500.00	156,625.00	98.20 %
2309	Other administrative expenses	C1	500.00	262.24	52.45 %	500.00	262.24	52.45 %
TOTAL			208,500.00	202,570.33	97.16%	208,500.00	187,400.65	89.88%

Chapter 24 - Publications, information, studies and surveys

The cost of publication in the Official Journal was lower than expected.

EIT staff survey was performed at the year-end and the analysis was delivered in 2020 only which resulted in no payment in 2019.

Official Budget Item	Heading	Fund Source	Commitment appropriation, EUR	Commitments made EUR	% Committed	Payment appropriation, EUR	Payments made, EUR	% Paid
2400	Official Journal	C1	50.00	35.32	70.64 %	50.00	35.32	70.64 %
2402	Purchase information	C1	17,000.00	16,865.85	99.21 %	17,000.00	16,865.85	99.21 %
TOTAL			17,050.00	16,901.17	99.13%	17,050.00	16,901.17	99.13%

Chapter 25 - Meeting expenses

Due to COVID-19, EIT transferred its Governing Board meetings to digital platform since March 2020. EIT expected to have its usual Governing Board meetings of December to take place in Budapest but the pandemic situation was not over, that resulted in low implementation of commitment credits. The same affected the budget for internal meetings.

Official Budget Item	Heading	Fund Source	Commitment appropriation, EUR	Commitments made EUR	% Committed	Payment appropriation, EUR	Payments made, EUR	% Paid
2500	Organisation and travel expenses of Governing Board meetings	C1	90,000.00	5,892.31	6.55 %	90,000.00	5,892.31	6.55 %
2520	Internal meetings	C1	1,500.00	1,048.06	69.87 %	1,500.00	1,048.06	69.87 %

B.2.3 Title 3 — Operational expenditure

Chapter - 30 Grants

The implementation rate of commitment appropriations for 2020 grants is very high, partially due to the Crisis Response Initiative that EIT launched to tackle the COVID-19 pandemic through KICs. The appropriations arisen from assigned revenue as a lower absorption of 2019 grants was not used but will be committed in 2021.

Official Budget Item	Heading	Fund Source	Commitment appropriation, EUR	Commitments made EUR	% Committed	Payment appropriation, EUR	Payments made, EUR	% Paid
3000	KIC Grants	C1	533,961,647.74	533,961,647.74	100 %	534,899,362.74	531,743,062.74	99 %
		C2	66,074,440.55	66,026,180.09	100 %	9,636,514.85	8,941,680.01	93 %
		C4	3,385,178.34		0 %	3,385,178.34		0 %
		C5	34,037.71	34,037.71	100 %			
TOTAL			603,455,304.34	600,021,865.54	99 %	547,921,055.93	540,684,742.75	99 %

Chapter 31 - Knowledge and Innovation Communities

At chapter level both commitment and payment appropriations were executed at a high level, at 98% and 93%.

The execution rate for budget item 3112 'Knowledge Triangle Integration' was low (74%) owing to that less activities have been implemented in the field of EIT label programme.

Official Budget Item	Heading	Fund Source	Commitment appropriation, EUR	Commitments made EUR	% Committed	Payment appropriation, EUR	Payments made, EUR	% Paid
3111	Planning, reporting and audits	C1	2,080,000.00	2,078,954.32	100 %	2,223,000.00	2,187,356.62	98 %
3112	Knowledge Triangle Integration	C1	132,000.00	97,850.00	74 %	309,000.00	207,312.72	67 %
3113	Fostering growth and impact	C1	50,000.00	49,904.00	100 %	50,000.00	0.00	0 %
3114	New KICs	C1				5,000.00	4,050.00	81 %
TOTAL			2,262,000.00	2,226,708.32	98 %	2,587,000.00	2,398,719.34	93 %

Chapter 32 – EIT's IMPACT

The low commitment execution rate of alumni and stakeholder budgets is a result of the COVID-19 pandemic, in particular of the cancellation of foreseen face to face events and conferences throughout 2020.

Official Budget	Heading	Fund Source	Commitment appropriation,	Commitments made EUR	% Committed	Payment appropriation,	Payments made, EUR	% Paid
3202	Communications and	C1	1,405,000.00	1,399,011.15	100 %	945,000.00	822,482.96	87 %
3203	Alumni	C1	262,000.00	206,714.20	79 %	135,000.00	126,407.24	94 %
3204	Stakeholder relations	C1	324,000.00	217,398.17	67 %	450,000.00	442,371.16	98 %
3205	Awards	C1	320,000.00	320,000.00	100 %	5,000.00	5,000.00	100 %
TOTAL			2,311,000.00	2,143,123.52	93 %	1,535,000.00	1,396,261.36	91 %

Chapter 33 – SIMPLIFICATION, MONITORING AND EVALUATION

Very low payment implementation rate on all budget items relates to expert contracts which were not completed in 2020.

Official Budget	Heading	Fund Source	Commitment appropriation,	Commitments made EUR	% Committed	Payment appropriation,	Payments made, EUR	% Paid
3301	EIT-KIC relations	C1	85,700.00	85,680.00	100 %	36,000.00	22,275.00	62 %
3302	Simplification	C1	33,700.00	33,314.01	99 %	33,700.00	6,622.01	20 %
3303	Monitoring and evaluation	C1	228,600.00	216,536.00	95 %	70,300.00	55,335.79	79 %
TOTAL			348,000.00	335,530.01	96 %	140,000.00	84,232.80	60 %