



European Institute of Innovation and Technology

Invitation to submit a proposal
for the KIC Business Plan of
Culture & Creativity 2024-2025

(Call HORIZON-EIT-2024-25-KIC-EIT-CCSI)

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1. Introduction

This is an invitation to submit a proposal for an EU action grant under the Horizon Europe (HE) Framework Programme for Research and Innovation¹, European Institute of Innovation and Technology (EIT).

The EIT, as part of HE, is governed by a new regulatory framework (i.e. EIT Regulation (recast)², EIT Strategic Innovation Agenda 2021-2027³) and a new contractual framework (EIT Partnership Agreement (PA) and HE Model Grant Agreement (GA)) in the 2021-2027 period.

Scope of the invitation

The main conditions for **a multiannual grant for the 2024-2025 Business Plan of EIT Culture & Creativity** ('KIC' or 'EIT CC') are defined in this invitation, as well as in the respective guidelines and templates (see below).

The present invitation does not cover any Cross-KIC and Higher Education Institutions (HEI) Initiative activities in the 2024-2025 period. EIT CC may participate in these activities by way of amendment of the ongoing Cross-KIC and HEI Grant Agreements of the other KICs, under the conditions which will be detailed in the Request for amendment of the 2023-2025 Grant Agreements (to be launched in April/May 2023).

Relevant EIT Governing Board decisions and invitation documentation

This invitation is launched and the EIT financial contribution to the KIC will be determined based on the criteria and processes, as described below, in line with the following decisions of the EIT Governing Board:

- Decision 36/2023 of the EIT Governing Board on the adoption of the Final Single Programming Document (2023-2025), Annex XI on Grants, which will be the multiannual financing decision to award the grant for 2024-2025⁴;
- Decision 02/2023 of the EIT Governing Board on the adoption of the Draft Single Programming Document (2024-2026), Annex XI on Grants⁵,

¹ Regulation (EU) 2021/695 of the European Parliament and of the Council of 28 April 2021 establishing Horizon Europe – the Framework Programme for Research and Innovation, laying down its rules for participation and dissemination, and repealing Regulations (EU) 1290/2013 and (EU) No 1291/2013 (OJ L 170, 12.5.2021, p. 1.)

² Regulation (EU) 2021/819 of the European Parliament and of the Council of 20 May 2021 on the European Institute of Innovation and Technology (recast) (OJ L 189, 28.5.2021, p. 61)

³ Decision (EU) 2021/820 of the European Parliament and of the Council of 20 May 2021 on the Strategic Innovation Agenda of the European Institute of Innovation and Technology (EIT) 2021-2027: Boosting the Innovation Talent and Capacity of Europe and repealing decision No 1312/2013/EU (OJ L 189, 28.5.2021, p. 91)

⁴ Ares(2022)8699476

⁵ Ares(2023)709672

- Decision 05/2023 on the principles for the determination of the initial EIT financial allocation for 2024-2025 to the Business Plan 2024-2025 of the Knowledge and Innovation Community EIT Culture & Creativity (EIT CC)⁶,
- Decisions of the EIT Governing Board on the adoption of the
 - EIT Budget and Establishment Plan for the financial year 2024⁷;
 - EIT Budget and Establishment Plan for the financial year 2025⁸.

The KIC shall submit its proposal in accordance with the conditions laid down in the present invitation and should be aligned with the guidelines and the attached annotated proposal templates. More details on the action and the topic, the timeline, the eligible entities, eligible activities, evaluation criteria and the allocation process can be found below.

Therefore, we invite you to read the **invitation documentation** carefully, and in particular this invitation, the [Horizon Europe Model Grant Agreement](#), the [EU Funding & Tenders Portal Online Manual](#), the [Horizon Europe Guidelines](#), the [EU Grants AGA — Annotated Model Grant Agreement](#) and the Financial Support Agreement template (shared with all the KICs in November 2022).

These documents provide clarifications and answers to questions you may have when preparing your proposal:

- this [invitation](#) outlines:
 - the topic of the invitation
 - available budget and timetable
 - admissibility and documents
 - criteria for exclusion
 - evaluation and award procedure
 - award criteria
 - legal and financial set-up of the Grant Agreement
 - how to submit an application
- the [Funding & Tenders Portal Online Manual](#) outlines the:
 - procedures to register and submit a proposal online via the EU Funding & Tenders Portal (Portal)

⁶ Ares(2023)1853190

⁷ To be adopted in Q4 of 2023.

⁸ To be adopted in Q4 of 2024.

- recommendations for the preparation of the application.
- The Guidelines and Templates contain:
 - Horizon Europe reference documents, online manual, IT how to, Glossary
 - EIT annotated proposal template for Business Plan
 - Horizon Europe model template for Monitoring and Reporting.
- the AGA — Annotated Model Grant Agreement contains:
 - detailed annotations on all the provisions in the Grant Agreement you will have to sign in order to obtain the grant (*including cost eligibility, payment schedule, accessory obligations, etc*).
- the Financial Support Agreement Template, as prepared by in cooperation with all the KICs and the EIT, contains:
 - the provisions to be applied in case of financial support to third parties.

2. Topic of the invitation

The proposal under the invitation must address the following topic covered in this invitation:

Type of EIT KIC Action	Topic	Comments
KIC Business Plan 2024-2025 Type of action (ToA): EIT KIC Action	- EIT Culture & Creativity Business Plan 2024-2025 (Topic ID: HORIZON-EIT-2024-25-KIC-EIT-CCSI)	- The KIC will implement the EIT Regional Innovation Scheme (EIT RIS) as included in the Business Plan. - A specific Business Plan proposal template shall be used in eGrants.

3. Available budget

Available budget for the Business Plan 2024-2025

As stipulated in the EIT Strategic Innovation Agenda, the funding allocation criteria are **performance-based**. The EIT Governing Board will decide on an **initial multiannual funding allocation decision** for the 2024-2025 period for EIT KIC Culture & Creativity.

Later, when the final EIT budget is known for 2025, the EIT Governing Board may take **an additional funding allocation decision** at the end of 2024, taking into account the available EIT budget, the ongoing multiannual legal commitments between the EIT and the KIC, the performance of the KIC and the estimated financial needs.

The available budget for the Business Plan 2024-2025 is calculated based on the EIT Strategic Innovation Agenda 2021-2027. The initial and the additional funding allocation for EIT Culture & Creativity for the period of 2024-2025 is **maximum 80 MEUR**:

- The EIT budget available for the **initial multiannual funding allocation** decision for the 2024-2025 Business Plan of the KIC is in the range of **MEUR 50-70** (indicative), calculated as 100% of the 2024 and 75% of the 2025 indicative annual EIT budget available for the grant for the KIC.
- The KIC may receive in 2024 an **additional funding allocation** for activities in 2025 for the Business Plan, since 25% of the EIT grant budget foreseen for 2025, in line with the principles of funding allocation, is withheld at this stage.

4. Timetable and deadlines

The indicative timeline of the submission and evaluation procedure is as follows:

Key dates	Date and time or indicative period
Deadline for submission of the 2024-2025 Business Plan proposal	28 September 2023 at 17.00.00 (Brussels local time)
Evaluation period	October 2023 – December 2023
Hearing with the EIT Governing Board	November 2023
Multiannual funding allocation decision by EIT Governing Board and letter sent to the KIC, including strategic recommendations	Early December 2023
KIC to submit the final proposal	December/January 2023
Grant award decision by EIT Director	January 2024
Signature of the Partnership Agreement ⁹	January 2024
Signature of the Grant Agreement¹⁰ for EIT CC 2024-2025 Business Plan	February 2024
First pre-financing payment	Within 30 days following the signature of the Grant Agreement

⁹ The approval of the KIC Strategic Agenda by the EIT is a precondition to signing the Partnership Agreement.

¹⁰ The conclusion of the EIT-KIC Partnership Agreement is a precondition to signing the Grant Agreement.

5. Admissibility and documents

The proposal must be submitted no later than the deadline for submission indicated in the table in Chapter 4.

The proposal must be submitted electronically using via the Portal, which can be accessed at:

Funding & Tenders portal

The submission shall comply with the respective guidelines and the templates and standards available on the Portal. Unless otherwise indicated in this Invitation, failure to comply with this requirement may lead to the rejection of the proposal.

The proposal must be drafted in English.

6. Eligibility

Entities eligible for funding

In accordance with the Horizon Europe Work Programme 2023-2024¹¹ and the Single Programming Document (2023-2025) of the EIT¹², in order to be eligible for funding, **the applicants must be established in one of the eligible countries**, i.e.:

- the Member States (MS) of the European Union (EU) including their outermost regions
- the Overseas Countries and Territories (OCTs) linked to the Member States¹³
- eligible non-EU countries:
 - Countries associated to Horizon Europe¹⁴

¹¹ <https://ec.europa.eu/info/funding-tenders/opportunities/portal/screen/how-to-participate/reference-documents>

¹² <https://eit.europa.eu/sites/default/files/spd2023-2025.pdf>

¹³ Entities from Overseas Countries and Territories (OCT) are eligible for funding under the same conditions as entities from the Member States to which the OCT in question is linked. See the Horizon Europe Programme Guide on the portal for a complete list of OCTs.

¹⁴ Please see the Horizon Europe Programme Guide on the Funding and Tenders Portal for up-to-date information on the current list of and the position for Associated Countries:
https://ec.europa.eu/info/funding-tenders/opportunities/docs/2021-2027/horizon/guidance/programme-guide_horizon_en.pdf

- Certain low- and middle-income countries¹⁵

Legal entities, which are established in countries not listed above may be eligible for funding when their participation is considered essential for implementing the action by the EIT, and if they are not eligible for funding under a national scheme.

For third parties receiving financial support, please see Chapter 14.6.

As laid down in the EIT's 2023 Work Programme, Article 195(c) of the EU Financial Regulation authorises the award of a grant without a call for proposals to a body with a de jure or de facto monopoly, which is the case for the KIC. As a result, this invitation is addressed to EIT Culture & Creativity.

Eligible activities

In line with Article 7(1) of the recast EIT Regulation, KICs will undertake in particular:

- innovation activities and investments with Union added value, including facilitating the creation of innovative start-ups and the development of innovative businesses in complementarity with the EIC and the InvestEU Programme, fully integrating the higher education and research dimensions to attain a critical mass and stimulating the dissemination and exploitation of results;
- innovation-driven research, experimentation, prototyping and demonstration in areas of key economic, environmental and societal interest and drawing on the results stemming from Union and national research, with the potential to strengthen the Union's competitiveness at international level and find solutions for the major challenges faced by European society, including those relating to health and the digital market;
- education and training activities¹⁶ in particular at master's and doctoral level, as well as professional training courses, in areas with the potential to meet future European socio-economic and socio-ecological needs and which expand the Union's talent base, promote the development of innovation-related skills, the improvement of managerial and entrepreneurial skills and the mobility of researchers and students, and foster knowledge-sharing, mentoring and networking among the recipients of EIT education and training activities, including those that are EIT-labelled;
- actions as part of the pilot higher education initiative to better integrate HEIs in innovation value chains and ecosystems and bring them together with other key innovation players from the knowledge triangle and thereby improve their innovation and entrepreneurial capacity¹⁷;

¹⁵ See the Horizon Europe Programme Guide on the Funding and Tenders Portal for a complete list of these countries.

¹⁶ The education and training activities planned should seek synergies with and contribute to EIT's education flagship deep tech talent initiative to skill, re-skill and up-skill 1 million people in Europe by developing, scaling up and disseminating pan-European talent and skills development programmes in deep tech. The activities of the Deep Tech Talent Initiative (DTTI) and Cross-KIC activities themselves, however, do not fall under the scope of the KIC Business Plan, as they are subject to separate Grant Agreements.

¹⁷ The activities of the Higher Education Institutions (HEI) Initiative and Cross-KIC activities do not fall under the scope of the KIC Business Plan, as they are subject to separate Grant Agreements.

- (e) outreach activities and the dissemination of best practices in the field of innovation with a focus on the development of cooperation between higher education, research and business, including the service and financial sectors, and, where relevant, public and third sector organisations;
- (f) RIS activities, fully integrated in the KICs' multiannual strategy and linked to the relevant smart specialisation strategies, in order to strengthen innovation capacity and to develop sustainable innovation ecosystems with a view to decreasing the disparities and divide in innovation performance across the Union;
- (g) to seek synergies and complementarities between KIC activities and existing Union, national and regional programmes, in particular the EIC, other European Partnerships and missions of Horizon Europe, as appropriate;
- (h) to mobilise funds from public and private sources, in particular seeking to raise an increasing proportion of their budget from private sources and from income generated by their own activities;
- (i) to provide, on request, information on research and innovation outputs and results, and related intellectual rights, developed pursuant to the activities of the KICs, and on the relevant inventors.

The proposal shall cover activities in line with the EIT Regulation, the EIT Strategic Innovation Agenda 2021-2027, the Single Programming Document (2023-2025) of the EIT, the [EIT Impact Framework](#) and the KIC Strategic Agenda (which later as a final version will be Annex 1 of the Partnership Agreement to be signed between EIT and the KIC as a precondition of signing the Grant Agreement under this Invitation).

The activities described in the proposal shall be implemented through the grant awarded for the period.

7. Exclusion criteria

Criteria: Entities shall be excluded from participation in the Call and from award if they are in one of the situations referred to in Article 136(1) and 141 of the EU Financial Regulation¹⁸.

Evidence:

- Entities acceding to the Grant Agreement shall provide a **Declaration of Honour** (DoH) at the time of the Grant Agreement signature or the accession request, except when such declarations have already been submitted for the purposes of another award procedure, provided that the situation has not changed and that the time that has elapsed since the issuing date of the declarations does not exceed one year¹⁹.

¹⁸ Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the Union, amending Regulations (EU) No 1296/2013, (EU) No 1301/2013, (EU) No 1303/2013, (EU) No 1304/2013, (EU) No 1309/2013, (EU) No 1316/2013, (EU) No 223/2014, (EU) No 283/2014, and Decision No 541/2014/EU and repealing Regulation (EU, Euratom) No 966/2012 (1) (OJ-L 193/30.07.2018, p.1)

¹⁹ Article 137(1) of the EU Financial Regulation

- Before the time of the signature of the Grant Agreement, the EIT will request **appropriate evidence that the participating entity is not in one of the exclusion situations referred to in Article 136(1) of the EU Financial Regulation**: e.g. a recent extract from the judicial record for the KIC CEO and recent certificates issued by the competent authority/ies of the country of establishment of the KIC Legal Entity (KIC LE) (e.g. certificate from the registry in which the KIC LE is registered, tax certificate, social security certificate)²⁰. The EIT Director may waive this obligation in the cases indicated in Article 137(4) of the EU Financial Regulation.

8. Financial and operational capacity

Operational capacity

As indicated above, this invitation is addressed to the EIT Culture & Creativity only.

By submitting the proposal, the KIC confirms that it has the experience, know-how, qualifications and operational resources (human, technical and other) to successfully implement the proposal.

If the KIC is participating in several Grant Agreements, it must have sufficient operational capacity to implement them parallel.

Financial capacity

In accordance with Article 27 of the Horizon Europe Regulation, the financial capacity shall be verified only for the Coordinator and only if the requested funding is equal or greater than EUR 500 000.

By submitting the proposal, the KIC confirms that it has stable and sufficient financial resources to successfully implement the proposal.

If the KIC is participating in several Grant Agreements, it must have sufficient financial capacity to implement them parallel.

At the proposal submission stage, the Coordinator will be asked to confirm that the organisation has carried out a self-check of the financial capacity of the organisation through the **financial self-check tool**²¹ or has been covered by a financial viability check for an EU project for the last closed financial year.

If, before the award decision, the Coordinator's financial viability is assessed as "weak" or "insufficient", the EIT may request specific measures to address this risk (e.g. the activities will be subject to additional monitoring and reporting based on an action plan; the financial capacity of the Coordinator may be structurally guaranteed by another legal entity/ies).

²⁰ Article 137(2) of the EU Financial Regulation

²¹ <https://ec.europa.eu/research/participants/lfv/lfvSimulation.do>

9. EIT KIC Business Plan 2024-2025

9.1 Topic description

9.1.1 EIT Culture & Creativity Business Plan 2024-2025 (Topic ID: HORIZON-EIT-2024-25-KIC-EIT-CCSI)

- Expected outcome

The results of Business Plan 2024-2025 should contribute to the expected outcomes set out in the EIT Culture & Creativity Strategic Agenda 2024-2027²² over the medium term, and to the wider expected impacts and respective targets over the longer term.

- Objectives

- Relevant and appropriate EIT Culture & Creativity Business Plan for 2024-2025 implementation of the KIC's multiannual strategy, demonstrating its **excellence** (including objectives and ambition; methodology; financial sustainability), its **impact** (including KIC's pathways towards impact; measures to maximise impact - dissemination, exploitation and communication) and its **quality and efficiency of the implementation** (including work plan and resources at portfolio level; capacity of participants and KIC Partnership as a whole).
- To address EIT Culture & Creativity's **target societal challenges** and **Knowledge Triangle Integration (KTI)**, contributing to achieving the future high-level results and impacts included in the EIT Impact Framework.
- KIC objectives/priorities in the Business Plan, describing its objectives using SMART criteria (specific, measurable, attainable, relevant and time-bound) and why are they pertinent to the KIC Strategic Agenda.

- Scope

The KIC Business Plan 2024-2025, describing the activities at portfolio level, shall be aligned to the EIT Culture & Creativity Strategic Agenda in the framework of the EIT Strategic Agenda 2021-2027.

- Expected Impact

²² A precondition of signature of the Grant Agreement under this invitation is the EIT's approval to the KIC's final Strategic Agenda and signature of the Partnership Agreement.

In response to this topic, EIT Culture & Creativity should show how the KIC could contribute to the outcomes and impacts described in the KIC Strategic Agenda and the KPIs in the EIT Impact Framework following the specific EIT Culture & Creativity's Impact Pathways, the likely scale and significance of this contribution, and the measures to maximise these impacts in the context of Horizon Europe. Each activity in education, innovation, business creation and EIT RIS included in the Business Plan should contribute to at least one core EIT KPI.²³

- Estimated budget for the topic: 50-70 million EUR

Keywords: Innovation management; Types of innovation; Entrepreneurship; Entrepreneurship education; Entrepreneurial Skills; Education; Talent development; Deep tech; Higher education; Culture; Creativity; Art; Fashion; Design; Cultural Heritage; Architecture; Audiovisual; Intercultural links; Social inclusion; Creative industry; Digitisation; Music; Literature; Videogame; Producers, creators, distributors, broadcasters, cinema, theatres; Cultural new processes, services; Entrepreneurship and cross-cutting skills in cultural and creative sectors; Cultural heritage; Cultural identity; Sustainable heritage-led regeneration; Lifelong learning, fostering cooperation and social cohesion.

Tags: European Institute of Innovation and Technology (EIT); Knowledge and Innovation Communities (KICs); Business Plan 2024-2025; Knowledge Triangle Integration (KTI); Financial Sustainability; EIT Regional Innovation Scheme; EIT Label

9.2 Eligible entities

Business Plan proposal shall be submitted by KIC LE on behalf of the KIC partnership.

The KIC LE will become a beneficiary and signatory of the Grant Agreement. Entities associated to the KIC LE (e.g. Co-Location Centres (CLCs)²⁴ with a legal personality, etc.) shall accede to the Grant Agreement as co-beneficiaries or shall become affiliated entities to the KIC LE. Other entities (both KIC partners and non-KIC partners) can be recipients of financial support to third parties.

9.3 Eligible activities

In addition to the eligible activities described in Chapter 6, specific eligibility criteria, regarding the EIT RIS activities are laid down below.

²³ The core EIT KPIs are the KPIs used for funding allocation decisions. These are indicated in red in the EIT Impact Framework.

²⁴ EIT Culture & Creativity is encouraged to co-locate with other KICs in existing joints Co-Location Centres in order to achieve efficiency gains and synergies, by way of acceding the EIT-KIC Shared Services grant agreement (101113131 — EIT_XKIC_ShS — HORIZON-EIT-2023-2025-KIC).

EIT Regional Innovation Scheme (EIT RIS)

In line with the EIT Strategic Innovation Agenda (SIA) 2021-2027, **10-15% of the EIT grant shall be earmarked to the EIT RIS on a multiannual basis**. The KIC should ensure that partners established in EIT RIS eligible countries and regions²⁵ increasingly participate in KIC portfolio of activities moving towards the objective to integrate EIT RIS participants into the portfolio. The EIT expects that by implementing the EIT RIS and by integrating additional EIT RIS organisations, the KIC will realise the ambitious, EIT RIS-related EIT Core KPIs at portfolio level as well as, ensure better geographical diversity of their activities.

As from 1 January 2022, the [EIT RIS Implementation Framework 2022-2027](#) is applicable. Complementing this Implementation Framework, a set of minimum standards and guiding principles for EIT RIS Hubs, which would underpin the establishment and operation of all EIT RIS Hubs, aimed at ensuring their effectiveness in contributing towards achieving the EIT's objectives and KPIs and enhanced coordination and coherence of the EIT innovation ecosystem, is currently under development with a view to fully rolling these out starting in 2023. The EIT RIS Hubs minimum standards and guiding principles are published on the EIT website and kept updated as appropriate.

The overarching objective of the EIT RIS is to contribute to the advancement of the innovation performance of targeted countries and their regions by strengthening the capacity of their innovation enablers and actors and linkages among them (such as business accelerators, incubators, start-ups, scale-ups, businesses including SMEs, agencies, educational and research institutions and their infrastructures, etc.) through the dissemination of the KTI approach, the cornerstone of the EIT intervention logic. More particularly, KIC activities supported through the EIT RIS shall aim to deliver on the following objectives:

- improve the innovation capacities of the local ecosystem, via capacity building activities and closer interactions between the local KT innovation actors (such as, clusters, networks, regional public authorities, HEIs, research organisations, Vocational Education and Training (VET) institutions, SMEs) and their activities;
- support the objective of attracting and facilitating the integration of potential new partners in the KICs and link local innovation ecosystems to pan-European innovation ecosystems, including through the establishment of CLCs and RIS Hubs, as part of a “place-based” innovation approach;
- used as a bridge towards relevant RIS3s (Research and Innovation Smart Specialisation Strategies);
- leverage additional private and public funding, with particular attention to European Structural and Investment Funds (ESIF).

²⁵ Countries and regions eligible for EIT RIS activities are those countries identified as either “moderate” or “modest” innovator in at least one of the three European Innovation Scoreboard (EIS) annual reports issued in 2018, 2019 and 2020 for the period 2021-2024 and those identified as either “moderate” or “modest” innovator in at least one of the three EIS annual reports issued in 2021, 2022 and 2023 for the period 2025-2027, as well as Outermost Regions as defined in Article 349 TFEU. (<https://eit.europa.eu/our-activities/eit-regional-innovation-scheme>)

In this context, the KIC is strongly expected to engage with local players from EIT RIS countries and their regions²⁶, most especially in those geographical areas where their engagement remains limited²⁷, with the aim of attracting and facilitating their participation in their activities. Additionally, through the establishment of CLCs and RIS Hubs, the KIC should foster closer interactions between the actors of the knowledge triangle.

Building on pilot actions launched in 2022, starting in 2023, the KICs are expected to have put in place a mechanism, in each EIT RIS eligible country and region aimed at ensuring significantly closer EIT RIS Hub collaboration. This mechanism, to be called EIT Community RIS Hubs, managed by a National Secretary, will coordinate the EIT Community's activities locally as well as engagement with local authorities. It should also serve as a centralised source of information on all services and opportunities provided by the entire EIT Community both locally and more widely, and act as a gate to all EIT KICs, irrespective of whether they have an EIT RIS Hub on the ground locally or otherwise. Under this mechanism, existing and future RIS Hubs and CLCs should also engage in dialogue with Managing Authorities from Member States to spur the implementation of RIS3 over the period 2021-2027, since the EIT KTI's approach and the RIS3's Entrepreneurial Discovery Process both focus on bringing together innovation stakeholders.

As much as possible, consolidation of EIT RIS Hubs into EIT Community Hubs should be pursued with a view to rationalise the number of existing and future EIT RIS Hubs across Europe, also in line with the Country-specific roadmaps.

Eligible activities under the EIT RIS: The KIC has a certain degree of flexibility in designing its own EIT RIS activities, provided the activities contribute towards achieving the EIT's overarching objectives as defined in Annexes I and Ia to the Regulation establishing Horizon Europe, as well as the specific objectives of the EIT for the period of 2021-2027 as outlined in the EIT SIA. Namely, the KIC is free to design the best-fitting approach in line with its multi-annual strategies and priorities to deliver the desired tangible deliverables and impact, especially in terms of widening participation in the KICs. In designing these activities, the KIC must demonstrate how these will contribute to the EIT / EIT RIS KPIs outlined in the EIT Impact Framework.

The KIC may choose to use its annual EIT RIS dedicated budget allocation to finance EIT RIS activities, as described in the EIT RIS Implementation Framework, co-funded up to 100%, in line with their strategy and priorities to deliver tangible deliverables including widening participation in the KICs from EIT RIS countries and regions. In this context, the EIT RIS should also be mainstreamed within the KIC's core activities (that is participation in innovation, business creation and education actions) and used to exempt EIT RIS participants from co-funding rates and membership fees, thereby facilitating and attracting a high-

²⁶ In line with the EIT RIS eligible criteria until 2024, the following countries and territories are eligible for the EIT RIS: *EU Member States*: Bulgaria, Croatia, Cyprus, Czechia, Estonia, Greece, Hungary, Italy, Latvia, Lithuania, Malta, Poland, Portugal, Romania, Slovakia, Slovenia, Spain; *Horizon Europe Associated Countries*: Montenegro, Republic of North Macedonia, Serbia, Turkey, Ukraine; *Outermost Regions*: Guadeloupe, French Guiana, Réunion, Martinique, Mayotte and Saint-Martin (France), the Azores and Madeira (Portugal), and the Canary Islands (Spain). This list of EIT RIS-eligible countries and territories will be updated from 2025.

²⁷ This, in particular, includes those countries and regions which do not host a CLC. Poland, Hungary, Czechia, Greece, Spain and Italy currently host, at least one, KIC CLC.

level of participation to the EIT Community and boosting its pan-European spread. The KIC need to prefix the co-funding rate already at the call stage.

However, the use of 100% co-funding should be clearly used in exceptional cases. Instead, to the greatest extent possible, while ensuring a balanced approach that does not create barriers to work with EIT RIS countries and regions, EIT RIS activities should aim at attracting co-funding and, over time, demonstrate the ability that activities achieve the objective of becoming financially sustainable. For this purpose financial projections and plans should be included in the Business Plan. Towards this goal, the EIT KIC should consider introducing a clear separation between EIT RIS activities that are to contribute to the financial sustainability of the KIC, such as innovations and business creation activities, and activities that are related to the ecosystem development and capacity building, and thereby are not expected to contribute to the financial sustainability of the KIC. It is recommended that the EIT RIS activities that are to contribute to the financial sustainability of the EIT KIC should amount to at least 70% of the total.

It is pertinent to note that beyond the 15% maximum budget dedicated to the EIT RIS, entities and partners from EIT RIS countries and regions still be fully involved in all activities in line with the co-funding rates delineated in the EIT SIA. Yet, the up to 100% funded activities is limited to the EIT RIS allocations which will be capped at a maximum 15% of the overall EIT funding for the KIC. The EIT Governing Board will regularly monitor and evaluate the EIT RIS funding and may issue strategic guidance as appropriate.

The ultimate EIT RIS target groups who shall benefit from the EIT RIS activities are teams, individuals and organisations from EIT RIS countries and regions. As a general rule, EIT RIS must directly benefit teams, individuals and organisations from EIT RIS countries and regions and widen participation (e.g. attract new partners and other participants from the regions where the KIC has limited presence, for instance, where there is not yet an established CLC).

9.4 Award criteria²⁸

The EIT Governing Board will decide on the maximum initial funding for the KIC, which will be calculated on a set of criteria, taking into account the performance of the KIC and the quality of the Business plan:

The KIC's performance and Business Plan will be assessed against the following criteria:

Criteria	Maximum score	Type	Evidence
1. Progress made in the start-up year in implementing the multiannual strategy as set out in the original proposal and the start-up plan	50	Qualitative, progress in 2023 against multiannual goals based on monitoring	EIT GB Rapporteur visit; EIT Governing Board Hearing

²⁸ These award criteria are laid down for the initial funding allocation. They may be adapted, if needed, for the additional funding allocation for 2025 (also to align them with the additional funding allocation criteria for all the other KICs for 2025).

2. Business Plan proposal (2024-25)	50	Qualitative, assessed by external experts	Business Plan 2024-25
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The total score received by the KIC will be converted to EIT funding on a linear scale from 50 to 70 MEUR. If the KIC reaches the pass mark of 50 points out of 100, they will receive 50 MEUR. For every additional point scored, they will be allocated 0.4 MEUR (e.g. 60 points will convert to 54 MEUR, 75 points to 60 MEUR and 100 points to 70 MEUR).

The detailed sub-criteria, scoring methodology and evaluation evidence are explained here:

1. **Progress made in the start-up year in implementing the multiannual strategy as set out in the original proposal and the start-up plan**

The following will be considered when assessing the multiannual strategy criterion:

- As part of developing the KIC's Strategic Agenda
 - Consistency with the strategic objectives and priorities of the European Union, in particular Horizon Europe and the KIC's contribution to achieving these goals;
 - Consistency with the EIT innovation model and contribution to the EIT's objectives and KPI targets;
 - Establishing governance arrangements compliant with the EIT's good governance principles
- Progress made in the start-up year in developing the innovation ecosystem including knowledge triangle integration and RIS, i.e. openness and geographic, thematic, and institutional composition of the innovation eco-system, involvement of entities from RIS countries and regions, level of knowledge triangle integration in activities
- Financial sustainability approach and outlook, i.e. soundness of the KIC financial sustainability strategy, robust revenue projections for the coming years, revenue diversity outlook

The following indicative scale will be used (maximum 50 points):

- 0-8: KIC fails to demonstrate sufficient strategic focus, insufficiently addressing the key aspects
- 9-17: Poor – KIC addresses the relevant aspects inadequately or there are serious inherent weaknesses
- 18-25: Fair – KIC broadly addresses the relevant aspects, but there are significant weaknesses
- 26-33: Good – KIC addresses the relevant aspects well, but a number of shortcomings are present

- 34-42: Very good – KIC addresses all relevant aspects very well, but small number of shortcomings are present
- 43-50: Excellent – KIC successfully addresses all relevant aspects. Any shortcomings are minor

Evidence: The evaluation with scores will be based on:

- the information provided by EIT and the KIC in the framework of the EIT Governing Board Rapporteur visit as well as other supporting documents e.g.: EIT challenges paper;
- the Hearing with the EIT Governing Board.

As for supporting documents, the EIT will provide to the EIT Governing Board synthesised information from different available sources, among others the monitoring activities performed, identifying strength / weaknesses and critical challenges. The KIC will be requested to address questions at the Hearing with the EIT Governing Board through a presentation and at the Q&A session.

2. **Business Plan proposal (2024-25)**

The Business Plan for 2024-25 will be assessed by the EIT with support of external experts, with respect to three sub-criteria:

- Excellence, including objectives and ambition; methodology; financial sustainability.
- Impact including KIC's pathways towards impact; measures to maximise impact - dissemination, exploitation and communication; synergies.
- Quality and efficiency of the implementation including work plan and resources at portfolio level; capacity of participants and KIC Partnership as a whole.

Each of the three sub-criteria can score maximum 5 points. The following scale will be used:

- 0: KIC fails to address the relevant aspects
- 1: Poor – KIC addresses the relevant aspects inadequately, or there are serious inherent weaknesses.
- 2: Fair – KIC broadly addresses the relevant aspects, but there are significant weaknesses
- 3: Good – KIC addresses the relevant aspects well, but a number of shortcomings are present
- 4: Very good – KIC addresses all relevant aspects very well, but a small number of shortcomings are present
- 5: Excellent – KIC successfully addresses all relevant aspects. Any shortcomings are minor.

Half points can be given. The final overall score will be multiplied by 50/15 in order to calibrate to a 0-50 scale.

Evidence: The evaluation with scores will be based on the evaluation of submitted Business Plan proposal, supported by external experts.

10. Submission of the proposal

The proposal must be submitted electronically using the electronic submission system of the Portal of the European Commission:

<https://ec.europa.eu/info/funding-tenders/opportunities/portal/screen/programmes/horizon>

Access to the electronic submission system is available after selecting a topic and a type of EIT KIC action of the Invitation. Please find the **topic link** here:

Type of EIT KIC Action	Topic link
1) KIC Business Plan 2024-2025 Type of action (ToA): EIT KIC Action	- EIT Culture & Creativity Business Plan 2024-2025 (Topic link: HORIZON-EIT-2024-25-KIC-EIT-CCSI)

The proposal must be created and submitted by a representative/contact person of the coordinating organisation.

The electronic submission system is an online wizard that guides the applicant step-by-step through the preparation of the proposal. The proposal itself consists of two main parts as structured in the proposal template:

- PART A) administrative forms (structured information of the basic administrative data, declarations of partners, organisations and contact persons, etc.)
- PART B) technical annex, which is the detailed description of the planned Business Plan outlining work packages, costs, etc.

Further mandatory or optional annexes can be required by the call and the given topic, as shown in the submission system.

More information on how to participate in Horizon Europe proposals is available here: <https://ec.europa.eu/info/funding-tenders/opportunities/portal/screen/how-to-participate/how-to-participate/1>

At proposal submission, you will have to confirm that you have the **mandate to act** for all applicants. Moreover, you will have to confirm that the information in the application is correct and complete and that the participants comply with the conditions for receiving EU funding (especially eligibility, exclusion, financial and operational capacity, etc). Before signing the Grant Agreement, each beneficiary and affiliated entity will have to confirm this again by signing a Declaration of Honour. A proposal without full support will be rejected.

Your application must be **readable, accessible and printable**.

The proposal is limited to a maximum of **50 pages** (Part B) in an Executive Summary as well, that includes an Executive Summary as well. All tables, figures, references and any other element pertaining to these sections must be included as an integral part of these sections and are thus counted against this page limit. The number of pages included in each section of this template is only indicative. The page limit will be applied automatically. In the Call Package, you can see the structure of the actual proposal template that you need to submit, please remove all instruction pages that are watermarked.

The KIC may be asked at a later stage for further documents (for legal entity validation, financial capacity check, bank account validation, exclusion criteria evidence, etc).

11. Data model and IT tools

With EIT's full integration to Horizon Europe legal and operational framework and considering the transition to the adapted implementation model, the future data model in terms of data structure and IT tools has been adapted. An overview of data requirements is set out in Annex 2 of this invitation.

CORDA data management tool

The EIT and KICs use the eGrants IT system for the purpose of grant management, therefore proposal submission, grant agreement signature and reporting will be managed via the tool. To function as required, the new data model will require the KIC to provide the eGrants platform, directly with data in the agreed format through a portfolio approach via proposal and reporting templates. Additionally, throughout implementation the KIC will need to collect and provide data at project and partner level directly to the CORDA tool. CORDA is the European Union's data warehouse, and data from CORDA feeds the [Portal](#) (also known as the Horizon Dashboard) that is accessible publicly through any web browser.

The EIT will use CORDA to store data on proposal and project implementation. By using CORDA, the EIT will ensure it meets the standards of Horizon Europe with respect to transparency and openness.

KIC IT tools

Alongside the data model above, the IT tools used by the KIC are to be developed to ensure that KIC-level grant management functions are sufficiently supported, data is collected and submitted by the KIC IT tool as specified in Annex 2.

The existing KIC IT tools need to be developed to provide the EIT a sufficient level of information to consult the KIC related data as part of the continuous monitoring function. KIC IT tool should either provide the data to the EIT IT tool or provide the EIT with the access to create means of continuous review, monitoring and validation of data, so to ensure the data submission to CORDA.

12. Evaluation Process

12.1 Proposal assessment

The proposal shall be assessed by **independent external experts** selected by the EIT and organised in a panel. The assessment will be supported by EIT officers. If the KIC wishes so, it is welcome to submit a brief video (maximum 10 minutes) presenting its proposal. The video will be made available to the experts, as part of the briefing documentation.

The KIC shall not have direct or indirect contact with the external experts regarding the evaluation at any time, including during or after the evaluation exercise. The information and the names of the experts shall remain confidential.

The evaluation will be carried out and scored against the award criteria **at portfolio level**, based on the evidence presented in the previous chapters. To ensure quality of the Business Plan at portfolio level, the proposal will be assessed in terms of **(a) Excellence, (b) Impact** and **(c) Quality and efficiency of the implementation**. Furthermore, regularity and legality and other elements relating to the applicable Grant Agreement provisions are also verified.

The outcomes of the Business Plan evaluation are included in the evaluation report which contains scores substantiated by evaluative justifications. The outcome of this assessment leads to **formal EIT requirements** which shall be met prior to the approval of the Business Plan as a condition for the grant award and the Grant Agreement signature.

Evidence: the whole Business Plan proposal. The EIT and the experts may also consult other submitted documentation, as described by the annotated templates and Horizon Europe Guidelines, or may browse publicly available sources to verify information provided by the KIC.

12.2 Multi-annual strategy assessment

The strategy and multi-annual progress assessment will be carried out by the **EIT Governing Board** with support from the appointed EIT GB Rapporteur and shadow / associate Rapporteur. It will focus on the **KIC development and achievements from the strategic perspective**, i.e. how successful is the KIC in reaching the EIT's and KIC's strategic objectives. It will also include the performance of the KIC during the Hearing with the EIT Governing Board.

The assessment will be carried out by EIT GB Rapporteur, designated by the EIT Governing Board, to oversee the assessment process and report back to the Board during the Hearing with the KICs.

The EIT GB Rapporteur are members of the EIT Governing Board, appointed for this task. The EIT GB Rapporteur's main role will be to **meet the KIC in order to familiarise with the KIC's strategic and multi-annual development**. The EIT GB Rapporteur will discuss the state-of-play of implementing the strategic recommendations with high-level representatives of the KIC (CEO, Chairperson or Members of the KIC Board). Any other topics of strategic importance identified during the year can also be discussed. The EIT

GB Rapporteur will conclude the visit with feedback to the KIC with respect to the key strengths and weaknesses and recommendations/ remaining challenges. The meeting will be documented in the form of main conclusions report. Based on the knowledge gained during the visit and the KIC's weaknesses identified, the EIT GB Rapporteur will highlight the KIC's key challenges which will then be discussed at the Hearing with the KIC.

12.3 Hearing with the KICs

The Hearing with the KIC constitutes an important part of the multi-annual strategy assessment, but also, it embraces the whole financial allocation process.

The Hearing with the KIC CEO will be held in person on the date shown in the indicative timeline in Chapter 4. The modalities of the Hearing, in particular the scope and structure of the KIC interventions and the time allocated, will be communicated to the KIC in due time.

The main objective of the Hearing will be to conclude on the Multi-Annual Strategy criterion (award criterion 1.) assessment and to issue strategic recommendations to the KIC.

The Hearing will comprise of a short introduction and an in-depth Q&A session aiming to increase the level of interaction with the KIC, enabling a deep discussion and understanding of the KIC strategy. The sessions will focus on key strategic challenges in areas such as the KIC's e.g. impact, synergies, business model and progress towards financial sustainability, building the EIT Community brand identity, governance, partnership and openness.

Following the Hearing, the EIT Governing Board will take a decision on the final scores.

The EIT Governing Board will issue recommendations to the KIC on strategic elements to improve key areas in order to maximise the impact and deliver on the EIT's Strategic Innovation Agenda.

13. Proposal approval - Award decision – Grant Agreement signature

Following the Hearing, **the EIT Governing Board will take a decision on the level of the initial maximum EIT financial contribution for the KIC in accordance with the timeline indicated in Chapter 4.**

The EIT Director will communicate the evaluation results to the KIC and request the submission of the updated version of the proposal based on:

- (a) the EIT requirements for the proposal revision, and
- (b) the EIT Governing Board strategic recommendations.

If necessary, in the course of January 2024, **second requirement letter** may be sent to the KIC, based on the first requirement letter.

The formal requirements issued by the EIT – including the maximum EIT contribution – shall be met prior to the approval of the proposals as a condition for the grant award and the signature of the Grant Agreement.

A further precondition to sign the Grant Agreement is to have the KIC’s Strategic Agenda adopted and the Partnership Agreement between EIT and the KIC signed first.

A clarification session is offered to the KIC following each EIT requirement letter.

The EIT Governing Board’s allocation decision will serve as the basis for the award of the 2024-2025 grant by the EIT Director and for the conclusion of the Grant Agreement, provided that the updated version of the proposal, including the estimated budget:

- are in compliance with the requirements laid down in this Invitation text and respective guidelines;
- meet the requirements for the revision of the proposals issued by the EIT Director, including the decided maximum EIT financial contribution;
- are aligned with the Strategic Recommendations issued by the EIT Governing Board.

In the event of the grant awarded by the EIT Director, the EIT will sign the Grant agreement detailing the conditions and level of funding with the KIC.

The Grant Agreement is inbuilt in the eGrants tool and will be signed within the tool (not on paper). The Grant Agreement follows the Horizon Europe legal framework and the Horizon Europe Model Grant Agreement (MGA). The MGA is published on the Funding and Tenders portal²⁹. Please note that EIT-specific provisions can be found in Annex 5 of the MGA.

Any amendment to it should also be managed in eGrants.

14. Legal and financial provisions

14.1 Starting date, eligibility period

The following table shows the starting date and the eligibility period:

Topic	Grant Agreement	Starting date and eligibility period of the Grant Agreement
EIT Culture & Creativity Business Plan (HORIZON-EIT-2024-25-KIC-EIT-CCSI)	One grant agreement	1 January 2024 – 31 December 2025

²⁹ https://ec.europa.eu/info/funding-tenders/opportunities/docs/2021-2027/common/agr-contr/general-mga_horizon-euratom_en.pdf

The action's start date and duration will be fixed in the Grant Agreement.

This duration may be extended by the EIT in an exceptional situation with due justification. Such an extension shall be formalised with an amendment of the Grant Agreement.

14.2 Maximum grant amount, reimbursement of eligible costs

The eligible and ineligible costs, the form of grant and reimbursement, calculation of the final grant amount, reporting and payment arrangements together with other financial conditions are described in the model grant agreement.

The grant awarded may be lower than the amount requested.

The EIT grant will be a reimbursement of actual costs grant. This means that it will reimburse ONLY certain types of costs (eligible costs) and ONLY those costs *actually* incurred (NOT the *budgeted* costs).

14.3 Funding requirements in the EIT SIA 2021-2027 and funding rate in the grant agreement

EIT funding shall be provided in line with the maturity of KIC and **funding requirements** aligned with the EIT Strategi Innovation Agenda 2021-2027. Additionally, in accordance with Chapter 3.6.2 of the EIT SIA 2021-2027, some KIC activities, due to their specific nature, might need extra incentives to be performed. To this aim, the EIT Governing Board decided by its *Decision 05/2023 on the principles for the determination of the initial EIT financial allocation for 2024-2025 to the Business Plan 2024-2025 of the Knowledge and Innovation Community EIT Culture & Creativity (EIT CC)* that the **EIT RIS activities will be implemented in 2024-2025 at a funding rate up to 100%**.

The respective EIT SIA funding condition applicable for the reference year for the KIC will have to be met at portfolio level that will consider both EIT funded and Non EIT Funded activities (NEFAs).

The principle of proportionality shall be respected when allocating NEFAs to the portfolios, limiting unjustified excessive use of the concept.

The costs will be reimbursed at the funding rate indicated in the Grant Agreement, in this case 100%. Co-funding will be mostly provided at the level of projects implemented through financial support to third parties. The conditions for financial support to third parties, including co-funding requirements are set out in Annex 5 of the Grant Agreement.

The estimated budget shall be prepared in the line with the annexed annotated templates and Horizon Europe Guidelines.

14.4 Reporting and payment arrangements and deliverables

The reporting and payment arrangements will be fixed in the Grant Agreement (Data Sheet, point 4 and Article 21 and 22). Obligatory deliverables set in the annotated templates and Horizon Europe Guidelines are expected to be submitted during the implementation years while majority of deliverables are expected together with the interim and/or final reports as result of the implementation.

At the end of the implementation years, KIC shall submit a report and EIT will calculate the final EIT grant amount. If the total of earlier payments is higher than the final grant amount, EIT will ask the KIC LE to pay back the difference (recovery).

All payments will be made to the beneficiary.

Please also note that you are responsible for keeping records on all the work done and the costs declared.

For Business Plan 2024-2025 of EIT CC:

The payment of the grant will be made in **two prefinancing instalments** and a **final payment (the balance)**. The aim of the prefinancing is to provide the beneficiaries with a float. The prefinancing remains the property of the EU until the payment of the balance.

The following payment and reporting scheme are foreseen:

	When	Requirements	Reporting period
First pre-financing payment (indicatively up to 45% of two year grant)	Within 30 days following the signature of the grant agreement.	2.5% of the grant as a contribution to the Mutual Insurance Mechanism will be retained from the first prefinancing payment.	
Additional prefinancing report	Within 60 days following the end of the reporting period.	The additional pre-financing report shall include a technical part and a financial part (i.e. statement on the use of the previous pre-financing payment). If the statement on the use of the previous pre-financing payment shows that less than 70% was used, the amount set out in the Data Sheet will be reduced by the difference between the 70% threshold and the amount used.	1-12 months
Second pre-financing payment (indicatively up to 45% of two year grant)	Within 60 days from receiving the additional pre-financing report.	2.5% of the grant as a contribution to the Mutual Insurance Mechanism will be retained from the second prefinancing payment.	

to 90% of the two year grant)			
Final Report	Within 90 days following the end of the reporting period.	The Final Report shall include a technical part and a financial part (i.e. individual and consolidated financial statements, explanation on the use of resources, certificates on the financial statements (CFS) if required, etc).	1-24 months
Final payment	Within 90 days from receiving the Final Report.	The EIT will calculate the final EIT grant amount. If the total of earlier payments is higher than the final grant amount, EIT will ask the beneficiary/ies to pay back the difference (recovery).	

14.5 Portfolio approach and cascade funding

Taking into account that the KIC will enter into a multi-annual grant agreement with the EIT, the two main characteristics of the future Business Plan are the description of the activities at portfolio level and the cascaded funding model.

Portfolio approach

The information in the Business Plan will be provided at portfolio level ensuring an overview of all activities to be implemented, including budgets and impact targets measured through key performance indicators, whilst specific details about each project will be collected regularly during implementation in line with a pre-defined data set.

The portfolio description will also indicate how the KIC will respect the principles that need to be complied with when selecting projects and recipients for EIT funding (e.g. principles of sound financial management, financial sustainability, good governance, openness and transparency, avoidance of conflict of interests etc.). Essential components of this approach are reinforced monitoring relying on data delivered by the KIC’s IT tools to ensure that the necessary information is collected for business intelligence and assurance purposes.

A “portfolio” is a description of planned KIC funding schemes (i.e. call for projects and similar schemes which are necessary for the execution of the KIC Strategic Agenda) to be launched by the KIC, which will result in a selection of KIC added-value activities.

Cascade funding model

Cascade funding model, also known called as Financial Support to Third Parties (FSTP) or sub-granting under the EU Financial Regulation, is a commonly used mechanism to deliver activities under EU funding. It means that the implementation of the portfolio of activities is cascaded by the beneficiary to further recipients of the EU grant via calls. In case of the fully cascaded model, FSTP is applied to a larger extent, meaning that a larger proportion of the grant is spent by sub-grantees. Translating this into the EIT model, the beneficiary/ies of the Grant Agreement will be the KIC Legal Entity (acting such as a ‘coordinator’ in other programmes) and/or CLCs (acceding to the Grant Agreement as beneficiaries or affiliated entities)

only, while KIC partners will become recipients of FSTP and will not be parties acceding directly to the Grant Agreement.

Nevertheless, KIC partners will participate actively in the implementation of the KIC Business Plan, and they will contribute to the delivery of the impact as well as financial sustainability of the KIC.

Sub-grants will be awarded based on clear and transparent criteria that are to be spelled out in the KIC Business Plan at proposal and/or Grant Agreement Preparation (GAP) phase.

14.6 Financial support to third parties

Financial support to third parties involves funding provided by the beneficiary (i.e. the KIC LE) to a recipient that is not a party to the Grant Agreement. Financial support to third parties includes sub-grants (financial support to third parties, Article 6.2.D.1 (a) of the GA); and financial support in the form of prizes (Article 6.2.D.1 (b) of the GA). Please note that **EIT-specific rules are laid down in Annex 5 of the HE MGA**.

The [Financial Support Agreement template](#), developed by the KICs and the EIT in 2022, is recommended to be used for financial support to third parties.

Financial support to third parties established in HE eligible countries:

As a general rule, **financial support should be awarded to entities established in HE eligible countries (see Chapter 6)**.

Within this Invitation, the maximum amount of financial support to third parties should not exceed:

- **EUR 4,000,000** for per recipient for two-year duration of the Grant Agreement.

Financial support to third parties established in non-HE eligible third countries:

If the recipient of financial support is established in a third country not eligible under HE:

- in case of recipients of financial support **above EUR 60 000 per Grant Agreement**: if the entity is not eligible for funding under a national scheme, they may receive EIT funding on an exceptional basis agreed with the EIT, if the participation of the entity established in the third country is deemed essential for the action;
- in case of recipients of financial support **below EUR 60 000 per Grant Agreement**: the KIC may award financial support to third parties, if duly justified.

14.7 Eligibility of direct and indirect costs

‘Direct costs’ are specific costs directly linked to the performance of the action as described under eligible activities in the relevant chapters of this invitation and as presented in the work packages of the proposals, and which can therefore be directly booked to it.

They are:

- either costs that have been caused in full by the activities of the action;
- or costs that have been caused in full by the activities of several actions (projects), the attribution of which to a single action can, and has been, directly measured (i.e., not attributed indirectly via an allocation key, a cost driver, or a proxy).

‘Indirect costs’ are costs that cannot be identified as specific costs directly linked to the performance of the action. In practice, they are costs whose link to the action cannot be (or has not been) measured directly, but only by means of cost drivers or a proxy (i.e. parameters that apportion the total indirect costs (overheads) among the different activities of the beneficiary).

For reasons of simplification, and notwithstanding their key importance for the operations of the KIC, the costs of governance and KIC management (C-level staff) shall be claimed as indirect costs.

14.8 Eligible costs for equipment, infrastructure, and other assets

In line with Art. 6.2.C.2 of the GA, purchase of equipment, infrastructure or other assets used for the action must be declared as depreciation costs calculated on the basis of the costs actually incurred and written off in accordance with international accounting standards and the beneficiary’s usual accounting practices.

For the following equipment, infrastructure or other assets purchased specifically for the action (or developed as part of the action tasks) costs may exceptionally be declared as full capitalised costs:

Direct costs for construction of a prototype or pilot plant, if they fulfil the cost eligibility conditions applicable to their respective cost categories and if all of the following applies:

- building the prototype or pilot plant is (one of) the main action task(s) as described in the KIC Business Plan (Annex 1),
- the costs are foreseen in the estimated budget (Annex 2),
- the eligibility conditions of Article 6.1 and 6.2 of the GA are met.

If the beneficiary records the construction costs directly under a fixed assets account in the balance sheet rather than as expenses of the year, those costs will normally be considered as compliant with Art. 6.1(a)(v) of the GA provided that:

- it is in accordance with the national accounting standards and with the beneficiary’s usual cost accounting practices,
- there is no double charging of costs (in particular, no charging of depreciation costs for the prototype or pilot plant to another EU or Euratom grant).

If such equipment, infrastructure or other assets are rented or leased, full costs for renting or leasing are eligible, if they do not exceed the depreciation costs of similar equipment, infrastructure or assets and do not include any financing fees.

14.9 Joint and several liability of affiliated entities

As a rule, declarations on joint and several liability will be requested by EIT if the budget of the affiliated entity is higher than the budget of the beneficiary, with the following exceptions:

- a. If the total budget of the affiliated entity is lower than EUR 100,000;
- b. If the affiliated entity is a public body.

The KIC LE shall collect the Declaration on joint and several liability from the affiliated entities falling into the above situation and submit these to the EIT. Non-submission of the declaration may result in rejection of the costs for the affiliated entity concerned.

15. Processing of personal data

The reply to the present invitation involves the recording and processing of personal data (such as name, address and CV). Such data will be processed by the EIT pursuant to Regulation (EU) 2018/1725 of the European Parliament and of the Council of 23 October 2018 on the protection of natural persons with regard to the processing of personal data by the Union institutions, bodies, offices and agencies and on the free movement of such data³⁰. Any personal data requested in accordance with the Invitation for Business Plan will be processed solely for that purpose by the EIT. The EIT privacy statement for the management of grants is available at: <https://eit.europa.eu/data-protection>

Personal data may be registered in the Early Detection and Exclusion System by the Commission, should the beneficiary be in one of the situations mentioned in Article 136 and 141 of the Financial Regulation 2018/1046 (for more information see the Privacy Statement on: https://ec.europa.eu/info/data-protection-public-procurement-procedures_en).

³⁰ Regulation (EU) 2018/1725 of the European Parliament and of the Council of 23 October 2018 on the protection of natural persons with regard to the processing of personal data by the Union institutions, bodies, offices and agencies and on the free movement of such data, and repealing Regulation (EC) No 45/2001 and Decision No 1247/2002/EC

Annex 1: Key principles and concepts of the EIT KIC model

Besides the EIT Regulation and the EIT Strategic Innovation Agenda 2021-2027, the following reference documents and related working documents shall be applied:

Principle/concept	Reference documents	Link
Financing, monitoring and evaluation of KICs	Decision 14/2021 of the EIT Governing Board on the principles for financing, monitoring and evaluating KIC activities Articles 11-12 of the KIC Partnership Agreement	https://eit.europa.eu/library/2021-1420210507-gbwpprinciples-finmonevalkics-activities-gbdml-eit
Financial sustainability principles	Decision 06/2022 of the EIT Governing Board on the principles on the financial sustainability of KICs	https://eit.europa.eu/library/gb-decision-062022-amendment-principles-financial-sustainability-knowledge-and-innovation
EIT Key Performance Indicators (EIT Impact Framework)	Decision 08/2022 of the EIT Governing Board on the EIT Key Performance Indicators	https://eit.europa.eu/library/gb-decision-082022-amendment-eit-key-performance-indicators-kpis-and-repealing-gb-decision
EIT RIS	EIT RIS Implementation Framework 2021-2027 EIT RIS Hubs Minimum Standards and Guiding Principles	https://eit.europa.eu/our-activities/eit-regional-innovation-scheme https://eit.europa.eu/library/ris-hubs-minimum-standards-and-guiding-principles
Innovation principles	Article 7.4.1 of the KIC Partnership Agreement	https://eit.europa.eu/our-communities/eit-innovation-communities/contractual-relations

<p>EIT Label Framework</p>	<p>Decision 11/2021 of the EIT Governing Board on the new EIT Label Framework</p> <p>EIT Decision 26/2021 on the adoption of the new EIT Label Handbook for degree programmes</p> <p>EIT Decision 62/2022 on the adoption of the EIT Label Handbook for the EIT Fellowships and the EIT Label Handbook for non-degree education and EIT competence certification model.</p>	<p>https://eit.europa.eu/library/2021-1120210317-gb66-11labelframework</p> <p>https://eit.europa.eu/sites/default/files/eit_label_handbook_degree_programmes_final.pdf</p> <p>https://eit.europa.eu/sites/default/files/eit_label_fellowship_handbook.pdf</p> <p>https://eit.europa.eu/sites/default/files/eit_label_nondegree_handbook.pdf</p>
<p>Good governance principles</p>	<p>Article 6.1 of the KIC Partnership Agreement (PA)</p>	<p>https://eit.europa.eu/our-communities/eit-innovation-communities/contractual-relations</p>
<p>Sound portfolio management principles</p>	<p>Article 7.1 of the KIC Partnership Agreement (PA)</p>	<p>https://eit.europa.eu/our-communities/eit-innovation-communities/contractual-relations</p>
<p>Openness and transparency</p>	<p>Article 7.2 of the KIC Partnership Agreement (PA)</p> <p>Horizon Europe Model Grant Agreement, Annex 5</p>	<p>https://eit.europa.eu/our-communities/eit-innovation-communities/contractual-relations</p> <p>https://ec.europa.eu/info/funding-tenders/opportunities/docs/2021-2027/common/agr-contr/general-mga_horizon-euratom_en.pdf</p>

Non EIT funded KAVA	Horizon Europe Model Grant Agreement, Annex 5 Decision 06/2022 of the EIT Governing Board on the principles on the financial sustainability of KICs	https://ec.europa.eu/info/funding-tenders/opportunities/docs/2021-2027/common/agr-contr/general-mga_horizon-euratom_en.pdf https://eit.europa.eu/library/gb-decision-062022-amendment-principles-financial-sustainability-knowledge-and-innovation
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Annex 2: Overview of EIT-KIC IT tools and data requirements

eGrants system (tools: CAP-CPS - SEP SYGMA)		CORDA database		KIC IT Tool		Business Objects tool			
KIC Proposals / Reporting data (portfolio level)		KIC Project level data (subgranted activities)						Horizon Europe Dashboard	
<i>submission through Funding & Tenders Portal / eGrants, loaded to Corda</i>		<i>following validation, loaded to Corda by KICs in a data structure and format pre-defined by EIT</i>						<i>Customised Business Object reports+ dashboards for EIT internal reporting / updates and external (EC, member states) reporting</i>	
KIC portfolio (work package) level info and data	Part A	General information		Proposal info & data		Project info & data			
		Participants		Applicant info & data		Participant info & data			
		Budget		Applicant department		Participant department			
		Ethics and security		Contact persons info & data		Contact persons info & data			
		Other questions		Geographical info & data		Geographical info & data			
	Part B	List of participants		...		IPRS (e.g. patent registration)			
		Excellence: Objectives and ambition, Methodology		...		Publication info & data			
		Impact Pathways, KPIs per Year, Measures to maximise impact				
		Work plan and resources, Capacity of participants, Work packages, Deliverables, Milestones, Risks, Cost items		Budget / Costs		<i>Standard HE</i>			
		Financial support to 3rd parties		Activity (project level) information		<i>similar to DUNA data structure, but rationalized</i>			
PDM		KIC IT Tool		EIT KPIs 2021 – 2027 (EIT Impact Framework, aligned with HE Key Impact Pathways)		KICs to report periodically (every 12 months as part of HE reporting) against 28 KPIs. KPI areas: Innovation, Business Creation, Education, Knowledge Triangle Integration / Developing innovation ecosystems, Leveraging investments in R&I, Economic impact, Additional HEI Initiative-specific indicators, Additional RIS-specific indicators, Societal Impact, Societal impact: KIC specific, Horizontal Indicators			
Partner registering, validation, management		All EIT partners and affiliated entities must be registered (and have PIC nr.)		Expenses, revenues, profit, FTEs, etc		KIC consolidated financial data			
Legal Name, Business name		Legal Form		Legal Entity Type (private, public)		SME, NGO		VAT number	
Registration Number		PIC number		LEF number		Country, Post code, City, Street		Department with Delegated Authority	
EDES Warning									