

**DECISION OF THE GOVERNING BOARD OF
THE EUROPEAN INSTITUTE OF INNOVATION AND TECHNOLOGY (EIT)**

ON THE ADOPTION OF THE EIT'S ANNUAL WORK PROGRAMME FOR 2015

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

Having regard to Regulation (EC) No 294/2008 of the European Parliament and of the Council of 11 March 2008 establishing the European Institute of Innovation and Technology¹, as amended by Regulation (EU) No 1292/2013 of the European Parliament and of the Council of 11 December 2013² (hereinafter referred to as the "EIT Regulation");

Having regard to Decision of Governing Board of the EIT of 27 December 2013 on adopting the Financial Regulation of the European Institute of Innovation and Technology (hereinafter referred to as "the Financial Regulation of the EIT") and in particular Article 68(3) thereof;

Having regard to Regulation (EU, Euratom) No 966/2012³ of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002⁴ (hereinafter referred to as the 'Financial Regulation'), and in particular Articles 84, 128 and 138 thereof,

Having regard to Commission Delegated Regulation (EU) No 1268/2012 of 29 October 2012 on the rules of application of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council on the financial rules applicable to the general budget of the Union (hereinafter referred to as the 'Rules of Application')⁵ and in particular Article 94 thereof,

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

WHEREAS

- (1) In accordance with Article 68(2) of the Financial Regulation of the EIT, every commitment of expenditure shall be preceded by a financing decision.
- (2) The 2015 work programme constitutes a financing decision for the activities it covers since the elements set out in Article 32(3) of the Framework Financial Regulation and in Article 84 of the Financial Regulation and in Article 94 of the Rules of Application are clearly identified.
- (3) In accordance with Article 68(4) of the EIT Financial Regulation administrative appropriations may be implemented without a prior financing decision.

¹ OJ L97 of 09.04.2008, p. 1.

² OJ L347 of 20.12.2013, p. 174.

³ OJ L 357, 31.12.2002, p. 1.

⁴ OJ L 298, 26.10.2012, p. 1.

⁵ C(2012)7507, 29.10.2012

- (4) This financing decision may also cover the payment of interest due for late payment on the basis of Articles 92(5) of the Financial Regulation and 111(4) of the Rules of Application.
- (5) In order to provide for some degree of flexibility while applying specific actions covered by this decision, it is necessary to foresee a possibility for the authorising officer to introduce non substantial changes on specific actions. Such changes should not, however, have a disproportionate impact on the budget line concerned and they should not significantly affect the nature and objectives of the action.

HAS DECIDED AS FOLLOWS:**Article 1**

The work programme for the implementation of the EIT budget, as set out in the Annex, is adopted. It serves as a financing decision within the meaning of Article 68(3) of the EIT Financial Regulation.

Article 2

1. The maximum amount authorised for commitment appropriations by this Decision is set at EUR 295 096 330.27. The maximum amount of payment appropriations set at EUR 243 373 084.48 and shall be financed from the following funds
 - subsidy from the Union for the year 2015: EUR 278 432 375
 - contribution by the European Free Trade Association Member States: EUR 8 196 202
 - contributions by third countries: EUR 6 182 472
 - contributions by the host member state: EUR 1 560 000
 - contributions and refunds in connection with the operational activities: EUR 725 281

These appropriations may also cover interest due for late payment.

The implementation of this Decision is subject to the availability of the appropriations provided in the general budget of the Union for the year 2015.

2. If additional funds are available in the course of the year, the annual work programme can cover commitments up to 10% above the amount given in paragraph 1.
3. Cumulated changes to the allocations to specific actions are not considered to be substantial where those changes do not significantly affect the nature and the objective of the annual work programme and do not exceed 10% of the amount given in paragraph 1.

The authorising officer may adopt such changes in accordance with the principles of sound financial management and of proportionality.

Article 3

The Director of the EIT is responsible for ensuring the publication and implementation of the annual work programme for 2015.

Article 4
Entry into force

This decision shall enter into force on the 1st January 2015.

Done in Budapest on 11 December 2014



Peter Olesen

Chairman of the EIT Governing Board

ANNEX: THE EIT'S ANNUAL WORK PROGRAMME FOR 2015

Annual Work Programme 2015

The EIT – Making Innovation Happen

European Institute of Innovation and Technology (EIT)

Budapest | 11 December 2014

www.eit.europa.eu



The EIT is a body of the European Union

Contents

1	MISSION STATEMENT.....	4
2	CHALLENGES in 2015	5
3	OPERATIONAL ACTIVITIES	7
3.1	Incentivising Growth, Impact and Sustainability through the EIT	7
3.1.1	Consolidating, Fostering Growth and Impact of the KICs	7
3.1.2	Creating new KICs	11
3.2	New Delivery Mechanisms and Results-oriented Monitoring.....	12
3.2.1	Simplification.....	12
3.2.2	Monitoring, Impact Analysis and Evaluation	13
3.3	Enhancing the EIT's impact	15
3.3.1	Fostering Knowledge Exchange through Dissemination and Outreach.....	15
3.3.2	Fostering and Attracting Talent	17
3.3.3	Enhancing Stakeholder Engagement	19
4	HORIZONTAL ACTIVITIES	22
4.1	Strategy: Co-ordination and Implementation	22
4.1.1	Strategy definition and co-ordination	22
4.1.2	Planning, Programming and Reporting.....	23
4.1.3	Internal Communications and work environment	24
4.2	Administrative support	25
4.2.1	Human Resources Management.....	25
4.2.2	Finance, Procurement and Accounting	26
4.2.3	Management of Knowledge, Information and Communication Technologies (ICT) and Document Management.....	28
4.2.4	Logistics and Building Management	29
4.2.5	Internal audit.....	30
4.2.6	Internal control and risk management	30
5	ANNEXES.....	32
5.1	Resource allocation per activity	33
5.2	Grants 34	
5.2.1	Grants to be awarded following the Call for proposals of 2009	34
5.2.2	Grants to be awarded following the Call for proposals of 2014	36
5.3	Procurement	38
5.4	Prioritised internal control standards.....	43
5.5	Critical risks	44
5.6	Actions stemming from AAR and audit recommendations	45
5.7	ANNEX VII IMPLEMENTATION OF THE 2016 EIT AWARDS	47

INTRODUCTION

The Annual Work Programme shows how the EIT plans to give practical effect to the priorities and strategic objectives set out by the EIT Governing Board in the EIT Triennial Work Programme 2015-2017. The Annual Work Programme translates the long and mid-term strategy as set out in the EIT Strategic Innovation Agenda (SIA) 2014-2020 and the EIT Triennial Work Programme 2015-2017 into specific objectives and activities while considering available both human and financial resources.

The purpose of the EIT Annual Work Programme is to:

- set out the EIT's main activities in 2015 contributing to the EIT's overall strategic objectives;
- plan and manage activities to achieve objectives, using resources efficiently;
- set performance indicators for monitoring progress during the year;
- identify the main risks which may have an impact on achieving objectives and suggest how to address them;
- provide a basis for reporting on results in the annual activity report;
- draw conclusions from lessons learnt from past experience.

1 MISSION STATEMENT

The EIT is a body of the European Union established in March 2008.¹

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

In 2010, the European Union launched a strategy for sustainable growth for the coming decade: the Europe 2020 Strategy. A flagship initiative part of Europe 2020 is the 'Innovation Union', which aims to create an innovation-friendly environment making it easier for great ideas to be turned into products and services contributing to economic growth and job creation. The financial instrument implementing the 'Innovation Union' is Horizon 2020². By coupling research and innovation, Horizon 2020 is helping to achieve this with its emphasis on excellent science, industrial leadership and tackling societal challenges. A top priority of the new Commission, which took office in 2014, is to strengthen Europe's competitiveness and to stimulate investment for the purpose of job creation. This should be done through smarter investment, less regulation and greater flexibility. A strong emphasis is put on education, research and innovation, promoting a climate of entrepreneurship and job creation.

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

To further enhance impact and to incentivise innovation in new areas of societal challenges, the EIT will, according to the EIT Strategic Innovation Agenda (SIA)³, gradually expand its portfolio of KICs. Building on the existing five KICs, three designated in 2009 and two in 2014, in the period 2016 to 2018, three new KICs will be set up in two waves. Two new KICs in 2016, in the thematic areas of Added-value Manufacturing and Food4Future, and one additional KIC in 2018 on Urban Mobility, will lead to a total portfolio of eight KICs. The estimated financial needs of the EIT in 2016-2018 are approximately EUR 1.17 billion.

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

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

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

2 CHALLENGES in 2015

2015 is an important period for the EIT since it will expand its portfolio of the first three KICs launched in 2009 by two more designated in December 2014. This will be an important step forward in realising the EIT's mission to strengthen Europe's competitiveness and to stimulate investment for the purpose of job creation, through generating inter alia innovative products and services using novel approaches thanks to Knowledge Triangle Integration. The overall priority focus of the EIT in 2015 will therefore be on increasing and monitoring the impact from the KICs.

The EIT will address the following main challenges in 2015:

- I. Consolidating the growth and impact of the first three KICs in the areas of climate change mitigation and adaption, next generation information society (ICT) and sustainable energy through increased focus on efficiency, effectiveness and results achieved.
The three KICs launched in 2009 showed to date concrete results and impact such as over 300 students graduated from EIT labelled education KIC master and doctoral programmes; more than 400 business ideas incubated; around 100 start-ups created; nearly 150 knowledge transfers/adoption; and approximately 90 new or improved products, services and processes launched. To continue this positive trend, the EIT in co-operation with its KICs and the European Commission will consolidate the growth and impact of the first three KICs (Climate-KIC, EIT ICT Labs and KIC InnoEnergy) through increased focus on efficiency, effectiveness and results achieved, and on fostering cross-KIC collaboration.
- II. Successfully setting up two newly designated KICs in the areas of Raw Materials and Healthy Living & Active Ageing.
The EIT will facilitate the successful start-up of two new KICs designated in December 2014 in these two areas. This first year of the new KICs will focus on building the organisations and constitute the legal entity for each of the KICs, as well as to develop the business plan for the year 2016, the first one operating as a regular KIC. During 2015, the EIT will support the newly designated KICs in achieving these objectives.
- III. Preparing the 2016 KIC Call in the areas of Food4Future and Value Added Manufacturing based on lessons learnt from the 2014 KIC Call.
- IV. Developing and implementing a comprehensive monitoring and evaluation strategy based on an action plan developed in 2014.
As a result in 2015, the EIT will provide continuous support to its KICs and closely accompany the implementation of their activities through a refined monitoring system geared towards results and impact. Existing mechanisms and tools for evaluation of impact and results will be refined according to the monitoring strategy adopted in 2014 to ensure both learning lessons and accountability. In 2015 the EIT will conduct monitoring actions and reviews in selected areas to serve as a sound basis to consolidate and improve grant management cycles in 2016 and following years.
- V. Developing and implementing the concepts of KICs' financial sustainability and the new EIT Regional Innovation Scheme (EIT RIS) with a view to lay the foundation for impact and outreach at larger scale.
- VI. Further consolidate and strengthen the capacity of the EIT as an EU Agency in key areas to improve its performance. One key area to be strengthened is the enhancement of its assurance and simplification strategies to ensure the sound financial management of its increasing budget and expanding KIC operations. A second one is the EIT's communication with external stakeholders in a more targeted and focussed manner focussing on topics related to Knowledge Triangle Integration.

This Annual Work Programme is designed to address the challenges above and support the EIT in achieving its objectives.

3 OPERATIONAL ACTIVITIES

3.1 Incentivising Growth, Impact and Sustainability through the EIT

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

The added value of the unique features of KICs partnerships has been conceptualised, nurtured and validated by the EIT in its first years of operations. A KIC is expected to have economic and societal pan-European impact through the integration of the Knowledge Triangle. To further enhance impact and to incentivise innovation in new areas of societal challenges, as set out in the EIT's Strategic Innovation Agenda (SIA), the EIT will expand its portfolio of KICs, from three up to eight, in the period from 2014 to 2020.

3.1.1 Consolidating, Fostering Growth and Impact of the KICs

The year 2015 will be critical for the first three KICs in terms of the consolidation of their respective strategies to ensure that their partnerships remain dynamic, flexible and robust, to expand and scale up their portfolio of activities to seize new market/societal opportunities, and to adapt to a changing global. The EIT and its KICs will continue to foster synergies and complementarities bottom-up within the Horizon 2020 and with other EU instruments.

3.1.1.1 Promoting Collaboration and Competition among KICs

Objective: The EIT aims to consolidate its grant management cycle and revise procedures and methodologies for the current 3 KICs but also in order to adapt to the launch of two new KICs and in view of the increasing annual budget allocated to the KICs.

1. In particular, the EIT will carry out the following main sets of activities: Efficiently manage the programming and grant allocation process 2016 through enhanced guidance issued in 2015 and including further streamlined processes.
2. Complete the amendments of the new Framework Partnership Agreement (FPA) and signature of Specific Grant Agreements (SGA) with five KICs, enhancing sound financial management and improving governance of KICs.
3. Support and guidance to KICs during the implementation through the development of cross-KIC activities, the efficient processing of amendments, management of KIC partner entry-and-exit, and incorporation of lessons learnt.
4. Efficient reporting and payment processes leading to a high level of grant assurance through adequate audits and controls.

Activity	Indicator	Target	Main outputs
Grant allocation process / programming	Effectiveness and timeliness of funding allocation process to five KICs under grant allocation process 2016	Full allocation of available funds to five KICs by Q4 and targeted recommendations to improve the Business Plan 2016 issued	<p>Business Plan guidelines for KICs</p> <p>Business plans submitted timely by all five KICs</p> <p>Business Plan assessment reports completed by the EIT</p> <p>EIT Governing Board decision on annual grant allocation</p> <p>KIC Strategic Agendas covering years 2016-2018 submitted by each KIC</p>
Contracting and legal framework	Improved legal framework and sound financial management of KICs	Signature of Framework Partnership Agreement and Grant Agreements 2015 with first three KICs by end March 2015 and with new KICs by end September 2015	<p>Five signed Framework Partnership Agreements</p> <p>Five signed Grant Agreements 2015</p>
	Improved grant assurance	Current grant assurance strategy reviewed and revised by Q2.	Revised grant assurance strategy adopted by EIT
Support and guidance to KICs	Timely support, guidance and agreed improvements with KICs	Timely availability of improved IT tools, partner entry/exit process and grant amendments	<p>Processed requests for grant amendments and partner entry/exit.</p> <p>Enhanced IT platform for planning and reporting operational</p>
	Continuous support to the first three and two newly designated KICs.	<p>Additional guidance issued for KICs on programming, implementation, reporting and fostering EIT identity, incl. EIT label</p> <p>At least two improvements of processes agreed at each KIC Forum.</p>	<p>Additional guidance documents issued by the EIT to KICs.</p> <p>Minutes of Forum meetings.</p>
Reporting and payments	Timely process and finalisation of ex-ante verifications of Grant Agreements 2014	Grant Agreements 2014 verified by end July 2015 and payments made by September	Ex-ante verification and assessment of three reports on Grant Agreements 2014 performance and cost reports

	performance and cost reports	2015	completed. Approved final balance payment to KICs
	Improved efficiency of the ex-ante verification of KIC reports	Finalisation of reporting approval process 2014 by July 2015. 20% reduced number of comments by KICs on EIT verification findings compared to 2014.	EIT verification report. KIC letters responding to EIT verification report.
	Timely process and finalisation of ex-post audits	Audit completed by end April 2015 (reports for Grant Agreements 2013) Auditors selected by end October 2015 (selection for Grant Agreements 2014)	30 final ex-post audit reports on Grant Agreements 2013 Signed contract for ex-post audit on Grant Agreements 2014
	Reduction of the error rate of the KIC financial transactions	10% reduction of the total final error rate for Grant Agreement 2013 compared to Grant Agreement 2012	Calculation of error rate report.

3.1.1.2 Fostering Growth and Creating Impact

The objective is to improve results, impact and sustainability of the operations of the KICs through synergies and multiplication of successful activities across KICs.

To achieve this, the EIT will carry out the following main sets of activities:

- Foster the integration Knowledge Triangle and innovation through EIT driven thematic activities in the areas of education, research and entrepreneurship.
- Elaborate and improve the conceptualisation of the Knowledge Triangle and its integration and co-ordinate a coherent implementation at strategic, tactical and operational levels within the EIT and the KICs.
- Develop indicators and propose a system for monitoring of Knowledge Triangle Integration.
- Adopt a concept for financial sustainability of KICs as basis for future grant allocation and incentivising of KICs.
- Promote synergies between KICs and other EU programmes for the integration of Knowledge Triangle

Activity	Indicator	Target	Main outputs
Knowledge Triangle Integration	Description of the Knowledge Triangle and its integration	Full understanding of the concepts by the entire EIT Community and beyond.	Report on the concept of Knowledge Triangle Integration
	Implementation of Knowledge Triangle Integration within the EIT Community	Efficient and effective integration in all sides of the Knowledge Triangle	Action plan with proposed Activities to enhance Knowledge Triangle Integration within KICs and beyond
	Information about Knowledge Triangle Integration in the EIT Community that can be used by management at all levels	Concrete evidence about degree of implementation and effectiveness of Knowledge Triangle Integration, information guiding adjustments to improve concept.	(Key performance) Indicators and assessment methodology enabling monitoring and assessment of Knowledge Triangle Integration within the EIT Community.
Entrepreneurial education	Improved EIT label award process for diploma	Revision of the current EIT label awarding framework and adoption by the EIT Governing Board by Q2 2015. Additional cross-KIC educational activities defined in selected fields (e.g. MOOCs) by Q1 2015.	Revised EIT label handbook adopted Plan for new cross-KIC educational activities adopted and implementation started.
Financial sustainability concept	Common definition of expectations concerning financial sustainability of KICs	Financial sustainability guidelines developed by Q2 2015	Financial sustainability guidelines adopted by the EIT Governing Board
Synergies with EU funds and programmes	Better defined relations and synergies of EIT with other EU programmes (e.g. other H2020 programmes, ESIF), funding bodies (e.g. EIF) and policies (e.g. Digital Agenda) to define EIT value added and focus.	Analysis completed on links with EU programmes and identified key counterparts and policies by Q4 2015	Analysis paper completed and structured dialogue with key partners in place
Develop EIT strategy for KICs' financial sustainability	Timely consultations with KICs and subsequent adoption of a KIC's financial sustainability strategy	Adoption of the strategy by the EIT Governing Board in Q1-Q2 2015; implementation of the	EIT strategy for KICs' financial sustainability followed-up by KIC implementation Agreed guidance and

		strategy in Q3-Q4 2015	support measures for the implementation of KICs' financial sustainability
Refine EIT-KIC Funding Model	Timely consultations with KICs and guidelines issued on strengthening the links between KAVA and KCA	Consultations with KICs in Q1 2015; Guidelines issued in Q2 2015; implementation in 3Q-Q4 2015	Refined EIT-KIC Funding Model followed-up by KIC implementation through 2016 Business Plans

3.1.2 Creating new KICs

3.1.2.1 Support the start-up phase and readiness of the newly designated KICs in 2014

As set out in the KIC Call 2014 Framework of Guidance, the EIT will provide the newly designated KICs in December 2014 with an EIT Start-Up Grant during the set-up phase. The EIT will continuously monitor the implementation of all the preparatory actions based on a set of objectives, deliverables and milestones according to the Framework of Guidance of the KIC call 2014, which involves the following activities:

- Legal readiness of the KIC: setting up the KIC legal structures and KIC partnership agreements,
- Operational readiness: recruitment and appointment of a KIC CEO and its core KIC staff, setting up the operational functions at KIC level, and successfully prepare and timely submit the first business plan for 2016.

Activity	Indicator	Target	Main outputs
Legal readiness	Timely set up of the two KIC legal entities	Set up finalised in June 2015	Registration of the KIC legal entity in an official registry
	Timely signature of the Framework Partnership Agreement (FPA) with the two KICs	Signature in July 2015	Signed FPA
Operational Readiness	Efficient implementation of the start-up plan	Start-up plan substantially implemented by September 2015	Assessment of the start-up plan implementation by the EIT

3.1.2.2 Preparation of the Call to Designate New KICs in 2016

The objective is to have the full documentation for the 2016 KIC call in the areas of 'Added Value Manufacturing' and 'Food4Future' ready for launch by end 2015 fully integrating lessons learnt from the 2014 KIC call.

In 2015, the EIT will prepare and submit for approval by the EIT Governing Board the documentation related to the call for KICs to be launched in 2016 in the fields of Food for future and Manufacturing as specified in the EIT's Strategic Innovation Agenda. The experience and lessons learnt from the previous exercises will be taken into account in order to improve the process and procedures related to the evaluation, selection and designation of the new KICs. As part of the lessons learnt review of the 2014 KIC call, it will be examined whether further in the next call good practices from calls for applications under other programmes of Horizon 2020 can

be integrated. Moreover, an awareness raising campaign will begin in 2015 to draw attention and share information relating to the 2016 Call for KICs Proposals in order to allow partnerships to be formed. Throughout 2015, the EIT will co-organise with national and regional stakeholders EIT Awareness Days to timely promote the upcoming Call for KICs.

Activity	Indicator	Target	Main outputs
Guidelines	Improved guidelines for applicants for 2016 call for two new KICs integrating lessons learnt from the previous calls.	Guidelines integrating all lessons learnt and legal requirements ready for adoption by the EIT Governing Board by the end of 2015.	Adopted documentation package for the new call and evaluation process
Awareness campaign	Effective awareness and information campaign for the 2016 Call for KICs, targeting relevant stakeholders and potential applicants to maximise participation.	Awareness and information activities defined for 2016 and targeted actions implemented by the end of 2015.	Promotion campaign implementation plan 2015 and 2016
Co-organisation of EIT Awareness Days	Successful promotion of the upcoming Call for new KICs	Contribution to EIT Awareness Days delivered by the end of 2015	Awareness raised among relevant stakeholders on upcoming Call for new KICs

3.2 New Delivery Mechanisms and Results-oriented Monitoring

Through an improved monitoring system, the efficiency and effectiveness of KIC operations can be enhanced for better results, impact and sustainability. For example, there are efficiency gains to be achieved from providing a number of centralised services and functions, rather than at individual KIC level. The EIT will strive to adapt, improve and streamline its monitoring, reporting and funding processes and constantly seek for new approaches by fully empowering the KIC legal entities considering the growing scale and scope of their partnerships' composition.

The EIT will continue to enhance its result-oriented monitoring system. This monitoring system aims at ensuring full accountability of the EIT and its KICs, quality of deliverables, contribution to Horizon 2020 priorities, and at the same time, allowing for sufficient flexibility in the KICs' operations and openness to new ideas and partners. It will allow the EIT to develop a solid capacity for gathering and analysing the input from its KICs, including funding sources to measure the performance of the EIT against its own objectives and to benchmark EIT and its KICs against novel practices at European and global level. The enhancement of the monitoring system will go hand in hand with the implementation of the simplification strategy.

3.2.1 Simplification

The objective of simplification for the EIT is to increase its internal efficiency and to achieve results effectively while maintaining a high level of assurance to address the challenges of a relatively young EU body with limited resources entrusted to manage EUR 2.7 billion of EU funds in the 2014-2020 period.

As an integrated part of the Horizon 2020 - Framework Programme for Research and Innovation, there is still room for the EIT to exploit regulatory flexibility, with a view to enable further simplification in its processes. To this end, in 2015, the EIT will further examine options to:

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

In line with the relevant provisions with Framework Partnership Agreement 2015, the EIT will develop its approach 'Setting EIT Standards for KIC Management and Control Systems' whereby the EIT intends to optimise its management system in view of an increasing number of KICs coupled with increasing empowerment. As a first step, the feasibility of the concept will be explored in 2015. Furthermore, the use of simplified costs shall be further explored to facilitate financial management and focus more resources on result oriented monitoring.. The use will be extended in 2015 and should be gradually widened in subsequent years. The EIT will also further explore the potential benefits and practical implications of applying financial instruments either alone or in combination with grants.

Activity	Indicator	Target	Main outputs
Simplified internal procedures	Completed review and revision of all EIT procedures to streamline, simplify and align with H2020 provisions	Financial procedures improved and aligned with H2020 rules by mid-2015	Revised procedures and Vademecum for all EIT procedures adopted
Simplification measures	Development of 'Setting EIT standards for KIC Management and Control Systems'	Recommendations in place on how to enhance KIC governance and management and control systems by Q3.	Concept for enhanced and simplified KIC management and control systems in place
	The ratio of simplified costs used by the KICs is extended	Establishment of KIC specific simplified cost categories offered to KICs by end 2015	EIT approved additional simplified cost categories for BP 2017
	Exploring further simplification measures beyond current grant model	Recommendations in place for potential alternative delivery mechanisms complementing the current model	Study completed on additional simplification measures to be explored

3.2.2 Monitoring, Impact Analysis and Evaluation

The objective of this activity is for the EIT to finalise its monitoring strategy in order to improve its monitoring function to steer KICs to maximise performance, outcomes and impact.

The EIT strives to adapt, improve and streamline its monitoring, reporting and funding processes and constantly seek for new approaches by fully empowering the KICs. During 2015, the EIT will continue to enhance the robustness of its result-oriented monitoring system, which has two main aims: 1) to support the EIT and its KICs to learn lessons from experience; and 2) to account for the use of resources.

Consequently, the EIT evaluation and monitoring system will focus on quality of results, contribution to Horizon 2020 priorities, lessons learning from the most successful KIC activities and at the same time allow for sufficient flexibility in KICs' operations and openness to new ideas and partners. This system is designed to allow the EIT

developing a solid capacity for gathering and analysing data, as well as monitoring comprehensively the relevance, efficiency, effectiveness, utility/sustainability and impact of EIT funds. The ultimate goal is to measure the EIT performance against its own high level objectives and to benchmark the EIT and its KICs against novel practices at European and global levels. The evaluation and monitoring system covers the four different dimensions of the EIT context: Horizon 2020, EIT, cross-KIC and individual KIC level.

In 2015, the EIT will follow an ambitious action plan to revise the existing evaluation and monitoring tools to refine its monitoring system geared towards results and impact. The EIT will put particular emphasis on improving its overall architecture to analyse and assess results and impacts of all EIT and KIC activities. The refinement and establishment of key performance indicators and impact indicators, including the EIT's Scoreboard, their assessment and evaluation will be of key importance, as well as benchmarking against international best practices. For this purpose, an internal working group was setup in 2014 and will continue its operations during 2015 in close collaboration with the EIT Governing Board, consulting the KICs as appropriate, and will consider engaging external experts to assist the EIT in developing and deploying its overall architecture on continuous monitoring, evaluation and impact assessment.

This objective will be achieved with the following actions in 2015:

- a) Revision of the existing EIT framework for evaluation and monitoring to clarify the definitions and methodology to be used and to put in place the monitoring plan for 2015.
- b) Thematic reviews to learn about specific EIT and/or KIC practices, with the aim to improve practices or to identify good practices for dissemination and to use them as building blocks to enhance the monitoring system of the KICs and the EIT and to develop it into a comprehensive monitoring strategy.
- c) Conduct an evaluation to assess and improve the current EIT Performance Management System (including its Key Performance Indicators) including EIT and KIC performance management systems and KPIs

Activity	Indicator	Target	Main outputs
Revision of EIT evaluation and monitoring framework	Quality of the improved EIT evaluation and monitoring framework	Revision of the existing monitoring and evaluation strategy by Q4	EIT monitoring and evaluation strategy and implementation plans adopted.
	Time and quality of the pilot monitoring activities	Pilot monitoring activities completed by the end of November 2015	Monitoring reports covering different activities of each KIC.
Revision of the EIT Performance Management System (PMS)	Time and quality of revision of the existing EIT PMS and its Key Performance Indicators for EIT and KICs	Revised KPIs in place by end 2015 and improved guidance on KPIs by Q1 2015	Guidelines for KPIs including improved methodology for their assessment.
Reviews for lessons learning	Timely finalisation and quality of the reviews for KPIs, KAVA/KCA, business creation, education and research/innovation	KPI review completed by Q2 2015 KAVA/KCA review completed by Q2 Business creation review with recommendations completed by September 2015	Final report for KPI review Final report for KAVA/KCA review Final report for the Business Creation Review. Final report for the Education Review.

		Education review with recommendations completed by end 2015 Research/ Innovation review launched by end 2015	Terms of Reference for the Research/Innovation Review.
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3.3 Enhancing the EIT's impact

3.3.1 Fostering Knowledge Exchange through Dissemination and Outreach

While it is a clear goal for the EIT to strengthen existing capabilities and centres of excellence in Europe, the EIT will also ensure it delivers benefits to areas of the Union that are not directly participating in KICs. The EIT actively promotes the dissemination of novel practices for the integration of the Knowledge Triangle in order to develop a common innovation and knowledge sharing culture. The EIT will work to make the KIC experience understandable and replicable, and build it into a culture that can act as a role model in Europe and beyond. By identifying, analysing and sharing novel practices, the EIT seeks to ensure that knowledge generated within the EIT and its KICs is disseminated and capitalised upon for the benefit of people and organisations, including those not directly benefitting from the KICs. The EIT will also seek to enhance its visibility across the EU. All relevant means and avenues of communication will be used to ensure sufficient access to information on the functioning and scope of the EIT and its KICs.

The EIT will increasingly play a decisive role in synthesising the diversity of approaches applied by its KICs and in making them transferable to areas where innovation capacity is weak, and which would otherwise not be able to benefit from the experience gained by the EIT through its KICs. Such outreach will ensure that the benefits of the EIT experience promote the development of innovation capacity in these areas.

3.3.1.1 Fostering Knowledge Exchange through Dissemination

Objective: Increase awareness of EIT activities through the active promotion and dissemination of information to the EIT Community's external stakeholders based on the EIT communications strategy recommendations.

During 2015, the EIT will focus its communications activities on one overarching objective, namely increasing the level of awareness and understanding of the EIT Community's activities and achievements among its stakeholder community. The EIT will continue to implement the EIT's Communications Strategy, including its communication campaigns enhancing the EIT Community brand identity, including in particular the EIT label brand and the promotion of the KIC call 2016.

In 2015, the EIT will actively engage with the media, as media relations will enable the EIT to reach a wide range of stakeholders and citizens that may not be directly aware of the EIT's Community activities, thereby leveraging interest, existing talent and latent potential. Moreover, the EIT will place a strong emphasis on producing and disseminating relevant information materials focused on lessons learnt and novel practices that emerge from the wide range of the EIT's and KICs' activities, including the set-up of the two newly designated KICs in the fields of Raw Materials and Healthy Living & Active Ageing.

Activity	Indicator	Target	Main outputs
Implementation of EIT 2015 Communications Campaign	Level of understanding among EIT Community of activities, achievements and co-operation	80% of stakeholders have an increased understanding of EIT activities during 2015	Final report of communication campaign Online survey

	possibilities	(based on online survey)	
Engagement with media	Quantitative and qualitative increase in EIT media coverage	20% increase in EIT media coverage in 2015 compared to 2014 statistics (media monitoring reports)	Media publications about EIT.
Dissemination of information to external stakeholders through the EIT website and social media	Quantitative increase in visits to the EIT website, Facebook and Twitter accounts	10% increase in unique visitors to the EIT website in 2015 compared to 2014 unique visitor statistics 20% increase in the number of unique users "like" the EIT Facebook and following the EIT Twitter in 2015 compared to 2014 statistics.	More and longer visits to EIT website and wider social media reach.

3.3.1.2 EIT Regional Innovation Scheme (EIT RIS)

Objective: The EIT Regional Innovation Scheme (EIT RIS) aims to provide opportunities to partnerships of higher education institutions, research organisations, companies and other relevant stakeholder organisations to benefit from closer linkages with the KICs, thereby creating lasting and systemic impact for a better integration of the knowledge triangle across Europe.

In 2015, the EIT will further develop operational details of the new EIT Regional Innovation Scheme with a view to ensure the overall strategic objective of enhancing the innovation capacity in regions not participating in KICs can be achieved. To this end, the EIT will collaborate closely with existing KICs to review specific aspects of the EIT RIS (e.g. geographical coverage, actions financed by the EIT, and monitoring for impact). Based on the review, the EIT will provide guidance and support all KICs to further strengthen the scheme. The EIT will hold information sessions and develop information material such as an EIT RIS brochure to raise awareness of the scheme among relevant stakeholders. Moreover, the EIT will look into potential synergies and specific opportunities how to link the EIT RIS with other schemes such as the Regional Innovation Strategies for Smart Specialisation (RIS3) aiming to achieve over time impact at large in participating regions.

Activity	Indicator	Target	Main outputs
Refinement of strategic guiding principles for EIT RIS	EIT RIS scheme made operational as part of 2016 Business Plan process	Guidance for EIT RIS approved by the EIT Governing Board by Q1 2015	Guidance including implementation mechanisms for EIT RIS
Monitoring of EIT RIS activities by KICs	Timely analysis of outputs resulting from the implementation of first activities by participating KICs	Agreed set of indicators to measure results of the EIT RIS by Q2 2015 Report on results and outputs of activities implemented by	Indicators to measure results of EIT RIS developed Monitoring report of EIT RIS.

		participating KICs by Q4/2015	
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3.3.2 Fostering and Attracting Talent

3.3.2.1 EIT Alumni Community

Objectives: Promote an entrepreneurial mind-set and innovation among the EIT Alumni community

As future entrepreneurs, intrapreneurs, innovators, policy makers or change agents, EIT graduates have a high potential to contribute to spurring innovation and entrepreneurship in Europe and globally. Through the EIT Alumni Community, the EIT helps to unleash the potential of the talent pool of young entrepreneurs, innovators and change agents who KICs are educating.

In 2015, EIT will develop the EIT Alumni Community in close co-operation with KIC alumni associations and KICs. It will organise the second edition of the EIT Alumni Connect event in May 2015. This event has the objective of enlarging and growing the EIT Alumni Community by providing a platform for students and alumni from across KICs to meet, share knowledge, experiences, ideas and to encourage joint initiatives to further develop the Community. In addition, during 2015, the EIT will prepare for the implementation of a fit-for-purpose governance with a built objective to becoming self-sufficient in the medium to longer term, as well as an activity plan.

Activity	Indicator	Target	Main outputs
Implementation of the 2015 EIT Alumni Connect Event	Effective involvement of nominated KIC alumni representatives in the event design process, programme and follow-up actions	Active participation of 150 students and alumni from EIT labelled educational programmes (>75% positive feedback in review)	2015 EIT Alumni Connect Event organised
EIT Alumni Community governance structure and activity plan	A fit-for-purpose governance structure and activity plan agreed	Fit-for-purpose governance structure and activity plan approved by the EIT by Q3 2015	Proposal and decision for a fit-for-purpose governance structure and activity plan.

3.3.2.2 EIT AWARDS

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

The 2015 EIT Awards will be an integral part of the EIT Stakeholder Forum for Innovation and Entrepreneurship, which will be held in Budapest on 05-07 May 2015. The 2015 EIT Awards will comprise three main categories: EIT Venture, EIT CHANGE and EIT Innovators.

A novelty of the 2015 EIT Awards edition will be the nomination, by each of the first three KICs, of two candidates for the EIT Venture and EIT CHANGE Awards as well as two teams for the EIT Innovators Award. The EIT Jury will select one winner per category. The implementation of the 2015 EIT Awards will comprise a

promotional campaign, the preparation of nominees for the pitching sessions, the set-up of a high-level jury for each Award category, the organisation of the Award Ceremony and the implementation of support packages for the three winners to further develop their businesses, ideas and projects. Also during 2015, the preparations for the 2016 EIT Awards will start, including the launch of the competition in the three aforementioned categories. The objectives of the 2016 EIT Awards are the following:

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

The prizes for the EIT Award winners will be as follows:

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

Activity	Indicator	Target	Main outputs
Organisation of the 2015 EIT Awards	Timely implementation of the 2015 EIT Awards	2015 winners of all three categories awarded in May 2015	Three 2015 EIT Awards winners
Implementation of the 2015 EIT Awards packages	Timely implementation of the 2015 EIT Awards winners' packages	EIT Award packages for all three 2015 Awards winners implemented by Q4 2015	Prize delivered to all three 2015 EIT Awards winners
Preparation of the 2016 EIT Awards	Timely launch and nominations received for the 2016 EIT Awards competition	EIT CHANGE and EIT Innovators Awards launched on 15 September 2015 and nominations received by December 2015	Preparations for 2016 EIT Awards competition finalised

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

3.3.3 Enhancing Stakeholder Engagement

3.3.3.1 Relations with Institutional and Knowledge Triangle Stakeholders

Objective: Enhanced EIT stakeholder engagement, fostering structured dialogues that multiply Knowledge Triangle Integration activities beyond the KICs

In 2015, the EIT will continue its engagement with both institutional stakeholders and EU multiplier organisations in a systematic, structured, focused and tailored manner. Following the institutional changes in 2014, the EIT will reinforce relationships with other EU institutions and bodies in the areas of common interest. Moreover, engagement with key stakeholders from academia, research and business will be continuously strengthened throughout the year.

To facilitate interaction with key stakeholders at EU, national and regional levels, in 2015, the EIT will launch a business analysis to identify the suitable processes for engaging and maintaining stakeholder relations which will be translated into specific requirements. These will provide the basis for the development of a dedicated tool allowing the mapping and monitoring of stakeholders and to efficiently manage the EIT's relations with them. In addition, the EIT will continue to seek reciprocal exchanges with other EU initiatives in order to foster synergies and complementarities within Horizon 2020 and Innovation Union initiatives. Well established channels, such as annual meetings with European Commission services as well as the wider EIT Stakeholder Forum, will be instrumental to further explore potential synergies and to facilitate their implementation.

The co-locations and regional subsidiaries of the KICs have a high potential to enrich and strengthen actions and practices to spur innovation and entrepreneurship on national and regional levels. It is observed, however, that initiatives to explore and utilise such synergies and complementarities are undertaken to a limited extent. Therefore, in 2015, the EIT will conduct a pilot in Member States that have KIC co-locations and/or regional subsidiaries with the objective of exploring and developing synergies and complementarities between the EIT's activities and practices and those of Member States and regions with a view to increase economic and societal impact for all parties. The results of the pilot and a proposal for follow-up are presented to key stakeholders.

Activity	Indicator	Target	Main outputs
Engagement with institutional and knowledge triangle stakeholders	Structured dialogue reinforced with institutional stakeholders	Mapping of key stakeholders and topics of common interest in place by Q2	Reinforced structured dialogue with institutional stakeholders
Business analysis for implementing a supporting tool for the management of EIT stakeholders	Identification of processes required in stakeholder relations	Development of specifications for a tool to support Stakeholder mapping and contact management by Q4	Basis for Terms of Reference for a central database (CRM) of stakeholders, mapped according to specific qualifiers
Pilot project "Explore and develop synergies and complementarities between EIT/KIC activities and those of Member States and regional authorities".	Workshop organised in two member states that have KIC co-locations and regional subsidiaries involving representatives of EIT, KICs, national and regional authorities	Increase insight in opportunities resulting from alignment of practices and formulation of initiatives to seize these	Workshop report summarising the opportunities identified and initiatives to be taken. Proposal for follow-up to pilot.

3.3.3.2 EIT Stakeholder Forum

Objective: The EIT Stakeholder Forum aims to engage with key stakeholders such as EU Member States and organisations from the Knowledge Triangle on the EIT's activities in a structured and comprehensive manner.

In 2015, the EIT will organise the EIT Stakeholder Forum for Innovation and Entrepreneurship, which is the first one to bring together a set of EIT events that were organised separately in the past years (i.e. EIT Stakeholder Forum, EIT Awards, EIT Roundtables and the EIT-KIC Alumni event). The EIT Stakeholder Forum will be open to representatives of national, regional and local authorities, umbrella organisations and individual entities from higher education, research, business, civil society and cluster organisations. Furthermore, EU Member States' representatives will meet within a special configuration addressing their specific needs in a tailor-made manner. The ambition for the EIT Stakeholder Forum on Innovation and Entrepreneurship is to encourage interaction with stakeholders in an inspiring and interactive way, leveraging the knowledge and experience from the whole Community. Based on experiences, lessons learnt and feedback received from stakeholders on this new integrative framework, the EIT will review the concept for the EIT Stakeholder Forum in 2016.

Activity	Indicator	Target	Main outputs
Organisation of EIT Stakeholder Forum 2015	Targeted information provided and dialogue with key stakeholders Positive, above-average feedback received from participants (as measured by a dedicated survey)	Participation by at least five knowledge triangle representatives of all three sides and 75% of EU Member States > 75 % of feedback received above average	EIT Stakeholder Forum 2015
Preparation of the EIT Stakeholder Forum 2016	Improved concept for the 2016 edition of the EIT Stakeholder Forum based on lessons learnt from previous editions.	Evaluation review of the 2015 EIT Stakeholder Forum and EIT week available by Q2 2015 Fine-tuned concept developed based on lessons learnt by Q3 2015.	Concept note of the EIT Stakeholder Forum in 2016 considering the specific stakeholders' needs

3.3.3.3 EIT Roundtables

The EIT Roundtables are positioned as a top-class event in Europe bringing together stakeholders from KICs, business leaders, political decision-makers as well as global leaders in the innovation arena for a global think-tank exercise. The EIT Roundtables aim to have a balanced representation of key stakeholders, including entrepreneurs, representatives of Venture Capital firms, governmental organisations, academia and representatives from the EIT Community. In 2015, the EIT Roundtables will be an integral part of the EIT Stakeholder Forum for Innovation and Entrepreneurship, which will be organised in Budapest from 05-07 May 2015.

The EIT Roundtables aim to:

- Contribute to the development and strengthening of relations between the EIT and key stakeholders/multiplier organisations, and thus to the outreach and branding of the EIT and KICs;
- Discuss issues of strategic importance for the EIT and KICs with relevant stakeholders/ multiplier organisations with a view to find mutually beneficial solutions;

- Contribute to the EIT's thought leadership in the field of entrepreneurship and innovation by providing outstanding contributions to European and global problems.

Activity	Indicator	Target	Main outputs
Organisation of EIT Roundtables at the 2015 EIT Event	Degree of target group satisfaction as "above average" of event participants (as measured by a dedicated questionnaire)	> 75 % of feedback received above average	EIT Roundtables at the 2015 EIT event

3.3.3.4 Relations with Third Countries and International Organisations

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

Based on the framework set by Horizon 2020 and with a concrete focus on strengthening the integration of the Knowledge Triangle and providing added value to KICs, in 2015, the EIT will build upon its current relations with prioritised Third Countries and international organisations. It will further develop a comprehensive global outreach strategy. In doing so, the EIT will co-operate closely with the European Commission and KICs, thus increase its ambition in striving to create synergies beyond Europe.

The EIT will further select and engage with targeted Third Countries and international organisations to increase awareness of the EIT's and KICs' activities and to develop strategic alliances and intelligence. This will be done primarily by way of sharing good practices as well as exploring collaboration mechanisms, synergies, complementarities and future plans. Strategies for selected countries will result in concrete value propositions, e.g. exchange of students, acceleration of ventures, etc. In particular, the EIT aims to establish focussed relations with counterpart organisations and through international organisations in the following priority partner countries: BRIC, US, Japan and EU candidate countries.

Activity	Indicator	Target	Main outputs
Engagement with selected third countries	Establish a structured dialogues in targeted Third Countries on knowledge triangle integration issues	Structured dialogue set up in at least two thirds of the targeted countries and international organisations by Q4 2015	Engagement with key stakeholders in non-EU countries and international organisations.

4 HORIZONTAL ACTIVITIES

4.1 Strategy: Co-ordination and Implementation

The activity “Strategy: Coordination and Implementation” includes all actions that steer or co-ordinate the EIT’s priorities and operations. The actions under this activity contribute directly to the success of the EIT’s main priorities through proper governance and decision-making. This activity gives the necessary impulse to the policy definition, preparation and implementation in order to achieve the overall mission of the EIT within the timescales laid down in key business processes of the Institute. It promotes the development of a strategic planning culture within the EIT similar to the European Commission’s strategic planning and programming cycle. It actively promotes the main EIT policies as regards information sharing and internal communications. It contributes to the coherence of the different activities within the EIT, ensuring the liaison with the units and EIT bodies such as the Governing Board as well as other EU institutions and bodies.

This activity includes the following functions:

- Strategy definition and co-ordination;
- Planning, programming and implementation;
- Internal communications.

4.1.1 Strategy definition and co-ordination

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

- Determine the general EIT strategy and give the necessary impulse, direction and co-ordination to policy definition, preparation and implementation in accordance with the EIT objectives and the provisions of the amended EIT Regulation, EIT Strategic Innovation Agenda (SIA), EIT Triennial Work Programme (TWP) and guidance provided by the EIT Governing Board in order the overall EIT mission is coherently fulfilled as framed and planned.
- Ensure effective and efficient representation of the EIT’s interests and strong involvement in internal deliberations, including Commission services as well as other external fora with a view to reinforce the overall EIT strategy and activities hence benefitting EIT stakeholders at large.”
- Provide support services (Secretariat) to the EIT Governing Board (GB) including the smooth running of, and follow up to Governing Board and Executive Committee meetings as well as GB Working Group meetings and advisory activities to the GB Chairman, GB Members and the Director.

This activity includes all logistical preparations (travel, catering, meeting services) as well as administrative file handling.

Activity	Indicator	Target	Main outputs
EIT HQ internal strategic co-ordination and implementation	Quality of collaboration between the members of senior and middle management measured by the number of meetings of senior and middle management held in 2015	Ongoing feedback collection among senior and middle management to assess quality of collaboration and to identify areas of improvement	Regular management meetings, regular meetings of the Director with the units, ad-hoc project oriented cross-unit meetings as needed, quarterly workshops
Strategic co-ordination and	Effective preparation and implementation of	Effective and timely preparation and	GB, ExCo, Hearing and Spring Review agenda, minutes and

implementation between the EIT HQ and the EIT GB and support services to the latter	Governing Board (GB) and Executive Committee meetings, GB Working Groups meetings, Panel and other meetings with GB Members participation	implementation of at least 4 regular GB meetings, 4 regular Executive Committee (ExCo) Meetings, Annual KIC Hearing and GB-KIC Spring workshop in compliance with all applicable rules and procedures	decisions.
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4.1.2 Planning, Programming and Reporting

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

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

To enhance its strategic and planning capacity, in 2015 the EIT established four internal working groups with a view to review and take stock, to map out and identify linkages with the review of the EIT by the European Commission by the end of 2016 and Horizon 2020's review by the end of 2017, and to propose concrete actions, including adequate evaluations to further develop the role of the EIT in knowledge triangle integration and management of its KICs. In 2015, the working groups will engage with Governing Board members, Commission and KIC representatives and/or other relevant external stakeholders, to develop proposals to further enhance the planning, programming and monitoring capacity of the EIT.

The Working Groups cover the areas of Monitoring and Evaluation, Financial Sustainability and Outreach/Regional Innovation Scheme. In addition, the Working Group on "Financial Procedures" aims to co-ordinates and leads the development of EIT's work on the review and completion of internal financial and operational procedures.

In 2015, the EIT intends to launch a fifth working group on Knowledge Triangle Integration.

Activity	Indicator	Target	Main outputs
Planning, Programming and Reporting	Timeliness (preparation and submission) of the documents foreseen in the SPP (Strategic Planning and Programming) cycle, namely Budget, Annual Work Programme, Annual Activity Report, Budget implementation report, Report on budgetary and financial management, Multi-annual Staff Policy Plan 2017-2019, (Preliminary) Triennial Work	Budget 2016, Draft budget 2017, AWP 2016, AAR 2014, Budget implementation report 2014, Report on budgetary and financial management 2014 produced and transmitted on time EIT Governing Board adopts Preliminary Triennial Work Programme and Multi-	AAR 2014, Preliminary TWP 2017-2019 MSPP 2017-2019 AWP 2016, Budget 2016, Draft budget 2017, Report on budgetary and financial management 2014

	Programme 2017-2019	annual Staff Policy Plan 2017-2019, Annual Work Programme 2016, budget 2016, and Draft Budget 2017 by mid-Dec 2015	
	Timeliness (preparation and submission) of internal quality reporting	On time delivery of accurate internal reports (ad-hoc, monthly or quarterly) and monthly summary reports for the Commission and GB	Monthly budget execution reports mentioning the deviation to the forecast Monthly procurement reports with comparison to the forecast Monthly summary reports for Commission and GB
	Timely implementation of the Annual Work Programme 2015 implemented	90% of activities implemented by Q4 2015	Internal AWP 2015 implementation report

4.1.3 Internal Communications and work environment

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

Sharing information and teamwork among members of staff is an important activity and is encouraged. The EIT management remains committed to open and transparent decision-making. The EIT aims to ensure that individuals/ units within the organisation have access to all the information they require to make informed decisions and maximise their output and to create a work environment conducive to an efficient implementation of activities.

This should contribute to achievement of the following results:

- All EIT staff is aware of the EIT's strategy, activities, priorities and key organisational developments.
- All EIT management and Governing Board decisions are communicated effectively and in a timely manner to all staff.
- Staff understands and knows how to follow all policies and procedures related to his/her job.
- Staff is familiar with the resources available in, and the updates and developments of programmes other than their own.
- Staff are able to provide feedback to management through various channels

Activity	Indicator	Target	Main outputs
Internal Communication	Efficient internal communication structures are in place.	> 90% of staff is fully aware of the EIT and their own objectives and priorities (survey) All EIT decisions are communicated to staff.	Agenda and minutes of weekly management and unit meetings. Complete and updated job descriptions and objectives of staff.

		Regular management and unit meetings take place	
Conduct staff survey on Internal Communication	Level of staff satisfaction with internal communications	10% average increase off staff satisfaction in end 2015 compared to beginning of 2015	Regular staff survey

4.2 Administrative support

Administrative support should ensure a smooth functioning of all support functions and includes actions that are necessary for the EIT's functioning.

This activity promotes and maintains sound and efficient management of human, financial, legal and IT resources within the EIT, and ensures that resources are allocated to achieve the objectives of the EIT. It ensures the soundness of internal control mechanisms established in the EIT's operational management and its financial accounting and reporting systems. Furthermore, it provides internal audit advice within the EIT.

Administrative support includes the following functions:

- Human resource management
- Finance, procurement and accounting
- Legal
- Information and communication technologies (ICT) and document management
- Logistics and building management
- Internal audit
- Internal control and risk management

4.2.1 Human Resources Management

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

This includes the following activities:

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

Activity	Indicator	Target	Main outputs
HR Management - Recruitment	Timely and compliant completion of selection procedures to fill in vacant	Less than 10% of vacant posts by Q4	Posts filled and updated organigram according to the adopted staffing plan

	posts		
	Average length of recruitment process/post downtime	12 weeks from closing date of publication of vacancy notice until submission of letter of offer; Maximum 3 months downtime for a post	Report included in HR section in Annual Activity Report/ MSPP/internal HR reports
HR Management and planning	Percentage of staff appraisals completed Promotions and reclassification system implemented	100% of staff in place in 2014 appraised by Q2 2015 Promotion and reclassification decisions implemented by Q3	Completed appraisals Implemented promotions and reclassifications
HR Management - Training	Adopted and implemented training and development policy.	90% of trainings provided according to training policy 2015 by Q4.	In-house training sessions completed
HR Management	Updated job descriptions, individual objectives and training maps	100% of updated job descriptions, objectives and training maps by Q2 2015	Report included in HR section in Annual Activity Report/ Multi-annual Staff Policy Plan/ internal HR reports
HR Management - Reporting	High level of staff satisfaction	10% increase in overall staff satisfaction at end 2015 compared to beginning 2015 (survey)	Report included in HR section in Annual Activity Report/ Multi-annual Staff Policy Plan/ internal HR reports

4.2.2 Finance, Procurement and Accounting

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

This will be achieved through the following activities:

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

Activity	Indicator	Target	Main outputs
Implement annual budget	High level of absorption of EIT funds Legality and regularity of Commitments and payments	> 90% of non-grant commitment and payment appropriations absorbed by Q4 For <5 % of commitments and payments errors are detected ex post	AAR 2015, Final Accounts Commitments, payments, exception and error reports
Ensuring efficient and effective financial procedures	Efficient and effective financial procedures	100% review of procedures and implementation of the WG action plan by Q2	Implementation report of the action plan of the Working Group on financial procedures. New Vade-mecum, workflows, templates and revised relevant EIT decisions. Application for full financial autonomy to be submitted to DG EAC.
Procurement	Efficient and effective procurement procedures completed	85% procurement procedures completed in line with the 2015 procurement plan by Q4 (subject to the initiation of the operational units)	Concluded contracts
Procurement	Irregularities detected following procurement procedures	Less than 10% of procurement procedures trigger complaints / court cases.	Internal report on number of complaints / court cases and their outcome.
Financial position of EIT.	Timely and correct delivery, compliance and comprehensiveness of the EIT accounts	Submission of final accounts for 2014 by Q2 All payments carried out <2 working days after authorisation.	Final Accounts for 2014 correctly. Payments made from EIT account.

4.2.3 Management of Knowledge, Information and Communication Technologies (ICT) and Document Management

The objective is for IT tools and knowledge management to efficiently support core business processes and enhance effectiveness.

The EIT provides a wide range of ICT services with a view to provide staff and external stakeholders with an ICT environment to allow for effective and efficient work and information.

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

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

More specifically, in 2015 the EIT will implement a significant upgrade to its ICT infrastructure, identify Indicators and procedures to continuously monitor the efficient implementation of software development contracts (especially during a Times and Means specific contract), revise the current procedures, documentation and tools in order to enforce better control and reduce internal and contractors work load. A high level of IT security will be ensured.

Furthermore, the EIT will aim at increasingly internalising development tools required for the maintenance of the main processes (such as Grant Cycle monitoring and reporting, e-Hr, Document Management System and SharePoint).

The EIT will also aim at consolidating a single Document Management tool for physical and electronic files.

Knowledge Management

In the context of creating and transferring knowledge across the EIT and to its stakeholders, in particular KICs, appropriate Extranet and Intranet platforms are designed to help the interchange of documents and support communication within and among the teams of the EIT.

Activity	Indicator	Target	Main outputs
Provide adequate ICT systems and infrastructure	Make adequate IT and infrastructure tools available to staff	Make general and individualised IT systems permanently available to all staff as required.	Available IT systems to all staff and external users Incident reports
	Minimise hours of continuous downtime of systems and timely response to user requests	Maximum one hour downtime of systems per incident and <5% of user requests require more than one day to resolve (incidence reports)	ICT systems operational and business continuity ensured.
	Timely response to user requests		

	Improved IT governance through implementation of the IT action plan	90% of actions from the IT action plan implemented by Q4 At least 6 meetings of the IT Steering Committee with conclusions	Improved IT Governance and procedures IT Steering Committee agenda and minutes.
	New IT server infrastructure installed and enhanced efficiency and speed of IT operations	New server infrastructure installed and in use by Q2	New server infrastructure
Document Management System	Reliable and comprehensive implementation of DMS	Comprehensive DMS operational by Q3 Full transition from G-drive to Share Point completed for all official documents	Filing plan in place DMS available on SharePoint Report on usage of DMS
Knowledge management	Timely revision and comprehensiveness of the Business Intelligence database, Reporting and Business Planning modules	Reporting 2014 (Q1), Business Planning 2016 (Q3) and Business Intelligence (Q2) IT tools fully in use and users trained.	Report on consolidated data availability and functionality of the systems
	Specifications for future IT tool developments completed.	At least two quality technical specifications developed for core business knowledge management tools	Technical specifications

4.2.4 Logistics and Building Management

The objective is to provide all staff with functional and secure working environment to have an adequate level of logistics support, security and office supply stocks for an efficient and effective work environment.

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

In 2015 the EIT will carry out a light modernisation of its premises with a view to prepare for its increase in staff and extended requirements for stakeholder interaction.

Activity	Indicator	Target	Main outputs
Support infrastructure	Accurate assets register in line with physical use/storage	Up-to-date ABAC ASSET Inventory with >98% accuracy	All assets are labelled and registered in ABAC Assets
	Response time to building and security-related issues	>95 % of building and security related incidents are responded within one working day (incident reports)	Removal of incidents and bottlenecks.
Office upgrade	Timely and compliant completion of office works and availability of work places (business continuity) during the works	Office modernisation works carried out by Q3	Rearranged offices and meeting spaces, representative areas, KIC exhibition area, improved collaboration spaces both for internal and external interaction

4.2.5 Internal audit

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

Internal Auditing is an independent, objective assurance and consulting activity designed to add value and improve the EIT's operations. The internal audit capability will draw up a work plan for 2015 agreed with management and to result in a number of audit and consultancy assignments.

Activity	Indicator	Target	Main outputs
Provision of Internal Audit services	Timely preparation of the IAC audit plan	Audit plan adopted by the EIT GB by March 2015	Audit plan for 2015-2017
Provision of Internal Audit services	Timely production and transmission of IAC audit reports	Submission of the reports to the Director and to the Governing Board by end 2015.	Reports on audit findings and recommendations in line with the audit plan.

4.2.6 Internal control and risk management

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

According to the EIT Financial Regulation, the EIT budget shall be implemented in compliance with effective and efficient internal control. To achieve this, the EIT implements the internal control standards. These processes are applicable to all levels of management and designed to provide reasonable assurance in order to maintain

effectiveness, efficiency and economy of operations, achieve reliability of reporting, safeguard assets and information and prevent, detect, correct and follow up fraud and irregularities;

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

Activity	Indicator	Target	Main outputs
Internal Control Standards	Achieves a high level of implementation of Internal Control Standards	80% of internal control standards are implemented and weaknesses in remaining standards are identified	Annual review of implementation of ICS
Risk Assessment/Risk Management	Critical risks are identified and addressed	Critical risks are identified in the Annual Work Programme and action plans to address them are in place. 80% of recommendations from the audit follow up register are closed.	Report on critical risks in the Annual Work Programme Updated risk register Updated audit follow up register

5 ANNEXES

ANNEX I RESOURCE ALLOCATION PER ACTIVITY

ANNEX II GRANTS

ANNEX III PROCUREMENT

ANNEX IV PRIORITISED INTERNAL CONTROL STANDARDS

ANNEX V CRITICAL RISKS

ANNEX VI ACTIONS STEMMING FROM AAR AND AUDIT
RECOMMENDATIONS

ANNEX VII IMPLEMENTATION OF THE 2016 EIT AWARDS

5.1 Resource allocation per activity

Activity	TA	CA	SNE	Operational HR ¹	Operational exp., EUR ²	Overheads, EUR ³	Total cost (operational exp. and overheads), EUR
Consolidating, fostering growth and impact of the KICs	14,0	4,0	0,0	18,0	277 553 830	2 008 350	279 562 180
Start up and new KICs	3,0	1,0	0,0	4,0	8 000 000	446 300	8 446 300
Simplification	1,0	0,5	0,0	1,5	402 000	167 363	569 363
Monitoring, impact analysis and evaluation	5,0	1,0	0,0	6,0	708 000	669 450	1 377 450
Fostering knowledge exchange through dissemination and outreach	1,0	3,0	0,0	4,0	613 000	446 300	1 059 300
Fostering and attracting talent	1,0	1,0	0,0	2,0	500 000	223 150	723 150
Enhancing stakeholder engagement	2,0	1,0	1,0	4,0	605 000	446 300	1 051 300
Strategy: Coordination and implementation	7,0	0,5	0,0	7,5	20 000	836 812	856 812
Administrative support	5,0	8,0	0,0	13,0		1 450 475	1 450 475
TOTAL	39,0	20,0	1,0	60,0	288 401 830	6 694 500	295 096 330

¹ The operational Human Resources consist of the total number of Temporary and Contract Agents directly involved in operations.

² The operational expenditure is the costs directly involved in the implementation of the projects of the AMP.

³ The overheads are costs indirectly involved in the implementation of the projects of the AMP. These include fixed costs such as salaries, rent, software licences and other similar costs. In addition, overheads include variable costs such as office equipment and supplies, ICT equipment, telecommunication costs and other similar expenses. The total overheads are distributed to each area of activity in proportion to the operational staff employed in each area of activity.

5.2 Grants

5.2.1 Grants to be awarded following the Call for proposals of 2009

Basic act:

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

Legal basis:

Article 90 of the EIT Financial Regulation of 27 December 2013, and Article 178 of the Rules of Application for the award of specific grants

Budget line: 3000 KIC grants

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

The Business Plans for 2015 grants must include initiatives that specifically contribute to the implementation of the KICs multiannual strategy. More specifically they should lay down:

- Expected outcomes and impact
- Operationalization of the business model and financial sustainability (incl. IPR policy)
- Partnership, governance and management, incl. co-location centres
- Communication and contribution to building the EIT identity
- Dissemination and outreach, including Regional Innovation Scheme (RIS)
- The links between the implementation of multiannual strategy and the individual KIC activities for 2015.

Award criteria:

The 2015 EIT financial contribution to the KIC will be determined as the sum of two differently established streams of EIT funding:

1. "EIT Support funding" is set at 60% of the amount earmarked to the initial three KICs, to be equally calculated among the initial three KICs
2. "EIT Competitive funding" set at 40% of the amount earmarked to the initial three KICs, to be calculated for each KIC based on the results of the EIT assessment of the KIC's individual performance and a competitive review between the KICs.

The specific criteria have been defined by the Governing Board for funding allocation 2015 as follows:

I. 2013 KIC Past Performance

This pillar covers three elements.

1. Implementation of the KIC portfolio of activities with special regard to the achievements and quality of implementation in the following areas:
 - Education activities, with a particular focus on the activities with EIT labelled degrees
 - Research and innovation activities
 - Entrepreneurship and business creation activities
 - Dissemination and outreach activities
 - Governance, organization and management

2. Results of the core EIT KPIs
3. The "use of the EIT financial contribution"

II. 2015 KIC Business Plan and indicative Budget

The 2015 KIC Business Plans are assessed with regard to the portfolio of activities for 2015 together with the estimated budget for 2015. The assessment is done in respect to the quality, novelty and relevance of the design, selection and management of the portfolio of activities, as well as the degree of the integration of the knowledge triangle in the following areas:

- Education
- Research and innovation
- Business creation and entrepreneurship
- Dissemination and outreach, in particular the EIT Regional Innovation Scheme (RIS)
- Organization and management

III. Outcome of the Hearing with the EIT Governing Board;

The EIT Governing Board will take a decision on the level of maximum EIT financial contribution. The decision will be subject to the final adoption of the EIT budget pending the adoption of the EU budget.

Indicative amount of award:

EIT may award up to EUR 277 553 830 to the current KICs in 2015. The award will be implemented two stages, i.e. EUR 260 000 000 initially and a further EUR 17 553 830 depending on performance and progress made.

Maximum possible rate of co-financing:

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

Specific grant agreement:

The action is implemented through specific grant agreements within the meaning of Article 90, the EIT Financial Regulation. Three Framework Partnership Agreements providing the umbrella for the Specific Agreement were concluded as follows:

1. Framework partnership agreement with the Knowledge and Innovation Community Stichting Climate KIC, signed on 16 February 2011.
2. Framework partnership agreement with the Knowledge and Innovation Community EIT ICT Labs IVZW, signed on 13 December 2010.
3. Framework partnership agreement with the Knowledge and Innovation Community KIC InnoEnergy SE, signed on 17 December 2010.

An amendment of each of all three Framework Partnership Agreements is foreseen in Q1 2015 to ensure full compliance with the H2020 legal framework. Moreover, the duration of the framework partnerships may be extended in line with Article 7b (3) of the EIT Regulation.

The KIC activities contributing to the integration of the knowledge triangle of higher education, research and innovation, justify the need that they may declare the costs of purchasing equipment, infrastructure or other assets as eligible under the SGA. Nevertheless as the existing KICs are already established and are operational, an annual ceiling of 750 000 EUR shall be set for this cost category.

5.2.2 Grants to be awarded following the Call for proposals of 2014

Basic act:

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

Legal basis:

Article 90 of the EIT Financial Regulation of 27 December 2013, and Article 190(1)(c) of the Rules of Application for the authorisation of award grants without a call for proposals to bodies with a de jure or de facto monopoly.

Budget line: 3000 KIC grants

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

As set out in the 2014 KIC call text and the Call Framework of Guidance, the EIT will provide the two newly designated KICs with EIT Start-up Grants, from EUR 2 to 4 million, during the set-up phase. The objectives are:

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

Award criteria:

The 2015 EIT Start-up Grants to the two newly designated KICs will be determined based on the assessment of the Start-up Plan and estimated budget, including a breakdown of costs for each subcategory of activities, including costs that can be considered as KIC Added Value Activities.

The assessment will be based on the following criteria:

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

- 2. Efficiency – The proposed Start-up Plan (including the proposed budget) ensures good value for money
- 3. Effectiveness – The proposed Start-up Plan is realistic and ensures that the goals of the Start-up Grant are achievable

Indicative amount of award:

EUR 8 000 000.

Maximum possible rate of co-financing:

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

Grant agreement:

The action is implemented through the start-up grant agreements (SUGA) signed with the two newly designated KICs.

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

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

Framework Partnership Agreement:

In case of appropriate implementation of the SUGA, Framework partnership agreements may be signed between the EIT and the newly designated KICs.

5.3 Procurement

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

The overall budgetary allocation reserved for procurement contracts in 2015 amounts to EUR 3 900 000.

5.3.1 Administrative appropriations

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

The planned procurement procedures will cover the following main areas / subjects within the administrative budget in 2015, for an indicative amount of EUR 1 100 000:

Areas / subjects	Indicative type of contract(s) ⁴	Indicative number of contract(s)	Indicative timeframe for launching the procurement procedures
Temporary agency staff	new FWC (open call)	1	Q1-Q2
Training for EIT staff	SC	10	Q1-Q4
Translation	SLA	5	Q1-Q2
Medical services (annual check-up for staff, pre-recruitment medical checks)	new FWC (open call)/ SLA / SC	3	Q1-Q4
Studies and surveys	SC	3	Q1-Q4
Organisation of meetings, events (including the meetings of the EIT Governing Board and the Executive Committee)	new FWC (open call) / SC	15	Q1-Q4
Provision of IT services (1 st and 2 nd level support, software development), IT security audit	new FWC (open call)	1-2	Q1
IT support, Acquisition and renting of equipment and software	SC / SER and SUP (low value negotiated procedures)	25	Q1-Q4

⁴ SER: Direct service contract, SUP: Direct supply contract; New FWC (new framework contract), SC: Specific contract based on a framework contract; SLA: Service Level Agreement

Logistics and building management (including cleaning, acquisition of furniture, stationary, postage and courier services)	New FWC / SC / SER and SUP (low value negotiated procedures)	15	Q1-Q4
External legal advice	SER (exceptional negotiated procedure)	In exceptional need	Q1-Q4

5.3.2 Operational appropriations

The **operational appropriations** cover the implementation of actions contributing to the achievement of the objectives of the EIT referred to under Chapter 3 of the EIT 2015 Annual Work Programme.

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

The indicative amount of procurement procedures linked to operational activities amounts to EUR 2 800 000.

The detailed table, as set out below, provides the subject of the planned procurement procedures, estimation of the amount, the number and type of contracts envisaged, as well as the procedural timeframe:

Subject matter of the contract envisaged (Legal basis: EIT Regulation, H2020 Regulation)	Budget line	Estimated amount (EUR)	Indicative type of contract ⁵	Indicative number of contract(s)	Indicative timeframe for launching the procurement procedures
1. Consolidating, fostering growth and impact of the existing three KICs					
Ex-post audits of Grant Agreement 2014	3150	240 000	SC	1	Q3-Q4
New KIC Call 2016 preparation: consultancy services	3110	30 000	SER (low value negotiated procedure)	1	Q3-Q4
Grant Management Information System	3151	66 000	SC	3	Q1-Q4
Organisation of meetings and events, catering services	3120, 3130, 3300, 3209	180 000	SC	15	Q1-Q4
2. Setting up and consolidating new KICs					
Designation package, events, meetings and workshops with new KICs	3190	40 000	SC / SER (low value negotiated procedure)	1	Q1-Q4
3. Enhancing EIT's impact					
EIT Regional Innovation Scheme (RIS): organisation of events	3203	40 000	SC	4	Q1-Q4
Review of EIT Communications Strategy including the development of a comprehensive Media Plan	3202	100 00	SC	1	Q3-Q4
EIT Brand implementation: EIT Label Brand review	3202	50 000	SC	1	Q3-Q4

⁵ SER: Direct service contract, SUP: Direct supply contract; New FWC (new framework contract), SC: Specific contract based on a framework contract; SLA: Service Level Agreement

EIT Visual Strengthening: development of the EIT photo stocks	3202	20 000	SC	1	Q1-Q2
Working with the KICs (Community building workshop)	3202	20 000	SC	1	Q2-Q4
EIT's 2016 Call for KICs Proposals Information Campaign, including the 2016 Information Day	3200	250 000	SC	1	Q2-Q4
EIT Community 2016 activities and achievements campaign, including the 2016 EIT Stakeholder Forum and EIT Awards	3200	400 000	SC	1	Q4
EIT Website (technical support, satisfaction survey)	3200	50 000	SC	5	Q1-Q4
Media training for EIT staff	3209	20 000	SC	1	Q1-Q2
Publications, printing and design of brochures	3202	40 000	SC / SLA with Publications Office	5	Q1-Q4
Promotional items	3202	40 000	SC	1	Q1-Q2
General communications (including translations)	3209	10 000			Q1-Q4
EIT Alumni (Pilot Activity Alumni Project, legal services, EIT Connect Event III)	3203, 3151	250 000	SC / SER (negotiated procedure)	4	Q1-Q4
EIT Awards 2015 and 2016 (support packages for the 2015 EIT Award winners, organisation of the 2016 EIT Awards event)	3203	215 000	SC / SER (low value negotiated procedure)	2	Q1-Q4
4. New delivery mechanism and results-oriented monitoring					
Simplification – Studies/consultancies on improving the EIT Simplification	3110	160 000	Open call	2	Q1-Q2

Agenda					
Studies and organisation of meetings (EIT Monitoring Strategy Development, Business creation review, Education review, KCA review, KPI review)	3110, 3120, 3130	242 000	SC	10	Q1-Q4
Evaluation and impact (meetings for the preparation of the Commission evaluation in 2016, and for refining the EIT's impact strategy)	3130	30 000	SC	4	Q2-Q4
5. Engaging with stakeholders					
EIT Stakeholder Forum 2016	3120	150 000	SC	1	Q2-Q4
Business analysis study prior to the development of a Customer Relation Management (CRM) system	3301	60 000	SC	1	Q1-Q4
EIT Roundtable 2016	3301	45 000	SC	1	Q3-Q4
Relations with institutional, Knowledge Triangle stakeholders, third countries and international organisations (meeting organisation, catering)	3301	25 000	SC	5	Q1-Q4
"Interaction between the EIT, Member States and Regional Authorities": organisation of two innovation workshops in the Netherlands and Spain	3301	15 000	SC	2	Q1-Q4

5.4 Prioritised internal control standards

Standard	Brief description of the action (if the Standard was prioritised in n-1 state the reason for continuing to do so)
ICS 2 – Ethical and organisational values	Review EIT's ethical guidance including provisions of conflict of interest covering the EIT staff, GB members and Experts.
ICS 4 – Staff evaluation and development	Implement staff performance evaluation system based on annual objectives. Introduce career development with reclassification system.
ICS 5 – Objective and performance indicators	Continue development of the EIT's performance indicators in line with the KICs' performance indicators.
ICS 8 – Processes and procedures	Complete the assessment and revision of the processes, procedures and workflows based on the deliverables of the Financial Circuits WG covering operative and administrative activities.
ICS 9 – Management Supervision	Implement via Sharepoint a consolidated action plan covering recommendations emerging from audits, risk assessments and consultations in order to facilitate management supervision.
ICS 15 – Assessment of internal control systems	Evaluation of the implementation of the internal control system after four years of activities as "partially autonomous" institute to support the analysis of organisational maturity to reach full financial autonomy.
ICS 16 – Internal audit capability	Coordinate and agree with the IAS the multi-annual strategic audit plan.

5.5 Critical risks

Generic risk (1)	Key risk (title and description, including cause and potential consequence) (2)	Risk type (3)	Policy/ Area/ Activity/ Objective (4)	Impact (Low 1-2 Medium 3 High 4-5) (5)	Likelihood (Low 1-2 Medium 3 High 4-5) (6)	Existing key control(s)/ mitigating factor(s) (7)	Effectiveness (8) Launched(1-2) Partially Implemented (3-4) Implemented (5)	Residual risk level (Low 1-2 Medium 3 High 4-5)		Risk response (10)	Action plan Summary		
								I	L		Description (11)	Owner (12)	Deadline (13)
Performance monitoring	Title: Improper Implementation of EIT-KICs agreements given the complexity and novelty of the KIC concept Causes: new concept, simplified rules Consequences: recovery of EIT funds; delays in implementing KICs' activities; negative reactions from EC, CoA, OLAF, KICs; damage reputation/credibility of the EIT	4.1 Legality and regularity	KIC Operations/Management of existing KICs	4	3	Establishing clear procedures and agreeing on common acceptable approaches to KIC grant management, all documented with a view to ensure their uniform implementation.	3	3	2	Reduce	Ensure proper internal consultation and with relevant EU bodies (EC/DG EAC/DG BUDG). Improve the procedures (SOPs) on KIC grant management. Finalise and finetune the EIT Grant handbook	KIC project officers & KIC finance officers	31/12/2015
Grant assurance	Title: Improper implementation of EIT-KICs agreements - irregularities not detected during the ex-ante verification of performance and cost reports Causes: full verification by the EIT is not possible Consequences: non eligible activities and cost are funded by the EIT	4.1 Legality and regularity	KIC Operations/Management of existing KICs	4	4	Detailed assessment of performance and cost reports. Certificates on the Financial Statements are required by the EIT. Launch of ex-post audits.	3	3	2	Reduce	Internal detailed assessments of Performance and Cost reports for the GA 2014. Assessment of certificates on the Financial Statements that are required by the EIT. Risk based ex-post audits to be performed on GA 2014 as well. Potential external technical review of KIC added-value activities.	Partnership Management Unit	30/9/2015 30/9/2015 31/12/2015 31/12/2015
New FPA	Title: Unexpected/unforeseen legal and procedural aspects delaying finalisation and introduction of the new FPA Causes: the process is to a certain degree novel and unexpected formal obstacles may arise Consequences: delay of call preparation, launch and implementation; damage to the EIT's credibility	4.1 Legality and regularity	KIC Operations/Management of the existing KICs	4	4	Inter-service consultations	4	3	3	Reduce		Partnership Management Unit	ongoing
HR	Title: Difficulty to meet planned deadlines due to ad hoc priorities Causes: conflicting priorities and significantly increased workload Consequences: delays in the realisation of objectives	2.1 Strategy, Planning and Policy	HR Planning and policies	4	4	Activity planning and regular reporting to Management	5	3	3	Reduce	efficient activity planning and monitoring; allocation of additional resources (leveraged)	Services and Finance Unit	ongoing
IT	Title: IT hardware failure Causes: Hardware devices failure Consequences: Systems and services could be stopped for different periods of time	2.4 IT and other support systems	Infrastructure availability, disaster recovery	5	3	Following maintenance subscriptions, timely renewing them	2	3	1	Reduce	Off site backsystem in co-operation with CEPOL	Services and Finance Unit	31/03/2015
Planning	Title: Revise planning and organisation of the administrative and operative processes. Causes: improper time management, insufficient and inefficient processes Consequences: non-achievement of objectives or delay in the achievement, waste of time and resources	2.1 Strategy, Planning and Policy 2.3 Financial processes and budget	Budget, AWP/AMP, procurement plan	5	3	Analyse and revise financial and operative procedures and processes.	3	4	2	Reduce	Start budgetary planning in Sept, monthly monitoring of the budget and procurement implementation, review of the budget and procurement implementation twice per year	Services and Finance Unit	ongoing
Procurement	Title: Staff involved in procurement process may not be properly qualified or familiar with relevant regulations, rules and procedures and may not be properly and consistently apply the rules Causes: staff involved in procurement process have no financial training and expertise, no follow-up of the changes in the rules, guidelines Consequences: non-compliance with the legal and regulatory requirements, waste of time and resources	3.1 Human resources 3.3 Internal organisation	Procurement	4	4	Regular trainings	3	3	3	Reduce	Expenditure Life Cycle training for newcomers and staff, training on procurement, regular workshop and guidance on financial and procurement practicalities	Services and Finance Unit	31/12/2015

5.6 Actions stemming from AAR and audit recommendations

1. Actions stemming from 2013 AAR						
Area	Activity	Actions	Expected result	Timetable for implementation	Responsible unit	Mid-term progress review
ICS 7	Organisational Structure	Finalisation of a disaster recovery polity	EIT disaster recovery policy	31/3/2015	SAF	
ICS 15	Assessment of Internal Control Standards	Management assessment of the effectiveness of the internal control systems	Implementation of the assessment of the effectiveness of the internal control systems.	31/12/2015	SAF	
2. Actions taken to implement audit recommendations						
Recommendation	Activity	Actions	Expected result	Timetable for implementation	Responsible unit	Mid-term progress review
IAS.11	Strengthen the review of KICs' Business Plans	The EIT will establish a strategy and process to monitor the KIC activities and deliverables against the approved Business Plans.	Establish a monitoring strategy.	31/12/2015	PAM	
IAS.20	Conflict of interest	The EIT should review the processes that KICs have set up in their selection of projects to mitigate the risk of conflict of interest with final beneficiaries. In cases where controls are not adequate or effective, the EIT should request corrective actions.	Reinforce the guidance provided to KICs to emphasis the respect of principles of transparency and impartiality in selecting projects.	31/03/2015	PAM	
IAS.21	Capacity requirements of KICs and EIT control strategy	The EIT should define minimal capacity requirements that KICs should be able to demonstrate to be recognised as "trusted partner".	Drafting of a concept pater on the balance between accountability and	30/09/2015	PAM	

			flexibility.			
IAS.22	Capacity requirements of KICs and EIT control strategy	The EIT should define minimal capacity requirements that KICs should be able to demonstrate to be recognised as "trusted partner".	Communication of the concept paper to the KICs.	30/09/2015	PAM	
IAS.23	Capacity requirements of KICs and EIT control strategy	The EIT should establish the control strategy that would set the right balance between accountability and flexibility.	Revision of the EIT control strategy to reflect the concept paper on the balance between accountability and flexibility.	30/09/2015	PAM	

5.7 IMPLEMENTATION OF THE 2016 EIT AWARDS

Basic act: Regulation (EC) No 294/2008 establishing the European Institute of Innovation and Technology amended by the REGULATION (EU) No 1292/2013 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 11 December 2013

Legal basis: Article 91 of the EIT Financial Regulation of 27 December 2013, and Article 138 of Financial Regulation No 966/2012 of the European Parliament and of the Council of 25 October 2012

Budget line: 3203

A) CRITERIA FOR THE EIT AWARDS:

The criteria for participation are as follows:

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

The applicant venture:

- Is legally incorporated at the competent national authority of its country of establishment;
- Is legally registered at the competent Chamber of Commerce (if mandatory in accordance with the applicable national law);
- Is not in an exclusion situation in accordance with Article 106 of the Financial Regulation. Only Applicant ventures not in the situation of Article 107 of the Financial Regulation may be awarded a prize.

Evidence: Registration Certificate, Statutes, Declaration of Honour

Selection criteria: The applicant venture:

- Offers a product or service which is innovative and marketable, with a European perspective and the potential to expand globally;
- Has already at least one customer(s) or investor in case of long-term science-based projects;
- Is backed by a team, which convincingly demonstrates that it has the competence to successfully develop the product or service and bring it to the market;
- Comprises a team of a minimum three Full Time Equivalents (FTEs);
- Has received business creation support by a KIC, i.e. the venture has gone through a structured business support process offered by a KIC;
- Is willing to add value to a KIC, for instance by providing internships to students and contributing to the strengthening of entrepreneurial strategies, practices and culture of a KIC.

Evidence: Description how the above selection criteria are met (e.g. on the product or service, on the applicant venture's team, on the customer or investor, on the link to a KIC), and a written statement about the willingness of the applicant venture to add value to the KIC.

Based on the Eligibility, Exclusion and Selection Criteria listed above, each KIC organises its own specific internal selection process and nominates two candidate ventures to participate in the EIT

Venture Award, six months prior to the 2016 EIT Awards Event, during which the candidate ventures will present their elevator pitch to the EIT Awards Jury.

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

Criteria (equal weighting)	Explanation
1. Commercial characteristics / potential	<ul style="list-style-type: none"> ✓ Need for (or prospect of) product or service ✓ Target customers and customer engagement ✓ Addressable market size ✓ Market growth ✓ Competitors ✓ Competitive advantage ✓ Description of the incumbents' power
2. Technical characteristics / potential	<ul style="list-style-type: none"> ✓ Description of the uniqueness and features of product or service ✓ Technology validation ✓ Product development risk ✓ Intellectual property position
3. Financial characteristics / potential	<ul style="list-style-type: none"> ✓ Quality and relevance of the description of the business model (pricing, downstream value, scalability, funding strategy) ✓ Profit potential
4. Societal impact	<ul style="list-style-type: none"> ✓ Degree of the societal impact in line with the scope of the KIC
5. Team characteristics	<ul style="list-style-type: none"> ✓ Role of the team members ✓ Quality of the description of the internal organisation of work ✓ Possible near-term talent gaps and strategy to fill them
6. Pitch/Presentation	<ul style="list-style-type: none"> ✓ Quality and persuasiveness of the oral presentation ✓ Professionalism: the clarity, demeanour and professional delivery of the team and its presentation ✓ Quality of answers during the Q&A portion of the presentation

Evidence:

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

The award decision will be made by the EIT Authorising Officer based on the recommendation made by the jury. The EIT Award winner will be announced at the 2016 EIT Stakeholder Forum.

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

The applicant:

- Is a citizen of any country of the world;
- Is not in an exclusion situation in accordance with Article 106 of the Financial Regulation. Only Applicants not in the situation of Article 107 of the Financial Regulation may be awarded a prize.

Evidence: Copy of passport, Declaration of Honour

Selection criteria: The applicants

- Have graduated from an EIT labelled education programme;
- Have the capacity to spur innovation and entrepreneurship in the thematic areas addressed by the EIT and KICs, and how it has been facilitated by the EIT labelled education programme.

Evidence:

- Copy of the EIT labelled degree of the applicant,
- Submission of the 'Innovation Story' demonstrating the innovation and entrepreneurship capacity and how this was facilitated by the EIT labelled education programme as follows:
 - o Innovativeness and entrepreneurial/intrapreneurial nature of the nominee's achievement;
 - o The (potential) societal and economic impact of the achievement;
 - o How the achievement has been facilitated by the EIT labelled education programme.

Based on the above Eligibility, Exclusion and Selection Criteria, each KIC nominates two graduates who will participate in the EIT CHANGE Award and pitch their 'Innovation Story' at the 2016 EIT Stakeholder Forum.

Award Criteria: An international jury composed of experts will evaluate the EIT CHANGE Award nominees' innovation stories and their presentations/pitches based on the following criteria:

Criteria (equal weighting)	Explanation
1. Pro-active attitude and entrepreneurial drive	<ul style="list-style-type: none">✓ Display of pro-active attitude and initiative✓ Degree of thinking outside boundaries and (systematic) exploration and generation of new ideas
2. Quality of innovative achievement	<ul style="list-style-type: none">✓ Degree to which the achievement is innovative and entrepreneurial
3. Link to EIT labelled education programmes	<ul style="list-style-type: none">✓ Quality of the description of how EIT labelled education programmes have supported and facilitated the nominee in obtaining and implementing the initiative
4. Pitch/ Presentation	<ul style="list-style-type: none">✓ Quality, creativity and persuasiveness of the innovation story presented

Evidence:

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

The award decision will be made by the EIT Authorising Officer based on the recommendation made by the jury. The EIT Award winner will be announced at the 2016 EIT Stakeholder Forum.

3. **EIT Innovators Award:** in order to qualify for the EIT Innovators Award, the applicant teams have to satisfy the following **Eligibility and Exclusion Criteria:**

- The teams shall involve individuals from the Knowledge Triangle:
 - At least three KIC partners from both research and business;
 - At least one KIC partner that will commercialise the product, service or process;
 - KIC partners shall come from at least two different co-locations;
 - A team may have only one non-KIC partner;
 - The team has received funding for their project by a KIC between 01/01/2011 and 30/10/2015.
- The team members are not in an exclusion situation in accordance with Article 106 of the Financial Regulation. Only team members not in the situation of Article 107 of the Financial Regulation may be awarded a prize.

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

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

- Team must have successfully achieved the pre-commercialization stage
- The team has the capacity to spur innovation and entrepreneurship in the thematic areas addressed by the EIT and KICs.

Evidence:

- Document proving the successfully achieved the pre-commercialization stage,
- Submission of the documents 'Project plan' and 'Innovation journey' demonstrating the innovation and entrepreneurship capacity as follows:
 - o Innovativeness and entrepreneurial/intrapreneurial nature of the nominee's achievement;
 - o The (potential) societal and economic impact of the achievement;

Based on the above criteria, each KIC nominates two teams to participate in the EIT Innovators Award six months prior to the 2016 EIT Stakeholder Forum, during which the nominees will present their achievements to the EIT Awards Jury.

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

Criteria (equal weighting)	Explanation
1. Originality of the new product, process or service	<ul style="list-style-type: none"> ✓ Uniqueness and features of product/process/service ✓ Degree to which product/process/service is disruptive
2. The efficiency and effectiveness of the conversion of the idea into the outcome	<ul style="list-style-type: none"> ✓ Resources (time and finances) used to transform the idea (i.e. starting point) into a product/process/service ✓ The degree to which the intended innovation has been achieved
3. Social and potential and real economic impact of the outcome	<ul style="list-style-type: none"> ✓ Prospects to address a societal challenge tackled by the EIT and KICs ✓ Profit potential ✓ Plan/arrangements for commercialisation
4. The innovation process	<ul style="list-style-type: none"> ✓ Team: roles, functions and dynamics ✓ Innovation process ✓ The creation of common meanings, goals and work plans ✓ Positive interdependencies, i.e. team members perceive that they need others to reach goals ✓ The social and learning climate, i.e. mutual trust, respect for different opinions, culture of sharing ✓ Reciprocal commitment: mutual responsibility for the outcomes ✓ The way challenges were overcome
5. Presentation	<ul style="list-style-type: none"> ✓ Quality and persuasiveness of the presentation ✓ The clarity, demeanour, and professionalism of the presentation of the team and the business case

Evidence:

- For award criterion 1-4: Description on how the above award criteria are met - project plan, description of the outcome achieved, a narrative of the “innovation journey”
- For award criterion 5: The applicants will have to present their application with respect to award criteria 1-4. Under this criterion the quality of the presentation will be assessed.

The award decision will be made by the EIT Authorising Officer based on the recommendation made by the jury. The EIT Award winner will be announced at the 2016 EIT Stakeholder Forum.

B) APPOINTMENT AND COMPOSITION OF THE JURIES

Each award category will have a jury.

Each jury will consist of 3 members: one EIT Governing Board Members and two external high-level experts. The composition of the jury shall include in a balanced manner representatives of higher education, business (creation), innovation and the investor community. All members shall be experienced specialists with prominence in their field and will be competent to evaluate the nominations given the scope of the different awards. Jury members will be appointed by the EIT Director.

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

C) INDICATIVE TIMETABLE

Timing	Action
15 September 2015	Publication of the EIT Awards competition (EIT CHANGE and Innovators Awards)
16 November 2015	Close of applications for EIT CHANGE Award and Innovators Award competitions
15 December 2015	Publication of nominations
January-April 2016	Promotion of nominees via different media channels
May 2016	EIT Awards presentations/pitches and Award Ceremony during the EIT Stakeholder Forum
June 2016	Complete transfer of financial contribution to the EIT Awards winners