

DECISION 39/2023

OF THE GOVERNING BOARD OF

THE EUROPEAN INSTITUTE OF INNOVATION AND TECHNOLOGY (EIT)

ON THE ALLOCATION OF THE ADDITIONAL FINANCIAL CONTRIBUTION FOR 2024
TO THE 1ST, 2ND, 3RD AND 4TH WAVE OF
KNOWLEDGE AND INNOVATION COMMUNITIES' (KICS') BUSINESS PLANS,
TO CROSS-KIC ACTIVITIES AND SHARED SERVICES,
AND TO THE FINALISATION OF THE HIGHER EDUCATION INITIATIVE (HEI) PILOT

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

HAVING REGARD to Regulation (EU) 2021/819 of the European Parliament and of the Council of 20 May 2021 on the European Institute of Innovation and Technology (recast)¹ (hereafter referred to as the 'EIT Regulation (recast)'), and in particular Article 18(7), and Section 2(1)(c) of the Statutes annexed to the EIT Regulation;

HAVING REGARD to Regulation (EU) 2021/695 of the European Parliament and of the Council of 28 April 2021 establishing Horizon Europe – the Framework Programme for Research and Innovation, laying down its rules for participation and dissemination, and repealing Regulations (EU) 1290/2013 and (EU) No 1291/2013²;

HAVING REGARD to the Decision (EU) 2021/820 of the European Parliament and of the Council of 20 May 2021 on the Strategic Innovation Agenda of the European Institute of Innovation and Technology (EIT) 2021-2027: Boosting the Innovation Talent and Capacity of Europe and repealing decision No 1312/2013/EU (hereafter referred to as the "EIT Strategic Innovation Agenda 2021-2027")³, in particular Chapter 3.6 thereof;

HAVING REGARD to Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the Union, amending Regulations (EU) No 1296/2013, (EU) No 1301/2013, (EU) No 1303/2013, (EU) No 1304/2013, (EU) No 1309/2013, (EU) No 1316/2013, (EU) No 223/2014, (EU) No 283/2014, and Decision No 541/2014/EU and repealing Regulation (EU, Euratom) No 966/2012 (hereinafter referred to as the "EU Financial Regulation")⁴;

HAVING REGARD to Decision 21/2019 of the Governing Board of the EIT of 25 September 2019 on the Financial Regulation of the European Institute of Innovation and Technology (hereinafter referred to as the "EIT Financial Regulation")⁵, in particular Article 1 thereof;

HAVING REGARD to Decision 14/2021 of the Governing Board of the EIT of 7 May 2021 on the principles for financing, monitoring and evaluating Knowledge and Innovation Community (KIC) activities⁶;

¹ OJ L 189, 28.5.2021, p. 61.

² OJ L 170, 12.5.2021, p. 1.

³ OJ L 189, 28.5.2021, p. 91.

⁴ OJ L 193, 30.7.2018, p. 1–222

⁵ Ref. Ares(2019)6810859

⁶ Ref. Ares(2021)3111256

HAVING REGARD to Decision 21/2021 of the Governing Board of the EIT of 9 June 2021 on the authorisation of the EIT Director to prepare, negotiate and conclude partnership agreements and grant agreements⁷;

HAVING REGARD to Decision 42/2021 of the Governing Board of the EIT of 23 November 2021 on the supervision framework of Knowledge and Innovation Communities (KICs)⁸;

HAVING REGARD to Decision 06/2022 of the Governing Board of the EIT of 16 March 2022 on the amendment of the principles on the financial sustainability on the Knowledge and Innovation Communities (KICs) and repealing Decision 13/2021 of the Governing Board of the EIT⁹;

HAVING REGARD to Decision 11/2022 of the Governing Board of the EIT of 16 March 2022 on the principles for the determination of the EIT financial allocation to the Knowledge and Innovation Communities' (KICs') Business Plans for 2023-2025 (Business Plans 2023-2024 for the first wave KICs), to Cross-KIC activities and shared services for 2023-2025, and to the Higher Education Institutions (HEI) Initiative for 2023¹⁰;

HAVING REGARD to Decision 35/2022 of the Governing Board of the EIT of 24 November 2022 on the initial allocation of the financial contribution to the Knowledge and Innovation Communities' (KICs') Business Plans for 2023-2025 (Business Plans 2023-2024 for the first wave KICs), to Cross-KIC activities and shared services (including the Thematic Innovations) for 2023-2025, and to the pilot Higher Education Institutions (HEI) Initiative for 2023¹¹;

HAVING REGARD to Decision 36/2022 of the Governing Board of the EIT of 14 December 2022 on the adoption of the Final Single Programming Document (2023-2025) of the EIT¹²;

HAVING REGARD to Decision 04/2023 of the Governing Board of the EIT of 14 March 2023 on the principles for the determination of the additional EIT financial allocation for 2024 to the Knowledge and Innovation Communities' (KICs') Business Plans, to Cross-KIC activities and shared services, and to the Higher Education Initiative (HEI)¹³;

HAVING REGARD to the Invitation to submit proposals for KIC Business Plans 2023-2025 (2023-2024 in case of first wave KICs), for the Cross-KIC activities 2023-2025 (2023-2024 in case of first wave KICs), and for the Higher Education Institutions (HEI) Initiative 2023 (hereafter referred to as the 'Invitation 2023-2025')¹⁴;

HAVING REGARD to the Invitation to request the amendment of KIC Business Plans 2023-2025 (2023-2024 in case of first wave KICs), of the Cross-KIC activities 2023-2025, and of the Higher Education Institutions (HEI) initiative 2023-2025 (hereafter referred to as the 'Invitation 2024')¹⁵;

WHEREAS

- (1) The Governing Board of the EIT has designated three Knowledge and Innovation Communities in 2009 ("first wave of KICs": EIT Digital, EIT Climate-KIC, EIT InnoEnergy), two KICs in 2014 ("second wave of KICs": EIT

⁷ Ref. Ares(2021)3798804

⁸ Ref. Ares(2021)7384565

⁹ Ref. Ares(2022)2098580

¹⁰ Ref. Ares(2022)2218730

¹¹ Ref. Ares(2022)8603359

¹² Ref. Ares(2022)8699476

¹³ Ref. Ares(2023)1853153

¹⁴ Ref. Ares(2022)6548792

¹⁵ Ref. Ares(2023)3421537

Health, EIT RawMaterials), one KIC in 2016 (“third wave of KIC”: EIT Food), and two KICs in 2018 (“fourth wave of KICs”: EIT Manufacturing, EIT Urban Mobility). The EIT has concluded the Framework Partnership Agreements with the first and second wave of KICs in 2016, with the third wave of KIC in 2018 and with the fourth wave of KICs in 2020. The Partnership Agreement, aligned with the Horizon Europe and EIT legal framework was signed with the eight KICs in 2021, with a retroactive entry into force on 1 January 2021.

- (2) The initial funding allocation to the Business Plan 2024-2025 of EIT Culture & Creativity is not covered by this funding allocation decision, but by a separate decision of the EIT Governing Board. However, this additional funding allocation decision shall cover and allow for the possibility that EIT Culture & Creativity joins the ongoing Cross-KIC and HEI pilot activities.
- (3) By its Decision 35/2022, the EIT Governing Board decided on the initial maximum funding allocation to each Business Plan 2023-2025 (2023-2024 for the first wave KICs), to the Cross-KIC activities in 2023-2025 and to the pilot Higher Education Institutions (HEI) Initiative activities in 2023. The EIT budget available for the initial multiannual funding allocation decision was calculated as 100% of the 2023 and 75% of the 2024 and 2025 indicative annual EIT budgets available for grants.
- (4) On 14 March 2023, the EIT Governing Board adopted its Decision 04/2023 on the principles for the determination of the additional EIT financial allocation for 2024 to the KICs’ Business Plans, to Cross-KIC activities and shared services, and to the HEI. Then, on 16 May 2023 the EIT launched its Invitation 2024 and on 28 September 2023 the KICs, the Cross-KIC consortia and the HEI consortium have submitted their amendment requests via eGrants. These amendment requests include the proposals for additional activities for 2024, in line with Invitation 2024.
- (5) In accordance with Article 1(1) of Decision 04/2023 of the EIT Governing Board, the provisions of Decision 11/2022, including the funding allocation principles and the main criteria, shall apply to the additional funding allocation for 2024. Amongst others, this means that the EIT Governing Board has already decided to apply more favourable funding conditions (i.e. funding rate up to 100%) in 2023-2025 for RIS activities, for Cross-KIC activities and shared services, and for the HEI Initiative activities.
- (6) In accordance with Article 1(2) of Decision 04/2023 of the EIT Governing Board, the additional funding allocation for 2024 shall take into account the available EIT budget, the ongoing multiannual legal commitments between the EIT and the KICs, the performance of the KICs and the estimated financial needs. The EIT budget for the additional funding allocation for the first, second, third and fourth wave of KICs for 2024 shall be calculated as 25% of their 2024 annual EIT budget. The additional funding allocation decision shall ensure that there is no double funding of KIC activities.
- (7) The additional KIC Fund 2024 shall be distributed between the four waves of KICs in accordance with the split indicated in Article 3 of Decision 04/2023 and further performance-based funding criteria shall apply. To this end, the independent external experts and the Governing Board have made a detailed assessment of each KICs’ performance and their proposed amendments on the basis of criteria encompassing excellence, impact, and implementation in line with Invitation 2024. The outcome of this assessment serves as a basis for this additional funding allocation decision.
- (8) The additional Cross-KIC Fund 2024 shall cover the additional activities proposed by the Cross-KIC consortia for 2024. The independent external experts have made a detailed assessment of the proposed amendments on the basis of criteria encompassing excellence, impact, and implementation in line with Invitation 2024. The outcome of this assessment serves as a basis for this additional funding allocation decision. As the termination of the thematic innovation project H2Cities is ongoing, the additional funding allocation does not include any Cross-KIC thematic innovation activities.

- (9) The additional HEI Fund 2024 shall allow for the finalisation of the HEI pilot activities in 2024. The independent external expert has made a detailed assessment of the proposed amendment on the basis of criteria encompassing excellence, impact, and implementation in line with Invitation 2024. The outcome of this assessment serves as a basis for this additional funding allocation decision.
- (10) In line with point 5 of Section 3 of the Statutes annexed to the EIT Regulation (recast), the agreement of the European Commission, expressed by its Representative in the Governing Board, is necessary for the adoption by the EIT Governing Board of Article 1, Article 2(1) and Article 3 of the present decision. The Commission Representative's observations and opinion were shared before the voting by the EIT Governing Board at its meeting. Following the voting, the Commission, by way of its Representative, gave its agreement with the adoption of the aforementioned provisions of the present decision.

HAS DECIDED AS FOLLOWS:

Article 1
Additional financial allocation for the KIC Fund in 2024

The maximum EIT financial contribution for the additional activities in the KIC Business Plans in 2024 shall be allocated as follows:

EIT Climate-KIC:	EUR 2,518,065 (including the RIS activities)
EIT Digital:	EUR 3,124,618 (including the RIS activities)
EIT InnoEnergy:	EUR 3,957,317 (including the RIS activities)
EIT Health:	EUR 17,174,246 (including the RIS activities)
EIT RawMaterials:	EUR 14,405,416 (including the RIS activities)
EIT Food:	EUR 14,820,338 (including the RIS activities)
EIT Manufacturing:	EUR 12,459,478 (including the RIS activities)
EIT Urban Mobility:	EUR 11,540,522 (including the RIS activities)

Article 2
Additional financial allocation for the Cross-KIC Fund in 2024

- (1) The maximum EIT financial contribution for the additional Cross-KIC activities (i.e. Cross-KIC strategic activities and shared services) in 2024 shall be **EUR 7,988,441**.
- (2) Funding for Cross-KIC activities under any Memorandum of Cooperation with the first-wave KICs that might be concluded and enter into force as from 2025, shall be decided upon by the Governing Board in the context of the additional financial allocation decision 2025.

Article 3

Additional financial allocation for the HEI Fund in 2024 for the finalisation of the HEI pilot

The maximum EIT financial contribution for the additional activities for the finalisation of the HEI pilot in 2024 shall be **EUR 17,000,000**.

Article 4

Award and implementation

- (1) Based on the submitted amendments for the different topics indicated in Invitation 2024, the EIT Director shall award the additional grants for 2024, subject to fulfilment of strategic recommendations or any other specific conditions stipulated by the Governing Board.
- (2) The EIT Director shall be responsible for the implementation of this decision, including the communication of the strategic recommendations or any other specific conditions agreed by the Governing Board for each amendment to be addressed, and including the signature of the amendments.

Article 5

Conditionality upon the final adoption of the EIT budget

The additional financial allocation provided for in the present decision is subject to the adoption of the Budget and Establishment Plan 2024 of the EIT, the Annual Work Programme 2024 which is part of the EIT Single Programming Document 2024-2026, as Financing Decision, and the general budget of the European Union for the financial year 2024, which will determine the amount of EU contribution to the EIT in 2024. In case of a reduction in the financial contribution available for grants in the final EIT Budget, the maximum additional EIT financial contributions under the three separate EIT Funds shall be amended proportionally.

Article 6

Entry into force

This decision shall enter into force on the day of its adoption.

Done in Budapest on 23 November 2023

(e-signed)

Nektarios Tavernarakis

Chairperson of the EIT Governing Board