

DECISION 02/2024
OF THE GOVERNING BOARD OF
THE EUROPEAN INSTITUTE OF INNOVATION AND TECHNOLOGY (EIT)

ON THE PRINCIPLES FOR THE DETERMINATION OF THE
ADDITIONAL EIT FINANCIAL ALLOCATION FOR THE CONTINUATION OF
THE HIGHER EDUCATION INSTITUTIONS (HEI) CAPACITY BUILDING INITIATIVE
IN 2024-2025

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

HAVING REGARD to Regulation 2021/819 of the European Parliament and of the Council of 20 May 2021 on the European Institute of Innovation and Technology (hereafter referred to as the “EIT Regulation (recast)”) ¹, in particular to Articles 6(s) and (t), 7(1)(d), 18(7), and Section 2(1)(c) and (n) and Section 3(5) of the Statutes annexed thereto;

HAVING REGARD to Decision 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 (hereafter referred to as the “EIT Strategic Innovation Agenda 2021-2027”) ², in particular to Sections 3.4, 3.6.2-3.6.3 and 5.2.1 thereof;

HAVING REGARD to Regulation 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) No 1290/2013 and (EU) No 1291/2013 ³;

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 EIT 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 06/2022 of the Governing Board of the EIT on the amendment of the principles on the financial sustainability of Knowledge and Innovation Communities (KICs) and repealing decision 13/2021 of the Governing Board of the EIT ⁶;

¹ OJ L 189, 28.5.2021, p. 61-90.

² OJ L 189, 28.5.2021, p. 91-118.

³ OJ L 170, 12.5.2021, p. 1-68.

⁴ OJ L 193, 30.7.2018, p. 1-222

⁵ Ref. Ares(2019)6810859

⁶ Ref. Ares(2022)2098580

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) activities⁷;

HAVING REGARD to Decision 21/2021 of the Governing Board of the EIT on the authorisation of the EIT Director to prepare, negotiate and conclude partnership agreements and grant agreements⁸;

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)⁹;

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 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 (HEI) Initiative¹²;

HAVING REGARD to Decision 38/2023 of the Governing Board of the EIT of 23 November 2023 on the continuation and scaling up of the European Institute of Innovation and Technology's Higher Education Institutions (HEI) capacity building initiative beyond its pilot phase¹³;

HAVING REGARD to Decision 39/2023 of the Governing Board of the EIT of 23 November 2023 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 Institutions (HEI) Initiative pilot¹⁴;

HAVING REGARD to Decision 42/2023 of the Governing Board of the EIT of 15 December 2023 on the adoption of the Final Single Programming Document (2024-2026) of the EIT¹⁵;

HAVING REGARD to Decision 43/2023 of the Governing Board of the EIT of 15 December 2023 on adopting the EIT Budget and Establishment Plan for the financial year 2024¹⁶;

WHEREAS

⁷ Ref. Ares(2021)3111256

⁸ Ref. Ares(2021)3798804

⁹ Ref. Ares(2021)7384565

¹⁰ Ref. Ares(2022)2218730

¹¹ Ref. Ares(2022)8603359

¹² Ref. Ares(2023)1853153

¹³ Ref. Ares(2023)8036119

¹⁴ Ref. Ares(2023)8076871

¹⁵ Ref. Ares(2023)8668848

¹⁶ Ref. Ares(2023)8669589

- (1) As of 2021, the EIT Regulation (recast) and the EIT Strategic Innovation Agenda 2021-2027 have laid down a new specific objective and task for the EIT to *“increase the entrepreneurial and innovation capacity of higher education across Europe by promoting and supporting institutional change in HEIs and the integration of HEIs in innovation ecosystems”*. The pilot HEI Initiative has started in mid-2021.
- (2) In the 2021-2022 period, funding was ensured under the KIC Business Plans 2021-2022.
- (3) In the 2023-2025 period, the initial funding allocation for the HEI pilot activities in 2023 was maximum EUR 32,854,000. Then, on 23 November 2023, as a result of the additional funding allocation process, the Governing Board of the EIT decided to allocate an additional maximum amount of EUR 17,000,000 for the finalisation of the HEI pilot projects in 2024. This additional funding shall not cover any continuation activities.
- (4) Following the independent, external evaluation of the pilot phase which was carried out in 2023, the EIT Governing Board decided with its Decision 38/2023 to continue and scale up the HEI pilot. This positive decision from the EIT Governing Board is a precondition for any additional funding allocation for the HEI activities beyond the pilot phase.
- (5) In line with Article 3(2) of Decision 11/2022, the additional funding allocation decisions 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 additional funding allocation decisions shall ensure that there is no double funding of KIC activities.
- (6) In accordance with the EIT Strategic Innovation Agenda 2021-2027, some KIC activities, due to their specific nature, might need extra incentives to be performed. To this aim, the EIT Governing Board decided with its Decision 11/2022 that the HEI pilot activities would be implemented at a funding rate up to 100%. Taking into consideration the scope and the nature of the key directions and recommendations to be taken account for the continuation and scaling up of the Initiative beyond its pilot phase (as provided in the GB Decision 38/2023, Annex I) and in order to ensure that the HEI Initiative is continuously implemented in a high quality and efficient way, it is necessary for the EIT Governing Board to allow that the continuation of the HEI Initiative can also be implemented in 2024-2025 at a funding rate up to 100%.
- (7) Additionally, Article 2(2) of Decision 38/2023 confirmed that *“the EIT Governing Board intends to allocate a similar amount to the post-pilot phase of HEI Initiative for 2024-2027 as it did during the pilot phase. The exact amount to be allocated overall and under the individual grant agreements will depend both on the overall availability of EIT funding as well as on the detailed proposal for the scaled up Initiative that will be developed under the lead of the coordinating KIC, EIT RawMaterials, in close consultation with the EIT. The EIT Governing Board expects that outcomes, results and impact of the Initiative will be scaled up compared to the pilot phase.”*
- (8) Consequently, the present Governing Board Decision shall lay down the principles for the additional funding allocation for the continuation of the HEI Initiative activities in 2024-2025. The EIT Director should define the specific detailed criteria and modalities of the additional funding allocation process with regard to the assessment of the amended proposal for the continuation of the HEI Initiative activities in 2024-2025.
- (9) 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 EIT Governing Board, is necessary

for the adoption of the present decision. The Commission Representative's observations and opinion were shared with the Governing Board in the written procedure. As a result, the Commission, by way of its Representative, gave its agreement with the adoption of the present decision.

HAS DECIDED AS FOLLOWS:

Article 1

Funding allocation principles for the continuation of the HEI Initiative activities in 2024-2025

- (1) The funding allocation principles laid down in Decision 11/2022 shall apply to the additional funding allocation for the continuation of the HEI Initiative activities in 2024-2025. In particular:
 - In accordance with Article 3(2) of Decision 11/2022, the additional funding allocation 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 additional funding allocation decisions shall ensure that there is no double funding of KIC activities.
 - In accordance with Article 4(3) of Decision 11/2022, the additional funding allocation shall be subject to compliance with the Governing Board recommendations (if any) and the adjustments to be made to the proposals after the EIT's assessment.
- (2) In accordance with the EIT Strategic Innovation Agenda 2021-2027, some KIC activities, due to their specific nature, might need extra incentives to be performed. To this aim, the EIT Governing Board decides that the continuation of the HEI Initiative will be implemented in 2024-2025 at a funding rate up to 100%.
- (3) Additionally, in line with Article 2(2) of Decision 38/2023, the EIT Governing Board intends to allocate a similar amount to the post-pilot phase of HEI Initiative for 2024-2027 as it did during the pilot phase. The exact amount to be allocated overall and under the individual grant agreements will depend both on the overall availability of EIT funding as well as on the detailed proposal for the scaled up Initiative that will be developed under the lead of the coordinating KIC, EIT RawMaterials, in close consultation with the EIT. The EIT Governing Board expects that outcomes, results and impact of the Initiative will be scaled up compared to the pilot phase, in accordance with the Annex I of Decision 38/2023.
- (4) EIT Culture & Creativity shall join the continuation of the HEI Initiative activities in 2024-2025, upon the condition that its start-up phase is endorsed by the EIT Governing Board and the EIT signed the Partnership Agreement with the KIC.

Article 2

Additional HEI Fund for continuation activities in 2024-2025

The EIT budget for the additional funding allocation for the continuation of the HEI Initiative in 2024-2025 is **EUR 30,000,000 (indicative)**.

Article 3

Definition of modalities

- (1) Based on the funding allocation principles laid down in this Decision, the EIT Director shall define the modalities of the amendment assessment processes, in particular:
 - the invitation to request the amendment of HEI Grant Agreement which shall indicate the detailed requirements regarding the continuation of the HEI Initiative activities in 2024-2025,



- the evaluation of the amended proposal,
- the timeline of the processes including when further communication to the beneficiaries or feedback is foreseen,
- the formal requirements for receiving the EIT financial contribution for the additional funding allocation,
- the role and profiles of the independent external experts.

Article 4
Entry into force

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

Done in Budapest, on 29 January 2024¹⁷

Nektarios Tavernarakis
Chairperson of the Governing Board

¹⁷ Adopted in written procedure on 29 January 2024