





### **DECISION 16/2024**

#### 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 2025
TO THE BUSINESS PLANS OF THE SECOND, THIRD, FOURTH AND FIFTH WAVE
KNOWLEDGE AND INNOVATION COMMUNITIES (KICs),
AND TO CROSS-KIC ACTIVITIES AND SHARED SERVICES

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)")<sup>1</sup>, in particular to Article 18(7), Section 2(1)(c) 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")<sup>2</sup>, in particular to Sections 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<sup>3</sup>;

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")<sup>4</sup>;

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")<sup>5</sup>, in particular Article 1 thereof;

HAVING REGARD to the Decision of the Governing Board of the EIT of 16 December 2009 on the selection and designation of KIC InnoEnergy, Climate KIC and EIT ICT Labs<sup>6</sup>;



<sup>&</sup>lt;sup>1</sup> OJ L 189, 28.5.2021, p. 61-90.

<sup>&</sup>lt;sup>2</sup> OJ L 189, 28.5.2021, p. 91-118.

<sup>&</sup>lt;sup>3</sup> OJ L 170, 12.5.2021, p. 1–68.

<sup>&</sup>lt;sup>4</sup> OJ L 193, 30.7.2018, p. 1-222

<sup>&</sup>lt;sup>5</sup> Ref. Ares(2019)6810859

<sup>&</sup>lt;sup>6</sup> Ref. Ares(2010) 130286-11/03/2010



# A body of the European Union

### **FUNDING ALLOCATION PRINCIPLES 2025**

HAVING REGARD to the Decision of the Governing Board of the EIT of 9 December 2014 on the designation of the Knowledge and Innovation Communities (KICs) in the 'Innovation for healthy living and active ageing' theme and the: 'Raw Materials sustainable exploration, extraction, processing, recycling and substitution' thematic area<sup>7</sup>;

HAVING REGARD to Decision 29/2016 of the Governing Board of the EIT on the designation of the Knowledge and Innovation Communities (KICs) in the 'Food for Future' and 'Added Value Manufacturing' themes of 17 November 2016<sup>8</sup>;

HAVING REGARD to Decision 6/2018 of the Governing Board of the EIT of 2 March 2018 on the designation of the Knowledge and Innovation Community (KIC) in the 'innovation for healthy living and active ageing' theme and on the rejection of other applicants in the 2014 call for KICs' proposals<sup>9</sup>;

HAVING REGARD to Decision 36/2018 of the Governing Board of the EIT of 4 December 2018 on the designation of the Knowledge and Innovation Community in the 'Urban Mobility' thematic area <sup>10</sup>;

HAVING REGARD to Decision 37/2018 of the Governing Board of the EIT of 5 December 2018 on the designation of the Knowledge and Innovation Community in the 'Manufacturing' thematic area<sup>11</sup>;

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) activities<sup>12</sup>;

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 agreements<sup>13</sup>;

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)<sup>14</sup>;

HAVING REGARD to Decision 06/2022 of the Governing Board of the EIT on the 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<sup>15</sup>;

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 2023<sup>16</sup>;

HAVING REGARD to Decision 18/2022 of the Governing Board of the EIT of 22 June 2022 on the selection and designation of the EIT Knowledge and Innovation Community (KIC) in the area of Cultural and Creative Sectors and Industries<sup>17</sup>;

<sup>&</sup>lt;sup>7</sup> 02008.EIT.2014.I.EIT.GB

<sup>&</sup>lt;sup>8</sup> 05940.EIT.2016.I.GB42

<sup>&</sup>lt;sup>9</sup> 01148.EIT.2018.I.E1

<sup>&</sup>lt;sup>10</sup> Ref. Ares(2018)6260797

<sup>&</sup>lt;sup>11</sup> Ref. Ares(2018)6261053

<sup>&</sup>lt;sup>12</sup> Ref. Ares(2021)3111256

<sup>&</sup>lt;sup>13</sup> Ref. Ares(2021)3798804

<sup>&</sup>lt;sup>14</sup> Ref. Ares(2021)7384565

<sup>15</sup> Ref. Ares(2022)2098580

<sup>&</sup>lt;sup>16</sup> Ref. Ares(2022)2218730

<sup>&</sup>lt;sup>17</sup> Ref. Ares(2022)4608261



# A body of the European Union

### **FUNDING ALLOCATION PRINCIPLES 2025**

HAVIGN 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 2023<sup>18</sup>;

HAVING REGARD to Decision 4/2023 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 Institutions (HEI) Initiative<sup>19</sup>;

HAVING REGARD to Decision 5/2023 of the Governing Board of the EIT of 14 March 2023 on the principles for the determination of the initial EIT financial allocation for 2024-2025 to the Business Plan 2024-2025 of the Knowledge and Innovation Community EIT Culture & Creativity (EIT CC)<sup>20</sup>;

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  $1^{st}$ ,  $2^{nd}$ ,  $3^{rd}$  and  $4^{th}$  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 pilot<sup>21</sup>;

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 EIT<sup>22</sup>;

HAVING REGARD to Decision 7/2024 of the Governing Board of the EIT of 26 March 2024 on endorsing the progress of EIT Culture & Creativity in achieving the milestones of the start-up phase and finalisation of the new KIC's designation process<sup>23</sup>;

HAVING REGARD to Decision 11/2024 of the Governing Board of the EIT of 26 March 2024 on the initial allocation of the financial contribution to the Business Plan 2024-2025 of EIT Culture & Creativity Knowledge and Innovation Community (KIC)<sup>24</sup>;

### **WHEREAS**

- (1) Decision 11/2022 of the EIT Governing Board laid down the funding allocation principles for KIC 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 2023.
- (2) 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) and for the Cross-KIC 2023-2025 and HEI 2023 activities. In accordance with Article 2 of Decision 11/2022, 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.

<sup>&</sup>lt;sup>18</sup> Ref. Ares(2022)8603359

<sup>&</sup>lt;sup>19</sup> Ref. Ares(2023)1853153

<sup>&</sup>lt;sup>20</sup> Ref. Ares(2023)1853190

<sup>&</sup>lt;sup>21</sup> Ref. Ares(2023)8076871

<sup>&</sup>lt;sup>22</sup> Ref. Ares(2023)8668848

<sup>&</sup>lt;sup>23</sup> Ref. Ares(2024)2295438

<sup>&</sup>lt;sup>24</sup> Ref. Ares(2024)2400407



### **FUNDING ALLOCATION PRINCIPLES 2025**



- (3) 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.
- (4) By its Decision 39/2023, the EIT Governing decided on the allocation of the additional financial contribution for 2024 to the first, second, third and fourth wave of KICs' Business Plans, to Cross-KIC activities and shared services and to the finalisation of the HEI Initiative pilot.
- (5) By its Decision 11/2024, on 26 March 2024 the EIT Governing Board decided on the allocation of the initial financial contribution to the Business Plan 2024-2025 of EIT Culture & Creativity.
- (6) The present EIT Governing Board Decision shall lay down the distribution of the budget of the second additional funding allocation for the second, third, fourth wave KICs for 2025 and the first additional funding allocation for the fifth wave KIC for 2025. Then, the EIT Director should define the specific detailed criteria and modalities of the additional funding allocation process with regard to the assessment of the amendments and the performance in all the topics Business Plans of the second, third, fourth and fifth wave KICs and Cross-KIC activities.
- (7) The funding allocation principles for the continuation of the HEI activities in the period of 2024 and 2025 are not subject to this decision, as they are laid down in Decision 2/2024 of the EIT Governing Board.
- (8) 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 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 present decision.

#### HAS DECIDED AS FOLLOWS:

# Article 1 Application of the funding allocation principles in 2025

- (1) The provisions of Decision 11/2022 concerning the second, third and fourth wave KICs, and the provisions of 5/2023 concerning the fifth wave KIC, including the funding allocation principles and the main criteria, shall apply to the additional funding allocation for 2025.
- (2) In accordance with Article 3(2) of Decision 11/2022, and in accordance with Article 3(2) of Decision 5/2023, the second additional funding allocation for 2025 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.





## FUNDING ALLOCATION PRINCIPLES 2025

# Article 2 Distribution of the 2025 EIT budget for the second, third, fourth and fifth wave KICs

- (1) The EIT budget for the additional funding allocation for the second, third, fourth and fifth wave of KICs for 2025 is MEUR 134 (indicative) from the estimated budget available for 2025.
- (2) The funding shall be distributed as follows:

Туре	Indicative budget (in MEUR)
Additional allocation to the second, third and fourth wave of KICs (2025)	100
Additional allocation to the fifth wave of KICs (2025)	25
Additional allocation for Cross-KIC activities (2025)	9
Total (without third country contributions)	134

# Article 3 Distribution of the budget for additional allocation 2025 for the second, third and fourth wave of KICs

For 2025, the additional allocation dedicated to the second, third and fourth wave of KICs shall be split as follows:

KIC wave	Indicative split
Second and third waves (EIT Health, EIT Raw Materials, EIT Food) –2025	60%
Fourth wave (EIT Manufacturing, EIT Urban Mobility) –2025	40%

# Article 4 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 requirements regarding the additional activities of the KICs and the amendments,
  - the detailed specific criteria and corresponding weightings for the evaluation of the amendments,
  - the timeline of the processes including when further communication to the KICs 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.
- (2) The EIT Director shall launch the Request for amended KIC Business Plan proposals and the Cross-KIC proposals.
- (3) The additional funding allocation for 2025 shall be subject to compliance with the Governing Board recommendations (if any) and the adjustments to be made to the amendments after the EIT's assessment.





## **FUNDING ALLOCATION PRINCIPLES 2025**

### Article 5 Entry into force

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

Done in Budapest, 24 April 2024<sup>25</sup>

Nektarios Tavernarakis Chairperson of the Governing Board



<sup>&</sup>lt;sup>25</sup> Adopted in written procedure.